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## Senator to Medicare Agency: Fix Nursing Home Quality Ratings

A top congressional Democrat wants the Medicare agency to rethink its ratings for nursing homes, citing concerns about overrated facilities.

Sen. Ron Wyden of Oregon, the ranking Democrat on the Senate Finance Committee, called for improvements to the five-star ratings system for skilled nursing facilities in a letter to CMS Administrator Seema Verma Aug. 14. The letter, prompted by a New York Times report that found skilled nursing facilities have been overstating their staffing levels for years, also asked the Centers for Medicare & Medicaid Services to address how it plans to ensure nursing homes are submitting accurate information.

Changes to these measures would be aimed at correcting for those discrepancies and having more exact ratings for beneficiaries. This would mean that facilities who have been inflating their staffing levels might be penalized for not meeting top quality measures. Examples of nursing home companies include Hunt Valley, Md.-based Omega Healthcare Investors Inc., Chicago-based Ventas Inc., and Irvine, Calif.-based HCP Inc.

“Selecting a nursing home or long-term care provider is one of the most delicate decisions a family can make, and it’s imperative this decision is based off the best and most accurate information available,” Wyden said in a statement. Seniors and their families are “ill-served by the information that’s currently available.” Wyden’s committee has jurisdiction over Medicare.

Over 15,000 skilled nursing facilities would be affected by any changes to the quality ratings system. Those facilities served over 1.8 million Medicare beneficiaries in 2016. Medicare spent \$29.1 billion on skilled nursing facilities in 2017, which the Congressional Budget Office projects will increase to \$30 billion in 2019.

**Change in Staffing Data Source** The five-star ratings system is a measurement of how well nursing homes are performing and is based on annual health inspections, quality measures reported by the facilities, and staffing information. Top facilities are rated with four or five stars, while the poorest-performing are rated as low as one star.

Data about how many staff were in facilities were self-reported prior to April 2018, when the CMS began using payroll-based staffing data.

“The newly available payroll-based staffing data on Nursing Home Compare (NHC) is serving as a resource to improve transparency, accountability, and safety in nursing home care,” a CMS spokesperson told Bloomberg Law Aug. 15. The payroll data provided “unprecedented insight into the staffing of long-term care facilities with greater accuracy.”

The CMS is reviewing Wyden’s letter, the agency representative added.

**Other Concerns** An analysis of the poorest-performing nursing homes by a nonprofit nonpartisan group, the Center for Medicare Advocacy, found that 39 percent of those that the CMS identified as not having improved their quality had five stars, the highest rating.

“Even with payroll-based staffing figures, which was an improvement, there is still too much room for facilities self-reported ‘Quality Measures’ ratings to manipulate the overall rating,” Matthew Shepard, communications director for the Washington-based Center for Medicare Advocacy, told Bloomberg Law Aug. 15.

The American Health Care Association, the main group representing nursing homes, supports adding measures to ensure the accuracy of SNF staffing data, David Gifford, the AHCA’s senior vice president of quality and regulatory affairs, said.

Wyden’s letter also asked the CMS to consider taking into account staffing fluctuations in addition to average staffing levels to get a fuller picture.

The “CMS is concerned and taking steps to address fluctuations in staffing levels,” the CMS spokesperson said. The agency “began assigning facilities that report seven days or more, or too few hours per resident, without an RN onsite, a one-star staffing rating” in July.

“While staffing is one of many important metrics in quality care, what really matters are health outcomes and customer satisfaction,” Gifford of AHCA said in a statement to Bloomberg Law Aug. 15. “The changes to the CMS Five-Star system doesn’t mean that staffing or quality has actually changed in the past several months.”

BY SHIRA STEIN

To contact the reporter on this story: Shira Stein in Washington at [sstein@bloomberglaw.com](mailto:sstein@bloomberglaw.com)

To contact the editor responsible for this story: Brian Broderick at [bbroderick@bloomberglaw.com](mailto:bbroderick@bloomberglaw.com)