

## **Civil Monetary Penalty Grant Program Frequently Asked Questions**

### **What are Civil Monetary Penalties (CMP)?**

Civil Monetary Penalties are imposed by the Centers for Medicare and Medicaid Services (CMS) when nursing homes do not maintain compliance with certain federal requirements. A portion of the funds collected by CMS are returned to states to support activities that protect and benefit nursing home residents.

### **How can CMP funds be used?**

The Social Security Act specifies that CMP funds paid by nursing homes may only be used to support activities that benefit nursing home residents.

### **Who can apply for CMP funds?**

The CMS [Survey and Certification memo 12-13-NH](#) explains:

States may contract with, or grant funds to, any entity permitted under State law provided that the funds are used for CMS approved projects to protect or improve nursing home services for nursing home residents, and provided that the responsible receiving entity is:

- Qualified and capable of carrying out the intended project(s) or use(s);
- Not in any conflict of interest relationship with the entity(ies) who will benefit from the intended project(s) or use(s);
- Not a recipient of a contract or grant or other payment from Federal or State sources for the same project(s) or use(s);
- Not paid by a State or Federal source to perform the same function as the CMP project(s) or use(s). CMP funds may not be used to enlarge or enhance an existing appropriation or statutory purpose that is substantially the same as the intended project(s) or use(s). (p. 4)

### **What are examples of allowable projects?**

Examples of allowable projects include assistance to support and protect residents of a facility that closes or is decertified, projects that support resident and family councils and other consumer involvement in assuring quality care in facilities, and other nursing facility improvement initiatives such as joint training of facility staff and surveyors, technical assistance for facilities implementing quality assurance programs, or the appointment of temporary management.

Please see examples of previous CMP funded projects in Appendix One of the CMS Survey and Certification memo 12-13-NH.

**Are there prohibited uses?**

Yes. Please see examples of prohibited uses of CMP funds in Appendix Two of the CMS Survey and Certification memo 12-13-NH.

**Is there an application form?**

Michigan does not have a standard application to use when applying for CMP funds. However, MDHHS follows CMS guidelines contained in the Survey and Certification memo 12-13-NH (pages 3-4).

CMS requires the following content:

1. **Purpose and Summary:** Project title, purpose, and project summary;
2. **Expected Outcomes:** Short description of the intended outcomes, deliverables, and sustainability;
3. **Results Measurement:** A description of the methods by which the project results will be assessed (including specific measures);
4. **Benefits to NH Residents:** A brief description of the manner in which the project will benefit nursing home residents;
5. **Non-Supplanting:** A description of the manner in which the project will not supplant existing responsibilities of the nursing home to meet existing Medicare/Medicaid requirements or other statutory and regulatory requirements;
6. **Consumer and other Stakeholder Involvement:** A brief description of how the nursing home community (including resident and/or family councils and direct care staff) will be involved in the development and implementation of the project;
7. **Funding:** The specific amount of CMP funds to be used for this project, the time period of such use, and an estimate of any non-CMP funds that the State or other entity expects to be contributed to the project;
8. **Involved Organizations:** List all organizations that will receive funds through this project (to the extent known), and organizations that the State expects to carry out and be responsible for the project;
9. **Contacts:** Name of the State contact person responsible for the project and contact information.

**Is there an application process?**

Proposals will only be accepted for review by the Medical Services Administration during the following timeframes each year:

- April 1 – April 14
- October 1 – October 14

***Proposals will not be accepted outside of these timeframes.***

Michigan Department of Health and Human Services  
Medical Services Administration

**How should proposals be submitted?**

Proposals must be submitted electronically to [MDHHS-CMPGrants@michigan.gov](mailto:MDHHS-CMPGrants@michigan.gov). Requests will not be accepted by fax, hand delivery, or mail. Once the proposal has been received an email will be sent acknowledging receipt.

**What is the approval process?**

Proposals will be reviewed by staff from the Michigan Department of Health and Human Services and the Michigan Department of Licensing and Regulatory Affairs for initial compliance with CMS criteria. If approved, the proposal, along with supporting documentation, will be forwarded to CMS for a final decision.

CMS will respond to MDHHS no later than 45 calendar days after receiving a request with either:

- Approval;
- Denial, with explanation; or
- Request for more information. If CMS requests more information within the 45-day period, then the period needed for project approval will be extended and will depend on the nature of the information needed and the response turnaround time by the State. If CMS requests additional information from the State, CMS will undertake further review and a final decision will be provided to the State by the CMS Regional Office within 30 calendar days of the date CMS receives the additional information.

Applicants can expect the entire approval process to be completed in approximately three months.

**Who do I contact for additional questions?**

For additional questions, please send an email to [MDHHS-CMPGrants@michigan.gov](mailto:MDHHS-CMPGrants@michigan.gov).