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**NHPF Issue Brief**  
No.787 / January 9, 2003

**NATIONAL  
HEALTH  
POLICY  
FORUM**

## Converging on Nursing Home Quality

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**OVERVIEW** — *This paper looks at nursing home quality initiatives, built around public reporting of quality data, that have been inaugurated by the Centers for Medicare and Medicaid Services and the California HealthCare Foundation. How the projects were developed is explored, along with preliminary indicators of their impact on consumers and providers and likely next steps in their evolution.*

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## Converging on Nursing Home Quality

Quality of care in nursing homes—where more than half of Americans over 65 will spend time at some point in their lives—has long been a matter of concern for residents, families, consumer groups, and policymakers. While various quality-related efforts have been undertaken at the federal and state levels, none has proved wholly satisfactory, as attested by the titles of General Accounting Office (GAO) reports from 1998 (*California Nursing Homes: Care Problems Persist Despite Federal and State Oversight*) through 2002 (*Nursing Homes: More Can Be Done to Protect Residents from Abuse*).<sup>1</sup>

Quality initiatives inaugurated in recent months have seized on public reporting of quality data as key to steering people away from inadequate or negligent care. Sponsors suggest that making information available to consumers—for example, via the Centers for Medicare and Medicaid Services' (CMS') "Nursing Home Compare" or the California HealthCare Foundation's (CHCF's) "California Nursing Home Search" Web sites—could serve several purposes:

- Stimulate market forces by driving consumers toward the top-performing facilities, thereby forcing underachieving facilities to improve in order to remain competitive.
- Provide benchmarks and motivation to help facilities initiate quality improvement efforts.
- Develop an information base on which to build public policy.<sup>2</sup>

As might be said of almost any policy issue, there is a need in these initiatives to balance burden against benefit, the boon of readily available information against the danger that it could be inaccurate or misused, the desire for thoroughly valid quality measures against the peril of inertia and delay.

### THE CMS NURSING HOME QUALITY INITIATIVE

In 1998, CMS launched its "Nursing Home Compare" Web site, which now provides information about nursing homes (such as number of certified beds, type of ownership, and deficiencies found during the last state inspection) and their residents (such as percentage of residents with pressure sores or delirium). In 2001, Secretary of Health and Human Services Tommy G. Thompson announced an initiative to identify, collect, and publish nursing home quality information that would help consumers compare nursing homes in their local area. A six-month pilot

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project in Colorado, Florida, Maryland, Ohio, Rhode Island, and Washington was expanded to all 50 states in November 2002.

The pilot, designed to test new communication mechanisms for reaching Medicare beneficiaries, kicked off in April 2002 with newspaper ads in 30 newspapers in the six pilot states, each containing comparative quality information on nursing homes in that market. As Thompson described it, “We are both helping consumers to make decisions that best meet their needs and creating market incentives for nursing homes to further improve quality.”<sup>3</sup> In support of the latter effort, CMS directed its contracting quality improvement organizations to offer training to nursing homes on using the nursing homes’ own data to identify opportunities for improvement, to share best practices among nursing facilities, and to partner with nursing homes in quality-improvement programs.<sup>4</sup>

Settling on quality indicators to be publicly reported was a complicated process—one that is still not fully resolved. CMS originally contracted with two organizations, Abt Associates and the National Quality Forum (NQF), to study potential quality indicators and recommend those suitable for public reporting. Abt identified and analyzed existing quality indicators from the literature, including those developed earlier for CMS by the Center for Health Systems Research and Analysis (CHSRA) at the University of Wisconsin. Abt eventually recommended a set of these to CMS, along with a number of additional indicators that Abt itself developed to address perceived gaps in measuring care in the chronic and post-acute (short-stay) populations. The recommended indicators were based on the quarterly Minimum Data Set (MDS) reporting required of nursing homes by CMS.

NQF was charged with reviewing Abt’s results and (a) recommending a set of indicators suitable for use in CMS’ six-state pilot project and (b) developing a set of core quality measures to be used nationwide. Following its consensus-based model, NQF convened a steering committee, which eventually recommended 11 indicators to CMS. Nine were chosen. The agency’s criteria were that a set of measures represent a cross-section of domains of care and that they relate to each other to form a picture of overall quality of care. Nursing home industry representatives pointed out that all but one of the indicators were cast as negatives, such that a high score is worse than a low score.

