



## Questions from Providers About Tiered Reimbursement

***Q: If I care for children in the Wisconsin Shares program, do I have to participate in YoungStar?***

**A:** Yes. As of July 1, 2012, all child care providers that receive a Wisconsin Shares subsidy reimbursement for children in their care must participate in YoungStar and receive a YoungStar quality rating. This applies to certified family providers, licensed family providers, licensed group child care centers, and public schools that provide care outside the normal school day.

***Q: If I don't care for children in the Wisconsin Shares program, do I have to participate in YoungStar?***

**A:** No. YoungStar participation is voluntary for providers who do not care for children in the Wisconsin Shares program.

***Q: I'm a new provider or a provider who has never taken Wisconsin Shares before but I've agreed to care for a child who is eligible for Wisconsin Shares. What should I do to participate in YoungStar and receive Wisconsin Shares subsidy payments?***

**A:** Apply to YoungStar by filling out a YoungStar Contract found on the website (<http://dcf.wisconsin.gov/youngstar/contract.htm>) even if you are not yet certified or licensed. For additional information on how to complete the YoungStar Contract visit <http://dcf.wisconsin.gov/youngstar/how-to-apply.htm>. Send the YoungStar Contract to your local YoungStar office. If you are a new provider, contact your local YoungStar office to begin YoungStar services as soon as you receive your license or certification. During the Tiered Reimbursement Implementation period (July 1, 2012 – June 30, 2013), you will be paid at a 2 Star level starting on the date that your contract was received at the YoungStar office. If your program is later rated at a 3 Star, 4 Star or 5 Star level, you will receive the higher payment back to the date of your YoungStar contract.

Local YoungStar office contact information is available at: <http://dcf.wisconsin.gov/youngstar/localoffice.htm>

***Q: I am in the process of becoming certified or licensed. I don't yet have a provider number. When should I apply to participate in YoungStar?***

**A:** Now. A YoungStar Contract will be in your Certification or Licensing application materials.

While you are in the application process to receive your certification or license, you will not receive a Provider Number or Facility Number immediately. Complete the YoungStar Contract right away and send the YoungStar Contract to the local YoungStar office without the Provider Number. Once you receive your Provider Number or Facility Number then you must **immediately** contact your local YoungStar office and tell them this number. The date your YoungStar Contract is received at the local YoungStar office is important because you cannot be authorized to care for children in the Wisconsin Shares program until your YoungStar Contract is received by the local YoungStar office.

For additional information on how to complete the YoungStar Contract visit: <http://dcf.wisconsin.gov/youngstar/how-to-apply.htm>. Local YoungStar office contact information is available at: <http://dcf.wisconsin.gov/youngstar/localoffice.htm>

**Q: Do I have to reapply every year?**

**A:** Yes. Once you are rated in YoungStar, you are assigned a *YoungStar Anniversary Date*. It is the date you received your first YoungStar rating. This is the annual date by which you must return the YoungStar Contract Renewal. If you do not return the YoungStar Contract on time, all Wisconsin Shares subsidy reimbursement and authorizations will end until you reapply for YoungStar. DCF will send you a YoungStar Renewal Contract 120 days before your anniversary date. DCF strongly encourages you to turn in your YoungStar Contract Renewal quickly to ensure you are rated by your Anniversary Date. If you have not reapplied 30 days before your Anniversary Date, your child care families will receive a notice informing them that their authorizations may end if you do not reapply to YoungStar.

**Q: \*How does my YoungStar rating affect my Wisconsin Shares subsidy reimbursement?**

**A:** Your Wisconsin Shares reimbursement level is based on your YoungStar Quality Star Rating. This is called Tiered Reimbursement. The Tiered Reimbursement scale is:

**5 Star Provider** – Meets highest levels of quality standards. Wisconsin Shares subsidy reimbursement was increased by 10%. Effective January 2013, the Wisconsin Shares subsidy reimbursement will increase by up to 25% for 5 Star providers.

