

## Summary of Minnesota Legislative Changes to Support Program Integrity 2018-2025

### 2018 Legislation

- Required the department to train all county and private agency licensors on identifying and preventing CCAP fraud ([Laws of Minnesota 2018, Chapter 200, Section 8](#); *Minn. Stat. §§ 245A.16, subd. 5(b) & 142B.30, subd. 5(b)*).

### 2019 Legislation

- Reinforced an existing law (“Limits on Receiving Public Funds”) that prohibits a provider who has been excluded from a Minnesota Department of Human Services program from becoming a provider in another program by, for example:
  - Expanding the list of possible sanctions.
  - Modifying the list of who is excluded ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 13](#); and *Minn. Stat. § 245.095*).
- Shortened the retroactive eligibility period for families from six months to three months ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 8](#); *Minn. Stat. §§ 119B.09, subd. 7 & 142E.10, subd. 7*).
- Strengthened existing attendance record requirements by clarifying and/or establishing:
  - Attendance records must be “accurate and legible.”
  - Records not produced immediately can’t be submitted later to contest an overpayment or disqualification.
  - A consistent method for calculating attendance record overpayments, which increased transparency ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 9](#); *Minn. Stat. §§ 119B.125, subd. 6 & 142E.16, subd. 7*).
- Established a penalty for failing to report decreases in attendance ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 10](#); *Minn. Stat. §§ 119B.13, subd. 6(d)(7) & 142E.17, subd. 9(d)(7)*).
- Specified providers can be assessed an overpayment for failing to properly bill an absent day or holiday, regardless of whether a child has met their annual limit(s) ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 11](#); *Minn. Stat. §§ 119B.13, subd. 7(i) & 142E.17, subd. 10(i)*).
- Implemented stricter penalties for provider fraud, defined the legal standard of proof for administratively disqualifying providers as “preponderance of the evidence,” and further established the administrative disqualification process ([Laws of Minnesota 2019, Chapter 9, Article 2, Sections 106, 107, & 109](#); *Minn. Stat. §§ 256.98, subd. 8, 256.046, subd. 3, & 142E.51, subd. 5*).

- Required CCAP families to receive and acknowledge a written notice about fraud at application and redetermination ([Laws of Minnesota 2019, Chapter 9, Article 1, Section 6](#); [Minn. Stat. §§ 119B.025, subd. 5 & 142E.03, subd. 5](#)).
- Affirmed local agencies' authority to investigate provider fraud ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 110](#); [Minn. Stat § 256.983, subd. 5](#)).
- Required license holders to notify the Department of Human Services of changes to the ownership or operation of a child care program ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 29](#); [Minn. Stat. §§ 245A.04, subd. 7a & 142B.10, subd. 15](#)).
- Allowed for Temporary Immediate Suspension (TIS) of a license if a provider is criminally charged with an offense that involves fraud or theft against a program administered by the Department of Human Services (now includes DCYF) ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 37](#); [Minn. Stat. §§ 245A.07, subd. 2\(a\)\(3\) & 142B.18, subd. 2\(a\)\(3\)](#)).
- Appropriated funds per for:
  - A temporary staff person to research and report back to the 2021 Legislature about:
    - Electronic attendance record keeping systems
    - Improved monitoring of CCAP billing practices
    - Possible centralization of CCAP provider registration
  - Increased funding for the Fraud Prevention Investigations (FPI) program, which provides counties and Tribes with grant funding and technical assistance to investigate recipient fraud.
  - New staff to strengthen and support Department of Human Services OIG fraud investigations, including Bureau of Criminal Apprehension (BCA) agents, and data analysts.
  - New child care licensors to provide additional support and monitoring to child care centers during their first year of licensure (started “Early & Often”).
  - A new electronic system to track Department of Human Services OIG investigations ([Laws of Minnesota 2019, Chapter 9, Article 14, Section 2](#)).
- Promoted transparency by establishing provisions for:
  - Making some CCAP payment data public ([Laws of Minnesota 2019, Chapter 9, Article 2, Sections 4 & 7](#); [Minn. Stat. §§ 119B.02, subd. 6 & 142E.02, subd. 6](#)).
  - Sharing data between the Minnesota Departments of Human Services and Education ([Laws of Minnesota 2019, Chapter 9, Article 2, Section 1](#); [Minn. Stat. § 13.46, subd. 2](#)).
- Expanded appeal rights for providers if the Department of Human Services takes actions against them (*multiple references including:* [Laws of Minnesota 2019, Chapter 9, Article 1, Sections 11 – 18](#); [Minn. Stat. §§ 119B.16, 119B.161, 142E.18, & 142E.19](#)).

