

# Nursing Home Penalty Cash Fund Expenditure Report State Fiscal Year (SFY) 2022-2023

## Introduction

A Civil Money Penalty (CMP) is a monetary penalty imposed on nursing facilities by the Centers for Medicare and Medicaid Services (CMS). Penalties are imposed following survey findings in which a facility is found to be out of compliance with one or more participation requirements for Medicare or Medicaid. A portion of collected CMPs are returned to the States to be reinvested in projects that benefit nursing facility residents. Colorado's Nursing Home Penalty Cash Fund (cash fund) comprises the State portion of CMP funds and interest income on the cash fund. The Colorado Department of Public Health and Environment (CDPHE) is the single state survey agency responsible for facility surveys and imposition of CMPs. The Department of Health Care Policy and Financing (HCPF) manages these funds according to Federal regulation and State statute.

## Spending Authorities

Federal Regulations<sup>1</sup> limit the use of these funds to activities that protect or improve the quality of care for nursing home residents including:

- (a) Support and protection of residents of a facility that closes.
- (b) Time-limited expenses incurred in the process of relocating when a facility is closed or downsized.
- (c) Projects that support resident and family councils and other consumer involvement in assuring quality care in facilities.
- (d) Facility improvement initiatives approved by CMS.
- (e) Development and maintenance of temporary management or receivership capabilities.

In 2014, Senate Bill 14-151 established the Nursing Home Innovations Grant Board (the Board) to replace the Nursing Facility Culture Change Accountability Board established by House Bill 09-1196 in 2009. The Bill established funding maximums and expanded the time-period for which a project could be funded to three years.

In 2019, in response to the growing balance of the fund and changes in Federal Guidance, Senate Bill 19-254 lifted the funding maximum. Prior to the COVID-19 pandemic, CMS had expressed that States should work towards making 50% of the fund available for grant making.

---

<sup>1</sup> 42 CFR § 488.433 Civil money penalties: Uses and approval of civil money penalties imposed by CMS

In 2021, Senate Bill 21-128 transitioned primary grant making authority to CDPHE and adjusted administrative expense caps in order to improve State and Federal alignment as well as grant-making efficiency.

#### Transfer of Operational Administration to CDPHE

HCPF and CDPHE worked to transfer operations and grant oversight to CDPHE in SFY 2022. All ongoing grants, purchase orders and contracts previously managed by HCPF were reissued by CDPHE in Summer 2021. The departments continued to exchange data, processes and invoicing practices through SFY 2022 to accommodate a series of universal grant opportunities through SFY 2022. CDPHE is now the primary operational contract for CMP grants and began issuing new project purchase orders and contracts in January 2022.

## Nursing Home Innovations Grant Board Activities

Board members had busy meetings full of presentations for grant applicants and final reports. Final reports were given by:

1. Volunteers of America - VOA Nursing Home Virtual Reality Initiative
2. Colorado Health Care Association (CHCA) - Specialized Infection Prevention Training in Nursing Homes
3. Vivage Senior Living - Reading2Connect
4. Mesa Vista of Boulder - It's Never Too Late (iN2L)
5. Someren Glen - Certified Eden Associate Training
6. Epture, LLC - Remember Stuff
7. Crisis Prevention Institute - CPI's Colorado Skilled Nursing Facility Initiative
8. SilverKite Community Arts, LLC - SPARKing Conversation, Connection, and FUN! During COVID-19 and Beyond
9. Colorow Care Center - Colorow Health Care Center and Catching Dreams
10. Focus Consultation, LLC - The Live Oak Project presented their quarterly report.
11. Colorow Care Center - The Culture Change Revolution: Equipping the Western Slope presented their annual report for Year 1.

Final reports continue to be published on the Board website to allow for facilities across the State to gain access to innovations in Colorado's long term care facilities. The Division tracks the number of visits to this web page.

The Board also listened to several presentations from applicants, which were very beneficial for board members to better understand the project's intentions/goals. The presentations allowed applicants to creatively illustrate their project through video demonstrations and testimonials. Presentations were given by:

1. SageCare
2. Syra Health
3. VirtuSense Technologies - Reducing Falls with AI Proactive Approach to Mobility Improvement and Fall Prevention
4. The TRECS Institute - Implementing Social Robots to Increase Resident Engagement & Improve Quality of Life
5. Eldergrow - The G.A.R.D.E.N Project
6. Aponi Partners- IDT Lead!
7. Epture - RememberStuff In-Room for Personal Use
8. The Java Project: Addressing Social Isolation & Loneliness
9. AGE-u-cate - Compassionate Touch

