Using Data to Protect Nursing Home Residents

January 25, 2024
About the Consumer Voice

The leading national voice representing consumers in issues related to long-term care

▸ **Advocate for public policies** that support quality of care and quality of life responsive to consumers’ needs in all long-term care settings.

▸ **Empower and educate** consumers and families with the knowledge and tools they need to advocate for themselves.

▸ **Train and support** individuals and groups that empower and advocate for consumers of long-term care.

▸ **Promote the critical role** of direct-care workers and best practices in quality care delivery.
Welcome

- The program is being **recorded**
- Use the **Q&A feature** for questions for the speakers
- Use the **chat feature** to submit comments or respond to questions from speakers or other attendees
- Please complete the **evaluation** questionnaire when the webinar is over.
- Links to **resources** will be posted in the chat box and will be posted to the Consumer Voice website – [theconsumervoice.org](http://theconsumervoice.org)
Speakers

- **Lori Smetanka**, Executive Director, Consumer Voice
- **Sam Brooks**, Director of Public Policy, Consumer Voice
- **Charlene Harrington**, Ph.D., RN, Professor Emerita, University of California San Francisco
- **Eric Goldwein**, Director of Policy and Communications, Long Term Care Community Coalition
- **Anne Montgomery**, Senior Analyst, NCPSSM
Related Party Transactions: A Before and After Examination
The Rise of Private Equity Ownership

- Private equity are investment companies seeking short term profit.
- Model is to siphon out as much money from a company within 7 years and then move on.
- According to CMS, private equity owns roughly 11% of nursing homes (citing MEDPAC report).
Private Equity = Bad Care

- Ample evidence shows residents in nursing homes owned by P/E receive poorer care when compared to other homes.
  - Private equity nursing home ownership increased mortality of Medicare residents by 10% (National Bureau of Economic Research).
  - CMS itself cites ample evidence of the poor quality of care, in recent proposed regulation, and is taking action to require owners to disclose whether they are P/E.

- IMPORTANT: Private Equity did not create the current dysfunctional financial system, it identified and exploited it
Portopiccolo Group

- Two primary individuals.
  - In 2015, when they created Portopiccolo, they were 25 and 32 y.o., respectively.
  - According to the New Yorker, they now own roughly 130 homes across the country.
- Poster child for P/E and care declines.
- CMS continues to allow them to purchase homes, despite story after story of horrible care.
Portopiccolo in TN

- Purchased Roughly 12 homes in TN over the past 4-5 years.

<table>
<thead>
<tr>
<th>Health and Rehabilitation Name</th>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>ZIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>MIDTOWN CENTER FOR HEALTH AND REHABILITATION</td>
<td>141 N MCLEAN BLVD</td>
<td>MEMPHIS</td>
<td>TN</td>
<td>38104</td>
</tr>
<tr>
<td>SMITH COUNTY HEALTH AND REHABILITATION</td>
<td>112 HEALTH CARE DR</td>
<td>CARTHAGE</td>
<td>TN</td>
<td>37030</td>
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<tr>
<td>WILLOW BRANCH HEALTH AND REHABILITATION</td>
<td>415 PACE STREET</td>
<td>McMILLIN</td>
<td>TN</td>
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<tr>
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<td>LOUDON</td>
<td>TN</td>
<td>37774</td>
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<tr>
<td>FAIRPARK HEALTH AND REHABILITATION</td>
<td>307 N FIFTH ST BOX 5477</td>
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<td>37801</td>
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<td>CREEKVIEW HEALTH AND REHABILITATION</td>
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<td>KNOXVILLE</td>
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<td>37917</td>
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<tr>
<td>RED BOILING SPRINGS TN OPCO LLC</td>
<td>309 MAIN ST</td>
<td>RED BOILING SPRINGS</td>
<td>TN</td>
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<td>MT PLEASANT HEALTHCARE AND REHABILITATION</td>
<td>904 HIDDEN ACRES DR</td>
<td>MOUNT PLEASANT</td>
<td>TN</td>
<td>38474</td>
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<tr>
<td>SODDY-DAISY HEALTH CARE CENTER</td>
<td>701 SEQUOYAH ROAD</td>
<td>SODDY-DAISY</td>
<td>TN</td>
<td>37379</td>
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<tr>
<td>MAGNOLIA CREEK NURSING AND REHABILITATION</td>
<td>1992 HWY 51 S</td>
<td>COVINGTON</td>
<td>TN</td>
<td>38019</td>
</tr>
</tbody>
</table>
Related Party Transactions

