

I. CHAPTER OVERVIEW

Federal regulations of child care funds require that parents be allowed to choose a child care arrangement from a variety of providers, including licensed and nonlicensed home arrangements. This chapter describes factors that parents should consider when choosing a provider, along with the local purchasing agency's (LPA) responsibilities to honor parental choice whenever possible.

Federal regulations also require that states using Child Care Funds have a certificate or voucher payment option in place. North Carolina has chosen to use the voucher system. This chapter describes how the voucher is issued, completed, and distributed.

II. PARENTAL CHOICE

A. Factors To Consider In Choosing Child Care

Many parents are requesting child care services for the first time and may need help with the selection process. During the initial interview, the child care worker helps the family to plan for child care, to understand what to look for when choosing an arrangement, and to deal with the emotional effects of separating from the child.

1. Helpful information for parents includes:

- a. Explanation of the difference between regulated and unregulated child care arrangements;
- b. Explanation of the requirements for participation in the Subsidized Child Care (SCC) Program;
- c. The Division of Child Development's web site address (<http://ncchildcare.dhhs.state.nc.us/>) or provide access to the site in the office, for information about regulated providers;
- d. Facts about group size, staff/child ratio, staff qualifications and program activities;
- e. The availability of space in centers and homes in the community; and
- f. The 1-5 star rated license of the provider and what the license indicates.

2. Parents and child care worker should discuss:
 - a. Any unusual circumstance or special need of the child(ren) that would require a specific type of care;
 - b. The hours when child care is needed, based on work or school schedule and including travel time and/or study time;
 - c. The type of program that meets the family's needs; and
 - d. Convenience of the child care arrangement to home, work, or school.

The LPA may not eliminate types of arrangements, e.g., licensed or nonlicensed, or providers within categories of child care, e.g., centers or homes, when families receiving child care services are selecting a child care arrangement. LPAs may utilize the services of local resource and referral agencies, if available, as a resource for written materials and/or educating parents about the selection and availability of child care services.

3. When Parent's Choice of Provider is Not Available

A parent's choice of provider may not be available for several reasons. For example, the provider:

- a. May not be operating legally;
- b. May be operating legally, but is unregulated (not licensed) and therefore, cannot accept the voucher until the program goes through the licensing process;
- c. May not have space available;
- d. May not be approved to care for the child because of the child's age (Refer to [Chapter 10: Waiting List Policies](#), for additional information);
- e. May not be approved for the period indicated on the voucher;
- f. May not agree to the terms of the Child Care Provider Agreement ([DCD-0452](#)) or to subsidized payment rates or policies;
- g. May not be interested in participating in the SCC Program; or
- h. May not be able to participate in the SCC Program due to an administrative action or sanction.

NOTE: A parent's choice of provider may also not be available when the provider agreement terminates and subsidy payments are discontinued 45 days from date of the Notice of Administrative Action to revoke or deny a license or for most other instances of noncompliance. During the 45-day time frame, no new children funded with subsidy funds may be enrolled in the facility. In addition, a parent's choice of provider may also not be available if a sanction has been imposed upon a provider disallowing new children funded with subsidy funds from enrolling for a specified time period. Refer to [Chapter 15: Noncompliance with Licensing Requirements](#) for additional information regarding Administrative Actions. Also refer to [Chapter 20: Payment Policies](#) and [Chapter 23: Fraudulent Misrepresentation and Overpayments](#) for additional information regarding sanctions.

In such cases, the LPA is not obligated to authorize payment with the parent's choice of provider. The parent should be informed of the reason why authorization is not possible and asked to choose from other child care options.

4. Parental Choice Regarding Changing Providers

Parents may ask to change child care providers, which they may do. To help limit the number of changes, the child care worker should encourage parents to carefully consider their options and choose initially the program best suited for their family. However, if parents discover that a program does not meet the needs of their child, the child care worker should assist in making the change. Occasionally, parents request to move their child from program to program. In such situations, the child care worker should try to determine the cause of the problem and work with the family to develop a permanent placement.