Three projects were submitted to CMS for continuations and are awaiting a response from CMS. These projects were Epture, LLC- RememberStuff; SilverKite Community Arts, LLC - SPARKing Conversation, Connection, and FUN! During COVID-19 and Beyond; Colorow Care Center- Colorow Health Care Center and Catching Dreams. Application reviews are on hold while CMS is re-evaluating the CMP program. The Board is focusing on recruiting applicants with projects that benefit rural communities and low performing<sup>1</sup> facilities in Colorado; alignment with Medicaid Pay 4 Performance goals; EDI (Equity, Diversity and Inclusion); and trauma-informed care. The Board is also working to provide more behavioral health resources to nursing home residents through CMP grants, including a trauma-informed care project that was approved by the Board in Cycle 14.

1. The Board utilizes CMS metrics and recertification survey data to determine low performing facilities.

Board members completed their annual boards & commission training and reviewed the by-laws in June 2023 to ensure all responsibilities were in compliance. The Board also reviewed CMS CV-19 Visitation Aid (Air Filtration) grant applications and approved them for 21 nursing facilities in Colorado. Each facility was granted \$3,000 for the portable room air cleaners.

### Grants Awarded and Funding Expended

The Board continues to receive and review applications from various organizations in Colorado including consultants, charitable organizations, nursing home providers, management companies, higher education organizations, government subdivisions, and others. Upon project approval, the Board members review deliverables and assist grantees in coordinating projects. Board members perform on-site visits or in-person meetings with the grant recipient organization. Project results are made publicly available through the HCPF website and CDPHE website. Attachment B details the individual grants.

### Grant Funds

In SFY 2022- 2023, CMS initiated a comprehensive review of the Civil Monetary Penalty Reinvestment Program during Cycle 14. They released a statement that was sent to all that submitted applications, “During this review, the approval of applications for CMP reinvestment funds may be delayed as we work to ensure the integrity of distributions, in keeping with our goal of improving nursing home resident quality of life and achieving care innovations. Following this review, CMS will issue updated formal guidance outlining any new processes or program parameters.”

### Cycle Twelve

Cycle Twelve grants were received and reviewed in September 2019 with an anticipated start date of July 1, 2020. Cycle Twelve represents the first grant cycle without the \$250,000 spending cap in place. The Board received 20 applications and obtained Federal approval for 13 projects totaling \$1,064,465.94 over three years. The start dates for many of these projects were delayed while facilities battled the COVID-19 pandemic and the Board worked with grantees to re-develop timelines for project implementations. Three projects were fully completed, two were moved to Cycle 13 w/ re-submitted applications, four will be completed in 2023-2024, and two had to withdraw due to facility staffing shortages and changes to administrative staff.

### Cycle Thirteen

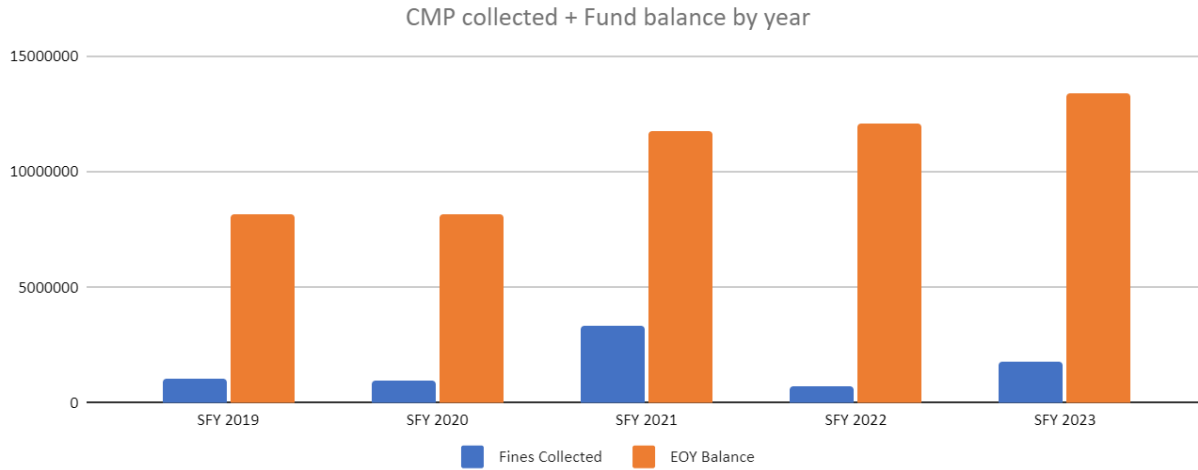
The Board implemented new application guidelines and received applications for Cycle 13 grants in August 2021. The Board received and reviewed 21 applications. CMS approved funding for \$1,199,402.38 for Cycle 13. A total of 9 projects were accepted, but one of those had to withdraw, because they needed to update equipment quickly and could not wait for the grant process to be completed. Four projects were completed in 2023, two will be completed in 2024, and the remaining two will be completed in 2025. Three projects submitted extension applications to CMS.

