

CHAPTER 4-000 AUTHORIZATION AND NOTICE

4-001 Authorization: The worker notifies the provider and the client of the client's eligibility and the amount of the client's fee on an authorization notice.

If an individual in-home service provider is authorized, the client must sign Form IRS-2678, "Employer Appointment of Agent."

4-001.01 Authorization Standards: To authorize any service, whether staff-provided or purchased, the worker:

1. Determines that the client has been found eligible on the application (in no case will the beginning service authorization date be before the beginning eligibility date shown on the application);
2. Determines the reason that the client needs child care (see 392 NAC 3-008);
3. Determines that the provider from whom service is purchased has a valid agreement; and
4. Explains that any authorization is subject to review to ensure that the service is delivered as authorized.

4-001.02 Authorization Date: Authorization of service must not begin before the service plan is completed and the date the client's completed application is received in the office. For a client who is receiving other assistance and then requests Child Care Subsidy, authorization of service begins no earlier than the date of request for Child Care Subsidy.

If the client appears eligible and chooses an approved provider, the case manager authorizes payment. If the client is determined ineligible, the case manager must send a Notice of Action notifying the client.

The local office dates the application on the date of receipt.

4-001.02A Provider Not Approved: If the client chooses a child care provider who is not approved, the case manager refers the provider to the staff responsible for resource development for approval. If the provider is approved, payment may be made effective with the client's request but no earlier than the date of receipt of the application.

If the provider cannot be approved, the worker issues a voucher to reimburse the client for the time period between the request and denial of the approval. Once the provider is denied, the worker may allow payment for up to ten days after notification of the client if the client needs time to find a new provider. Within the ten days the client must choose among approved providers or find another provider to be approved.

4-001.02A1 Disclosure of Information: If the Department disapproves a provider, the worker may inform the client of the reason for disapproval. If the provider cannot be approved because s/he is under investigation for abuse, the worker must contact the Protective Service worker who is responsible for the investigation. The Protective Service worker will consult with his/her supervisor to determine if the client may be informed without jeopardizing the investigation. If the supervisor approves, the worker must send Form Letter HHS-112 to the client and inform the provider via Form Letter HHS-113.

If the provider is not approved because his/her name is on the Protective Service registry, the worker must send Form Letter HHS-114 to the client and HHS-115 to the provider.

In all cases the worker must not identify the reporting party or information from other confidential investigative sources, e.g., the State Patrol.

4-001.03 Authorization Termination: When a service authorization must be terminated before the end of the authorization period, the worker must notify the affected provider in a timely manner.

4-002 Client Contact and Notice

4-002.01 Client Responsibility to Contact: The client or representative must contact the worker within ten days when:

1. The client's situation has changed (e.g., address, income, family composition, need for child care, child care schedule);
2. The client is dissatisfied or experiencing problems with the service delivery plan; or
3. Instructed to do so by the worker.

4-002.02 Worker Responsibility to Contact: The worker must contact the client when:

1. There is reason to suspect that the client's eligibility has changed;
2. It is necessary to discuss the process or problems of service delivery;
3. Follow up is necessary; or
4. The service or delivery plan must be changed or terminated.

4-002.03 Notice of Agency Action: The worker must send a Notice of Action to provide written notification of agency action to an applicant or recipient (or his/her representative) when:

1. An applicant is determined ineligible for Child Care Subsidy or a client is found ineligible at the time of verification or redetermination; or
2. A requested service is denied or provided services are to be reduced or terminated.

These notices must include a statement of what action(s) the worker intends to take, the reason(s) for the intended action, and the corresponding manual reference(s).

A Notice of Action must also be sent when an applicant is determined eligible or a client redetermined eligible for Child Care Subsidy.

4-002.03A Advance Notice: When a provided service is to be reduced or terminated, the worker must provide formal written notice. This notice must be dated and mailed or given to the client at least ten calendar days before the adverse action is effective.

4-002.03B Adequate Notice: If the worker has verified possible client fraud, the worker must send a notice of termination or reduction to the client no later than the action's effective date.

