

S.F. 1013/H.F. 1466 – Governor’s Policy Proposals

Child Care Assistance Program (CCAP) Integrity Policy and Technical Proposals_2021

Reasons for this bill language: Some program integrity related citations in Minn. Stat. §119B conflict with other state or federal laws, do not align with current practice, and/or are inconsistent in how providers experience policies in similar circumstances. This bill is primarily technical in nature.

Section 1 (amends 119B.11, subd 2a)

Proposal: Clarifies and simplifies existing policies and supports consistency by:

- Specifying there is no minimum threshold to collect fraud overpayments. *This is an existing state and federal requirement.*
- Clarifying the department has the same authority to collect overpayments as counties and tribes. *Matches existing state laws in 245E and 119B.*
- *Under 245E, the dept. could initiate family overpayments. A family overpayment may be identified as a result of a dept. investigation and subsequent action, for example, when gathering evidence in a potential case.*

Section 2 (in combination with changes in Section 5, amends 119B.125, subd. 1)

Proposal: Eliminates provisional payments, in combination with language in Section 5. Provisional payments are not allowed, per federal law regulations, and have not been occurring at local levels since 2016.

Section 3 (amends 119B.13, subd. 6)

Proposal: Clarifies and simplifies existing policies and supports consistency by:

- Specifying counties, tribes, and/or the department *cannot* close or deny a provider’s registration because the provider has a conditional license. *Section 3, lines 4.30 and 4.31*
 - Follows current practice.
 - Aligns with the intent of a conditional license, which is to give providers more support and guidance.
- Allowing counties, tribes, and/or the department to close or deny registrations if a certified center continues operating pending an appeal of a revocation or suspension. *Section 3, lines 4.15 – 4.19, 4.30, and 4.31*
 - Treats certified centers the same as licensed programs.
 - Aligns with federal laws that hold providers who get child care subsidies to higher health and safety standards.
- Specifying the program retains any payments suspended or held during a fraud investigation if fraud is established. *Section 3, lines 5.13 – 5.22*
 - Aligns with current law that allows agencies to hold payments. *Funds are never expended and remain available for CCAP purposes. Families can choose another provider right away when a payment stops.*
 - Mirrors current law for health care providers.

Section 4 (amends 119B.13, subd. 7)

Proposal: Clarifies and simplifies existing policies and supports consistency by:

- Clarifying a 2019 law about overpayments when providers incorrectly bill for absent days and holidays.

Section 5

Repeals duplicative authority in 119B.04

- Problem: Authority in 119B.04 that gives the department the authority to use federal funds to administer CCAP is also given in 119B.06 (which is slightly more detailed, but same intent and purpose).
- Proposal: Repeal 119B.04 to clean up statute.

Eliminates Provisional Payments in 119B.125, subd. 5 (in combination with Section 2)

- Problem: Statute allows for provisional payments, but no county or tribal agency allow these payments.
- Proposal: This proposal would align statute to current practice.