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State of Wisconsin
Governor Scott Walker

TO: **Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
Training Staff
Child Care Eligibility and
Authorization Workers
Child Care Coordinators**

DECE/BELP OPERATIONS MEMO

No: 18-32

DATE: 10/01/2018

Wisconsin Shares Child Care

FROM: Kath McGurk, Director
Bureau of Early Learning and Policy
Division of Early Care and Education
Department of Children and Families

**SUBJECT: CCDBG Phase 3 and Other Revisions to Wisconsin Shares Child
Care Policy and Process Handbook Chapters 1 and 2**

CROSS REFERENCE: Operations Memos 18-24, 18-25, 18-26, 18-27, 18-28, 18-29, 18-34, 18-42, 18-43, 18-44, and 18-45

EFFECTIVE DATE: October 1, 2018

PURPOSE: This Operations Memo informs local Child Care agency staff that Chapters 1 and 2 of the Wisconsin Shares Child Care Policy and Process Handbook will be updated to align with the Child Care and Development Block Grant (CCDBG) Phase 3 changes, as well as other areas as necessary.

BACKGROUND: Several key policy areas have been updated since the previous publication of the Wisconsin Shares Child Care Subsidy Policy Manual on August 1, 2018, to align with the CCDBG Phase 3 policy changes. Several other non-CCDBG changes have also been incorporated. Local agency staff are strongly encouraged to thoroughly review the new Chapters 1 and 2. Each change from the previous online version is highlighted in yellow in the online and the PDF versions of each chapter. PDF versions showing text removed from the manual with ~~red strikethrough~~ can be found in the [Wisconsin Shares Child Care Subsidy Administration SharePoint](#) site.

PROCESS: Process instructions have been added throughout the Wisconsin Shares Child Care Policy and Process Handbook to guide the worker through the actions to take in CWW or CSAW as applicable. The following is an example of a Process box.

Process: If the worker requests verification which the parent does not provide by the due date, the worker must enter a failing code (NV, QV, FN, or WN) on the corresponding income page in CARES Worker Web (CWW), and run eligibility. The case will pass if all other eligibility requirements are met. The worker must confirm eligibility after running eligibility.

These Process boxes are intended to help the worker make the connection between the policy and system functionality, particularly in cases where the process may be error-prone or confusing. Failure to follow the steps specified in the Process box could result in issues with determining eligibility or creating the authorization.

POLICY: The changes listed below will be incorporated and published in the Wisconsin Shares Child Care Policy and Process Handbook on October 1, 2018. Changes that do not reference an Operations Memo are clarifications that were not published in an Operations Memo.

Glossary

The following terms have been added to the Glossary: Authorization, Capped Subsidy, Copayment Period, Copayment Schedule, Copayment Type, Early Renewal, Excessive Unexplained Absences, Hourly Maximum, Maximum Rates, Monthly Maximum, Provider Price Type, Temporary Break, Ten (10) Calendar Days, and Unexplained Absence.

The following Glossary terms have been revised: Copayment and Eligibility Period.

The following Glossary terms have been removed: Voucher and Weekly Ceiling.

Chapter 1:

1.2 Definitions: This section has been deleted as it has been moved to the Glossary. All subsequent sections have been renumbered accordingly.

1.3.7 Child Support Cooperation: Added new policy to indicate which parents must be referred to the Child Support Agency (CSA), including the process for when both parties are living together, per Operations Memo 18-44.

1.3.8.2 High School: Clarified that teen parents participating in High School do not need to meet the 20 hour per month work requirement. This information was previously found in Section 1.3.8.7.

1.3.8.3 Employment: Clarified that participation in a Case Management Follow-up (CMF) or CMF+ placement in W-2 is considered to be employment for Wisconsin Shares Child Care.

1.3.8.3.2 Self-Employment: Clarified that parents must file taxes for self-employment in order for the self-employment to be an approved activity for Wisconsin Shares. Moved policy regarding the conditions that must be met in order for an activity to be considered self-employment from Section 1.6.11 to Section 1.3.8.3.2. Added several examples to demonstrate the difference between employment and self-employment.

