



NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

REQUEST FOR APPLICATIONS (RFA) APPROVAL FORM

RFA# 2471 Nursing Home Civil Money Penalty (CMP) Program Funding Opportunity North Carolina Culture Change Enhancement Grant

Fiscal Year and Source of Funding: July 1, 2023 – June 30, 2024. The Centers for Medicare & Medicaid Services (CMS) impose monetary penalties against nursing homes not in substantial compliance with one or more Medicare and Medicaid participation requirements for long-term care facilities. A portion of the CMPs collected from nursing homes are returned to the states in which CMPs are imposed to be reinvested to support activities that benefit nursing home residents and that protect or improve their quality of care or quality of life. The funds returned to the State to administer per CMS' CMP program are the funding source but are not State funds.

FY 2023-2024 Federal Funding

Approvals

This RFA has been reviewed and is approved for publication by DHHS and the authorizing Division of Health Service Regulation.

Table with 2 columns: Signature/Title and Date. Row 1: Division Director, Date. Row 2: DocuSigned by: Kathryn Caler, 12/20/23 | 3:03 PM EST. Row 3: OPGG Approver, Date.



**NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES**

DHHS/Division of Health Service Regulation

Request for Application (RFA) No. 2471

FY 2023 Nursing Home Civil Money Penalty (CMP) Program Funding Opportunity

Application Deadline		June 30, 2024		
Funding Title		Nursing Home Civil Money Penalty (CMP) Program		
Funding Agency		Centers for Medicare and Medicaid Services		
Estimated Funding available		\$25,000,000		
RFA issuing Agency		DHHS/Division of Health Service Regulation		
RFA Posted		December 1, 2023		
Period of Performance		Up to 3 Years		
E-mail Applications and Questions to		Brandi Jordan	Email	Brandi.jordan@dhhs.nc.gov

Direct all inquiries to:

NC Department of Health and Human Services
Division of Health Service Regulation

Brandi Jordan
2711 Mail Service Center, Raleigh, NC 27699-2711,
or overnight mail to 1205 Umstead Drive, Raleigh, NC 27603
919-937-7459
brandi.jordan@dhhs.nc.gov



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This **Request for Application (RFA)** announces the availability of funding based on the Notice of Funding Opportunity (NOFO), authorizing federal legislation. The RFA requests all the pertinent information and requirements for an applicant to assess their eligibility, competency, and interest in the funding opportunity.



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Section A – Funding Opportunity

1. Purpose of Funding Opportunity

The goal of the Nursing Home Civil Money Penalty (CMP) Program is to improve the quality of life for residents in certified nursing homes through promoting positive environmental and cultural changes within these homes.

2. Background

The North Carolina Department of Health and Human Services facilitates the delivery of health and human related services for all North Carolinians, especially our most vulnerable citizens – children, elderly, disabled and low-income families. The Department works closely with health care professionals, community leaders, advocacy groups, local, state and federal entities and many other stakeholders to make this happen. It is the mission of the NCDHHS to make essential services available to North Carolinians to improve their overall health, safety and well-being. Likewise, the North Carolina Division of Health Service Regulation provides effective regulatory and remedial activities for the health, safety and well-being of all North Carolinians. This includes consultation, training opportunities and improved access to health care delivery systems. Understanding the need to enhance the quality of life for individuals living in long-term care communities, Centers for Medicare & Medicaid Services (CMS) implemented the Civil Money Penalties Reinvestment Program (CMPRP) in 2012. The program aims to improve quality of life and care by providing nursing home administrators, staff and key stakeholders with tools and assistance to enhance the care for residents living in their communities.

3. Eligibility

Eligible entities' proposals must improve the quality of life for residents in nursing homes in North Carolina that are dually certified (Medicare and Medicaid), Medicare only certified, or Medicaid only certified to apply for and/or receive CMP funding. Applicants must be able to carry out the intended project and not have any conflicts of interest with eligible recipients of the funding. Examples of organizations that are eligible to apply for CMP funding include certified nursing homes, academic or research institutions, local or tribal governments, health-related service providers, consumer advocacy organizations, resident or family councils, professional nursing home associations and state ombudsmen programs. If the proposal/application is approved by CMS, a contract between the applicant and NC DHSR will be in effect for the duration of the entire grant period.

