



# Civil Money Penalty Reinvestment Program 2024 Update

North Carolina Culture Change Coalition  
NC Dept of Health & Human Services

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# Applications and Information

- North Carolina Division of Health Service Regulations website

[NC DHSR NHLCS: Forms and Applications \(ncdhhs.gov\)](https://www.ncdhhs.gov)

- North Carolina Culture Change Coalition website

[Culture Change | North Carolina Culture Change Coalition \(ncculturechangecoalition.org\)](https://www.ncculturechangecoalition.org)

- Centers for Medicare & Medicaid Services (CMS) website

[Civil Money Penalty Reinvestment Program | CMS](https://www.cms.gov)

# What is a CMP Grant?

## Where does the money come from?

A Civil Money Penalty is a fine or penalty imposed on a skilled nursing facility for a regulatory violation. A portion of the money that CMS receives for those penalties are reinvested back into the States. This money can be applied for in the form of a grant that can be used to improve the quality of life for long-term care residents. Only facilities with Medicare-certified or dually certified beds are eligible to receive or benefit from these funds.

## Who can and who cannot apply?

Anyone (nursing home, organization) can apply for CMP funding, provided that the funds are used for CMS-approved projects to protect or improve quality of life for residents; organizations must be qualified and capable of carrying out the intended project. You cannot apply for a CMP project if there is a conflict-of-interest relationship with the intended recipient or if the applicant or intended recipient is already being paid by state or federal funding for the same services.

# What types of projects will CMP funding pay for?

In September 2023, CMS released [QSO-23-23-NH](#), Civil Money Penalty Reinvestment Program (CMPRP) Revisions. This Memorandum provided an update of the revised structure of the CMPRP, including the Allowable Uses of CMP funding. Projects must fall under one of the following project categories:

1. Resident or Family Councils: CMP funds may be used for projects by not-for-profit resident advocacy organizations that:

- Assist in the development of new independent family councils;
- Assist resident and family councils in effective advocacy on their family member's behalf;
- Develop materials and training sessions for resident and family councils on state implementation of new federal or state legislation.

# What types of projects will CMP funding pay for?

**2. Consumer Information:** CMP funds may be used to develop and disseminate information that is directly useful to nursing home residents and their families in becoming knowledgeable about their rights, nursing home care processes, and other information useful to a resident. For example,

- developing educational materials (e.g., flyers, brochures, booklets, web-based materials, etc.) to promote awareness of the unnecessary use of psychotropic medications,
- facility requirements or residents' rights related to discharge, advance care planning, etc.

The goal of these materials is to help consumers understand the risks associated with administering these medications, raise awareness of their rights to consent to treatments, and promote the use of nonpharmacological interventions to improve the quality of life and care for residents diagnosed with dementia.



# What types of projects will CMP funding pay for?

**3. Training to Improve Quality of Care:** CMP funds may be considered for training in facility improvement initiatives that are open to multiple nursing homes, including joint training of facility staff and surveyors, technical assistance for facilities implementing quality assurance programs, training for resident and/or family councils, LTC ombudsman or advocacy organizations and other activities approved by CMS. Training topics include, but are not limited to:

- Alzheimer's Disease and Dementia
- Wound Care
- Patient Safety
- Trauma Centered Care
- Pain Management
- Cultural Sensitivity
- Culture Change
- Person-Centered Care
- Safe Medication Management
- Oral Health
- Non-Pharmaceutical Solutions
- Falls Education



# WHAT'S NEW?

- A nursing facility can participate simultaneously in two “Training to Improve Quality of Care” projects only if the two projects amount to or are less than \$5,000 per year. For example, a nursing home may participate in a 2025 Wound Care Training with an approved CMP amount of \$2,500 per year and a 2025 Dementia Training with an approved CMP amount of \$2,500 per year. As noted in the [QSO-23-23-NHs memorandum](#), the \$5,000 maximum allowable amount for training per nursing homes per year is the total allowed for any and all training during a year.



