



Components of PreK Payment Processing

Program/Facility Contracting

Prior to receiving any payments through CCSA, PreK programs must undergo a contracting process with CCSA. Programs must meet CCSA eligibility requirements and complete an enrollment packet, which includes information forms, policies, and a participation agreement.

- 1) **Initial Provider Eligibility Requirements:** In addition to meeting any and all PreK requirements, programs/facilities must also meet the following general agency criteria to receive payment through CCSA:
 - a) The facility is licensed by the state of North Carolina's Division of Child Development and Early Education at a 4- or 5-star level.
 - b) The program is not under investigation for child care abuse or neglect and is without a significant recent history of compliance issues or administrative actions for licensing violations
 - c) The program actively participates in CCSA's Child Care Referral Program
 - d) The program is not on the NC Office of State Budget and Management's Suspension of Funding List (SOFL)
 - e) The program agrees to the following general and licensing policies:
 - i) General
 - (1) The child care program must maintain a discipline policy and practice that prohibits the use of corporal punishment.
 - (2) The child care program cannot discriminate and must admit children for care regardless of their or their family's race, gender, religion, sexual orientation, disability, creed, color or national origin.
 - (3) Regardless of the contracted scholarship dates, scholarships can only be provided as funding permits. Providers and parents will be notified as soon as possible if there are changes in funding expected to impact children's scholarships.
 - (4) A primary facility and business contact must be designated for the child care program. The primary facility contact has the responsibility of signing scholarship contracts, assisting parents in signing and renewing scholarships, submitting attendance forms and/or reporting changes to the program's tuition or star rating information. The business contact has the responsibility of supplying and updating direct deposit information, receiving and processing scholarship payments and payment details, and verifying that correct scholarship payments have been made. The primary facility and business contacts can be the same person.
 - ii) Licensing
 - (1) Facts about regulatory compliance and DCDEE/DSS investigations must be disclosed according to CCSA's "Licensure & Regulatory Compliance Policies and Procedures."

- (2) Any changes in current licensure status or accreditation must be reported to CCSA immediately. Changes in license or accreditation may result in changes to reimbursement rates and in some cases termination from the scholarship program.
- (3) The child care program may not enroll beyond their licensed capacity if the expected attendance of all children enrolled would cause the child care program to exceed license-capacity.

2) Provider Enrollment and Activation Process: New PreK providers not already serving children and being paid by CCSA must submit a provider enrollment packet to become activated. To initiate the process, Counselor will fill out the Provider Activation Request Form, the Data and Provider Relations Manager (DPRM) will receive notification of the new request and will forward information to the Data and Payments Associate (DPA) for processing.

- a) The following checks are performed to make sure the provider is eligible:
 - i) Scholarship Database (SDB) Status – Search the SDB for the provider’s license number to confirm the provider is not already active.
 - ii) Star Rating – Search the DCDEE website for the provider and confirm an eligible star rating.
 - iii) On Referral? – Login to CCSA’s referral database and confirm whether provider is active on CCSA’s referral program.
 - iv) Clear on DCDEE? – Check DCDEE site and CCSA’s tracking documents for regulatory compliance and confirm there are no active administrative actions.
 - v) Clear on SOFL? – Go online to NC Office of State Budget and Management website and confirm program is not on state Suspension of Funding List.
- b) DPRM reviews each provider’s information and contacts the provider to discuss any eligibility issues or to confirm eligibility and explain how CCSA’s program operates. DPRM sends them a provider packet to complete and return.
- c) After the packet is returned, staff review it to make sure all documents have been received and are completed and signed. If any information is missing, contact provider to request missing documents or missing signatures/information. A completed provider packet must include:
 - i) Application
 - ii) W-9
 - iii) Direct deposit information/voided check
 - iv) Signed General Provider Agreement
 - v) Signed Licensing and Regulatory Compliance Agreement
- d) For NEW providers, a new record in the SDB is created and activated and all relevant information from the provider packet is data entered, including banking/payment information.
- e) For previous, but currently INACTIVE provider, prior SDB record is activated and is updated with appropriate information, checking to confirm current licensing and banking/payment information.
- f) CCSA Accounting Department is provided with a copy of the application, W-9, and direct

deposit info/voided check so they can be enrolled/updated/verified in direct deposit.