4. The Application and Selection Process

Application forms are found on the website <https://info.ncdhhs.gov/dhsr/nhlcs/forms.html>. Both application forms must be submitted to Brandi.Jordan@dhhs.gov following instructions provided on the website. Applications are reviewed by the CMP Fund Manager and grant review committee, comprised of members of the NC Culture Change Coalition. Applications will be reviewed every month.

The North Carolina Review Team will follow the guidelines as outlined in this RFA and applicable federal law and the CMS Reinvestment Application for Civil Money Penalty Funding documents (CMS 508).

The selection process can take as long as needed – there is no deadline for submission of proposals. Once the proposal/application has completed a final review by the full committee, the applicant will be instructed to merge their grant proposal into the CMS CMP application. Then the CMP Fund Manager will forward the application to CMS for review. Once the application is reviewed and approved by CMS, the Nursing Home Licensure & Certification Section will begin the contract process.



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Written questions concerning the RFA specifications will be received until the date specified on the cover sheet of this RFA. A summary of all questions and answers will be mailed to all agencies and organizations sent a copy of the RFA.

- Applications must be submitted in PDF format and emailed to brandi.jordan@dhhs.nc.gov. The Excel budget spreadsheet should be included separately from the PDF. The application must be signed and dated by an official authorized to bind the agency or organization.
- All applications must be received by the funding agency not later than the date and time specified on the cover sheet of the RFA. Faxed applications will not be accepted.
- At that date and time, the applications from each responding agency and organization will be logged in. Budgets will be included as part of the application.
- At their option, the evaluators may request additional information from any or all applicants for the purpose of clarification or to amplify the materials presented in any part of the application. However, agencies and organizations are cautioned that the evaluators are not required to request clarification: therefore, all applications should be complete and reflect the most favorable terms available from the agency or organization.
- Applications will be evaluated according to completeness, content, experience with similar projects, ability of the agency's or organization's staff, cost, etc. The award of a grant to one agency and organization does not mean that the other applications lacked merit, but that, all facts considered, the selected application was deemed to provide the best service to the State. Agencies and organizations are cautioned that this is a request for applications, and the funding agency reserves the unqualified right to reject any and all applications when such rejections are deemed to be in the best interest of the funding agency.

5. Grant Length

The funding period for the enhancement grants will be one, two, or three years, depending on the length of time requested to complete a proposed project, beginning with the date of the individual contract and ending with the last day of the contract.

6. Funds Disbursement

Funds may be disbursed after the receipt of the fully executed contract and acceptable documentation of expenditures according to the approved budget. To receive reimbursement for grant expenses, grantees must submit a reimbursement request to the Nursing Home Licensure & Certification Section monthly unless otherwise documented in the contract. Copies of original receipts or invoices must accompany the reimbursement request. An approved DHSR expense report form, signed by the person responsible for completing the form must accompany copies of the receipts or invoices for grant funds to be dispersed. Expenditures can begin immediately upon receipt of a completely signed contract. Timely dispersal of grant monies will be dependent upon the grantee's compliance with the reimbursement and reporting requirements set by a contract with DHSR, North Carolina DHHS and its addenda.



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Section B – Application Contents and Instructions

The RFA must be included on the first page of your application. The font needs to be Times New Roman, 12-point, and shall include the entity name and page number on all pages. Submission is limited to 16 pages, not counting the cover letter. Also not included in the page limit: copies of vendor information, photos, reference page, copies of tools/surveys that will be used in measurables, diagrams.

