



**Erica Pan, MD, MPH**  
*State Public Health Officer & Director*

Health and Human Services  
Agency  
**California Department of  
Public Health**



**Gavin Newsom**  
*Governor*

July 21, 2025

AFL 25-21

**TO:** Skilled Nursing Facilities (SNFs)  
Nursing Facilities (NFs)

**SUBJECT:** Grant Opportunity to Benefit Nursing Facility Residents

**AUTHORITY:** Title 42 Code of Federal Regulations Section 488.433

### **All Facilities Letter (AFL) Summary**

This AFL notifies SNFs and NFs of the availability of federal civil money penalty (CMP) funds that may be used to support projects that benefit and improve the care of residents. Applicants may submit a CMP grant application to the California Department of Public Health (CDPH) electronically to [CMPGrantApplications@cdph.ca.gov](mailto:CMPGrantApplications@cdph.ca.gov).

#### **Background**

The Centers for Medicare and Medicaid Services (CMS) may impose federal penalties against a SNF facility when it is not in compliance with one or more Medicare and Medicaid participation requirements. A portion of the funds are returned to the states where the CMPs are imposed. These funds are reinvested via a grant process to support activities that benefit SNF residents by improving their quality of life. These activities may include:

- Projects that support resident and family councils and other consumer involvement in assuring quality care in SNFs
- Facility improvement initiatives approved by CMS, such as joint training of facility staff and surveyors, or technical assistance for facilities implementing quality assurance and performance improvement programs
- Assistance to support and protect residents of a facility that closes or is decertified
- Time-limited expenses incurred while relocating residents to home and community-based settings or to another facility when a facility is closed or downsized (pursuant to an agreement with the state Medicaid agency)

As of April 1, 2025, CDPH's available funds for new CMP projects are \$17,602,130.19. CDPH highly encourages SNFs and NFs to apply for CMP grants to benefit residents.

#### **How to Apply for CMP Funds**

Applicants must complete a California CMP Application (PDF) and California CMP Budget Template and should include details such as the target audience, intended outcome, deliverables, sustainability, and replicability of the

project. Please submit applications electronically to [CMPGrantApplications@cdph.ca.gov](mailto:CMPGrantApplications@cdph.ca.gov).

### **Application Review**

CDPH will review applications within 30 business days of receipt, subject to change based on quality and volume of applications received. Projects will be assessed based on:

- Eligibility of the proposed project
- Benefit to residents of SNFs
- Proposed outcome metrics, replicability, budget, and distribution of funds
- Targeted population: diversity, geographic locations, and consideration of ADA needs
- Whether the proposal exceeds (and does not duplicate) current regulatory requirements for SNFs

If approved, CDPH will submit the application within 30 business days of receipt to CMS for review and signatory acceptance, subject to change based on quality and volume of applications received. Following an approval by CMS, CDPH will initiate the contract process with approved applicants. **Please allow 6-7 months for contract processing and execution.**

For more information on CMP grant funds, please visit the Long-Term Care Facility Citation Penalty Account Funds, Reports, and Grant Application page.

If you have any questions about this AFL, please email [CMPGrantApplications@cdph.ca.gov](mailto:CMPGrantApplications@cdph.ca.gov).

Sincerely,

**Original signed by Mandi Posner**

Mandi Posner

Deputy Director

Center for Health Care Quality, MS 0512 . P.O. Box 997377 . Sacramento, CA  
95899-7377

(916) 324-6630 . (916) 324-4820 FAX  
Department Website ([cdph.ca.gov](http://cdph.ca.gov))

