



Payment to provider or parent?

There are some circumstances where Government child care subsidies may be made directly to the parent.

Families must establish their eligibility and entitlement to Child Care Subsidy (CCS) by making a claim to Services Australia. Ideally, this should occur before children start attending child care to avoid any back-payments.

This also ensures that when you submit session reports, the subsidy entitlement is paid to you as the provider on the parent's behalf to be passed on as a fee reduction.

You should always charge parents based on their eligibility and entitlement **at the time session reports are submitted**, even where you believe the parent may be entitled to a higher rate of subsidy.

If you estimate entitlement in advance, the actual amount of CCS/Additional Child Care Subsidy (ACCS) paid may vary for reasons you may not be aware of. If you do choose to estimate, and the family's subsidy amount is lower than your estimate, **you are responsible for recovering any difference in unpaid amounts from parents.**

Usual and recommended sequence – payments to providers where:

- session reports are submitted **after** CCS or ACCS (Grandparent/Temporary Financial Hardship/Transition to Work) eligibility and entitlement is established.

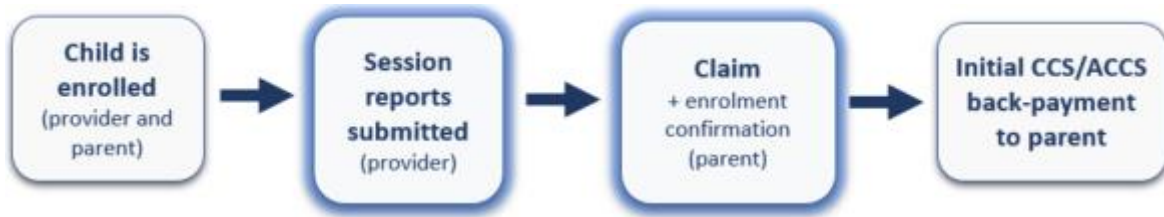


When a parent claims before or at the same time they enrol a child, their eligibility is more likely to be established before session reports are submitted or processed. In this sequence the processing of session reports triggers the initial payment, made to the provider.

Alternate sequence – back-payment to parent for CCS or ACCS (Grandparent/Temporary Financial Hardship/Transition to Work) where:

- session reports are submitted **before** CCS or ACCS (Grandparent/Temporary Financial Hardship/Transition to Work) eligibility and entitlement is established **OR**

- the parent is late notifying Services Australia of a change in circumstance (such as an increase in their activity level) that would increase their entitlement for session reports already submitted.



When a parent claims or eligibility and entitlement is established after session reports have been submitted, the finalisation of the claim triggers new payment decisions for any past session reports already submitted. In this sequence, any resulting back-payment is made to the parent.

ACCS (child wellbeing) – initial back-payment split between parent and provider where:

- the child is eligible for ACCS (child wellbeing) through a certificate/determination, **AND** session reports are submitted **before** CCS eligibility and entitlement is established.
- all ACCS entitlement payments have two components – CCS and the ACCS (top-up) component.



When a parent claims CCS after sessions reports have been submitted, the finalisation of the claim triggers new payment decisions for any past session reports already submitted. The CCS component of any resulting back-payment is paid to the parent, and the ACCS component to the provider.

Where can I get further information on the child care package?

Visit the Department of Education, Skills and Employment Child Care Package website at dese.gov.au/eccc

Visit the Services Australia Child Care Subsidy website servicesaustralia.gov.au/childcaresubsidy