

## Non-Adoption Options

B. The undersigned, by delegation from the Commissioner of Health and Social Services and in accordance with AS 44.64.060(e)(3), revises the enforcement action, determination of best interest, order, award, remedy, sanction, penalty, or other disposition of the case as follows and adopts the proposed decision as revised:

1. The proposed decision of the administrative law judge (ALJ) is adopted and affirmed as to the following findings and/or conclusions:

a. The Division was correct to deny payment for Mr. D's billings for the months of June 2015 through October 2015 because Mr. D did not become a CCAP-approved provider until November 1, 2015.

b. The Division was correct to deny payment for Mr. D's billing for the month of January 2016 because Mr. D's status as an authorized CCAP provider ended on December 31, 2015.

2. The proposed decision of the administrative law judge (ALJ) is *not adopted*, and is *reversed*, as to the following findings and/or conclusions:

Mr. D is entitled to be paid for child care services provided to the two youngest children (B and T), during the months of November 2015 and December 2015, because a notice issued to Mr. D by CCPO's contractor agency specifically stated that Mr. D was authorized to provide services to those two children during those two months, and Mr. D reasonably relied on the CCPO contractor's representation regarding the children's eligibility.

This Commissioner's Decision concludes that Mr. D is not entitled to be paid for child care services provided to any of Ms. J's children during the months of June 2015 through January 2016 because (1) Ms. J's family never became a CCAP-approved family, a CCAP-eligible family, or a CCAP participating family, at any time during the eight month period from June 2015 through January 2016; and (2) No Name' letter dated October 13, 2015 (Exhibits 10.0 – 10.1) does not constitute a "child care authorization" under 7 AAC 41.340(a), because the letter does not contain all the information and representations required by that regulation.

Accordingly, the Division's Administrative Review Decision dated February 25, 2016 is affirmed.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 8th day of July, 2016.

By: Signed \_\_\_\_\_  
Deborah L. Erickson  
Project Coordinator  
Department of Health and Social Services

D. The undersigned, by delegation from the Commissioner of Health and Social Services and in accordance with AS 44.64.060(e)(5), rejects, modifies or amends the interpretation or application of a statute or regulation in the decision as follows and for these reasons:

1. To constitute a “child care authorization” under 7 AAC 41.340(a), a written letter or notice must (1) identify the children for whom child care is authorized; (2) identify the provider selected by the family; (3) describe the child care authorized, including each category of care, based on the expected participation by each parent in an eligible activity under 7 AAC 41.310; (4) state the anticipated eligible cost of care, including (A) the family contribution amount calculated under 7 AAC 41.335; and (B) the anticipated benefit amount to be paid under 7 AAC 41.345; and (5) state the period of time for which the authorization is effective. Any written letter or notice which does not contain substantially or materially all of the foregoing information / representations, does not qualify as a “child care authorization” under 7 AAC 41.340(a).

2. The doctrine of equitable estoppel does not apply in this case because (1) No Name’ letter dated October 13, 2015 (Exhibits 10.0 – 10.1) did not constitute a “child care authorization” under 7 AAC 41.340(a); and (2) Mr. D did not act in reasonable reliance on No Name’ letter dated October 13, 2015 when he continued providing child care services for his sister’s children.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 8th day of July, 2016.

By: Signed  
Deborah L. Erickson  
Project Coordinator  
Department of Health and Social Services

[This document has been modified to conform to the technical standards for publication.]