1.3.8.5 Participation in a W-2 Placement: Added note that CMF and CMF+ placements are considered employment rather than W-2 for Wisconsin Shares Child Care.

1.3.8.7 Basic Education: Added cross-reference to Section 1.3.8.2 for basic education that is high school or equivalent and the parent is age 19 or younger. Removed policy regarding teen parents in high school from this section as it is covered in Section 1.3.8.2.

1.3.9 Exception to the Approved Activity Requirement: Moved policy from this section to Section 1.3.9.1 Parents with Limitations. Moved previous Section 1.4.10 Approved Activity Search Periods to Section 1.3.9.2. Added new subsections 1.3.9.3 Temporary Break Periods and 1.3.9.4 Consecutive Permanent Losses or Temporary Break Periods per Operations Memo 18-27.

1.4.1.1 Maximum Gross Income for Initial Eligibility: Added table for 185% Federal Poverty Level (FPL).

1.4.1.2 Maximum Gross Income for Ongoing Cases: Revised to indicate change from 200% FPL to 85% State Median Income (SMI) per Operations Memo 18-34.

1.4.6 Asset Testing: Clarified wording regarding out-of-home placement caretakers (there is no change to policy).

1.5.7 Applicant Refusal to Produce Verification: Revised policy regarding when a parent must provide financial verification per Operations Memo 18-29.

1.5.11 Approved Activity Verification: Clarified policy for self-employment regarding when the previous year's taxes may be used and when Self-Employment Income Report Forms (SEIRFS) may be used. Added process for workers regarding what actions to take when the parent's only approved activity is questionable.

1.5.11.2 Approved Activity Search Verification Requirements: Moved policy to Section 1.3.9.2 Approved Activity Search Periods and deleted this section.

1.5.12 Financial Eligibility Verification: Revised to indicate that financial verification is required at application and renewal. Added process for workers regarding what actions to take when income is entered in CARES Worker Web (CWW). Clarified which forms of financial verification are acceptable for self-employed parents.

1.5.12.1 Ongoing Financial Verification: Added new policy and process regarding financial verification for ongoing cases per Operations Memo 18-29. Clarified that parents are not required to verify a loss of income. Renumbered previous Section 1.5.12.1 Verifying Income from Employment that Ended Prior to the Application Date to Section 1.5.12.2.

1.8.1 Reporting Requirements: Revised to indicate new reporting requirements per Operations Memo 18-29.

1.8.2 Person Add: Created new section for policy and process regarding persons being added to an ongoing case.

1.8.3 Annual Renewals: Previously Section 1.9.2. Revised to indicate the new ongoing financial limit for households receiving Wisconsin Shares Child Care. Changed "review" to "renewal" throughout. Added new subsection 1.8.3.1 Early Renewals per Operations Memo 18-28. Moved policy from previous Section 1.9.3 Case Transfers to 1.8 and deleted Case Transfers section.

1.8.4 Running Eligibility with Dates to End Eligibility: Added note that for ongoing cases that fail to verify earned or unearned income, running with dates will not cause the AG to fail per Section 1.5.12.1.

Chapter 2:

Chapter 2 has been reorganized to improve clarity and align similar policy sections. The table in the attachment shows the previous section number and the new section number effective October 1. The following references are to the new section numbers.

2.1.2 Mandatory Contracts for Wisconsin Shares Child Care: Created new introduction section. Combined all sections regarding YoungStar and Fidelity National Information Services (FIS) information for providers into subsections within this section. Removed outdated information regarding providers receiving 1099 tax forms from DCF as these will all be received from FIS going forward.

2.2 Child Care Provider Prices: Grouped all information related to provider prices into subsections within the section. No changes were made to policy within these sections.

2.3.6 Authorization Begin Dates at Initial Eligibility: Reorganized this section for clarity. Removed outdated policy related to fingerprint compliance requirements. No other changes were made to policy in this section.

