



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

GRETCHEN WHITMER  
GOVERNOR

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STATE SUPERINTENDENT

## **MEMORANDUM**

**DATE:** November 5, 2021

**TO:** Current Licensed and Licensed Exempt Child Care Providers

**FROM:** Dr. Scott M. Koenigsknecht, Deputy Superintendent P-20 System and Student Transitions

**SUBJECT:** Guidance for Temporary Billing Based on Enrollment and Not Attendance

### **Background**

Child care programs and professionals continue to be a critical part of our state's recovery. For many programs, however, we understand that your finances are tighter than ever. That is why the Governor and Legislature agreed to temporarily allow providers to continue billing based on enrollment and not attendance for child care subsidy children.

For those of you who joined a subsidy policy webinar or completed a survey in September, we appreciate your feedback. That feedback was used to help inform these instructions and continue to help us plan for a permanent change related to child care subsidy payments. Prior to any permanent policy changes the Department will host another series of webinars and/or offer another survey opportunity for feedback.

**Effective with Pay Period 122** (October 10, 2021 to October 23, 2021) child care providers accepting the subsidy will bill the state based on enrollment and not attendance. The memo below explains how to bill in this manner. This policy will be in effect through September 30, 2023.

**Note about Pay Period 121** (09/26/2021 – 10/09/2021). Providers were approved to bill based on enrollment instead of attendance from pay period 116 through 120. Due to a quirk in state fiscal year and the child care subsidy payment calendar, providers must return to attendance-based billing for pay period 121 only.

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**The Following Instructions Apply to Enrollment vs Attendance Billing:**

- Beginning October 10, 2021 with Pay Period 122 when a child is absent from care, providers are instructed to **bill regular care hours instead of absence hours for children who are attending regularly.**
  - Providers should only bill for the scheduled times the child would normally be in care based on the agreement the provider has in place with the parent for care. For example, if a child is scheduled to be in care for nine hours a day from 8:00-5:00, Monday through Friday, then you should bill for the **scheduled/enrolled** time on each of those days.
- To be eligible for this billing, the child **must** have been in attendance with the provider at least one day within the previous **two pay periods (Example:** To bill for pay period 122, the child must have been in care in either pay period 120 or 121).
- The absent child **must** be expected to return to care.

Note: If this is not known, the provider should contact the child's parent/guardian to confirm this information.

- Providers should document the date the child is expected to return on the time and attendance records.
- If a child is absent for less than 10 consecutive days you should bill for regular care hours.
- If the child is absent for more than 10 consecutive days you must bill for absence hours.
- Providers who have a child that is absent for more than 10 days can contact the CDC Call Center and request an absence hour payment exception.
- Do not bill the CDC program after a child's last day in care.
- The billing **must** reflect a child's normal care schedule (days/times).
- If a provider **temporarily closes due to a COVID-19 outbreak or quarantine**, they **must** intend to reopen after the closure in order to bill.
  - To be eligible for this billing, the child **must** have been in attendance with the provider at least one day within the previous **two pay periods (Example:** To bill for pay period 122 the child must have been in care in either pay period 120 or 121.
  - The provider should document the closure date and the date the provider expects to reopen on the time and attendance records.
  - The time and attendance record must also indicate "temporarily closed due to COVID-19 outbreak or quarantine".

- If a child is absent due to illness or quarantine related to COVID-19, and it extends beyond 10 consecutive days please contact the CDC office at 866-990-3227 for instructions on how to bill.

Note: The provider should notify the CDC office if they realize they will not reopen to provide care. Billing for all children should stop.

### **Time and Attendance Documentation Requirement:**

- Providers should document on their time and attendance records the following statement: **Billing for enrollment based on instructions given by the CDC Office for Pay Period 122 – September 30, 2023.**

### **Questions & Answers:**

#### **Wasn't an enrollment billing policy already in place? What's new?**

Providers were approved to bill based on enrollment instead of attendance from pay period 116 through 120. Due to a quirk in state fiscal year and the child care subsidy payment calendar, providers must return to attendance-based billing for pay period 121 only. Starting pay period 122, providers should follow the billing process described in this memo.

#### **Does it matter why the child was absent from child care?**

No, the reason for the absence does not matter.

#### **What if I cannot reach the parent/guardian to confirm if their child is expected to return to care?**

If you do not know if a child is expected to return to care and cannot confirm that information with the parent, hold off on billing until you receive confirmation.

#### **What is meant by "the times a child is scheduled to be in care"?**

Normally in care means the child's normal attendance based on a historical trend or routine. Link to this document for examples: [Billing Examples: Child Absences \(michigan.gov\)](#).

#### **Can a child's normal care schedule change?**

Yes – Please see this common example:

- Summer care hours: Devin age 8 attended child care 7:00 am to 5:00 pm per day, Monday -Thursday, for pay periods 113 through 119. When Devin had an occasional absence during these pay periods his provider billed 10 regular care hours per day (instead of absence hours) per the memo from the CDC office.
- School year hours: Devin started to attend in-person school in pay period 120 and began to attend child care before school 7:00 am to 8:00 am and after school 3:00 pm to 5:00 pm, Monday-Thursday. When Devin had an occasional absence, his provider billed 3 regular care hours per day (instead of absence hours) based on his "new normal" care schedule.

**What if a provider discovers a billing error?**

Providers must notify the CDC office if they discover a billing error at 866-990-3227.

Examples:

- Too many hours were billed, or
- A child was billed for that did not return to care.

**Does this memo apply to school-age children who participate in virtual education while attending child care during the regular school day?**

The approval to bill the CDC program for school-age children during the regular school day while participating in virtual education ended on July 3, 2021.

For school age children attending your program outside of the school day you should follow guidance for enrollment vs attendance billing.

**Still have questions?**

Contact the CDC Office at 866-990-3227 or visit our website at [www.michigan.gov/childcare](http://www.michigan.gov/childcare).