STATE OF NEW JERSEY
POLICY & DIRECTIVES
CLARIFICATION, EXPLANATION
AND DISCUSSION
THE CHILDREN’S HOME SOCIETY OF NJ
JUNE 30, 2014
For those programs who accept families who receive the WFNJ/TCC subsidy, a referral is needed for child care to occur.

This document must be faxed from the County Welfare Agency (CWA) also known as the Board of Social Services.

Without this document there is no authorization for child care services.

It is regulatory that the child care agency receive this from the CWA for all WFNJ/TCC child care cases.
Registration fees are authorized in child care setting for WFNJ child care agreements.

Registration fees are those fees charged to a family for an annual registration and application for child care services and shall not include any charge for materials, supplies and/or activities.

WFNJ child care agreements can include authorized registration charges for: licensed child care centers, summer day camps, before and after school child care programs and registered child care providers.
The payment of a registration fee is based on whether the child care provider has an established registration fee policy.

A **one time** registration charge, not to exceed $50.00, associated with the initial enrollment of child(ren) into the approved specific child care settings, as previously described, can be authorized.

**Programs may not charge a registration fee, or a higher registration fee, only to WFNJ children.**
There are regulatory requirements on the health and safety of children for in home child care settings. These requirements are designed to protect the health and safety of children served by all Providers, especially FFN and In-Home Providers, for whom child care services are provided with public funds. Such requirements will include: successful completion of a Child Abuse Record Information (CARI) check, Orientation, CPR certification and First Aid training.
FFN continued

- CCR&R’s will distribute and provide essential health and safety policies and trainings to the Providers, as specified by the Division of Family Development (DFD).

- In-Home and FFN Providers who do not comply with the required trainings, will be considered ineligible and will not qualify for child care payments.

- Those existing In-Home and FFN Providers are being contacted now so that they can come into compliance by 12/31/14.
• Existing In-Home and FFN Providers who have not complied and met with the previously stated requirements and who are currently serving children will receive a “Failure to Comply and Intent to Terminate Notice” by 11/24/14.

• This will be sent to parents and guardians of the children in care informing them of the same.

• These providers and families will also be notified with a required ten day notice, that DFD will no longer pay for child care after 12/31/14, due to the provider not meeting federal and state health and safety requirements.
Disqualification of Providers to Receive Child Care Subsidy Payments

- To qualify for payments, a provider must have proven eligibility for payment in DFD Child Care Programs.
- Providers must comply with all E-Child Care (ECC) terms and conditions as set forth by the E-Child Care Parent/Provider Responsibilities and Agreement
- Any substantiated case of fraud shall subject a child care provider/program to disqualification
Disqualification continued

- Program violation can be brought to the Department of Human Services/Division of Family Development (DHS/DFD) and/or the CCR&R by:
  a. phone call
  b. Letter
  c. Email
  d. newspaper article
  e. television news broadcast
  f. personal knowledge
  g. review of the provider file.
- The CCR&R will conduct an investigation to determine if the program violation or fraud is substantiated.
- The CCR&R will seek the guidance of DFD.
Substantiated program violations found by any State agency or its designee will subject the provider to one or more of the following penalties:

- Written warning notice (specific to ECC program violations)
- Exclusions from receiving payments through State child care subsidies
- Suspension, debarment or disqualification
- Criminal investigation
- Recoupment/repayment
Disqualification continued

- **Examples of *Provider/Program Violations:***
- Failure to accurately verify child attendance through ECC web portal
- Failure to comply with all of the E-child care terms and conditions as set forth by the E-child care Parent/Provider Responsibilities and Agreement
- Failure to comply with the child care service agreement
Examples of *provider/program fraud*:

- Falsification of a license/certificate and/or altering licensing/certificate information
- Falsification of any documentation (parent signatures, attendance, ECC logs, etc.)
- Omission or withholding information that impacts health and safety of the children (i.e. not reporting adverse change in facility/home environment)
- Any intentional time and attendance (ECC) infraction which leads to monetary gain
Disqualification continued

- Substantiated fraud, any component of fraud, or the illegal receipt of government funds from any governmental agency
- Providing false or misleading information or statements on any form
- Provider’s child care license or certificate was denied or revoked for furnishing or making false or misleading statements or reports to the Office of Licensing (OOL) or the CCR&R pursuant to licensing regulations.
Penalties:

- Warning Notice (applicable only to ECC specific violations)
- Any evidence of program violation involving ECC will result in a written warning notice (specific to ECC) requiring submission of time-phased corrective action plan from the provider/program.
- Recoupment/repayment may be required
- **Note:** cases of substantiated fraud will result in immediate disqualification without a written warning
Disqualification continued

First Violation (except fraud) – Three (3) month disqualification

- Disqualification for three months will apply when the first offense for a program violation is substantiated.

