

Long-Term Care Law Reporter E-Bulletin

NURSING FACILITIES

ASSISTED LIVING

IN-HOME CARE

E-Bulletin December 18, 2008

Federal Government Begins 5-Star Rating System For Nursing Facilities

The Centers for Medicare and Medicaid Services (CMS) has begun a system in which each nursing facility in the country will receive a rating from one to five stars. The star ratings have been added to CMS's existing website, Nursing Home Compare (www.medicare.gov/NHCompare).

The star ratings are derived from three types of data: inspection reports, staffing levels, and quality measures. The inspection reports establish the starting point.

Inspection Reports

CMS considers the three most recent standard surveys, any complaint investigations conducted during the most recent three years, and any revisits needed to verify that the facility has made corrections to come back into compliance. For the surveys and complaint investigations, each deficiency is assigned a point value, based on the recorded scope and severity. The highest point value – 175 points – is assigned for a deficiency that has caused immediate jeopardy to resident health or safety, is widespread in scope, and has led to a finding of substandard quality of care. If, however, a deficiency is linked to actual harm that is not immediate jeopardy, and has a scope of “pattern” (rather than widespread), then only 35 points are assessed. At an even lower rung, only four points are assessed for a deficiency that causes “no actual harm with potential for more than minimal harm that is not immediate” and has an “isolated” scope. These are only examples; CMS has developed a matrix that lists point values for the various combinations of scope and severity.

Additional points are assessed if surveyors need to do revisits to verify compliance. The first revisit is “free,” but the second, third and fourth revisits are assessed 50, 75 and 100 points, respectively.

All of these points are weighed depending on recency: one-half value for deficiencies from the past year (roughly), one-third value for deficiencies from the prior year, and one-sixth value for the year before that. Then stars are assigned based on a curve. In each state, the top ten percent of facilities receive an initial rating of five stars, and the bottom twenty percent receive one star. The seventy percent in the middle receive four, three or two stars, with essentially even distribution (i.e., approximately a range of 23.33 percent of the facilities for each star rating).

Staffing

This initial star rating is only the starting point. CMS calculates separate star ratings based on staffing and quality measures, and uses the staffing and quality-measure star ratings to convert the inspection star rating into the final rating.

The staffing rating is based on the ratio of employees to residents for all direct-care employees (aides and nurses) and only for registered nurses; these two measures are weighted equally in determining the staffing rating. The ratios are adjusted to account for the severity of residents' care needs.

One star is assessed if either the direct-care ratio or the registered nurse ratio falls within the bottom 25 percent compared to other facilities in the state, and the other ratio falls below the median. On the other end of the spectrum, a five-star staffing rating is assessed if the facility exceeds CMS aspirational standards for both direct-care staffing and registered nurse staffing (at least 4.08 hours per resident/day of direct-care staffing, and 0.55 hours per resident day of registered nurse staffing). Ratings of two, three or four stars are assigned depending on the quartiles in which the facility's staffing ratios fall.

Quality Measures

The calculations related to quality measures are even more complicated, and can only be summarized here. CMS considers ten quality measures. Seven of these measures pertain to long-stay residents:

- Percent of residents whose need for help with daily activities has increased
- Percent of residents whose ability to move about in and around their room got worse
- Percent of high risk residents who have pressure sores
- Percent of residents who had a catheter inserted and left in their bladder
- Percent of residents who were physically restrained
- Percent of residents with urinary tract infection
- Percent of residents with moderate to severe pain

The other three quality measures pertain to short-stay residents:

- Percent of residents with pressure ulcers (sores)
- Percent of residents with moderate to severe pain
- Percent of residents with delirium

After these measures are tallied, weighed and combined, stars are assessed in the same way that they are assessed for staffing -- five stars for the top ten percent, one star for the bottom twenty percent, and two, three, or four stars given with an equal distribution within the remaining seventy percent.

Calculating the Final Rating

The starting point is the star rating from the inspection reports. Then, based on the staffing ratios, one star is added if the facility received a four- or five-star staffing rating, and the staffing rating is higher than the facility's inspection rating. One star is subtracted if the facility received a one-star staffing rating. The resulting rating cannot be more than five stars or less than one star.

The quality measures then are factored in. One star is added if the facility received a five-star rating on quality measures, and one star is subtracted if the facility received only one star on quality measures. Again, the overall rating cannot be more than five stars or less than one star.

Detailed information on the new rating system is available at: www.cms.hhs.gov/CertificationandCompliance/13_FSQRS.asp#TopOfPage.

Editorial Comment: Despite some complicated algorithms, the ratings are just estimates of a facility's quality of care. Consumers and their representatives should recognize the five-star rating system as a potentially useful tool, but not as gospel. Individual investigation and advocacy continue to be consumers' principal means of obtaining a high -- or even an adequate -- quality of care.

This message is a free service for subscribers of the Long-Term Care Law Reporter (formerly known as the Nursing Home Law Letter). Questions regarding this service should be directed to Christy Ross at cross@nslc.org.