

# Review of CMS' Five-Star Nursing Home Rating System



Prepared for AHCA  
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## Background and Purpose of CMS' Five-Star Program

- ▶ CMS' proposed "five-star" rating system is intended to provide a quality of care rating for nursing homes of 1 to 5 stars (5 stars being "much above average" and 1 star being "much below average")
- ▶ The rating system should be available to the public on the CMS website Nursing Home Compare in December 2008
- ▶ The "five-star" rating is intended to allow beneficiaries, their families and caregivers to more easily compare nursing homes on the following three components of care:
  - Survey and Certification
  - Staffing
  - Quality





# The Quality of Data That Five-Star Relies on Has Been Called Into Question

- ▶ Survey & Certification Data –The impact of surveyor bias, inter and intra-state survey variances/inconsistencies and the proposed rating method for evaluating deficiencies
- ▶ Staffing Data – Demonstrated inaccuracies of self-reported staffing ratios within OSCAR data; lack of an up-to-date case-mix adjustment system for staffing ratios
- ▶ Quality Measures – The impact of inadequate risk adjustment and poor-quality MDS data has been well-documented



## The Underpinnings of the Five-Star System Will Change in 2009

- ▶ Survey & Certification – Quality Indicator Survey (QIS) which is rolling out to more states will impact survey outcomes
- ▶ Staffing – The STRIVE project (which will update the understanding of staffing needs) has been postponed until 2009
- ▶ Quality Measures – MDS 3.0 is scheduled to be implemented in October of 2009, although thus far no deadlines have been met

Consumers will be forced to contend with changes in Five-Star within months of implementation





# Five-Star Disrespects the Diversity of Consumers' Needs

- ▶ Five-Star is a One-Dimensional Rating that gives no consideration to the uniqueness of each resident
- ▶ Nursing homes are a place to live, a locus for health care, and a site of rehabilitation
- ▶ Residents have different reasons for being in a nursing home – with different criteria for quality assessment
  - For rehabilitation – functional recovery and return home
  - For long-term, residential care – quality of life, autonomy, environment
  - For healthcare – avoidance of preventable complications and relief of distressing symptoms
- ▶ Facilities can excel at one dimension and be weak in another. Averaging across dimensions obscures differences that are important to consumers.



# Survey and Certification



# Supporting Details

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## Five-Star Rating System Uses Three Years Of Survey Experience\* With The More Recent Findings Weighted More Heavily

- ▶ The proposed system counts complaint deficiencies, which is not a substitute for reporting the number and type of actual complaint allegations
- ▶ For example, there may be multiple substantiated allegations of abuse against a facility but no complaint deficiency citation
  - Consumers would likely want to know about multiple abuse allegations, particularly substantiated ones

\* Standard and Complaint Surveys





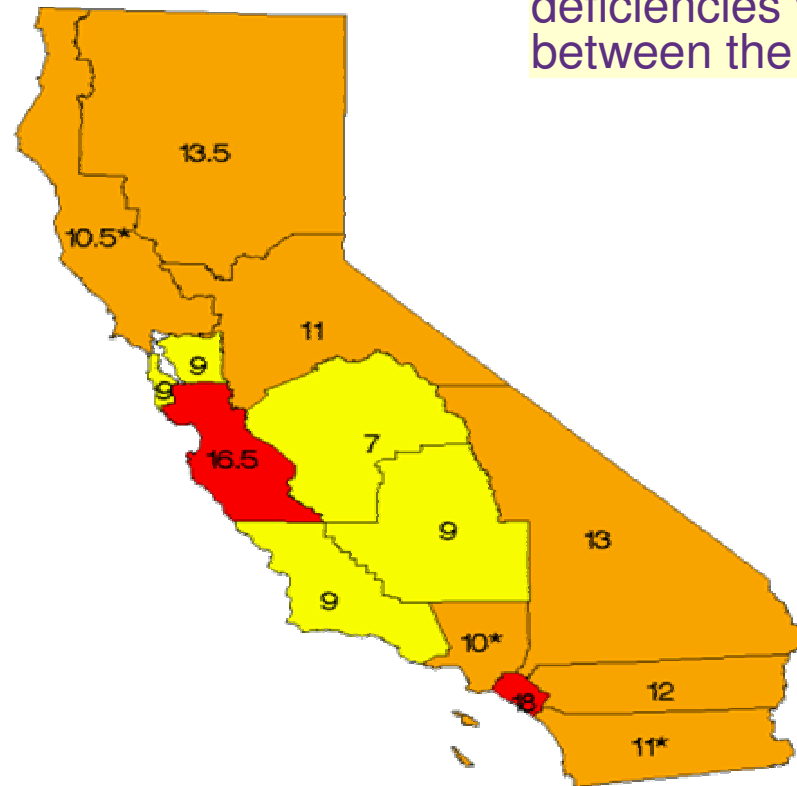
## Survey Performance

- ▶ Survey deficiencies vary greatly not only between states but within states, between areas with different survey team leadership
- ▶ Nursing homes in districts with more rigorous surveyors will always look worse than those in districts with less rigorous surveyors -- regardless of their actual quality of care