4-002.03C Notice Not Required: No notice need be sent to the client in the following situations:

1. The client reports that service is no longer required and requests that his/her case be closed;
2. The worker learns of a client's death;
3. The client is committed to an institution or admitted to a nursing home on a long-term basis;
4. The client's whereabouts are unknown;
5. The worker has verified that service is being received through another local office; or
6. An authorization period is ending and the client has not acted upon a request for redetermination information.

4-002.03D Service Continuation During Appeal: In cases where advance notice has been given, the client may appeal. If an appeal is requested in writing within ten days following the date the Notice of Action was mailed, the worker must not carry out the adverse action until a fair hearing decision is made.

In situations where only an adequate notice was required, service is not continued pending a hearing decision.

4-003 Maximum Rate and Unit Authorization:

4-003.01 Provider Rates: A provider must establish a private pay rate before contracting with the Department. The rate charged to the Department must not exceed the rate charged to private pay clients. The rate for each established unit of care must be limited to the rate established as the Department's maximum for the type of care, unit of care, and the age of the child involved. If the provider has a discounted rate for the care of second and succeeding children, the Department will pay the discounted rate.

Except for foster children and children receiving guardianship or adoption subsidy, the provider is not allowed to charge the parent or caretaker the difference between the Department's reimbursement and the provider's private pay rate. A foster parent or subsidized adoptive parent or guardian may make arrangements with a provider to supplement the Department reimbursement.

If the rate the provider charges the public is higher than the Department's, the Department will pay the established maximum.

If the provider's rate for the public is lower than the Department's maximums, the agreement rate must not be higher than the provider charges the public.

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4-003.01A Payment By Attendance: The Department pays by attendance, not enrollment. Payment is not made for time when the child is not receiving care; this includes when the provider is on vacation, is ill, or is not providing care for some other reason.

4-003.01A1 Exception When the Child Quits Without Notice: The Department will pay for up to three days of care if:

1. The provider charges private pay families on the basis of enrollment only; and
2. The child is not in attendance for three consecutive days and the client has not notified the provider that services are terminated.

This is only for cases where the child is no longer attending, not for absences during ongoing care.

4-003.01A2 Exception for Foster Children/Adoption or Guardianship Subsidy: For foster children or children receiving adoption or guardianship subsidy, payment may be made based on enrollment within the following guidelines:

1. The provider must be licensed;
2. The provider must have written policies specifying that they charge private-paying families by enrollment;
3. The child must attend the child care facility for a minimum of 30 hours a week; and
4. The provider may charge a maximum of one daily unit for a day when the child is not in care or is in care for less than six hours.

4-003.01B Rate Increases: The Department has the option of not increasing a provider's rate even though the provider's charge is below Department maximums.

4-003.01C Accredited Rates: The Department pays a higher rate for programs that are accredited by an accrediting body approved by the Department, up to the rate the provider charges to families who pay privately. See 392-000-203 for rates.

4-003.02 Hourly and Daily Units: Care for 6 or more hours must be billed by the day. Care for 10 or more hours in one day may be billed through hourly units for the 10th, 11th, and 12th hours unless the facility defines its day of care from opening to closing hours.

4-003.03 Enrollment Fees: Fees charged by a child care program for enrolling a child may be included in the agreement. The enrollment fee must not exceed enrollment fees charged to private pay families or the Department's maximum. Enrollment fees are paid for licensed programs only.

In order to receive an enrollment fee, the child care program must have a written policy that describes how the enrollment fee is required for private pay families and the specific amount of the fee. These enrollment fees are paid one time only per child per provider.

The Department does not pay deposits to hold a space or guarantee notice of termination of services.

4-003.04 Activity Fees: An activity fee is billed as a separate service. Activity fees are paid to licensed programs only. The activity fee must not exceed what is charged to private pay families or the Department's maximum.

Activity fees are intended primarily for school age children during summer months, but may be approved for other age children. In order to receive an activity fee, the child care provider must have a written policy that describes how the activity fee is required for private pay families and the specific amount of the fee.

Activity fees should be billed on a monthly basis for the time children were in attendance for the previous month.

4-003.05 Transportation

4-003.05A Transportation To and From Home: The worker may authorize transportation or escort to and from home:

1. When the child care is necessary for any of the reasons listed at 392 NAC 3-008.01;
2. When transportation costs are not included in the total child care rate;
3. When the child care is licensed, if required by law; and
4. When the case is CF, LF or WI. (The WI case must have an open protective service case.)