## Cycle Fourteen

In Cycle Fourteen, 15 applications were submitted in January 2023. The Board reviewed and approved 6 applications to be submitted to CMS for final approval totaling \$3,418,774.95. In May 2023, CMS put a hold on reviewing grant applications to re-evaluate CMP processes & procedures. While waiting for CMS to resume accepting applications, the Board ensured that all applications were ready to be submitted. Evangelical Lutheran Good Samaritan Society - Fort Collins Village - The Java Project: Addressing Social Isolation and Loneliness was approved prior to CMS hold with funding totaling \$15,379.65.

### Nursing Home Penalty Cash Fund Finances

Total CMPs imposed in SFY 2023 increased to \$1,741,091.52. Total Expenditures totaled \$705,437.08 in the fiscal year. The balance as of June 2023 was \$13,409,653.26.



	CMPs Collected	Recoveries	Interest Income	Expenditures	EOY Balance
SFY 2018	\$2,661,732		\$94,320	(\$185,110)	\$7,021,053
SFY 2019	\$1,002,278		\$188,840	(\$70,286)	\$8,138,886
SFY 2020	\$919,824		\$188,199	(\$1,113,248) <sup>2</sup>	\$8,133,662
SFY 2021	\$3,292,903	\$938,360 <sup>3</sup>	\$106,410	(\$711,104)	\$11,747,616
SFY 2022	\$702,228		\$133,024	(\$498,158)	\$12,084,714
SFY 2023	\$1,741,091.52		\$289,285.00	(\$705,437.08)	\$13,409,653.26

<sup>2</sup> Number includes cash outlays provided for the closure of Union Printers Home.

<sup>3</sup> Funds recovered related to closure of Union Printers Home.

### Going Forward

The Board is working to fill three open positions. CDPHE and HCPF newsletters were used to communicate the open positions. A flyer was also posted on the Board website. Six people applied and were given the opportunity to attend a board meeting. This allowed them to learn more about the board and answer any questions they had. Four of those six attended the meeting and expressed interest in joining the board. Three applicants have been offered board membership to fill the remaining open positions of business member, nursing facility resident, and a long-term care employee. To prepare for future board member vacancies, the CMP staff will work on creative ways to increase board membership and spread awareness for use of CMP funds.

## ATTACHMENT A

### NURSING HOME INNOVATIONS GRANT BOARD

10 Members (7 Appointed by Governor)

3 year terms

---

Corrie Hopley, Ft. Collins (D) - represents disability community who is either a resident of a nursing facility or a family member of a nursing facility resident. Replaced Miller. Serves by appointment.

Adria Paxton, Sterling (U) - represents currently employed in long-term care nursing facilities. Replaced Matlock. Serves by appointment.

Hope Carwile, Lakewood (U) - represents currently employed in long-term care nursing facility. Replaced Fox. Serves by appointment

Stacey Lee Love, Aurora (D) - represents currently employed in long-term care nursing facility Serves by reappointment

Awaiting appointment - represents consumer of long-term care. Replace Furch

Awaiting appointment - represents business community. Replace Barton

Awaiting appointment - represents currently employed in long-term nursing facility. Replace Adams

#### *Other Members*

Amber Franzel, Fort Collins - represents designee of state long-term care ombudsman

Richard Clark - represents Executive Director of HCPF, or designee

Jo Tansey - represents Executive Director of CDPHE, or designee

Three applicants have been offered board membership to fill the remaining open positions of business member, nursing facility resident, and a long-term care employee.

**ATTACHMENT B**  
**SFY 2022-23 NURSING HOME INNOVATIONS GRANT BOARD**  
**PROJECTS UNDERWAY IN SFY 2020-2023**

**Colorow Care Center: \$84,406.97**

**The Culture Change Revolution- Equipping The Western Slope**

The goals of the project are to equip members of Colorow, and members of other health care organizations, to bring the inspiration and passion of culture change and person directed care back to their facilities through Certified Eden Educator Training and Certified Eden Associate Training. This project will be completed in 2024.