# Intrastate Variance of Health Deficiency Citations in California

The median number of health deficiencies varies by more than 2x between the various survey districts



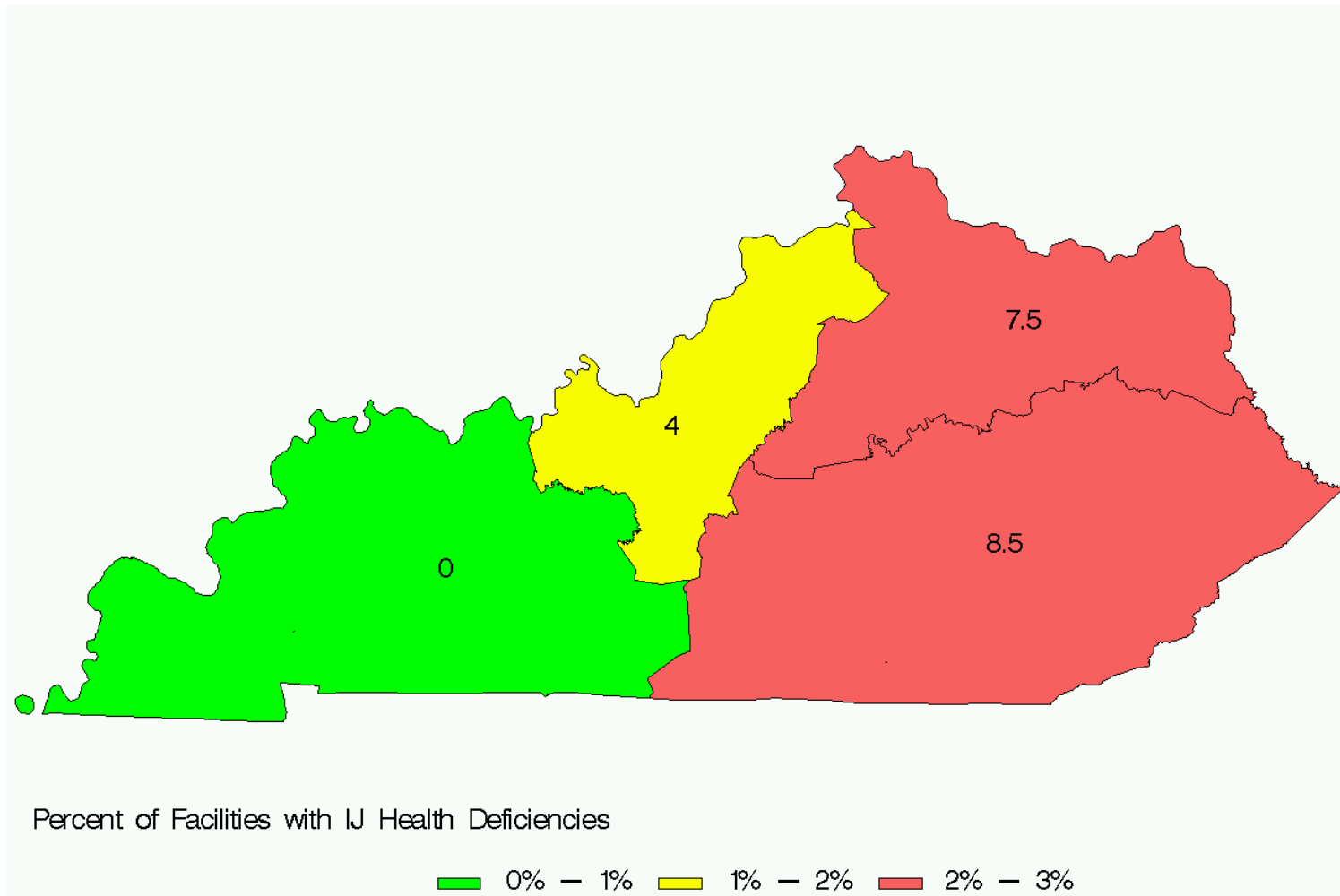
Median Number of Health Deficiencies    0 – 5    5 – 10    11 – 15    16 – 20

\* denotes combined survey districts

Range of Facilities in each Survey District: 34 – 399



# Median Number of IJ Health Deficiencies in Kentucky





# Incident Reporting Requirements

- ▶ State-to-state reporting requirements/practices vary, leading to outcomes that may not be reliable when comparing across states
- ▶ Corporations may also vary in their promotion of self-reporting incidents, again leading to the possibility of those with greater transparency having a higher number of substantiated allegations
- ▶ If a deficiency ***is not*** cited, it may reflect a proactive process that addressed the issue effectively
- ▶ In some states if a facility ***is*** cited, there may also be a proactive process in place that addressed the issue effectively