- A related party is a company that does business with a nursing home, but it is owned by owners of the nursing home.
  - Lease payments, management fees, home office costs, PT, OT, etc.
- Even though these are payments to the owners of the nursing home, they show up as expenses on Medicare cost reports.
  - Makes nursing homes look less profitable.
- Estimated that 75% of nursing homes use related parties, which total roughly $11 billion dollars per year.
Midtown Center, Memphis

- Related party transaction from 2018, the year before being purchased by Portopiccolo

<table>
<thead>
<tr>
<th>Line No.</th>
<th>Cost Center</th>
<th>Expense Items</th>
<th>Amount Allowable in Cost</th>
<th>Amount Included in Wkst. A, col. 5</th>
<th>Adjustments (col. 4 minus col. 5)</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>4. ADMINISTRATIVE &amp; GENERAL</td>
<td>MANAGEMENT FEE</td>
<td>444,587</td>
<td>(444,587)</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
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<td>2</td>
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<td>9</td>
<td></td>
<td></td>
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<td></td>
<td>9</td>
</tr>
<tr>
<td>10</td>
<td>TOTALS (sum of lines 1-9)</td>
<td></td>
<td>444,587</td>
<td>(444,587)</td>
<td>10</td>
</tr>
</tbody>
</table>

(Transfer column 6, line 10 to Wkst. A-8, col. 3, line 12)
Midtown Center, Memphis

- Related party transaction from 2020, after being purchased by Portopiccolo

<table>
<thead>
<tr>
<th>Line No.</th>
<th>Cost Center</th>
<th>Expense Items</th>
<th>Amount Allowable in Cost</th>
<th>Amount Included in Wkst. A., col. 5</th>
<th>Adjustments (col. 4 minus col. 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4, Administrative &amp; General</td>
<td>Management Fee</td>
<td>700,831</td>
<td>834,687</td>
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<td>2</td>
<td>1, Cap Rel Costs - Bldgs &amp; Fixtures</td>
<td>Rent</td>
<td>1,780,000</td>
<td>1,780,000</td>
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</tr>
<tr>
<td>3</td>
<td>1, Cap Rel Costs - Bldgs &amp; Fixtures</td>
<td>Depreciation</td>
<td>447,677</td>
<td>447,677</td>
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<tr>
<td>4</td>
<td>1, Cap Rel Costs - Bldgs &amp; Fixtures</td>
<td>Interest</td>
<td>1,304,678</td>
<td>1,304,678</td>
<td></td>
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<tr>
<td>5</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>44, Physical Therapy</td>
<td>Therapy CO</td>
<td>552,377</td>
<td>593,954</td>
<td>(41,577)</td>
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<td>7</td>
<td>45, Occupational Therapy</td>
<td>Therapy CO</td>
<td>512,681</td>
<td>551,270</td>
<td>(38,589)</td>
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<td>8</td>
<td>46, Speech Pathology</td>
<td>Therapy CO</td>
<td>361,000</td>
<td>398,172</td>
<td>(37,172)</td>
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<td>9</td>
<td>49, Drugs Charged to Patients</td>
<td>Pharmacy</td>
<td>228,068</td>
<td>228,068</td>
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<tr>
<td>10</td>
<td>Totals (sum of lines 1-9)</td>
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<td>5,241,733</td>
<td>5,490,352</td>
<td>(248,619)</td>
</tr>
</tbody>
</table>

(Transfer column 6, line 10 to Wkst. A-8, col. 3, line 12)
Midtown Center, Memphis

2018 Related Party Transactions Before Portopiccolo
$444,587

2020 Related Party Transactions After Portopiccolo
$5,490,352
Staffing Declines for All TN Homes

Direct Care Hours Per Resident Per Day

<table>
<thead>
<tr>
<th>Year</th>
<th>Direct Care Hours</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
<td>3.5</td>
</tr>
<tr>
<td>2019</td>
<td>3.2</td>
</tr>
<tr>
<td>2020</td>
<td>3.1</td>
</tr>
<tr>
<td>2021</td>
<td>3.2</td>
</tr>
<tr>
<td>2022</td>
<td>3.3</td>
</tr>
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</table>
CMS has no idea where this money goes

- When the payments are made to the related party, the money disappears into a black hole.

