DEPARTMENT OF SOCIAL SERVICES

CHILDREN'S DIVISION

P. O. BOX 88

JEFFERSON CITY, MISSOURI

January 3, 2011

M E M O R A N D U M

	What's Inside:
	Child Care Provider Claims and Restitution System

TO: ALL REGIONAL AND COUNTY CD AND FSD STAFF

FROM: CANDACE A. SHIVELY, DIRECTOR
                         CHILDREN'S DIVISION
                         ALYSON CAMPBELL, DIRECTOR
                         FAMILY SUPPORT DIVISION

SUBJECT: CHILD CARE PROVIDER CLAIMS AND RESTITUTION SYSTEM

DISCUSSION:

The purpose of this memorandum is to introduce staff to the child care provider Claims and Restitution System (CARS).   The purpose of this system is to streamline the management and collection of child care provider claims for the Child Care Assistance program.

LOCAL FAMILY SUPPORT DIVISION /CLAIMS UNITS

This system is not designed for recipient claims. The child care recipient claims process remains unchanged and will continue to be processed by local Family Support Division staff. Child care recipient claims will continue to be entered into the existing Claims and Restitution System for recipients. Local Claims Unit will no longer process child care provider claims. Any existing Child Care Claims should be reconciled by their local claims unit and sent to the appropriate Child Care Provider Relations Unit (CCPRU).

SYSTEM OVERVIEW

On August 1, 2010, Child Care Provider Relations Unit (CCPRU) began using the Child Care Provider CARS. Child Care Provider Claims are no longer entered into the FAMIS Claim (FM5Z) screen.   Existing claims in FAMIS were manually converted over into the new system. Staff will be able to inquire into FM5Z if needed for prior claim history.

This CARS is specific to child care providers and is DVN specific. CARS has a discovery and claims component.

The discovery component allows for the following functions:
- Register the discovery;
- Attach the claim to a provider;
- Establish the overpayment period;
- Enter the amount of the overpayment;
- Attach the Amount of the claim;
- Issue the Demand Letter and Promissory Note;
- Reject the Discovery; and
- Enter and View Notes.

The claims component allows for the following functions:
- Track collections;
- Enter Agreement Information;
- Post collections on direct payments;
- View debtor balance;
- Resend a bill;
- Update Welfare Investigation Unit Information;
- Display Reason Code;
- Display Claim History;
- View Agreement History;
- View Payment Distribution by Claim/Fund Code; and
- Enter and View Notes,

Note: CCPRU Staff is to enter a note when a discovery is entered and anytime an action is taken on a claim thereafter.

CLAIM REVIEW PROCESS

The new CARS system does not eliminate the need for human review, determination and calculation of the claim. CCPRU staff is responsible for determining the review time period, based on available information. Based on the review determination, the actual attendance records for the review period will be obtained. CCPRU staff is to copy the attendance records and any other pertinent information for the claim processing. The original attendance records and documents should be placed back in the provider's file. The copied documents should be used to complete the claim review process and make any calculations and notes. Child care providers are required to maintain their attendance records for a period of five (5) years.   When no attendance records are available for a child, staff is to consider the payment an overpayment.

CCPRU is to complete the following:

- Review attendance records as if you are authorizing payment for a child. Once the attendance records have been reviewed for authorization, CCPRU will review the invoice/attendance claimed and the actual payment made against the actual attendance and actual payment due.

- Review absences and holidays as if you are authorizing for payment based on the invoice authorization process. Payment will not be made for absences if the attendance record indicates the provider was closed for business. If an absence

is claimed and paid for a date the attendance record indicates the provider was closed, consider the payment for that date an overpayment.

Overpayment: If a provider has been overpaid, CCPRU will determine the amount of overpayment, based on what should have been paid minus what was actually paid.

Underpayment: If a provider has been underpaid, CCPRU will enter a correction payment for the amount or for the units of care the provider should have been paid for, based on authorizations.

If a review of a provider determines a provider has been paid correctly, no additional action is necessary. **CCPRU is to complete a review process prior to entering information into discovery and establishing a claim.**

RECOUPMENT

Child care does not have a threshold of the dollar amount to be collected. If a claim exists repayment will be pursued. Active child care providers will be recouped unless the provider chooses to make direct repayment. Active child care providers with an unintentional overpayment will be recouped at 10% of each child care payment until the claim is satisfied. Child care providers with an intentional overpayment will be recouped at 20% of each child care payment until the claim is satisfied. Inactive child care providers cannot be recouped and therefore will have to submit monthly payments until the claim has been satisfied.

