



Office of Inspector General – Financial Fraud & Abuse Investigations Division

Administrative Disqualification & Notice of Refusal to Pay

Date: August 22, 2022

Provider ID: 34606

Provider: Minnesota Child Care Center Inc.
312 W. Lake St. Suite 2935
Minneapolis, MN 55408

Temporary Payment Stop

Effective August 23, 2022, the Child Care Assistance Program (CCAP) will temporarily stop paying Minnesota Child Care Center Inc., including any unpaid bills, until further notice AND all authorizations for CCAP will be closed or denied because:

- The Department of Human Services (DHS) finds by a preponderance of the evidence that Minnesota Child Care Center Inc., intentionally gave materially false information on billing forms and/or provided false attendance records. (Minn. Stat. § 119B.13, subd. 6(d)(2)).

CCAP will temporarily stop paying your program, including any unpaid bills, until:

- The Department of Human Services determines there is insufficient evidence to continue this action; or
- The Department of Human Services decides not to pursue further administrative remedy under Minnesota Statutes, chapter 245E or section 256.98; or
- All criminal, civil, or administrative proceedings related to the alleged misconduct have concluded and all appeal rights have been exhausted.

CCAP agencies will send letters to any child care assistance families that use Minnesota Child Care Center Inc., as a provider. The letter will tell them that Minnesota Child Care Center Inc. is no longer authorized.

Can I contest my payments stopping?

You have the right to an administrative review. An administrative review is a process that allows providers whose Child Care Assistance Program payments are temporarily suspended to submit written proof and argument for consideration by the Minnesota Department of Human Services.

Submit your written argument and written proof to:

Minnesota Department of Human Services
Financial Fraud and Abuse Investigations Division
Attn: CCAP Provider Investigations
P.O. Box 64982
St. Paul, MN 55164-0982

Administrative Disqualification

In addition, Minnesota Child Care Center Inc. and the individuals listed below will be disqualified from receiving CCAP payments in the State of Minnesota effective 30 days of the date this notice is mailed, unless DHS receives your appeal before the appeal deadline. (Minn. Stat. §256.046, subd. 3 and Minn. Stat. §256.98, subd. 8(c)).

█ [REDACTED]

Why are the program and the individuals identified above being disqualified?

We reviewed CCAP provider records, and we have determined that Minnesota Child Care Center Inc. and the listed individual(s) did the following:

- Minnesota Child Care Center Inc. failed to accurately bill an absent day or holiday on a day(s) when children did not attend. (Minn. Stat. §119B.13, subd. 7; and Minn. R. §3400.0110, subp. 9).
- Minnesota Child Care Center Inc. failed to comply with attendance record keeping requirements (119B.125, subd. 6)
- Minnesota Child Care Center Inc. failed to maintain records for 6 years (Minn. Stat. § 119B.125, subd. 6(b))
- Minnesota Child Care Center Inc. willfully or intentionally withheld, concealed, or misrepresented information for the purposes of obtaining CCAP or to assisting someone else to receive CCAP. (Minn. Stat. §256.98, subd. 1).
- Minnesota Child Care Center Inc. committed an intentional program violation by intentionally misrepresenting, concealing, or withholding facts and repeatedly and intentionally violating program regulations under chapters 110B and 245E. (Minn. Stat. §256.046, subd. 3).
- Minnesota Child Care Center Inc. repeatedly and intentionally violated child care assistance requirements under 245E. (Minn. Stat. §256.046, subd. 3 (a)).

What is the proof?

We have the following proof to support our determination:

- Video does not match attendance records.
 - A DHS Investigator compare the video of children entering the 312 W. Lake St. building to Minnesota Child Care Center Inc. attendance records with the documented time-in for arrival of children. The investigator broke down the comparison times into 15 minute increments.
 - Example of video not matching attendance records:
 - On December 1, 2018 between 03:31 pm - 3:45pm there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that three children arrived during this period of time.
 - On December 13, 2018 between 08:31 am - 08:45 am there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that one child arrived during this period time.
 - On December 13, 2018 between 09:16 am - 09:30 am; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that three children arrived during this period.
 - On December 13, 2018 between 4:46 pm-5:00 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc.

attendance records documented with time-in that four children arrived, during this period.

- On December 13, 2018 between 5:16 pm-5:30pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that three children arrived, during this period.
- On December 24, 2018 between 4:45 pm-5:00 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that four children arrived, during this period.
- On December 26, 2018 between 08:16am - 08:30 am; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that five children arrived, during this period.
- On December 26, 2018 between 3:31 pm- 3:45 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that four children arrived, during this period.
- On December 26, 2018 between 3:46 pm-4:00 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that seven children arrived, during this period.
- On December 26, 2018 between 4:16 pm-4:30 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that seven children arrived, during this period.
- On December 26, 2018 between 4:31pm - 4:45 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that two children arrived, during this period.
- On December 31, 2018 between 1:16 pm-1:30 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that four children arrived,
- On December 31, 2018 between 3:01 pm-3:15 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that seven children arrived, during this period.
- On December 31, 2018 between 3:16 pm-3:30 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that six children arrived, during this period.
- On December 31, 2018 between 3:31 pm-3:45 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that four children arrived, during this period.
- On December 31, 2018 between 3:46 pm-4:00 pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that five children arrived, during this period.