- g) A physical file folder for the provider is created (or updated) containing the application, W-9, voided check, signed provider agreement and signed licensing and regulatory compliance agreement along with the information printed from the DCDEE website (basic info, license info, and owner info).

RateSetting

CCSA’s per-child reimbursement rates for PreK providers are differentiated based on the star-rating of each facility’s license, the qualifications/certification of each PreK classroom’s lead teacher, and the funding streams from which payments are being made.

Below are the current reimbursement rates for **NCPreK** based on the funding model in place for FY19:

NC Pre-K Reimbursement Model

CCSA-DPFC Split Pay Sites

Star Rating	TeacherBKStatus	CCSA	DPFC	TOTAL
5 star	BK licensed	\$ 294	\$ 650	\$ 944
	non-BK licensed	\$ 324	\$ 600	\$ 924
4 star	BK licensed	\$ 233	\$ 650	\$ 883
	non-BK licensed	\$ 273	\$ 600	\$ 873

CCSA Full-Pay Sites

Star Rating	Teacher BKStatus	CCSA	DPFC	TOTAL
5 star	BK licensed	\$ 929	\$ 15	\$ 944
	non-BK licensed	\$ 909	\$ 15	\$ 924
4 star	BK licensed	\$ 868	\$ 15	\$ 883
	non-BK licensed	\$ 858	\$ 15	\$ 873

In the event that a parent-fee or co-pay is assigned to a PreK child, CCSA’s reimbursement rate for that child will be adjusted by reducing the otherwise pre-determined rate (based on the criteria above) by the amount of the monthly parent-fee.

Accurate payment processing is contingent upon timely receipt and processing of all information related to provider star-rating, per-classroom teacher qualifications, specific classroom assignments for all PreK children, and, if implemented, all information and documentation required for parent-fee assessment (e.g., family size and household income).

Attendance

1) Attendance Policies; Providers agree to the following attendance reporting policies at the time of application to receive payment through CCSA:

- a) Fraudulent reporting of attendance or rates will not be tolerated. Contracts are created for individual children and are site-specific. Moving a child without proper notice or claiming a child for an incorrect amount of days may be considered fraudulent and programs may be held liable for ineligible or incorrect payments made.

- b) The primary facility contact must notify CCSA program staff when a child is absent five or more consecutive days. Notification can be provided by phone or email (919-403-6950 OR scholarship@childcareservices.org). When a child reaches 10 or more absences, a partial payment may be assessed depending on the circumstances. *PreK policies and procedures regarding minimum attendance and eligible reimbursement may take precedence over general CCSA policies and procedures.*
- c) The primary facility contact must notify scholarship program staff by phone or email (919-403-6950 OR scholarship@childcareservices.org) when a child discontinues service before their contract ends. A two-week notice will be paid from the last day of attendance except in cases where a child did not receive any service before the contract ended. *PreK policies and procedures regarding exiting children, communication of notice, and eligible reimbursement may take precedence over general CCSA policies and procedures.*
- d) Parent fees (if applicable) must be verified/ reported on the monthly attendance sheet.
- e) Non-operational days, or days that a program is closed for business, will qualify for payment and should be reported accurately on attendance forms. Non-operational days include holidays, teacher work days, program-specific closings, closures due to inclement weather, etc. *PreK policies and procedures regarding the PreK school year/calendar and operational days eligible for reimbursement may take precedence over general CCSA policies and procedures.*

2) Attendance Collection: Providers are required to submit completed and signed attendance worksheets on a monthly basis using one of the following methods:

- FAX to 919-403-6959, Attn:Scholarship
- SCAN and E-MAIL to scholarship@childcareservices.org
- DROP OFF at the front desk at 1201 S. Briggs Ave., Suite 200, Durham, NC 27703 or MAIL to this address with sufficient time to be received by the due date.

Signed attendance worksheets act as invoice for payment, and payment cannot be made in the absence of a signed attendance claim.

Attendance sheets for a given month are typically due around the 20th of each month, with reimbursement provided by direct-deposit to a program's banking account by the 2nd working day of the following month.

