



Highlights of [GAO-08-517](#), a report to congressional requesters

## Why GAO Did This Study

GAO reports since 1998 have demonstrated that state surveyors, who evaluate the quality of nursing home care on behalf of CMS, sometimes understate the extent of serious care problems in homes because they miss deficiencies. CMS oversees the effectiveness of state surveys through the federal monitoring survey program. In this program, federal surveyors in CMS's regional offices either independently evaluate state surveys by resurveying a home (comparative surveys) or directly observe state surveyors during a routine nursing home survey (observational surveys). GAO was asked to evaluate the information federal monitoring surveys provide on understatement and the effectiveness of CMS management and oversight of the survey program. To do this, GAO analyzed the results of federal monitoring surveys for fiscal years 2002 through 2007, reviewed CMS guidance for the survey program, and interviewed headquarters and regional office officials.

## What GAO Recommends

GAO is making four recommendations to the CMS Administrator to address weaknesses in CMS's management of the federal monitoring survey database that affect the agency's ability to track understatement and CMS's ability to oversee regional office implementation of the federal monitoring survey program. In its comments on a draft of this report, HHS fully endorsed and indicated it would implement GAO's recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-517](#). For more information, contact John E. Dicken at (202) 512-7114 or [dickenj@gao.gov](mailto:dickenj@gao.gov).

## NURSING HOMES

### Federal Monitoring Surveys Demonstrate Continued Understatement of Serious Care Problems and CMS Oversight Weaknesses

#### What GAO Found

A substantial proportion of federal comparative surveys identify missed deficiencies at the potential for more than minimal harm level or above. During fiscal years 2002 through 2007, about 15 percent of federal comparative surveys nationwide identified state surveys that failed to cite at least one deficiency at the most serious levels of noncompliance—actual harm and immediate jeopardy. Overall, nine states missed serious deficiencies on 25 percent or more of comparative surveys; in seven states federal surveyors identified no such missed deficiencies. During the same period, missed deficiencies at the lowest level of noncompliance—the potential for more than minimal harm—were more widespread: nationwide, approximately 70 percent of federal comparative surveys identified state surveys missing at least one deficiency at the lowest level of noncompliance, and in all but five states the number of state surveys with such missed deficiencies was greater than 40 percent. Undetected care problems at this level are a concern because they could become more serious if nursing homes are not required to take corrective action. The most frequently missed type of deficiency on comparative surveys, at the potential for more than minimal harm level and above, was poor quality of care, such as ensuring proper nutrition and hydration and preventing pressure sores. Federal observational surveys highlighted two factors that may contribute to understatement of deficiencies: weaknesses in state surveyors' (1) investigative skills and (2) ability to integrate and analyze information collected to make an appropriate deficiency determination. These factors may contribute to understatement because they directly affect the appropriate identification and citation of deficiencies.

CMS has taken steps to improve the federal monitoring survey program, but weaknesses remain in program management and oversight. For example, CMS has improved processes to ensure that comparative surveys more accurately reflect conditions at the time of the state survey, such as requiring that comparative surveys occur within 30 working days of the state survey rather than within the 2 months set in statute. Despite these improvements, the management and oversight potential of the program has not been fully realized. For example, CMS has only begun to explore options for identifying understatement that occurs in cases where state surveys cite deficiencies at too low a level, for possible implementation in fiscal year 2009. In addition, CMS is not effectively managing the federal monitoring survey database to ensure that the regional offices are entering data accurately and reliably—CMS was unaware, for example, that a considerable number of comparative surveys had not been entered. Furthermore, CMS is not using the database to oversee consistent implementation of the program by the regional offices—for example, the agency is not using the database to identify inconsistencies between comparative and observational survey results.