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 repayment 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.
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.
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).
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.
The Utah Administrative Code can be found here:

For questions regarding this webinar, please email occ@utah.gov.