

Sector:  
State and Local  
Government

Solution:  
A new e-Childcare  
solution

Client:  
Oklahoma Department of  
Human Services

Challenge:  
Slow and cumbersome invoicing  
process  
High percentage of incorrect  
payments

Results:  
Increased accounting accuracy  
Quicker compensation for child care  
providers  
Saves 10 percent of program costs

## >> The Bottom Line

The Oklahoma Department of Human Services (OKDHS) wanted to streamline their subsidized child care system with improved payment processing and better tracking. Ultimately, the goal was to better the system in order to benefit the child.

ACS took this goal one step further. Not only is the new e-Childcare solution increasing accounting accuracy, providing quicker payments to providers, and better service to families, it's saving Oklahoma money — which OKDHS is using to provide more services to more kids.

**OKLAHOMA NEEDED HELP WITH  
ITS CHILD CARE PROGRAM.  
TO ACS, THIS WAS NO TIME  
FOR BABY STEPS.**

an ACS  
>> BOTTOM LINE  
CASE STUDY



# 10%

The OKDHS implemented a combination of policy changes and ACS' e-Childcare solution resulting in a savings of 10 percent of program costs — savings that have been used to fund additional program improvements, training initiatives, and rate increases for child care providers that meet high quality standards. Plus, providers spend more time serving children and less time completing administrative reports.

## THE CHALLENGE

**A broken system was compounded by budget constraints.** The current OKDHS invoicing process was cumbersome and slow in making payments to child care providers, resulting in unwillingness by some to accept cases. Also, audits and other evidence suggested a higher than acceptable percentage of incorrect payments — errors that ultimately misdirected funds that could have better served families. While eager to correct these issues, OKDHS faced fiscal constraints, increasing the challenge.

## THE SOLUTION

**Collaboration was key.** OKDHS determined that most issues could be addressed with a combination of policy changes and enhanced tracking. The state needed a way to document and pay for child care at the point of service, while verifying eligibility in real time. Then, OKDHS could compensate providers for actual services provided and eliminate retroactive paperwork and undocumented claims for payment.

Enter e-Childcare. Noting the success of the Electronic Benefit Transfer (EBT) program for food stamps, OKDHS collaborated with ACS to establish the “EBT Daycare” program using ACS' e-Childcare time and attendance tracking and payment solution. Based on ACS' proven EPPIC (Electronic Payment Processing and Information Control) System, e-Childcare offers the following benefits:

- Parents use a convenient card to check the child in and out of day care and instant eligibility verification notifies both parent and provider of coverage and copays.
- Child care providers are paid for services faster and more accurately, providing a positive experience.
- Automatic payment calculations are based on actual attendance — eliminating the need for invoicing paperwork.
- Less labor is required for auditing invoices as electronic records of real-time check-in and check-out provides accurate and useful data.

With better program administration, day care providers are more likely to participate and stay in the program, which helps parents find the care they need.



## THE RESULTS

**Faster payments, better service.** Upon implementation of the ACS-developed e-Childcare system, OKDHS immediately began to see results.

- **Increased accounting accuracy**
- **Fewer improper payments**
- **Quicker compensation to providers**
- **Cost savings resulting from reduced data entry and less paperwork**
- **Better service to child care providers and families**

**“Without ACS and their commitment and expertise in developing and implementing electronic child care, Oklahoma would not have saved over \$35 million in overpayments. The system has allowed Oklahoma to accurately track and pay for child care services with 100 percent accuracy.”**

Lisa Henley, Director of Electronic Payment Systems, Oklahoma Department of Human Services

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