



Child Care Vendor Handbook

1-888-469-JOBS (5627)

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Individuals who are hearing impaired, please call Relay Texas

1-800-735-2988 (Voice)

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FOREWORD

Workforce Solutions has developed this Handbook to inform you about child care financial aid services and to explain your role as a child care vendor.

All rules, policies and procedures in this Handbook are based on federal or state laws and Workforce Solutions policies and procedures.

Please read this Handbook carefully. Keep it handy as a reference for questions you may have later. Feel free to call us if you have any questions.

Workforce Solutions
Financial Aid Payment Office
Phone: 1-888-469-JOBS (5627) Financial Aid Option
www.wrksolutions.com

PURPOSE

This Handbook is for regulated and unregulated vendors providing child care services to customers receiving assistance through Workforce Solutions. It will:

- provide you with an overview of Workforce Solutions
- provide information on Workforce Solutions policies
- help you understand your role in providing child care services
- explain the conditions that child care financial aid are based on
- help you understand how to receive reimbursement for providing services to Workforce Solutions customers
- help you understand that a person may be prosecuted for obtaining or attempting to obtain, by fraudulent means, services and/or payments to which he/she is not entitled.

VENDOR REQUIREMENTS

REQUIRED DOCUMENTATION

All child care vendors are required to submit the following documentation before being reimbursed for child care services:

- an original signed Workforce Solutions Vendor Rate Schedule or Workforce Solutions Vendor Agreement
- IRS Form W-9
- A copy of the vendor's driver's license or other picture ID
- Copy of the vendor's social security card or proof of their Employer Identification Number (EIN)

These items must be kept up to date in order to remain a vendor with Workforce Solutions.

TAX IDENTIFICATION

Licensed vendors that employ more than one person must always be set up with an EIN. They are operating as a business and should have one. Licensed vendors that employ only one person (which is the owner, and that person is the operator) may be set up with an EIN or SSN.

REGULATED VENDORS

Regulated vendors must meet the following criteria to be eligible to be paid for providing child care:

- be licensed or registered with the Texas Department of Family and Protective Services, or in the case of summer camps, have a Department of Health permit for their location.
- have a copy of child care license or permit and current published rates for services available to the public.

RELATIVE VENDORS

Relative vendors must meet the following criteria to be eligible to be paid for providing child care:

- be a grandparent, great-grandparent, aunt, uncle of the children, OR be a sibling of the child over 18 years of age
- have a certification of relationship form signed by the parent
- maintain a separate residence from the family receiving child care financial aid
- be listed with the Texas Department of Family and Protective Services, and maintain the listing status.

VENDOR RESPONSIBILITIES

The child care vendor's major responsibilities are listed here and additional details are provided throughout this Handbook.

- 1) Maintain your license or listing status in good standing with the Texas Department of Family and Protective Services. Inform Workforce Solutions immediately of any changes in your status.
- 2) Submit and maintain accurate information about your business with Workforce Solutions. Changes in ownership, location, licensing status, tax identification number, and bank accounts must be reported immediately.
- 3) Submit and maintain accurate and up to date information on staff members who are authorized to access Workforce Solutions Web Based Billing and Vendor Connection systems.
- 4) Record and submit accurate attendance information within 20 days of the end of the service period. This means marking the child absent anytime you do not provide child care services, and marking the absences as an illness if the child is absent because they are ill.
- 5) Reconcile unpaid billing with Workforce Solutions by the due dates listed in this Handbook.
- 6) Maintain a Contact Log or history of contact with parents.
- 7) Notify Workforce Solutions as soon as a child/ren receiving child care financial aid stops attending.
- 8) Collect the assessed parent fee from the parent. If the parent does not pay the assessed fee, report them to Workforce Solutions using the Vendor Connection system or Vendor Request for Termination form from Workforce Solutions website.

- 9) Wait for reimbursement from Workforce Solutions instead of charging the parent directly.
- 10) Report all earnings from reimbursement for child care services to the Internal Revenue Service (IRS) at the end of each year in order to pay appropriate taxes
- 11) Report all earnings from reimbursements of child care services to the Texas Department of Human Services, if applicable.

INDEPENDENCE

Child care vendors are not employees of Workforce Solutions but are independent vendors. Workforce Solutions will reimburse vendors up to the maximum rate per day per child. The hours of care, child care vendor's rate and policies for providing child care are between the parent and the vendor and are not dictated by Workforce Solutions.

Workforce Solutions will not withhold any taxes from the reimbursement child care vendors receive for providing child care services unless directed by the Internal Revenue Service (IRS). It is the sole responsibility of the child care vendor to report earnings in the child care vendor's annual tax return.