Results of an Abt-conducted validation study of the measures it had recommended to CMS (including those used in the pilot) were reported in August 2002. The study’s purpose

**“We are both helping consumers to make decisions that best meet their needs and creating market incentives for nursing homes to further improve quality.”**

#### **“Indicator” vs. “Measure”**

*Quality indicators, as GAO explains it, are essentially numeric warning signs of problems, such as a higher-than-expected incidence of pressure sores. They are used to identify concerns that need further investigation, but are not enough on their own to make judgments about quality of care.*

*Quality measures have undergone validation tests to determine whether indicators actually reflect the quality of care provided, after taking resident- and facility-level conditions into account. Measures are reliable predictors of quality. The distinction probably is lost on the typical consumer.*

was to confirm that the indicators were accurate reflections of the quality of care provided by nursing homes. All but one of the pilot indicators (weight loss) passed muster and were accepted for use in the national rollout. CMS also made explicit the issue of risk adjustment, which has always been crucial in indicator analysis.

Many quality indicators have an associated risk factor at the level of the individual patient; that is, a patient's underlying health or functional status may make him or her more or less likely to develop one of the conditions that would trigger a quality indicator. Resident-level adjustment is built into the indicators for delirium in short-stay patients and pain in long-term residents. Moreover, facility risk profiles differ as well; a nursing home that admits a large number of frail or cognitively-impaired residents may expect to score differently than one whose population is less impaired. To address this, the Abt team proposed an approach that adjusts quality measures based on a nursing home's admission profile. CMS elected to include facility admission profile information for three indicators: pressure sores for long-term residents and delirium and walking for short-stay patients.

### Quality Indicators Used Nationwide

#### Percentage of chronic care patients who:

- Have lost ability in basic daily tasks.
- Have a pressure ulcer (bed sore).
- Have a pressure ulcer, with adjustment for facility risk.
- Are in severe pain at any time or moderate pain every day for seven days.
- Are in physical restraints.
- Have certain types of infections.

#### Percentage of post-acute patients who:

- Have symptoms of delirium.
- Have symptoms of delirium, with adjustment for facility risk.
- Are in severe pain at any time or moderate pain every day for seven days.
- Walk as well as or better than when last measured.

## CALIFORNIA NURSING HOME SEARCH

Both CMS and CHCF recognized that it has been difficult for consumers to find and understand information on nursing home quality. In February 2000, CHCF funded a two-year program to evaluate the quality of California's nursing homes and to distribute the findings to the public via an interactive Web site. The CHCF project also included a validation of MDS-based clinical quality performance indicators before publicly reporting these measures. The research phase of the project revealed that there were significant problems with quality of care in most nursing homes in the state and in most of the clinical areas being reviewed.

The "California Nursing Home Search" Web site presents facility-specific information in a number of categories: facility characteristics, resident characteristics (including demographics, care needs, length of residence, and need for assistance), nurse staffing, quality performance indicators, complaints that have been substantiated by the state licensing and certification agency, deficiencies and citations, and financial indicators.

While some of the information found on "California Nursing Home Search" is similar to that found on CMS' "Nursing Home Compare" Web site, the California project made use of state-specific data in order to broaden and improve the categories of information available to the consumer. For example, California nurse staffing information is augmented to include

turnover rates and recommended as well as average staffing ratios. Financial information (not available from CMS) also is included. Financial indicators are compiled from cost report data that nursing homes are required to submit to California's Office of Statewide Health Planning and Development.

