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State of Wisconsin
Governor Tony Evers

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

DECE/BELP OPERATIONS MEMO

No: 19-41

DATE: 10/28/2019

Wisconsin Shares Child Care

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**SUBJECT: Updates to Wisconsin Shares Child Care Policy and Process
Handbook Chapters 1, 2, and 4**

CROSS REFERENCE: Wis. Admin. Code DCF s. 201 ([Final Rule 18-088](#) updates);
Operations Memo [19-J6](#), [19-J7](#), [18-54](#), [19-16](#), [19-21](#), [19-24](#), [19-27](#),
[19-29](#), [19-30](#), [19-31](#), [19-32](#), and [19-33](#)

EFFECTIVE DATE: November 1, 2019

PURPOSE: This Operations Memo informs Wisconsin Shares Child Care local agencies that Chapters 1, 2, and 4 of the Wisconsin Shares Child Care Policy and Process Handbook will be updated with the Operations Memos published from March 2019 to the current date. Additional updates will also be made for minor clarifications of policy.

BACKGROUND: Several key policy areas have been updated since the previous publication of the Wisconsin Shares Child Care Policy and Process Handbook Chapters 1 and 2 on March 1, 2019, and Chapter 4 on January 3, 2019. Local agency staff are strongly encouraged to thoroughly review the new Chapters 1, 2, and 4. Each change from the previous online version is highlighted in yellow in the online and PDF versions of each chapter. Text removed from the Handbook is indicated by ~~red strikethrough~~ in the PDF version only.

POLICY: The changes listed below will be incorporated and published in the Wisconsin Shares Child Care Policy and Process Handbook on November 1, 2019. Changes that do not reference an Operations Memo are clarifications that were not published in an Operations Memo.

Glossary

The following definitions were **added**: Adverse Action, Agency Ceiling, Initial Hourly Amount, Kinship Care Relative.

The following definitions were **revised**: Assistance Group, Disallowed Self-Employment Expenses for Child Care (previously titled Invalid Self-Employment Expenses for Child Care), Learnfare, Liquid Asset, Parent, Parent Share, Permanent Loss of Approved Activity, Qualified Immigrant (see 1.3.5 below), School Closed Hours, and Supervised Independent Living Arrangement.

The following definitions were **removed**: Break in Employment, Good Cause for Non-Participation in the approved activity while using subsidized child care, Inclement Weather Hours, and Satisfactory Progress.

Chapter 1:

1.1.2.1 Agency Procedures: Added new section to clarify that local agencies are prohibited from creating policies that are more restrictive than the policies and guidance described in the Wisconsin Shares Child Care Policy and Process Handbook.

1.1.4 Confidentiality: Revised to provide specific guidance regarding confidentiality and Safe at Home participants in accordance with [Operations Memo 19-29](#).

1.2.4 Interactive Interview: Clarified that the Case Summary must be generated immediately upon completion of the interview for the parent to review (this is not new policy).

1.2.5 Application/Review Interview Details Page: Removed this section as the policy is already included in Section 1.2.4. Renumbered subsequent sections accordingly.

1.2.8 Child Care Eligibility Closed for a Calendar Month or Longer: Renumbered to 1.2.7. Clarified that if Wisconsin Shares Child Care eligibility has been closed for less than a calendar month, the parent does not need to re-apply.

1.3.1 Assistance Groups: Clarified that an 18-year-old is considered a dependent 18-year-old when he or she resides with a parent (according to the Wisconsin Shares Child Care definition); the parent that he or she is residing with does not have to be the 18-year-old's biological or adoptive parent in order for the 18-year-old to be considered a dependent 18-year-old for Wisconsin Shares Child Care eligibility.

1.3.2 Applicant Age: Clarified the definition of an "approved and supervised independent living arrangement".

1.3.3 Ages of Eligible Children: Clarified that a child must be age 12 or younger at application or renewal in order to qualify for Wisconsin Shares Child Care; however, a child who turns 13

years old during the eligibility period may continue to be eligible until the next annual renewal (this is not new policy).

