



**WORKFORCE  
SERVICES**  
CHILD CARE

# Overview of Utah Administrative Code changes

# Topics

1. Overpayments
2. Disqualifications
3. Monthly certification
4. Department of Workforce Services (DWS) Provider Guide
5. Electronic W-9 Form
6. Cooperation with Audits and Investigations authorized by Workforce Services

# 1. Overpayments

- For all provider overpayments with an Order notice dated on or after *May 8, 2020*:
  - Repay in full within 30 days; OR
  - Set up and remain current on a re-payment plan

# Overpayments (cont.)

- For all provider overpayments with an Order notice dated before May 8, 2020:
  - Repay the overpayment in full by the due date; OR
  - Remain current on a repayment plan

## Consequences for non-repayment (OLD)

- Provider would be removed from the DWS-approved provider list.
- Parents would be notified of ineligibility.
- Provider would no longer be eligible for subsidy payments until the payment was received.

# Consequences for non-repayment (NEW)

- All future subsidy payments may be withheld until payment is received in full.
  - Provider remains on DWS-approved provider list;
  - Provider shall not charge families for withheld payments; and
  - Funds will be released once compliant.
- Overpayments will be deducted from High Quality enhanced subsidy grants.
- Other collection methods may be used.

# Penalties for Fraud

Fraud is referred to as an Intentional Program Violation (IPV).

Providers who commit an Intentional Program Violation or IPV will be required to repay the overpayment plus a 50 percent civil penalty.

## 2. Disqualifications

A provider may be disqualified for an Intentional Program Violation.

# Administrative Disqualification Hearing (ADH)

- Prior to disqualifying a provider, an ADH will be held.
- An Administrative Law Judge will determine when a provider should be disqualified from the child care program.

# ADH (cont.)

- A provider may be disqualified for reasons other than an IPV.
- An ADH will always be held first.

# Disqualification time period

- One year for the first disqualification;
- Two years for the second disqualification; and
- Lifetime for the third disqualification.

# Additional disqualification penalties

- Any overpayments must be repaid in full before being reinstated, even if the time period has ended.
- Disqualified providers are not eligible to receive any type of child care funds from the Office of Child Care.

# Overview

Additional administrative rule changes

### 3. Monthly certification

- Monthly certification is expected to be completed every month between the 25th to last calendar day of the month.
- Monitoring of attendance records may be required for failing to certify regularly.

# 4. DWS Provider Guide

- Current providers will no longer agree to the DWS Provider Guide during the Licensing renewal.
- Providers will be notified when a new version is available.
- Providers will agree to the terms and conditions by logging in to the DWS Provider Portal within 30 days of the announcement.
- Failure to do so may result in subsidy payments being withheld until completed.

# 5. Electronic W-9 Form

- Beginning November 1, 2020, all providers must complete an electronic IRS W-9 Form with Child Care Licensing.
- This information will be shared with DWS to issue 1099 Forms annually.
- The electronic W-9 is secure and will help ensure accurate information is being shared with the Internal Revenue Service (IRS).

# Electronic W-9 Form (cont.)

- New providers must complete the W-9 form during the licensing application process to be eligible for payment.
- Current providers will have until December 2021 to complete this requirement.
  - Subsidy payments may be withheld for failure to comply.

# Cooperation with Audits and Investigations authorized by Workforce Services

- Providers must:
  - Cooperate with an audit or investigation authorized by Workforce Services; and
  - Keep accurate and complete attendance records for three years.
- Penalties for non-cooperation or failing to keep accurate records include:
  - Withholding payment until the provider cooperates; and
  - Being referred to the Overpayment Unit and being found liable for an overpayment.
- A provider who fails to cooperate may also be recommended for disqualification.

## Conclusion

- This webinar did not address all potential scenarios covered in the administrative rules.
- Review the Utah Administrative Code for more information about these changes.

# Utah Administrative Code

The Utah Administrative Code can be found here:

<https://rules.utah.gov/publicat/code/r986/r986-700.htm>

# Questions?

For questions regarding this webinar,  
please email [occ@utah.gov](mailto:occ@utah.gov).