- CCR&R will issue a notice of suspension and outline the following:
  1. Reason for suspension
  2. Length of suspension
  3. Terms & conditions
Disqualification continued

- **Terms & conditions**-parents/applicants enrolled with the provider/program who receive child care subsidy will be required to select another provider or incur the cost if they choose to remain with the provider/program in suspension.
- CCR&R’s will be prohibited from making any new referrals to, or establishing agreements with, the suspended provider/program during the suspension.
Second violation (except fraud)- Six (6) month disqualification

- Disqualification for six months will apply when a second offense of a program violation is substantiated.
- CCR&R’s will issue notification of suspension outlining the following:
  1. Reason for suspension
  2. Length of suspension
  3. Terms & conditions
Disqualification continued

The same notification to the parent/applicant applies for those who choose to continue using the suspended center. This is a cost that they choose to incur. All notices to the provider/program will be sent in a timely fashion. No referrals or agreements for child care may occur during the suspension.
Disqualification continued

Third Violation or Fraud - Twelve (12) month disqualification and/or debarment

- Disqualification for twelve months will apply when the third offense of a program violation is substantiated or fraud had been substantiated against a provider/program
Disqualification continued

- CCR&R’s will issue notification of disqualification outlining the following:
  1. Reason for disqualification or fraudulent activity
  2. Length of suspension
  3. Terms & conditions

Parents enrolled in the program and receiving child care will be required to select another provider/program or incur the cost if they choose to remain with the provider/program in suspension. CCR&R’s will be prohibited from making referrals to, or establishing agreements with, the provider/program in suspension.
Notification

- **Providers must be informed in writing at least 10 days prior to an adverse action.**
- Any provider who has been disqualified shall be sent written notice regarding the disqualification:
  1. The notice shall be sent via certified mail to the provider informing him/her of the date the disqualification shall be effective
  2. The notice shall include the reason(s) for the disqualification.
  3. The notice shall include probable recoupment or recovery of money
  4. The notice shall include notice about the provider’s right to appeal the disqualification in accordance with DFD’s adverse action procedures.
Disqualification continued

- The effective date of the disqualification shall be either:
  1. The effective date shown in the disqualification as described in the parent notification or
  2. If an appeal has been requested and the hearing officer upholds the decision by DFD, the date the hearing decision has been rendered
Parent Notification

- Any parent, caretaker relative or legal guardian eligible under the Child Care Services Manual for child care services, who is utilizing the child care services of a provider who has been disqualified by DHS/DFD shall be notified by mail that:

1. The provider does not meet the minimum requirements to operate as a child care provider
2. DHS/DFD shall deny child care payments to the provider
3. DHS/DFD advises that other child care arrangements be made and recommends the parent, caretaker or legal guardian contacts the local CCR&R
Appeal Procedures

- It is the right of every provider who receives a disqualification notice from the CCR&R to request a review of his/her case from the CCR&R and/or DFD.
- The CCR&R must inform the provide of his/her right to a review.
- A timely request must be made within 10 days of the date of the disqualification notice.
If an appeal is requested:

1. The provider may or may not receive child care payments during an appeal. The decision will be made on a case-by-case basis and determined by DFD. Should the disqualification decision be upheld and child care payments continued, the provider shall repay any overpayment.

2. If the DFD hearing officer or applicable appeals procedure finds in favor of the provider, then the disqualification shall be lifted from the date of the final decision, and if payment is owed, the provider would be paid for services rendered.
Parents have a right to parental choice when selecting a child care provider to care for their child(ren).

Only Family Child Care Providers that have a current Certificate of Registration will qualify to receive child care payments through DHS/DFD will qualify to receive child care payments through DHS/DFD subsidy programs.

NJ State regulations require that Family Child Care providers secure a Certificate of Registration, which must remain current.

If a Certificate of Registration is about to lapse or expire, the CCR&R shall be required to take the following actions:
Termination of payment continued

- CCR&R’s are required to notify both the parent/applicant and family child care provider using the State approved notification forms (provider and parent notice) of the termination of child care payment.
- The payment termination notification must be sent out, at a minimum, ten (10) working days prior to the provider’s Certificate of Registration expiration date, along with a change of provider notice.
Parents are required, at all times, to comply with New Jersey’s subsidized child care program regulations and policies.

