



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

DECE/BCCSA OPERATIONS MEMO
No: 22-27
DATE: 11/17/2022
Child Care

FROM: Junior Martin, Director
Bureau of Child Care Subsidy Administration
Division of Early Care and Education
Department of Children and Families

SUBJECT: Wisconsin Shares Handbook Updates

CROSS REFERENCE: [Wisconsin Shares Handbook](#)
Operations Memos [20-23](#), [21-11](#), [22-02](#), [22-04](#), [22-16](#), [22-17](#), [22-18](#),
[22-19](#), [22-24](#), [22-25](#), [22-26](#)

EFFECTIVE DATE: December 1, 2022

PURPOSE: This Operations Memo informs local agencies of updates that have been made to the Wisconsin Shares Handbook that will be published and effective on December 1, 2022.

BACKGROUND: In 2020, the Bureau of Early Learning Policy Wisconsin Shares Policy Section merged with the Bureau of Program Integrity to form the Bureau of Child Care Subsidy Administration. As a result, the Wisconsin Shares Handbook has been revised to integrate program integrity policy into eligibility and authorization policy. The Handbook has been updated with the Operations Memos published from April 2021 to the current date. Additional updates have also been made for minor clarifications of policy. Separate chapters have been created for each section, language has been revised to meet plain language standards, and changes are not highlighted to improve readability. A crosswalk to map the previous Handbook sections to the new Handbook sections is attached to this Operations Memo. Local agency staff must thoroughly review the new Handbook.

POLICY: The changes listed below were incorporated into the Wisconsin Shares Handbook effective on December 1, 2022. Changes that do not reference an Operations Memo are clarifications and were not published in an Operations Memo.

NEW POLICY

1.3 Parent's Rights: Added new section to specify a parent's rights when applying for and receiving Wisconsin Shares.

3.3 Interview: Clarified that in a two-parent household, either parent can complete the interview. Clarified that the agency worker must provide the parent with a copy of the [Good Cause Notice form \(DCF-F-DWSP2018-E\)](#), regardless of whether the family is intact or if there is an absent parent.

3.5 Initial Eligibility Determination: Clarified that in the scenario where a parent is not eligible for the month in which they apply but meets the eligibility criteria for the following month, the parent's eligibility period begins the first of the month following the Request for Assistance (RFA) date.

3.6 Front-End Verification (FEV) and Appendix V Error Prone Profile and Front-End Verification: Revised to require that a case must contain three (3) Error Prone Profile (EPP) characteristics when determining if a case should be referred for FEV.

4.1.2 Shared Placement: Removed the requirement that a shared placement schedule must be documented in case comments for eligibility. This is required for the authorization assessment (see 16.1.2).

4.3 Ages of Eligible Children: Clarified that if a child who is age 18 or younger with a verified disability turns 19 years old during the eligibility period, they may continue to be eligible until the next annual renewal.

4.7 Child Support Cooperation: Revised to clarify differences between legal/adjudicated father, acknowledged father, and claimed father in accordance with [Operations Memo 22-04](#).

4.7.2 Child Support Noncooperation: Clarified that when eligibility ends due to a parent not cooperating with the Child Support Agency for their biological or adopted children, eligibility will continue for children on the case who are in foster care, subsidized guardianship placements, interim caretaker placements, and children in a court-ordered placement with a relative who receives the Kinship Care payment in accordance with [Operations Memo 20-23](#).

5.1.1.1 Self-Employment: Revised to indicate that after the annual renewal that follows the 24th month of new self-employment, the self-employment only qualifies as an approved activity if annual net business income equals \$400 or more in accordance with [Operations Memo 22-24](#).

5.1.2.1 High School: Removed "married" as a type of living arrangement required to determine if the parent who is under the age of 18 is participating in an approved activity. This is related to applicant age, not approved activity.

5.1.5 FoodShare Employment and Training (FSET) Participation: Created a crosswalk from the [FSET Handbook](#) Appendix C: Fundable Component Codes to the Wisconsin Shares Activity Type codes on the Child Care Activity Status page in CWW.