**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS  
ON REFERRAL BY THE COMMISSIONER OF HEALTH AND SOCIAL SERVICES**

In the Matter of: )  
 )  
 M D ) OAH No. 16-0159-CCA  
 ) Agency No.  
 )  
\_\_\_\_\_ )

**[PARTIALLY REJECTED PROPOSED] DECISION**

**I. Introduction**

The issue in this case is whether the Child Care Program Office (CCPO) of the Division of Public Assistance (DPA or Division) was correct to deny M D's billings for child care services rendered by him during the eight month period from June 2015 through January 2016.<sup>1</sup> The Division denied Mr. D's billings for June 2015 through October 2015 on the grounds that Mr. D did not become an approved provider under the Child Care Assistance Program (CCAP) until November 1, 2015.<sup>2</sup> The Division denied Mr. D's billings for November 2015 through January 2016 on the grounds that the children for whom Mr. D was providing care were not authorized to receive CCAP benefits during those months.<sup>3</sup>

This decision concludes that the Division was correct to deny payment for Mr. D's billings for the months of June 2015 through October 2015 because Mr. D did not become a CCAP-approved provider until November 1, 2015. This decision further concludes, however, that Mr. D is entitled to be paid for child care services provided to the two youngest children (B and T), during the months of November 2015 and December 2015, because a notice issued to Mr. D by CCPO's contractor agency specifically stated that Mr. D was authorized to provide services to those two children during those two months, and Mr. D reasonably relied on the CCPO contractor's representation regarding the children's eligibility. Finally, this decision concludes that the Division was correct to deny payment for Mr. D's billing for the month of January 2016 because Mr. D's status as an authorized CCAP provider ended on December 31, 2015. Accordingly, the Division's Administrative Review Decision dated February 25, 2016 is affirmed in part and reversed in part.<sup>4</sup>

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<sup>1</sup> Exhibits 17.0 - 18.3; Exhibits 22.0 - 22.2.

<sup>2</sup> Exhibits 17.0 - 17.8.

<sup>3</sup> Exhibits 18.0, 18.2, 22.2.

<sup>4</sup> The Division's Administrative Review Decision dated February 25, 2016 does not appear to specifically address Mr. D's billing for January 2016. However, the Division's *Fair Hearing Position Statement* dated March 15, 2016 treated the January 2016 billing as an issue, and Mr. D did not object to including the January 2016 billing as

## II. Facts

Mr. D applied to become a "relative provider" under CCAP so that he could provide childcare for the youngest children of his sister, C J.<sup>5</sup> Under CCAP, a relative provider is someone who provides child care services, in the provider's own home, to children to whom the provider is related by blood, marriage, or judicial decree.<sup>6</sup> The relative provider may care for no more than five children, and all of the children must generally be under 13 years of age.<sup>7</sup>

C J and her husband, K, have four children; three of them - K, B, and T - are under 13 years old, and are thus age-eligible for CCAP participation.<sup>8</sup> No Name (No Name) is the local agent for CCAP in No Name.<sup>9</sup> On May 29, 2015 Ms. J submitted a CCAP application, with supporting documentation, to No Name.<sup>10</sup> On July 2, 2015 No Name mailed a notice to Ms. J requesting additional information and documentation, and advising that, if the requested items were not received by July 13, 2016, Ms. J's application would be denied.<sup>11</sup> On July 21, 2015 No Name issued a notice stating that Ms. J's application of May 29, 2015 had been denied based on her failure to provide requested information / documentation.<sup>12</sup> On July 28, 2015 Ms. J requested administrative review of No Name' determination.<sup>13</sup> On August 7, 2015 CCPO reversed No Name' denial and allowed Ms. J an additional ten days to submit the requested information and documentation.<sup>14</sup> On August 27, 2015 No Name re-denied Ms. J's May 29, 2015 application, again based on failure to provide requested information / documentation.<sup>15</sup>

On July 10, 2015, Ms. J filed a new application, for "Alaska Inclusive Child Care," with CCPO.<sup>16</sup> This application indicated that Mr. D was to be the child care service provider.<sup>17</sup> On July

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within the matters at issue in this case. Accordingly, the issues surrounding Mr. D's January 2016 billing are considered to have been submitted for determination based on the consent of the parties.

<sup>5</sup> M D's hearing testimony.

<sup>6</sup> Exhibit 35.1.

<sup>7</sup> Exhibit 35.1.

<sup>8</sup> Exhibit 37; C J hearing testimony. Pursuant to 7 AAC 41.350(a)(1), a child is only eligible to participate in CCAP if the child is under 13 years old. The only exception is if the child has a developmental disability, in which case the child must be under 19 years old (7 AAC 41.350(a)(2)).

