

COLORADO DEPARTMENT OF HUMAN SERVICES 1575 SHERMAN ST., DENVER, COLORADO 80203-1714 AGENCY LETTER	NUMBER: CC-11-05-P
	CROSS REFERENCE NUMBER:
DIVISION: Division of Child Care	DATE: August 23, 2011
PROGRAM AREA: Child Care -CC	DIVISION DIRECTOR: Rosemarie Allen
TITLE: County Eligibility File Reviews TYPE: P - Procedure	DEPUTY EXECUTIVE DIRECTOR: <i>Reggie Bicha</i>

Purpose:

The purpose of this Agency Letter is to provide counties with guidance on expectations from the Colorado Department of Human Services, Division of Child Care on auditing Colorado Child Care Assistance Program (CCCAP) eligibility determinations and protocols for reporting results of eligibility reviews.

Background:

Effective October 1, 2007 the federal Department of Health and Human Services created a regulation requiring all states to employ a case review process in calculating Child Care Development Fund (CCDF) error rates in accordance with an error rate methodology established by the Secretary of Health and Human Services. (Federal Register / Vol. 72, No. 171 / Wednesday, September 5, 2007, pp 50889-50900.) At this time, a nationwide error rate has not been established; however, Colorado will continue to audit authorizations on an ongoing basis in order to ensure that cases comply with regulations. The state is requiring that counties audit eligibility files and report error results to the Division of Child Care along with "Level 2 Performance Improvement Plans" (PIP) for preventing future errors. The Division of Child Care has agreed to establish protocols for several types of county audits and to monitor the results of those audits.

Procedure:

Counties shall perform an audit of child care eligibility files. The expectation is that at least one percent (1%) of the average number of cases a county has in a fiscal year will be audited. This audit will occur at least every six months. The county shall determine who will complete these audits with the expectation that the person completing the audit is not the same person who determined eligibility for the case. Some counties may request a reciprocal agreement with a neighboring county to ensure audits meet the above-mentioned expectation. The attached form shall be used to complete these audits and report results to the Division of Child Care, Colorado Child Care Assistance Program (CCCAP).

Eligibility Audits –

To determine the number of cases that must be audited, a county will need to audit one percent (1%) of the average monthly caseload in the county including Low-income Child Care cases and Colorado Works Child Care cases. Based on the size of the county and workload issues this may require audits monthly, quarterly or as few as one audit every six months. Counties shall audit no less than one case each quarter if the numbers of cases are not sufficient to audit one percent (1%) each month.

The county shall complete a random sample but include risk-based reviews of files in the sample, ensure the identified numbers of reviews are completed and results reported to the Division of Child Care CCCAP staff. Useful reports for determining "at risk" files are:

1. Time Limited Activity Tracking Report
2. Case Notes by Note Type Report
3. ACSES Discrepancy Report
4. CHATS/CBMS Address Discrepancy Report
5. CHATS/CBMS Income and Household Members Discrepancy Report

The one percent (1%) sample shall come from the most recent application or re-determination prior to the audit month. This review is to ensure that the eligibility determination was completed in compliance with regulations and policies in place at the time the determination of eligibility was completed. The questions that will need to be answered as part of this case review are:

1. If an application was the most recent eligibility form, was the client on a waiting list prior to their application being processed? (If the answer is "yes" proceed to #2, or if the answer is "no" proceed to #3.)
2. Was the county policy for waiting lists followed when removing this person from the waiting list?
3. When was the last application or re-determination completed on this case?
4. Based on the update in the case notes window, was eligibility processed timely?
5. Is the application or re-determination form present in the file?
6. Are all of the fields on the application or re-determination form completed?
7. Did all adult caretakers sign it?
8. Did all adult caretakers date it?
9. If a statement of responsibility is required, did all adult caretakers sign it?
10. If a statement of responsibility is required, did all adult caretakers date it?
11. Is there a Temporary Assistance for Needy Families Colorado Works (TANF/CW) referral in the file?
12. Are all fields addressed on the TANF/CW Referral form or is there documentation of why they are not?
13. Is verification of the county residence in the file?
14. If the primary applicant is not a relative adult caretaker, is there an affidavit or court order in the file allowing this person to apply for child care for the children?
15. For a two-adult caretaker household, is one of the adults an incapacitated person? (If the answer is "yes" proceed to #16, or if the answer is "no" proceed to #17.)
16. Is there verification in the file of this person's incapacitation and that he/she cannot watch his/her child due to the incapacitation?
17. Is verification that all adult caretakers are in an eligible activity included in the file?

