

STATE BOARD OF EDUCATION
Consent Item
February 16, 2017

SUBJECT: Approval of Amendment to Rule 6M-4.400, Required Parent Co-Payment

PROPOSED BOARD ACTION

For Approval

AUTHORITY FOR STATE BOARD ACTION

Section 1001.213(2), Florida Statutes

EXECUTIVE SUMMARY

The Office of Early Learning (OEL) administers federal and state child care funds and partners with 30 local early learning coalitions to deliver comprehensive early learning services statewide. The office oversees three programs: the School Readiness Program, the Voluntary Prekindergarten (VPK) Education Program, and Child Care Resource and Referral services. OEL is required to submit its proposed rules to the State Board of Education for approval.

This is a substantial revision to Rule 6M-4.400, F.A.C. The revised rule updates and clarifies changes to assessed parent copayments and reporting requirements during subsequent 12-month eligibility periods for families receiving School Readiness funding. The proposed changes align with federal rule requirements and Florida Statutes for recipients of the Child Care Development Fund and Block Grant. The revisions also specify provisions for delinquent and default parent copayments.

Supporting Documentation Included: Proposed Rule 6M-4.400, F.A.C.

Facilitator: Rodney J. MacKinnon, Executive Director, Office of Early Learning

Substantial rewording of Rule 6M-4.400 follows. See Florida Administrative Code for present text.

6M-4.400 Required Parent Co-payment.

(1) Sliding fee scale. Each coalition shall implement a sliding fee scale and co-payment policies for families receiving school readiness services.

(a) A coalition's sliding fee scale must be set at a level that provides economically disadvantaged families equal access to the care available to families whose income is high enough not to qualify for school readiness services. A coalition must submit their proposed sliding fee scale to the Office of Early Learning (OEL) for approval. The OEL shall review the sliding fee scale to determine that the scale is reflective of the annually released income limits, has an effective date no later than July 1st of that year, and that parent co-payments do not exceed 10 percent of the family's income, regardless of the number of children in care, during the authorized 12-months of eligibility. If the coalition's proposed sliding fee scale does exceed 10 percent of family income, the coalition must provide justification of how the sliding fee scale meets the federal requirement that the co-payment be affordable, prior to approval of the proposed sliding fee scale by the OEL.

(b) The coalition's co-payment policy shall be submitted with the coalition's sliding fee scale as part of the coalition's approved plan per Rule 6M-9.115, F.A.C.

(2) Co-payment Assessment. Each family that receives school readiness services shall be assessed a co-payment based on family size, the hours of care needed, and the family's income, according to the sliding fee scale approved by the Office of Early Learning (OEL) as described in subsection (1).

(a) If a child is authorized for part time care, the parent shall be assessed a part time co-payment. If a child is authorized for full time care, the parent shall be assessed a full time co-payment. A parent with two or more children receiving school readiness services may receive a co-payment discount for the second and any subsequent child in their care based on the coalition's approved sliding fee scale. When a discount is applied, the youngest child must be assessed a full co-payment based on the approved sliding fee scale and the hours of care needed.

(b) When a child's normal schedule of care is based on the school year schedule and the child is authorized school readiness part time care during the school year and attends a full time day at the school readiness program on a school holiday or school closure, the parent shall pay the part time co-payment. During the summer break, if said child attends full time, the parent shall pay the full time co-payment.

(c) Co-payments for at-risk families as defined in s.1002.81 (1), shall be assessed at the initial child care authorization. A coalition may waive a co-payment for an at-risk child(ren) in accordance with subsection (6).

(d) A co-payment shall not be equal to or greater than the providers private pay rate.

(e) A family may submit documentation at any time during the eligibility authorization period to decrease the co-payment.

(3) Graduated Phase-out. At the end of the initial 12-month eligibility period, the coalition shall re-evaluate the family's eligibility.

(a) At the end of the initial 12-month eligibility period at redetermination, if a family's income is above 150 percent of the Federal Poverty Level (FPL), but at or below 85 percent of the State Median Income (SMI), the family will enter the graduated phase-out. The parent shall be assessed a co-payment that is based on the approved sliding fee scale. As the family's income increases the co-payment shall gradually increase based on the approved sliding fee scale.

1. During graduated phase-out, school readiness childcare funding will be authorized for 12 months from the redetermination date. At redetermination the coalition shall provide written notice to the family and provider of the required co-payment for the 12-month period to be paid by the parent to the provider. The notice shall inform the parent that the co-payment shall increase as the family's income increases.

2. During graduated phase-out, the family shall report any changes in family size or income to the coalition within ten (10) calendar days. The coalition shall adjust the family's co-payment based on the reported information and shall notify the family and provider of any changes within ten (10) calendar days. The parent co-payment shall be increased or decreased based on any reported changes, as required, that affect the parent co-payment.

3. During graduated phase out, if the family's income exceeds 85% of the SMI, the family is no longer eligible for the program. The coalition shall notify the family that the family is no longer eligible to receive school readiness services and school readiness services will be discontinued two weeks (14 calendar days) from the date of the notice, as long as the two-week period does not extend beyond the family's authorized eligibility period. During the graduated phase out, if the family's income falls below 150% of the federal poverty level, the copayment shall be adjusted based on the approved sliding fee scale and the family will remain in the graduated phase out and continue to receive services for the remainder of the twelve-month phase-out period.

