



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Remarks of Senator Chuck Grassley  
Nursing Home Quality Summit at the National Academy of Sciences  
Friday, September 29, 2006

Thank you for inviting me to be with you as you work to improve nursing home quality. It's encouraging that so many organizations, public and private, have agreed to take on this important work. I know all of you have worked over the years to improve nursing home care. It isn't easy. It requires constant vigilance and work by all stakeholders. That's consumer advocates, federal and state government agencies, caregivers, health care delivery and quality improvement experts, and nursing home providers. All of you are here today to renew your commitment to the common goal – improving the quality of nursing home care. For that, I thank you.

I always say, "Nobody's dying to go into a nursing home." If given the choice, most people prefer to receive care at home. Slowly but surely, the health care system is accommodating that preference. Through Medicare and Medicaid, we've facilitated community-based care. Advancements in medical science mean that people are living longer and healthier lives. Access to affordable prescription drugs by seniors is now a reality. It will contribute to longer lives and increased independence for seniors. Greater emphasis on preventive care will also keep seniors healthier longer.

Of course, we need to keep working to increase seniors' health and independence. But the need for quality nursing home care remains more pressing than ever. Preventive care may delay entry into a nursing home, but not negate the need for such care. And the aging of baby boomers will cause a spike in demand for nursing home care in the coming decades.

What can we do to continue to improve quality? As you know, I have a longstanding commitment to ensuring that nursing home residents receive the quality care they deserve. Part of ensuring quality care is a strong, mandatory enforcement and monitoring system. In addition, transparency motivates people and organizations to do the right thing. Sunshine is the best disinfectant.

I also advocate ongoing measurement and performance evaluation. If you can't measure it, you can't assess performance. All of us in this room want to improve the quality of care for nursing home residents. However, we may disagree about how much improvement we've achieved and how much further we have yet to go. For the sake of argument, let's stay with the premise that quality of care in nursing homes needs improvement.

Right now, there is very little, if any, financial incentive for poorly performing nursing homes to improve. Facilities are not reimbursed based on performance. Weaknesses persist in the Medicare

and Medicaid enforcement system. Nursing facilities may consider the penalties imposed on them as simply a cost of doing business. The good news is, our health care system is moving toward increased transparency and pay-for-performance. We continue to strengthen the enforcement system. More nursing facilities will be motivated to improve.

Despite these bright notes, serious oversight challenges persist. Quality has improved, but too many frail elderly Americans still receive poor care in nursing homes. The GAO's comprehensive review of nursing home quality in 2005 revealed that while serious problems had declined in recent years, serious quality problems remained unacceptably high. Actual harm or more serious deficiencies were cited for 16 percent of nursing homes over 18 months, compared with 29 percent for an earlier period. GAO noted that the decline in the proportion of homes cited for serious deficiencies was indeed an improvement in quality and not simply a failure to document deficiencies. This is good news. I applaud the hard work by everyone involved to get us there.

But this still leaves one in six nursing homes providing bad care. I don't want to paint the nursing home community with a broad negative brush. Yet clearly quality and safety need to be significantly improved, especially in a subset of nursing homes. Just as there are nursing homes motivated to improve care, there are other chronic offenders. And still others are "yo-yo" homes. You identify a problem, they fix it, and it arises again a few months later. It's critical that all nursing homes maintain consistent compliance over time. Sustainability of improvement is necessary for long-term improvement. It seems most bad nursing home care is provided by a small number of chronically non-compliant nursing facilities.

Since the year 2000, Consumer Report's annual Nursing Home Quality Monitor has listed a total of 186 nursing homes that have provided poor quality care over multiple years. I ask this coalition and CMS to focus efforts on these facilities. This initiative has a tremendous opportunity to achieve improvement in nursing home care by focusing on chronically non-compliant and yo-yo nursing homes. Let me be clear -- ALL facilities should be required to measure and track performance on quality of care and quality improvement. ALL Medicare- and Medicaid-certified facilities should be held accountable for meeting the conditions of participation in the inspection process.

But in addition to these requirements, the process should give extra scrutiny to the chronically non-compliant or yo-yo compliant facilities. I'm skeptical of voluntary improvement efforts. Voluntary systems are likely to attract nursing facilities that are already motivated to improve. That leaves the same chronic offenders to continue business as usual.

If voluntary compliance isn't the answer, we have to look to mandatory compliance. The survey and certification process has improved but some significant problems persist. Nursing home deficiencies are understated. GAO found that 39 percent of homes with a history of quality of care problems -- but whose current survey found no serious deficiencies -- indeed had deficiencies that should have been classified as more serious, but weren't.

Nursing home surveys remain too predictable. CMS isn't always hearing about problems. GAO found that a substantial number of nursing homes requiring immediate sanctions for harming residents were never referred to CMS. In May, an Inspector General report found that CMS failed to terminate nursing homes in over half of the cases requiring termination from federal health care programs. CMS failed to apply another mandatory remedy, Denial of Payment for New Admissions, in 28 percent of cases. GAO found that nursing homes in Connecticut and Tennessee, where a total

of 31 residents died in fires in 2003, were not required to have smoke detectors in residents' rooms – let alone automatic sprinklers. Fire safety deficiencies that existed were either missed or not cited by surveyors. So what can we conclude?

Too many nursing homes are still providing poor quality care. Problems are being understated or not found. And, when serious problems ARE identified, penalties are not being applied. I often hear about the loss of public confidence in the nursing home system. Well, these findings indicate that in too many cases, the perception appears to be the reality. There are very real safety and quality concerns fueling that perception. The nursing home industry, CMS, and State survey agencies must take these problems seriously.

The agenda for today's meeting asked, "What will it take for providers to earn public confidence in nursing home care?" The answer is fairly straightforward -- "Do right by nursing home residents." This means:

- (1) All nursing homes need to show commitment to measuring quality and performance on an ongoing basis.
- (2) All nursing homes need to report their progress on quality and performance standards to CMS and the public.
- (3) Regulators and quality improvement experts should focus additional scrutiny on poor performers.
- (4) Regulators need to ensure that the survey process is strong, effective, and free from outside influence.
- (5) Bottom line: Nursing homes that consistently provide poor care or that harm residents should not be in business.

These are just some ways to earn the public's confidence.

All of the talented people in this room can meet those goals, and come up with many more. Nearly 1.7 million elderly and disabled residents live in roughly 17,000 nursing facilities right now. They are some of our country's most vulnerable citizens. They deserve a determined, sustained effort to ensure that they receive proper care. I commend you all for your effort. I challenge you to exceed the goals you've established for the two-year initiative. After all, the can-do spirit -- never being satisfied with the status quo – is what set this country apart from all the rest over the last two centuries. The magnitude of the challenge ahead should not deter us from facing it head-on and seeking to exceed expectations. I have no doubt that all of the people in this room, working together, are up to the task. Thank you.