- **Cover letter:** Include a separate cover letter on the applicant's letterhead that introduces your organization, states the name of the project, explains the purpose of the project, and contains a summary of your proposal. The cover letter should include the amount of funding that you are requesting, the population it will serve, and the need it will help solve. Make a concerted effort to bring your project to life in the cover letter and actively engage the reader. Include the RFA #, the Unique Entity ID, the nursing home or non-nursing home applicant status (profit, non-profit, state operated), the date, address, mailing address (if different from street address), telephone number, fax number, the administrator's name (if applicable), applicant's e-mail address, Federal Tax ID # and fiscal year end date. Identify the person authorized to manage all elements of compliance for the duration of the grant period. Include contact information specific to this individual.
- **Project abstract:** Provide a brief abstract summary of the project that is no longer than one page. Include the amount requested, information on what problem/area of concern this project addresses (include resident/family involvement), what/who determined this project (must include resident/family involvement), a description of the project, and its goals and objectives. Provide information regarding how the project will be evaluated to determine success towards those goals, including a brief description of how that will be quantified and measured (a complete detailed explanation will be required in the results measurement section). Identify the person who will be accountable for the project evaluation. Include information on this person's background along with his/her specific contact information.
- **Statement of need:** Describe in further detail the problem/need/area of concern that the project will attempt to address. Include information regarding all previous attempts to resolve the problem, why it persists and how this project will impact the area of concern. (Note: Grant funds cannot be used to bring a facility into compliance with any rules and regulations. Grant funds may be used to enhance facility's efforts to provide quality of life for its residents). Show evidence the applicant and facility have thought through the details of implementing this project and are prepared for any challenges it may produce. Describe those challenges and how each will be addressed, including residents' health, safety, and concern. Include evidence the facility has consulted with life safety, local health department, local building inspections, etc. as necessary for projects that change the physical plant or involve continued regulatory compliance, and that permissions/approvals have been secured.
- **Program description:** This section includes two items: a narrative description of the project and a detailed timeline of implementation. First, describe the project or program in full and provide detailed information on how it will be implemented. Include details on how current staff and residents/families will be informed/educated/involved in implementation, how family/resident councils will be involved, and how new hires and new admissions will be educated. Include information on any training the facility will provide or contract for staff, including who will be trained, how the remaining staff will be trained if initial training isn't inclusive, and how the information will improve resident outcomes. Also include how the facility will incorporate project participation into resident care plans. Describe in detail procedures for cleaning, storing, locking, assigning,



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repairing, disinfecting, or replacing any equipment or items purchased with grant money. Attach supporting information about the project as applicable, including web links, references, photos, diagrams, invoices, etc. (this is not included in the 16-page limit). Contractual services for purchases of goods or services may be allowed to achieve the goals of the project. Subawards for subrecipients may also be allowed. The budget narrative should include justification for the contractual services or subawards.

Second, include a timeline that outlines deliverables and implementation of the project. Deliverables include quarterly reports to the state survey agency and CMS. Implementation includes ordering/procurement dates, education, receipt of items, and all other benchmarks or important dates along the one- or two- or three-year grant period to fulfilling the project. The timeline should use a bulleted format and generic terms, such as Week One, Month Four, Quarter Three, etc. Do not use dates due to the nature of the review process and subsequent unpredictability of when the project will begin.

The grant application should identify any program(s), philosophy(ies), or method(s) of culture change that are being followed and a brief description of those concepts. Attach a list of references (i.e. books, websites, articles, training programs, conferences, etc.) used in making the decision for using that specific enhancement model(s) and to verify any evidential statements made throughout the proposal.

- Results measurement:** Every CMS Civil Money Penalty (CMP) grant and each contract with DHSR is required to be performance based. To accomplish this, all grant recipients are required to select or develop a method for continuously monitoring the effects projects have on the nursing home's residents. From this monitoring process, grantees will report on at least two (2) measures of performance: a satisfaction survey and one other measurable. The satisfaction measure must demonstrate satisfaction with both the project as well as the applicant, and the other measure must demonstrate effects of the enhancement on the nursing home's quality of care and/or quality of life for its residents.

