HCANJ

44th Annual 20-Hour Symposium
March 16, 2016

FIVE-STAR RATING SYSTEM & QUALITY MEASURES

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VICE PRESIDENT, The CHARTS Group
LEARNING OBJECTIVES:

CURRENT 5-STAR RATING SYSTEM

- Appreciate the importance of the current 5-Star Rating System
- Learn the DOMAINS of the 5-Star Rating Scores:
  - STATE HEALTH INSPECTION DOMAIN
  - STAFFING DOMAIN
  - QUALITY MEASURES DOMAIN
- Explore practical strategies for success in each domain; i.e. how to add stars and how NOT to lose stars
What is it?
What Do The Stars Mean?

- System that assigns 1 to 5 Stars to every Medicare and/or Medicaid certified nursing home
- 4 RATINGS: Over-all Cumulative Rating & 3 Domains

| ★★★★★ | Much Above Average |
| ★★★★★ | Above Average |
| ★★★★   | Average          |
| ★★★    | Below Average    |
| ★       | Much Below Average |
The Original Goal: For Consumers

MANAGED CARE, ACO’S & Other Non-FFS Payor Sources: Use ratings to establish networks & partnerships

CMS DEMONSTRATION PROJECTS/INITIATIVES: Will waive 3-day hospital stay to qualify for SNF stay if SNF has 3-Stars: e.g.
- Hospitals in CCJR model (starting Jan 1st)
- Hospitals in Advanced ACO demonstration

Liability Insurance Carriers: Use to set rates

Trial Lawyers: Use to fish for cases & to support allegations of poor quality care

IMPORTANCE: Now Imperative for Facility Survival
Stars calculated are based on:

1. **State Health Inspections**
   - Forms the basis for number of stars

2. **Nursing Home Staffing Information**
   - Can pull basic score in one direction or the other

3. **Quality Measures: 11 QM’S (3 Short-Stay & 8 Long-Stay)**
   - Can pull basic score in one direction or the other
STATE HEALTH INSPECTION RATING DOMAIN
HEALTH INSPECTION: COMPUTATION

STATE HEALTH INSPECTIONS RATING = WEIGHTED DEFICIENCIES & # OF REPEAT VISITS

From Standard, Complaint & SF Surveys (With some Caveats)
STATE HEALTH INSPECTIONS RATING: SCOPE & SEVERITY OF DEFICIENCIES

STATE SURVEY RESULTS (Standard; Complaint & Special Focus Surveys):

- Points are assigned to individual health deficiencies according to their Scope & Severity

- Substandard Quality of Care = Additional points assigned

- “Past Non-compliance” & “Severity is Immediate Jeopardy” (i.e. “J”, “K” or “L”-level) = Points associated with a “G” level deficiency are assigned.
STATE HEALTH INSPECTIONS RATING: Standard Surveys

- 3 most recent Annual Inspection Surveys: Each deficiency is weighted by Scope and Severity

- More recent annual surveys weighted more heavily than earlier surveys

STATE HEALTH INSPECTIONS:

- Most recent period (cycle 1) = 1/2
- The previous period (cycle 2) = 1/3
- The 2\textsuperscript{ND} prior survey (cycle 3) = 1/6
STATE HEALTH INSPECTIONS RATING: Complaint & Special Focus Surveys

SUBSTANTIATED COMPLAINT INVESTIGATIONS & DEFICIENCIES FROM S.F. SURVEYS:

- Assigned to **time period based on calendar year** in which they occurred

- Includes the most recent **36 months of complaint investigations**

**WEIGHTS:**

- Within Most recent 12 months = 1/2
- 13 - 24 months ago = 1/3
- 25 - 36 months ago = 1/6
<table>
<thead>
<tr>
<th>SEVERITY</th>
<th>ISOLATED</th>
<th>PATTERN</th>
<th>WIDESPREAD</th>
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<tbody>
<tr>
<td>Immediate Jeopardy to Resident Health or Safety</td>
<td>J 50 POINTS*</td>
<td>K 100 POINTS*</td>
<td>L 150 POINTS*</td>
</tr>
<tr>
<td></td>
<td>(75 POINTS)</td>
<td>(125 POINTS)</td>
<td>(175 POINTS)</td>
</tr>
<tr>
<td>Actual Harm that is Not Immediate Jeopardy</td>
<td>G 20 POINTS</td>
<td>H 35 POINTS</td>
<td>I 45 POINTS</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(40 POINTS)</td>
<td>(50 POINTS)</td>
</tr>
<tr>
<td>No actual harm with potential WITH Potential for More than Minimal Harm</td>
<td>D 4 POINTS</td>
<td>E 8 POINTS</td>
<td>F 16 POINTS</td>
</tr>
<tr>
<td>that is NOT IJ</td>
<td></td>
<td></td>
<td>(20 POINTS)</td>
</tr>
<tr>
<td>No Actual Harm with Potential for Minimal Harm</td>
<td>A 0 POINTS</td>
<td>B 0 POINTS</td>
<td>C 0 POINTS</td>
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</table>