1.3.5 Qualified Immigrant: Added the definition for Qualified Immigrant from the Glossary to this section for clarity; no changes were made to this policy.

1.3.7 Child Support: Clarified the definition of cooperating with child support. Added the process for CARES Worker Web (CWW) to not refer the parent to the Child Support Agency when the parent is not required to cooperate with child support.

1.3.7.3 Good Cause Notice: Clarified that unlike the Good Cause Claim form (DCF-F-DWSP2019), the Good Cause Notice (DCF-F-DWSP2018) is not automatically generated by CWW. Agency workers must retrieve this form from the online [DCF Forms Repository](#) and manually provide a copy to the parent when needed.

1.3.7.5 Good Cause Claim: Added process for CWW when the parent claims good cause.

1.3.7.11 Good Cause Disputes: Removed language regarding a Fair Hearing being controlling in a Wisconsin Works (W-2) Fact Finding review; this language was removed with the [CR 18-088](#) updates to Wis. Admin. Code DCF s. 102.

1.3.8.2 High School: Clarified that the living arrangements listed in this section are requirements for high school to count as an approved activity for a minor parent; policy regarding whether a minor parent can apply for Wisconsin Shares Child Care on his or her own is listed in Section 1.3.2 Applicant Age.

1.3.8.3 Employment: Added further clarification regarding the difference between employment and self-employment as an approved activity.

1.3.8.3.2 Self-Employment: Added additional criteria to assist local agencies in identifying whether self-employment qualifies as an approved activity for Wisconsin Shares Child Care.

1.3.8.5 Participation in a W-2 Placement: Clarified that Trial Employment Match Program (TEMP) placements are considered Employment rather than a W-2 Placement for Wisconsin Shares Child Care eligibility.

1.3.9.1 Parents with Limitations: Added “physician assistant” and “nurse practitioner” as medical professionals who can provide documentation of a disability or health condition that make a parent unable to participate in an approved activity and unable to provide child care in a two-parent household in accordance with [CR 18-088](#).

1.3.9.2 Activity Break Periods: Combined Approved Activity Search Period (ACTS) and Temporary Break Period (TBRK) policies into one section. Updated policies in accordance with [Operations Memo 19-39](#).

1.3.9.3 Temporary Break Periods: Obsolete. See Section 1.3.9.2 Activity Break Periods.

1.3.9.4 Consecutive Permanent Losses or Temporary Break Periods: Obsolete. See Section 1.3.9.2 Activity Break Periods.

1.4.2 Income that is Included in the Financial Eligibility Test: Removed “private student loans that are not used for tuition or books” as private student loans are now disregarded income for Wisconsin Shares Child Care in accordance with [Operations Memo 19-40](#).

1.4.3 Income that is Not Included in the Financial Eligibility Test: Added that educational loans are disregarded income in accordance with [Operations Memo 19-40](#). Clarified that any work or activity in which a parent is paid “in-kind” rather than money is not considered income for Wisconsin Shares Child Care.

1.4.5.4 Self-Employment Income: Added policy indicating that the Qualified Business Income Deduction (QBID) has no impact on Wisconsin Shares Child Care eligibility in accordance with [Operations Memo 19-J7](#).

1.5.10 Non-Financial Eligibility Verification: Clarified that the Department of Motor Vehicles (DMV) Driver’s License Query can only be used to verify identity if the license status is valid or expired in accordance with Process Help Chapter 44. Clarified that local agencies may not use KIDS to verify residency or residence. Clarified which individuals are exempt from providing address verification but must still certify that they reside in Wisconsin and intend to reside in Wisconsin. Revised to indicate that self-declaration of shared placement should be accepted unless questionable and that agencies must not collect placement documents and make changes to the parent’s case without the parent’s knowledge. Revised to indicate that relatives with court-ordered placement of a child may use the same types of verification as foster care, subsidized guardianship, and interim caretaker placements (and therefore removed redundant language for relatives with court-ordered placement of a child).

