



## Changes to CMS' 5 Star Rating System Turn Up Heat on Nursing Homes

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# Agenda

- What is the Five-Star Rating Program?
- What changed?
- What will result from these changes?
- What providers should do.
- What providers should know.

# Overview of Five-Star Rating System

- CMS' Five-Star Quality Rating System provides an accessible summary of nursing home quality to industry stakeholders and to members of the public.
- Offers public, searchable data on the 15,800 nursing homes that participate in Medicare and Medicaid.
- Each nursing home receives a rating between one and five stars. There is one overall five-star rating for each nursing home, and a separate rating for each dimension of nursing home quality.

# Overview of Five-Star Rating System

- CMS added quality star ratings to its Nursing Home Compare website in 2008.
- 1.4 million people visit the website per year.
- “The goal of the rating system is to help consumers make meaningful distinctions among high- and low-performing nursing homes.”
  - *CMS Fact Sheet: Nursing Home Compare Five-Star Quality Rating System.*

# How are Five-Star Ratings Determined?

The Five-Star Ratings System provides summary of three dimensions of nursing home quality. The overall rating is a composite of these three dimensions:



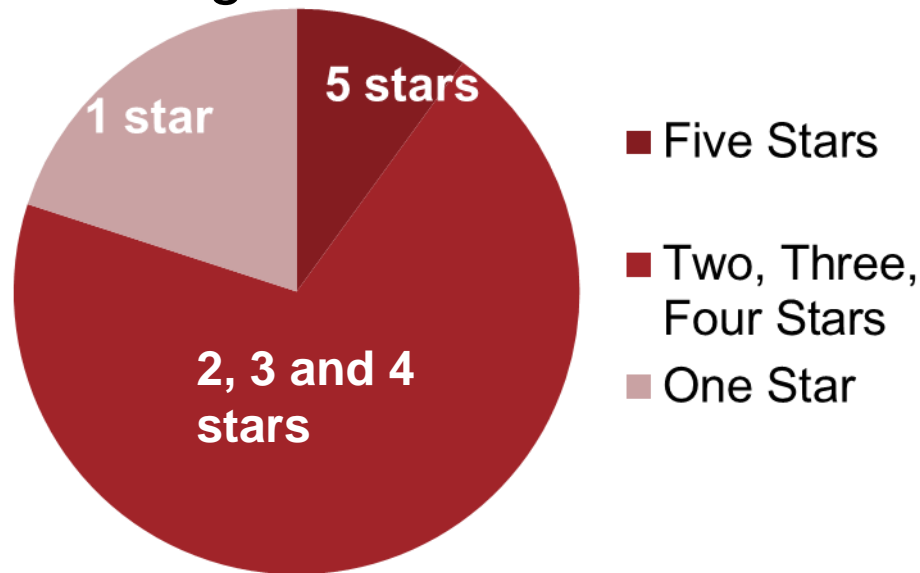
# Health Inspection Rating

## Health Inspection Rating

- Facility rating based on the **number**, **scope**, and **severity** of deficiencies during the **three** most recent inspections.
- Most recent survey inspections are weighted more heavily than prior two years.
- Based on results of State public health and CMS inspections.
  - Onsite inspections are unannounced and occur about one time per year.
- Based on the relative performance of the facilities within a State to help control for variation among states.

# Health Inspections Rating

- Top 10% of nursing homes receive a five-star rating in health inspections.
- Middle 70% of nursing homes receive four, three, and two star-ratings.
- Lowest 20% of nursing homes receive a one-star rating.



# How are Five-Star Ratings Determined?

## Staffing Rating

- Staffing rating based on two components:
  - (1) Registered Nurse (RN) hours per resident day; and
  - (2) Total staffing hours (RN + licensed practical nurse (LPN) + nurse aide hours) per resident day.
  - Staffing measures are case-mix adjusted for different levels of resident care needs across nursing homes from MDS data.



# How are Five-Star Ratings Determined?

## Quality Measures Rating (QMs)

- Quality Measure Rating is based on performance on 11 Quality Measures that assess patient health outcomes and processes of care
  - 8 long-stay measures
  - 3 short-stay measures
- Uses data from the Minimum Data Set (MDS) which each nursing home must submit to the federal government
- For each measure (except one), facilities receive between 20-100 points.
- Over 12 million assessments of the conditions of nursing home residents are used in the rating.

# Changes to CMS Ratings

On Feb. 20, 2015, CMS unveiled **Version 3.0** of Nursing Home Compare per an Oct. 2014 executive order to revise the program.