( )=Substandard QOC

* = Past

Non-Compliance

and IJ

Immediate Jeopardy to Resident Health or Safety

Actual Harm that is Not Immediate Jeopardy

No actual harm with potential WITH Potential for More than Minimal Harm that is NOT IJ

No Actual Harm with Potential for Minimal Harm

Actual Harm that is Not Immediate Jeopardy

No actual harm with potential WITH Potential for More than Minimal Harm that is NOT IJ

No Actual Harm with Potential for Minimal Harm

Immediate Jeopardy to Resident Health or Safety

Actual Harm that is Not Immediate Jeopardy

No actual harm with potential WITH Potential for More than Minimal Harm that is NOT IJ

No Actual Harm with Potential for Minimal Harm

Immediate Jeopardy to Resident Health or Safety

Actual Harm that is Not Immediate Jeopardy

No actual harm with potential WITH Potential for More than Minimal Harm that is NOT IJ

No Actual Harm with Potential for Minimal Harm
Repeat Revisits - Number of repeat revisits required to confirm that correction of deficiencies have restored compliance:

1\textsuperscript{st} Revisit = NO POINTS

2\textsuperscript{nd} Revisit = 50\% Health Inspection Score

3\textsuperscript{rd} Revisit = 70\% Health Inspection Score

4\textsuperscript{th} Revisit = 85\% Health Inspection Score

* Points from complaint deficiencies are added to health inspection score before calculating revisit points.
CUT-POINTS: Re-calibrated each month BUT rating for facility is held constant until a change in facility’s survey deficiencies

ITEMS THAT COULD CHANGE THE HEALTH INSPECTION SCORE:

1. A New Health Inspection Survey
2. A complaint or SF survey resulting in deficiencies
3. A 2\textsuperscript{nd}, 3\textsuperscript{rd} or 4\textsuperscript{th} Re-visit
4. Resolution of an IDR or I-IDR resulting in changes to scope and severity of deficiencies
5. The “aging” of complaint deficiencies (time period based on the calendar year in which complaint survey occurred)
STATE HEALTH INSPECTIONS RATING

**Step 1:** Calculate weighted 3 year average survey score
- 3 Annual Inspection Surveys (Scope & Severity)
- Complaint Investigations & SF Survey (Scope & Severity) = 36 months
- Number of revisits to correct deficiencies.

**Step 2:** Rank all facilities within each state based on their scores

**Step 3:** Assign 1 to 5 stars based on ranking within each state
How to Avoid 1 or 2 stars on Survey

- Mock Surveys – Be Proactive!!!
- No Substandard Quality Survey
- Know your State’s Health Inspection Cut-points (updated monthly)
- Most common reason for deficiencies:
  - Staff did not follow SNF policy, procedure, care plan or orders
  - Substandard Quality of Care Deficiencies: F221 – F226; F240 – F258; F309 – F333
STAFFING RATING DOMAIN
STAFFING RATING:
RN HOURS & ALL NURSING STAFF HOURS

1. **RN HOURS** = (F39: DON) + (F40: Nurses with Administrative Duties*) + (F41: RN’s)

* **Nurses with Administrative Duties** = RNs & LPN’s who perform RAI functions & do not perform direct care functions OR whose principal duties are spent conducting administrative functions

2. **TOTAL STAFFING HOURS PER PATIENT DAY** =
RN Hours (F39+F40+F41) + LPN Hours (F42) + Nurse Aide Hours*

* **Nurse Aide Hours** = (F43: C.N.A. ’s) + (F44: Aides in Training) + (F45: Medication Aides/Techs)
STAFFING RATING

- **Reported Hours based on CMS-671 Form** (LTC Facility Application for Medicare & Medicaid) – Completed for Survey

- **Census from the CMS-672 Form** (Resident Census & Conditions of Residents) = “Total Residents” including Bed holds (on 1st Day of survey)

