



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
ACTING DIRECTOR

December 7, 2023

Kehinde Ogundipe
Eden Prairie Residential Care, LLC
G 15 B
405 W Greenlawn
Lansing, MI 48910

RE: License #: AS250402729
Investigation #: 2024A0779005
Welch Home I

Dear Kehinde Ogundipe:

Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- How compliance with each rule will be achieved.
- Who is directly responsible for implementing the corrective action for each violation.
- Specific time frames for each violation as to when the correction will be completed or implemented.
- How continuing compliance will be maintained once compliance is achieved.
- The signature of the responsible party and a date.

If you desire technical assistance in addressing these issues, please feel free to contact me. In any event, the corrective action plan is due within 15 days. Failure to submit an acceptable corrective action plan will result in disciplinary action.

Please review the enclosed documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (517) 643-7960.

Sincerely,

A handwritten signature in cursive script that reads "Christopher A. Holvey".

Christopher Holvey, Licensing Consultant
Bureau of Community and Health Systems
611 W. Ottawa Street
P.O. Box 30664
Lansing, MI 48909
(517) 899-5659

enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMUNITY AND HEALTH SYSTEMS
SPECIAL INVESTIGATION REPORT**

I. IDENTIFYING INFORMATION

License #:	AS250402729
Investigation #:	2024A0779005
Complaint Receipt Date:	10/17/2023
Investigation Initiation Date:	10/19/2023
Report Due Date:	12/16/2023
Licensee Name:	Eden Prairie Residential Care, LLC
Licensee Address:	G 15 B 405 W Greenlawn Lansing, MI 48910
Licensee Telephone #:	(214) 250-6576
Administrator:	Kehinde Ogundipe
Licensee Designee:	Kehinde Ogundipe
Name of Facility:	Welch Home I
Facility Address:	913 Welch Blvd, Flint, MI 48503
Facility Telephone #:	(214) 250-6576
Original Issuance Date:	08/24/2021
License Status:	REGULAR
Effective Date:	02/24/2022
Expiration Date:	02/23/2024
Capacity:	6
Program Type:	DEVELOPMENTALLY DISABLED MENTALLY ILL AGED

II. ALLEGATION(S)

	Violation Established?
Licensee is not financially capable and lacks administrative capability to operate this home.	Yes
Additional Findings	Yes

III. METHODOLOGY

10/17/2023	Special Investigation Intake 2024A0779005
10/19/2023	Special Investigation Initiated - On Site
10/19/2023	Contact - Telephone call made Spoke to licensee designee, Ken Ogundipe.
10/23/2023	Contact - Telephone call made Zoom meeting took place with Eden Prairie accountant and attorney.
10/23/2023	Contact - Telephone call made Spoke to ORR from Northeast MI. CMH Authority.
11/29/2023	Contact - Telephone call made Spoke to area supervisor, Jessica Ortiz.
12/04/2023	Contact - Telephone call made Spoke to licensee designee, Ken Ogundipe
12/04/2023	Exit Conference Held with licensee designee, Ken Ogundipe.
12/07/2023	APS Referral Complaint was referred to APS centralized intake.

ALLEGATION:

Licensee is not financially capable and lacks administrative capability to operate this home.

INVESTIGATION:

On 10/19/23, an on-site inspection was conducted, and three staff persons were interviewed separately. All three stated that they are hourly employees and that they get paid every two weeks by check. They stated that they have never had any payroll checks bounce or have received incorrect amounts for hours worked. All three staff reported that the home has always had an appropriate amount of food in the home for the residents to eat and that they are not aware of a time when the home has ever lost heat or electricity.

During the on-site inspection on 10/19/23, area supervisor, Jessica Ortiz, and home manager, China Brown, were interviewed together and both provided the same information. They stated that they are salary employees and that they have never had any payroll checks bounce or have received incorrect amounts on a check. No employees have reported anything to them about this being an issue. Manager Brown reported that she does the grocery shopping for the home and that she has always been provided with an appropriate amount of money each month in order to purchase an adequate amount of food, cleaning supplies, and toiletries for the home. Manager Brown stated that the home has never been without heat or electricity.

