



**ANNOUNCEMENT: S-05 #05
CHILD DEVELOPMENT OFFICE
BUREAU OF SUBSIDIZED CHILD CARE SERVICES**

**ISSUE DATE: June 28, 2005
EFFECTIVE DATE: July 1, 2005**

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| SUBJECT: | The 2005 – 2006 Relative/Neighbor Provider Agreement |
| TO: | Child Care Information Services Agencies |
| FROM: | Harriet Dichter Deputy Secretary, Office of Child Development |

Harriet Dichter

PURPOSE:

1. To issue the new Relative/Neighbor (r/n) Provider Agreement for 2005 – 2006.
2. To announce revisions to the Relative/Neighbor Provider Agreement and the Appendices resulting from policy changes impacting r/n providers effective July 1, 2005.
3. To issue instructions to the Child Care Information Services (CCIS) on the distribution of the new Relative/Neighbor Provider Agreement.
4. To provide the following attachments:
 - The Relative/Neighbor Provider Agreement – Effective July 1, 2005.
 - Appendix A – Rules for Participation in the CCIS Subsidized Child Care Program.
 - The Payment Rate Guide containing RN Appendix B – CCIS Subsidized Child Care Relative/Neighbor Provider Payment Rates (formerly Appendix C-3).
 - Appendix C – Participation Standards for Relative/Neighbor Providers (formerly Appendix D).
 - The Relative/Neighbor Provider Agreement Letter.

BACKGROUND:

In May 2005, the Office of Child Development (OCD) issued Announcement S-05 #2, The 2005 – 2006 Provider Agreement. The Agreement distributed with that Announcement is effective July 1, 2005 and is to be used for regulated providers who wish to do business with either the CCIS or the County Assistance Office (CAO).

At that time, OCD advised the CCIS that separate agreements for relative/neighbor and in-home providers would be issued in the future.

DISCUSSION:

Attached to this Announcement is the new Relative/Neighbor Provider Agreement. The new Agreement is effective July 1, 2005 and is to be used for all relative/neighbor (r/n) providers who wish to do business with the CCIS. This Agreement replaces the provider agreement issued July 2003 and includes the following changes:

- Provider Agreement

- Reference to:
 - 55 Pa. Code 3040 is replaced by reference to 55 Pa. Code 3041.
 - Appendix C-3 is replaced by reference to Appendix B.
 - Appendix D is replaced by reference to Appendix C.
- Appendix B
 - Formerly Appendix C-3.
 - No longer used to obtain information from r/n providers on closed days.
 - Is part of the entire Payment Rate Guide, attached to this announcement, as “RN Appendix B”.
 - Reflects the policy decisions:
 - To no longer pay r/n providers for closed days.
 - To pay all r/n providers the same rate, regardless of CareCheck status and certification, and based on the county, level, and unit of care.
- Appendix C
 - Formerly Appendix D.
 - Contains Participation Standards for Relative/Neighbor providers:
 - Section D(1)(d) is removed to reflect the policy decision to require CareCheck for all r/n providers, including providers related to the children in care as a grandparent, uncle, or aunt.
 - Section D(5) is modified to inform the r/n provider that use of a telephone with call out capability is required.

It should be noted that the Relative/Neighbor Provider Agreement is strictly for r/n providers and is strictly for CCIS business. It is not a common agreement for CAO business. R/n providers who wish to do business with the CAO should be directed to the local office or to Headquarters at 717-783-9977.

Beginning July 1, 2005, the CCIS will use the new Agreement for all new r/n providers who wish to do business with the CCIS.

By December 31, 2005, the CCIS must obtain a signed new Agreement for existing r/n providers currently doing business with the CCIS. A provider agreement letter is attached to the announcement for this purpose. The CCIS must develop and implement a plan to track the return of signed new Agreements from existing r/n providers currently doing business with the CCIS by December 31, 2005. The CCIS must terminate the Provider Agreement for r/n providers currently doing business with the CCIS who do not return a signed new Agreement by that date.

NEXT STEPS:

1. Review this information with appropriate staff.
2. Beginning July 1, 2005, use the new Relative/Neighbor Provider Agreement and appendices for new r/n providers.
3. Develop and implement a plan to obtain signed new agreements for all existing r/n providers currently doing business with the CCIS by December 31, 2005.
4. Terminate the Provider Agreement for r/n providers who do not return a signed new Agreement by December 31, 2005.
5. Direct questions to your Subsidy Coordinator.