1.5.11 Approved Activity Verification: Removed types of employment verification as this is listed in Section 1.5.12 Financial Eligibility Verification. Added cross-reference to 1.5.12. Revised process to clarify when to pend on the Employment page for an approved activity as opposed to when to pend on the Approved Activity page.

1.5.11.1 Self-Declaration of New Employment: Added process for running eligibility in CWW when the parent has applied for multiple programs and has self-declared new employment.

1.5.12 Financial Eligibility Verification: Added that year-to-date (YTD) on paystubs can be used to calculate missing paystubs if necessary, in accordance with Process Help Section 16.4.2. Clarified that the Federal Employee Identification Number (FEIN) is not required to be entered in CWW for Wisconsin Shares Child Care.

1.6.2 Eligibility through the Migrant Child Care Contract (MCC): Clarified that the child’s citizenship or immigration status needs to be verified in order to qualify for Wisconsin Shares Child Care under the MCC (this is not new policy).

1.7 Foster Care, Subsidized Guardianship, Interim Caretaker, and Relatives with Court-Ordered Placement who Receive Kinship Care: Removed income from the items that foster care parents, subsidized guardians, interim caretakers, and relatives with court-ordered placement who receive a Kinship Care payment must verify in order to be eligible for Wisconsin Shares Child Care; however, these parents must still verify their approved activity.

1.7.1 Financial Eligibility: Clarified that a child shall be considered financially eligible even if the income of the biological or adoptive parent is not available for a child placed with foster care parents, subsidized guardians, interim caretakers, and relatives with court-ordered placement who receive a Kinship Care payment. Clarified that placement parents must verify approved activity.

1.7.3 Exemption from Providing Verification with 7 Business Days: Removed requirement that foster care parents, subsidized guardians, interim caretakers, and relatives with court-ordered placement who receive a Kinship Care payment provide income verification.

1.8.3 Annual Renewals: Clarified that a renewal is only considered complete when the parent has completed the interactive interview, provided a signature, and provided all necessary verification, and the agency worker has confirmed eligibility in CWW.

1.8.3.1 Early Renewals: Clarified that when a timely renewal for another Income Maintenance (IM) assistance program is initiated, CWW will prevent the agency worker from initiating a Wisconsin Shares Child Care renewal if it is prior to the first day of the 11th month of eligibility.

1.8.4 Ending Eligibility: Created new section to add policy regarding when to end eligibility in accordance with [CR 18-088](#) and [Operations Memo 19-31](#).

1.8.4.1 Running Eligibility with Dates to End Eligibility: Renumbered to 1.8.4.1. Removed running eligibility with dates process that is already listed in Process Help Section 5.3. Added CWW failure reason codes for reference. No changes were made to this policy.

Chapter 2

2.2.3 Certified Child Care Provider Prices: Revised to indicate that regularly and provisionally certified provider prices are set at 90% of the licensed family maximum hourly rate in accordance with [Administrator's Memo 19-03](#).

2.2.4 Dually Regulated Child Care Provider Prices: Removed this section in accordance with [Operations Memo 19-33](#).

2.3.2 Authorizations for Children Whose Parent is a Child Care Provider: Clarified when a waiver may be used and how to request a waiver for a child to attend a different child care provider.

2.3.2 Authorizations for Children Who Live With a Child Care Provider: Clarified that this policy applies to any adult living with a child, not only those adults who are included in the assistance group.

2.3.6 Authorization Begin Dates at Application and Renewal: Clarified the timeframe for an authorization begin date following application or renewal in accordance with [Operations Memo 19-30](#).

2.3.7 Authorization Begin Dates During Ongoing Eligibility: Clarified the timeframe for an authorization begin date during ongoing eligibility in accordance with [Operations Memo 19-30](#).

2.3.8 Authorization End Dates: Clarified that when there is a gap of one (1) calendar month or more between authorizations the authorized hours must be based on the assessment (see 2.4.2.1).