On 10/19/23, a walk-through of the entire home was done and other than one broken window (addressed later in this report), the home was clean, and maintenance of the home appeared adequate. The home was viewed to have an appropriate amount of food to prepare for the residents.

On 10/19/23, a phone conversation took place with licensee designee, Kehinde Ogundipe, who admitted that he is currently being investigated by the federal Department of Labor (DOL). Kehinde Ogundipe stated that they were paying their staff as salary employees and not hourly, which resulted in the employees not being paid for overtime they had worked. Licensee designee Ogundipe stated that he is not aware of there ever being any payroll checks that have bounced. Licensee designee (LD) Ogundipe reported that they owe \$1.8 million in back wages and that they are currently in the middle of negotiations with the DOL regarding this matter. LD Ogundipe assured that they have sufficient funds to cover the entire payroll moving forward.

Documents received from LD Ogundipe confirmed that utility bills through Consumers Energy for this home were paid timely and their status with this company is in good standing. The energy bills for this home are set up on an autopay system and automatically withdrawn from an Eden Prairie bank account monthly. Documents reviewed were for September 2022 through November 2023.

On 10/23/2023, a Zoom meeting was held with attorney Kennedy Shannon, CPA Bede Obasi along with AFC licensing consultants from Oakland County and Ingham County. Kehinde (Ken) Ogundipe and Dayo Ogundipe have a total of six bank accounts for Eden Prairie Residential Care, LLC. Dayo Ogundipe has three accounts and Kehinde Ogundipe has three accounts. ELGA Credit Union account #078 belonged to Dayo Ogundipe and ELGA Credit Union account #442 belonged to Kehinde Ogundipe. In June 2023, it was discussed with Kehinde Ogundipe to create a payroll account to prevent any checks from bouncing or staff not getting paid. The account was created but staff throughout the company continued to complain about their paychecks bouncing. About two weeks ago, there was insufficient funds in the payroll account and some of the staff checks were rejected. The bank was contacted, and additional deposits were made to cover the payroll. Oakland Community Health Network (OCHN) provides the majority of their income, but they have stopped placing any more individuals in any of Eden Prairie homes and have been trying to move residents out. Due to lack of placements, it is taking OCHN longer to move their residents out of the homes. Attorney Shannon and CPA Obasi stated that OCHN, as well as a few other county CMHs (Community Mental Health), continue to pay Eden Prairie for their services, which should be more than enough to pay staff's salaries, but there is concern that Eden Prairie is trying to grow too fast by purchasing additional homes instead of focusing on the current homes they have. Attorney Shannon and CPA Obasi stated that there was not enough payroll going out due to Eden Prairie having the majority of their employees as salary, which resulted in employees not being paid for all hours worked. The DOL's findings after their investigation was that Eden Prairie owed employees \$900,000 in back wages. After penalty fees from the DOL of another \$900,000, Eden Prairie owes \$1.8 million. It is believed that this amount is required to be paid in six-months; however, Kehinde Ogundipe is proposing to DOL that he is given five-seven years to pay.

On 10/23/23, a phone conversation took place with recipient rights investigator, Ruth Hewett, from the Northeast MI. CMH Authority, who confirmed that they have one recipient placed at this home, who is Resident A. Investigator Hewitt stated that 1:1 staffing has not been approved for Resident A and discussions regarding this issue continue. Investigator Hewitt reported that LD Ogundipe continues to insist that they need more money for Resident A's care and wants approval to provide 1:1 staffing for Resident A, even though he has not been able to adequately provide detailed documentation to support it. Investigator Hewitt stated that they are currently working to secure an alternative living situation for Resident A.

On 11/29/23, a second interview was conducted with area supervisor, Jessica Ortiz. Supervisor Ortiz stated that she is still not aware of any staff having any issues with their payroll checks. Supervisor Ortiz stated that Eden Prairie recently changed all their employees over to direct deposit, so they are no longer receiving paper payroll checks and that staff seem to like that better.

On 12/4/23, licensee designee (LD), Kehinde Ogundipe, stated that there has been a settlement agreement made with the DOL regarding their investigative finding. LD Ogundipe stated that they have been allowed to make monthly payments to pay the \$1.8 million owed over the next three years. LD Ogundipe stated that he feels confident that they will be able to comply with this settlement agreement and still be able to provide adequate care to the residents they serve.

