Civil Money Penalty Funds User's Guide

Revised July 2022

Kentucky Office of the Inspector General
Division of Health Care

Table of Contents

KENTUCKY CIVIL MONEY PENALTY (CMP) FUND OVERVIEW

The Kentucky Office of the Inspector General (OIG), is responsible for the oversight and administration of the CMP Fund Program and seeks innovative projects that support, protect and benefit certified nursing facility (CNF) residents.

Civil money penalties are imposed by the federal Centers for Medicare and Medicaid Services(CMS) when the department finds long term care facilities to be in violation of CMS requirements of participation (ROPs). Kentucky receives a portion of the collected funds to beused to support projects that improve the quality of care or quality of life of CNF residents.

The purpose of the CMP Fund Program is to identify meaningful quality improvement initiativesthat can be implemented to increase positive outcomes for CNF residents. The improvement initiatives must be outside the scope of normal facility operations and funds cannot be used for goods or services that the applicant already offers or is required to provide by state or federal law or regulation. Further, CMP funds may not be used to:

- Fund projects that are over 3 years in length;
- Pay for capital improvements to a nursing facility or to build a nursing facility;
- Assist the facility with achieving compliance for approval of a plan of correction for cited deficiencies or investigate and work to resolve complaints;
- Pay the salaries of temporary managers who are actively managing a nursing facility;
- Provide services or items that are already the responsibility of the nursing facility;
- Recruit or provide Long Term Care Ombudsman certification training for staff or volunteers;
- Conduct research studies;
- For refreshments;
- For incentives (e.g., to attend training or complete a survey);

Additionally, CMS will not approve projects for which a conflict of interest exists or the appearance of a conflict of interest.

However, CMP funds can be used to support any one of the following project categories:

- Direct improvement to quality of care
- Resident or family councils
- Culture change/quality of life
- Consumer information
- Transition preparation
- Training
- Resident transition due to facility closure or downsizing
- Other projects aimed to directly or indirectly benefit nursing facility residents

*Please note prior approval from CMS for CMP fund expenditures must be obtained except for temporary use in the case of sudden CNF relocations, natural disasters, or similar emergencies. In such emergency cases, the OIG must seek CMS approval within 10 working days of the emergency use. Members of the CMP Committee will be notified by e-mail within 5 working days of such an instance.

CMP FUND APPLICATION PROCESS

Requests to use CMP funds may be made by a variety of capable organizations and entities, provided that the responsible entity is qualified and capable of carrying out the intended project or use, is not in any conflict of interest relationship with the entity who will benefit from the intended project or use, is not a recipient of a contract or grant or other payment from federal or state sources for the same project or use, and is not paid by a state or federal Source to perform the same function as the CMP project or use. Examples of potential applicants include:

- Certified nursing facilities
- Consumer advocacy organizations
- State long-term care ombudsman programs
- Quality improvement organizations
- Private contractors
- Resident or family councils
- Professional, or state nursing home associations
- Academic or research institutions
- State, local, or tribal governments
- Profit, not-for-profit, or other types of organizations

Entities from which CMP applications originate shall submit their request to the Kentucky Cabinet for Health and Family Services, Office of Inspector General (OIG). Kentucky OIG solicits requests for CMP funds via the Kentucky OIG Civil Money Penalty Funds website (https://chfs.ky.gov/agencies/os/oig/Pages/cmpfunds.aspx). The website contains information about the CMP fund background, CMP fund authorization and the Kentucky OIG CMP fund application process. The website provides a copy of the electronic CMP funds application, CMSSurvey and Certification Memo (S&C:12-13-NH), the current listing of approved CMP-funded projects, and a CMP fund frequently asked questions (FAQs) section.

CMP FUND APPLICATION SUBMISSION

All requests for use of CMP funds must be made electronically, to the OIG, using the Kentucky CMP Fund Application (updated July 2022). Applicants must submit a completed application electronically to CMPapplication_OIG@ky.gov. Applications will not be accepted via facsimile or mail. The Kentucky OIG's CMP Grant Administrator administers thereview and approval process for received applications.