# What types of projects will CMP funding pay for?

**4. Activities to Improve Quality of Life:** CMP funds can be used for projects to foster social interaction, movement, and minimize loneliness. Projects include, but are not limited to:

- Horticulture/Gardening
- Music Therapy
- Animal Therapy Including Robotic Pets
- Activities and games fostering movement and function-This may include activities (e.g., Tai Chi), group games (e.g., bingo with movement components), or technology-assisted games (e.g., Nintendo Wii movement games).  
*\*\*Note, CMS will not fund complex, high-cost technology, such as virtual reality, artificial intelligence, or simulation projects.*
- Reading and Memory Interventions
- Crafting





Facilities can participate simultaneously in two “Activities” projects as long as those projects fall under different categories. The list of categories provided in QSO-23-23-NHs are:

- Horticulture/Gardening
- Music Therapy
- Animal Therapy, including robotic pets
- Activities and games fostering movement and function. Examples included:
  - Tai Chai or other exercise activities
  - Group games (BINGO with movement components)
  - Technology-assistance games (Nintendo Wii movement games)
- Reading and memory interventions
- Crafting

***State Agencies may propose additional categories of projects for CMS to evaluate approving projects under. The categories must meet the goals of the program stated above. To evaluate new categories or projects, CMS has the discretion to approve new projects to limited number of facilities or areas to evaluate the project’s effectiveness before approving nationally.***

Hover and Choose “New Applications”




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# North Carolina Cultural Change Coalition

Transforming care settings into vibrant and vigorous environments, thereby improving the quality of life for residents and staff

Upcoming Events The Blog Important Info



- New Applications
- CMP Extensions
- Public Health Emergency Applications
- Emergency Funding

Scroll to the middle of the page and click on “LIST”

## Project Participation

North Carolina provides a list of current CMP projects, their project categories, and the participating facilities. You are encouraged to review this **LIST** before reaching out to facilities to avoid soliciting a facility that is unable to participate in your project.

It is important to note that nursing homes can participate in more than one CMP-funded project as long as they follow guidelines implemented by CMS.

### Consumer Information

Facilities are allowed a one-time maximum funding amount of \$5,000 per facility

### Quality of Care Training

Facilities are allowed a maximum funding amount of \$5,000 per facility, per year with

### Quality of Life Activities

Facilities are allowed a maximum funding amount of \$5,000 per facility, per year with

### Public Health Emergency

Facilities are allowed a one-time maximum funding amount of \$3,000 per facility, per PHE cycle

# Funding Caps

CMS provided information about funding caps for each type of funding in the QSO-23-23-NHs. It's important to reiterate these caps and the duration of time funding is available.

<b>Allowable Use of CMP Funding</b>	<b>Maximum Allowed</b>	<b>Duration</b>
Resident or Family Councils	\$5,000	One-Time Funding
Consumer Information	\$5,000	One Time Funding
Training to Improve Quality of Care	\$5,000	Annually per facility (maximum of 3 years)
Activities to Improve Quality of Life	\$5,000	Annually, per topic, per facility (maximum of 3 years)



CMS announced during the September 5<sup>th</sup> Global Call that it will begin tracking all NFs participating in CMP funding projects.

CCN (CMS Certification Number) History

UID: IN-1222-GSE-1040  
CCN\_ID: 123456  
CCN\_EntityName: CMP Nursing Home  
Expense Year: 2023  
Category: Training to Improve Quality of Care  
SubCategory: Oral Health  
Dollar Amount:

Save Record Cancel New Record

Download CCN History To Excel

UID CCN Data Entry History

UID	CCN_ID	CCN_EntityName
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Record: << >> No Filter Search

CCN Expense Reporting History Expense Used: \$2,000.00 Expense Available: \$3,000.00

CCN_ID	UID	CCN_EntityName	Category	SubCategory	ExpenseYear	SumOfDollarAmount
123456	CA-0219-NCVQLTC-	CMP Nursing Home	Training to Improve Quality of Care	Oral Health	2023	\$2,000.00

**CCN # 123456 used \$2000 of their \$5,000 max funding limit for an Oral Health Training Project. This Nursing Home now has \$3,000 still available in this calendar year for training initiatives.**

# What types of things will CMP funding not cover?

- **Conflict of Interest Prohibitions** - such projects raise the appearance of a conflict of interest where the levy of future CMPs could be construed to be done for the purpose of raising revenue rather than for the statutory purpose of deterring or sanctioning poor quality.
- **Duplication:** States may not use CMP funds to pay entities to perform functions for which they are already paid by State or Federal sources.
- **Capital Improvements** - Federal and State payments also already acknowledge the expense of capital costs, so the use of CMP funds for such a purpose is prohibited
- **Nursing Home Services or Supplies** - CMP funds may not be used to pay for nursing home services or supplies that are already the responsibility of the nursing home, such as laundry, linen, food, heat, staffing costs, medical equipment, resident transportation, resident beds, etc. would duplicate an existing responsibility of the nursing home.
- **Supplementary Funding of Federally Required Services**
- **Complex Technology** - CMP funds cannot be used to purchase high-dollar, complex, or sophisticated technologies, such as telemedicine, alert systems, virtual reality, artificial intelligence, etc.