APPLICABLE RULE	
R 400.14201	Qualifications of administrator, direct care staff, licensee, and members of the household; provision of names of employee, volunteer, or member of the household on parole or probation or convicted of felony; food service staff.
	(2) A licensee shall have the financial and administrative capability to operate a home to provide the level of care and program stipulated in the application.
ANALYSIS:	Based on this investigation, licensee designee Ken Ogundipe did not have the financial and administrative capability to operate a home to provide the level of care and program stipulated in the application. Eden Prairie Residential Care, LLC has contracts with OCHN and a few other counties receiving a significant amount of monetary compensation for servicing individuals placed in Eden Prairie homes. However, Kehinde Ogundipe was paying his Eden Prairie employees salary when direct care staff should have been paid hourly. Staff were not getting paid for their overtime hours. Kehinde Ogundipe has corrected the issue with paying his salary waged employees hourly and there has been a bank account created just for payroll to ensure staff receive payment. Although the payroll bank account was created, many staff within Eden Prairie continued to complain about not getting paid for hours worked. Therefore, staff reported these issues to the Department of Labor and Wages. The Department of Labor and Wages investigated, and their findings were that licensee designee Kehinde Ogundipe must pay \$1.8 million, which included a penalty, to his employees who were affected by not getting paid for hours worked. A settlement was agreed upon, and Kehinde Ogundipe must pay the \$1.8 million over three years beginning 02/2024.
CONCLUSION:	VIOLATION ESTABLISHED

ADDITIONAL FINDINGS:

INVESTIGATION:

During the on-site inspection on 10/19/23, the window located in Resident B’s bedroom was observed to be broken. The upper portion of the window was broken with jagged glass exposed and a thin sheet was the only barrier covering the window and protecting Resident A from the broken glass and the outside elements.

Resident A appeared to be doing fine. An attempt was made to interview Resident A but he refused to talk.

On 10/19/23, staff persons, Michri Owens and Taron Massie, were interviewed. They both stated that they were not here when the window got broken, but that it had been broken and in that condition for several days.

On 10/19/23, home manager, China Brown, stated that Resident B punched his hand through the window on 10/13/23, which is not uncommon behavior for him. China Brown stated that it was reported to management right away and that a couple maintenance men came and looked at the window, but no one has been back to fix it.

An *AFC Licensing Division Incident/Accident Report (IR)* regarding the broken window was reviewed. The IR stated that while being provided with 2:1 staffing on 10/13/23, Resident B suddenly got up and punched out his window. It stated that in the process Resident B had cut wrist, that 911 was called and Resident B was transported to the hospital for treatment. The corrective measures listed on the IR was for staff to continue to provide Resident A with enhanced support/supervision.

On 10/19/23, Licensee designee Ogundipe stated that he thought the broken had been repaired. Later that evening, Licensee designee Ogundipe provided pictures confirming that the broken window had been replaced with a new window.

APPLICABLE RULE	
R 400.14403	Maintenance of premises.
	(4) A roof, exterior walls, doors, skylights, and windows shall be weathertight and watertight and shall be kept in sound condition and good repair.

ANALYSIS:	On 10/19/23, the window located in Resident B's bedroom was observed to be broken. There was a thin sheet on the window acting as the only barrier between the resident and the jagged glass and outside elements. Several staff and an IR that the home provided stated that Resident B had punched and broken the window on 10/13/23. Although the window was repaired/replaced, the window was left in poor and potentially dangerous condition for six days until 10/19/23.
CONCLUSION:	VIOLATION ESTABLISHED

On 12/4/23, an exit conference was conducted with licensee designee, Kehinde Ogundipe. Kehinde Ogundipe was informed of the outcome of this investigation and that a corrective plan is required to address the above licensing rule violations.

IV. RECOMMENDATION

Upon receipt of an approved corrective action plan, it is recommended that the status of this home's license remain unchanged.




12/7/2023

Christopher Holvey
Licensing Consultant

Date

Approved By:



12/7/2023

Mary E. Holton
Area Manager

Date