



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

REQUEST FOR APPLICATIONS (RFA) APPROVAL FORM

**RFA# 2474 Nursing Home Civil Money Penalty (CMP) Program Funding Opportunity
North Carolina Culture Change Enhancement Grant**

Fiscal Year and Source of Funding: July 1, 2026 – June 30, 2027. 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.

FY 2026-2027 Federal Funding

Approvals

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

	Signed by: <i>Mark Payne</i> 1CDB9781C6E645A...	06/11/26 4:33 PM EDT
Division Director		Date
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OPCG Approver		Date



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

DHHS/Division of Health Service Regulation

Request for Application (RFA) No. 2474

FY 2027 Nursing Home Civil Money Penalty (CMP) Program Funding Opportunity

Application Deadline	Ongoing submissions are accepted until June 30, 2027		
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	July 1, 2026		
Period of Performance	Up to 3 Years		
E-mail Applications and Questions Contact Information	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 1915 Health Services Way, Raleigh, NC 27607

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) and authorizing federal legislation. The RFA requests all the pertinent information to assess the applicant's 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

See Sections B-D of this RFA for additional specifications related to the application.

Written questions concerning the RFA specifications will be received until the date specified on the cover sheet of this RFA.

The [CMP Application Form](#) and the [CMP Project Spreadsheet](#) are required to complete the application. Additionally, the applicant will need to read the [CMP Applications Handbook](#) prior to beginning the application. The North Carolina Culture Change Coalition [website](#) provides additional resources for applicants, such as up-to-date [lists](#) of facilities that are participating or are ineligible to participate in current CMP-funded projects.

Applications submitted on behalf of more than one certified nursing home must include a Letter of Support



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from each of the participating nursing homes. The applicant should ensure that each of these nursing homes is qualified to participate in the proposed project based on the guidelines set forth in the CMP Applications Handbook. For additional information, please see "project participation" guidelines at [New CMP Applications | NC Culture Change](#).

Application reviewers 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 reviewers are not required to request clarification; therefore, all applications should be complete and reflect the most accurate and complete 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 to one agency or 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 application when such a rejection is deemed to be in the best interest of the funding agency.

The CMP Application can be found on the [NC DHSR NHLCS: Forms and Applications](#) website and must be submitted to Brandi.Jordan@dhhs.nc.gov following instructions provided. Applications are reviewed by the CMP Fund Manager and grant review committee, comprised of members of the NC Culture Change Coalition ([Culture Change | North Carolina Culture Change Coalition](#)) in accordance with the Application Review Timelines specified below.

I. Application Submission to CMP Grant Fund Manager for Review (8 weeks maximum)

A. Initial Application Timeline

The CMP Grant Fund Manager will review the initial application and has **14 days** to approve or return to the applicant for revisions.

B. Revision Timeline

1. 1st Attempt

- The applicant has **14 days** to make necessary revisions and resubmit for review by the CMP Grant Fund Manager.
- The CMP Grant Fund Manager has **7 days** to review revisions and approve or submit any additional corrections to applicant.

2. 2nd Attempt

- The applicant has **7 days** to make revisions and return to CMP Grant Fund Manager.
- The CMP Grant Fund Manager has **7 days** to review revisions and approve or submit any additional corrections to applicant.

3. 3rd Attempt

- The applicant has **7 days** to make revisions and return to CMP Grant Fund Manager.
- The CMP Grant Fund Manager will either accept the application as submitted within **3 days** or deny the application. There will be no other attempts.



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If the application is approved by the CMP Grant Fund Manager, it will be submitted to the NC CMP Review Team for further review. If it is denied, the applicant will receive written communication regarding the reason for denial. The applicant can resubmit a new application no sooner than 60 days after the original application is denied by the CMP Grant Fund Manager. Newly submitted applications must include updated Letters of Support from participating facilities.

II. Application submission to NC CMP Review Team (4 weeks maximum)

- A. The CMP Grant Fund Manager sends the application to the Review Team and they have **14 days** to review
- B. The CMP Grant Fund Manager meets with CMP Review Team. If additional revisions are recommended by the Review Team, the application is sent back to applicant and they are given **7 days** to make corrections and return the application to the CMP Grant Fund Manager
- C. CMP Grant Fund Manager has **7 days** to review the application and present corrections to the Review Team. The NC CMP Review Team will make the final decision to deny application or send to CMS for review.

If the application is approved by the NC CMP Review Team, it will be forwarded to the National CMP Team in Baltimore for final review. If the application is denied by the NC CMP Review Team, the applicant has the right to request a meeting to discuss the reason for denial. The applicant can resubmit a new application no sooner than 60 days after the original application is denied by the NC CMP Review Team. Newly submitted applications must include updated Letters of Support from participating facilities.

III. Application submission to the National CMP Team (45-60 Days)

The applicant should follow guidance from the [CMP Application Handbook](#), page 17, *Application Submission & Review Process*.

The CMP Grant Fund Manager will notify the applicant of National CMP Teams' decision to approve or deny the application. Applications that are denied by the National CMP Team cannot be resubmitted to the CMP Grant Fund Manager again for review. If they approve the application, the applicant will be notified by email and additional information will be sent to be completed by the applicant and returned to the CMP Grant Fund Manager.

Once the additional forms have been completed and returned by the applicant, the CMP Grant Fund Manager has **14 days** to provide all necessary information to the Division's contract team for contract creation. The applicant should expect 45-90 days for the contract to be completed, reviewed, and signed by relevant parties. Projects cannot be implemented until the official executed contract is in place.

