

CMS ENDS FREEZE ON NURSING HOME FIVE-STAR RATING SYSTEM

On March 5, 2019, the Center for Clinical Standards and Quality/Survey & Certification Group released a [memorandum](#) titled “April 2019 Improvements to Nursing Home Compare and the Five-Star Rating System” (“Memorandum”). In the Memorandum, the Centers for Medicare & Medicaid Services (“CMS”) announced the end of the freeze on health inspection star ratings and added quality measure domain improvements.

CMS announced the release of the Memorandum in a [press release](#) stating that the revisions are part of CMS's ongoing effort to increase the accuracy of information available to consumers and to drive quality improvement at nursing homes across the country.

DETAILED ANALYSIS

CMS has a quality rating system that gives each nursing home a rating between one and five stars. Nursing homes with five stars are considered to have above average quality and nursing homes with one star are considered to have below average quality. There is one overall five-star rating for each nursing home, and a separate rating for each of the following three factors:

1. Health inspections that include the findings on compliance to Medicare and Medicaid health and safety requirements from onsite surveys conducted by state survey agencies;
2. The nursing home's staffing levels at any given time; and
3. The quality of resident care measures based on resident assessment and Medicare claims data.

CMS created a [Technical Users' Guide](#) for the Five-Star Quality Rating System.

END OF FREEZE ON STAR RATINGS

The Memorandum announces the lifting of the freeze on the health inspection ratings instituted in February 2018. CMS previously froze the health inspection star ratings category after implementing a new survey process for nursing homes. In April 2019, CMS will end the freeze on the health inspection domain of the Five-Star Quality Rating System.

CMS will resume the traditional method of calculating health inspection scores by using three cycles of inspections. Inspections occurring on or after November 28, 2017 will be included in each facility's star rating.

HIGHER THRESHOLDS FOR NURSING HOME STAFFING LEVELS

CMS intends to motivate nursing homes to improve their staffing levels by establishing new thresholds for staffing ratings.

CMS has previously reminded nursing homes of the importance of registered nurse (“RN”) staffing as it relates to quality and the federal requirement to have an RN on site eight hours a day, seven days a week. Currently, nursing homes that report seven or more days in a quarter with no RN onsite are automatically assigned one-star for their staffing rating domain. Beginning in April 2019, the threshold for the number of days without an RN on site that triggers an automatic downgrade to one-star will be reduced from seven days to four days.

PRACTICAL TAKEAWAYS

- Nursing homes should expect their five-star rating may change when the freeze ends.
- Nursing homes need to address staffing inadequacies by aggressively reviewing scheduling practices and actively pursuing hiring to fill positions and avoid staffing lapses.

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