18. Has citizenship been verified for all children who have child care requested?
19. Is there a picture ID for the children or primary adult caretaker in the file? (Adult Caretaker picture ID is only required when the child does not have a picture ID.)
20. If any children have a disability, is there verification of their disability?
21. Has age-appropriate immunizations been verified (either by the provider or with immunization records in the file)?
22. If your county requires child support cooperation and there are any absent parents, has the family been referred to child support?
23. Is verification in the file of all adult caretakers' schedules for an eligible activity?
24. If any adult caretaker in the home is being given a deduction from income due to court-ordered child support for children not living with them, is there verification of the court order and payments in the file?
25. Are there at least three months of pay stubs, for ongoing employment, or an employment verification letter, for new employment, in the file?
26. Is there verification of countable non-work income in the file?
27. Based on the verification of income in the file is the client under the county maximum income limit for the household size?
28. For employment income, are employed adult caretakers making at least the current Federal Minimum Wage?
29. Based on the verification of income in the file was a monthly average determined correctly?
30. Based on the monthly income, amount of children in the household and number of children in care was the parental fee entered correctly?
31. Was proper notice provided prior to changing or establishing a parental fee?
32. Does the information in CHATS match the information on the application/re-determination?
33. Do the notes on the authorization clearly cover only the days and times child care is needed for the eligibility activity?
34. Does the documentation in the Case Notes window clearly summarize the eligibility factors and what care is authorized?

Reporting Results –

A county shall complete the required reporting form for all audits conducted at least every six months and submit to the Division of Child Care, CCCAP staff, for review.

When reporting results of eligibility file reviews (audits) to the Division of Child Care:

1. Report any errors and in what area they were found during the audit? (Example: Application errors, verification errors, household eligibility errors, calculation errors, parent fee errors, missing documentation in the Case Notes, and/or missing documentation on the authorization.)

2. Please include information on the case number for the audited file; if errors are found include a plan to prevent future errors.
3. If Intentional Program Violation (IPV) is found in an audit, was recovery established and the IPV process in place for disqualification?

Effective Date:

Immediately

Contact Person:

Patricia "Trish" Logan (303) 866-3960 or patricia.logan@state.co.us

Attachments:

CCCAP Case File Review Worksheet

Parent Name:				Child Name:			
Application Process	Demographics			Agency	Provider	Client	
	Applicant Information	Name					
		Residence Address					
		Mailing Address					
		Children					
	Household Members	Others (2nd Parent)					
		Children Citizen/Documented					
		Children Citizen/Documented					
	Qualifying Head of Household	Meet CCCAP Definition of parent	Compare reported on appl. Vs. CHATS				
	Qualifying Activity	Activity	Applicant				
Other Parent (if applicable)							
Schedule		Applicant					
		Other Parent (if applicable)					
Income	Work Income	Documented in File					

	Non-Work Income	Documented in File				
	Other Income	Disclosure				
Changes	Changes properly reported between re-determination periods	Change in circumstance for or contact documented with county worker				
		Income falls within county Guidelines				
Qualifying Children		Immunization				
		Schedule				
		Is Care Requested?				
		Special Needs				
		Provider Information				
Signatures		Applicant				
& Dates		Auth to Release Info				
Client Responsibility Agreement		Signed and Dated				
Case Notes		Documentation of action taken, communication etc.				
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Redetermination Form						
		Received timely				
Demographics	Primary parent	Name				
		Residence Address				
		Mailing Address				
	Household Members	Children				
		Children Citizen/Documented				
Qualifying Head of Household	Meet CCCAP definition of parent	Compare reported on application Vs. CHATS				
		Others (2nd Parent)				
Qualifying Activity	Activity	Applicant				
		Other Parent (if applicable)				
	Schedule	Applicant				
		Other Parent (if applicable)				
Income	Work Income	Documented in File				
	Non-Work Income	Documented in File				

Authorization Process						
	Changes	Other Income Changes properly reported between redit. Pds	Disclosure Change in circumstance for or contact documented with county worker			
	Qualifying Children		Qualified Child/Age			
			Immunization			
			Schedule			
			Is Care Requested?			
			Special Needs			
			Provider Information			
	Signatures		Primary Parent			
	& Dates		Auth to Release Info			
Case Notes	Documentation of action taken, communication etc.					
	Authorization	Timely authorization (7 day rule)				

	Care Coded for activity				
	Authorized based on need				
	Parental Fee Accurately Assessed				
	Accurate Termination date/reason				
Multiple providers	Documentation of need				
	Authorized based on need				
Case Notes	Documentation of action taken, communication etc.				

Provider Fiscal Process							
	Fiscal Agreement	Form	Current for test period				
		Provider	Signed and Dated				
		Agency	Signed and Dated				
	Exempt: Self-Assurance	Provider	Complete, Signed & dated				
		Parent	Signed and Dated				

	W-9	Form	Complete, Signed & dated					
Payment Process	Billing Form	Received By County	Timely receipt					
			Timely payment					
			Correct Payment					
		Supporting Documentation	Provider sign in/out documentation					
			Absence Documentation (allowed/non-allowed)					
		Parent Fee	Timely Receipt					
			Correct Amount					
		Billed/Paid	Over authorization					
			Under authorization					
			Overpayment					
			Underpayment					
				Registration, Activity, Transportation fees correct payment				

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Calculation of Error				Provider	Client	Notes
	Provider Over/Under Payment Amount					
	Client Over/Under Payment Amount					
	Total Amount of Improper Payment (value)					
		Total Improper Payment		\$	\$	