**4 Star Provider** – Meets elevated levels of quality standards. Wisconsin Shares subsidy reimbursement is increased by up to 10%.

**3 Star Provider** – Meets proficient levels of quality standards. Wisconsin Shares subsidy reimbursement remains the same.

**2 Star Provider** – Meets health and safety standards. Wisconsin Shares subsidy reimbursement is reduced by 5%. Fifty-nine percent (59%) of providers earned 2 Star ratings.

**1 Star Provider** – Not eligible for Wisconsin Shares subsidy reimbursement. These providers' child care licenses or certifications have been revoked, denied or suspended, or their Wisconsin Shares payments have been ended due to fraud or suspected fraud.

**Note:** Any increase or decrease in reimbursement rates due to YoungStar rating is applied **after** the parent co-payment is taken out of the Wisconsin Shares payment.

**Q: How is Tiered Reimbursement calculated?**

**A:** The provider's YoungStar tiered reimbursement adjustment is added or subtracted on the amount of the reimbursement *after* the parental co-payment has been deducted from the payment.

**Q: Will Wisconsin Shares subsidy reimbursements change in 2013?**

**A:** Wisconsin Shares subsidy reimbursement for **5 Star providers** will be increased to 25% beginning in January 2013. All YoungStar quality adjustments are calculated on the Wisconsin Shares reimbursement amount *after* the parental copayment is deducted. So for most 5 Star providers, the YoungStar quality adjustments will be between 20% and 25%. The YoungStar adjustment amount is calculated on a per-child basis and will be added to your reimbursement payments beginning on December 30, 2012. After December 24, 2012, the authorization notices will display the steps in the payment calculation, including the YoungStar adjustment calculation.

**Q: My program earned a 2 Star rating. How can I improve my rating so I qualify for a higher payment?**

**A:** The YoungStar website has tip sheets to help providers move from a 2 Star to a 3 Star rating. Go to <http://dcf.wisconsin.gov/youngstar/provider-resources.htm>. Your YoungStar technical consultant and your local YoungStar office can help you find training and education opportunities. There is also financial assistance in the form of T.E.A.C.H scholarships and YoungStar micro-grants to help you improve the quality of your program.

**Q: If I earn a 4 Star or 5 Star rating and get a higher Tiered Reimbursement payment, how can I use that extra money?**

**A:** The Department of Children and Families encourages you to use the money on quality improvement, but there are no restrictions on how you use the money.

**Q: Currently, my child care program is paid using attendance-based authorizations so my Wisconsin Shares payments are 10% higher. Will Tiered Reimbursement change that?**

**A:** This will not change. Licensed providers that use attendance-based authorizations will continue to receive the extra 10%. This is in *addition* to the rate adjustment set by your YoungStar Quality Star Rating.

**Q: Will parent co-payments be affected by the Wisconsin Shares Tiered Reimbursement changes?**

**A:** Parent's co-payment is based on family size and income. This will not be affected by the additional or reduced payments you will receive under Tiered Reimbursements. However, in cases where the parent pays the difference between the Wisconsin Shares subsidy reimbursement and the provider's private pay rate, the parents may be asked to pay more or less, up to the provider's full private pay rate. This decision is up to the provider.

**Q: Where is my local YoungStar office?**

**A:** In most cases, it is the Child Care Resource and Referral agency in your area. To find the local YoungStar office for your county, call **1-888-713-KIDS(5437)** or see the map at:

<http://dcf.wisconsin.gov/youngstar/localoffice.htm>

Or call the Child Care Information Center to answer YoungStar questions: **1-800-362-7353**

\*Special Tiered Reimbursement rules apply to certain providers:

- Providers who are located outside of Wisconsin
- Providers who have a CDA and have previously been reimbursed 10% above normal Wisconsin Shares rates
- Providers who care for children in the child's own home
- Providers who receive approval to provide extra care to children with special needs