



STATE OF MICHIGAN
DEPARTMENT OF
LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

LANSING

GRETCHEN WHITMER
GOVERNOR

BEVERLY WALKER-GRIFFEA, Ph.D.
DIRECTOR

March 4, 2026

Jessica Thomas, Chief Internal Auditor
Office of Internal Audit Services
111 S Capitol Ave
7th Floor, Romney Building
Lansing, MI 48933

Dear Director Thomas,

In accordance with the State of Michigan, [Financial Management Guide, Part VII](#), enclosed is our final corrective action plan to address recommendations contained within the Office of the Auditor General report of the Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP) for the Child Development and Care (CDC) Program.

Questions regarding the corrective action plan should be directed to Cindy Keller, Michigan Department of Lifelong Education, Advancement, and Potential Compliance and Monitoring Manager, at kellerc2@michigan.gov.

Sincerely,

A handwritten signature in cursive script that reads "Lora MacKay".

Lora MacKay
Chief Financial Officer, MiLEAP

Enclosure (1)

c: Executive Office
Office of the Auditor General
House Fiscal Agency
Senate Fiscal Agency
Representative Greg Markhanen, Chair House Subcommittee on Higher Education and Community Colleges
Senator Rosemary Bayer, Chair Senate Subcommittee on MiLEAP
Representative Kathy Schmaltz, Chair, House Committee on Families and Veterans
Senator Jeff Irwin, Chair, Senate Committee on Housing and Human Services
Dr. Beverly Walker-Griffea, MiLEAP, Director
Lisa Brewer-Walraven, MiLEAP, CDC Director
Emily Laidlaw, MiLEAP, Office of Early Education Director

Michigan Department of Lifelong Education, Advancement, and Potential
 Communication With Child Development and Care Program Providers Regarding Client
 Eligibility and the Associated Payments (313-0298-24)
 Issued by the Office of the Auditor General
 November 2025
 Department Final Corrective Action Plan

Summary Response Matrix

	Complied	Will Comply	Partially Complied	Will Not Comply
Agrees	1, 2, 3, 6		7	
Partially Agrees	4b			4a
Disagrees				5

Final Corrective Action Plan (CAP)

Finding Number 1

Finding Title: CDC call center needs significant improvement to better meet the volume of CDC provider calls.

Department Response:

Management Views: MiLEAP Agrees

Planned Corrective Action and Milestones:

MiLEAP has taken multiple actions since the audit period to make process improvements which will better meet the volume of CDC provider calls to the call center. In addition, MiLEAP has engaged in a lean process improvement to create efficiencies and streamline communications to providers to help reduce the number of calls.

Milestone activities completed since audit period include:

- March 2024 and June 2024, Vacancies filled (3) that were unable to be filled during the pandemic.
- May 2024, Application process revised to reduce interview times.
- July 2024, Regular call volume tracking and monitoring allowed for adjustment to call center hours (expanding by 1.5 hours) and scheduling of staff assignments to high call volume times.
- October 2024, Simplified the CDC Handbooks to make it easier to find information by provider type.
- June 2025, Additional call center option included addressing eligibility questions that needed to be answered by MDHHS.
- June 2025, Restructured Call Center team to address backlog.

- September 2025, Student assistants added to support license exempt provider applications and helps to reduce wait time for processing of license exempt provider applications.
- November 2025, Voicemail option and call wait-times added to the call center for providers who do not wish to hold for an available technician.

Anticipated Compliance Date: November 30, 2025

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care

Finding Number 2

Finding Title: Continued development and implementation of processes to regularly evaluate CDC call center operation effectiveness are needed.

Department Response:

Management Views: MiLEAP Agrees

Planned Corrective Action and Milestones:

MiLEAP has several ongoing activities in place to monitor data and the effectiveness of the call center. These monitoring activities are used to make real-time improvements and modifications using available staff resources. We have continued to improve upon our evaluation and implementation of activities for the Call Center which included these milestones after the audit period:

- June 2025, Improved scheduling process
- June 2025, Implementation of Continuous Improvement project log
- October 2025, Increased call monitoring
- October 2025, Enhanced call monitoring documentation

Anticipated Compliance Date: October 31, 2025

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care

Finding Number 3

Finding Title: Improvements needed to ensure CDC providers are notified of benefit and billing information for the child(ren) in their care.

Related IT system: I-Billing

Department Response:

Management Views: MiLEAP and MDHHS Agrees

Planned Corrective Action and Milestones:

MiLEAP and MDHHS acknowledge a system issue was identified with the generation of the required DHS-198 letters and the issue was remediated through a system fix on March 22, 2025. The DHS-198 notification letters are being generated after application, redetermination, and for case updates as outlined by program policy.

In addition, MiLEAP is now including the DHS-198 details on the internet billing system (I-Billing) where providers have on demand access to case authorization information for families, they provide care for.

