Frequently Asked Questions for Tiered Reimbursement

What is a Tiered Reimbursement Bonus?

The Tiered Bonus is the difference between the amount your program receives from Division of Social Services for POC and the 2011 market rate for your county. Star 3 programs receive 80% of market rate, Star 4 programs 93% and Star 5 programs 102% of the market rate for infants, toddlers and preschool aged children. School age children- regardless of the program type- are reimbursed at 80% for Star 3, 90% for Star 4 and 100% for Star 5.

How does my program become eligible for the Stars Tiered Reimbursement Bonus?

Programs must be actively participating in Delaware Stars, achieve a minimum of Star Level 3 and have children enrolled who are receiving Purchase of Care.

When will my program be eligible for the Stars Tiered Reimbursement Bonus?

Programs are eligible for the Tiered Bonus when they reach a designation of Star 3, 4 or 5.

What will my program need to do to receive the Stars Tiered Reimbursement?

When your program is officially notified by Department of Education of your Star 3 (or higher) designation, you will receive a letter of agreement to sign and return to Department of Education. Your reimbursement will be calculated for the entire month in which your program first became a Star 3, 4 or 5.

How and when will my program receive the Stars Tiered Reimbursement Bonus?

The Tiered Bonus will be deposited to the same account where your regular Purchase of Care funds are deposited.

Tiered Bonuses will be issued quarterly. The Bonus will be issued at the end of second month following the end of the quarter:

<table>
<thead>
<tr>
<th>Payment Made:</th>
<th>For Quarter:</th>
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<tbody>
<tr>
<td>end of February</td>
<td>October, November, December</td>
</tr>
<tr>
<td>end of May</td>
<td>January, February, March</td>
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<tr>
<td>end of August</td>
<td>April, May, June</td>
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<tr>
<td>end of November</td>
<td>July, August, September</td>
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What if my program moves up a Star Level during the quarter?

Programs will receive the Bonus percentage for the new Star Level Designation from the beginning of the month in which the Verification for the new Designation was completed. For example, if your program Verification is completed on June 23rd and the program becomes a Star 4 during the third quarter, then your Tiered Bonus will be calculated at 80% for the months of April and May but at 93% (90% for school age children) for the entire month of June.

What if the children in my program have a birthday within the quarter and are eligible for a different POC rate?

The Tiered Bonus will calculate the rate for the child’s age from the beginning of the month regardless of the actual birth date. For example, if a child has a birth date of June 23rd and turns 3 years old, the rate for the third quarter for this child will be calculated for a 2 year old for the months of April and May and for a 3 year old for the entire month of June. Note: this is different from the way regular POC is calculated.

How is the attendance calculated for each child?

The attendance information used for calculating the Tiered Bonus is provided to the Department of Education by the Division of Social Services Purchase of Care program by the 15th of the month following the end of the quarter. No further adjustments of attendance data will be considered for purposes of calculating the Tiered Bonus.

What happens if my program is no longer participating in Stars?

Programs will receive the Tiered Bonus only for the months in a quarter that they are actively participating in Delaware Stars and eligible to receive a Bonus. A program may be ineligible to participate in Delaware Stars if they are under a compliance investigation or enforcement action with a State or Federal program. If a program chooses to close, tiered reimbursement will be calculated and paid only for the months (days) that the program remained open and had POC children in attendance.

What happens if my program has a new owner or changes location?

Whenever a program has a change that causes licensing to issue a new license, it is important to make sure that Department of Education has the information about the new Site ID that is also issued with the new license and is used to make POC and tiered bonus payments.

What happens if my program owes money to another state or federal program?

Tiered reimbursement bonus may be withheld if a program owes money to another program such as POC or has a tax lien. It is important to be able to show that your program is managing your finances to maintain and improve quality as this is what the tiered bonus is for—to help maintain the quality improvements made that earned your program the bonus originally.