- On December 31, 2018 between 4:01 pm-4:15pm; there were no children observed in the video entering the building. Minnesota Child Care Center Inc. attendance records documented with time-in that five children arrived, during this period.
- An analysis of 2018-2019 attendance records was completed for the following six billing Periods:
 - November 19, 2018 to December 2, 2018
 - December 3, 2018 to December 16, 2018
 - December 17, 2018 to December 30, 2018
 - December 31, 2018 to January 13, 2019
 - January 14, 2019 to January 27, 2019
 - January 28, 2019 to February 10, 2019
- For 361 of the 4,711 dates of CCAP billing reviewed, attendance records did not meet record keeping requirements for one or more of the following reasons:
 - In 14 instances, no attendance record was provided;
 - In 187 instances, the attendance record was missing a time in;
 - In 262 instances, the attendance record was missing a time out;
 - In one (1) instance, the attendance record was missing the child's last name; and

In one (1) instance, the billing record does not match the attendance record because the child was billed as absent, but marked as present in attendance records.

- A provider may only be paid for a holiday if the provider does not provide care on the holiday and it is the provider's policy to charge all families for the holiday, and the holiday falls on a day when the child normally attends.
- From January 1, 2021 through December 31, 2021, Minnesota Child Care Center Inc. billed for seventeen (17) holidays that did not meet the criteria for billing a holiday.
 - On January 1, 2021, you billed a holiday for 66 children, regular attendance for 15 children, and absent for one (1) child.
 - On January 17, 2021, you billed a holiday for 92 children , regular attendance for 6 and absent for 1 child.
 - On February 1, 2021, you billed a holiday for 1 child regular attendance for 93 children and absent for 4 children..
 - On February 8, 2021, you billed a holiday for 1 child , regular attendance for 88 children and absent for 14 children
 - On February 10, 2021, you billed a holiday for 1 child, regular attendance for 74 children, and absent for 10 children.
 - On February 17, 2021, you billed a holiday for 2 children, regular attendance for 65 children and absent for 17 children.
 - On April 29, 2021, you billed a holiday for 1 child, regular attendance for 94 children and absent for 24 children.
 - On May 13, 2021, you billed a holiday for 103 children, regular attendance for 2 children and absent for 14 children.
 - On May 31, 2021, you billed a holiday for 9 children and regular attendance for 102 children.
 - On July 4, 2021, you billed a holiday for 19 children, regular attendance for 26 children and absent for 9 children.
 - On July 5, 2021, you billed a holiday for 51 children, regular attendance for 50 children and absent for 13 children.
 - On July 20, 2021, you billed a holiday for 96 children and absent for 6 children.
 - On September 6, 2021, you billed a holiday for 5 children, regular attendance for 77 children

- and absent for 11 children.
 - On November 11, 2021, you billed a holiday for 59 children and regular attendance for 23 children.
 - On November 25, 2021, you billed a holiday 79 children and regular attendance for 5 children.
 - On December 24, 2021, you billed a holiday 1 child, regular attendance for 14 children and absent for 15 children.
 - On December 25, 2021, you billed a holiday for 29 children and absent for 1 child.
- From January 1, 2020 to December 31, 2020, Minnesota Child Care Center Inc. billed for nine (9) holidays that did not meet the criteria for billing a holiday.
 - On January 8, 2020, you billed a holiday for one (1) child, regular attendance for 76 children and absent for 25 children.
 - On May 23, 2020, you billed a holiday for 59 children and absent for 17 children.
 - On May 30, 2020, you billed a holiday for 15 children and absent for 57 children.
 - On July 31, 2020, you billed a holiday for 61 children and regular attendance for 4 children.
 - On September 7, 2020, you billed a holiday for 70 children, regular attendance for 15 children and absent for 3 children.
 - On November 11, 2020, you billed a holiday for 4 children, regular attendance for 59 children and absent for 6 children.
 - On November 14, 2020, you billed a holiday for 1 holiday, regular attendance for 46 children and absent for 22 children.
 - On November 26, 2020, you billed a holiday for 89 children and absent for 1 child.
 - On December 25, 2020, you billed a holiday for 54 children and regular attendance for 9 children.
- From January 1, 2019 to December 31, 2019, Minnesota Child Care Center Inc. billed for ten (10) holidays that did not meet the criteria for billing a holiday.
 - On January 1, 2019, you billed a holiday for 80 children and regular attendance for 3 children.
 - On January 21, 2019, you billed a holiday for 101 children and regular attendance for 1 child.
 - On May 27, 2019, you billed a holiday for 114 children, regular attendance for 2 children and absent for 2 children.
 - On June 4, 2019, you billed a holiday for 107 children and regular attendance for 1 child.
 - On September 2, 2019, you billed a holiday for 120 children, regular attendance for 1 child and absent for 2 children.
 - On September 9, 2019, you billed a holiday for 1 child, regular attendance for 109 children and absent for 10 children.
 - On November 11, 2019, you billed a holiday for 111 children and regular attendance for 1 child.
 - On November 28, 2019, you billed a holiday for 85 children, regular attendance for 8 children and absent for 3 children.
 - On December 25, 2019, you billed a holiday for 85 children and regular attendance for 3 children.
 - On December 26, 2019, you billed a holiday for 1 child regular attendance for 79 children and absent for 8 children.
- From January 1, 2018 to December 31, 2018, Minnesota Child Care Center Inc. billed for thirteen (13) holidays that did not meet criteria for billing a holiday..
 - On December 1, 2018, you billed a holiday for 121 children, regular attendance for 4 children