The first measure – satisfaction – must quantify both project satisfaction and overall applicant satisfaction. In this section grantees shall describe how they'll measure satisfaction of the residents and/or families and staff affected by the project. Others within a nursing home may be surveyed at the discretion of the grantee. The satisfaction survey must be taken, and results reported (at a minimum) at the beginning of the project (baseline), mid-point, and end of the project grant period. These dates shall be included in the timeline (see Program description). Include a copy of the satisfaction survey.

The other measure must be meaningful, responsibility-linked, resident focused, credible, comparable, and simple to explain. In short, it must demonstrate the efficacy of the project towards its intended goals. They may be taken from indicators the applicant and/or nursing home(s) already monitors, such as medication rates, unintended weight loss, falls, episodes of disruptive behavior, participation in activities, or other quality indicators. Clearly identify and describe the measure the applicant and/or nursing home will monitor, by what method it will be measured, and why it is pertinent to this project. Include the current rate and the proposed rate as well as information on what the facility has already done in the past to address these indicators. CMP funds cannot be used to bring a facility into compliance, so include sufficient historical information to demonstrate this is not the first effort to correct or improve this measure. This data is to be reported quarterly and should be included in the timeline (see Program description). Include a copy of the



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documentation that will be used to monitor the measure or identify where this data will be taken from.

For quarterly reporting purposes, data must show the extent of a change and measure what happened versus what was planned to happen. All performance measures must be coupled with evaluation data and narrative analysis to increase understanding of why results occur and to identify what value the enhancement adds. Quarterly reports will be submitted to the state survey agency and the state survey agency will forward to CMS.

- Benefits to nursing home residents:** Provide a detailed description of the way the project will directly benefit and enhance the well-being of nursing home residents. Clearly and specifically state what the enhancement goals are for the nursing home. Include the facility's mission statement and information on how this project fits into that philosophy. Focus on how the project goals will improve the quality of life and/or the quality of care for the residents in the nursing home. Describe in detail how the planned enhancements correlate with the chosen culture change philosophy.
- Stakeholder involvement:** Describe in detail how all members of the nursing home, including the staff, residents, residents' families, governing body, community, etc. will be involved in the development and implementation of the project. Also include information on how the facility will continuously educate each group on the enhancement philosophies chosen and the specific project to be implemented in the nursing home. Explain how information on the project will be incorporated into admission policies and orientation for new hires. Include a description of how the resident and family councils will be involved in the development and implementation of the project. Describe how the governing body of the nursing home has lent its support to the project. Identify any volunteer groups or outside agencies that shall lend support to the project.
- Funding:** This section shall consist of two items: a separate Excel spreadsheet of the budget and a narrative explaining each item in the budget. Show the total amount requested in both items. Funding shall consist of actual purchase prices and not estimates and shall represent specific items versus broad categories. All costs for training and education must be reasonable. Include vendor information and copies of invoices/price sheets as applicable. Grant funds may be used to pay shipping and handling costs but not taxes. If applicable, identify any shipping and handling costs in the budget. Explain fully any co-funding the applicant is planning to use from other sources for the project and why. Include the specific amount of CMP funds to be used for the project, the time for such use, and an estimate of any non-CMP funds that the State or other entity expects to contribute to the project. Items that will not be considered: staff salaries, items/services the facility must already provide, expenses for managing grant reporting, capital expenses. There is no dollar limit on what is considered a capital expense. Use federal or state rates for meals, travel, and accommodations for speakers/education.

Describe how the applicant and/or nursing home will continue to support the project once the grant funds have been depleted. This includes both funding for any continuing costs as well as measuring the effectiveness of the project for improving the residents' quality of life. Include information on any ongoing costs, such as subscriptions, maintenance, support, repairs, replacement, etc., and how those will be paid and by whom. Include information on how the facility will maintain the spirit of the project as an ongoing goal.