2.3.9 Consecutive Authorization Periods: Minor wording changes for clarity; no change to policy.

2.3.10 Short-Term Authorizations: Clarified that the seven (7) day authorization policy described in this section only applies to authorizations written in addition to the parent's regular authorizations in accordance with [Amended Operations Memo 18-54](#).

2.3.11 Backdated and Retro Authorizations: Clarified the difference between a retro authorization and a backdated authorization.

2.4 Authorization Assessment: Removed reference to inclement weather hours.

2.4.2 Length of Authorization: Re-titled from 'When to do an Authorization Assessment'.

2.4.2.1 Authorizations Based on Assessment Results: Previously titled 'Mandatory Authorization Assessments'. Revised wording for clarity. Added that an authorization assessment must still be completed, and the subsequent authorization must be based on the assessment results, if the case meets one of the required authorization assessment criteria during an ACTS or TBRK period.

2.4.2.2 Authorizations Based on Continuity of Care: Previously titled 'Optional Authorization Assessments'. Clarified that an authorization assessment must be completed following a reported change. Further clarified that parents may choose to maintain the previous authorized hours, may choose an authorization for the reduced hours, or may choose an authorization with hours between the original authorized hours and the new assessment results. Clarified that if a parent chooses to keep the higher authorized hours following an authorization assessment, they must ensure they do not overpay the provider (added cross-reference to Section 4.5.4.2.4.5).

2.4.3.4 Authorizations During an Activity Break Period: Combined policy for authorizations during an ACTS and TBRK period under this section. Updated policies in accordance with [Operations Memo 19-39](#).

2.4.3.5 Authorizations During a Temporary Break Period: Obsolete. See Section 2.4.3.4 Authorizations During an Activity Break Period. Renumbered subsequent sections accordingly.

2.4.3. Authorizations for New Self-Employment: Renumbered to 2.4.3.5. Minor wording changes for clarity; no change to policy.

2.4.3.9 Two-Parent and Three-Generation Families with a Teen Parent: Renumbered to 2.4.3.8. Added "physician assistant" and "nurse practitioner" as medical professionals who can provide documentation of a disability or health condition that make a parent unable to participate in an approved activity and unable to provide child care in a two-parent household in accordance with [CR 18-088](#).

2.4.3.10 Sleep Hours for Third Shift Employment: Renumbered to 2.4.3.9. Clarified that local agencies should determine a reasonable number of sleep hours on a case-by-case basis.

2.4.4.2 Co-located Head Start and 4K School Programs: Added the word "Co-located" to title for clarity.

2.4.4.3 Authorizations for Children in Grades K-12: Previously titled 'Authorizations for Children in Grades 1-12'. Section 2.4.4.3 now applies to Kindergarten as well.

2.4.4.4.1 School Closed Hours: Combined policy for regular school closed hours and inclement weather school closed hours. Revised policy in accordance with [Amended Operations Memo 19-27](#).

2.4.4.5 Zero-Hour Authorizations: Renumbered to 2.4.4.4. Removed reference to inclement weather hours.

2.4.4.6 Authorizations for Inclement Weather-Related School Closures: Obsolete. See Section 2.4.4.4.1 School Closed Hours.

2.4.5 Subsidy Maximum Rates: Revised to indicate that regularly and provisionally certified provider prices are set at 90% of the licensed family maximum hourly rate in accordance with [Administrator's Memo 19-03](#).

2.4.7 Override Provider Price: Distinguished between overriding prices for a higher subsidy amount and overriding prices to a lower subsidy amount. Clarified that CSAW will not allow a provider discount to be entered if it is higher than the Initial Hourly Amount or Monthly Maximum.

2.4.7.2 Provider Discounts: Clarified that CSAW will not allow a provider discount to be entered if it is higher than the Initial Hourly Amount or Monthly Maximum.

2.4.7.3 In-Home Care for 15 or More Hours Per Week: Revised to indicate policy and process for determining minimum wage minus the copayment amount regardless of the number of children in care in accordance with [Operations Memo 19-24](#).

