This opinion is nonprecedential except as provided by
Minn. R. Civ. App. P. 136.01, subd. 1(c).

STATE OF MINNESOTA
IN COURT OF APPEALS
A25-0696

In the Matter of the SIRS Appeal by Midwest Quality Home Care, Inc.

Filed February 17, 2026
Affirmed
Schmidt, Judge

Minnesota Department of Human Services
File No. 39441

Christianna L. Finnern, Tracy L. Jacobs, Winthrop & Weinstine, P.A., Minneapolis, Minnesota (for relator Midwest Quality Home Care, Inc.)

Keith Ellison, Attorney General, Brian M. Card, Assistant Attorney General, St. Paul, Minnesota (for respondent Minnesota Department of Human Services)

Considered and decided by Wheelock, Presiding Judge; Schmidt, Judge; and Jesson, Judge.*

NONPRECEDENTIAL OPINION

SCHMIDT, Judge

In this certiorari appeal, relator Midwest Quality Home Care, Inc. challenges an order of respondent Minnesota Department of Human Services (DHS) suspending Midwest from participating in the Minnesota Health Care Programs. We affirm.

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* Retired judge of the Minnesota Court of Appeals, serving by appointment pursuant to Minn. Const. art. VI, § 10.

FACTS

Midwest is an agency that, before the events underlying this appeal, received reimbursement from Minnesota's Medicaid program, Medical Assistance, for personal-care-assistance services it provided. *See* Minn. Stat. § 256B.04 (2024 & Supp. 2025); Minn. R. 9505.0011 (2023); *see also* Minn. Stat. §§ 256B.01-.85 (2024 & Supp. 2025); Minn. R. 9505.0295, .0335 (2023). DHS administers the Medical Assistance program. *See* Minn. R. 9505.0011; Minn. Stat. §§ 256B.01-.851 (2024). DHS oversees the reimbursement process and, when necessary, "conducts audits and investigations into suspected noncompliance with program requirements." *In re SIRS Appeal by Best Care, LLC*, 26 N.W.3d 459, 463 (Minn. 2025).

In 2017, DHS began to investigate a complaint that Midwest had submitted fraudulent claims for reimbursement. In 2020, DHS sent Midwest a notice of overpayment and sanctioned appellant with a stipulated provider agreement. *See* Minn. Stat. § 256B.064, subd. 1b (2025); Minn. R. 9505.2210, subps. 1, 2(B)(2) (2025) (listing "provider agreement which stipulates specific conditions of participation" as permissible sanction upon detection of "fraud, theft, abuse, or error in connection with a program"). The agreement included a noncompliance provision, which provided that, "if DHS determines [Midwest] has failed to meet the terms and conditions of this agreement, DHS will suspend [Midwest] from participation in [the Minnesota Health Care Programs] for a period of two (2) years." Midwest signed the agreement in 2021, remained a participant in the Minnesota Health Care Programs, and did not appeal DHS's decision to sanction it.

In March 2022, DHS received another complaint alleging that Midwest defrauded DHS. In April 2023, after an investigation, DHS sent Midwest a notice of monetary recovery and suspension. The notice alleged that Midwest violated the agreement and defrauded DHS by, among other things, forging signatures on providers' time sheets. Midwest appealed the notice in May 2023, requesting a contested-case hearing before an administrative law judge (ALJ). Between May and August 2023, DHS sent Midwest two amended notices, as well as a notice and order for prehearing conference. All notices listed the same allegations against Midwest and referenced the parties' agreement.

Before the contested-case hearing, Midwest conceded that it had violated several provisions of the agreement. The parties then agreed that the issues to be determined at the contested-case hearing would be whether DHS properly (1) sought monetary sanctions for the alleged forgery and (2) suspended Midwest for two years.

After the hearing, the ALJ filed findings of fact, conclusions of law, and a recommendation. The ALJ recommended that the commissioner of human services: (1) affirm the two-year suspension of Midwest's participation in the Minnesota Health Care Programs for violating the agreement; (2) affirm two uncontested monetary sanctions; and (3) rescind the monetary sanction attributable to the forgery allegations because DHS did not prove that forgery occurred. The commissioner issued a final order that fully adopted the ALJ's recommendation.

Midwest appeals.

DECISION

Appellate courts give substantial deference to an agency's decision. *See In re Correction Orders Issued to Wealshire of Bloomington*, 3 N.W.3d 284, 289 (Minn. App. 2024). In reviewing an agency's decision, we may affirm or remand for further proceedings. *In re Wetland Conservation Act Appeal by Stock*, 4 N.W.3d 502, 506 (Minn. App. 2024). "We may also reverse or modify the decision, but only 'if the substantial rights of the petitioners may have been prejudiced.'" *Id.* (quoting Minn. Stat. § 14.69 (2022)). "Our review of a contested-case decision is limited to whether the decision is: (1) unconstitutional; (2) in excess of the agency's statutory authority or jurisdiction; (3) the result of unlawful procedure; (4) affected by legal error; (5) unsupported by substantial evidence; or (6) arbitrary or capricious." *Id.* (citing Minn. Stat. § 14.69).