The LPA may limit in local policy the number of times a family may change child care arrangements. Refer to [Chapter 22: Local Policy Options](#) for additional information. It is also optional for the LPA to pay registration fees. If an LPA chooses to pay registration fees, the LPA cannot pay for more than two per year per child. If the LPA establishes limits regarding the number of times a family may change providers and if the LPA chooses to pay registration fees, it must be spelled out in the county's local policy. Refer to [Chapter 21: Payment Rates](#) and [Chapter 22: Local Policy Options](#) for additional information.

B. How Abuse/Neglect Information May Affect Parental Choice

If the LPA has information that indicates the provider chosen by a parent is being investigated due to a report of abuse or neglect, this information may be shared with the parent. Depending on the type of arrangement, an abuse or neglect complaint or investigation may affect parental choice in different ways. *Details such as the names of child (ren) or disabled adult(s) involved in the case cannot be released when sharing information about an investigation.* Refer to [Chapter 14: Abuse and Neglect Investigations in Child Care Facilities](#) for more information on sharing investigative information.

NOTE: If the parent wants to move the child immediately due to a child abuse or neglect concern, the LPA may authorize care at another facility and issue a new voucher effective immediately. The LPA would still be required to pay the notice period to the original provider. Refer to [Chapter 20: Payment Policies](#), Section III., for instructions on paying during the notice period.

1. Licensed Child Care Facilities

A parent may choose a licensed facility that is undergoing an investigation or has been substantiated for child abuse or neglect. The LPA may share certain information with parents regarding the investigation and substantiation of child abuse and neglect of regulated child care providers so that parents may make an informed decision whether to choose or continue using such a provider.

If a parent continues to indicate a preference after receiving this information, the LPA must allow the parent to use the regulated provider as long as the provider is operating legally.

2. Nonlicensed Child Care Facilities

When a parent chooses a nonlicensed home arrangement where it has been substantiated that the provider or an individual living in the home has abused or neglected a child or a disabled adult, or if an investigation alleging abuse or neglect is in process, the LPA should encourage the parent to select another arrangement. Refer to [Chapter 17: Approval Process for Nonlicensed Homes and In-Home Care](#).

If a parent continues to indicate a preference for a nonlicensed home arrangement where an abuse or neglect substantiation or investigation exists as described above, and the arrangement poses a threat to the child's health or safety, the LPA may deny the parent's choice of provider.

C. Local Purchasing Agency Liability

Since a parent may choose a licensed family child care home or center (including programs that are [G. S. 110.106](#) approved) that is undergoing an investigation or has been substantiated for child abuse or neglect, the LPA may have concerns about liability. **With the implementation of the Child Care Voucher ([DCD-0446](#)), parents assume the responsibility of selecting the child care provider.** The parent's and provider's signatures on the voucher indicate that the placement of the child with that particular provider is an arrangement made between the parent and provider **and not the LPA**. The CPS social worker or the director's designated agency representative who signs and dates the voucher has the same responsibility as a parent in selecting the child care provider.

If the child care worker perceives that a CPS social worker is placing a child with a provider with a substantiated child abuse or neglect claim, the child care worker is encouraged to initiate discussions between CPS and child care staff.

When a parent selects a provider who has been substantiated for child abuse or neglect, the LPA may determine that additional documentation is required. Through consultation with the county attorney, the LPA may choose to develop a form for parents to sign which documents that the child care worker has informed the parent of the situation.

The LPA must track administrative actions and sanctions received on all providers. Refer to [Chapter 15: Noncompliance with Licensing Requirements](#) for additional information regarding Administrative Actions and [Chapter 23: Fraudulent Misrepresentation and Overpayments](#) for additional information regarding sanctions. On occasions, there are stipulations that do not allow enrolling any children for specified periods of time, and the LPA must adhere to these administrative actions and sanctions.

III. VOUCHER PROCEDURES

A. Purpose of The Child Care Voucher ([DCD-0446](#))

The Child Care Voucher (DCD-0446) gives the parent the responsibility for the selection of the provider. Parents may choose any child care provider who is eligible to participate in the SCC Program; however, some providers may choose not to make their services available. **The voucher serves as an agreement between the parent and the provider and is a mechanism which places the liability for the selection of a provider with the parent instead of with the LPA.**