POLICY ALERT

Date: October 7, 2005
Reference: # CACFP CCC 2005-17
To: Child and Adult Care Food Program-Child Care Centers (CACFP-CCC) Contractors
Subject: Implementation of Meal Edit Checks
Effective Date: October 1, 2005

APPLIES TO SPONSORING ORGANIZATIONS ONLY

Purpose

The Child and Adult Care Food Program: Improving Management and Program Integrity interim rule requires that sponsors implement three monthly edit checks to review meal counts submitted by each facility to help ensure the accuracy of the sponsor’s monthly claim.

The three edit checks required will:
- check that facilities are reimbursed only for approved meal types;
- check that facilities are not reimbursed for more meals than they could have served during the claiming period; and
- identify facilities that submit block claims.

Edit checks can reveal problems with facilities’ meal data that need to be resolved before the sponsor submits their aggregated claim to Special Nutrition Programs, Financial Unit. A failed edit check should always result in further investigation or follow-up by the sponsor.

Implementation

November 1, 2005 (beginning with the October 2005 claim) for the Meal Type and Maximum Number of Meals edit checks.

If you are unable to implement the edit checks by this due date, call your Area Program Office and request an extension. Each extension request will be determined on a case-by-case basis.

January 1, 2006 (beginning with the December 2005 claim) for the block claim edit check. No extension is available for this edit check.

Definitions

Block Claim – meal/snack counts submitted for reimbursement by a facility for which the number of meals claimed for one or more meal type (breakfast, lunch, snack, or supper) is identical for 15 consecutive days within a claiming period. In Texas, facilities do not submit a “claim” to their sponsor. Instead, they send documentation of their meal counts. This documentation is considered a claim for the purposes of this Policy Alert.

Example of a block claim: A center operates Monday through Friday each week and claims 100 breakfasts each day for three consecutive weeks, or 15 consecutive operating days in a month.

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This Policy Remains in Effect Until Further Notice
Edit Check - is a method of comparing information on a claim to other available information to determine the validity of the claim.

Facility - a sponsored child care center, Outside-School Hour care center, At-risk Snack program, and emergency shelter

Program Year (PY) - October 1 through September 30.

Sponsoring Organization (Sponsor) - A public or private nonprofit organization that is entirely responsible for the food service in: (a) a center that is a legally distinct entity from the sponsoring organization; (b) two or more centers; or (c) any combination of centers. The term sponsoring organization also includes a for-profit organization of two or more centers that are part of the same legal entity as the sponsoring organization and that are proprietary Title XX centers or meet the requirement of 25% or more participants eligible for free or reduced price meals.

Edit Checks Required

1. **Approved Meal Types Edit Check** compares the meal types claimed to the meal types for which the facility has been approved. This basic edit check can detect obvious claiming errors. It ensures, for example, that a facility approved to serve breakfast, lunch, and PM snacks does not receive reimbursement for AM snacks and suppers.

   **Follow up action** – You must follow your own procedures for handling invalid documentation submitted by a facility. However, all meal types claimed that are not approved must be disallowed. For example, you could contact the facility to determine if an amendment should be submitted to change the approved meal types. You may not retroactively amend the approved meal types in order to reimburse the facility for those meals already claimed. See CACFP CCC Handbook, Section 2228.3, Application/Management Plan Changes, for more information.

2. **Maximum Number of Meals Edit Check** identifies claims that exceed the maximum number of meals that a facility can claim in a month. This maximum number equals: the facility’s total enrollment X the number of approved meal types X the number of operating days in the claiming period.

   For example: If a child care center has 50 children enrolled and serves breakfast, AM snack, and lunch for 20 operating days, it can claim a maximum of 1,000 for each meal type, and a maximum of 3,000 total meals; 50 enrolled X 3 meal types X 20 operating days = 3,000 maximum total meals that can be claimed for the month.