<sup>9</sup> Exhibit 36; J G hearing testimony. Under CCAP regulation 7 AAC 41.990(19), No Name is referred to as a "designee," which is defined as a municipality or other entity that has been designated by CCPO to assume one or more of CCPO's duties.

<sup>10</sup> Exhibits 20.0 - 20.3; 37.0 - 40.1.

<sup>11</sup> Exhibits 19.4, 19.6, 44.0.

<sup>12</sup> Exhibits 19.7, 52, 55.

<sup>13</sup> Exhibit 54.1.

<sup>14</sup> Exhibits 56.0 - 56.2.

<sup>15</sup> Exhibits 20.5, 62.0.

<sup>16</sup> Exhibits 46.0 - 46.3.

<sup>17</sup> Exhibits 19.5, 60.7.

16, 2015 the July 10, 2015 application was denied because Ms. J and her husband were not participating in "Parents Achieving Self-Sufficiency" (PASS) as required.<sup>18</sup>

On August 11, 2015 Mr. D submitted an application to No Name to become a CCAP-approved relative provider.<sup>19</sup> Mr. D's application indicated that he wished to provide services to his sister's four children.<sup>20</sup> The application form that Mr. D signed contained a summary of a CCAP provider's responsibilities, including (1) the need to have a valid authorization before billing the State of Alaska for services provided to CCAP families, and (2) the need to maintain one's status as an approved, licensed, or certified provider in order to receive CCAP payments.<sup>21</sup> In addition, No Name' standard practice is to distribute, to all persons seeking to become authorized CCAP child care providers, a document titled "Provider Orientation," which states in part as follows:<sup>22</sup>

1. You must have a valid, written authorization before you bill the State of Alaska for services provided to CCAP families . . . . An authorization becomes invalid if your status as an approved provider expires, is suspended, [or is] revoked.  
.....
4. From July through August, all billing reports must be submitted within 90 days after the last day of the month child care services were provided or payment(s) will be denied.

In this case, J G of No Name held a CCAP orientation session, attended by Mr. D, during which Mr. D was informed of the CCAP rules applicable to service providers.<sup>23</sup>

On August 13, 2015 CCPO reviewed Mr. D's application and determined that it was not complete.<sup>24</sup> On August 31, 2015 CCPO mailed a notice to Mr. D listing eight additional items of information / documentation that Mr. D needed to provide, and stating that, if CCPO did not receive these items by September 11, 2015, his application might be denied.<sup>25</sup> On September 17, 2015 No Name mailed a notice to Mr. D stating that his application had been denied because he had failed to provide an "interested persons report" and a copy of a valid business license, and had not attended an orientation session.<sup>26</sup>

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<sup>18</sup> Exhibit 49.0.  
<sup>19</sup> Exhibits 2.0 - 2.3.  
<sup>20</sup> Ex. 2.3.  
<sup>21</sup> Exhibit 2.1.  
<sup>22</sup> Exhibits 35.0 - 35.4.  
<sup>23</sup> J G's hearing testimony.  
<sup>24</sup> Exhibits 3 - 4.  
<sup>25</sup> Exhibit 4.1.  
<sup>26</sup> Exhibits 5.0, 5.1.

On September 15, 2015 Mr. D submitted a new application to become a CCAP-approved relative provider; this application was essentially the same as the first application.<sup>27</sup> On September 23, 2015 Mr. D submitted a copy of his new business license, effective from September 17, 2015 through December 31, 2015.<sup>28</sup> An internal CCPO memo dated October 13, 2015 states that CCPO had granted Mr. D's second application, and that he had been authorized as an approved relative provider for the period November 1, 2015 through December 31, 2017.<sup>29</sup> The memo further stated that "only T and B are eligible to receive child care assistance" because the other two children "were not eligible because of age."<sup>30</sup>