Payment

1) Payment Policies: Programs agree to the following payment processing policies and procedures:

- a) Payments are provided by direct deposit and will be available two business days following the last day of the month, following the month that care is provided. On-time payment is contingent upon timely receipt of completed attendance forms by the date indicated on the attendance worksheet calendar.
- b) Changes to a program's direct deposit information must be reported to CCSA immediately and any failure to do so may result in delayed reimbursement. This includes changes to account

numbers, banks, owner information, business name, location and tax payer identification number.

- c) A detailed statement of payments indicating a breakdown of amount by child will be mailed no later than the 10th of the following month.
- d) If there is any error in payment, the business contact will notify CCSA staff within two weeks after the payment has been received so that a payment adjustment can be made the following month or other arrangements can be made.

2) PaymentPreparation

- a) Prior to processing of payments staff will perform a number of preliminary data cross-checks with DCDEE's licensing database, OSBM, CCSA's referral database, and appropriate PreK partners to confirm ongoing eligibility (e.g., licensure and compliance) and update any information in the SDB relevant to eligibility or payment.
 - i) Confirm that PreK partners have provided up-to-date information on exits, new enrollments, and moves between sites and that all corresponding contracts have been modified accordingly.
 - ii) Ensure that PreK partners have responded to the request to provide updates on changes to teacher B-K licensure status. For any changes to status, ensure classroom information has been updated on the provider's record.
- b) Identify and process any pending contracts approvals that can be completed before payment processing begins.
- c) Collate all information regarding corrections, back-payments, special circumstances, and payment adjustment notes for processing with the current month's payments.

3) PaymentProcessing

- a) A series of data entry steps, data pulls, and data reconciliations are conducted to generate payments each month after attendance worksheets have been collected. These steps include:
 - i) Paying for current month ofcare/attendance
 - (1) Verify claims for sites that have ALL children claimed and no outstanding questions or potential issues and mark them for full payment.
 - (2) Identify sites with child absence days greater than 10 (or lower number in months with fewer operational days), apply pro-rated reimbursement and mark for payment.
 - (3) Identify and resolve any anomalies in business days for the month and days claimed by provider. Assign prorating as needed and mark for payment.
 - (4) Identify contract start and end dates within the service month the payment applies to. (Remember to check back pays for start and end dates within the back pay month.) Assign prorating as needed and mark for payment.
 - ii) Making any corrections necessary on past payments, entering notes in the payment comments box to document reasons
 - (1) Retractions: Deduction of prior, inaccurate or incorrectpayments

(2) Back Payments: Payment for a prior month that does not already have a payment record or repayment for a partial month after aretraction

b) Cross checking Payments Prior to Approval

Once in receipt of a complete set of payments for a given month, the Scholarship Program Manager will perform a series of quality assurance steps before submitting payments for final approval:

- i) Confirm attendance logs match payment data sets
- ii) Compare payment dataset to check request documents to ensure that the total dollar amount on the check request matches the total dollar amount in the payment data
- iii) Confirm payment data set does not have missing or miscoded data in key fields
- iv) Scan the check request and confirm reasons for any negative or \$0.00 facility totals in the check request.

c) Send Payments for Final Approval

- i) Once quality assurance crosschecks have been performed and payments appear ready for processing, the Scholarship Program Manager will e-mail the Check Request and the payment data to the Director of Family Support, copying the Senior Vice President for Triangle Area Child Care Resource & Referral Services.
- ii) Once the Director of Family Support has given initial approval, the Scholarship Program Manager will print the check request and submit to the Senior Vice President for Triangle Area Child Care Resource & Referral Services for final review and signature.
- iii) Signed payments are scanned and e-mailed to Accounting for processing no later than 4 working days from the end of the month.
 - (1) Payment request is processed by Accounting and direct deposits are transmitted to provider accounts by the last day of each month.
- iv) The Scholarship Program Manager updates the master spending spreadsheet promptly so that the Director of Family Support can review and adjust spending projections as needed.

d) Post-Payment Processing

- i) Conduct reconciliation of payment dataset with monthly detailed expense report from accounting
- ii) Mail out payment receipts (“check stubs”) to PreK providers with attendance worksheets for the next service month
- iii) Compile and submit monthly spending reports to appropriate funders