

**441—170.5(237A) Adverse actions.**

**170.5(1) *Provider agreement.*** The department may refuse to enter into or may revoke the Child Care Assistance Provider Agreement, Form 470-3871, if:

- a.* The department finds a hazard to the safety and well-being of a child, and the provider cannot or refuses to correct the hazards; or
- b.* The provider has submitted claims for payment for which the provider is not entitled; or
- c.* The provider fails to cooperate with an investigation conducted by the department of inspections and appeals to determine whether information the provider supplied to the department regarding payment for child care services is complete and correct. Once the agreement is revoked for failure to cooperate, the department shall not enter into a new agreement with the provider until cooperation occurs.

**170.5(2) *Denial.*** Child care assistance shall be denied when the department determines that:

- a.* The client is not in need of service; or
- b.* The client is not financially eligible; or
- c.* There is another community resource available to provide the service or a similar service free of charge; or
- d.* An application is required and the client or representative refuses or fails to sign the application form; or
- e.* Funding is not available; or
- f.* The client refuses or fails to supply documentation of eligibility as to need or income; or
- g.* The client fails to cooperate with a quality control review or with an investigation conducted by the department of inspections and appeals.

**170.5(3) *Termination.*** Child care assistance may be terminated when the department determines that:

- a.* The client no longer meets the eligibility criteria in subrule 170.2(2); or
- b.* The client's income exceeds the financial guidelines; or
- c.* The client refuses or fails to supply documentation of eligibility as to need and income; or
- d.* No payment or only partial payment of client fees has been received within 30 days following the issuance of the last billing; or
- e.* Another community resource is available to provide the service or a similar service free of charge; or
- f.* Funding is not available; or
- g.* The client fails to cooperate with a quality control review or with an investigation conducted by the department of inspections and appeals.

**170.5(4) *Reduction.*** Authorized units of service may be reduced when the department determines that:

- a.* Continued provision of service at the current level is not necessary to meet the client's service needs; or
- b.* Another community resource is available to provide the same or similar service free of charge that will meet the client's needs; or
- c.* Funding is not available to continue the service at the current level. When funding is not available, the department may limit on a statewide basis the number of units of child care services for which payment will be made.