**Edu-Catering, LLP: \$53,730.48**

**Validation Training in Four Colorado Nursing Homes & Beyond**

The proposed validation training will assist nursing home staff in creating a safer living environment based on understanding and is designed to reduce resident agitation. Additionally, the applicant's plan for creating and disseminating instructional videos to the other long-term care stakeholders is likely to increase the overall number of nursing home residents who will benefit from the project. This project was placed on hold in 2021 due to COVID-19 and extended until 11/30/2023.

**Focus Consultation, LLC: \$218,992.00**

**The Live Oak Project**

The Live Oak Project delivers an enhanced resident community development methodology and spiritual component. The delivery system involves a process of training, demonstration, and peer support for community developers and managers. Training will assist in creating culture change to improve resident centered care, increasing the well-being for residents, families, staff and all care partners. This project will be completed in 2024.

**Crisis Prevention Institute (CPI): \$352,550.00**

**CPI's Colorado Skilled Nursing Facility Initiative**

Crisis prevention training provides direct care staff the information and guidance necessary to de-escalate situations in a nonviolent manner. By certifying a select number of the participants as trainers, participating nursing homes will be able to better implement and maintain best practices learned from the training. This project was scheduled to be completed in 2022, but was extended through 6/30/2023 to allow more facilities to participate.

**Volunteers of America National Services (VOANS): \$28,500.00**

**Virtual Reality Goggles**

Providing residents with shared experiences through Virtual Reality will help to reduce depression, social isolation, provide opportunities to participate in important family events

and contribute to an overall improvement in quality of life. This project also helped develop best practices for VR goggles in nursing facilities and was completed in 2022.

**ATTACHMENT C**  
**SFY 2022-23 NURSING HOME INNOVATIONS GRANT BOARD**  
**PROJECTS UNDERWAY IN SFY 2022-2025**

**Age-u-cate Training Institute: \$299,286.22**

**Reading 2 Connect: A One-of-a-Kind Program to Enhance the Social-Emotional Wellbeing of Long-Stay Residents Through the Power of Age/Dementia Friendly Books**

This program focuses on staff-training in order to improve quality of care for patients with dementia. The program involves an online course, followed by a hands-on practicum, and a device-friendly training course. The goals of this program are to provide nursing facilities with materials and training to facilitate independent, resident-directed reading through specialized age/dementia friendly books. This project will be completed in 2024.

**Colorow Care Center: \$13,000.00**

**Colorow Health Care Center & Catching Dreams**

The Catching Dreams project aims to provide nursing home residents with access to human and animal companionship, and have the opportunity to experience the outdoors. Animal interaction has shown to have a positive impact on agitation, depression, quality of life, and balance for elders in skilled nursing homes. Animal interaction is also shown to counteract tendencies of isolation, which is often associated with depression. The goal is to help elders experience interactions to combat depression, agitation, and the feeling of social isolation, but also motivate them to reduce physical isolation at Colorow, as a continued benefit. This project was placed on hold in 2021 due to COVID-19 and was re-submitted to CMS for Cycle 13. Catching Dreams was completed in 2023 and a continuation application for \$13,000.00 was submitted to CMS. Still awaiting a response from CMS.

**Holly Heights Nursing Home, Inc.: \$34,930.51**

**Holly Heights Daffodils for Dementia**

The Daffodils for Dementia program will provide nursing home staff with a deeper understanding of the dementia disease process and specialized training in effective techniques for assessing the needs and behavior of residents in order to provide appropriate care interventions. The goal is to maintain nursing home resident engagement by providing training, supportive programming and non-pharmacological interventions. This project will be completed in 2024.

**Huerfano County Hospital District & Spanish Peaks Veterans Community Living Center:  
\$12,494.00**

**Dementia Capable Care Training**

This project will certify two Dementia Capable Care Trainers at the skilled nursing facility. The trainers will be responsible for training the rest of the staff, in order to improve memory care practices in the facility. Training will focus on reducing use of psychotropic medicines, improving overall relationships for the resident, helping residents engage in meaningful activities, increasing safety, increasing quality of life, increasing daily function, reducing hospitalizations, and building staff skills and confidence to care for residents. This project

was placed on hold in 2022 due to COVID-19. A request to CMS was sent to make budget changes in order to change training format from classroom instruction & book to blended learning. Still awaiting a response from CMS.

