

Introduction

To support the fixed costs of providing child care services, a child care provider may bill the Child Development and Care (CDC) program for a child's occasional absences, such as the child's illness, doctor appointments, holidays, building closures, or any time the child is not in care when they normally would be.

Absence hours may be billed when the following is true:

- [The child is absent when he/she would normally be in the provider's care.](#)
- [The child returns to care after the absence.](#)
- [The hours are documented on time and attendance records.](#)
- [The provider has a written policy for billing for absences.](#)

Absence hour billing and payments have the following limits:

- [Absence hours billed cannot exceed what is charged to the general public.](#)
- [Payment for absence hours are limited to 360 hours per child, per fiscal year.](#)
- [Payment for absence hours are limited to 10 days, when no care hours are billed.](#)

Normally in Care

Normally in care means based on a historical trend or routine of when the child has been in care.

Example – Regular Attendance

Martin is scheduled to be in care every Monday through Friday from 7:00 AM to 3:00 PM. Martin is absent on Wednesday. Rather than bill 8.0 absence hours from 7:00 AM to 3:00 PM according to Martin's expected schedule, the provider looks at several previous pay period records and realizes that Martin is routinely in care from about 7:30 AM to about 3:00 PM, 7.5 hours. Therefore, the provider only bills 7.5 absence hours for Martin for Wednesday.

Example – Regular Attendance with additional scheduled hours.

Melissa is normally in care on Tuesday and Thursday each week for 8.0 hours, from 8:00 AM to 4:00 PM. Melissa's mother informed the provider that she would be bringing Melissa to care next Monday. However, Melissa does not show up on that Monday as expected. The provider should not bill absence hours for Melissa for Monday, because Melissa is only normally in care on Tuesday and Thursday.

Example – Regular Attendance with a holiday.

Leslie is normally in care on Tuesday and Thursday each week for 8.0 hours, from 8:00 AM to 4:00 PM. The provider is closed for business on a Monday holiday. The provider should only bill absence hours for children that are normally in care on Monday, and only for the number of hours each child is normally in care. Because Leslie is normally in care on Tuesday and Thursday, the provider should not bill for Leslie.

Example – Varying Attendance

Sam's attendance in care varies greatly, and he typically attends three to six days per two-week pay period, ranging from four to eight hours per day. In the last two-week pay period, Sam was only in care two days, for a total of 14 hours, which seemed low for Sam. The provider reviewed several previous pay periods and realized that, though Sam's attendance varies from day to day, Sam regularly averages 27 care hours per two-week pay

period. With this knowledge, the provider billed 14 care hours, plus 13 absence hours, for a total of 27 hours. As a best practice, the provider wrote down how she came up with these hours, in case her billing is reviewed in the future.

Example – Joint Custody

Jamal and Lisa share custody of Hakeem. Their custody arrangement is such that Hakeem is with Jamal for one week and Lisa for one week. Hakeem attends child care at Little Angels Child Care Center on Monday through Friday from about 7:30 AM until about 5:00 PM during the week he is at Lisa's house. Because of the custody arrangement, Hakeem is only in care during the second week of each pay period. Little Angels should not bill for absences during any of the first week of the pay period, because Hakeem is not normally in care that week.

The Child Must Return

A provider should not bill absence hours after the child's last day in attendance.

Example – Child does not return after unexpected absence

Little Lambs cared for Billy from Monday through Friday for January, February and March. During the first week of April, Billy was in care three days and was absent for the remainder of the two-week pay period. The director tried to reach Billy's mom but was not successful. Little Lambs marked the time and attendance with Billy's absence hours. However, they did not bill the CDC program for the absence hours, because Billy had not returned to care, and they had not heard from his mom.

In mid-April, Little Lambs learned that Billy had switched child care providers and would not return. Little Lambs billed Billy's mom for the absences, based on the initially agreed upon policy that requires two weeks notification prior to ending care.