- Not scrutiny of cost reports.

- CMS has the authority to require related parties to “open up their books” but it is unclear if this ever done.
Accountability and Crisis Prevention

- Increased scrutiny on cost reports would help prevent harm to residents and also help prevent closures or failures that harm residents.

- Significant related party expenditures inevitably predict poor staffing and harm to residents.

- CMS could use cost reports to help residents before a facility closes.
CMS should require complete disclosure from all related parties, holding or shell companies, and any other business that is related to the operation of a nursing home and other nursing homes in a chain.

This disclosure should extend back to the owners and pull back the veil on how tax dollars are spent.

Sunlight is a great sanitizer but it also:

- Shows that there is enough money in the system to provide quality care.
- Helps ensure the success of a staffing mandate.
- Could lead to a direct care spending requirement.
US Nursing Home Finances: Spending, Profitability and Capital Structure

https://journals.sagepub.com/doi/10.1177/27551938231221509

• Charlene Harrington, Ph.D., RN, Professor Emerita, University of California San Francisco
• Richard J. Mollot, JD, Long Term Care Community Coalition
• Robert Tyler Braun, Ph.D., Weill Cornell Medical College, Cornell University
• Dunc Williams MHA, Ph.D., Medical University of South Carolina
Study of Nursing Home Finances

- Problem: NH lobby associations provide misleading narrative
  - Government rates are inadequate
  - Staff shortages make it impossible to hire nurses
  - Half NHs face bankruptcy and may close

- Study Aims: to examine 2019 Medicare cost report
  - revenues, expenses, profits and losses
  - related party expenditures (same or common owners)
  - expenditures for direct care vs capital, administration and profits
US Nursing Home Payer Mix, 2019
(11,752 NHs, 1,355,000 beds, 81% occupancy)

36% Other days

53% Medicaid days

11% Medicare days

Harrington, Mollot, Braun, & Williams. US Nursing Home Finances; Spending, Profitability & Capital Structure. 2023
Profits Margin .58%
Profit Margin minus disallowances 5.7%
Profit Margin minus disallowances & depreciation 8.8%
Range from 83% profit to 161% loss

Harrington, Mollot, Braun, & Williams. US Nursing Home Finances; Spending, Profitability & Capital Structure. 2023
NHs hide profits in multiple related party companies

Related-party organizations are used to hide profits and funnel money away from resident care, reduce taxes, and reduce liability
US Related Party Expenses Were $11 Billion in 2019 (9.5% of revenues) (77% of 11,752 NHs)

US NH Expenditures as a Percent of Net Revenues in 2019

- Nursing services: 27%
- Support services: 21%
- Ancillary services: 10%
- Property and other: 11%
- Administration: 14%
- Employee benefits: 8%
- Profits: 9%

Direct Care Expenses = 66%
Administration, Capital and Profits = 34%

Summary of Major Policy Reforms Needed

1. Establish adequate, evidence-based federal staffing minimums with adjustments for resident acuity
2. Strengthen enforcement, especially on chains
3. Increase ownership transparency and set federal certification criteria for ownership
4. Require greater financial transparency and accuracy
5. Improve financial accountability with direct care spending requirements and return of excess payments
Using Data to Protect Nursing Home Residents
Understanding and Accessing Payroll-Based Journal Staffing Data

Eric Goldwein, MPH
Long Term Care Community Coalition (LTCCC)
NursingHome411.org
January 25, 2024
Payroll-Based Journal (PBJ)
Staffing Data
PBJ 101

• PBJ staffing datasets provide info on nurse & non-nurse positions for every U.S. nursing home.
  • Nurse: RN, LPN, CNA...
  • Non-Nurse: Admin, Medical Director, Social Worker, OT, PT...
• Submitted quarterly (~90 days of data for each position; contract & non-contract).
• CMS states data is auditable to ensure accuracy.
Why PBJ Staffing Data Matter

• **Staffing is CRITICAL**
  • Studies consistently show more staffing, less turnover → less abuse, neglect, antipsychotic drugging, substandard care, COVID, etc. **Better and higher staffing levels save lives!**

