

January 23, 2008

You may have seen news media accounts of the new rating system for skilled nursing facilities (SNFs) unveiled last week by the U.S. Centers for Medicare and Medicaid Services (CMS). The new system is called "Five-Star," and it assigns star ratings to all the country's SNFs. CMS released information about Five-Star to the Gannett news organization before sharing the ratings with facilities, and subsequently held press events to publicize Five-Star. As a result, there was considerable coverage, much of which caught individual facilities by surprise before they learned of their own scores.

We are writing you to provide additional information to put the sensationalized Five-Star coverage in context. Five-Star was rushed out by CMS in the waning days of the Bush Administration without sufficient study or development, resulting in a seriously flawed system that does current and potential SNF consumers a significant disservice. When you see media accounts stating that Ohio ranks near the bottom of the nation in Five-Star or that a high percentage of facilities in a given local area in Ohio received only one star, we hope that you will keep these facts in mind.

1. Five-Star does not include the voices of actual consumers. The data used to compile Five-Star does not include anything on consumer satisfaction of either skilled nursing facility patients or their families. CMS is working on a consumer satisfaction survey to be applied nationwide, but chose to rush Five-Star out before completing this key step. Without consumer satisfaction data, Five-Star lacks a vital component in assessing the quality of a SNF.

Ohio has for a number of years conducted extensive consumer satisfaction surveys through the Department of Aging and the Scripps Gerontology Center of Miami University. The results are posted on the department's Long-Term Care Consumer Guide website, <http://www.ltcoho.org/consumer/index.asp>. The latest version of this highly respected survey was released yesterday, and contrary to Five-Star's gloomy rankings, it rates the satisfaction of Ohio SNF families at 88.23 on a hundred-point scale, improving on the 2006 mark of 86.6. These important findings call the Five-Star ratings into serious question. It is particularly noteworthy that one third of the Ohio SNFs receiving the lowest ranking (one star) exceeded the statewide average in satisfying patient families.

National consumer satisfaction data also indicates that Five-Star's low rating of Ohio SNFs in comparison to the rest of the country is incorrect. My InnerView, Inc., performs a uniform, nationwide satisfaction survey. In the most recent version of the survey, eighty-five percent of Ohio SNF families deemed their loved ones' care excellent or good, the exact same percentage as the national average.

2. Five-Star is biased to the negative. When CMS set up Five-Star, the federal agency put its thumb on the scale and arbitrarily decided to give 20% of all SNFs in each state one star and only 10% of them five stars. These percentages end up being adjusted with other data, but the basic relationship of many more "one-stars" than "five-stars" holds.

3. Five-Star uses invalid staffing data and uses it incorrectly. CMS based a significant portion of the ratings in Five-Star on staffing levels in SNFs, using data taken from the so-called “OSCAR” system. The OSCAR staffing data is widely recognized to be inaccurate because of the way it is collected – but CMS rushed forward to use it without any efforts to audit or otherwise verify the information.

Not only are the OSCAR staffing data questionable, CMS misuses the data in Five-Star. CMS set up the formula for calculating stars in such a way that two facilities with identical inspection results and clinical Quality Measures can have two stars’ difference in their overall ranking based solely on staffing levels. Staffing is important, but it is only an input – if the outcomes are the same, the number of staff should not result in such a great disparity in ratings.

4. Five-Star is a “one size fits all” approach to informing consumers. It is difficult, if not impossible, to boil down into a single meaningful number all the aspects that make up the SNF experience for consumers. Each consumer has different priorities and different ways of looking at the same things. In constructing Five-Star, CMS chose to use only three kinds of data about SNFs, each of which has its own strengths, weaknesses, and questions. Because there is no single measure or set of measures that adequately describes quality of SNF care, it is best to provide as many measures as possible and allow users of the data to choose what is important to them. This is the approach taken by the Ohio Consumer Guide site. CMS’s attempt to compile even the three types of data into a single star listing goes in completely the opposite direction, leading to results that are so anomalous as to be useless to consumers. Does anyone really believe 25 of 57 facilities in Franklin County merit the very lowest rating on the scale? Or that the same is true of 5 of 7 facilities in the Athens area? Or that 91% of facilities in Alaska are five-star? Yet these are examples of what Five-Star is showing.

It is truly unfortunate that CMS decided to rush to judgment on Five-Star. It is creating a great deal of heartache for caring, dedicated people working in facilities inappropriately labeled as one-star, and it is creating confusion in the minds of families and patients who do not know where to turn.

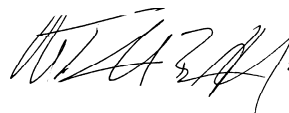
For our part, we recommend (as suggested in yesterday’s news release from the Department of Aging) that Ohio consumers use the Ohio Consumer Guide referenced above. This well-established web resource, created through legislation sponsored by then-Representative Pat Tiberi with the support and assistance of OHCA and numerous other stakeholders, provides consumers with detailed, unbiased data on each SNF in Ohio. The data include over 60 satisfaction questions, as well as the percentage of compliance with federal regulations, complete inspection reports, Quality Measures, staffing ratios and retention, and other details about each facility. The Consumer Guide is a much better tool for consumers than Five-Star, and we have shared that many times with CMS during their rush down the 5 Star path.

If you have any questions about Five-Star or anything else relating to Ohio’s SNFs, please feel free to contact us at any time.

Sincerely,



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Executive Director



Todd Bergdoll
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