## **Three (3) Key changes to Five-Star Ratings:**

- (1) Rise in performance expectations
- (2) Addition of Two Quality Measures for Antipsychotic Medication Use in Nursing Homes
- (3) Adjustments to Staffing Algorithms

# Why did CMS Change the Five-Star Ratings?

- Expansion of Five-Star Ratings is part of the Medicare Post-Acute Care Transformation Act of 2014 (IMPACT Act), legislation that aims to implement new quality measures for post-acute providers participating in Medicare.
- CMS raised the bar for performance to encourage providers to make quality improvements to achieve these higher standards.
- CMS emphasized a long-standing goal of reducing the inappropriate use of antipsychotic medications in nursing homes.

# Rise in Performance Expectations

- CMS raised the threshold for nursing homes to achieve a high score on quality measures, making it harder to achieve high scores in the quality ratings.

# Addition of Two QMs for Antipsychotic Medication Use

- Two new quality measures track antipsychotic medication use for residents **without schizophrenia, Huntington's disease, or Tourette's syndrome.**
  - One quality measure applies to short-stay residents
  - Other quality measure applies to long-stay residents
- As a result of the changes, nearly 20% of all nursing homes scored the lowest possible score on this measure.\*

Source: *Nursing home quality scores drop in the new federal ratings*, Pete Eisler and Christopher Schnaars, USA Today (Feb. 20, 2015).

# Addition of QMs for Antipsychotic Medication Use

Surveyors will be examining the use of psychotropic medication to determine if:

- (1) there is a valid medical diagnosis to support the order for the medication (including the use of the two psychotropics);
- (2) there is evidence that the physician reviewed the risks and side effects of the psychotropic medication and determined that the medication was medically necessary;
- (3) nursing homes are properly documenting behaviors related to the diagnosis and the effect of the psychotropic medication; and
- (4) nursing homes have attempted to eliminate or reduce the dosage of psychotropic medication.

# Adjustment to Staffing Algorithms

## Adjustment to Staffing Algorithms

- CMS adjusted the staffing algorithm it uses in assigning ratings to more accurately reflect staffing levels.
- Less than 8% of facilities lost a star on this measure.\*
- To receive four stars, nursing homes must now:
  - Earn four stars on either the individual Registered Nurse only category or the other staffing category; or
  - Earn no less than a three-star rating in other staffing categories

\*Source: *Nursing home quality scores drop in the new federal ratings*, Pete Eisler and Christopher Schnaars, USA Today (Feb. 20, 2015).

# New Payroll-Based Staff Reports

## New Payroll-Based Staff Reports

- CMS is implementing a new quarterly reporting system for staffing levels.
- CMS will use data to calculate quality measures for staff turnover, retention, and types and level of staffing
- Reports will be auditable back to a nursing home's payroll.
- CMS will begin collecting information in 2015.
- **All nursing homes will be required to report by the end of 2016.**



# Impacts of Five-Star Ratings Changes

- **Even though the underlying quality data may not have changed, nearly a third of nursing homes saw a drop in their scores.**
- 28% of nursing homes saw their scores drop by one star in overall ratings.
- 3% of facilities fell by two stars.
- 1,200 facilities lost five-star status.

Source: *Nursing home quality scores drop in the new federal ratings*, Pete Eisler and Christopher Schnaars, USA Today (Feb. 20, 2015).

# Impacts of Five-Star Ratings Changes

Changes will result in:

- Increase in survey citations for
  - unnecessary psychotropic medication,
  - inadequate staffing, and
  - poor resident assessment.
- Likely increase in civil liability.
- Make it ***increasingly difficult*** for nursing homes to earn four-and-five star ratings.
  - ***Result: Ratings may have fallen immediately by one or two stars***

# Increased Survey Citations

- These changes will lead to increased scrutiny and citations by surveyors during annual and complaint surveys.
- Facilities should pay particular attention to:

- ✓ Use of psychotropic drugs (F309 and F329)
- ✓ Resident assessments (F279)
- ✓ Staffing (F353 and F520)

# Increased Survey Citations

- Surveyors will be conducting comprehensive reviews of the adequacy of resident assessments as well as the accuracy of resident quality data.
- Surveyors will be scrutinizing facility staffing resulting in allegations of insufficient staffing and inaccurate reporting to CMS.

# Increased Civil Liability

Nursing homes will face a difficult ***balancing act***:

- Must reduce use of “unnecessary” psychotropic medications; **AND**
- Must prevent other residents from being injured by residents with aggressive behaviors, which may increase as a result of reducing or eliminating the use of these medications.
- Plaintiff’s attorneys may bolster portrayals of nursing homes as heartless profit centers.