On appeal, Midwest challenges its two-year suspension, contending that (1) the commissioner erred by determining that it may enforce the agreement without performing the statutory analysis described in Minnesota Statutes section 256B.064, subdivision 1b; (2) the commissioner violated Midwest's procedural due-process rights; and (3) the suspension is unsupported by substantial evidence, arbitrary and capricious, and unlawfully severe. We address each argument in turn.

I. DHS does not need to conduct the statutory analysis to enforce a prior sanction.

The commissioner's final order adopted the ALJ's finding that, when the prior sanction—here, the stipulated provider agreement—is not challenged, DHS can enforce that agreement without repeating the statutory analysis provided in Minnesota Statutes section 256B.064, subdivision 1b. Midwest disputes this finding, arguing that it runs contrary to the plain language of the statute. Midwest's argument presents a question of statutory interpretation that we review de novo. *See In re SIRS Appeal by Nobility Home Health Care, Inc.*, 999 N.W.2d 843, 851 (Minn. 2024).

An entity reimbursed through Medical Assistance may be sanctioned if it engaged in certain conduct, as determined by DHS. *See* Minn. Stat. § 256B.064, subd. 1b. However, "[w]hen imposing sanctions under [section 256B.064, subdivision 1b]," DHS must "consider the nature, chronicity, or severity of the conduct and the effect of the conduct on the health and safety of persons served by the individual or entity." *Id.*

Midwest was sanctioned with a stipulated provider agreement, which Midwest signed in 2021. On appeal, Midwest does not contest the imposition or validity of that sanction. Instead, Midwest appeals the enforcement of that sanction's noncompliance provision, which provided that any failure to comply would result in a two-year suspension from the Minnesota Health Care Programs. Section 256B.064, subdivision 1b, does not require DHS to perform the statutory analysis when enforcing a sanction. We therefore conclude that the commissioner did not violate section 256B.064, subdivision 1b, when it affirmed Midwest's suspension. And no alleged failure to perform the statutory analysis when imposing that suspension under the terms of the agreement renders the commissioner's final order erroneous.

II. The commissioner did not violate Midwest's procedural due-process rights.

Midwest contends that the commissioner violated its procedural due-process rights by imposing "the suspension based on arguments, allegations, and legal theories" that it contends were not raised in the notices or litigated before the ALJ. "Whether procedural due process has been violated is a question of law that we review de novo." *Gams v. Houghton*, 884 N.W.2d 611, 618 (Minn. 2016).

"We conduct a two-step analysis to determine whether the government has violated an individual's procedural due process rights." *Sawh v. City of Lino Lakes*, 823 N.W.2d 627, 632 (Minn. 2012). First, we identify whether Midwest was deprived of a "protected life, liberty, or property interest." *Id.* Second, we must determine whether constitutionally sufficient procedures were employed. *Id.* Constitutionally sufficient procedures include notice and an opportunity to be heard. *Id.*

Midwest challenges only whether the commissioner provided adequate notice and an opportunity to be heard before imposing the suspension for violating the stipulated provider agreement. Midwest's argument is unavailing for two reasons. First, all four notices listed the violation of the parties' agreement as one of several grounds for sanctions. Second, Midwest had the opportunity to dispute DHS's allegation that it violated the agreement at a hearing before an ALJ. Since Midwest was afforded notice and an opportunity to be heard, its due-process argument fails.[1]

[1] Midwest also incorporates its statutory-analysis argument into its procedural due-process argument. But, again, Midwest's statutory-analysis argument is unpersuasive because Midwest did not challenge the stipulated provider agreement or its noncompliance terms.

III. Midwest's challenges to the agreement are not properly before this court.

Midwest argues that its suspension is unsupported by substantial evidence, arbitrary and capricious, and unlawfully severe. *See* Minn. Stat. § 14.69 (2024). DHS contends that, by challenging its two-year suspension under the terms of the stipulated provider agreement, Midwest is collaterally attacking the agreement. We agree with DHS.

Midwest's true qualms concern the terms of the stipulated provider agreement because the agency action that it challenges—its suspension—was imposed under the terms of that agreement. When DHS provides notice that it will impose a sanction, such as a stipulated provider agreement, the sanctioned entity has thirty days to request a contested-case hearing. Minn. Stat. § 256B.064, subd. 2(f). Midwest did not seek a contested-case hearing at the time it entered into the stipulated provider agreement, and it does not argue that it is entitled to judicial review of the agreement now. *See id.*[2] This court does not consider arguments that the parties have not made. *See In re Civ. Commitment of Kropp*, 895 N.W.2d 647, 653 (Minn. App. 2017), *rev. denied* (Minn. June 20, 2017). Accordingly, Midwest's challenge to the suspension under the terms of the agreement is not before us.

Affirmed.

Since Midwest does not—and cannot—challenge the stipulated provider agreement on appeal, Midwest cannot now take issue with DHS enforcement of the agreement's terms.

[2] *Cf. State by Malcolm v. Iron Waffle Coffee Co.*, No. A21-0892, 2022 WL 589247, at *5-7 (Minn. App. Feb. 28, 2022) (explaining process to appeal agency decision, state court jurisdiction over agency decisions, and rejecting collateral attack on previously imposed agency decision), *rev. denied* (Minn. May 31, 2022). *See also* Minn R. Civ. App. P. 136.01, subd. 1(c) (stating that nonprecedential opinions are not binding authority but "may be cited as persuasive authority").