- **Expected Hours or Staffing Levels** = calculated based on resident acuity using RUG-III (v. 53) Categories
  - Uses MDS Information from the last quarter from which the staffing data was collected
  - Uses most recent info - Can be composite from most recent comprehensive, full, quarterly, & PPS assessments for a particular resident

- National Average: RN = 0.7472; All Nursing = 4.0309
STAFFING RATING: CALCULATION

Hours Adjusted = (Hours Reported/Hours Expected) * Hours National Average

**Reported:** Hours reported during annual survey

**Expected:** Based on RUG-III calculation of most recent MDS’s (Quarter prior to survey)

National Average Hours per Resident per Day (Mean across all facilities):

- Registered Nurses = 0.7472
- Total Nursing Staff (Aides + LPNs + RNs) = 4.0309

**Total Nursing Staffing Example:**

3 reported ÷ 6 expected = ½ x national average 4.0309 = 2.0154 ADJUSTED HOURS
# STAFFING POINTS AND DOMAIN:

<table>
<thead>
<tr>
<th>RN RATING AND HOURS</th>
<th>TOTAL STAFFING RATING AND HOURS (RN’ S, LPN’ S AND AIDES)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>&lt;3.262</td>
<td>&lt;0.283</td>
</tr>
<tr>
<td>3.262 - 3.660</td>
<td>0.283 - 0.378</td>
</tr>
<tr>
<td>3.661 - 4.172</td>
<td>0.379 - 0.512</td>
</tr>
<tr>
<td>4.173 - 4.417</td>
<td>0.513 - 0.709</td>
</tr>
<tr>
<td>&gt;4.418</td>
<td>&gt;0.710</td>
</tr>
</tbody>
</table>
How to avoid losing Stars on Staffing?

- To avoid losing a star based on Staffing
  - RN Hours PPD: >0.378
  - All Nursing Staff Hours PPD: >3.660

- To add a star based on your Staffing
  - RN Hours PPD: >0.513
  - All Nursing Staff Hours PPD: >4.173
STAFFING RATING CHANGES (2/2015)

Changed the criteria to achieve 3 or 4 stars:

- A rating of 3 stars on either RN or All Nursing Staff no longer results in 4 stars; Now it equals 3 stars for the Staffing Component
UPCOMING STAFFING RATING CHANGES

- CMS plans to audit your staffing payroll data and MDS data.

- PBJ (Payroll-Based Journal) – Voluntary as of October 1, 2015; Mandatory as of July 1, 2016.

- Change in Tool to calculate Staffing Rating may not be implemented until late 2017 or early 2018.
QUALITY MEASURES
RATING DOMAIN
MDS 3.0
CURRENT QM’S FOR FIVE STAR RATING

★★★★★

3 SHORT-STAY MEASURES

☑️% SELF-REPORTED MODERATE TO SEVERE PAIN

☑️% NEW OR WORSENED PRESSURE ULCERS

☑️% NEWLY RECEIVED AN ANTIPSYCHOTIC MEDICATION
QM’S FOR FIVE STAR RATING

8 LONG-STAY MEASURES

- % SELF-REPORTED MOD. TO SEVERE PAIN
- % OF HIGH RISK PRESSURE ULCERS
- % FALLS WITH MAJOR INJURY
- % UTI
- % INCREASED NEED FOR ADL HELP
- % CATHETER INSERTED & LEFT IN BLADDER
- % PHYSICAL RESTRAINTS
- % RESIDENTS WHO RECEIVED AN ANTIPSYCHOTIC MED
QM’S FOR FIVE STAR RATING: CHANGES in FEBRUARY 2015

- CMS has changed how the QM component ratings are calculated which impacts your overall ratings - 2/2015

- Added 2 new QM’s (Antipsychotics) – 2/2015
New Measures are being added to Five Star

April 2016, CMS will begin publicly reporting six new quality measures (QMs)—four short-stay measures (three claims-based and one MDS-based) and two MDS-based long-stay QMs—on Nursing Home Compare.