On October 13, 2015 No Name mailed a notice to Mr. D advising that his relative provider application had been approved effective November 1, 2015.<sup>31</sup> The notice stated that the authorization extended to "the following children only: N R, K S R, B R, T R." However, in the very next sentence, the notice stated that "the number of children who may be in care is 2, and are specifically listed above."<sup>32</sup>

On November 16, 2015 No Name mailed a notice to Mr. D reminding him that his business license would expire on December 31, 2015, and that he would need to renew it by that date in order to maintain his status as an approved relative provider.<sup>33</sup> On January 5, 2016 No Name mailed a notice to Mr. D stating that his eligibility to receive CCAP payments as an approved relative provider had expired on December 31, 2015 due to his failure to provide proof of renewal of his Alaska business license by that date.<sup>34</sup>

On January 19, 2016 Mr. D submitted billing report forms to No Name or CCPO, for child care services rendered for Ms. J's four children, for the months of June - December 2015.<sup>35</sup> On February 28, 2016 Mr. D submitted his billing report form for January 2016.<sup>36</sup>

On January 25, 2016 No Name mailed notices to Mr. D stating that his invoices for child care services for June, July, August, September, and October 2015 had been denied because he had

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<sup>27</sup> Exhibits 6.0 - 6.4.

<sup>28</sup> Exhibits 7 - 8.1.

<sup>29</sup> Exhibit 9.

<sup>30</sup> Exhibit 9.0. This statement was not correct, because K, the next oldest child, does not turn 13 until November 2016, and thus was under 13 years of age (and thus eligible for CCAP) at the time of the CCPO memo.

<sup>31</sup> All factual findings in this paragraph are based on Exhibit 10.0 unless otherwise stated.

<sup>32</sup> This was obviously incorrect; all four of Ms. J's children were "specifically listed above."

<sup>33</sup> Exhibit 11.

<sup>34</sup> Exhibit 15.

<sup>35</sup> Exhibits 16.0 - 16.6.

<sup>36</sup> Exhibit 16.7.

not become a CCAP-approved relative provider until November 1, 2015.<sup>37</sup> On the same date No Name mailed additional notices to Mr. D stating that his invoices for child care services for November and December 2015 had been denied because "the children billed for Child Care Assistance did not have an authorization."<sup>38</sup>

On February 11, 2016 Mr. D submitted a form requesting both administrative review of, and a formal hearing on, the denial of his invoices for child care services.<sup>39</sup> On February 25, 2016 CCPO issued an administrative review decision affirming its prior denial of payment on Mr. D's invoices for child care services.<sup>40</sup>

Mr. D's hearing was held on April 18, 2016. Mr. D participated in the hearing by phone, represented himself, and testified on his own behalf. Mr. D's sister, C J, and his mother, U T, participated by phone and testified on Mr. D's behalf. Jeff Miller participated in the hearing by phone and represented the Division. J G of No Name participated by phone and testified for the Division. All testimony and exhibits offered by the parties were admitted into evidence, except for proposed Exhibits 23.0 - 23.3, which were withdrawn by the Division. At the end of the hearing the record was held open for post-hearing filings through May 16, 2016. The Division submitted a post-hearing filing; Mr. D did not. On May 16, 2016 the record closed and the case became ripe for decision.

### **III. Discussion**

#### ***A. The Child Care Assistance Program - Relevant Statutes and Regulations***

The Child Care Assistance Program (CCAP) is established pursuant to Alaska Statutes ("AS") 47.25.001 - 47.25.095.<sup>41</sup> The regulations governing CCAP are set forth in the Alaska Administrative Code (AAC) at 7 AAC 41.010 - 7 AAC 41.990.

Under the CCAP, parents or guardians select a day care facility for the care of their children, and then benefits are paid by the Division.<sup>42</sup> A family's eligibility for CCAP day care benefits is determined based on (1) the income of the family; (2) the number of children in the family; and (3)

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<sup>37</sup> Exhibits 17.0 - 17.9.

<sup>38</sup> Exhibits 18.0 - 18.3. The record does not contain a copy of any notice denying payment on Mr. D's invoice for child care services provided during January 2016, but both parties indicated at hearing that the invoice for services provided in January 2016 was also denied.

