

Nursing Home Compare

Five-Star Ratings of Nursing Homes

As previously reported, the Centers for Medicare & Medicaid Services (CMS) will launch its Five-Star Quality Rating System," which will be posted to Nursing Home Compare on www.medicare.gov as of December 18, 2008. This memo to all VHCA nursing facility members and corporate associate members provides many details of the new ratings system along with suggested talking points that facilities may find useful in responding to media and consumer inquiries.

About Five-Star

A facility's overall Five-Star rating incorporates ratings in three categories: survey results, Quality Measures (QMs), and staffing levels. The survey rating forms the base "star" rating with stars being added or subtracted depending upon a facility's star rating for QMs and staffing respectively. The overall rating for a facility cannot be greater than 5 Stars or less than 1 Star; however, new facilities where there is insufficient data could receive a rating of "N/A."

Here's how CMS will calculate a facility's Five-Star rating:

1. [Survey Rating] CMS calculates the survey star rating based on points that a facility accrues based on health citations noted in the past 3 years of standard and substantiated complaint surveys and survey revisits. CMS assigns more points to facilities with deficiencies of greater scope or severity (i.e., facilities with less serious deficiencies or isolated incidents will receive fewer points) and recent surveys are weighted more heavily (i.e., most recent survey accounts for half of the points, the previous survey accounts for one-third of the points and the next most recent survey accounts for one-sixth of the points for the survey rating category).

CMS takes each facility's overall point score (between 0 and 136) and ranks it **by state** - not nationally - a step that the agency hopes will help to balance out known discrepancies among survey regions. The top 10% of each state's facilities receive a Five-Star rating for Survey and the bottom 20% receive 1 Star ratings, while the remaining facilities within a state are assigned 2, 3 or 4 Stars for the survey component of Five-Star based on an even distribution of this middle 70% of facilities within a state.

2. [QM Rating] CMS calculates the QM component of Five-Star by assigning points based on 10 of the 19 QMs that are currently posted to *Nursing Home Compare* - including 7 long- stay and 3 short-stay measures (details for each of the 19 QMs remains posted to *Nursing Home Compare*). CMS averages the three most recent quarters worth of QM data. Performance related to the QMs for both ADL Decline and Mobility Decline accounts for 40% of a facility's QM rating on the long- stay measures (i.e., these 2 QMs are weighted 1.6667 times as high as other QMs).

CMS compares these point totals according to a national average. The top 10% of facilities receive a Five-Star rating for QMs and the bottom 20% receive 1 Star ratings, while the remaining facilities are assigned 2, 3 or 4 Stars for the QM component of 5-Star based on an even distribution of this

middle 70% of facilities nationwide. A QM rating of 5 Stars can "bump up" a facility's overall score by 1 Star, whereas a 1 Star rating in the QM category will downgrade the overall rating by subtracting 1 Star.

3. [Staff Rating] CMS calculates the Staffing component of Five-Star by calculating the average number of hours and minutes of nursing care per resident per day (including registered nurses (RN), licensed practical nurses (LPN), and certified nurse aides (CNAs) - and those under contract to a facility). This average will be case-mix adjusted to account for variations in residents' Resource Utilization Group (RUG) categories within a facility. Then, CMS will assign Staff ratings for both total staffing and RN staffing. Facilities cannot receive a Five-Star rating for the Staffing component unless it meets the threshold of 4.08 per resident day total staffing to include a minimum of .55 RN hours. Overall Staffing rates of 4 or 5 stars can "bump up" a facility's overall score by 1 Star, whereas a 1 Star rating in the Staffing category will downgrade the overall rating by subtracting 1 Star.
4. Because Five-Star uses state-based comparisons for the survey component, consumers will not be able to use this system to compare facilities across states.

On December 18, *USA Today* will feature an exclusive day of story unveiling the new rating system. We anticipate that this high profile coverage and a CMS media call on Thursday will generate significant media coverage. In anticipation of questions and inquiries that members will receive from members of the media and consumer groups, we are providing the following suggested talking points developed by the American Health Care Association. Should you require additional assistance in responding to the media, please contact Beverley Soble (beverley.soble@vhca.org) at 804.212.1697 or Steve Morrisette (steve.morrisette@vhca.org) at 804.212.1691.

AHCA will be issuing a media statement on December 18 specifically addressing the program, and we will provide such statement to our membership.