CHCF's original seven quality performance indicators are all CHSRA-developed measures for chronic care: weight loss, being in bed all or most of the time, use of physical restraints, presence of pressure ulcers, problems controlling bowel or bladder functions, and loss of functioning or ability to carry out activities of daily living. The validation study found that the relationship between the quality performance indicator and the level of care provided at a facility was strong enough to allow a facility to be rated as better than average, average, or worse than average for three quality performance indicators: weight loss, being in bed all or most of the time, and use of physical restraints.<sup>5</sup> Ratings for these three are now included on the Web site. The four others are included on the site but not rated, because "no significant differences in care processes were observed between homes that scored high and low on these indicators."<sup>6</sup>

"California Nursing Home Search" went live on October 15, 2002. On that same day—not coincidentally—Gov. Gray Davis announced his Long-Term Care Consumers initiative, designed to expand consumer protection for seniors and impose stiffer penalties for nursing home violations.

Three states, Maryland, Rhode Island, and Florida, also report facility-specific CHSRA-based quality indicators, and other states are in the process of developing their own reporting systems.

## NEXT STEPS

While CMS was preparing for its pilot and CHCF for its launch, the NQF steering committee continued to work on the second part of its charge from CMS, a core set of nursing home quality measures for use nationwide. In making recommendations for the pilot, the committee had agreed to limit itself to considering those indicators already recommended by Abt. For the core set, NQF made clear, no such limitation would apply. The steering committee felt strongly that domains of care beyond the clinical should be considered, such as quality of life and patient satisfaction.

In April 2002, NQF released a draft consensus report for NQF membership and public comment. The thought was then to proceed to a board vote in the summer. However, various interested parties (notably CMS, but also stakeholders such as the American Association of Homes and Services for the Aging) requested that NQF delay a vote, on the grounds that additional information, including the Abt validation study and another carried out by CHCF, was soon to become available. The NQF board agreed to a delay, and has undertaken a de novo consideration of a core set of measures under a new CMS contract.

**Financial information not available on the CMS site is included on the CHCF site.**

CMS elected to go forward with the initiative in all 50 states before NQF completed its work, drawing criticism from the General Accounting Office (GAO) for its precipitancy. GAO's reservations were based in concern about the accuracy of underlying MDS data, the representativeness of Abt's validation sample, and CMS' capacity to respond to questions raised by the public about how to interpret and use the newly available information, as well as the fact that the pilot had not been fully evaluated.

In the same report, however, GAO described CMS' public-reporting initiative as "a commendable and worthwhile goal."<sup>7</sup> This assessment appears to be shared by all concerned, including nursing home industry trade associations.<sup>8</sup> Differences of opinion about implementation have yet to be resolved, though both CMS and CHCF have pledged to adopt the consensus measures once these have been promulgated by NQF. How meaningful quality measures are to consumers at the time of seeking a nursing home placement will have to be studied over time. Observers agree that the most important test will be to establish links between quality initiatives and demonstrable quality improvement in nursing home care.

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## ENDNOTES

1. U.S. General Accounting Office, *California Nursing Homes: Care Problems Persist Despite Federal and State Oversight* (GAO/HEHS-98-202), Washington, D.C., July 27, 1998; U.S. General Accounting Office, *Nursing Homes: More Can Be Done to Protect Residents from Abuse* (GAO-02-312), Washington, D.C., March 1, 2002.
2. California Nursing Home Search, "Web Site Overview and Research Findings," accessed December 10, 2002, at <http://www.calnhs.org/research/view.cfm?itemID=19963>.
3. U.S. Department of Health and Human Services, "HHS Releases Quality Data about Individual Nursing Homes," press release, Washington, D.C., April 24, 2002.
4. Yael Harris and Steven B. Clauser, "Achieving Improvement through Nursing Home Quality Measurement," *Health Care Financing Review*, 23, no. 4 (Summer 2002): 12.
5. California Nursing Home Search, "Web Site Overview."
6. California Nursing Home Search, "Web Site Overview."
7. U.S. General Accounting Office, *Nursing Homes: Public Reporting of Quality Indicators Has Merit, but National Implementation Is Premature* (GAO-03-187) Washington, D.C., October 31, 2002.
8. For example, the American Health Care Association's press releases in connection with the pilot launch and the national rollout were headlined, respectively, "Administration's Nursing Home Quality Initiative 'Bold, Timely, and Historic'" and "National Nursing Home Quality Initiative to Improve Patient Care, Consumer Power to Choose."