- Submitted applications for projects that are planned over a continuous time-periodshould not exceed thirty-six (36) months.

- Complete all sections of the CMP Fund Application as instructed or the CMP fund request may be denied.

GUIDELINE TO COMPLETE THE KY CMP FUND APPLICATION

Application Section	Description
Applicant Contact and Background Information	
1. Date of Application	- Enter the date the application is completed
2. Applicant Contact Information	- Provide the contact information for the individual completing the application. - The primary point of contact (POC) is the individual responsible for project implementation. If the primary POC is not also the individual completing the application, provide the POC's name and contact information
3. Applicant Organization Information	- Provide the contact information for the organization requesting the CMP funds
3a. Is the organization a nursing home?	- If the applicant is a certified nursing facility complete the information requested for 3a.
4. Organization History	- Describe the history of the organization requesting CMP funds
5. Organization Capabilities	- Describe the organization's capability to implement the proposed project.
6. Other Funding Sources	- Indicate if other funding sources are anticipated as part of the proposed project. If yes, provide the name of the source and the amount.
Project Details	
7. Project Title	- Provide the title of the proposed project. Indicate if the project is an extension of a previously approved, or existing, CMP reinvestment project.

8. If yes	- A CMP funded project is considered an "extension project" if it is identical in project details to a project approved after April 1, 2018 (same applicant, same project focus, but to a different new nursing home population). Applicants need to clearly state that a project is an extension project and provide the necessary documentation described below.
	- Provide the requested information for the previous/existing project
	- Include the following items as attachments to the application:
	  • Project approval letter from CMS
	  • Letter of Recommendation from State Survey Agency
	  • Final Report, or most recent Quarterly Report, for original project

9. Number of Nursing Homes	- Provide the number of certified nursing facilities that will participate in the proposed project. - Include a list of participating CNFs as an attachment to the application. Provide the facilities' name, CCN#, # of beds, and daily census

10. Project Time Period	- Provide the proposed start and end dates for the proposed project. - Note: Projects cannot exceed three years.

11. Project Category	- Identify ONE appropriate category that best describes the focus of the proposed project:
	
	• <u>Direct Improvements to Quality of Care</u>: Projects that directly improve care for CNF residents.
	• <u>Resident or Family Council</u>: Projects that focus on resident and family council development or improvement in resident centered services.
	• <u>Cultural Change/Direct Improvements to Quality of Life</u>: Projects that enhance a resident's self-esteem and dignity. Culture change is the common name given to the national movement for the transformation of older adult services, based on person-directed values and practices where the voices of elders and those working with them are considered and respected.
	• <u>Consumer Information</u>: Projects that share information about resident and resident representative rights, the nursing home care process, and generally anything useful that ensures quality care in nursing homes.
	• <u>Transition Preparation</u>
	• <u>Training</u>: Training that covers material that directly benefits nursing home residents. Proposed education/training project need to provide the following information and attachments:
	   o Anticipated number of attendees
	   o Target audience and plan for recruitment
	   o Accrediting authorities
	   o Timeline for implementation
	   o Plan for sustainability
	   o Provision for review of curriculum and materials by the KY OIG
	   o Provision for submission, in an electronic format, to KY OIG:
	      - Attendee registration listing
	      - Special session presentation & handouts
	      - Summary compilation of training evaluations and attendee comments
	• <u>Resident Transition due to Facility Closure or Downsizing</u>
	• <u>Other</u>: Please specify

Summary of Project and Benefit to Residents	
12. Summary of the Project and its Purpose	- Describe the problem or gap this project is aiming to address. - Describe the plan to implement the project, including implementation timeline. - Describe project goals and/or objectives. - Note: • A goal is a desired result the applicant wants the project to achieve and is typically broad and long-term. Example: To provide person-centered care to improve the quality of life of residents living with dementia.