Suggested Talking Points

- Our first commitment - always - is to provide quality care to residents in a safe and secure environment.
- Delivering the highest quality of care and customer satisfaction is a top priority for those of us in the long term care profession-and the vast majority of nursing homes nationwide provide the type of high quality, compassionate care that patients, residents and their families want and deserve.
- The facts speak for themselves - quality is improving in our nation's nursing facilities - a reality not reflected in the Five-Star program.
- The long term care profession has helped to lead the nation's healthcare sector in terms of quality improvement, and we are committed to continuing our work with CMS to advance a transparent survey process that recognizes quality, and provides the resources for facility improvement, which will enhance efforts to further improve quality long term care.
- We support a rating system that accurately reflects the quality of care in our nation's nursing facilities; however, we do not believe that a system based on the current survey system will provide consumers with accurate, up-to-date information.

- CMS claims that the survey component of its 5-Star Quality Rating System represents the most important dimension in determining a facility's overall quality rating. We disagree-today's survey system does not measure quality, but rather assesses compliance with federal or state regulations. We believe that customer satisfaction - how a resident and family members judge the care being provided in a particular facility - is a better indicator of the quality of care and quality of life residents enjoy.
- Quality improvement is a dynamic ongoing process - and its quantification must reflect the many variants that go into the delivery of care. We believe that consumer and staff satisfaction are two important components of quality care.
- In June, My InnerView, Inc. released its national report on customer satisfaction with nursing facilities. The report is based on surveys of more than 146,300 residents and family members and nearly 162,000 employees; 83% of the respondents rated overall satisfaction with their nursing home as "excellent" or "good" and fully 82% of the respondents said they would recommend the facility to others as "excellent" or "good."
- Long term care providers are providing quality of care and quality of life for residents, and that the profession is clearly being part of the solution. We are helping lead the charge, changing the culture, turning a corner on quality care.
- AHCA is working closely in coalition with other long term care providers, quality improvement experts, medical professionals, and consumers on the *Advancing Excellence in America's Nursing Homes* campaign, which builds on our efforts with Quality First and seeks to coordinate and leverage the various quality improvement initiatives already underway in nursing homes nationwide (see www.nhqualitycampaign.org).
- Government data indicates that quality is improving in several areas. A few examples include:
 - Nationally, direct care staffing levels (which include all levels of nursing care: Registered Nurses (RNs), Licensed Practical Nurses (LPNs) and Certified Nursing Assistants (CNAs)) have increased 10.6 percent between 2000 and 2008 - from 3.12 hours per patient day in 2000 to 3.45 hours in 2008;
 - The Quality Measure tracking pain for long term stay residents vastly improved from a rate of 10.7 percent in 2002 to 4.1 percent in 2008 - more than a 60 percent decrease;
 - The Quality Measure tracking the use of physical restraints for long stay residents dropped by more than 50 percent over six years - from 9.7 percent in 2002 to 4.5 percent in 2008;
 - The Quality Measure tracking pressure ulcers for post-acute skilled nursing facility patients (many of whom are admitted to the nursing facility with a pre-existing pressure ulcer) improved by nearly 22 percent over the course of five years, from 20.4 percent in 2003 to 16 percent in 2008; and
 - Substandard Quality of Care Citations as tracked by CMS surveys were reduced by 35.5 percent over seven years - from 4.5 percent in 2000 to 2.9 percent in 2007.
- We know that getting the appropriate care in the appropriate setting is critical. That's why we offer consumer-friendly information to help find a facility that will meet their specific needs like *How to Choose a Nursing Home*, which is available at www.LongTermCareLiving.com.

Key Dates Related to the Five-Star Rating Program

Late last week, CMS hosted a Skilled Nursing Facility (SNF) Open Door Forum to address some of the issues with this new program (see details below); other key dates related to the launch of 5-Star are listed below.

December 15 - 18

ENCORE Audio Recording of SNF Open Door Forum Available

DIAL: 800.642.1687

REFERENCE: Conference ID # 58378933.

December 15

Individual Facilities Notified of Star Ratings

CMS will notify each facility of its individual "5 Star" rating via notification sent to the facility's QIES or MDS mailbox (see attached sample PDF of materials that will be included in the notification to facilities). CMS notes that this notification could take up to 3 days; so, a facility may learn its "star" rating as early as December 15, but no later than December 17, 2008. Along with the facility's individual rating of 1 to 5 stars, CMS is providing a [3-page summary](#) (PDF) of this new rating system that is based on how a facility scores in terms of surveys, Quality Measures (QMs), and staffing.

December 16

CMS 5-Star Helpline (800.839.9290) Opens

CMS is opening a helpline that providers may call with technical questions about the Five-Star Quality Rating System. CMS has emphasized that this helpline is intended for questions about the system, not for appeals regarding a facility's particular star rating.

December 18

Five-Star Quality Rating System Goes "Live" on CMS' Nursing Home Compare including a Technical User's Guide)

USA Today To Run "Day of" Article on Five-Star

CMS Acting Administrator Kerry Weems also will host media conference call announcing the new program.