(b) At the end of the initial 12-month eligibility period at redetermination, if a family's income remains at or below 150 percent of the FPL, the family will remain eligible pursuant to Rule 6M-4.200, F.A.C. The family's eligibility, co-payment, and reporting requirements are subject to the requirements of the initial eligibility period and will not be subject to the graduated phase-out criteria.

(c) At the end of the initial 12-month eligibility period at redetermination, if a family's income exceeds 85% of the SMI, or the family is otherwise no longer eligible, the coalition shall notify the family that the family is no longer eligible to receive school readiness services and school readiness services will be discontinued.

(4) Parent and provider notification. Prior to a child's enrollment at the child care provider, the coalition shall issue a payment certificate to the parent to submit to an eligible child care provider. The payment certificate includes the co-payment to be paid by the parent to the school readiness provider. The coalition must notify the parent that additional fees which are charged by the provider may apply. If a child is enrolled with more than one provider, a co-payment must be assessed for each authorized provider.

(5) Co-payment collection. The co-payment amount for which the family is responsible shall be subtracted from the provider's reimbursement, prior to payment by the coalition or its designee. Collection of the family's required co-payment for school readiness services shall be the responsibility of the provider of school readiness services in accordance with Section 1002.84(8), F.S.

(a) The provider shall provide written notice of the co-payment due date. The parent co-payment shall be collected within ten (10) calendar days of the provider's payment due date. The provider must give the parent a receipt for each co-payment made by the parent and retain receipt records for all child care co-payments.

(b) The provider shall document outstanding parent co-payment balances. The provider shall provide written notification to the parent of the current outstanding co-payment balance within fifteen (15) calendar days of the provider's payment due date. This notification shall be provided at least on a monthly basis as long as there is a co-payment balance. Outstanding parent copayments will be subject to the provider's payment policies as acknowledged and agreed upon by the parent. The provider shall document the parent's acknowledgement of receipt of payment policies related to the school readiness program prior to the parent enrolling his/her child in the provider's school readiness program. If the provider intends to take action, in accordance with its policy, against a school readiness parent for non-payment of the co-payment that includes disenrolling the child from the provider site, the provider shall notify the coalition at least five (5) calendar days prior to disenrollment.

(6) Co-payment waivers. In accordance with Section 1002.84(8), F.S., the coalition may waive the parent co-payment on a case-by-case basis. Each coalition must include a list of qualifying events in its coalition plan and outline the procedure for obtaining a waiver of a co-payment. Requests for the co-payment waivers shall be documented in the case file during the initial authorization for care and at each redetermination.

(a) At-risk co-payment waivers. A co-payment may be waived on a case-by-case basis for families participating in an at-risk program as defined in s.1002.81(1), F.S.

(b) Temporary co-payment waivers. A co-payment may be temporarily waived on a case-by-case basis for families with income at or below 100 percent of the federal poverty level during an event that limits a parent's ability to pay as defined by ~~in accordance with~~ section 1002.84(8), F.S.

(7) Transfers. A parent may not transfer his or her child to another school readiness program provider until the parent has submitted documentation from the current school readiness program provider to the early learning coalition stating that the parent has satisfactorily fulfilled the co-payment obligation related to school readiness program. Satisfactory fulfillment of the co-payment obligation is defined as immediate payment of the outstanding co-payment obligation or establishment of a repayment plan for the outstanding co-payment obligation. All transfers shall be approved by the coalition.

(a) If the referenced documentation is not available, the coalition shall contact the provider to determine compliance and document compliance as reported by the provider. The coalition shall complete the transfer once the copayment obligation has been satisfactorily fulfilled.

(b) If a parent of an at-risk child defined in s. 1002.81 (1), F.S., is unable to satisfactorily fulfill the co-payment obligation prior to transfer, the provider shall attempt to arrange a repayment plan with the at-risk child's parent. If the provider is unable to arrange a payment plan with the at-risk child's parent, the provider shall document the repayment attempt and submit to the coalition.

(8) Co-payment changes. A parent co-payment shall not be increased during the initial 12-month eligibility authorization period. The amount of co-payment assessed shall be in effect for the family's authorized eligibility period, unless:

(a) The parent or referring agency requests and the coalition grants a waiver of the assessed co-payment specified in subsection (5); or

(b) An incorrect co-payment was assessed by the eligibility determiner as a result of an error of the eligibility

determiner, program participant error, or program participant fraud, resulting in corrective action to reduce or increase the family's co-payment; or

(c) An employment status, income or family size results in a lower parent copayment; or

(d) The authorized hours of care changes.

(e) Co-payments during graduated phase out may be increased or decreased based on the family's income and size.

(9) Coalition co-payment errors. The coalition shall not take action to recover an incorrect co-payment made due to an error of the coalition or its designee. Once the error is discovered, the coalition must correct the error and apply the corrected co-payment. The coalition shall notify the parent within ten (10) calendar days of changes to the co-payment. This notification must be documented.

(10) Co-payment recovery. In cases when a reimbursement overpayment is caused by an incorrect co-payment assessment which resulted from parent error or parent fraud, the coalition shall attempt to recover the overpayment and document attempts. If the coalition is unsuccessful in recovery of the overpayment, the coalition shall notify the Office of Early Learning and submit documentation as necessary in accordance with the ELC's approved anti-fraud plan.

Rulemaking Authority 1001.213(2) FS. Law Implemented 1002.84(8) FS. History--New 2-2-05, Formerly 60BB-4.400, Amended.