July 2016, 5 of those 6 new QMs will begin to be included in the Five Star Quality Rating System until they are fully incorporated effective in January 2017.
QM’S FOR FIVE STAR RATING: CHANGES 
announced in the March 3\textsuperscript{RD} SNF-ODF

6 New QMs are:

1. Percentage of short-stay residents who were successfully discharged to the community (Claims-based)*

2. Percentage of short-stay residents who have had an outpatient emergency department (ED) visit (Claims-based)*

3. Percentage of short-stay residents who were re-hospitalized after a nursing home admission (Claims-based)*

4. Percentage of short-stay residents who made improvements in function (MDS-based)*

5. Percentage of long-stay residents whose ability to move independently worsened (MDS-based)*

6. Percentage of long-stay residents who received an antianxiety or hypnotic medication (MDS-based)
QM’S FOR FIVE STAR RATING: CHANGES announced in the March 3RD SNF-ODF

HANDY TOOLS TO HAVE:

- CMS’s Slides (via Abt Associates) - provides key information about the new six QMs, including numerator and denominator summaries. (See Hand-out)

- AANAC’s Charts – Explains what’s currently known about each QM (See Hand-out)
QM’S FOR FIVE STAR RATING: CHANGES announced in the March 3RD SNF-ODF

Check your 5-STAR Preview Reports:
- April - New QMs will be part of the normal Five Star Preview Report process (typically between the 8thth and the 15th of the month).

NOTE: CMS won’t be able to provide information about how the five new Five Star QMs will impact each facility’s QM rating effective with the April reports, stressed officials. “That information won’t be available until we get closer to July. But we will be able to give you the most current numbers, and you will be able to see how you do relative to the national rating system. At the same time, we are going to be working with a coalition of groups to assemble a set of tools that can help you with quality improvement efforts you may want to engage in”.
While new QMs will “eventually” be incorporated into the CASPER quality measure reports, CMS officials don’t have a timeline available.
CMS will soon update the *MDS 3.0 Quality Measures User Manual* to reflect the exact specifications for the three new MDS-based QMs, said officials. “For the claims-based measures, we will probably issue a separate manual,” CMS added. “The methodology and data sources are pretty different than they are for the MDS measures.”

In addition, CMS plans to update the *Five Star Quality Rating System Technical Users’ Guide*, said officials. “We probably will update that closer to the July launch.”
QM’S FOR FIVE STAR RATING: CHANGES announced in the March 3RD SNF-ODF

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Software uses assessments in several different ways to calculate the QM’s.

- For most QM's, looks for specific information on the target assessment.
- For some, compares initial assessment and subsequent assessment.
- For some, compares target assessment with a prior assessment.
- The other method is to look at all assessments in the entire episode – that is the look back scan.
QM Component Rating Methodology

Uses 3 most recent quarters available:

- **Step 1**: Assign 20, 40, 60, 80 or 100 points for each QM based on QM rate against a set of threshold cut-points (*Old Method = Based on 1 point increments*)

- **Step 2**: Add up points for all 11 QMs

- **Step 3**: Compare *Aggregate score of 11 QMs* against threshold cut-points to assign Stars
  
  - Change from previous method by rebasing threshold cut points to account for 11 QMs and past high rates of achievement
QM’S FOR FIVE STAR RATING

SCORING RULES: THRESHOLDS

SHORT-STAY: NEW OR WORSENED PRESSURE ULCERS = Facilities ranked accordingly

- 100 POINTS = Facilities achieving the Best Possible Score (0% of Residents Triggering the QM) = 1/3 of facilities
- 75 POINTS = (23% of Facilities)
- 50 POINTS = (23% of Facilities)
- 25 POINTS = Poorest Performing Facilities (23% of Facilities)
QM’S FOR FIVE STAR RATING
SCORING RULES: THRESHOLDS

FOR SHORT-STAY: Anti-psychotic Medications

- Facilities grouped into quintiles based on National Distribution of the QM
  - 20 POINTS: Poorest Performing 20% of facilities
  - 40 POINTS: 20% of Facilities
  - 60 POINTS: 20% of Facilities
  - 80 POINTS: 20% of Facilities
  - 100 POINTS: Best Performing 20% of Facilities
QM’S FOR FIVE STAR RATING
SCORING RULES: THRESHOLDS

FOR SHORT-STAY: Pain and

FOR LONG-STAY: Pain; ADL Decline; Pressure Ulcers; Catheter; UTI; Falls with Major Injury

Facilities grouped into quintiles based on National Distribution of the QM (except for ADL = State)

- 20 POINTS: 1st Quintile (Poorest Performing)
- 40 POINTS: 2nd Quintile
- 60 POINTS: 3rd Quintile
- 80 POINTS: 4th Quintile
- 100 POINTS: 5th Quintile (Best Performing)
QM’S FOR FIVE STAR RATING
SCORING RULES: THRESHOLDS