2.4.9 Changing and Ending an Authorization During a Month: Clarified additional situations in which the parent could receive a new authorization in the same month, as well as process for writing the new authorization.

2.4.9.1 Authorizations in Situations of Hardship: Added policy regarding attending a new provider following a declaration of a state of emergency in accordance with [Operations Memo 19-32](#). Revised to indicate that the Hardship Denial Notice is now system-generated; workers no longer need to manually mail the letter to the parent.

2.4.11 Excessive Unexplained Absences: Removed the circumstances under which an absence would be considered unexplained and added cross-reference to Section 4.8.4.

2.5.4 Subsidy Calculation: Removed reference to Inclement Weather Hours.

Chapter 4:

Part A: Client Program Integrity

4.2.1.3 FEV Referral Steps: Removed information on subsidy savings resulting from FEV because the newly created section 4.4.4 contains information on BRITS Future Cost Savings (FCS).

4.2.1.5.2 Subsidy Funds Utilization: Added information about the report titled "Inactive EBT Cards For More Than 30 Days With a Balance Amount", which is available through Web Intelligence (WebI).

4.2.2 Children who Reside in the Household of a Child Care Provider: This section was previously titled Parents who are also Child Care Providers, and has been renamed Children who Reside in the Household of a Child Care provider.

4.3.2 Data Exchanges: Added information on the Prisoner Data Match, and added updated information on the State Wage Income Collection Agency (SWICA) process.

4.4 Client Investigations: Clarified that is recommended that local agencies attempt to contact the client before establishing an overpayment. It is required that local agencies attempt to contact the client before establishing an Intentional Program Violation (IPV). All attempts to

contact a client in regard to an overpayment or IPV must be recorded in CARES Worker Web (CWW) case comments.

4.4.2.1 Questionable Approved Activity: This section was previously titled Questionable Employment, and has been renamed Questionable Approved Activity. Information has been added which states if a parent is in an ACTS or TBRK period and fails to report to the local agency that they began an approved activity during the break, a loss of this unreported approved activity will not result in another ACTS or TBRK because the approved activity was never reported or verified.

4.4.4 Future Cost Savings (FCS): Added information on the Benefit Recovery Investigation Tracking System (BRITS) Future Cost Savings (FCS) field, and that FCS is the total benefit amount that might have been issued had overpayments and fraud not been identified.

4.4.4.1 FCS Formula: Added the formula workers use to determine the FCS amount in accordance with [Operations Memo 19-J6](#). To determine the FCS amount, workers must multiply the average monthly overpayment amount (the total overpayment amount divided by the number of months where issued payments were in error) by the remaining number of months in the current eligibility period.

4.5.2.2.1 Overpayment Period: Clarified that timely reported changes will not result in overpayment, unless an administrative error occurs which affects eligibility in situations where a local agency fails to enter reported information timely, resulting in the parent receiving an incorrect subsidy amount and the parent makes a payment to the provider. In most cases, timely and untimely changes that result in an alteration or end to eligibility or an authorization should begin on the first day of the month following the change and end on the last day of the current month. In income cases where the date of change is unknown, the begin date should be the first day of the month following the paycheck that placed the client over the reporting requirements. Exceptions to the overpayment periods are located in section 4.5.2.2.1.1.

4.5.2.2.2 Apply Credits: This section was previously titled Verify Funds, and has been renamed Apply Credits.

4.5.4.1 Administrative Error(s): Clarified that administrative errors that affect only authorizations, and do not affect eligibility, will not result in client overpayment.

4.5.4.1.2.2 Incorrect Provider or Provider Location Authorized: Additional information has been added to this section for situations when a payment is made to the incorrect provider, or incorrect provider location, and the provider declines the VPA process.

4.5.4.2.4.5 Change in Child Care Need: Added information to state that parents are required to report a change in child care need within 10 days when a child is attending less hours than authorized.