Costs: Allowable and appropriate costs must be reasonable and necessary to provide the services. Examples of allowable costs include projects designed to improve the residents' quality of life, such as music or art therapy and technology-based activities programs; staff training specific to the project,



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emergency assistance that is used to help relocate residents in the event of a natural disaster or facility closing, and equipment or resources to support your project. Examples of non-allowable expenses include projects that are a conflict of interest, payment to perform functions that entities are already paid with State or Federal funds to perform, capital improvements to a nursing home, payment for nursing home services or supplies that are already the responsibility of the nursing home, payment of salaries of temporary managers who are actively managing a nursing home, recruitment or providing Long Term Care Ombudsman certification training for staff or volunteers, or investigate and work to resolve complaints.

- **Involved organizations:** List any sub-contractors that are expected to carry out and be responsible for components of the project. Copies of subcontracts shall be available upon request to CMS and the state survey agency. Submit DHSR construction approval or documentation that the review is in process, if applicable. Examples of applicability include but are not limited to: outdoor projects, bathing room changes, and dining room enhancements. If applicable, provide copies of any building permits or other required approvals. Show evidence facility has procured any necessary local building permits, health inspection approval, or other approvals as needed or has consulted with applicable agencies who have determined no approvals are necessary.



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Section C – Application and Submission Specifications

1. Additional Instructions

The RFA and instructions can be obtained on the website [NC DHSR NHLCS: Forms and Applications \(ncdhhs.gov\)](https://ncdhhs.gov). Applications must be typed in 12 point, Times New Roman and include a cover letter and other documentation described in Section B above.

Applications will be received through June 30, 2024. You must submit your application via email in PDF format and include the following:

- Cover letter
- CMS 508 (pages 6-9 and 12)
- Project Narrative
- Separate Excel Budget Spreadsheet
- Attachments/Appendices
- Any additional information referenced in your application.

Please send your application via email to brandi.jordan@dhhs.nc.gov.

2. Number of Copies Required

One (1) completed, original application including all attachments is required. Applications must be submitted in PDF format, except the Excel budget spreadsheet, which must be submitted as a separate document.

3. Written Questions

All inquiries regarding the funding opportunity must be submitted via email to brandi.jordan@dhhs.nc.gov.

4. Contractual Services

Contractual services may be used to achieve the goals of the project but are subject to approval. Contractors must be registered in the eProcurement system at <https://eprocurement.nc.gov/>. The project narrative and budget should name the proposed vendors and include a brief description of the contractual services or subawards, as well as a justification.

5. Prescreening Your Application

Applicants should refer to Page 12 of the [CMS 508](#) to ensure that their application has met all of the requirements. Applicants should ensure that 1) their application is an appropriate use of CMP funds, 2) they use the correct forms when applying for funding and 3) all required documentation is submitted in the correct format to the State Agency. Applicants are encouraged to submit a [pre-screening application](#) prior to beginning a CMP application to ensure that all of the above criteria are met.

6. Required Documentation

Upon approval of the application, the following will be required:

- Proof of Non-Profit Status or business registration with the Secretary of State
- Unique Entity Identifier (UEI)
- Conflict of Interest Policy and Verification Statement
- Signed State and /or Federal Certifications



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- Notarized Certification of No Overdue Taxes
- Letter of federally negotiated indirect cost rate (if applicable)
- Federal Tax Identification # or EIN with W-9 form
- Confirmation of vendor registration as service provider in e-Procurement
- Duly Executed Contract

7. NC DHHS/Division of Health Service Regulation reserves the right to:

- Modify the application and budget after consulting with the applicant. Items that may be modified include, but are not limited to goals, costs, performance, and reporting requirements.
- Allow or disallow budget amendments during the performance period of the project.
- Monitor the program based on the Division's Subrecipient Monitoring plan.
- Implement any change or requirement mandated by the State or Federal government during the life of the project.

8. Applicant Financial Capacity

Applicants must have the financial capacity to operate without reimbursement for at least 90 days of the project period. Applicants funded through this grant must submit all requests for payment and expenditure reports by the 10th of each month following the month of service.

