



Office of Inspector General – Financial Fraud & Abuse Investigations Division

Administrative Disqualification & Notice of Refusal to Pay

Date: August 22, 2022

Provider ID: 32244

Provider: Nuna Child Care Center Inc.  
312 W Lake St. Suite 2933  
Minneapolis, MN 55048

**Temporary Payment Stop**

Effective August 23, 2022, the Child Care Assistance Program (CCAP) will stop paying Nuna 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 Nuna 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 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 Nuna Child Care Center Inc. as a provider. The letter will tell them that Nuna 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, Nuna Child Care Center Inc. and the individuals/center 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 Nuna Child Care Center Inc. and the listed individual(s) did the following:

- Nuna 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, subd. 9).
- Nuna Child Care Center Inc. failed to comply with attendance record keeping requirements (119B.125, subd. 6)
- Nuna Child Care Center Inc. failed to maintain records for 6 years (Minn. Stat. § 119B.125, subd. 6(b))
- Nuna 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).
- Nuna 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).
- Nuna 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 compared the video of children entering the 312 W Lake St building to Nuna 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 8:46 am and 9:00 am; there were no children observed in the video entering the building. Nuna Child Care Center Inc. attendance records documented with time-in that 4 children arrived during this period.
    - On December 1, 2018 between 5:01 pm and 5:45 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 2 children arrived during this period.
    - On December 13, 2018 between 5:46 am and 6:00 am; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 2 children arrived during this period.
    - On December 24, 2018 between 10:01 am and 10:15 am; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 2 children arrived during this period.
    - On December 24, 2018 between 11:46 am and 12:00 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance

- records documented with time-in that 2 children arrived during this period.
- On December 26, 2018 between 2:46 pm and 3:00 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 9 children arrived during this period.
- On December 31, 2018 between 2:31 pm and 2:45 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 5 children arrived during this period;
- On December 31, 2018 between 3:16 pm and 3:30 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 6 children arrived during this period.
- On December 31, 2018 between 4:01 pm and 4:15 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 5 children arrived during this period.
- On January 1, 2019 between 2:46 pm and 3:00 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 3 children arrived during this period.
- On January 29, 2019 between 6:00 am and 6:15 am; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 2 children arrived during this period.
- On January 29, 2019 between 3:01 pm and 3:15 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 4 children arrived during this period.
- On January 29, 2019 between 3:16 pm and 3:30 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 11 children arrived during this period.
- On January 29, 2019 between 4:01 pm and 4:15 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 9 children arrived during this period.
- On January 29, 2019 between 4:16 pm and 4:30 pm; there were no children observed in the video entering the building. Nuna Child Care Inc. attendance records documented with time-in that 2 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 1,250 of the 2,055 dates of CCAP billings reviewed, attendance records did not meet record keeping requirements for one or more of the following reasons:
  - In 18 instances, no attendance record was provided;
  - In 1,144 instances, the attendance record were missing a time in;
  - In 1,187 instances, attendance record were missing a time out;
  - Billing Record Does Not Match Attendance Record: 16
    - In 16 instances, children were billed in attendance (Regular), but attendance records show the children marked absent or vice versa.

- 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, Nuna Child Care Center Inc. billed two (2) holidays which did not meet the criteria for billing a holiday:
  - On May 31, 2021, you billed a holiday for 13 children and regular attendance for 1 child.
  - On July 5, 2021, you billed a holiday for 5 children and regular attendance for 5 children.
- From January 1, 2020 to December 31, 2020, Nuna Child Care Center Inc. billed four (4) holidays which did not meet the criteria for billing a holiday:
  - On January 1, 2020, you billed a holiday for 31 children and regular attendance for 1 child.
  - On January 20, 2020, you billed a holiday for 19 children and regular attendance for 4 children.
  - On May 25, 2020, you billed a holiday for 7 children and regular attendance for 18 children and absent for 1 child.
  - On September 7, 2020, you billed a holiday for 23 children and regular attendance for 2 children.
- From January 1, 2019 to December 31, 2019, Nuna Child Care Center Inc. billed for fourteen (14) holidays. Providers are only allowed ten (10) holidays per calendar year. In addition, Nuna Child Care Center, Inc. billed nine (9) holidays which did not meet the criteria for billing a holiday.
  - On June 3, 2019, you billed a holiday for 31 children and regular attendance for three (3) children.
  - On July 4, 2019, you billed a holiday for 48 children and regular attendance for 1 child.
  - On August 12, 2019, you billed a holiday for 32 children, regular attendance for 4 children and absent for 1 child.
  - On August 13, 2019, you billed a holiday for 1 child, regular attendance for 32 children and absent for 4 children.
  - On September 2, 2019, you billed a holiday for 36 children and absent for 1 child.
  - On September 3, 2019, you billed a holiday for 1 child, regular attendance for 30 children and absent for 6 children.
  - On September 4, 2019, you billed a holiday for 1 child, regular attendance for 31 children and absent for 11 children.
  - On September 5, 2019, you billed a holiday for 1 child, regular attendance for 31 children and absent for 11 children.
  - On November 11, 2019, you billed a holiday for 17 children and regular attendance for 1 child.
- From January 1, 2018 to December 31, 2018, Nuna Child Care Center Inc. billed for six (6) holidays which did not meet the criteria for billing a holiday.
  - On January 15, 2018, you billed a holiday for 68 children and regular attendance for 6 children.
  - On May 28, 2018, you billed a holiday for 45 children and regular attendance for 12 children.
  - On June 15, 2018, you billed a holiday for 33 children and regular attendance for 4 children.
  - On July 4, 2018, you billed a holiday for 45 children and regular attendance 8 children.
  - On November 12, 2018, you billed a holiday for 41 children and regular attendance for 1 child.
  - On December 25, 2018, you billed a holiday for 37 children and regular attendance for 1 child.

### **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 Nuna Child Care Center Inc. was overpaid \$72,529.85. If the agency assesses Nuna Child Care Center Inc. an overpayment, Nuna 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?**

This action 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](http://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](mailto: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)

cc: [REDACTED]

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