# What types of things will CMP funding not cover?

- **Research**- descriptive, analytical, experimental, or integrative research studies on nursing home residents/staff, often consists of projects where the benefit to nursing home residents is unknown and doesn't directly benefit the nursing home residents.
- **QIN/QIO Approved Projects** - CMP funds cannot be used to fund activities for which QIN-QIOs are already receiving federal funding to complete
- **Charging for Nursing Home Employee Salary**
- **Palliative Care Services**
- **Dental, Vision and Hearing Services** - funds are not intended to bridge the gap in coverage for services Medicare does not currently provide. Note: Some dental projects may be allowable, such as training, or based on the extent of the state's current dental coverage.
- **Incentives** - funds cannot be used for monetary and non-monetary gifts to motivate or encourage individuals to do something
- **Overlap with State Functions** - CMP funds cannot be used to pay for state salaries and for functions that states are required to perform



# What types of things will CMP funding not cover?

- Previously Denied CMRP Projects
- Telemedicine Services and Equipment
- Prohibited Budget Items
- **Mental and Behavioral Health Support CMP Applications** - CMS is committed to improving the quality of care for residents with underlying serious mental illness (SMI) and/or substance use disorder (SUD). CMS has partnered with SAMHSA to launch a national Center of Excellence which provides technical support and training to nursing homes to help care for individuals with SMI and/or SUD. Nursing homes are encouraged to pursue accessing SAMHSA's training and technical assistance, as CMS will not accept applications for these topics. Dementia training is excluded. To obtain information and access to this program, visit [www.nursinghomebehavioralhealth.org](http://www.nursinghomebehavioralhealth.org).





# Prohibited Budget Items

- Infection control supplies
- Personal Protective Equipment (PPE)
- Any equipment required to perform a medical service/procedure
- Any equipment required to monitor patient health
- Outdoor furniture
- Permanent fixtures (lighting, bathtubs etc.)
- Standard resident beds
- Food
- Drink
- Background checks
- Patient assistive devices (hearing aids, prescription glasses etc.)
- Resident assessment instruments (RAI)
- Installed projection systems
- Curtains
- Patio
- Massage chairs
- Water fountain
- Any renovations to the physical layout of the building
- Patient fall detectors
- Nurse alert systems
- Tracking systems
- Incentives
- Laptops for nursing home staff
- Surround sound systems
- Telecom systems
- Nursing home staff salaries
- Telemedicine services or equipment
- Research or dissemination (conference fees, publication fees etc.)
- Reserve equipment
- Televisions
- Appliances (Washing machines, dryers, microwaves etc.)
- Landscaping
- Fixed gardens (permanent additions to the nursing facility, non-mobile)
- Resident transportation (nursing home shuttles etc.)
- Air conditioning/heat
- Private insurance
- Emergency supplies

# Nursing Homes need to sign up to participate BEFORE you submit your application

Per QSO-23-23-NH, “If the organization applying for a CMP project is not a nursing home, letters of support from all participating nursing homes are required to be submitted with the application.”

- Letters of commitment need to include the project title, time frame, the nursing home’s CCN, and the signature of the individual authorized to commit the facility to the project.
- Signatures/dates cannot be any older than 6 months at the time of the application submission
- Corporate offices committing multiple nursing homes can submit one letter listing all of the nursing homes with their CCN numbers.

## Family... My daughter Debi, Grandkids and Great grandkids

Above: Rachel, Becca & Derrick. Great grandkids: Emma, Nevaeh, Cameron, & Cameron. Dog, Lug.