<sup>39</sup> Exhibit 21.1.

<sup>40</sup> Exhibits 22.0 - 22.3.

<sup>41</sup> A.S. § 47.25.001(a)(1) requires that the Department of Health and Social Services "implement and administer a program to assist in providing day care for the children of low and moderate income families . . . ."

<sup>42</sup> A.S. § 47.25.051.

whether there is one parent or guardian solely responsible for the care of the family.<sup>43</sup> The program's maximum monthly income limits vary based on the size of the family, and are set forth in a Family Income and Contribution Schedule which has been adopted into regulation by reference.<sup>44</sup>

Once CCPO determines that a family meets CCAP requirements for receiving program benefits, the family is referred to as an "eligible family."<sup>45</sup> Once CCPO has issued a specific current *child care authorization* to an eligible family, the family is referred to as a "participating family."<sup>46</sup>

A "child care authorization" is a written authorization for CCAP assistance issued under 7 AAC 41.340.<sup>47</sup> That regulation, titled "Child Care Authorization," states in relevant part:

(a) After the department or a designee determines a family is eligible to participate in the program, and that the provider selected by the family is an eligible provider, the department will or the designee shall issue to the family and the provider, a child care authorization that

- (1) identifies the children for whom child care is authorized;
- (2) identifies the provider selected by the family;
- (3) describes the child care authorized, including each category of care, based on the expected participation by each parent in an eligible activity under 7 AAC 41.310;
- (4) states the anticipated eligible cost of care, including (A) the family contribution amount calculated under 7 AAC 41.335; and (B) the anticipated benefit amount to be paid under 7 AAC 41.345; and
- (5) states the period of time for which the authorization is effective.

A "relative provider" is a provider, exempt from licensure under 7 AAC 57.015(8), who regularly provides care, outside of the child's own home, for no more than five children, all of whom are a relative of the provider.<sup>48</sup> Relative providers are approved for CCAP participation on a biennial basis.<sup>49</sup> Once a relative provider has been found eligible to participate in the Child Care Assistance Program, the provider is referred to as an "approved provider."<sup>50</sup> Once an approved

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<sup>43</sup> See A.S. § 47.25.0311 ("Eligibility of Families for Benefits").

<sup>44</sup> See 7 AAC 41.335 ("Family Income and Contribution Schedule").

<sup>45</sup> See 7 AAC 41.990(22) ("Definitions").

<sup>46</sup> See 7 AAC 41.990(39) ("Definitions").

<sup>47</sup> See 7 AAC 41.990(12) ("Definitions").

<sup>48</sup> See 7 AAC 41.200(e) ("Provider Eligibility; Application Requirements").

<sup>49</sup> See 7 AAC 41.200(e) ("Provider Eligibility; Application Requirements").

<sup>50</sup> See 7 AAC 41.990(2) ("Definitions").



provider has been cleared to provide child care services under a specific *child care authorization*, the provider is referred to as a "participating provider."<sup>51</sup>

Except for in-home providers subject to 7 AAC 41.370, a participating provider must have a valid child care authorization before the provider may bill CCPO for services provided under CCAP.<sup>52</sup> In order to be paid for child care services provided during the first 10 months of the State fiscal year, the provider must submit his or her billing statements (and any corrections to those statements) to CCPO no later than the last day of the third month following the month in which the charges were incurred.<sup>53</sup> In order to be paid for child care services provided during the last two months of the State's fiscal year, the provider must submit his or her billing statements (and any corrections to those statements) to CCPO no later than 31 days after the end of the fiscal year.

