

November 12, 2024

CERTIFIED MAIL

Alicia Carey, Authorized Agent
Olu's Home Inc
1315 12th Avenue North
Minneapolis, MN 55411

License Number 1068807 (HCBS)

ORDER TO PAY A FINE FOR BACKGROUND STUDY VIOLATIONS

Dear Alicia Carey:

The Department of Human Services (DHS) is ordering you to pay a fine of \$8,000 for 42 background study violations. Details of our findings are provided below. Our next steps and your options are also detailed.

Reason for the Fine

DHS is issuing this fine order based on your failure to comply with the following background study requirements:

Background Study Violation Determined on May 29 and June 4-6 2024:

1. As a result of a licensing review, DHS licensors determined that you failed to request background studies for eleven staff persons before they began working in positions allowing direct contact with persons served.
 - a. The license holder failed to initiate background studies for SP2, SP3 and SP5 in NETStudy 2.0 prior to having unsupervised direct contact with persons served by the program:
 - SP2 had unsupervised contact with person served by the program on December 2, 2022;
 - SP3 had unsupervised contact with person served by the program on May 2, 2020;
 - SP5 had unsupervised contact with persons served by the program on July 10, 2020;
 - SP7 had unsupervised contact with persons served by the program on May 24, 2024;
 - SP8 had unsupervised contact with persons served by the program on June 2, 2024;
 - SP9 had unsupervised contact with person served by the program on May 21, 2024;
 - SP10 had unsupervised contact with persons served by the program on May 29, 2024;
 - SP41 had unsupervised direct contact with persons served by the program on January 13, 2023, however the license holder did not initiate a background study for SP41 until January 20, 2023; and

- SP42 had unsupervised direct contact with persons served by the program on April 6, 2024, however the license holder did not initiate a background study until May 18, 2024.
- b. SP11 was hired and began working in a position allowing direct contact with persons served by the program. The license holder initiated a background study in NETStudy 2.0, however it was affiliated to a Community Residential Setting (CRS) license number and not the license holder's Home and Community Based Services (HCBS) license number. Additionally, the sensitive information person (SIP) for the community residential setting license number was different than the SIP for the HCBS license. SP11 had unsupervised direct contact with persons served at a CRS other than the one the background study had cleared for on June 6, 2024. The license holder failed to initiate a background study for SP11 in NETStudy 2.0 prior to having unsupervised direct contact with persons served by the program.
- c. SP4's background study expired December 31, 2022. SP4 continued to have direct contact with person's served by the program, however the license holder failed to initiate a new background study for SP4.

Under Minnesota Statutes, section 245A.07, subdivision 3, paragraph (d), the Commissioner shall not issue a fine to a license holder who self-corrects a background study violation before the Commissioner discovers the violation. A license holder who has previously exercised the provision of paragraph (d) to avoid a fine for a background study violation may not avoid a fine for a subsequent background study violation unless at least 365 days have passed since the license holder self-corrected the earlier background study violation.

Because the license holder self-corrected the background study violation involving SP41 before the Commissioner discovered the violation, the license holder is not being fined for the background study violation involving SP41.

Because the license holder self-corrected the background study violation involving SP42 before the Commissioner discovered the violation and because more than 365 days had passed since the license holder self-corrected an earlier violation; the license holder is not being fined for the background study violation involving SP42.

Statute Violated: Minnesota Statutes, section 245C.04, subdivision 1, paragraph (g).

Fine: \$1,800

Corrective Action Required: Immediately and on an ongoing basis, you must comply with the background study requirements in Minnesota Statutes, chapter 245C.

2. As a result of a licensing review DHS licensors determined you failed to remove an individual (SP6) who did not cooperate with the completion of a background study from a position of direct contact.

SP6 was hired on April 6, 2020 and the license holder initiated a background study at that time. The license holder received notice that on February 9, 2024 SP6's fingerprint time had elapsed and SP6 needed to be removed from a position of direct contact due to SP6's failure to cooperate with background study requirements. The license holder failed to remove SP6 from a position of direct contact.

Statute Violated: Minnesota Statutes, section 245C.09, subdivision 1.

Fine: \$200

Corrective Action Required: Immediately and on an ongoing basis, you must comply with the background study requirements in Minnesota Statutes, chapter 245C.

3. As a result of a licensing review DHS licensors determined you failed to remove an individual (SP1) who did not cooperate with the completion of a background study from a position of direct contact.

SP1 was hired on January 25, 2024 and the license holder initiated a background study at that time. The license holder received notice that on February 9, 2024 SP1's fingerprint time had elapsed and SP1 needed to be removed from a position of direct contact due to SP1's failure to cooperate with background study requirements. The license holder failed to remove SP1 from a position of direct contact.