	• An objective defines the specific, measurable actions the project must take to achieve the overall goal. • Please see the Tips for Writing Clear Goals and Quantifiable Objectives on the CMP Reinvestment Resource website for further information.
13. Benefit to Nursing Home Residents	- Describe how the proposed project will directly benefit CNF residents.

Partnering Entities

14. Nursing Home and Community Involvement	- Describe how the CNF community (including resident and/or family councils, direct care staff, and families) will be involved in the development and implementation of the proposed project. - If the organization applying is not a nursing home, include letters of support as an attachment to the application to demonstrate CNF support and buy-in for the proposed project. • If the applicant has not identified all the participating CNF describe how CNFs will be recruited.

15. Other Partnering Entities	- List any other entity(ies) that will be partnering with the applicant on the proposed project (subcontractors, individuals, organizations, associations, etc.).
	
	  • Include specific deliverables for which the partnering entity(ies) will be responsible
	  • Include the amount of funding the partnering entity(ies) will receive.

Deliverables, Risks, Performance Evaluation, and Sustainability

16. Project Deliverables	- List any physical items that will be deliverables as a result of funding the proposed project (e.g., electronics, training materials, curricula, equipment).
17. Performance Monitoring and Evaluation	- Describe how the project's performance will be monitored or evaluated (including specific outcome metrics) and the intended outcomes. - Include a provision for submission of quarterly reports and a final report to KY OIG and CMS - Identify the individual responsible for evaluating the project and for submitting required reports.
18. Duplication of Effort	- Describe how the proposed project does not duplicate federal or state services or supplant activities that are the responsibility of the CNF.
19. Risks	- Describe potential barriers to success in implementing the proposed project and provide a plan to address these barriers. Include staff turnover as one of the barriers to address.
20. Sustainability	- Describe how the proposed project and/or outcomes will be sustained after CMP funding concludes.

Funding	
21. Total CMP Fund Requested Amount	- Provide the amount requested annually for the entire proposed project. • For example, if it is a 3-year project and requires $25,000 per year, then enter $25,000 as the annual cost and $75,000 as the total project cost. - Include the total amount of non-CMP funds anticipated for the proposed project.

22. Detailed Line-Item Budget	- Applicants must provide a detailed line-item budget using the attached 2022 CMP Fund Application Budget spreadsheet to outline specific cost requirements within each of the following budget categories:
	
	  • Personnel: an employee of the organization whose work is tied to the proposed project
	  • Travel: provide mileage, lodging and per diem as applicable
	  • Equipment purchases and rentals: materials central to the roll out of the project
	  • Contractual: the cost of the project activities to be undertaken by a third-party contractor or subcontractor. Each contractor/subcontractor should be budgeted separately.
	  • Other direct costs: expenses not covered in any of the previous categories
	  • Total indirect costs: overhead costs allocable to the project
	  • Cost-sharing: total non-CMP funds received/anticipated for the proposed project.
	
	- The spreadsheet is included as an attachment to the form.

23. Budget Narrative	- The budget narrative should justify the indirect costs and cost-sharing amounts included in the 2022 CMP Fund Application Budget.
	
	  • Explain the costs calculation and methodology.
	  • If there is not enough space in the 2022 CMP Fund Application Budget to provide a justification(s) for a line-item(s) provide the information here.
	
	- Cost-sharing is the portion of project costs not covered by CMP funds. While applicants should consider all types of cost-sharing, this request is not meant to cause undue burden; therefore, we are not requesting small budgetary items such as low-cost office supplies donated by the facility. An example of cost-sharing would be a bicycling program where the facility donates half the cost of the bicycle.
	
	- Other federal funding does not constitute cost-sharing.
	
	- If cost-sharing is included, it should be listed for each year of the project. If the proposed project is a component of a larger program, identify other funding sources for the proposal, and indicate the specific funding amount to be provided by those sources.

Attestation	
24. Attestation Statement	- Provide the name of the applicant.