5.2 Parents with Medical Exemptions: Clarified that in two-parent households when a parent has a temporary absence from their approved activity due to a medical condition, they must first be evaluated for a medical exemption in accordance with [Operations Memo 22-26](#). If they do

not meet the criteria for a medical exemption, then they must be evaluated for Temporary Break Period (TBRK) eligibility.

6.1.1 Application Income Limit: Updated to 2022 Federal Poverty Level (FPL) amounts in accordance with [Operations Memo 22-02](#).

6.1.2 Ongoing Eligibility Income Limit: Updated to 2022 State Median Income (SMI) amounts in accordance with [Operations Memo 22-02](#).

6.3 Disregarded Income: Updated the following:

- Educational aid includes aid received under the GI Bill
- Refugee Cash Assistance (RCA), Matching Grant program payments, and Reception & Placement assistance payments are disregarded income
- If the total amount of per capita shares and income under the Indian Tribal Judgment Funds Use or Distribution Act exceeds \$2,000 per month, the entire amount is counted as income in the Wisconsin Shares financial eligibility test

6.5 Liquid Asset Limit: Clarified that only the verification received to confirm that the parent exceeds the liquid asset limit needs to be documented in case comments.

7.3 Authority to Request Information: Clarified that the local agency must not request verification of an item that is not required unless that item is questionable.

7.4 Verification Due Date: Clarified that the verification due date can be extended to a maximum of 30 calendar days from the RFA date or renewal due date only on a case-by-case basis for parents who cannot provide verification by the verification due date. Clarified for verification requested during ongoing eligibility, the verification due date can be extended to a maximum of 30 calendar days from the mailing date of the Notice of Proof Needed on a case-by-case basis.

7.7 Nonfinancial Eligibility Verification: Updated the following:

- Clarified that returned mail with a forwarding address and New Hire matches are not acceptable sources of residency and residence verification
- Clarified that residence verification must include the complete address, including apartment number if applicable, and that a post office box address is not sufficient
- Clarified that shared placement can be self-declared unless questionable but foster care, subsidized guardianship, interim caretaker placements and court-ordered placement of a child with relatives (including voluntary guardianship) must be verified (previously listed together under "Placement of Children")
- Added sources of legal parentage verification in accordance with [Operations Memo 22-04](#)

7.8 Approved Activity Verification: Clarified that parents do not need to provide paystubs for a full 30 days to verify that they have an approved activity or, for Approved Activity Search Periods (ACTS) and Temporary Break Periods (TBRK), that the parent participated in an approved activity prior to the break.

7.9.1 Self-Employment Income Verification: Updated the following in accordance with [Operations Memo 21-11](#):

- Removed "Verification that IRS form 4868 Application for Automatic Extension of Time to File U.S. Individual Income Tax Return has been filed with the IRS" from list of proof that taxes have been filed since this is definitive proof that taxes have not been filed

- Clarified that the previous year's tax information can be used if the parent is applying for Wisconsin Shares or completing a Wisconsin Shares renewal and the parent has filed for a tax extension (proof of filing a tax extension is not required unless questionable)
- Clarified that if the business has not yet filed taxes, parents must provide [Self-Employment Income Report Forms \(SEIRFs\) \(F-00107\)](#) for at least 3 months up to a maximum of 12 months depending on the business' start month
- Clarified when parents must provide SEIRFs, the most recently files taxes, the previous year's taxes, or the previous year's taxes and SEIRFs depending on the business circumstances

7.9.2 Ongoing Financial Verification: Clarified that even if an income change is not verified, CSAW uses the most recently confirmed budget for that month when determining subsidy [this is not new policy but was not previously stated].

9.2 Financial Eligibility: Updated to 2022 Federal Poverty Level (FPL) amounts in accordance with [Operations Memo 22-02](#).

10.1 Reporting Requirements: Added a requirement to report when a child is born and when there is a change in the composition of the Assistance Group (AG), including when a child is adopted, legal parentage is established between a child and a second parent living in the home, or a parent becomes a foster parent, subsidized guardian, or interim caretaker in accordance with [Operations Memo 22-18](#).