Statute Violated: Minnesota Statutes, section 245C.09, subdivision 1.

Fine: \$200

Corrective Action Required: Immediately and on an ongoing basis, you must comply with the background study requirements in Minnesota Statutes, chapter 245C.

4. As a result of a licensing review DHS licensors determined you failed to meet the requirements for temporary staff (SP12-SP40) as required.

The license holder utilized temporary staff persons (SP12-SP40) who provided direct support services to persons served by the program. SP12-SP40 had direct contact with persons served by the program on dates ranging from May 4, 2023 to May 31, 2024; however, the license holder failed to ensure background studies had been initiated and affiliated for SP12-SP40 prior to them having direct contact with persons served.

Statute Violated: Minnesota Statutes, section 245C.03, subdivision 4.

Fine: \$5,800

Corrective Action Required: Immediately and on an ongoing basis, you must comply with the background study requirements in Minnesota Statutes, chapter 245C.

Billing and Payment of the Fine

DHS will send you an invoice for the \$8,000 fine. Payment must be made as directed on the invoice.

If you request a contested case hearing, as described below, do not pay the fine at this time. Following the contested case hearing, the Commissioner of DHS will issue a final order on this matter.

Please note, you may not avoid payment of this fine by closing, selling, or otherwise transferring the license to a third party. If this occurs, each controlling individual is personally and jointly responsible for payment.

Your Right to Appeal

You have the right to appeal the fine. Your request must be in writing and clearly state that you are requesting a contested case hearing for this matter. Your request must be made before the deadlines provided below. If you do not meet this deadline, you lose your right to an administrative appeal. The timeline to appeal began when you received this order.

If you are mailing your request, it must be sent by certified mail and postmarked within 10 calendar days from when you receive this order. Please send it to:

Commissioner, Department of Human Services
Office of Inspector General
Licensing Division
Attention: Legal Unit
PO Box 64242
St. Paul, MN 55164-0242

If your request is being personally delivered, it must be received by DHS within 10 calendar days from when you receive this order. Please bring it to:

Commissioner, Department of Human Services
Office of Inspector General
Licensing Division
Attention: Legal Unit
444 Lafayette Road North
St. Paul, MN 55155

Upon DHS' receipt of your timely appeal, your case would be scheduled for a contested case hearing in front of an Administrative Law Judge. Following this hearing, the Commissioner of DHS will issue a final order.

Legal representation at the contested case hearing

You do not need a lawyer to appeal. However, a lawyer can help you with your appeal. The state or county will not get you a lawyer and will not pay for a lawyer. If you cannot afford a lawyer, you may be able to get free legal advice or help with your appeal. To find out if free help is available, contact: Volunteer Lawyers Network at

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612-752-6677; Central Minnesota Legal Services at 612-332-8151; Southern Minnesota Legal Services at 651-222-4731; or go to www.justice4mn.org to find a local legal services program that may be able to help you.

You can also find information on contested cases from the Office of Administrative Hearings website at <https://mn.gov/oah/self-help>. Click on Administrative Law Overview, then click on Administrative Law Contested Case Hearing Guide for a list of frequently asked questions.

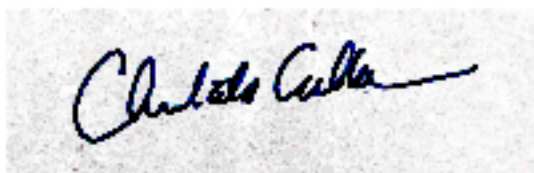
Legal Authority for this Licensing Action

- This action is taken under Minnesota Statutes, section 245A.07, subdivision 1, paragraph (a), which describes under which conditions DHS may impose a fine against a license.
- DHS may impose a \$200 fine for each background study violation under Minnesota Statutes, section 245A.07, subdivision 3, paragraph (c)(4)(iv).
- The exception that allows a license holder who self-corrects a background study violation to avoid a fine does not apply when the license holder was cited for the same violation within the past 365 days, under Minnesota Statutes, section 245A.07, subdivision 4, paragraph (d).
- Minnesota Statutes, section 245A.07, subdivision 3, paragraph (c)(5) states that license holders may not avoid payment of a fine by closing, selling, or transferring a license.
- License holders have a right to appeal licensing actions and request a contested case hearing, under Minnesota Statutes, chapter 14 and Minnesota Rules, parts 1400.8505 to 1400.8612.

Questions

If you have any further questions regarding this matter, you may contact Troy Goudy Supervisor, at 651-431-6639.

Sincerely,

A handwritten signature in black ink on a light-colored background. The signature is cursive and appears to read "Christala Culhane".

Christala Culhane, Unit Manager
Licensing Division
Office of Inspector General