Anticipated Compliance Date: March 22, 2025

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care
Mariah Schaefer, MDHHS Public Assistance Operations Unit Manager

Finding Number 4

Finding Title: Improvements needed to ensure CDC providers receive clear and complete benefit and billing information on the DHS-198 letter.

Department Response:

Management Views: MiLEAP and MDHHS Partially Agrees

Planned Corrective Action and Milestones:

4a - MiLEAP, in conjunction with MDHHS disagrees that the DHS-198 needs clarification.

The DHS-198 provider notification letter meets all state and federal requirements. Due to multiple time blocks that can impact a case, MiLEAP believes the notification to both families and providers is sufficient as it includes the specific timeframes the authorization is in effect and includes links to the program handbook with a full overview of how authorizations are determined.

Comment on CAP from Michigan Office of the Auditor General (03/18/2026, 3:10 PM)

See our complete Auditor's Comment on page 23 of the [audit report](#). We do not question the DHS-198 letter's compliance with federal and State requirements; instead, our recommendation relates to improved clarity of the information contained in the letter.

4b - We agree the Bridges reference table containing dates used to populate the 'Benefit End Date' field on the letter had not been updated for a short time that also aligned with the audit testing period. This was updated during September 2023 and is currently functioning as intended.

Anticipated Compliance Date: September 30, 2023

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care

Finding Number 5

Finding Title: Process needed to notify CDC providers of pending client eligibility redeterminations.

Related IT system: I-Billing

Department Response:

Management Views: MiLEAP Disagrees

MiLEAP's I-Billing system provides real-time, on-demand access to providers for client eligibility, length of program eligibility, and benefit end dates. This immediate access allows providers to track pending redeterminations and take appropriate action, fulfilling the State Plan commitment (October 2018) to give advance notice to both clients and providers as required under 45 CFR § 98.21(f). Electronic access ensures timely, accurate, and continuous visibility without the need for duplicate mailed notices. In addition, redetermination instructions are sent directly to the parents at the beginning of the 11th month of eligibility giving them one month to submit the required paperwork to document continued eligibility on their case.

Current practices provide access, continuity of care, and compliance without duplicative mailing. As always, the department will continue monitoring provider communication and address any access gaps as needed.

Comment on CAP from Michigan Office of the Auditor General (03/18/2026, 3:10 PM)

See our complete Auditor's Comment on page 26 of the [audit report](#). We do not believe MiLEAP's communication of the child's benefit end date in the existing DHS-198 letter or in I-Billing meets the intent of the federally encouraged notification, which suggests a **separate and distinct** notification be sent to clients and their provider(s) shortly before the client's redetermination is due (i.e., "pending redetermination") **and includes** relevant redetermination dates, forms, and parent responsibilities.

Planned Corrective Action and Milestones:

None

Anticipated Compliance Date: N/A

Responsible Individual: N/A

Finding Number 6

Finding Title: Clarity and completeness of I-Billing benefit and billing information need improvement.

Related IT system: I-Billing

Department Response:

Management Views: MiLEAP and MDHHS Agrees

Planned Corrective Action and Milestones:

MiLEAP has implemented changes in conjunction with MDHHS. **The I-Billing information was only in place for a short time during the audit period.** In addition, the end date included in I-Billing is meant to be a reminder to the provider that in 30 days the parent case will end if the parent doesn't submit their case redetermination information.

Comment on CAP from Michigan Office of the Auditor General (03/18/2026, 3:10 PM)

See our complete Auditor's Comment on pages 29 and 30 of the [audit report](#). MiLEAP indicates the I-Billing information discussed in this finding was only in place for a short time during the audit period, that being the last two months of the audit period (February and March 2024); however, the reported issues continued thereafter.

MiLEAP, in conjunction with MDHHS, have already implemented changes to improve the information communicated to providers through the I-Billing system.

These improvements after the audit period include:

- June 2024, a message was added to I-Billing instructing providers to choose one record for billing.
- November 2024, correct the issue with the I-Billing display to no longer display multiple active benefits.
- August 2025, update that allows providers to view the program benefit end date.

Anticipated Compliance Date: August 30, 2025

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care

Finding Number 7

Finding Title: Improved controls needed over the CDC system interfaces.

Related IT system: I-Billing

Department Response:

Management Views: MiLEAP, MDHHS, and DTMB Agrees

Planned Corrective Action and Milestones:

MiLEAP, in collaboration with MDHHS and DTMB will continue ongoing discussions to improve interface documentation for the I-Billing application and ensure that interface strategy and design is developed and documented for the remaining interfaces identified in the audit.

Documentation will be established and interfaces updated based on business needs, and business prioritization to align with milestones below:

- March 2025, Updates to the CDC Database Table documentation and CCAC screen documentation transitioned to MiLogin.
- April 2026, Initial discussions around the CDC database security plan will begin.

Anticipated Compliance Date: November 30, 2026

Responsible Individual:

Lisa Brewer-Walraven, Director, MiLEAP Child Development and Care
Sanjay Srivastava, Business Relationship Manager, DTMB