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Consumer Groups: Government Changes to Nursing Home Ratings Were Necessary, Overdue

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Background:

On February 20, the federal Centers for Medicare & Medicaid Services announced the recalibration of quality ratings and other improvements to the Nursing Home Five Star Quality Ratings on Nursing Home Compare. As a result:

- The high concentration of facilities with 4 and 5-star ratings was reduced to more accurately reflect the range in quality among nursing homes in each state.
- Antipsychotic drug rates were added to ratings for clinical measures of quality.
- Special surveys to validate quality data will be implemented.
- By the end of 2016, the government will report staffing levels based on payroll records and other verifiable sources.

As a result of recalibration of existing data, the overall ratings of about one-third of nursing homes were reduced, and about two-thirds of nursing homes saw declines in their clinical Quality Measure rating based on self-reported data.

As advocates for nursing home residents, we strongly support the changes that have been implemented and additional reforms that are being undertaken to improve the accuracy and reliability of Nursing Home Compare and the Five Star Quality Ratings.

Statement:

Why the Changes to the Nursing Home 5-Star Ratings Were Necessary

Nursing homes are crying foul over the government's recalibration of quality ratings and denouncing as unfair changes that reduced the overall star ratings for one-third of the industry. As consumer advocates who have spent decades monitoring nursing home care, we strongly support the Centers for Medicare & Medicaid Services' improvements

to the Nursing Home Five Star Quality Rating System and its plans to continue to improve the system with verified data and expanded quality information.

Studies published over the past year have validated consumers' concerns that quality of care remains a critical problem in nursing homes. Evidence showed, however, that the Five Star Ratings inflated the quality of many facilities, including some that were designated by their states as among the worst in the country. We believe that CMS's reforms are necessary because:

- Inflated ratings are unfair to residents if four or five stars for self-reported quality and staffing data increase the overall rating and divert public attention from one or two stars for health inspections that find serious risk and harm to residents.
- Inflated ratings are unfair to families trying to find a safe place for loved ones to receive nursing care and quality of life when the government has not confirmed the accuracy of the data facilities submit.
- Inflated ratings are unfair to those dedicated nursing home operators and hard-working staff who have been striving to improve quality in their facilities, including eliminating the use of dangerous antipsychotic drugs, if they get the same ratings as neighboring facilities that do not.

CMS's recalculation of the ratings and plans to continue improvements in the Nursing Home Five Star Quality Rating System are not unfair - they are overdue. The improvements are the first steps to improve accuracy and increase fairness to residents, families, the public, and good nursing home providers. Much-needed efforts are under way to collect nurse staffing data from verifiable sources, including payroll records; check the accuracy of self-reported quality information; and add at least two new quality measures that are based on medical records, rather than relying on self-reporting.

The nursing home industry maintains that the ratings do not help residents and families get information they can trust when star ratings don't match the quality of care being delivered. We agree. The changes in the five star ratings will improve accuracy and reliability and increase trust. The industry also maintains that the changes in facilities' ratings do not reflect changes in quality. We could not agree more. The new ratings simply show, more accurately than before, the quality that exists.

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The following citations are to recent studies that illustrate why improvements to the Nursing Home Five Star Quality Ratings were needed.

CMS Analysis Showed Five-Star Ratings Escalating Dramatically

From 2009 to 2013, nursing homes with **Overall** five-star ratings doubled to 24.1 percent without a clear explanation for the change. The recent recalibration cut the proportion to 21.87 percent. Nursing homes with 5 stars for **Quality Measures** tripled to 34.8 percent between 2009 and 2013; recalibration has reduced the proportion to 27.83 percent. - Abt Associates, Nursing Home Compare Five-Star Quality Rating System: Year Five Report [Public Version] Final Report, June 16, 2014.

<http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/CertificationandCompliance/Downloads/NHC-Year-Five-Report.pdf>

Nursing Home Residents Were Critically at Risk While High Ratings Accelerated

In February 2014, the HHS Office of Inspector General found that one-third of Medicare beneficiaries were harmed during short rehab stays in skilled nursing facilities after hospitalization. For 22 percent, the harm was so severe the OIG called it an "adverse event." Physician reviewers concluded 59 percent of the harm was preventable and could be attributed to substandard treatment, inadequate resident monitoring, and failure or delay of necessary care. - Department of Health and Human Services Office of Inspector General, Adverse Events in Skilled Nursing Facilities: National Incidence among Medicare Beneficiaries, February 2014 - <http://oig.hhs.gov/oei/reports/oei-06-11-00370.pdf>

Touted Reductions in Antipsychotic Drug Use Don't Tell the Whole Story

Antipsychotic drug use has declined in nursing homes committed to improving care, but almost three years after the nursing home industry launched a national campaign to improve dementia care, more than a quarter of a million residents still receive antipsychotic drugs that compromise the health, safety, and quality of life of elderly persons with dementia. - [Long Term Care Community Coalition, Left Behind: The Impact Of The Failure To Fulfill The Promise of The National Campaign To Improve Dementia Care](#). December 2014.

There Are Significant Inaccuracies in Nursing Homes' Self-Reported Data

The New York Times reported some nursing homes were "gaming" their data reports. Even most facilities on CMS's watch list had 4 or 5-star ratings for nurse staffing levels and quality. - Katie Thomas, Medicare Star Ratings Allow Nursing Homes to Game the System, The New York Times, August 24, 2014. http://www.nytimes.com/2014/08/25/business/medicare-star-ratings-allow-nursing-homes-to-game-the-system.html?_r=0

The Center for Public Integrity found that 80 percent of nursing homes reported higher staffing levels on reports used for five star ratings than they did on their cost reports filed with Medicare. - Jeff Kelly Lowenstein, Analysis Shows Widespread Discrepancies in Staffing Levels Reported by Nursing Homes, Center for Public Integrity, November 12, 2014.

<http://www.publicintegrity.org/2014/11/12/16246/analysis-shows-widespread-discrepancies-staffing->

[levels-reported-nursing-homes](#)

A CMS pilot of specialized surveys to verify resident assessment data found differences of 15 to 25 percent in four of seven clinical conditions between self-reported data and residents' medical records and other information obtained by surveyors. - Abt Associates, Memorandum: MDS 3.0 Focused Survey Pilot Results, January 22, 2015. S&C:
<http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Survey-and-Cert-Letter-15-25.pdf>