

Vendor Corrective and Adverse Action Desk Aid

H-GAC receives weekly notification from the Texas Workforce Commission (TWC) if a child care vendor has been placed on corrective or adverse action by the Texas Department of Family and Protective Services (DFPS). Corrective Action includes Evaluation Status and Probationary Status. H-GAC forwards that information to the Financial Aid Payment Office (FAPO) and to Collaborative for Children.

Children Currently Enrolled with a Vendor on Corrective Action or Adverse Action

FAPO staff must notify parents of a vendor's corrective or adverse action status immediately after receiving notification from H-GAC. In addition, FAPO staff must ensure that they do not reimburse vendors at enhanced reimbursement rates while on corrective or adverse action status with DFPS.

1. Corrective Action

When DFPS places a vendor on corrective action:

- FAPO staff must mail parents the *Vendor Corrective Action Notification Letter* no later than one business day after receiving notification from H-GAC of the vendor's status.
- If electing to continue care with the current vendor, parents must sign and return the *Vendor Corrective Action Notification Letter* to FAPO within 10 business days of the letter date.
- Parents may choose to transfer to another vendor by calling FAPO or completing the form within the Vendor Corrective Action Notification Letter and returning it to FAPO within 10 business days of the letter date.
 - ✓ FAPO staff will complete transfers requested by the parent
 - ✓ FAPO staff will document the parent's response in TWIST counselor notes
 - ✓ The counselor note will include
 - If the parent responded by telephone or letter return
 - The parent's choice of transfer or continuing care (requires letter return)
 - The file location of the letter, if applicable
- If the parent does not respond, verbally or in writing, to the *Vendor Corrective Action Notification Letter* within 10 business days of the letter date, we will consider the parent voluntarily withdrew from Workforce Solutions child care financial aid. FAPO staff will notify Call Center staff via FACS to send the *Denying Financial Aid Letter* to the parent.

2. Adverse Action

When DFPS places a vendor on adverse action:

- FAPO staff must notify parents by telephone and send parents the *Vendor Adverse Action Notification Letter* no later than one business day after receiving notification from H-GAC of the vendor's status.
- FAPO staff will document the notification date in TWIST counselor notes
- The parent has five business days from the date of notice by telephone or letter date to arrange a transfer to an acceptable vendor.

- When the parent selects a new vendor, FAPO staff will follow the instructions above for making and documenting the transfer.
- If the parent does not respond to the *Vendor Adverse Action Notification Letter* within 5 business days, we will consider the parent voluntarily withdrew from Workforce Solutions child care financial aid. FAPO staff will notify Call Center staff via FACS to send the *Denying Financial Aid Letter* to the parent.

Enrolling New Children with a Vendor on Corrective Action

Staff arranging child care financial aid for customers not currently receiving the requested financial aid must check the *TWIST Child Care Provider* screen prior to referring a child to the vendor to determine if the vendor is on evaluation or probationary status.

1. Probationary Status:

Staff may not open a new referral to a vendor on probationary status.

2. Evaluation Status

Staff will tell parents about the vendor’s status and explain the parent’s options.

- The parent may choose another vendor
- The parent may choose to enroll the child at the vendor on evaluation status. She/he must first sign and return the *Vendor Corrective Action Notification Letter* stating that she is aware of the vendor status and chooses to enroll her child at that vendor.
 - ✓ Staff will document the parent’s response in TWIST counselor notes
 - ✓ The counselor note will include
 - If the parent responded by telephone or letter return
 - The parent’s choice to choose another vendor or the vendor on evaluation status (requires letter return)
 - The file location of the letter if applicable

Note: Staff may not open a new referral to a vendor on adverse action.

Summary

This table summarizes the actions to be taken when a child care vendor has been placed on corrective or adverse action with DFPS:

Status	Required Notification of Parents of Currently Enrolled Children	Required to Stop New Enrollments	Required to Remove Currently Enrolled Children	Vendor Eligible to Receive Enhanced Rates
Evaluation Status	Yes	No	No	No
Probationary Status	Yes	Yes	No	No
Adverse Action	Yes	Yes	Yes	No

Documentation

- Document all actions and correspondence with customer in *TWIST Counselor Notes*.
- Maintain copies of all correspondence sent to customers.

- File copies of signed notification letters.