# CMS May 2013 Guidance

## F309

- “When antipsychotic medications are used without an adequate rationale, or for the sole purpose of limiting or controlling behavior of an unidentified cause, there is little chance that they will be effective, and they commonly cause complications such as movement disorders, falls, hip fractures, cerebrovascular adverse events (CVA) and increased risk of death.”

# What Providers Should Do

- ✓ Review policies
- ✓ Audit records
- ✓ Review the care plans
- ✓ Review staffing information
- ✓ Review assessment process
- ✓ And don't forget . . . . TRAINING

# Review Facility Policy

Review the facility policy use of psychotropic medication to ensure that it requires that:

- ✓ (1) all orders for psychotropic medication are supported by an active, current medical diagnosis
- ✓ (2) all orders include documentation of a consideration of the risks and side effects of using the medication
- ✓ (3) behaviors associated with the diagnosis are properly documented
- ✓ (4) there is a program to reduce the dosage of psychotropic medications.



# Audit the Records

- ✓ Audit the records of all residents with orders for psychotropics (including physician orders and the Medication Administration Record)
- ✓ Ensure the physician's order is supported by a diagnosis and ongoing symptoms – if not, reach out!
- ✓ Ensure that the record supports the current the dosage
- ✓ Pay particular attention to whether side effects are being documented and properly reported

# Review Assessment Process

- ✓ Review the facility's process for assessing residents and the audit sample of resident assessments to ensure that they are timely and comprehensive.

# CMS May 24, 2013 Guidance

- Checklist - Assessment
  - Did staff describe behavior (onset, duration, possible precipitating events or environmental triggers) and related factors?
  - If medical causes are ruled out, did staff attempt to establish other root causes of the behavior using individualized knowledge?
  - Did staff evaluate current cognitive patterns, customary responses to stress, how resident communicates a need (e.g., pain, hunger)?

# CMS May 24, 2013 Guidance

- Non-Medical Root Causes of Behavior
  - Boredom
  - Anxiety related to changes in routine
  - Care routines inconsistent with individual preferences
  - Personal needs not being met (e.g., hunger or thirst)
  - Fatigue
  - Environmental factors (e.g., noise).

# Review Care Plans

- ✓ Review the care plans for residents on psychotropic reduction plans.
- ✓ Ensure that appropriate monitoring is in place to prevent resident injury due to increased aggressive behavior.

# CMS May 2013 Guidance

- Checklist – Care Plan
  - Was the family involved?
  - Description of behaviors and how to prevent them?
  - Monitoring the effectiveness of any/all interventions?
  - If the resident or family refused a recommended treatment or approach, was counseling of consequences and alternatives provided?

# CMS May 2013 Guidance

- Checklist - Care Plan
  - Identify, document and communicate specific targeted behaviors and expressions of distress as well as desired outcomes?
  - Is there a sufficient number of staff to consistently implement the care plan?
  - If the physician does not respond to notification (that an intervention isn't working), does staff contact the medical director for further review?

# Review Staffing Information

- ✓ Review all staffing information to ensure that all information being reported to CMS is accurate.



# What Providers Should Know

- ✓ Be prepared to explain score decreases.
- ✓ Proactively identify staffing problem areas.
- ✓ Be prepared for further adjustments.

# Explain Score Decreases

- ✓ Nursing homes should explain to residents, families, and staff the reasons for the star rating decrease, if there is one.
- ✓ Nursing homes should make clear that the decrease does not mean the nursing home's quality has suffered or changed.
- ✓ Proper explanation now will avoid confusion later.

# Identify Staffing Problem Areas

In anticipation of new quality measures related to staff turnover, retention, and types and levels of staffing, nursing homes should begin to analyze available staffing now to proactively identify areas needing improvement.

# Prepare for Further Adjustments

- CMS anticipates that scoring for quality will be further adjusted in the coming years.
- Providers must be able to raise their scores on quality measures as star-ratings become more difficult to achieve.

# Expansion of Targeted Surveys

## Expansion of Targeted Surveys

- In 2014, CMS piloted special surveys of nursing homes focusing on verifying performance of resident assessments used in the quality measures.
- Effective in 2015, on a voluntary basis, State Survey Agencies will conduct specialized, on-site surveys of a sample of nursing homes across the U.S. using revised survey tools.
  - Currently, CMS has initiated a comprehensive survey effort in Texas.
  - Additional States are expected to participate.
- The surveys will assess the adequacy of resident assessments, and the accuracy of information reported to CMS.



# Expansion of Targeted Surveys

## Changes to resident assessments

- Surveyors will be conducting comprehensive reviews of the ***adequacy of resident assessments*** as well as the accuracy of resident quality data.
- Surveyors will scrutinize facility staffing resulting in allegations of ***insufficient staffing and inaccurate reporting*** to CMS.

# Questions



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