## 2021 Legislation

- Limited retroactive authorization and payments in most situations from six months to three months from when an agency approves an authorization ([Laws of](#)

[Minnesota 2021, Chapter 7, Article 8, Section 7](#); Minn. Stat. §§ 119B.13, subd. 6(c) & 142E.17, subd. 9(c)).

- Expanded authority allowing the Department of Human Services to stop or end payments based on a provider's non-compliance to certified centers and removed restrictions for providers with a conditional licenses ([Laws of Minnesota 2021, Chapter 7, Article 8, Section 7](#); Minn. Stat. §§ 119B.13, subd. 6(d) & 142E.17, subd. 9(d)).
- Affirmed that any CCAP payments held by the Department of Human Services due to an investigation are forfeited by a provider upon a determination of fraud or termination from the program ([Laws of Minnesota 2021, Chapter 7, Article 8, Section 7](#); Minn. Stat. §§ 119B.13, subd. 6(g) & 142E.17, subd. 9(g)).
- Upheld [45 C.F.R. §98.60\(i\)](#) that requires recovery of overpayments due to fraud, specified the Department cannot assess CCAP overpayments solely due to agency error, and established a six-year lookback period for all non-fraud overpayments ([Laws of Minnesota 2021, Chapter 7, Article 8, Section 3](#); Minn. Stat. §§ 119B.11, subd. 2a & 142E.14, subd. 2).

## 2023 Legislation

- Strengthened “Limits on Receiving Public Funds” by, for example:
  - Allowing for temporary withholding of payments if the Department of Human Services determines there's been a credible allegation of fraud involving a state or federal program;
  - Allowing for removal from a department-administered program if the child care provider or associated individuals have been prohibited or disqualified from other state and federal administered programs; and
  - Adding due process rights ([Laws of Minnesota 2023, Chapter 70, Article 8, Section 2](#); Minn. Stat. § 245.095).
- Centralized CCAP provider registration at DCYF, effective April 28, 2025, which supports program integrity by streamlining application of policies (*multiple references including:* [Laws of Minnesota 2023, Chapter 70, Article 13, Section 1](#); Minn. Stat. § 119B.011, subd. 19a & 142E.01, subd. 24).
- Added reconsideration rights if DCYF issues a CCAP correction order ([Laws of Minnesota 2023, Chapter 70, Article 13, Section 17](#); Minn. Stat. §§ 119B.162 & 142E.20).
- Required certification holders to notify DCYF of changes to the ownership or operation of a certified child care center ([Laws of Minnesota 2023, Chapter 70, Article 8, Section 46](#); Minn. Stat. §§ 245H.03 & 142C.03).
- Prohibited a provider from participating in Parent Aware, the Great Start Compensation Support Payment Program, and by extension Early Learning Scholarships, when DCYF takes certain actions, such as a CCAP payment stop and/or a issuing a licensing order of suspension, revocation, or decertification, regardless of the provider's appeal status ([Laws of Minnesota 2023, Chapter 54, Section 9](#); [Minnesota Laws 2023, Chapter 70, Article 13, Section 20](#); Minn. Stat. §§ 124D.142, subd. 2, 119B.27, subd. 2(b), 142D.13, subd. 2, & 142D.21).

## 2024 Legislation

- Allowed DCYF to issue a Conditional Certification if a license-exempt center needs additional support and monitoring ([Laws of Minnesota 2024, Chapter 115, Article 19, Section 19](#); Minn. Stat. §§ 245H.06 & 142C.06).
- Technical changes for the DCYF transition passed, including:
  - Combining general CCAP provisions under Minn. Stat. § 119B with investigative authority under Minn. Stat. § 245E within the same chapter, § 142E ([Laws of Minnesota 2024, Chapter 8, Article 5, Section 7](#)).
  - Establishing “Limits on Receiving Public Funds” for DCYF ([Laws of Minnesota 2024, Chapter 8, Article 1, Section 34](#); Minn. Stat. § 142A.12).

## 2025 Legislation

- Created state administrative and criminal penalties for illegal remunerations in the CCAP and Minnesota Medical Assistance program. Added additional prohibitions, including administrative disqualification, for CCAP program participants and providers directing benefits to a particular provider or providing goods, services, or money in exchange for program benefits ([Laws of Minnesota 2025, Chapter 38, Article 5, Sections 1 and 3](#); Minn. Stat. § 142E.51).
- Clarified prohibitions for child care centers from hiring based upon eligibility of employee’s children for CCAP benefits ([Laws of Minnesota 2025, Chapter 38, Article 5, Section 2](#); Minn. Stat. § 142E.51, subd. 6).
- Requires providers to submit enrollment and attendance data to be submitted to DCYF in a form and manner specified by the Commissioner, permitting records to be submitted proactively and electronically rather than upon request ([Laws of Minnesota 2025, 1st Spec. Sess. Chapter 3, Article 13, Section 12](#); Minn. Stat. § 142E.16, subd. 7).