Transportation is paid per one way trip per child to and from home.

4-003.05B Transportation To and From School: If a provider normally provides transportation from child care to school and return, it may be included as a part of child care. The Department will not pay for transportation to and from school as a separate service. The fee for it must be prorated over the time period affected and included as a part of the normal child care rate if this does not cause the provider's rate to exceed the rate maximums.

4-003.06 Unit Codes and Maximums

Service Unit	Maximum Units Per Month
Enrollment Fee	NA
Hour	5 hours 59 min/day 31 days/month
Day	31
Child Care Related Transportation	50 trips

4-003.07 Client Charges: The family is responsible for payment of fees assessed for failure to pick up the child by the end of the program's day.

When the provider charges private pay families by enrollment only, the provider may charge the client if the child is absent on a scheduled day. The provider cannot charge for time the child was not scheduled to be in attendance.

The Department considers that the following are included in the child care rate: Cost of the facility (including utilities), indoor and outdoor space where care occurs; staff salaries, benefits, training and indirect costs; equipment; toys; materials needed to operate; food children are served unless the facility is unable to prepare food and parents have the option to bring food for their children. (If food is not included, the rate should reflect the lower cost.)

Parents cannot be asked to pay additional fees for these expenses.

4-003.08 Child Care Rate Exceptions

4-003.08A Special Needs Rate: The local office administrator or his/her designee may approve an exception for an increased rate for a child with special needs or a child with a childhood illness. For the definition of special needs, see 392 NAC 1-003. A special need must be documented by a physician, licensed or certified psychologist, or licensed mental health practitioner.

Note: Special needs rate is not allowed for childhood diseases such as measles, chicken pox, flu, etc.

4-003.08A1 Factors To Be Considered: For a special needs child, the rate for service is not based on the diagnosis but rather on care and equipment needed beyond that for normal child care. Considerations in establishing the rate include:

1. Additional staffing required;
2. Skills of staff;
3. Special supplies;
4. Special equipment; and
5. Environmental modifications.

4-003.08B In-Home Sick Child Care Rate: The local office administrator or his/her designee may approve in-home care for a child with a temporary illness. This arrangement is for children who have illnesses such as measles, chicken pox, or the flu. The in-home provider must be paid minimum wage for one through three children and may reside with the child. If the provider is not approved, the worker would reimburse the client by voucher.

4-003.08C Sole Provider: The worker may request exception approval from the Central Office for increased rates if the only provider in a community exceeds the rate schedule.

4-003.08D Accredited Providers: Providers who have current accreditation with Department-approved accrediting organizations are eligible to receive the lower of:

1. Their private rate; or
2. The Department's maximum for accredited providers.

See 392-000-203 for accredited rates.

4-004 Provisions for Out-of-State Providers for Foster Children/Children with Adoption or Guardianship Subsidy:

4-004.01 License Requirements: Whenever possible, the child care provider must be in compliance with the license or registration requirements of the state where the provider is providing care. At a minimum, there must be a Central Registry and local law enforcement check on the provider before the foster parent uses the provider. The case manager has the responsibility for having reasonable assurance that safety is maintained for the child.

4-004.02 Subsidy Agreement and Rate of Payment: If possible, the out-of-state child care provider must have a child care agreement with the Department and accept Department rates. If it becomes too difficult to accomplish this because of distance, different state requirements, etc., the child care payment may be included in the foster care payment and paid to the foster parent.

The case manager may approve a provider rate that is higher than Nebraska's maximum if necessary. The case manager should request the foster parent to provide information about rates in the area and determine what is reasonable to pay. The case manager will need to monitor changes in circumstances that will require a change in payment, for example, the child moving to a different age category, like infant to toddler; the child requiring less care because s/he enters school; or a change in the foster parent's schedule.

4-004.03 Purpose of Child Care: For foster care children and children receiving adoption or guardianship subsidy only, child care may be authorized for socialization of the child or because another child needs to be taken to an appointment.

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4-004.04 Agency-Based Foster Care: Payments must be made directly to the child care provider. All child care providers must be licensed or approved before child care is provided.