   When you prepare a consolidated claim, each facility’s total meals/snacks reported must be compared with the facility’s enrollment figure for the claim month. You must develop a procedure to ensure that you are using the most current information on enrollment for the claim month in question to conduct the monthly edit check.

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Edit Checks
Required
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Note: Outside After School Care Centers, At-Risk Snack programs and Emergency Shelters are not required to maintain enrollment forms. Use the attendance or other appropriate number in place of the enrollment number.

Follow-up action – If the meals/snacks count reported for reimbursement fails the edit check, you must follow up with a more complete review to determine whether the meal count is accurate. If the meal count is incorrect, follow your own procedures for handling inaccurate meal counts.

3. **Block Claim Edit Check** identifies data for reimbursement submitted by a facility for which the number submitted for one or more meal type (breakfast, lunch, snack, or supper) is identical for 15 consecutive days within a claiming period. See example under definition of block claim.

Follow-up action – If the meals/snacks count reported for reimbursement fails the edit check, you must follow up with a more complete review to determine whether the meal count is accurate. If the meal count is incorrect, follow your own procedures for handling inaccurate meal counts.

In addition, conduct the following steps:

- Examine several months of reported counts to see if there are any suspicious patterns, prior to conducting the monitoring review;

- Conduct an unannounced monitoring review of the facility within 60 calendar days of the date the block claim was identified. If you are unable to complete all of the unannounced reviews within the required time frame, contact your Area Program Office (APO) to request an extension. The decision for extensions will be determined on a case-by-case basis. The APO will take into account your available resources, workload, and other relevant factors, such as geography and weather. The extension can be up to 30 additional days.

- Examine the facility’s meal counts and validate the facility’s counts for the month in question;

- Attempt to observe the meal service with the “block-claim” pattern during the monitoring review; and

- Reconcile enrollment, attendance, and meal counts for five or more days during the monitoring review. Form H1606, Monitor Review, to be sent at a future date, is revised to include a section to document the reconciliation. Sponsors must have documentation of the reconciliation for each monitoring review triggered by a block claim.

Note: Outside-After-School Care Centers, At-Risk Snack programs and Emergency Shelters are not required to maintain enrollment forms. Reconciliation will use the attendance and meal counts for the facility and no enrollment number.

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<thead>
<tr>
<th>Block Claim Monitoring Review Determination</th>
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<tbody>
<tr>
<td>If the sponsor …</td>
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<tr>
<td>determines that the claim is valid and the facility will continue to submit block claims,</td>
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<td>If the sponsor …</td>
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<td>determines that the facility has invalid meal counts due to not understanding how to properly record meal counts or another valid reason for the inaccurate data,</td>
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<td>If the sponsor …</td>
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<tr>
<td>finds no reasonable explanation that can be documented for the facility’s block claim,</td>
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<tr>
<td>If the sponsor …</td>
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<tr>
<td>conducts a complete monitoring review, completing Form H1606, in addition to verifying the meal count in question,</td>
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<tr>
<td>If the sponsor …</td>
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<tr>
<td>has completed the facility’s monitoring reviews for the PY before the block claim edit check is triggered,</td>
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| **Adverse Action** | Submission of a block claim is among the pattern most likely to indicate an incorrect meal count. There is no fiscal action taken for submission of a block claim. Rather, it constitutes a “red flag” and triggers required follow-up action on the sponsor’s part. Sponsors must use their own procedures when the monitoring review detects inaccurate meal counts. The follow-up action may uncover systemic problems which the sponsor may determine serious enough to terminate the agreement with the facility. In addition, the follow-up actions may result in meals disallowed. |
| **Edit Check System** | You may implement edit checks through a manual or an automated system. Regardless of the approach, Special Nutrition Programs (SNP) will review and monitor your system for compliance to determine if the system is working as intended. |
| **Authority** | Child and Adult Care Food Program: Improving Management and Program Integrity Rules. |
| **Contact** | If you have any questions regarding this Policy Alert please contact your Area Program Office. |