- and absent for 7 children.
- On December 15, 2018, you billed a holiday for 102 children and regular attendance for 7 children.
 - On March 4, 2018, you billed a holiday for 1 child, regular attendance for 59 children and absent for 7 children.
 - On May 28, 2018, you billed a holiday for 95 children and regular attendance for 4 children.
 - On July 4, 2018, you billed a holiday for 55 children, regular attendance for 54 children and absent for 3 children.
 - On August 21, 2018, you billed a holiday for 103 children and absent for 2 children.
 - On August 22, 2018, you billed a holiday for 1 child, regular attendance and absent for 25 children.
 - On September 3, 2018, you billed a holiday for 95 children, regular attendance for 1 child and absent for 1 child.
 - On November 11, 2018, you billed a holiday for 103 children and absent for 1 child.
 - On November 22, 2018, you billed a holiday for 90 children and absent for 6 children.
 - On November 29, 2018, you billed a holiday for 2 children, regular attendance for 71 children and absent for 23 children.
 - On December 24, 2018, you billed a holiday for 4 children, regular attendance for 35 children and absent for 62 children.
 - On December 25, 2018, you billed a holiday for 79 children and regular attendance for 7 children.

What happens next?

We will close the provider CCAP authorization(s) and disqualify you and the program from receiving payments from CCAP for three years. See Minn. Stat. §119B.13, subd. 6(d)(2), Minn. Stat. §256.046, subd. 3(g), and Minn. Stat. §256.98, subd. 8(c).

What is the effect of being disqualified?

In addition to being disqualified from accepting CCAP payments for three years, a disqualification may also affect your ability to clear a background study, hold a child care license or certification, have direct contact or access to children in a child care setting, and/or participate in other Department of Human Services programs.

See Minn. Stat. §245.095 (limit on public funds), Minn. Stat. §245A.04, subd. 7 (shall not issue or re-issue a license issuance), Minn. Stat. §245A.05 (license denial), Minn. Stat. §245A.07, subd. 3 (license suspension, revocation, or fine), Minn. Stat. §245A.075 (effect of disqualification for licensing purposes), Minn. Stat. §245C.14 (Background Studies Act disqualification), Minn. Stat. §245C.15 (disqualifying characteristics), and Minn. Stat. §245H.07 (certified child care centers, if applicable).

In addition, because of the CCAP violations, we estimate Minnesota Child Care Center Inc. was overpaid \$24,480.38. If the agency assesses Minnesota Child Care Center Inc. an overpayment, Minnesota Child Care Center Inc. will receive a separate notice with separate appeal rights.

Can I appeal the disqualification?

The program and any individuals identified above have the right to appeal their disqualification. Your appeal must be in writing. Your appeal request must:

- Be received by the Department of Human Services Appeals Division within 30 days of the date this notice was mailed.
- List each item in this notice you disagree with, the reason(s) you disagree, and (if applicable) the dollar

value of each item you disagree with.

- State the overpayment amount you believe is correct (if applicable).
- State the Statute and/or Rule references you believe support your position.
- Provide a name, address, and telephone number of a person at your business that can be contacted about your appeal.
- Be addressed to:

Minnesota Department of Human Services - Appeals Division
P.O. Box 64941
St. Paul, MN 55164-0941
Metro: 651-431-3600 (Voice)
Outstate: 800-657-3510
TTY: 800-627-3529
Fax: 651-431-7523

Appeals are referred to a hearing before a Human Services Judge pursuant to Minn. Stat. §256.045 and Minn. Stat. §256.0451. Note: The decision to close your CCAP authorization cannot be appealed and will not be within the scope of your hearing.

What if I don't appeal?

The disqualification is final and binding unless you follow the procedures above and appeal within 30 days of the date this notice.

Questions

If you have questions about your rights and responsibilities, consult with an attorney. You may be able to get legal advice or help from your local legal aid office. To find your local legal aid office, visit www.LawHelpMN.org or call 888-354-5522.

If you have questions about this notice, contact Chris Clifford, Investigation Manager, at 651- 431-5614 or by email Christopher.Clifford@state.mn.us

Financial Fraud Abuse & Investigations Division
Office of Inspector General

Legal Authority

Minnesota Statutes, chapter 245E; and
Minnesota Statutes, sections 256.046, 119B.16, 119B.161, 256.98, and
119B.13, subdivision 6, paragraph (d), clauses (1) and (2)



ADA1 (2-18)



For accessible formats of this information or assistance with additional equal access to human services, write to DHS.CCAP@state.mn.us, call 651-431-4848 or use your preferred relay service.