• **PBJ staffing data can protect residents by informing:**
  • Residents & consumers (choosing or evaluating a nursing home)
  • Ombudsmen (reviewing nursing homes in a region)
  • Surveyors/investigators (identifying current staffing levels, historical trends, data from specific day)
  • Policymakers, researchers, media, advocates, and more...
Where/How to Find PBJ Data

- **Where can I find PBJ staffing data?**
  - **CMS PBJ Datasets** ([https://data.cms.gov/search?keywords=pbj](https://data.cms.gov/search?keywords=pbj)): Super large files with quarterly nursing home payroll-based journal (PBJ) nurse & non-nurse staffing data. *(Hard to use)*
    - PBJ files have **1.3 million (!) rows of data.** They will crash your computer...
    - Lucky for you, CMS & LTCCC post user-friendly PBJ data!
  - **LTCCC Staffing Data @ NursingHome411.org** *(Easy to use!)*
    - Quarterly staffing for data every nursing home; 90-day average *for every position*; total staffing hours per resident day (HPRD), direct care HPRD (excl. admin), RN, LPN, contract...
    - Summary data for US, CMS Region, states. *(What state has highest/lowest staffing?)*
    - Interactive map showing state staffing levels.
  - **CMS Care Compare** ([https://www.medicare.gov/care-compare/](https://www.medicare.gov/care-compare/)): Website with consumer-friendly info on some staffing incl. ratios, weekend, turnover, PT, ratings. *(Easy to use!)*
  - **CMS Provider Info Dataset** ([https://data.cms.gov/provider-data/dataset/4pq5-n9py](https://data.cms.gov/provider-data/dataset/4pq5-n9py)): File with general info on all U.S. nursing homes, including staffing (reported & adjusted), weekend, turnover. Contains other important data too!
Finding US & State Staffing Data Using NursingHome411

PBJ data show most US nursing homes are understaffed...

- **US Total Nurse, Q2 2023**: 3.66 HPRD
- **Nearly four in five (79%) residents** live in understaffed nursing homes (< 4.1 HPRD).
- **Total RN HPRD**: 0.59
- **% Contract**: 9.7% (2.3% median)
  - Note: **% Contract down** after consistent increase for several years.
- **Total Census**: 1,187,769
- **Bottom five states (Total HPRD)**: Missouri, Illinois, Texas, New Mexico, Georgia

nursinghome411.org/staffing-q2-2023/
Finding Nursing Home Staffing Data Using NursingHome411

nursinghome411.org/staffing-q2-2023/
Staffing Data by State (Interactive)

https://tabsoft.co/3uRtZ5o
Finding Staffing Data Using Care Compare

This info is more user-friendly. Use it for:

- Researching individual nursing homes or nursing homes within a region;
- User-friendly data including overall staffing, turnover, weekend....
- Comparing to state & national averages.

medicare.gov/care-compare/?providerType=NursingHome
Care Compare Data: Staffing, Weekends, Turnover, and More

<table>
<thead>
<tr>
<th>Average number of residents per day</th>
<th>132.3</th>
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</thead>
<tbody>
<tr>
<td>National average: 80.8</td>
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</tr>
<tr>
<td>Maryland average: 59.5</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Total number of nurse staff hours per resident per day</th>
<th>3 hours and 22 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 3 hours and 46 minutes</td>
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</tr>
<tr>
<td>Maryland average: 3 hours and 52 minutes</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Registered Nurse hours per resident per day</th>
<th>39 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 40 minutes</td>
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</tr>
<tr>
<td>Maryland average: 51 minutes</td>
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</table>

<table>
<thead>
<tr>
<th>LPN/LVN hours per resident per day</th>
<th>51 minutes</th>
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<tbody>
<tr>
<td>National average: 53 minutes</td>
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</tr>
<tr>
<td>Maryland average: 61 minutes</td>
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</table>

<table>
<thead>
<tr>
<th>Nurse aide hours per resident per day</th>
<th>1 hour and 51 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 2 hours and 11 minutes</td>
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</tr>
<tr>
<td>Maryland average: 2 hours and 7 minutes</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total number of nurse staff hours per resident per day on the weekend</th>
<th>2 hours and 52 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 2 hours and 17 minutes</td>
<td></td>
</tr>
<tr>
<td>Maryland average: 2 hours and 25 minutes</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Physical therapist staff hours per resident per day</th>
<th>3 minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 4 minutes</td>
<td></td>
</tr>
<tr>
<td>Maryland average: 6 minutes</td>
<td></td>
</tr>
</tbody>
</table>

Care Compare posts data on:
- Total staffing
- RN, LPN, Nurse Aide
- Weekend staffing
- PT
- Turnover (staff, RN, Admin)
- Comparisons to state & US averages

Staff turnover
Staff turnover is the percent of nursing staff or number of administrators that stop working in a facility within a given year. Low turnover indicates that facilities generally retain their staff for longer periods of time. Lower turnover is preferred because staff who work in facilities for longer periods of time may become more familiar with the residents and the facility’s operating procedures.