2.3.6.1 Authorizations at Initial Eligibility for Relatives with Court-Ordered Placement and Kinship Payment: Reorganized this section for clarity. Removed outdated policy related to fingerprint compliance requirements. Added example to demonstrate policy. No other changes were made to policy in this section.

2.3.7 Authorization Begin Dates During Ongoing Eligibility: Reorganized this section for clarity. Removed outdated policy related to fingerprint compliance requirements. No other changes were made to policy in this section.

2.3.8 Authorization End Dates: Created new section for policy regarding the end dates of authorizations per Operations Memo 18-43.

2.3.9 Consecutive Authorization Periods: Created new section for policy regarding the need to write consecutive authorizations per Operations Memo 18-43.

2.3.10 Retro Authorizations: Removed redundant text and replaced with cross-reference to 2.3.6 and 2.3.7.

2.4.2 When to do an Authorization Assessment: Created new section for policy and process regarding when to complete an authorization assessment per Operations Memo 18-42. Also created subsections for Mandatory Authorization Assessments and Optional Authorization Assessments.

2.4.3.4 Authorizations During an Approved Activity Search Period: Added policy that an authorization assessment must be completed and authorized hours must be reduced as applicable when a school-age child transitions from summer break to the fall school year. Added examples to demonstrate policy.

2.4.3.5 Authorizations During a Temporary Break Period: Added new policy regarding authorizations while the parent is in a Temporary Break (TBRK) period from his or her approved activity per Operations Memo 18-27.

2.4.3.6 Authorizations for New Self-Employment: Revised policy to indicate that parents may receive an authorization based on his or her self-employment schedule (up to 50 hours per week) for 12 months from the start of new self-employment rather than the previous 6-month time frame per Operations Memo 18-42. Added examples to demonstrate policy.

2.4.4.2 Head Start and 4K School Programs: Revised policy to remove Early Head Start and 3K as acceptable programs under this policy per Operations Memo 18-45. Clarified that the parent must be engaged in his or her activity at least part of the school program hours in order for the program to be covered in the authorization and added example to demonstrate this policy.

2.4.5 Subsidy Maximum Rates: Updated terms for consistency and to align with current system functionality.

2.4.7.1 Inclusion Rate for Children with Special Needs: Revised to indicate that a child attending the same provider may continue receiving a special needs rate until the Assistance Group's next renewal, even if the Special Needs Inclusion Rate form expires, per Operations Memo 18-42.

2.4.9 Changing and Ending an Authorization Mid-Month: Clarified policy to indicate that a new authorization can be written for the current month if there was an agency or client error in which the subsidy amount was loaded to the card for the incorrect provider.

2.4.11 Excessive Unexplained Absences: Created new section regarding policy for providers to report when a child has been absent for 30 consecutive days.

2.5.1 Copayments: Revised policy to reflect the new hourly copayment method per Operations Memo 18-25 and added examples to demonstrate system functionality. Created new subsections regarding calculating copayments in the Exit Copayment Period and assuming the full cost of care.

2.5.2 Copayment Types: Revised policy to restrict changing copayment types to a less favorable copayment type during the 12-month eligibility period per Operations Memo 18-25.

2.5.3 Copayment Periods: Created new section regarding the three Copayment Periods that are being implemented as part of CCDBG Phase 3 per Operations Memo 18-25.

2.5.5 Changes in Subsidy Amounts during the Eligibility Period: Revised policy to reflect case changes that can change the subsidy amount during the 12-month eligibility period per Operations Memo 18-26.

2.6 Parent Share: Added example to clearly demonstrate how the Parent Share is determined.

ATTACHMENT

[Chapter 2 Reorganization Crosswalk](#)

CONTACTS:

For Wisconsin Shares Child Care policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at BRCCPolicyHelpDesk@wisconsin.gov.

For Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Subsidy and Technical Assistance line at: childcare@wisconsin.gov or (608) 422-7200.

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