Finally, if a provider fails to maintain his or her CCAP eligibility status, CCPO must issue a written notice of CCAP termination to the provider, and advise the provider of his or her right to request an administrative review under 7 AAC 41.435.<sup>54</sup>

***B. Was the Division Correct to deny Payment for Mr. D's Billings for the Months of June 2015 through October 2015?***

As indicated in Section II, above, the history of Ms. J's and Mr. D's efforts to participate in CCAP are somewhat lengthy and confusing. However, the basic analysis for determining the specific months of child care services for which Mr. D is entitled to be paid is relatively simple. Under the regulations discussed in Section III(A), above, a provider is entitled to be paid for services provided during those months in which *both* (1) the children receiving the services were part of a "participating family;" and (2) the provider was a "participating provider." In other words, the provider is entitled to be paid for services provided during the months in which conditions (1) and (2), above *overlap*.

In this case, there is no evidence that Ms. J's family ever became an approved or eligible family, let alone a *participating* family, at any time during the eight month period from June 2015 through January 2016. Likewise, there is no evidence indicating that Mr. D was an approved provider, let alone a *participating* provider, at any time prior to November 1, 2015. Accordingly, under the CCAP regulations, Mr. D is not entitled to be paid by CCAP for any child care services

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<sup>51</sup> See 7 AAC 41.990(40) ("Definitions").

<sup>52</sup> See 7 AAC 41.210(c)(5) ("Provider Responsibilities").

<sup>53</sup> See 7 AAC 41.250(a)(1) ("Billing statements; Payment").

<sup>54</sup> See 7 AAC 41.200(j) ("Provider Eligibility; Application Requirements").

provided to Ms. J's children during the five month period from June 1, 2015 through October 31, 2015.

**C. Was the Division Correct to deny Payment for Mr. D's Billings for the Months of November 2015 and December 2015?**

The next issue is whether Mr. D is entitled to be paid for child care services provided to Ms. J's children during November 2015 and/or December 2015. There is no dispute that on October 13, 2015 CCPO granted Mr. D's second provider application effective November 1, 2015 (making him an *approved provider*), and that Mr. D remained an approved provider through December 31, 2017. The parties disagree, however, as to whether Mr. D was a *participating provider* during this period. The Division asserts that CCPO never issued a "child care authorization" under 7 AAC 41.340(a), and that Mr. D therefore never became a participating provider. Mr. D asserts, however, that No Name' letter dated October 13, 2015 (Exhibits 10.0 - 10.1) constitutes a "child care authorization" under 7 AAC 41.340(a), whether or not No Name or CCPO intended that the letter have that effect.

When the requirements of 7 AAC 41.340(a) are compared with No Name' letter, it is clear that the weight of the evidence supports Mr. D's position. First, 7 AAC 41.340(a)(1) requires that an authorization identify "the children for whom child care is authorized." No Name' letter lists all four of Ms. J's children, and indicates that services are authorized for the youngest two "under 13 years of age." Second, 7 AAC 41.340(a)(2) requires that an authorization identify "the provider selected by the family." No Name' letter does that by stating that Mr. D is the "Approved Relative Provider" for Ms. J's children. Third, 7 AAC 41.340(a)(5) requires that an authorization state "the period of time for which the authorization is effective." No Name' letter indicates that Mr. D was authorized to provide child care services to Ms. J's children from November 1, 2015 through October 31, 2017.

It is true that No Name' letter does not describe the exact "child care authorized, including each category of care" as required by 7 AAC 41.340(a)(3), and does not state "the anticipated eligible cost of care" as required by 7 AAC 41.340(a)(4). However, No Name' letter devotes two full paragraphs to describing the required content of provider billing statements, as well as the time periods within which the provider's invoices must be submitted. This information would lead a reasonable person to believe that all conditions precedent to billing CCPO for the provider's time had been satisfied. Mr. D testified at hearing that he did in fact understand No Name's letter as constituting an authorization to provide services. Given the content of No Name' letter, Mr. D's testimony on this point is credible. Accordingly, I find that No Name' letter of October 13, 2015

constitutes a "child care authorization" within the meaning of 7 AAC 41.340(a), and that it changed Mr. D's status from that of an approved provider to that of a participating provider as of November 1, 2015.

