

STATE OF ALABAMA

Policy

Steps in the Serious Deficiency Process for Homes

1. First, the sponsor must determine whether a specific problem rises to the level of serious deficiency, based on:

- The type of problem
- The severity of the problem
- The frequency of the problem

Federal Regulations [7 CFR Part 226.16(1) (2) list the following actions as serious deficiencies: submission of false information on the application; submission of false claims for reimbursement; simultaneous participation under more than one Sponsoring Organization (SO); non-compliance with the Program meal pattern; failure to keep required records; conduct or conditions that threaten the health or safety of a child(ren) in care, or the public health or safety; a determination that the day care home has been convicted of any activity that occurred during the past seven years and that indicated a lack of business integrity; failure to participate in training; or any other circumstance related to non-performance under the SO's day care home agreement, as specified by the SO or the State Agency (SA).

2. If the sponsor determines that the problem is a "Serious Deficiency", the second step is to send the provider a written notice (within 7 days of identifying the seriously deficiency) signed by the Director or Program Coordinator of the Sponsoring Organization. If the serious deficiency constitutes a threat to health or safety, the sponsor must contact the State agency for more information and further instructions. A copy of this notice must be sent to State Agency. The notice must:

- Inform the provider that they are seriously deficient;
- Describe the nature of the serious deficiency, with a specific regulatory citation to §226.16 (1) (2);
- Describe the corrective action the home must take;
- Specify the deadline for corrective action, which must not exceed 30 days;
- State that the serious deficiency is not subject to appeal;
- State that failure to fully and permanently correct the serious deficiency by the deadline will result in the proposed termination of the home's agreement and the proposed disqualification of the home and its principles; and
- State that the home's voluntary termination of the agreement after having been declared seriously deficient will result in the home's termination and disqualification.

The provider may continue to participate in the CACFP during the corrective action period and the sponsoring organization will pay any valid claims submitted by the provider during this time period.