

3. When the deadline for completion of corrective action arrives, the sponsor must evaluate the home's efforts to determine whether they will completely and permanently correct the serious deficiency.
 - If efforts are successful, the sponsor will formally withdraw the notice of serious deficiency in a letter to the provider, with a copy to the State agency.
 - If corrective action has not been taken, the sponsor will proceed to step four.
4. Send the provider a written notice of proposed termination and disqualification, with a copy to the State agency. The notice must:
 - Inform the provider that the sponsor is proposing to terminate her agreement to participate in CACFP for cause, and to place her on the National Disqualified List;
 - Inform the provider of the procedures and timeframes for seeking an appeal;
 - Inform the provider that he/she will continue to receive payment for valid claims submitted until the expiration of the timeframe for filing an appeal, or until the resolution of the appeal.
 - State that, if the provider does not appeal the proposed termination, the sponsor will terminate the home's agreement for cause and send the provider's name and other information to the State agency, for placement on the National Disqualified List; and
 - State that the home's voluntary termination of the agreement after having received the notice of intent to terminate will result in the home's termination and disqualification.
5. Fifth, if the provider requests an appeal within the required timeframe, the sponsor must send the administrative review official all materials and documents necessary for the review official to make a determination.
 - If the review official rules in favor of the provider, the sponsor must send the provider a notice withdrawing the original finding of serious deficiency and the proposed termination and disqualification, with a copy of the letter to the State agency. See "Serious Deficiency Determination Temporarily Deferred"
 - If the review official rules in favor of the sponsor, the sponsor must formally terminate the home's agreement for cause and send a copy of the termination letter to the State agency, along with the provider's name and other information needed for placing the provider on the National Disqualified List.