9. Costs

Allowable and appropriate costs must be reasonable and necessary to provide the services. Allowable and Non-Allowable Uses of CMP Funds (ZIP) can be found at <https://www.cms.gov/medicare/provider-enrollment-and-certification/surveycertificationgeninfo/ltc-cmp-reinvestment> under the "Downloads" section.



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Section D – Programmatic and Audit Requirements

DHSR MONITORING OF GRANT FOR CONTRACT COMPLIANCE

The grantee must adhere to the budget as exactly stated in their approved grant proposal. Should the grantee find it necessary to deviate from the proposal's budget, prior to expending the funds, a written request, along with an explanation of the deviation, must be submitted to DHSR. Without formal approval of the deviation request from DHSR, the grantee shall be expected to adhere to the terms of the original grant contract and grant proposal. The grantee will be evaluated post-award with a risk assessment and monitored according to the results of the assessment.

- **DHSR and CMS Reporting Requirements:** Grantees shall complete and submit to DHSR a written quarterly narrative report detailing their progress for the duration of the grant contract period. This report shall also include performance monitoring data and analysis. The performance monitoring analysis, based on data review, must demonstrate what changes have occurred and the association between the changes, explanation for any deviation (positive or negative) for outcomes other than those projected, and any alteration to the program for further improvement. Quarterly reports shall include any CMS conditions or requests that were listed in the CMS approval letter. All quarterly reports will be reviewed for compliance with DHSR contract monitoring guidelines and compliance with the grant proposal. DHSR will provide a copy of all quarterly reports to CMS.
 - Grantees must also complete and submit to DHSR a quarterly expense report until all funds have been expended. The expense report must be completed on a DHSR-approved form and must reflect costs incurred during the prior fiscal quarter reflected in that quarter's reimbursement bills. All grant expenses will be reviewed for accuracy, compliance with DHSR contract monitoring guidelines, and compliance with the grant proposal.
 - A final grant report shall be submitted to DHSR within 30 days of the termination of the grant period. This report shall identify the results incurred through the changes supported by the grant money and these results should use the performance monitoring data and analysis found in the quarterly grant reports. DHSR will provide a copy to CMS.
 - To maintain the integrity of the grant program, DHSR personnel will make a planned, on-site or virtual visit annually during the grant period to monitor grant compliance. Additional visits may be conducted as needed to assess compliance.
- **Required Certifications, Verifications, and Reporting Requirements:** The contract may include assurances the successful applicant would be required to submit in addition to their signed contract. Agencies or organizations receiving Federal funds would be required to execute a Consolidated Federal Certification form and a State Certifications form. Private not-for-profit agency grantees would also be required to complete a conflict-of-interest acknowledgement and policy statement, and a notarized No Overdue Tax Debts Certification form. For tax-exempt organizations, an IRS Tax Exemption Verification form must also be submitted.
- **State and Federal Annual Reporting Requirements:** A non-governmental grantee who receives **a combined \$500,000 or more in State or federal pass-through funds from all state agencies** must submit a single or program-specific audit prepared and completed in accordance with the Generally Accepted Government Auditing Standards (GAGAS), also known as a Yellow Book audit. The audit should be emailed to Risk Management, Compliance and Consulting (NCGrantsReporting@dhhs.nc.gov) within 9 months of the grantee's fiscal year end.



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A non-governmental grantee who receives **a combined \$750,000 in federal funds, either direct or pass-through funds** must submit a single or program-specific audit prepared and completed in accordance with Generally Accepted Government Auditing Standards (GAGAS), also known as a Yellow Book audit. The audit should be submitted to the Federal Audit Clearinghouse within 9 months of the grantee's fiscal year end.

Pursuant to 09 NCAC 03M. 205(e), "Unless prohibited by law, the costs of audits made in accordance with the provisions of this Rule shall be allowable charges to State and Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with cost principles outlined in the Code of Federal Regulations, 2CFR Part 200. The cost of any audit not conducted in accordance with this Subchapter shall not be charged to State awards."

If sub-granting is allowable, a non-governmental subgrantee is subject to the reporting requirements described in the Uniform Administration of State Grants at 09 NCAC 03M.0205.