Reimbursements from Workforce Solutions to child care vendors are considered earnings and must be reported to the appropriate agencies. Child care vendors receiving government assistance such as TANF, Food Stamps, or SSI must report their child care earnings to the Texas Department of Human Services.

SERVICE AUTHORIZATION / REFERRAL

Children must be authorized for child care financial aid at a specific vendor location before Workforce Solutions will pay for the services. Workforce Solutions staff are responsible for referring (authorizing) children for services at specific vendor locations in Workforce Solutions' computer system. This information is available directly to vendors on the Vendor Connection. In addition, Workforce Solutions will call vendors with the referral information to authorize services. On these phone calls, the vendor will receive an authorization code. Without this code, the call is not a valid authorization.

If a vendor has received a telephonic authorization and does not see the referral information in the Vendor Connection within a day or two of the child starting in care, use the Vendor Connection system to submit a Billing Inquiry Action. Provide the authorization code you were given over phone. This will prompt Workforce Solutions Accounts Payable staff to investigate and resolve the situation before it affects your billing and payment.

Workforce Solutions will not pay for services without a valid authorization. Vendors that accept children for care without a valid authorization from Workforce Solutions staff do so at their own risk, and any request for payment for such care should be directed to the parent, not Workforce Solutions.

DAYS OF CARE

Care is authorized for specific days of the week. For example, if the parent works Monday through Thursday, care will only be authorized and paid for on those days of the week, and care will not be authorized on Friday.

In some circumstances care will be authorized for a specific number of days at any time during the week. For example, care might be authorized any 5 days of the week. This means you may bill for any day of the week, but only for a total of 5 days each week.

CHILD'S AGE

Children are authorized and paid at different rates based on their age. Children under the age of 13 are eligible to receive Workforce Solutions services, and in rare cases, some children over 13 may be authorized. The following age definitions are used by Workforce Solutions for determining at which rate each child is paid:

Age Group	Age Range
Infant	0 – 17 Months
Toddler	18 – 35 Months
Pre-schooler	3 – 5 Years
School Ager	6 – 12 Years

FULL-TIME VS. PART-TIME CARE:

Full time care is from 6 to 12 hours a day, part time care is less than 6 hours a day.

School age children receive both a part time and a full time referral. Before and after school care is part-time care, more than 6 hours of care during school breaks and holidays is full day care.

Other children receive either a part time or full time referral based on the needs of the customer.

LOCATION

Services are authorized at a specific physical location. If the parent or vendor desires to change the location that care is provided, the parent **MUST** contact Workforce Solutions to authorize that change. Any new location must be established with Workforce Solutions as an authorized vendor before services may be paid for at that location.

REFUSING CARE

As with all other businesses, vendors must comply with all applicable laws when serving customers, including anti-discrimination statutes. However, Workforce Solutions does not prohibit vendors from excluding children from their services where there is a good cause or reason. Reasonable efforts should be made to accommodate a child; however, if a vendor needs to stop providing services to a child, the vendor must submit notification to Workforce Solutions. The parent's eligibility for financial aid is not terminated, only services at that vendor.

PARENT FEES

Parents receiving child care financial aid may be assigned a monthly parent fee. The amount of this fee will be deducted from the total reimbursement for child care services each month. As a child care vendor, it is your responsibility to collect the monthly parent fee from the parent. Parent fee information is provided to vendors when children are authorized for child care financial aid and is available to vendors on the Vendor Connection.

If the parent does not pay the fee and the customer is still using the vendor's services, vendors may report the parent to Workforce Solutions for non-payment of parent fee. This will result in the **IMMEDIATE TERMINATION** of services for the customer. To report a customer for non-payment of parent fee use the Vendor Connection to complete a request for termination. You may also complete and submit the

Vendor Request for Termination form from Workforce Solutions website. Termination requests are not valid if the customer has transferred their services to another vendor.

ATTENDANCE

It is the child care vendor's responsibility to record attendance for each child receiving Workforce Solutions services. Child Care vendors may use their own attendance tracking method to record daily attendance. In order to be reimbursed for child care provided for families receiving Workforce Solutions financial aid, vendors must submit attendance via Workforce Solutions Web-Based Billing or Workforce Solutions Phone-Based Billing systems (See the section on Billing and Payment) at the end of each service period the child(ren) receive child care. Children's attendance must be recorded with the following codes:

P – the child is scheduled to attend and is present

A – the child is scheduled to attend but is absent from care. The absence is not due to an illness

I – the child is scheduled to attend but is absent due to illness.

/ – the child is not scheduled to attend.

Workforce Solutions will only pay relative vendors for days that child care services have been authorized and provided.

