STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Home and Community Living Administration
P.O. Box 45600 • Olympia, Washington 98504

December 16, 2025
Supersedes HCLA: NH #2019-020

HCLA: NH #2025-061

QSO-25-26-NH – UPDATES TO THE CIVIL PENALTY REINVESTMENT PROGRAM (CMPRP)

Dear Nursing Facility/Home Administrator

CMS has updated the Civil Penalty Reinvestment Program (CMPRP).

A Civil Money Penalty (CMP) is an enforcement remedy that CMS may impose against nursing homes for non-compliance with Medicare and Medicaid requirements of participation at 42 CFR part 483, subpart B. A portion of the final CMP amount collected is returned to the state where the facility is located. In accordance with 42 CFR 488.433(a)-(b), these CMP funds must be reinvested in activities that improve the quality of care and the quality of life for nursing home residents.

CMS published QSO-25-26-NH to provide information about updates to the CMPRP which include:

- CMPRP Application – CMS has developed a standardized Application Form to streamline the review and approval process, ensuring consistency and reducing administrative burden. **Effective immediately** – Applicants must use the new application when applying for CMP funding. *(Please see link provided below.)*
- Project Funding Cap – CMS has increased per-project funding limits across all categories to account for inflation and program evolution, supporting enhanced quality improvement initiatives while encouraging more funding requests from nursing facilities.
    - The funding cap has increased from $5,000 to $6,000 per year per nursing home and updates to the allowable projects/programs are included in the *CMPRP Application Handbook* which is linked below.
- Allowable Technology Parameters - CMS has updated and clarified the allowable technology parameters to support high-quality resident-centered projects.
- Mental and Behavioral Health Projects - CMS is accepting applications for Mental and Behavioral Health projects following the conclusion of the Center of Excellence collaborative initiative with the Substance Abuse and Mental Health Services Administration.
- Workforce Enhancement Projects - CMS is accepting workforce enhancement project applications focused on improving competency, education, retention, and training for direct care workers in nursing homes.
- Project Results – CMS is updating project reporting parameters to require demonstrated success in meeting project goals and objectives before allowing project duplication in other nursing homes or states, while streamlining reporting timelines and improving measurable outcomes.

- State Plans: Public Posting Enhancement – CMS is enhancing transparency by posting additional key elements of State Plans, including the State's CMP fund balance.

Please review and be familiar with the information contained within QSO-25-26-NH.

If you have any questions, please contact Melissa Lawton, Civil Monetary Penalty Program Grant Specialist, (360)725-3204 or Melissa.Lawton@dshs.wa.gov.

Sincerely,

Amy Abbott, Director
Residential Care Services

DSHS: *"Partnering with People"*

Related References:

- Civil Money Penalty Reinvestment Program | CMS
- CMPRP Application Resources:
  - CMPRP Application Handbook, December 2025
  - CMPRP Application Budget Spreadsheet Example, December 2025
  - CMPRP Application Form, December 2025
- CMPRP General FAQs – Contains information about commonly asked questions.