**Board Policy and Procedure Updates Checklist**

Implementation of Child Care Program Changes Effective with TX3C Phase 2 Release

**What?**

A checklist of the policies and procedures that a Board must consider related to changes effective with the release of TX3C Phase 2 (case management and parent portal), with the implementation of TX3C.

**Why?**

To assist Boards in identifying and prioritizing changes needed to local processes, policies, procedures, guidance, and communication.

**Who?**

Child care contract managers

Fiscal management staff

Child Care Services program staff members who develop and implement local child care policies and procedures

**When?**

# New Statewide Policies

The following Child Care Services (CCS) policies are now set at the state level:

Prospective provider payments (except for Relative Care)—two-week payment periods (effective July 1, 2024)

Parent Share of Cost (PSoC) methodology (effective July 1, 2024)

Maximum family income for eligibility (effective October 3, 2022)

Eligibility for children with disabilities up to age 19 (effective October 3, 2022)

Child care during education (effective October 3, 2022)

Waiting list management (effective July 1, 2024)

# Provider Payments and Fiscal Monitoring

Review and update procedures related to the following payment and fiscal processes:

Implementing prospective payments:

Paying providers in advance for two weeks of authorized child care (excluding Relative Child care)

Verifying authorizations/checks and balances for payment approval

(Currently Boards verify child attendance before issuing payment. Because payments occur prior to child care service delivery, Boards will now make provider payments after verifying the number of children authorized to receive care.)

For new child care authorizations—prorating care for the current two-week pay period

Managing changes that affect a payment (changes become effective with next two-week pay period):

Child age group changes

Provider quality level/enhanced rate changes

Provider published rate changes

Managing overpayments, including those related to transfers, withdrawals, early terminations, and fraud

Remediating financial reports that may be impacted by prospective payments

Updating cash draw processes to ensure adequate funds for prospective payments

Updating any out-of-area provider agreements to ensure that the provider payment is based on the maximum rate in place in the local workforce development area where the provider is located

Updating recoupment processes for parents and providers to leverage TX3C levee and payment adjustment features

Developing a plan for the transition period and the impact on provider payments

(See page 5, a graphic illustrating transition timeline for payments out of each system.)

# Intake and Case Management Procedures

Review and update procedures related to the following Child Care Services case management business processes:

c Outreach and waiting list pulls

c Waiting list management, including:

c Parent or guardian notifications (New statewide policy requires Boards to outreach parents every three months.)

c Board priority group management (Boards will now use TX3C to track local Board priorities.)

c Maintenance and/or purging of the waiting list (New statewide policy requires Boards to outreach parents every three months.)

c Application intake methods, including:

Processing applications submitted through the statewide parent application

Disabling any locally developed online application or intake form and/or workflow systems

Processing staff-assisted applications (for customers who need help with completing the online application)

Calculating family income and PSoC

Procedure to calculate family income (TX3C will include a pay stub calculator that standardizes collection of pay stubs.)

Procedure to calculate PSoC (TX3C will calculate PSoC based on the new statewide methodology.)

c Eligibility determination, including:

Implementing verification of digitally submitted eligibility documentation

Aligning document verification procedures with statewide application requirements for standardized residency and income verification (revised Child Care Eligibility Documentation Log is forthcoming as well as additional details on TX3C processes regarding new statewide parameters for residency documentation requirements)

c Implementing statewide policy regarding the number of hours of employment or education a family must be participating in (25 hours for a single-parent family and 50 hours for a two-parent family)

Implementing statewide policy regarding the maximum amount of time a parent may receive child care services while enrolled in full-time education

c Business processes for case status changes, including:

c Board-to-Board transfers

c Provider-to-provider transfers

c PSoC reductions

c Income and household changes

c Redetermination processes, including:

c Managing notifications and redetermination application submissions

c Termination of care and notifications

Implementing statewide policy regarding making progress toward successful completion of a job training or education program

c Monitoring child attendance, including:

Verifying use of the automated attendance system

Parent communication regarding excessive absences

Attendance data corrections, including for providers using an approved Childcare Management System (CMS) such as ProCare, Brightwheel, etc.

c Managing program violations, including:

c Excessive unexplained absences—notifications and termination of care

Note: Boards must review and update local policies and procedures for absence notifications by July 1, 2024, to ensure TX3C is used to track excessive absences and to generate the required notifications. Absence notification procedures must be consistent with the requirements in [§809.78](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=40&pt=20&ch=809&rl=78).

c Unpaid PSoC and other parent recoupments

c Substantiated fraud

# Communication with Parents and Providers

Communicate with parents about the following changes:

New statewide online application for services

Notify current customers of changes to redetermination process

Update websites (Remove local applications and redirect to TX3C application instead, as well as update information about eligibility and documentation requirements, waiting list, and changes to other relevant policies.)

Post information for customers who need assistance accessing TX3C

Communicate with providers about the following changes:

New statewide online application for parents

New statewide PSoC policy

New policy to pay providers prospectively (except relative care providers)

New policy to pay providers based on provider location, not family residence

Improvements to the Child Care Availability Portal

TWC provider communication

**Note**: TWC is developing communication resources, including social media, to assist Boards with communicating changes related to the implementation of TX3C.

# TWIST to TX3C Transition: Timeline Impacts on CCS Payments

Timeline illustrating transition from TWIST to TX3C and how it will affect payments:

- for services provided before July 1st (service months June 2024 and earlier), payments will be made from TWIST in arears as a reimbursement
- for services provided on or after July 1st, payments will be made prospectively from TX3C
- the first prospective payment from TX3C, will include the first few days of July, paid in arears along with the rest of the 2-week pay period that will be paid prospectively
- Boards will start making prospective payments, while still closing out legacy reimbursements for June
- Neither system will be available from COB June 25 through June 30