Staffing



Supporting Details

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## Staffing Data

- ▶ Self-reported staffing ratios from the OSCAR database are known to include questionable data and may be unrepresentative of the entire year, even if they are accurate for the two-week assessment period
- ▶ A snapshot on 9-22-2008 from OSCAR of the most recent regular survey of all US facilities showed:
  - 770 facilities had less than one hour per resident per day of CNA staffing
  - 941 facilities had less than fifteen minutes per resident per day of licensed staffing
    - ◇ Obviously, these numbers are not credible





## Staffing Data

- ▶ Staffing data must be case-mix adjusted to be meaningful
  - If adjustment is based on RUGs, this hasn't been updated since 1997 – when the nursing home population and standards of care were significantly different
  - STRIVE seeks to update this data, but its findings are delayed





## Acuity Adjustment to Evaluate Staffing Adequacy Can Make a Big Difference

- ▶ PointRight built simple regression models that relate resident characteristics to staff hours based on a 100% national sample; facilities can be given a “difference score” that indicates how much they deviate from the ratio predicted by the regression analysis
- ▶ Over 15% of facilities in the top 25% nationally for nursing hours per resident day “HPRD” are actually in the worst 25% after acuity adjustment
- ▶ The potential for misleading consumers is evident



Quality



Supporting Details

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## CMS' Measurement of Quality Relies on Measures that do not Adequately Adjust for the Resident Case Mix

- ▶ CMS proposes a subset (10) of the nineteen publicly-reported Quality Measures (QMs) as the third source of data for the “Five-Star” rating system
- ▶ Validity problems and limitations of the public Quality Measures have been reported in numerous peer-reviewed articles
- ▶ Concerns about MDS validity have also been voiced
- ▶ Focusing on the key measures of quality (high-risk and post-acute pressure ulcers), PointRight found that 17% of studied facilities (N=2,585) were incorrectly classified by CMS as “good/bad providers of care” for post-acute pressure ulcers when evaluated with a fully risk-adjusted measurement system. For the chronic high-risk pressure ulcers, the misclassification was 9% of studied facilities (N=2,429).





## Consumers Need Metrics that Meaningfully Guide Their Participation in Nursing Home Care

- ▶ The three domains of the Five-Star program cover some of the consumer considerations
  - Survey and Certification (compliance with federal standards)
  - Staffing (staffing to residents' needs)
  - Quality (case mix adjusted excellence in care)
- ▶ The goals of Five-Star can be achieved with better consideration and adjustment for evolving datasets and acknowledgment of the heterogeneity of consumer needs





## Staffing Data References

- ▶ Minimum Nurse Staffing Ratios for Nursing Homes Ning Jackie Zhang; Lynn Unruh; Rong Liu; Thomas T.H. Wan Nurs Econ. 2006;24(2):78-85, 93
- ▶ State Experiences with Minimum Nursing Staff Ratios for Nursing Facilities: Findings from the Research to Date and a Case Study Proposal Tilly, Jane; Black, Kirsten; Ormond, Barbara; Harvell, Jennie. February 2003 Contract #HHS-100-97-0010 between the U.S. Department of Health and Human Services (HHS), Office of Disability, Aging and Long-Term Care Policy (DALTCP) and the Urban Institute
- ▶ Comparing Staffing Levels in the Online Survey Certification and Reporting (OSCAR) System With the Medicaid Cost Report Data: Are Differences Systematic? Kash, Bita A; Hawes, Catherine; Phillips, Charles D. Gerontologist, v47 n4 p480-489 Aug 2007
- ▶ Improving Quality of Long-Term Care Wayne A. Ray Medical Care, Vol. 38, No. 12 (Dec., 2000), pp. 1151-1153 <http://www.jstor.org/stable/3767992>





## Limitations of the QMs (References)

- ▶ Risk adjustment of nursing home quality indicators G Arling, SL Karon, F Sainfort, DR Zimmerman and R Ross *The Gerontologist*, Vol 37, Issue 6 757-766
- ▶ Does Risk Adjustment of the CMS Quality Measures for Nursing Homes Matter? *Medical Care*. 46(5):532-541, May 2008. *Mukamel, Dana B. PhD \**; *Glance, Laurent G. MD +*; *Li, Yue PhD ++*; *Weimer, David L. PhD [S]*; *Spector, William D. PhD [P]*; *Zinn, Jacqueline S. PhD [//]*; *Mosqueda, Laura MD \**
- ▶ GAO-03-187 Report to Congressional Requestors Nursing Home Quality Indicators Public Reporting of Quality Indicators Has Merit, but National Implementation Is Premature, 2002
- ▶ Long-term Care Liability Impact and Concerns of the Current Marketplace Michael R. Walton AMWINS HealthCare *American Wholesale Insurance Group* March 11, 2003
- ▶ Future Development of Nursing Home Quality Indicators Arling, Greg; Kane, Robert L.; Lewis, Teresa; Mueller, Christine *Gerontologist*, v45 n2 p147 Apr 2005





## Note

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