	- Provide the signature of the applicant. If using the Kentucky CMP Fund Application, to provide a digital signature, double click the signature box, and follow the provided instructions. If you are unable to provide a digital signature, please print the application, sign, and then scan into a PDF. - Provide the date of signature

25. Application Attachments	- Provide a list of attachments to the application
	
	- Applicants should include the following attachments as appropriate;
	
	    • List of participating facilities (name, CCN#, # of beds, census)
	    • Copy of most recent federally approved IDC rate agreement
	    • Letters of Support
	    • Brochures/pictures of specialized equipment
	    • Sample training agenda(s)
	    • Extension project documentation (CMS approval letter, SSA recommendation letter/email, Final/Quarterly report)
	    • IDC rate agreement

CMP FUND APPLICATION REVIEW (Kentucky OIG)

Kentucky OIG will review the submitted application for completeness and consistency with federal requir3ements. The Kentucky OIG will conduct an initial review which will not exceed thirty (30) working days. Upon completion of the initial review process, the proposal will be reviewed by the Kentucky OIG Internal CMP Committee. The Kentucky OIG Internal CMP committee meets once a month and will complete the review process in an additional sixty (60) calendar days. Upon completion of the review process, The CMP Committee will determine wither to submit the proposal to CMS for approval, deny the application, or request additional information.

1. The initial review includes completed application requirements and considers if the project meets federal CMS requirements included in 42 C.F.R. § 488.433 Civil money penalties: Uses and approval of civil money penalties imposed by CMS.

2. The initial review will follow a consistent process and use standard templates for every application review. During the review, the OIG Grants Administrator will work with the applicant's point of contact (POC) directly to address any missing information or deficiencies in the application.

3. If a submitted application contains any deficiencies or requires additional information to complete the review, the OIG Grants Administrator begins the corrective action process. When an application is returned to the applicant's POC, with identified application deficiencies or request for additional information, the applicant's POC will have fifteen (15) calendar days (unless otherwise indicated) to complete revision(s) and re-submit to the Kentucky OIG's Grants Administrator.

4. Projects that are determined to meet criteria for CMP fund use will be presented to the OIG Internal CMP Committee for discussion and recommendations. The CMP Committee is responsible for reviewing and providing any feedback regarding the submitted application and corresponding proposal.

5. Some applications mayrequire additional information before a final determination regarding approval can be made. When an application is returned to the applicant with recommendation(s) for a revision, the applicant will have fifteen (15) calendar days (unless otherwise indicated) to complete revision(s) and re-submit to the OIG internal CMP Committee.

6. After any additional information requested has been received and the OIG internal CMP Committee review process has been completed, the Committee will determine whether to deny the application or recommend approval and forward the application to the CMPRP Team for consideration. The CMS review process would generally not exceed forty-five (45) calendar days. However, some applications may require additional information before CMS makes a determination regarding approval.

CMP FUND APPLICATION REVIEW (CMS)

1. Upon receipt of an application by CMS, a tracking number will be assigned. Requestsare reviewed by CMS in the order of receipt.

2. CMS may approve the CMP request, deny the CMP request, or request additional information.

3. If a submitted application contains any deficiencies or requires additional information to complete the review, the CMPRP team begins a corrective action process.

4. If CMS requests additional information on the application the Kentucky OIG shall notify the applicant POC of any action taken on the application via e-mail with written correspondence. When an application is returned to the applicant POC with recommendation(s) for a revision, the applicant will have ten (10) calendar days (unless otherwise indicated) to complete revision(s) and re-submit to the Kentucky OIG POC.

   - If the CMPRP team does not hear back from the Kentucky OIG POC within the ten (10) calendar day period, or if they receive a revised application containing deficiencies, or if it is missing information, the CMPR team will send a second corrective action request to the Kentucky OIG POC at this time the state will have five (5) calendar days (unless otherwise indicated) to respond.