<table>
<thead>
<tr>
<th>Total nursing staff turnover</th>
<th>55.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 55.7%</td>
<td></td>
</tr>
<tr>
<td>Maryland average: 40.4%</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Registered Nurse turnover</th>
<th>75.9%</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 46.9%</td>
<td></td>
</tr>
<tr>
<td>Maryland average: 45.0%</td>
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</table>

<table>
<thead>
<tr>
<th>Number of administrators who have left the nursing home</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average: 0.8</td>
<td></td>
</tr>
<tr>
<td>Maryland average: 0.3</td>
<td></td>
</tr>
</tbody>
</table>

[medicare.gov/care-compare/?providerType=NursingHome]
Finding Staffing & Other Data via CMS Provider Info

- Dataset with staffing levels, staffing ratings, weekend, turnover, and more on the 15,000 US nursing homes.
  - Also includes info on surveys, ownership type, affiliated entities, etc.

- Reported (raw) staffing data and case-mix adjusted (based on resident acuity).

- Available at CMS https://data.cms.gov/provider-data/dataset/4pq5-n9py or NursingHome411: https://nursinghome411.org/ratings-info
Provider Info Findings

- Dataset includes 14,924 nursing homes
  - 86 Special Focus Facilities (SFFs)
  - 440 SFF Candidates
  - 3,680 “Problem Facilities” (SFFs/Candidates, one-star NHs)
- 71.6% For Profit, 22.1% Non Profit, 6.3% Government.
- 7.9% of US nursing homes have “Abuse Icon,” though there is significant variation by state.
  - In New York, only 2.5% of nursing homes have abuse icon.
Example: Staffing data in Provider Info dataset filtered by state (NY) and county (Bronx).

nursinghome411.org/data/ratings-info/
A Note on Staffing Citations...

- CMS publishes detailed info on health deficiencies, including category of citation (F-tag) and scope/severity.

- Based on this data, we find nursing homes are rarely cited for failing to provide sufficient staff every day to meet the needs of every resident (F725).

- Of the 3,377 sufficient staffing deficiencies in last three years, only 189 (5.7%) were cited as causing harm.

Figure above shows F725 citations by CMS Region in the last three years
PBJ Staffing Data Takeaways...

• Staffing AND staffing data can protect residents!
• Unfortunately, federal PBJ data show most nursing homes are understaffed (and understaffed NHs are underenforced...)
• Still, PBJ staffing data can inform consumers, advocates, researchers, surveyors, and investigators about a nursing home’s staffing levels. This can lead to better enforcement, policy, and resident outcomes.
• PBJ staffing data is available at CMS, Care Compare, and LTCCC’s NursingHome411!
Thank You!

Get LTCCC data updates at NursingHome411.org/join or email me at eric@ltccc.org.

Sign up for LTCCC’s NursingHome411 data updates!!
CORPORATE-LEVEL ENFORCEMENT IS NECESSARY TO ADDRESS COMPANIES WITH POOR COMPLIANCE RECORDS

• CMS enforces standards of care on a facility-by-facility basis; it does not consider facilities under common ownership/management, even though many policies affecting staffing and spending are made at the owner/manager level.

• CMS’s view: a facility that is licensed by a state is eligible for certification.

• A good regulatory system sets standards to prevent/minimize avoidable poor outcomes. Robust, strategic enforcement of standards is a necessary corollary.

• Best predictor of future performance is past performance.

