



Office of the Inspector General Commonwealth of Massachusetts

Overbilling Inquiry Leads to Corrective Action, June 2004

The Office of the Inspector General in January 2004 received a tip alleging that the Merrimack Valley YMCA in Lawrence was overbilling the state for its services by ignoring regulations that determine what families qualify for state aid. The Merrimack Valley YMCA provides childcare services to needy children through a contract with the Massachusetts Office of Child Care Services. In order to qualify for aid a low-income parent must be working, receiving training or attending school. An unemployed parent can only receive funding for eight weeks.

Our investigation found enough evidence of intentional overbilling to turn the results over to the Office of Child Care Services. In June 2004, the Office of Child Care Services performed a site review of the MV YMCA and found children at the facility didn't appear to be eligible for subsidized care.

The Office of Child Care Services told the Merrimack Valley YMCA to provide proof of eligibility for children with incomplete files and terminate the children whose families weren't able to prove that they were eligible for subsidized care.

The Merrimack Valley YMCA also submitted a corrective action plan to the state and agreed that if the Office of Child Care Services again finds ineligible children at the daycare center, the Merrimack Valley YMCA will be required to return the misused childcare funds to the state.