Above: Grand daughter Paula & her husband, Tom; Grandkids: Summer, Ashlee & Nick



Below: Grand daughter Krystal & her husband, Levi. Great grandkids: Hayden, Triston & Noah



Grandson Will & his wife, Tiffany. Great grand daughter Hadley



Grand daughter Priscilla



Great Grandkids Danika, Andy & Theron



Great Grand daughter Maddie



Great Grandson Elijah

## My Daughter, Denise





CMS now requires that “Nursing Homes acknowledge that the funding will count against their budget for that funding category.”

In addition to this new requirement, CMS requires that LOS include the following:

1. Project title
2. Project time frame (1, 2, or 3 years)
3. The Nursing Home’s CCN number
4. The signature of an individual authorized to commit the nursing home

*CMS does not provide a required template for Letters of Support. A sample template is included on the NCCCC website and can be used by applicants but **is not required**. Applicants can use their own Letters of Support.*

If you are implementing a product or program, make sure it hasn't been previously denied by CMS.

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- There is no comprehensive list of previously denied projects. However, any project that has been denied by CMS, at any location, cannot be resubmitted for review. It is important if you are planning to implement a program such as ***TimeSlips*** (which was previously denied) you communicate with the organization to find out if they have been denied for using CMP funding.
- You can also contact the CMP Office at 919-937-7459 for additional information or questions.



# The Application

- Make sure all pages are numbered and have the project name or the organization’s name at the header or footer.
- Times New Roman, 12-point, normal margins, reference page, spelling/grammar check, and sections clearly defined as required in the CMS application template.
- The one PDF document you submit should be laid out as follows:

For <u>NEW</u> Applications	For <u>EXTENSION</u> (Reinvestment) Applications
Cover Letter	Cover Letter
CMS 508 pages 6-9 and 12 ONLY	Letter of Support
Project Narrative (limit of 16 pages)	CMS Reinvestment Application
Reference Page	<b>Supplemental Narrative</b> (if space provided in the Reinvestment Application is too small, please include a supplemental narrative and indicate in the space provided in the application that information is included in attached narrative.
<b>Supporting Documents</b> (surveys or other data-measuring tools used in the project, brochures, etc.)	Reference Page
Letters of Commitment	<b>Supporting Documents</b> (surveys or other data-measuring tools used in the project, brochures, etc.)
	Letters of Commitment



CMS provided definitions between CMP “Extension” and “Continuation” applications during the 2024 CMP Global Call.

### **EXTENSION APPLICATIONS**

- Identical in project details to a current or completed project (same applicant and/or collaborating partner, similar in project focus/details, but to a different NH populations)
- Cannot exceed 36-month project period
- FMI visit the NCCCC website at [CMP Extensions | NC Culture Change \(ncculturechangecoalition.org\)](https://www.ncculturechange.org)

### **CONTINUATION APPLICATIONS**

- Identical in project details and target audience (same applicant, similar in project focus/details, and same nursing home population)
- May apply for a continuation of a previously approved CMP reinvestment project only if the previously approved project term was less than 36 months – applicant can apply for the remainder of the term
- There is no need to complete the entire application.

# IMPORTANT!

Applications submitted to NCDHHS for review **MUST** contain all of the required documents and will not be reviewed if they are missing any part of the applications. Please note the following:

- Project budgets **MUST** be included in a separate Excel spreadsheet and cannot be embedded in the application.
- Project “proposals” will not be accepted for review.
- Applications must follow the directions of the RFA and/or CMS Application Template, including use of section headers. Please read these application templates carefully, as they will explain what information you need to provide in your application.
- Applications must be submitted as **ONE PDF DOCUMENT**, excluding the separate Excel budget spreadsheet. This includes the cover letter, letter of support, application, letters of commitment, and any supporting documentation, attachments, etc. Applications submitted as multiple documents will be returned.
- Do not leave blank spaces. If the question on the application does not pertain to your facility/organization, write “not applicable” in the box.

# IMPORTANT!

- Please make sure you check all of your hotlinks and websites to ensure that they work before submitting your application
- Any hard statements or research should have footnotes or a reference page to support them.



# A Few Last Thoughts

- It's important to think through every detail of your application – from your project deliverables to your budget. Once CMS approves your application all of these things will become a part of your Executed Contract.
- You are expected to carry out the result measurements and report on them at the intended times throughout your project period. This is how the success of your project is measured.
- You are expected to adhere to the budget that you put together in your application.
- You are expected to do all of the things that you say you will do.