5. Once information is received with corrections it will be returned to CMPRP team from KY OIG for a final determination. CMS will notify both the applicant and the Kentucky OIG of application approval, partial approval, or denial.

6. <u>Neither Kentucky OIG nor CMS are obligated to approve any fund requests or extensions.</u> If the request is denied there is no right to appeal the decision.

7. Any cost is the responsibility of the applicant.

8. When Kentucky OIG receives notice from CMS that the CMP Fund application has been approved, Kentucky OIG will notify the applicant with instructions about the process for entering into an agreement with Kentucky OIG to allow for the release of CMP funds. Neither Kentucky OIG nor CMS are obligated to approve any proposals or extensions

9. For approved requests, the successful applicant is required to submit quarterly reports to CMS Regional Office (RO) and the Kentucky OIG regarding the status of the project and progress toward the project objectives.

10. At the conclusion of the project, a Final Report describing the results of the project is to be submitted to CMS RO and the Kentucky OIG within sixty (60) calendar days of the project conclusion.

KY OIG CMP FUND CONTRACT PROCEDURES

1. When Kentucky OIG receives notice from CMS RO that the CMP Fund application has been approved, Kentucky OIG will notify the applicant with instructions about the process for entering into an agreement with Kentucky OIG to allow for the release of CMP funds.

2. Kentucky OIG will coordinate and promulgate the state contract process for all CMP projects by working with the Cabinet for Health and Family Services (CHFS) Office of Administration and Technology Services (OATS).

3. Kentucky OIG will serve as policy lead concerning the development, implementation, monitoring, and other aspects to ensure appropriate standards of practice.

4. The Kentucky OIG will complete the CMP fund contract process to ensure compliance with state and federal laws.

5. Final contract signatures will be obtained from the Kentucky OIG Inspector General andthe applicant after final reviews have taken place by CHFS Office of Administration and Technology Services (OATS), Division of Procurement and Grant Oversight and the Kentucky OIG.

6. Prior to the start of the project, Kentucky OIG will inform the contractor of required reporting and invoicing procedures as well as issue a Notice to Procced indicating the start date of the project.

7. Kentucky OIG will administer contractual payments for the CMP fund after reviewing invoices.

8. Kentucky OIG will track and evaluate ongoing projects and project outcomes through grantee progress reports to ensure grantees are compliant and adhering to the project goals and objectives.

9. The Kentucky OIG will track ongoing project outcomes through quarterly reports as well as analyze and evaluate program outcomes and attend projectevents. The evaluation can include on-site visits at selected CNF project partners as well as desk review of required reporting.

10. The website (https://chfs.ky.gov/agencies/os/oig/Pages/cmpfunds.aspx) is maintained by KY OIG. The website includes information on the approved and awarded CMP projects with the dollaramount, a brief description of the project, the grantee/contract recipients and other key information that Kentucky has submitted to CMS for the annual transparency report. The website is also used to develop requests for interests and requests for proposals.

QUESTIONS TO CONSIDER BEFORE SUBMITTING CMP APPLICATION

NOTE: Applicants should be able to confidently answer "yes" to each question below:

Yes	No	
☐	☐	Did I complete all sections of the application form?
☐	☐	Did I present a compelling need for the project?
☐	☐	Is there sufficient preliminary data to support the project?
☐	☐	Did I clearly state the benefits to residents?
☐	☐	Did I provide a timeline for implementation of the project that is feasible given the project's goals and objectives?
☐	☐	Are the project goals and objectives specific and measurable?
☐	☐	Have I explained the significance of the overall project goal(s)?
☐	☐	Have I made provisions for data management and coordination?
☐	☐	Did I sufficiently demonstrate CNF buy-in?
☐	☐	Did I include bio-sketches of project personnel?
☐	☐	Are project expenses reasonable and justifiable?
☐	☐	Does the budget narrative match the budget spreadsheet?
☐	☐	Have I proofread the application for grammar, misspellings, and typing errors?
☐	☐	Have I labeled and included all application attachments?

References (OIG, 2022)

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