It has recently come to our attention that some providers who are on the List of Excluded Providers want their name removed from the list, but do not want to participate in the CACFP as a day care home provider. Our current procedures allow a sponsoring organization to request the removal of a provider from the list by submitting specific information to the Area Program Office (APO). These current procedures were written to allow a provider to work with a sponsoring organization in implementing a corrective action plan to ensure the types of noncompliance that resulted in placement on the list would not reoccur. In order to accommodate a provider who wishes to seek removal from the List of Excluded Providers, but does not wish to participate in the CACFP as a day care home provider, we have added a statement to the end of section 8134, Denial and Termination of Providers, in the CACFP DCH Handbook.

You should remove the entire section 8134, Denial and Termination of Providers, from the CACFP DCH Handbook and replace it with the following.

8134 Denial and Termination of Providers

Providers who have been terminated for cause and declared seriously deficient or debarred from participation in the CACFP and included on the List of Excluded Providers are ineligible to participate in the CACFP. SNP maintains the List of Excluded Providers.

Form 1537, Day Care Home Application, and Form 1542, Agreement Between Sponsor and Day Care Home Provider, define the relationship between you and a provider. If one of your providers is seriously deficient in their ability to comply with program requirements, you are responsible for terminating their participation and declaring them seriously deficient. Cause for these actions includes program abuse, deficient program operation, and fraudulent activities. Examples of serious deficiencies include, but are not limited to:

- failing to comply with the requirements specified in Forms 1537 and 1542;
- submitting false information to you or SNP;
- failing to maintain records as required;
- submitting claims for reimbursement for meals that were not served to program participants; and
- serving a significant number of meals that do not contain all required meal components in the required quantities.

If you terminate a provider's participation and declare them seriously deficient, you must submit the following information to your APO:

- a statement requesting that the provider be added to the List of Excluded Providers;
- the provider's name;

continued
• the provider's license/registration number;
• a detailed description of the serious deficiency;
• copies of all documents that are related to the corrective action you required of the provider;
• copies of all correspondence that you sent by certified mail, return receipt requested, to the provider notifying them of their termination, the declaration of serious deficiencies, and referral for inclusion on the List of Excluded Providers;
• copies of all USPS Forms 3811 Domestic Return Receipt (certified mail, return receipt green cards); and
• copies of documents related to the provider's appeal, including the appeal officer's decision (if the provider appealed), or a statement from you that the provider did not appeal.

Additionally, if you suspect that the provider has committed fraud, you must also submit a statement that explains the suspected fraud and includes a monetary amount of the suspected fraud.

Note: You must submit this information within 20 days of notifying the provider of the adverse action.

If the provider appeals your decision and your decision is upheld in the appeal hearing, submit this information within five days of receiving the decision from the appeal hearing. If the provider does not appeal your decision to terminate their participation, you will declare them seriously deficient and submit a referral for inclusion on the List of Excluded Providers to SNP.

We will review the documents that you submit and verify whether you followed the appropriate procedures for the adverse action. We will notify you of our decision and may request additional information.

A provider will remain on the List of Excluded Providers indefinitely. However, you may request the removal of a provider from the list by submitting the following information to your APO:

• a statement requesting that the provider be removed from the list;
• an explanation of why the provider should be allowed to participate in the program again;
• a description of the actions that the provider has taken to correct the serious deficiency; and
• a description of the actions that the provider and you will take to ensure that the serious deficiency does not recur.

We will notify you of our decision. When providers are added to or removed from the List of Excluded Providers, we will distribute an updated version.

If SNP debars a provider from participating in the CACFP or if a provider is found guilty of fraudulent activity, they cannot be removed from the List of Excluded Providers and cannot participate in any SNP program for the duration of their debarment/ineligibility.

Note: Neither a provider nor you can appeal a decision to retain a provider on the List of Excluded Providers.

If a provider contacts you requesting assistance with removal from the List of Excluded Providers, but the provider does not wish to participate in the CACFP as a day care home, refer them to your Area Program Office for procedures.

Note: The online handbook will not be updated until this Policy Alert is incorporated into the CACFP DCH Handbook.

If you have any questions regarding this Policy Alert, please contact your Area Program Office.