ABSENCES

Workforce Solutions will pay vendors for the following absences:

3 consecutive days of absences at the beginning of care with no contact from the parent (*See vendor notification requirement below*)

5 consecutive days of absences without parental notification (*See vendor notification requirement below*)

*10 consecutive days of notified absences (*attendance codes I-III, CO- Court Ordered, AN-vacation*)

30 days absence in a one year period

When a child is authorized for care for the first time, the child must start care within three days of the authorization. If the child does not show up for three days, use the Vendor Connection to complete a request for termination or contact your Accounts Payable Specialist immediately. Child care will be terminated and you will be paid for the three days. If vendor fails to contact Workforce Solutions, payment may be withheld.

If a child has begun attending and is absent five days without notification from the parent, use the Vendor Connection to complete a request for termination or contact your Accounts Payable Specialist immediately. Child care will be terminated and you will be paid for up to five days the child was absent. If vendor fails to contact Workforce Solutions, payment may be withheld for the child(ren) in question.

**10 consecutive days: Vendors are not required to contact Workforce Solutions in order to receive payment, and child care will be terminated.*

HOLIDAYS

Regulated vendors are allowed up to nine paid holidays per year. Holidays should be published in advance for customers so they can make other arrangements for child care on those days.

EMERGENCY CLOSURES

Workforce Solutions will reimburse vendors for up to five days of emergency closure within a calendar year (January – December). Workforce Solutions does not reimburse five days per incident. The attendance code “EM” should be used for vendors using Web Based Billing.

REIMBURSEMENT FOR CHILD CARE SERVICES

MAXIMUM REIMBURSEMENT RATES

Workforce Solutions sets maximum reimbursement rates that vendors can be reimbursed for child care services based on the following:

- The type of vendor,
- The age of the child receiving child care services, and
- Whether full-time or part-time care is authorized.

Workforce Solutions utilizes the annual survey provided by the Texas Workforce Commission to establish maximum reimbursement rates. Current Daily Reimbursement Rates for vendors are displayed on the Vendor Rate Schedule or Vendor Agreement and the Vendor Connection system.

HOW TO BILL FOR CHILD CARE SERVICES

Child care vendors use Workforce Solutions Web-Based Billing or Workforce Solutions Phone-Based Billing systems to submit attendance records for the children authorized by Workforce Solutions. This attendance is the bill from the vendor to Workforce Solutions. Workforce Solutions will use this attendance to determine how much you are paid. Training material is provided by Workforce Solutions Financial Aid Payment Office for both the Web and Phone Based Billing Systems.

SUBMITTING ACCURATE ATTENDANCE

Child care vendors are responsible for submitting accurate attendance. If attendance claims contain errors, Workforce Solutions will make adjustments to the vendor’s reimbursement. This may involve returning submitted attendance to the vendor for corrections, which will delay payment.

Submitting inaccurate attendance records is false billing and may result in the vendor being required to return funds to Workforce Solutions, termination of the vendor rate schedule or vendor agreement and/or prosecution by appropriate authorities for obtaining or attempting to obtain payment to which the vendor is not entitled.

BILLING SCHEDULES

Regulated vendors submit attendance for child care services rendered covering the service periods of 1st – 15th and the 16th – the end of each month. Relative vendors submit attendance for child care services rendered covering 1st – the end of each month. Workforce Solutions may not pay vendors for bills that are submitted 21 or more days after the end of the service period.

PAYMENTS

Workforce Solutions pays for services rendered through one of the following electronic methods:

- Direct Deposit
- Workforce Solutions Debit Card

Both methods are free to vendors. All licensed child care facilities will receive payment through direct deposit into a checking or savings account. All child care vendors providing home-based care may have their payments directly deposited into a personal savings or checking account, or may choose to receive payment via Workforce Solutions debit card issued by JP Morgan Chase Bank. If you choose the debit card you will receive your card in the mail directly from the bank. The card will come with directions on how to use the card and a separate toll free phone number to call with questions about your card. The Direct Deposit Authorization Form is available on Workforce Solutions website.

Vendors can set up direct deposit to their checking or savings account by filling out the Direct Deposit Authorization Agreement and returning it with a voided check or deposit slip from the account.

Workforce Solutions makes payments according to Claims Submission and Payment Schedule, which is available in the Vendor Connection and the Phone Based Billing system. While Workforce Solutions always attempts to meet the payment date on the schedule, occasionally there may be delays due to a number of reasons, including delays in the banking system or a temporary shortage of funding.

PAYMENT STATEMENTS

Payment statements are made available on the Vendor Connection. In addition, vendors can obtain net pay amounts for each payment on the Phone Based Billing system, and if they use Workforce Solutions debit card program, they may use any Chase ATM or the toll free phone number on their card to obtain net payment information when the payment is available on their debit card.