- Any type of program violation will subject a parent/applicant to penalties that may include:
  1. Disqualification
  2. Termination
  3. Denial at time of application or reapplication
  4. Criminal investigation
  5. Recoupment of payment if appropriate

- All of the above will occur if the parent is found by the CCR&R or DHS/DFD to be in violation of New Jersey’s subsidized program regulations and policies.
Disqualification for parents continued

Disqualification Process

- Program violations can be brought to the attention of DHS/DFD and/or the CCR&R’s attention through a variety of means:
  a. Phone call
  b. Letter
  c. Email
  d. Newspaper article
  e. Television news broadcast
  f. Personal knowledge
  g. State databases used during the normal applicant eligibility determination or re-determination process

- The CCR&R will conduct an investigation to determine whether or not the program violation is substantiated.
- The CCR&R shall seek guidance from DFD on cases in which clarification is required.
A substantiated case of program violation will result in the suspension of disqualification of child care subsidy. This will make the parent/applicant ineligible to apply/reapply for and/or receive subsidized child care for a specified period of time depending on the number and types of violations. A parent or applicant may appeal the decision to suspend or terminate the child care subsidy.
Disqualification for Parents continued

General Program Violations

- Failure to report within **ten (10) calendar days** any change in family size/composition, family income or any other **circumstances that change eligibility** such as work/school/training status or income that exceeds program eligibility standards
- Failure to accurately report all sources of income
  1. Multiple sources of income
  2. Increase/decrease in wage/salary
  3. Not reporting accurate income from self-employment
  4. Not reporting rent from property ownership
  5. Changing or altering pay stub information
ECC Program Violation: Failure to comply with E-Child Care Parent/Provider Responsibilities and Agreement may result in a warning notice, suspension or disqualification
Disqualification for Parents continued

PENALTIES/PROCEDURES: Warning Notice

- Upon evidence of ECC program violation, the CCR&R has seven (7) calendar days to send a warning letter to parents and offer training.
- Written notification of parent warning must be sent to providers
- WFNJ cases: copies of all notices must be sent to the Board of Social Services
- Parent has fourteen (14), two weeks from the date of the warning letter to attend training and/or remedy the action by demonstrating consistent use of ECC
To document compliance or non compliance, CCR&R’s must print out the transaction report for the two week period once the back swipe period has closed.
General Program and ECC Violations Penalties: Warning Notice

- Upon evidence or notification of a program violation, the CCR&R has seven (7) days to send a warning letter to the parent/guardian.
- The CCR&R is responsible for taking any action necessary to determine if parent/guardian remain eligible and if repayment of funds is required.
First Violation (except fraud)- One month disqualification

- Upon completion of one month disqualification, if case is still eligible, re-determination rules will apply
- Eligibility 250% FPL; Kin 350%-500% FPL
- WFNJ cases require notification to the Board of Social services and verification that the Board of Social Services was informed of the disqualification
Second violation (except fraud)-Three (3) months disqualification

- Upon completion of the three months disqualification, if case is still eligible, re-determination rules will apply
- Eligibility 250% FPL; Kin 350%-500% FPL
- WFNJ cases require notification to the Board of Social services and verification that the Board of Social Services was informed of the disqualification
Third Violation and/or Fraud - Termination for up to twelve (12) months and/or permanent disqualification

- If violation has not resulted in a permanent disqualification, parent could be subject to a twelve (12) month termination
- After twelve (12) month termination, the parent/applicant must reapply with the eligibility threshold at 200% FPL
Fraud or program violations that may be subject to up to twelve (12) month terminations include:

- Failure to provide, or provision of, false or misleading or deliberate misrepresentation of, required information in connection with a new application or current child care subsidy case (this may also result in the denial of any subsidy, and referral to federal, state or local agencies for criminal or civil court action, garnishment of wages, or tax intercept, as well as private claims collections agencies for claims actions involving repayment or recovery of funds)
Disqualification to Parents continued

- Reporting child(ren) present in attendance when child(ren) were not in attendance
- Repeated misuse of the ECC card resulting in multiple violations
- Repeated general program violations

WFNJ cases will require written notice to the Board of Social Services and verification that the Board of Social Services was informed of the disqualification for up to twelve (12) months.
Disqualification to Parents

- It is the right of every parent who receives a disqualification notice from the CCR&R to request a review of his/her case by the CCR&R and/or DFD.
- The CCR&R must inform the parent of the right to request the review.
- A timely request must be made within ten (10) days of the date of the disqualification notice.
Disqualification to Parents

The CCR&R must establish a Child Care Services Repayment Agreement with the parent, if it is discovered that an overpayment occurred as a result of program violation or fraud.