The last issue concerning Mr. D's November and December 2015 billings concerns whether Ms. J's family had the status of a "participating family" during this period. As discussed in Section III(B), above, it did not. However, as discussed in the two preceding paragraphs, No Name' letter of October 13, 2015 can reasonably be construed as an authorization for Mr. D to begin billing No Name for services provided to the J family. This of course logically infers that the J family was authorized to *receive* those services (*i.e.* had become a "participating family"), and may estop the Division from asserting otherwise, as discussed below.

In *Allen v. State, Department of Health & Social Services, Division of Public Assistance*, 203 P.3d 1155 (Alaska 2009), the Alaska Supreme Court stated:

“Equitable estoppel applies against the government in favor of a private party if four elements are present in a case: (1) the governmental body asserts a position by conduct or words; (2) the private party acts in reasonable reliance thereon; (3) the private party suffers resulting prejudice; and (4) the estoppel serves the interest of justice so as to limit public injury.”

I find that the Division is estopped from denying payment to Mr. D for services provided to the youngest two of Ms. J's children during November and December 2015. First, No Name' letter constitutes a written assertion of CCPO's position. Second, Mr. D credibly testified that he relied on No Name' letter as an authorization to provide services,<sup>55</sup> and given the content of the letter I find that his reliance was reasonable. Third, Mr. D would be prejudiced if No Name' letter is not construed as an authorization, because he would not receive compensation for two months of child care services which he provided. Finally, for the reason stated in the preceding sentence, applying the doctrine of estoppel in this case serves the interests of justice by limiting the economic injury to Mr. D.

In summary, due to the statements made in No Name' letter of October 13, 2015, the Division is estopped from denying that Ms. J's family was a participating family, and that Mr. D was a participating provider, during the months of November and December 2015. Accordingly, Mr. D is entitled to be paid, at applicable CCAP program rates, for child care services he provided to Ms. J's two youngest children during those two months.

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<sup>55</sup> The evidence indicates that Mr. D did not receive No Name' letter when it was initially mailed, but the hearing testimony indicates that Mr. D became aware of the content of the letter soon afterwards through telephone conversations with No Name and one or more visits to No Name' office.

***D. Was the Division Correct to deny Payment for Mr. D's Billing for the Month of January 2016?***

If a provider fails to maintain his or her CCAP eligibility status, CCPO must terminate the provider's participation in CCAP.<sup>56</sup> If a provider is no longer eligible for CCAP, and his or her participation in the program has been terminated, it follows that the provider may no longer bill CCPO any for child care services provided.

In this case, Mr. D did not dispute that his approved relative provider status expired on December 31, 2015 due to his failure to provide proof of renewal of his Alaska business license by that date.<sup>57</sup> Further, there is no evidence in the record to indicate that Mr. D filed a new CCAP provider application, or was reapproved as a CCAP provider, during January 2016. Because Mr. D was not a CCAP-approved provider at the time he provided child care services during January 2016, Mr. D is not entitled to be paid by CCPO for those services.

**IV. Conclusion**

The Division was correct to deny payment for Mr. D's billings for the months of June 2015 through October 2015 because Mr. D did not become a CCAP-approved provider until November 1, 2015. Mr. D is entitled to be paid for child care services provided to Ms. J's two youngest children (B and T), during the months of November 2015 and December 2015, because a notice issued to Mr. D by CCPO's contractor agency specifically stated that Mr. D was authorized to provide services to those two children during those two months, and Mr. D reasonably relied on the CCPO contractor's representation regarding the children's eligibility. Finally, the Division was correct to deny payment for Mr. D's billing for the month of January 2016 because Mr. D's status as an authorized CCAP provider ended on December 31, 2015. Accordingly, the Division's Administrative Review Decision dated February 25, 2016 is affirmed in part and reversed in part.

DATED this 26th day of May, 2016.

*Signed* \_\_\_\_\_  
Jay Durych  
Administrative Law Judge

[This document has been modified to conform to the technical standards for publication.]

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<sup>56</sup> See 7 AAC 41.200(j) ("Provider Eligibility; Application Requirements").

<sup>57</sup> Exhibit 15.