



TO: **Child Care Eligibility and Authorization Workers  
and Supervisors  
Income Maintenance Supervisors  
Income Maintenance Lead Workers  
Income Maintenance Staff  
Training Staff  
Child Care Coordinators**

DECE/BCCSA OPERATIONS MEMO

No: 21-19

DATE: 09/03/2021

Child Care

FROM: Junior Martin, Director  
Bureau of Child Care Subsidy Administration  
Division of Early Care and Education  
Department of Children and Families

**SUBJECT: State Wage Information Collection Agency (SWICA) Discrepancy and  
Client Overpayment Procedure Update**

**CROSS REFERENCE:** [Wisconsin Shares Handbook](#), Sections:  
1.5.12.4 Verifying Employment Income for a SWICA Discrepancy  
4.3.2 Data Exchanges  
Process Help, Sections:  
44.4 Discrepancy Processing  
44.7.3 SWICA Discrepancy Flow Chart  
All Programs: COVID-19 Temporary Processes  
[Operations Memo 21-12](#) Client Overpayments During the COVID-19  
Pandemic

**EFFECTIVE DATE:** September 3, 2021

**PURPOSE:** This memo provides guidance for resolving State Wage Information Collection Agency (SWICA) discrepancies and procedures for establishing client overpayments if the "C9 – COVID-19" verification code was used during the COVID-19 public health emergency.

**BACKGROUND:** A SWICA discrepancy is created when income in CARES Worker Web (CWW) does not match wage information reported by the employer to the Wisconsin Department of Workforce Development (DWD) and exceeds a certain threshold. When a discrepancy is created, the agency worker is required to resolve the discrepancy within 45 days by correcting the parent's income information in CWW and making changes to the authorizations, if necessary. In some instances, a client overpayment is established if the parent received more subsidy than they were eligible for.

To support families during the COVID-19 public health emergency, the department revised verification policies for the Wisconsin Shares child care subsidy program. Workers were instructed to use the "C9 – COVID-19" verification code rather than pending for verification

unless there was conflicting information. If the C9 code was used, the parent was not required to provide verification. This policy expired on July 19, 2021.

### ***PROCESS:***

#### **Ongoing Eligibility Guidance**

The process for updating ongoing eligibility following a SWICA discrepancy has not changed. Agency workers must ensure that the current income entered in CWW is correct to determine ongoing eligibility accurately and that authorizations are accurate. Wisconsin Shares Handbook Section 1.5.12.4 describes the Wisconsin Shares-specific policy and process for verifying employment income for a SWICA discrepancy. Process Help Section 44.7.3 provides guidance related to processing SWICA discrepancies for all programs. The All Programs: COVID-19 Temporary Processes section of Process Help provides further instructions regarding verification after July 19, 2021.

After income has been verified, agency workers must evaluate if the copayment for a future authorization should change due to incorrect income in a previous month. PLBCs may need to be created from the first month of the increased income through the current month (or most recent month for which benefits have been loaded) to correct the family's capped FPL and copayment period for future benefits. See the PLBC User Guide in the CSAW Users SharePoint site for information on the correct reason codes and process to use depending on the scenario.

**Example:** Sam completed a renewal in April 2021 and reported working 40 hours per week making \$15 per hour. However, the agency worker entered this as 40 hours for a bi-weekly pay period instead of a weekly pay period. This resulted in Sam having a monthly income of \$1,290 in CWW instead of the correct amount of \$2,580. The agency worker received a SWICA discrepancy in August and corrected Sam's ongoing income in CWW. When the agency worker reviews Sam's authorization for September, CSAW is using a capped FPL of \$1,290 even though the income for ongoing eligibility has been corrected to \$2,580. The agency worker completes PLBCs using the correct income for May, June, July, and August (in that order) so that September uses the correct capped FPL that would have been set based on Sam's correct income at renewal.

#### **Client Overpayment Procedure**

If a referral is being investigated (including SWICA discrepancies), and the C9 verification code was used during the violation period, the agency worker must obtain the necessary verification and make corrections to the case based on the information received. After verification has been received and the case has been updated, the case must be evaluated for a possible overpayment. If the C9 verification code was used during the violation period, an overpayment can only be established if there was an Intentional Program Violation (IPV). If the C9 verification code was **not** used and verification **was** collected, the worker must complete an investigation and establish an overpayment if necessary, in accordance with standard policies provided in the Wisconsin Shares Handbook and Operations Memos. An overpayment can also be established if the agency improperly used the C9 code on or after July 19, 2021.

***CONTACTS:***

For Wisconsin Shares policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at [BROCCPolicyHelpDesk@wisconsin.gov](mailto:BROCCPolicyHelpDesk@wisconsin.gov).

For Program Integrity technical assistance, Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Help Desk at: [childcare@wisconsin.gov](mailto:childcare@wisconsin.gov) or 608-422-7200.

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