

United States Senate

Washington, D.C. 20510

MEMORANDUM

TO: Reporters and Editors
FR: Jill Kozeny, for Senator Grassley, 202/224-1308
Ashley Glacel, for Senator Kohl, 202/224-5364
RE: new GAO report on nursing home quality of care
DA: May 15, 2008

Senators Chuck Grassley and Herb Kohl have released a report of the Government Accountability Office. The report – GAO-08-571 – is titled NURSING HOMES Federal Monitoring Surveys Demonstrate Continued Understatement of Serious Care Problems and CMS Oversight Weaknesses. It will be posted today at www.gao.gov.

The senators said the findings by GAO give Congress more reason to pass their legislation to give consumers more information and give nursing homes more incentive to comply with federal quality of care standards.

Comment from Senator Grassley:

“The report spells out the chain of oversight deficiencies that result in quality of care deficiencies for nursing home residents continuing to the detriment of residents. We need to make sure state surveyors have an improved survey methodology and adequate investigative skills to identify problems. Federal penalties need to be strong enough to achieve accountability and encourage compliance. Above all, consumers need access to accurate, meaningful and current data. Our legislative reform effort is about securing transparency. With information, consumers can make the best choices for their loved ones. Collectively, those choices can improve nursing home safety and quality across-the-board.”

Comment from Senator Kohl:

“This report makes it clear that the nation is due for an overhaul of nursing home standards. Not surprisingly, some members of the for-profit nursing home industry would prefer to maintain the status quo. That's unacceptable to us. We're going to push very hard to have our bill included in the upcoming Medicare package.”

Last fall, Grassley and Kohl introduced the Nursing Home Transparency and Improvement Act. The legislation is intended to improve the quality of care in nursing homes with more and better information for consumers provided by the federal government on the Nursing Home Compare website, new requirements for accurate reporting of the staff who are providing direct services in nursing homes, stiffer penalties for serious quality deficiencies, and greater accountability and transparency about who owns and operates nursing homes.

Grassley is ranking member and former chairman of the Committee on Finance, with jurisdiction over the federal health care programs that cover nursing home care, and former chairman of the Special Committee on Aging. Kohl is chairman of the Special Committee on Aging, a standing committee that conducts oversight of issues related to the health, safety, and financial well-being of older Americans.

Serious Deficiencies in Nursing Homes Are Often Missed, Report Says

Source: The New York Times

Date: 05/15/2008

Section: National Desk; SECTA

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By ROBERT PEAR

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WASHINGTON -- Nursing home inspectors routinely overlook or minimize problems that pose a serious, immediate threat to patients, Congressional investigators say in a new report.

In the report, to be issued on Thursday, the investigators, from the Government Accountability Office, say they have found widespread "understatement of deficiencies," including malnutrition, severe bedsores, overuse of prescription medications and abuse of nursing home residents.

Nursing homes are typically inspected once a year by state employees working under contract with the federal government, which sets stringent standards. Federal officials try to validate the work of state inspectors by accompanying them or doing follow-up surveys within a few weeks.

The accountability office found that state employees had missed at least one serious deficiency in 15 percent of the inspections checked by federal officials. In nine states, inspectors missed serious problems in more than 25 percent of the surveys analyzed from 2002 to 2007.

The nine states most likely to miss serious deficiencies were Alabama, Arizona, Missouri, New Mexico, Oklahoma, South Carolina, South Dakota, Tennessee and Wyoming, the report said.

More than 1.5 million people live in nursing homes. Nationwide, about one-fifth of the homes were cited for serious deficiencies last year.

"Poor quality of care -- worsening pressure sores or untreated weight loss -- in a small but unacceptably high number of nursing homes continues to harm residents or place them in immediate jeopardy, that is, at risk of death or serious injury," the report said.

Nursing homes must meet federal standards as a condition of participating in Medicaid and Medicare, which cover more than two-thirds of their residents, at a cost of more than \$75 billion a year.

The study was done at the request of Senators Charles E. Grassley, Republican of Iowa, and Herb Kohl, Democrat of Wisconsin, who is chairman of the Senate Special Committee on Aging.

Mr. Grassley and Mr. Kohl have introduced a bill to upgrade nursing home care and increase the penalties for violations of federal standards. The maximum fine, now generally \$10,000, would be increased to \$25,000 for a serious deficiency and \$100,000 for one that resulted in a patient's death.

The senators are pushing to have their bill included in a package of Medicare changes that Congress is expected to pass next month.

But the American Health Care Association, a trade group for nursing homes, opposes the Grassley-Kohl bill in its current form.

Bruce A. Yarwood, president of the association, said: "We should not be increasing fines, adding auditors and encouraging a 'gotcha' mentality. We should be testing new, less punitive ways to measure and improve the quality of care."

Influential consumer groups support the bill. David P. Sloane, senior vice president of AARP, the lobby for older Americans, said it was "one of the most significant nursing home reform initiatives" in two decades.

Under the bill, nursing homes would have to provide consumers and the government with more information about their owners and "affiliated or related parties," including any individual or company that had a role in managing their operations.

Lewis Morris, chief counsel to the inspector general of the Department of Health and Human Services, said he had often been frustrated in trying to identify the owners of nursing homes that provided substandard care.

"We have found nursing home residents who were grossly dehydrated or malnourished," Mr. Morris said. "We've found patients with maggot infestations in wounds and dead flesh. We've found residents with broken bones that went unmended."

After discovering such problems, the federal government has required some companies to sign compliance agreements, monitored by outside experts. "Our experience shows that such compliance programs do improve the quality of care," Mr. Morris said.

The Bush administration said it agreed with the findings of the accountability office and would supervise state inspectors more closely.

"We fully endorse and will implement all the G.A.O. recommendations," Vincent J. Ventimiglia Jr., an assistant secretary of health and human services, said in written comments on the report.