BILLING INQUIRIES

If you believe an error was made on your payment, please create a Billing Inquiry Action in the Vendor Connection system or contact your assigned Accounts Payable Specialist and submit a Billing Inquiry Form to Workforce Solutions Financial Aid Payment Office by fax or mail.

RECONCILIATION

Workforce Solutions reconciles billing and payment issues on a quarterly basis. Vendors are required to submit all inquiries and discrepancies with billing no later than the date shown in the chart below. Failure to submit your reconciliation by the date shown may result in non-payment of any outstanding amounts.

Service was provided in the month of:	Submit all inquiries by:
October – December	February 15 of the following year
January – March	May 15
April – June	August 15
July – September	October 31

Children paid with funds from Child Protective Services (CPS) are reconciled by the end of September of every year, meaning their reconciliation is done one month before other children. Vendors with CPS

children will receive a special notice from Workforce Solutions to inform them of the need to reconcile those children.

WORKFORCE SOLUTIONS SYSTEMS

Workforce Solutions maintains several systems to help child care vendors including:

- Phone Based Billing – used for attendance billing, generally best for small vendors with a few children. Only one staff from each location can use this system. Each location is separate in the system (multi-location vendors have separate logins for each location).
- Web Based Billing – used for attendance billing, generally best for large or multi-location vendors with more than 12 children. Multiple staff can have a user ID for each location and staff at multi-site vendors can see all their sites through a single user ID.
- Vendor Connection – provides information on vendor records, referrals, payments, parent fees and child absences to vendors and allows action requests to be submitted to Workforce Solutions. Multiple staff can have a user ID for each location and staff at multi-site vendors can see all their sites through a single user ID.

The Phone and Web Based Billing systems are for submitting attendance. Vendors are free to use either system to submit their attendance bills. All vendors will use the Vendor Connection system to access their payment statements and other information about their relationship with Workforce Solutions.

USER SETUP / SYSTEM SECURITY

Owners or designated representatives of each vendor are required to authorize which of their staff are allowed to access the Web Based Billing and Vendor Connection. Staff can be allowed only to see information, or to report attendance (Web Based Billing) or request actions (Vendor Connection). Vendors are responsible for ensuring that staff who leave have their access terminated and new staff are set up.

Vendors using Workforce Solutions systems must maintain security over their User ID and Password. The owner of each User ID is responsible for the use of their access, and is liable for any mis-use of their access. SHARING USER ACCESS WITH OTHERS IS STRICTLY FORBIDDEN.

POLICY VIOLATIONS

Failure to comply with Workforce Solutions' policies and/or federal and state rules may result in a range of actions, including:

- Repayment to Workforce Solutions - Vendors may be required to refund any payments that they are not entitled to, including overpayments, duplicate payments, or payments made in error. If an overpayment cannot be returned in full, a payment arrangement can be made. Vendors' failure to repay when requested will result in withholding of current and future payments to recover the amount owed.
- Refusal to refer additional children to a vendor,
- Removal of current children from care,
- Termination of vendor rate schedule or agreement,
- A vendor who knowingly and intentionally misrepresents information or uses any fraudulent means to obtain child care funds will be referred to the appropriate authorities including the

district attorney's office or the Regulatory Enforcement Division of Texas Workforce Commission.

VENDOR LICENSING STATUS

The Texas Department of Family and Protective Service (DFPS) may place child care vendors on Corrective or Adverse Action in either Probationary or Evaluation status when they are found in noncompliance with their licensing standards. Workforce Solutions will notify parents in writing of the **Vendor's Corrective or Adverse Action** status.

Parents at the vendor on Corrective Action in either **Probationary or Evaluation Status** are allowed to continue a child's enrollment, as long as the parent acknowledges the provider's DFPS status in writing and elects to maintain the child enrolled. Care will close if the parent fails to return a signed acknowledgement letter to Workforce Solutions Financial Aid Payment Office within 10 business days of the date of notification. Vendors on Corrective Action will not qualify to receive enhanced reimbursement rates from Workforce Solutions. In addition, vendors under **Probationary Status** will not be paid for any new children until all of the conditions imposed by the Corrective Action are complied.

If a vendor is on **Adverse Action**, Workforce Solutions will immediately transfer children to another eligible child care vendor. Vendors will not be paid for new children and will not qualify to receive enhanced reimbursement rates from Workforce Solutions.

COMPLAINTS/GRIEVANCES

Child Care Vendors have the right to have complaints or grievances heard without the threat of losing child care reimbursement. Vendors should begin by explaining the problem or complaint to Workforce Solutions staff; if this is unsuccessful, ask to speak with the management staff and explain the problem.