The total maximum time from submission of application to the CMP Grant Fund Manager until project implementation is approximately **7-8 months**. Please keep this in mind as you project your implementation date on the application as well as the Letters of Support

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.



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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 DHHS 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. Grantees may not submit for reimbursement of expenses that have not yet been incurred. Timely dispersal of grant monies will be dependent upon the grantee's compliance with the reimbursement and reporting requirements set by a contract with DHHS, North Carolina DHHS and its addenda.



Section B – Application Contents and Instructions

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 number of nursing homes your project will serve, and the need it will help solve. Include the RFA number, the Unique Entity ID, the date, and the person authorized to manage all elements of compliance for the duration of the grant period. Include, at a minimum, the email address and phone number specific to this individual.

CMP Application Form: The CMP Application Form should be used by the applicant for new as well as extension applications. Applicants should follow the guidance for completing a CMP application on pages 14-16 of the CMP Applications Handbook

Project Topic: CMP project topics are listed on pages 7-8 of the CMP Applications Handbook. Applicants should choose ONE topic that best fits their project.

Letters of Support: Letters of Support should be obtained from each facility that is participating in the project. CMS provides guidance on the required elements of Letters of Support on pages 5-6 of the CMP Applications Handbook. Applications submitted without Letters of Support that contain all of the required elements will be returned to the applicant and the application will not be reviewed until this is corrected.

Project Goals and Objectives:—Applicants must follow the guidance on pages 12-14 of the CMP Applicants Handbook when writing their project goals and objectives. Project objectives must be specific, measurable, achievable, realistic and timebound (S.M.A.R.T). 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.

Project Application: Applicants must complete each section of the CMP Application Form. Do not leave blank sections. If a section does not apply to you, please write Not Applicable in the space provided. Make sure that attachments are clearly labeled and cross-referenced in the application.

Project Budget: The project budget must be completed using the Project Budget Spreadsheet provided by CMS and following the guidance on page 18 of the CMP Applications Handbook. Funding shall consist of actual purchase prices, 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: nursing home staff salaries, items/services the facility must already provide, expenses for managing grant reporting, and capital expenses. Additional prohibited items can be found on pages 9-10 of the CMP Applications Handbook. Use [GSA](#) rates for meals, travel, and accommodations for speakers/education.

Applicants shall follow the maximum project funding guidelines per [QSO-25-26-NH](#). If you are requesting funding above the maximum category funding amount, include justification in the space provided in the Project Budget Spreadsheet.



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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 programs; staff training specific to the project, 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 to investigate and work to resolve complaints.

CMP funds cannot be used in program development. It is expected that the project will be ready to implement once approved by CMS. Therefore, all details of the project must be included in the application and the applicant must not include verbiage regarding the development of additional program materials during the project period.

Applicants must apply for funding based on the number of facilities that will be participating in the project at the time that the application is submitted. Projects may not recruit additional certified nursing homes to participate in the project once the project has been approved by CMS.



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Section C – Application and Submission Specifications

1. Additional Instructions

The RFA and CMP Application Form can be obtained on the website at [NC DHSR NHLCS: Forms and Applications \(ncdhhs.gov\)](https://ncdhhs.gov). Applications must include a cover letter and other documentation described in Section B above.

Applications will be received through June 30, 2027. You must submit your application via email in one PDF document (with the Excel budget spreadsheet included separately) and include the following:

- Cover letter
- CMP Application Form
- Separate Excel Budget Spreadsheet
- Attachments/Appendices
- Letters of Support
- Any additional information referenced in your application

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

2. QSO-25-26-NH Guidelines

Applicants must follow the guidelines of the CMS Civil Money Penalty Reinvestment Program Revisions, released on September 29, 2025 [QSO-25-26-NHs \(cms.gov\)](https://cms.gov). Applications will be screened prior to review and returned to the applicant for correction if any of the following criteria are not met:

- Budgets requesting above the maximum funding amount should provide justification in the space provided in the Project Budget Spreadsheet.
- Project must fit into one of the project categories defined by CMS in the CMP Applications handbook.
- Project must not include one of the non-allowable uses of CMP funding or prohibited budget items.
- Applications must include Letters of Support from all certified nursing homes that intend to participate in the project. Letters must contain all of the required elements as described in the CMP Applications Handbook.

3. Number of Copies Required

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

4. Written Questions

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

5. 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 application and budget should name the proposed vendors and include a brief description of the contractual services or subawards, as well as a justification.



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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 Certifications
- Notarized Certification of No Overdue Taxes
- Letter of federally negotiated indirect cost rate (if applicable)
- Federal Tax Identification # or EIN with State of NC Substitute 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 and CMS. 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 can be in the CMP Applications Handbook, page 12.



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 using the Quarterly Reporting Form provided. 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. Requested reimbursement must include documentation to support expenses, including but not limited to invoices, receipts, and payroll reports. 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 conduct annual virtual monitoring of projects. Additional virtual or on-site monitoring 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 these funds would be required to execute 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.
- **Indirect Costs and Overhead** - The negotiation, determination, or settlement of the reimbursable amount of overhead under cost-reimbursement type contracts is accomplished on an individual contract basis and is based upon the federally approved indirect cost rate. For vendors [Grantees] who do not have a federally approved indirect cost rate, in accordance with 2 CFR, Part 200.414, the de minimis rate of 15% of modified total direct costs shall apply. Modified total direct cost (MTDC) means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the



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first \$50,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs, and the portion of each subaward in excess of \$50,000. Other items may only be excluded when necessary to avoid a serious inequity in the distribution of indirect costs and with the approval of the cognizant agency for indirect costs. N.C.G.S.143B-139.3A