

CALIFORNIA ADVOCATES FOR NURSING HOME REFORM

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Why We Need Payroll-Based Staffing Data for Quality Reporting in Nursing Homes

February 20, 2015 – The Centers for Medicare & Medicaid Services is implementing improvements in its public nursing home quality reporting systems – Nursing Home Compare and the Nursing Home Five Star Quality Rating System. Initial changes made public this month raise the threshold for facilities to obtain a four or five-star rating for their nursing levels. CMS has also resumed researching and testing a system that will use payroll data, rather than inaccurate and often self-serving reports from facilities, as the basis for staffing quality reporting. CMS says the system will be operational by the end of 2016.

On October 6, 2014, the Obama Administration announced an Executive Action to implement the Affordable Care Act requirement that required a payroll-based data collection and quality reporting system for nursing homes. CMS has been working on such a system since 2003, after a large government study of the adequacy of nurse staffing levels in nursing homes found that existing nurse staffing data were often inaccurate. CMS missed the ACA’s March 2012 deadline to implement the system but has resumed work on it with an \$11 million appropriation under the 2014 IMPACT Act.

Why is this information so important?

CANHR believes accurate data about the quality of nurse staffing in nursing homes is absolutely essential to explain why some nursing homes provide good care and many others do not—and why states and the federal government should set minimum staffing requirements that are widely accepted as necessary to avoid the widespread harm occurring in nursing homes in California and across the United States.

A 2014 Office of Inspector General study found that *one-third of Medicare beneficiaries suffer adverse events or other harm (most of it preventable) during short nursing home stays intended to help them recover from an acute illness or injury*. Physicians who conducted medical reviews for the OIG study “attributed much of the preventable harm to substandard treatment, inadequate resident monitoring, and failure or delay of necessary care.” These problems are directly related to staffing hours and other factors that deeply affect quality of care, which will be reported on Nursing Home Compare and in the Five Star Quality Ratings when the ACA requirement is implemented:

- Hours of direct care from RNs, LPNs, and certified nursing assistants
- Turnover and retention rates
- Reliance on temporary agency workers

A 2004 study of the options for improving nurse staffing reporting on Nursing Home Compare noted:

The limitations of this [existing] system of public reporting are widely acknowledged: the self report staffing measures are not sufficiently accurate; the annual two-week reporting system is too short an interval to produce stable staffing measures; other important aspects of staffing such as turnover and retention rates are missing; and the system as implemented has virtually no audit mechanism. In spite of these limitations, [Nursing Home Compare] is frequently visited and regarded as helpful to the public.

CMS's nurse staffing data are consulted annually by millions – families, the press, researchers, government agencies, providers themselves – to evaluate nursing homes' quality. In an era when the federal government promotes quality measurement and transparency as keys to improving the quality of Medicare and Medicaid services, accurate, payroll-based data on nurse staffing is necessary to assess and improve the quality of nursing services in nursing homes.

Sources

- Affordable Care Act, Subtitle B, Nursing Home Transparency and Improvement; Sec. 6103, Nursing Home Compare Website, and Sec. 6106, Ensuring Staffing Accountability.
- *Appropriateness of Minimum Nurse Staffing Ratios in Nursing Homes*, Phase II Final Report, Abt Associates for CMS, Winter 2001.
- *Adverse Events in Skilled Nursing Facilities: National Incidence Among Medicare Beneficiaries*, HHS Office of Inspector General, OEI-06-11-00370; February 2014.
- *Options for a CMS Public Reporting System of Nurse Staffing in Nursing Homes*, Abt Associates for CMS, October 7, 2004.