• Nina Kohn, “Using What We Have: How Existing Legal Authorities Can Help Fix America’s Nursing Home Crisis,” https://scholarship.law.wm.edu/wmlr/vol65/iss1/4/, shows that the Nursing Home Reform Law (42 U.S.C. §§1395i-3(f)(1), 1396r(f)(1), Medicare and Medicaid, respectively) gives CMS comprehensive authority to consider owners’ and operators’ performance records as a whole, since CMS makes certification decisions, and has the authority to issue denials and to revoke the certification of poor performers.
ANALYSIS, MONITORING & ENFORCEMENT

• Longstanding trends of catastrophically poor care in the nursing home sector, which causes major unnecessary suffering, could be addressed more forcefully and actions taken by CMS to PREVENT harm.

• Preventive monitoring and tougher federal enforcement would complement and strengthen what state surveyors to do in their once-a-year inspections, as well as what the Dept. of Justice and State Attorneys General do, who can address only a tiny fraction of the worst of the worst.

• Preventive monitoring can be accomplished through straightforward data analysis -- which would then provide the necessary leverage for proactive monitoring -- and targeted strategic, data-informed enforcement -- that holds the entire nursing home sector accountable. These data analyses could also be used to drive evidence-based quality improvement initiatives.

• To strengthen enforcement, CMS can take a leading role in sharing data and analyses to coordinate with DOJ, and with states, to create the conditions for widespread change.
ANALYSIS, MONITORING & ENFORCEMENT (2)

• Four streams of data are key for analysis: survey and certification data, notably data on penalties levied; staffing data that are submitted through the Payroll-Based Journal system every quarter, as required under the Affordable Care Act; ownership data and affiliated financial and managerial partner data of nursing homes across the country, which all nursing homes must submit as required under the ACA; and cost report data, which the ACA requires be submitted by Medicare SNFs in 4 categories – expenditures on direct care, on indirect care, on administrative activities, and on capital costs.

• If these key sources of data are examined, CMS can conduct the kind of oversight of the nursing home sector that is needed, and for which there is no other substitute.

• Tough federal enforcement is essential for public trust – Former FAA Acting Administrator Billy Nolen recently voiced at a National Safety Summit: “Safety is our North star…..Recent [near-collision] events remind us that we must not become complacent. Now is the time to stare into the data and ask hard questions.”
Example of Why Much Tougher Enforcement Is Needed

• Poster child for a broader view of enforcement: Northview Village Nursing Home, largest nursing home in St. Louis, which abruptly closed Dec. 15, 2023 and moved all 170 remaining residents overnight. Sec. 6113 of the ACA prohibits this – yet it happened.

  • Facility has poor record of care: twice as many deficiencies as statewide average; 12 federal fines in past 3 years (totaling $142,026); inadequate RN care (18 minutes of RN hours per resident day (HPRD), 2/3 of the 27 minutes in Missouri and less than half the national average of 40 minutes); inadequate total nursing time (1.95 HPRD, compared to Missouri’s 3.3 HPRD and nation’s 3.78 HPRD).

  • Facility is affiliated with 6 other facilities with exceptionally poor records for care: low star ratings (2 stars in health inspections, 1.3 stars in staffing); 3 facilities (42.9%) with abuse icon; 45 federal fines (totaling $925,915.66 and averaging $132,273.67 per facility); 8 denials of payment for new admissions.
RECOMMENDATIONS

• Publication of the affiliated ownership file is a major step forward that can and should be used to scrutinize nursing home chains and groups that have the worst quality problems on an ongoing basis.

• We urge CMS to link key Medicare cost report data to the affiliated ownership data on an ongoing basis. We have previously recommended that the agency use current authority under Sec. 6104 of the Affordable Care Act, which requires SNFs to report expenditures in four categories – direct care, indirect care, administrative costs and capital costs – to distinguish Medicare expenditures from other payers. We have further suggested that Medicare cost report data should be expanded further identify details on profits, disallowed costs and related party/additional disclosable party costs.

• CMS should assemble an interagency task force or working group with data experts from different parts of the agency who work with PECOS data; PBJ data; penalty and sanctions data and cost report data. Such a task force (which has been suggested by experts and advocates in previous correspondence with CMS, HHS and White House officials) would regularly meet to analyze and combine data, and create an effective monitoring and tracking approach to assessing the performance of the NH sector. This monitoring would complement, not replace, the work of state-based survey and cert inspectors, state-focused enforcement, and DOJ enforcement.
Questions
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- theconsumervoice.org
- info@theconsumervoice.org
- The National Consumer Voice for Quality Long-Term Care
- @Consumer Voices