**Long Term Care Consultants, LLC: \$715,000.00**

**SNFclinic**

SNFclinic is designed to address the issue of training current & new hires in an environment of high turnover rates. SNFclinic provides centralized technology-based systems for training, staff management, and resident care resources. The goal is to improve compliance, decrease survey deficiencies, and improve scope and severity of survey citations. This project will be completed in 2025.

**Miles of Smiles: \$47,937.60**

**Miles of Smiles Colorado**

The trishaw bikes will allow residents of the four participating nursing homes the opportunity to ride outside and experience a sense of freedom, thus improving the mental health of the residents. The scheduled trishaw rides will be provided by volunteers and trained trishaw cyclists. This project will be completed in 2023.

**SilverKite Community Arts, LLC: \$50,289.85**

**SPARKing Conversation, Connection, and FUN! During COVID-19 & Beyond**

This project provided nursing home residents in Colorado communities with SPARK Arts Activity Boxes and community-wide access to SilverKite's online arts programs 20 times (approximately once a week) during the program time frame. SPARK Boxes are "individual arts engagement toolkits that contain high quality arts supplies, instructions, and ideas to SPARK conversation, connection, and fun! Each box is designed around a theme and includes everything you need to complete 14+ simple art projects in a variety of art forms." An extension & continuation application for \$101,138.61 was submitted to CMS following this project's completion in 2023. Still awaiting a response from CMS.

**Eperture, LLC: \$26,464.20**

**RememberStuff**

This Activities Lab driven program will provide nursing home residents with RememberStuff technology. Each participating facility will receive three RememberStuff desktop units. The RememberStuff desktop units are a closed system that provides participating residents access to a variety of subject matter content that includes activities and programming for cognitive impaired residents and others to stimulate cognitive activity and increase resident engagement. A continuation application for \$67,596.00 was submitted to CMS following this project's completion in 2023. Still awaiting a response from CMS.

**ATTACHMENT D**  
**SFY 2022-23 NURSING HOME INNOVATIONS GRANT BOARD**  
**PROJECTS APPROVED OR INITIATED IN SFY 2023-2025**

**Evangelical Lutheran Good Samaritan Society- Fort Collins Village: \$15,379.65**

**The Java Project: Addressing Social Isolation & Loneliness**

The Java Project programs are weekly resident peer support & mentoring programs facilitated by staff. The goal of the project is to improve quality of life for nursing home residents by decreasing social isolation and loneliness through the implementation of the Java group programs. This project was the only one approved before the CMS hold. It started on 7/1/2023 and will be completed in 2024.

**Southeast Colorado Hospital District & Long Term Care Center: \$4,497.00**

**Southeast Colorado Hospital District & Long Term Care Center Education**

This project provides the CARES Dementia Health Care Training Program to staff at the Southeast Colorado Hospital District. CARES is an evidence-informed set of programs to improve dementia-care skills. Each program includes engaging content, interactive activities, and real-life videos of actual staff, experts, families, and people living with dementia. This project is proposed to start in 2023 and end in 2026, but is still awaiting CMS approval amid CMS hold.

**Colorado Health Care Association (CHCA): \$44,686.78**

**Trauma-Informed Care Certificate Program**

The Trauma-Informed Care Certificate Program administers a webinar course for nursing home staff to become competent in trauma-informed care in order to better meet the needs of residents who suffer from trauma. This project is proposed to start in 2023 and end in 2025, but is still awaiting CMS approval amid CMS hold.

**Colorado Health Care Association (CHCA): \$238,999.79**

**Workforce Retention through Enhanced Communication**

CHCA's Workforce Retention program implements a Retain app for employee satisfaction monitoring & feedback to reduce staff turnover & improve job satisfaction. This project is proposed to start in 2023 and end in 2025, but is still awaiting CMS approval amid CMS hold.

**Eldergrow: \$1,869,439.12**

**The G.A.R.D.E.N Project**

The G.A.R.D.E.N Project aims to improve the lives of nursing home residents through a therapeutic horticulture program that brings nature indoors w/ mobile sensory gardens & Eldergrow educators. This project is proposed to start in 2023 and end in 2026, but is still awaiting CMS approval amid CMS hold.

**Eperture, LLC: \$1,064,038.00**

**RememberStuff In-Room for Personal Use**

RememberStuff In-Room brings engagement technology for each resident in their room that is customizable to keep residents active, engaged, and prevent cognitive decline. This project is proposed to start in 2023 and end in 2026, but is still awaiting CMS approval amid CMS hold. Once CMS releases new guidance, Eperture is planning on lowering their unit request from every resident room to 25-50% of resident rooms.