12.1 Eligibility Comments: Removed requirement to document shared placement schedule for eligibility in case comments; this is collected as part of the authorization. Clarified that only the verification received to confirm that the parent exceeds the liquid asset limit needs to be documented in case comments.

12.2 Authorization Comments: Updated the following:

- Clarified that the rationale for all travel time must be documented in case comments
- Clarified that documentation for child care need that exceeds 12 hours per day must include the entire child care need (including travel time), not just the time that exceeds 12 hours
- Clarified that the days and times the child needs care must be documented in case comments
- Clarified that only the parts of the child's school schedule that are relevant to when child care is needed must be documented in case comments
- Clarified that the results of the [Wisconsin Shares Hourly In-Home Price Calculator form \(DCF-F-5329-E\)](#) when a Provider Price Type of Override (In-Home) is used must be documented in case comments

14.2.1 Out-of-State Provider License Renewal: Added new section to address requirements for out-of-state providers to provide updated license information.

14.3.2 Fidelity National Information Services (FIS) Contract: Clarified that the 1099-MISC sent by FIS does not account for funds returned to the department via a Voluntary Payment Agreement (VPA) and FIS cannot update the 1099-MISC to adjust this.

14.7 Provider Record Keeping: Clarified that when attendance records are requested by the department, original records should be provided if the provider chooses to mail the records. If the records are faxed or emailed, electronic copies are acceptable.

15.3 Authorization End Dates: Revised policy to indicate that authorizations must be written with an end date of the next renewal date or the next expected change that requires an authorization to be based on the assessment results (not just the next expected change) in accordance with [Operations Memo 22-19](#).

16.1.1 Approved Activity Schedules: Clarified that for new employment with a varying or on-call schedule, the agency worker should write the authorization based on the parent's best estimate and the length of the authorization should be in accordance with Section 15.3 (previous policy that an authorization should be written for a shorter period during which the parent collects their actual schedule was repealed).

16.1.2 Child Care Need Schedule: Clarified that the days and times the child needs care must be documented in case comments.

16.1.2.1 Co-located Head Start and 4K School Programs: Clarified that Early Head Start and 3K programs must be co-located with the child care provider location for these hours to be included in the authorization.

16.1.2.2 School Closed Hours: Clarified how continuity of care applies to school closed hours in accordance with [Operations Memo 22-17](#).

16.1.4 Travel Time: Clarified that the rationale for all travel time must be documented in case comments. Clarified that for sleep hours and online education when the parent logs in from home, travel time includes the time the parent needs to travel from the child care provider to home for sleep or their education activity.

16.1.5 Maximum Hours Per Day: Clarified that the documentation for child care need that exceeds 12 hours per day must include the entire child care need (including travel time), not just the time that exceeds 12 hours.

16.2.1 New Self-Employment Authorizations: Revised to update the new self-employment period from the first 12 months following the start of the self-employment business to the annual renewal following the 24th month of the start of the self-employment business in accordance with [Operations Memo 21-11](#). Updated the following in accordance with [Operations Memo 22-24](#):

- Revised to indicate that parents are only eligible for a new self-employment period once
- Revised to indicate that once the 24-month clock starts, the clock continues to count even if Wisconsin Shares eligibility ends during that period or the business closes

16.2.2 Ongoing Self-Employment Authorizations: Clarified that when there are two (2) self-employed parents that have different maximum calculated hours in CSAW, the agency worker must use the lesser of the two (2) calculations for the maximum authorization amount. Updated the following in accordance with [Operations Memo 21-11](#):

- Revised to update the new self-employment period from the first 12 months following the start of the self-employment business to the annual renewal following the 24th month of the start of the self-employment business
- Revised to indicate that gross income is used in the minimum wage calculation, not net income

16.4.1 Inclusion Rate: Revised in accordance with [Operations Memo 22-25](#) to indicate that:

- The local agency must send the parent a copy of the completed [Wisconsin Shares Inclusion Rate Request form \(DCF-F-2976-E\)](#) indicating the approval or denial

- The provider rationale for the higher rate must be detailed and specific
- The additional subsidy cannot be used for health care services
- The inclusion rate effective date is the date that the local agency approves and signs the form

16.4.3 In-Home Care for 15 or More Hours Per Week: Clarified that the results of the [Wisconsin Shares Hourly In-Home Price Calculator form \(DCF-F-5329-E\)](#) must be documented in case comments; however, the form does not need to be scanned into the Electronic Case File (ECF) unless it is the local agency's policy.