Note: If a provider recognizes that billing was submitted for a child that will not be returning, the provider should contact the CDC office at 866-990-3227. CDC will give instructions on how to return the money paid for absence hours for the child.

Hours are Documented

To bill for child absence hours, the times should be clearly documented on the provider's time and attendance records. The entry should indicate the day and time the child was absent when he/she would have normally been in care.

Example – Documenting Absences

Nancy is a license exempt-related provider who cares for her niece, Gloria. Nancy uses the required CDC Daily Time and Attendance Record, found in the Provider's section at: www.michigan.gov/childcare.

When Gloria is absent on a day that she is normally in care, Nancy writes down the begin and end times the child is normally with her. Nancy asks Gloria's mother (Nancy's sister) to initial each day that will be billed, including absence days. Sometimes they disagree about the number of hours billed. The requirement to initial the records daily is the parent and provider's opportunity to settle these disagreements. The daily parent initials indicate that Gloria's mother has reviewed and agreed to all hours that will be billed from the attendance records.

Note: Obtaining daily parent certifications for care hours is required. For absence hours, obtaining parent certification is "best practice" and highly recommended.

Policy for billing absence hours

While it is a good idea for all provider types, **licensed providers** must have a written policy to charge all families for child absences, in order to bill the CDC program for such absences.

Example – Absence Policy

Little Stars Child Care Center has a section in their child care contract that states that they charge for the times a child is absent from care.

Billing the general public

Providers cannot charge the CDC program or CDC clients more than they charge the general public (including their own employees).

Example – Absence Billing

World of Learning has a policy that allows a child to be absent up five days per year with no charges. Sharon is absent for two days in a fiscal year. The provider may not bill the CDC program (or Sharon's parent) for Sharon's two absence days, because the general public would not be charged.

Annual Absence Hours Limit of 360 Hours

360 Absence Hours are available for each child for the period of October 1st through September 30th (fiscal year).

Example – CDC Annual Absence Hours Limit

Sue's Child Care Center cares for Javier from October 1st through May 15th. During that time, Sue bills and is paid for 200 absence hours for Javier's occasional absences. Javier's mother moves Javier to Janice's Little Angel's Child Care on May 16th. From May 16th until September 30th, Janice may bill and be paid for up to 160 absence hours, as long as she does not exceed any other billing limits.

Ongoing Absence Billing Limit

When no care hours are billed, payment for absences is limited to 10 days. When 10 days of absences are billed for a child, and no care hours have been billed, payment will not issue for additional absence hours until care hours are billed. This will prevent the payment of excessive absence hours that do not reflect a child’s normal attendance. If this limit causes unusual hardship for a family, a policy exception can be requested by the parent through MDHHS.

Example – CDC Ongoing Absence Hours Limit

Mark Smith attends child care with Sue Clark. Mark is absent from care for a period of time. Mark’s mother called to tell Sue he is very sick and that he will return to care when he is better. The following example is billed based on the child being absent when he would normally have been in care.

Pay period 1: Sue bills absence hours on Monday through Friday of the first and second week and does not bill for care hours. She is paid for the absence hours.

Pay period 2: Sue bills absence hours on Monday through Friday of the first week, and the second week bills care hours (Mark has returned) on Monday through Thursday. She bills absence hours again on Friday. Sue is not paid for the absence hours in the first week, because the 10-day limit had been reached in Pay Period 1. She is paid for the care hours and the Friday absence hours in the second week of Pay Period 2, as the care hours have reset the 10-day absence limit.

2018		October					
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
30	01 Absent 1	02 Absent 2	03 Absent 3	04 Absent 4	05 Absent 5	06	} Pay Period 1
07	08 Absent 6	09 Absent 7	10 Absent 8	11 Absent 9	12 Absent 10	13	
14	15 Absent X	16 Absent X	17 Absent X	18 Absent X	19 Absent X	20	} Pay Period 2
21	22 Child in Care	23 Child in Care	24 Child in Care	25 Child in Care	26 Absent 1	27	

*Note: the image above is not intended to represent time and attendance records.