DIRECT PAYMENT

Providers should send direct payments to Division of Finance and Administrative Services (DFAS) directly, however if a local CCPRU receives a payment from a provider, forward it along with a Child Care Provider Claims Transmittal (CD-160) form to DFAS at:

> Department of Social Services
> Division of Finance and Administrative Services
> P.O. Box 1082
> Jefferson City, MO 65102.

Unless a provider designates when a direct payment is to be posted to a specific claim, DFAS will enter the transaction information and the system will post the claim based on a pre-determined hierarchy within the system. If a provider submits a direct payment that is less than the bill amount, DFAS will post the payment to claim.

REFUNDS

When staff determines a provider has overpaid on a claim and no other claims exist, a Child Care Provider Refund Request (CD-161) form should be submitted to DFAS. If the provider has multiple claims in the system, staff is to complete a Child Care Provider Claims Transmittal form and submit to DFAS to post to the other claims. **This should only be done if the provider has not designated the payment be posted to a specific claim.**

CLOSING /TERMINATING A CLAIM

When a claim amount is satisfied a system generated closing will occur. There are limited circumstances when a claim can be manually terminated.

CHILD CARE PROVIDER RELATIONS UNIT TRAINING

Child care provider claims will be processed by the appropriate Child Care Provider Relations Unit. All Child Care Provider Relations Unit staff will be trained on the Child Care Provider Claims and Restitution System. Training will be conducted in Jefferson City, St. Louis and Kansas City. User guides have been developed and are available on the intranet for staff use. Staff should go to http://dssweb/cs/early_childhood/child_care_subsidy/index.htm or http://dssweb/fsd/programs/childcare/index.htm to access the user guide and forms.

PROTECTIVE SERVICES CLAIMS

CD Staff should submit an overpayment to the appropriate Child Care Provider Relations Unit, utilizing the Protective Services Child Care Claims Cover form (CD-159). **The Protective Services Child Care Claims Cover form is required for Protective Services Child Care claims which resulted from payments made in CSIPS. Child Care Provider Relations staff will only do the data entry portion for the claim in CARS. It is the responsibility of the local CD staff to calculate the overpayment amount and explain the calculation process on the CD-159**. A Child care provider notification should be sent to the provider notifying them of the claim. Prior to submitting the CD -159, CD staff should submit supporting documentation which includes a copy of the notification sent to the child care provider of the claim and attendance records, along with the Protective Services Child Care Form. Existing Protective Services child care claims will be entered into the CARS system; however demand letters will not be generated for these claims. CD staff should have previously notified the provider of any claims existing prior to August 1, 2010. If the child care provider is active, the system will begin recouping at the next payment.

All new claims will have a demand letter and promissory note generated when they are established in CARS.

WELFARE INVESTIGATION UNIT

Referrals to the Welfare Investigation Unit (WIU) will be entered into the CARS. Early Childhood and Prevention Services (ECPS) staff will continue to make referrals to WIU for investigation. WIU will continue to send its investigation findings to ECPS. ECPS staff will share this information with the local CCPRU staff for CARS processing.

COLLECTION UNIT

If a claim becomes delinquent and is beyond the scope of collection by ECPS staff, the claim will be sent to the Division of Legal Services, Collection Unit for processing.

NECESSARY ACTION

1. Review this memorandum with all Children's Division and Family Support Division staff.
2. All questions should be cleared through normal supervisory channels and directed to:

PDS CONTACT	**PROGRAM MANAGER**
Brenda LaBella	Alicia Jenkins
573-526-9587	573-751-6793
Brenda.I.LaBella@dss.mo.gov	Alicia.Jenkins@dss.mo.gov

CHILD CARE MANUAL REVISIONS
N/A

FORMS AND INSTRUCTIONS
Child Care Provider CARS Code Sheet
Protective Services Claim Cover Form (CD-159)
Child Care Provider Claims Transmittal Form and Instructions (CD-160)
Child Care Provider Refund Request (CD-161)

REFERENCE DOCUMENTS AND RESOURCES
Child Care Provider Claims and Restitution User Guide
Child Care Provider Claims and Restitution Frequently Asked Questions

RELATED STATUTE
N/A

ADMINISTRATIVE RULE
N/A

COUNCIL ON ACCREDITATION (COA) STANDARDS
N/A

CHILD AND FAMILY SERVICES REVIEW (CFSR)
N/A

PROTECTIVE FACTORS (Link applicable factors and enter N/A if not applicable.)
Parental Resilience - N/A
Social Connections - N/A
Knowledge of Parenting and Child Development - N/A
Concrete Support in Times of Need - N/A
Social and Emotional Competence of Children - N/A

FACES REQUIREMENTS
N/A