4.5.4.3.1.3 Misrepresentation of Child Care Needs: Added information that an Intentional Program Violation (IPV) for misrepresentation of child care needs may be assessed if a client requests school closed hours without intent to use the additional hours.

4.5.4.3.2.3 Giving a MyWICChildCare EBT Card, Account Number, or PIN to a Provider or Other Individual: This section was previously named Possessing a MyWICChildCare EBT Card, Account Number, or PIN, and has been renamed Giving a MyWICChildCare EBT Card, Account Number, or PIN to a Provider or Other Individual.

4.5.4.3.3 Administrative Hearing: Added information on client administrative hearings.

4.5.4.3.3.1 Waiver of Administrative Hearing: Added information on the Waiver of Administrative Fair hearing form, in accordance with [Operations Memo 19-21](#).

4.5.4.3.6 IPV Approval Process: Added information on the Client IPV Request form ([DCF-F-2893](#)) which must be submitted to the Bureau of Program Integrity (BPI) for approval. Approvals for a first time IPV are completed by email. Second and third time IPV's are approved by phone meeting.

4.5.4.3.6 Approval Requirements for IPV: Added updated information on the approval requirements for 1st, 2nd, and 3rd IPV's.

4.5.6.4.2 Witness Lists: Added a note that in the event of an appeal of any overpayment or IPV, the local agency must have the agency worker who entered comments into CWW testify at the hearing. In the event the worker no longer is employed with the local agency, a Child Care Coordinator or supervisor may testify in the worker's place.

Part B: Provider Program Integrity

4.8.3 Prohibited Actions by a Provider: Added information that a provider may not require a parent to provide the parent's eligibility notice or authorization notice.

4.8.4 Requirement for Providers to Notify Local Agency: Added information that licensed providers are required to report if they will be closed for more than two (2) weeks, and must report all seasonal closings at least five (5) calendar days before the closing to the local agency and the Bureau of Early Care Regulation (BECR).

4.9.3.4 Repeat Violations: Removed information on repeat violations of the 40% rule.

4.10.1.1 Unannounced Site Visit: Added information that it is recommended that six (6) complete calendar months of attendance records are collected during the site visit.

4.11.1.2.2 Provider Violations: This section was previously named Provider Error(s), and has been renamed Provider Violations. Receiving and retaining payment for care not provided has been added to the list of provider violations.

4.11.1.2.2.8 Missing Records: Added information that if a provider is unwilling or unable to provide attendance records for a period of time that have been requested by the Department or a local agency, the provider may be responsible for an overpayment of any subsidy funds received during that period of time.

4.11.1.2.2.9 Receiving Payment for Days When Not Regulated: Added information that an overpayment may be assessed if a provider received payment for days when the provider was not regulated.

4.11.3 Forfeitures: Added information on forfeitures that may be imposed on a provider for program violations.

4.12.1.1 Voluntary Repayment Agreement (VPA): Added updated information on VPA failure notices, and clarified that VPAs may not be utilized to return funds for a provider overpayment.

4.12.2.4.1 Manual Provider Payments: Added information regarding a change in the provider overpayment collection process.

4.12.3 Delinquency Collections Process: Added information that if a provider receives three

(3) Dunning Notices over the life of the debt a DOR State Tax Intercept may occur.

CONTACTS:

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

For investigation, overpayment, and program integrity internal procedure development questions; written resource and subject matter expert requests; and VPAs and Retractions, please contact the Bureau of Program Integrity (BPI) at: DCFBPITArequest@wisconsin.gov or the [Technical Assistance Request Page](#) on the DCF Website.

For Wisconsin Shares Child Care Chapter 3 and 4 policy questions outside of Milwaukee County contact the Bureau of Regional Operations (BRO) Child Care Policy Help Desk at BROCCPolicyHelpDesk@wisconsin.gov.

For referrals regarding alleged client or provider child care fraud or other program integrity concerns, please submit a referral to the Child Care Fraud Mailbox at DCFMBCHILDCAREFRAUD@wisconsin.gov.

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