FOR LONG-STAY: PHYSICAL RESTRAINTS

- **100 POINTS** = Facilities achieving the Best Possible Score (0% of Residents Triggering the QM) = **60%** or **3 Quintiles** of facilities

- **60 POINTS** = Middle Performing Facilities (20% or 1 Quintile)

- **20 POINTS**: = Poorest Performing Facilities (20% or 1 Quintile)
QM’S FOR FIVE STAR RATING
SCORING RULES: THRESHOLDS

FOR LONG-STAY: Anti-psychotic Medications

- Facilities grouped into quintiles based on National Distribution of the QM

- 20 POINTS: Poorest Performing 20% of facilities
- 40 POINTS: 23.3% of Facilities
- 60 POINTS: 23.3% of Facilities
- 80 POINTS: 23.3% of Facilities
- 100 POINTS: Best Performing 10% of Facilities
QM’S FOR FIVE STAR RATING
SCORING RULES

- All 11 QM’s are given EQUAL WEIGHT
- The points are summed across all QM’s to create a TOTAL Score for each Facility
- TOTAL POSSIBLE SCORE = 220 POINTS – 1100 POINTS
- All QM’s except for ADL Measure are based on National Distribution

Rationale: ADL Measure appears to be particularly influenced by differences in State Medicaid Policies governing LTC
QM’S FOR FIVE STAR RATING
STAR CUT-POINTS

<table>
<thead>
<tr>
<th>QM RATING</th>
<th>POINT RANGE FOR MDS QM SUMMARY SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 STAR</td>
<td>225 - 544</td>
</tr>
<tr>
<td>2 STARS</td>
<td>545 - 629</td>
</tr>
<tr>
<td>3 STARS</td>
<td>630 - 689</td>
</tr>
<tr>
<td>4 STARS</td>
<td>690 - 759</td>
</tr>
<tr>
<td>5 STARS</td>
<td>760 – 1,100</td>
</tr>
</tbody>
</table>
Quality Measure Rates & Points

- How to Achieve 5 Stars in Quality Measures: Add 1 star by averaging >69 points per QM.

- 1 Star in Quality Measures: You will lose 1 star if you average <49 points per QM.
## Overall Rating (Composite Measure)

<table>
<thead>
<tr>
<th>Step 1</th>
<th>Step 2</th>
<th>Step 3</th>
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<tbody>
<tr>
<td>Health Inspection Rating</td>
<td>Staffing Rating</td>
<td>Quality Measures Rating (QMs)</td>
</tr>
<tr>
<td>Start with Health</td>
<td>Add 1 star for 4- or</td>
<td>Add 1 star for 5-Star QMs</td>
</tr>
<tr>
<td>Inspection Rating</td>
<td>5-Star Staffing &amp; Survey Rating</td>
<td>Subtract 1 star for 1-Star QMs</td>
</tr>
<tr>
<td></td>
<td>Subtract 1 star for 1-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Star Staffing</td>
<td></td>
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</tbody>
</table>

**Overall Rating**

If you are 1-Star in Health Inspections, you can only add 1 STAR
For a SFF that has not graduated: Maximum = 3 Stars
REACH FOR 5 STARS STRATEGIES FOR SUCCESS
ADD STARS; DO NOT LOSE STARS!!

- Make sure you add a star to your survey rating based on your
  - Staffing Levels
  - Quality Measures

- Do not lose a star because of your
  - Staffing Levels
  - Quality Measures
ALIGNING YOUR STARS

- Any new inspection survey or complaint investigation in your facility can change rating

- CASPER staffing data is added annually after annual health inspection survey
  - Case-Mix adjustment may change quarterly

- QMs are updated quarterly
  - Mid-month in January, April, July, October
Aligning Your Stars

- Analyzing Five-Star-related scores point-by-point may not be the best use of time.

- Focus efforts on bottom-line issues up front:
  - Quality of care
  - Staffing levels consistent with acuity
  - **Accurate MDS Coding**

- Establish effective QAPI Programs:
  - Improves care, surveys, resident and staff satisfaction, and Five-Star Rating.
RESOURCES

- MDS 3.0 Quality Measures User’s Manual (version 9.0)
- http://www.medicare.gov/Nursing Home Compare
- www.cms.gov
- www.aanac.org

THANK YOU!

QUESTIONS?