



Highlights of [GAO-07-794T](#), a testimony before the Special Committee on Aging, U.S. Senate

Why GAO Did This Study

With the Omnibus Budget Reconciliation Act of 1987 (OBRA '87), Congress responded to growing concerns about the quality of care that nursing home residents received by requiring reforms in the federal certification and oversight of nursing homes. These reforms included revising care requirements that homes must meet to participate in the Medicare or Medicaid programs, modifying the survey process for certifying a home's compliance with federal standards, and introducing additional sanctions and decertification procedures for noncompliant homes.

GAO's testimony addresses its work in evaluating the quality of nursing home care and the enforcement and oversight functions intended to ensure high-quality care, the progress made in each of these areas since the passage of OBRA '87, and the challenges that remain.

GAO's testimony is based on its prior work; analysis of data from the Centers for Medicare & Medicaid Services' (CMS) On-Line Survey, Certification, and Reporting system (OSCAR), which compiles the results of state nursing home surveys; and evaluation of federal comparative surveys for selected states (2005-2007). Federal comparative surveys are conducted at nursing homes recently surveyed by each state to assess the adequacy of the state's surveys.

www.gao.gov/cgi-bin/getrpt?GAO-07-794T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Kathryn G. Allen at (202) 512-7118 or allenk@gao.gov.

NURSING HOME REFORM

Continued Attention Is Needed to Improve Quality of Care in Small but Significant Share of Homes

What GAO Found

The reforms of OBRA '87 and subsequent efforts by CMS and the nursing home industry to improve the quality of nursing home care have focused on resident outcomes, yet a small but significant share of nursing homes nationwide continue to experience quality-of-care problems. In fiscal year 2006, almost one in five nursing homes was cited for serious deficiencies, those that caused actual harm or placed residents in immediate jeopardy. While this rate has fluctuated over the last 7 years, GAO has found persistent variation in the proportion of homes with serious deficiencies across states. In addition, although the understatement of serious deficiencies—that is, when federal surveyors identified deficiencies that were missed by state surveyors—has declined since 2004 in states GAO reviewed, it has continued at varying levels.

CMS has strengthened its enforcement capabilities since OBRA '87 in order to better ensure that nursing homes achieve and maintain high-quality care, but several key initiatives require refinement. CMS has implemented additional sanctions authorized in the legislation, established an immediate sanctions policy for homes found to repeatedly harm residents, and developed a new enforcement management data system. However, the immediate sanctions policy is complex and appears to have induced only temporary compliance in some homes with a history of repeated noncompliance. Furthermore, CMS's new data system's components are not integrated and national reporting capabilities are incomplete, which hamper CMS's ability to track and monitor enforcement.

CMS oversight of nursing home quality has increased significantly, but CMS initiatives continue to compete for staff and financial resources. Attention to oversight has led to greater demand on limited resources, and to queues and delays in certain key initiatives. For example, a new survey methodology has been in development for over 8 years and resource constraints threaten the planned expansion of this methodology beyond the initial demonstration states.

Significant attention from the Special Committee on Aging, the Institute of Medicine, and others served as a catalyst to focus national attention on nursing home quality issues, culminating in the nursing home reform provisions of OBRA '87. In response to many GAO recommendations and at its own initiative, CMS has taken many important steps; however, the task of ensuring high-quality nursing home care for all residents is not complete. In order to guarantee that all nursing home residents receive high-quality care, it is important to maintain the momentum begun by the reforms of OBRA '87 and continue to focus national attention on those homes that cause actual harm to vulnerable residents.