



## **PROVIDER OR AFFILIATE EXCLUSION FROM PARTICIPATION IN THE NEW JERSEY CHILD CARE ASSISTANCE PROGRAM (SUSPENSION, DEBARMENT AND DISQUALIFICATION) – APPLIES TO PROVIDERS ONLY**

Pursuant to N.J.A.C.10:84-2.1 et seq. and Executive Order #34 (Governor Brendan Byrne, 1976), DHS may suspend, debar, or disqualify a Provider, Provider Agency or Affiliate of a Provider Agency from contracting with the Division of Family Development on the basis of lack of responsibility as evidenced by an offense, failure, or inadequacy of performance, for a reasonable period of time commensurate with the seriousness of the offense, failure, or inadequacy of performance. Suspension or debarment causes include, but are not limited to: the violation of State or Federal laws incident to obtaining a contract or in the performance of a contract; State or Federal offenses indicating a lack of business integrity or honesty; willful failure to perform or a record of failure to perform in accordance with the contracting terms; and any other cause affecting responsibility as a State contractor of such a serious and compelling nature as may be determined by DHS. The decision to suspend, debar, or disqualify a Provider, Provider Agency or Affiliate thereof is within the discretion of DHS, unless otherwise provided by law, and shall be rendered in the best interests of the State.

### **Provider Disqualification**

- (a) A provider shall be disqualified from participation as a child care provider if:
- (1) The provider is convicted of fraud by the court pursuant to N.J.A.C. **10:15-10**; or
  - (2) The provider has been found to have committed fraud by an investigation conducted by the 4CS of Passaic County Inc. or DHS or DFD; or
  - (3) The provider has been found to have made or furnished false or *misleading* statements to 4CS of Passaic County Inc or DHS or DFD; or
  - (4) The provider has been found to have made errors in completing the provider discrepancy form after the following has occurred:
    - a. The provider has received a notification from 4CS of Passaic County Inc or DFD staff describing errors that have been identified and how to complete the form correctly;
    - b. The provider has received mandated training regarding how to bill correctly; and
    - c. The provider has received a letter of warning regarding the requirement to bill correctly or be terminated.



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- (5) The provider's child care license or certificate was denied or revoked for furnishing or making false or misleading statements or reports to the Office of Licensing (OOL) pursuant to Licensing regulations;
- (6) The provider fails to comply with the Parent Applicant Provider Agreement (PAPA) as specified in the provider handbook;
- (7) The health or safety of a child is endangered as a result of the provider's care, as detailed in the Manual of Requirements for Child Care Centers (N.J.A.C. 10:122) or the Manual of Requirements for Family Child Care Providers (N.J.A.C.10:126).

(b) If a child care provider is disqualified in accordance with (a) above and commits fraud, as specified in the Child Care Development Fund (CCDF) Final Rule, in any program administered by DHS or DFD, then the provider shall be disqualified to participate as a child care provider or receive any state funds under that program for a period of not less than **1 year**. If a child care provider has had his/her child care license or certificate denied or revoked pursuant to N.J.A.C. 10:15- 10.2, then the provider will not be eligible to receive child care payment.

(c) Any provider who has been disqualified in accordance with (a) above shall be sent written notice from DFD regarding the disqualification as follows:

- (1) The notice shall be sent via certified mail to the provider informing him/her of the date the disqualification shall be effective;
- (2) The notice shall include the reason(s) for the disqualification; and
- (3) The notice shall include information about the provider's right to appeal the disqualification in accordance with DFD adverse action procedures.

(d) The effective date of the disqualification shall be either:

- (1) The effective date shown in the disqualification notice as described in (c)(1);
- (2) If an appeal has been requested and the hearing officer upholds the decision by DFD, the date the hearing decision has been rendered; or
- (3) If the basis for the disqualification is (a)(7) above, then the disqualification shall be immediate

(e) The provider will not receive child care payments during an appeal, and if the disqualification decision is upheld by the DFD hearing officer or applicable appeals procedure, the provider shall repay any overpayment.

(f) If the DFD hearing officer or applicable appeals procedure finds in favor of the provider, then the disqualification shall not take effect, from the date of the final decision.



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(g) Any parent, caretaker relative, or legal guardian eligible under the Child Care Services Manual (N.J.A.C 10:15) for child care services, who is utilizing the child care services of a provider who has been disqualified due to fraud by DHS/DFD shall be notified via mail that:

- (1) The provider does not meet the minimum requirements to operate as a child care provider;
- (2) DHS/DFD shall deny child care payment to the provider;
- (3) DHS/DFD advises that other child care arrangements shall be made and to contact 4CS of Passaic County Inc.

\*\*\* Please note, the aforementioned language applies except as otherwise noted in N.J.A.C.10:84-2.1(d) detailing Exclusion From Contract Participation in the NJ Department of Human Services, Division of Family Development Programs, Pilot Projects or Initiatives (Suspension, Debarment, and Disqualification).