16.5 Refusal to Authorize to a Provider: Added policy outlining authorization criteria that is necessary for any authorization to be written. Removed the procedural instruction that did not reflect the policy written in statute or Administrative Code.

17.1 Authorization Changes: Clarified the meaning of "authorization assessment" as the agency worker ending the current authorization at the end of the current month and completing a new authorization using the most recently reported information in accordance with [Operations Memo 22-19](#). Clarified that after a parent reports a change that impacts any of the authorization components defined in Chapter 16 Authorization Assessments, the agency worker must complete an authorization assessment. After the authorization assessment is completed, then the agency worker determines if the authorization must be based on the assessment results or if continuity of care applies.

17.2.2 Children Not Previously Authorized: Clarified that new authorizations can be created if the child had an authorization that ended within the 30 days prior to the day the parent lost their approved activity or began an absence from their approved activity [this is not new policy but was previously only referred to as "the parent makes a timely request (see 2.3.7)"].

17.3 Changing Authorizations During a Month: Clarified that a new authorization can be created to a different provider if the child has not attended the provider during the current month and the parent has not spent any of the current month's subsidy funds in accordance with [Operations Memo 22-19](#).

17.3.1 Hardships: Removed requirement for local agencies to send hardship requests for children in out-of-home placements to the Child Care Help Desk for a decision; local agencies can determine these the same as all other hardships.

17.4 Excessive Unexplained Absences: Clarified that making "multiple attempts" to contact the parent before ending an authorization due to a provider report that the child is not attending means at least two (2) attempts using different methods (i.e., phone calls, Parent Portal messages, manual notices, etc.).

18.5 Subsidy Calculation: Removed YoungStar adjustments from the calculation components as these are no longer issued for 4 and 5 Star providers or removed from the subsidy for 2 Star providers.

20.1 Parent Appeals: Added the non-sanction reasons for which a parent may request a Fair Hearing.

21.1 Parent Overpayment Recovery: Changed the word "Client" to "Parent" to be consistent with Handbook standard terms. Removed the benefit recovery subsystem procedure and updated

policy to reflect the repayment process in the Benefit Recovery Investigation Tracking System (BRITS).

21.2 Provider Overpayment Recovery: Clarified to reflect the department's role in the provider overpayment recovery process. Added the provider's Repayment Agreement (RPA) opportunities and contact information for DCF finance.

21.3 Dunning Notices: Removed reference to CRES and BV system.

Appendices

The Appendix sections of the updated Handbook do not contain policy. All language, charts, and information outlined in appendices I-X are procedural guidance only. The majority of chapter 4 has moved to the appendices. Program Integrity (PI) procedures and guidance are in the appendices. There are references to the PI Resource Library on SharePoint that contain procedures not specified in the Handbook or appendices. Workers should use the PI Resource Library as referenced in the appendices. Each roman numeral represents an individual "section" and is intended to guide workers to the appropriate appendix for further procedural guidance.

Appendix VIII Client Sanctions: Changed agency error statute of limitations from one (1) year after the date of discovery to one (1) year after the first day the error impacted the case.

Appendix X Provider Program integrity: Removed previous Handbook Sections 4.8.1.1-4.8.1.4 (40% Rule) to be consistent with Handbook content. 40% rule monitoring is no longer an agency responsibility, and is now completed by the BCCSA Program Integrity Unit. Added guidance that local agencies that have been Tier 1 for more than two (2) years may request provider investigation training by contacting the Child Care Help Desk at childcare@wisconsin.gov.

ATTACHMENT: [Wisconsin Shares Handbook Section Change Crosswalk](#)

CONTACTS:

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

For Program Integrity technical assistance, Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Help Desk at: childcare@wisconsin.gov or 608-422-7200.

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