



# DEPARTMENT OF VETERANS AFFAIRS OFFICE OF INSPECTOR GENERAL

## The Challenges in Rating Veterans Health Administration Community Living Centers (Formerly Nursing Home Care Units)

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Robert Flores:

I'm Robert Flores, a management and program analyst in the Office of Healthcare Inspections' National Reviews group. Today I am speaking with my colleague and associate director of National Reviews, Nathan McClafferty, regarding the Office of Inspector General's recently published report on the *Review of VHA Community Living Centers and Corresponding Star Ratings*. This report focuses on the Community Living Center, or CLC, Compare rating system, the system's limitations, and whether the information generated by the system can be reasonably used to understand the delivery of long-term care at CLCs throughout the Veterans Health Administration, or VHA.

Mr. McClafferty, can you explain a bit about what CLCs are?

Nathan McClafferty:

Sure. CLCs provide veteran residents medical care and skilled nursing services, such as wound care or medication administration. Stays at CLCs can either be short-term or long-term, depending on the services required for specific conditions and situations. Residents can receive help with activities of daily living, such as bathing or dressing, as well as a broad range of other care services. CLCs are meant to promote the highest level of well-being, prevent decline in health, and provide comfort at the end of life. They are intended to have a home-like environment; for example, residents are encouraged to decorate and personalize their rooms as if they were in their own homes. Some CLCs even allow pets to live with or visit residents.

Robert Flores:

Why did the VA Office of Inspector General (the OIG) conduct a review of how CLCs are rated?

Nathan McClafferty:

As of 2018 (the most recent available data at the time of our review), VHA had 134 CLCs that served approximately 32,000 veterans. These patients are among the more vulnerable populations that VA serves. This was an important project for the OIG given our oversight of the quality and timeliness of VHA healthcare services. Moreover, the OIG received a request from Congress that expressed concerns about the need for the quality of care in CLCs to be more clearly assessed. Of additional interest to

lawmakers was how CLCs compare with non-VA nursing homes that qualify as participating facilities of the Centers for Medicare and Medicaid Services (or CMS). A nursing home is a “participating facility” if it receives CMS funds and follows its standards.

Robert Flores:

What approach did the OIG take to address these concerns about CLC performance?

Nathan McClafferty:

The OIG focused on the following three questions: First, how do CLCs and CMS participating nursing homes compare? Second, are there demographic differences between CLC residents and CMS residents? And, third, do CLC Compare star ratings reflect important on-site considerations about each facility?

Robert Flores:

Let’s talk about each of these questions. First, what was the basis for rating and comparing VHA CLCs and non-VA CMS participating nursing homes?

Nathan McClafferty:

CLCs and CMS nursing homes have similar rating systems that use a five-star rating scale.

In 2016, VHA gave CLC managers the ability to review and compare quality measures and health inspections results against other CLCs through a resource called CLC SAIL. That resource evolved into making comparisons between CLCs and CMS nursing homes when VHA published CLC Compare in 2018. CLC Compare is based on the similarly-structured CMS Nursing Home Compare rating system, which CMS launched in 2008. Both CLC Compare and Nursing Home Compare provide an overall rating of one to five stars based on facility performance in (1) on-site observations through surveys, (2) staffing, and (3) other quality measures.

Robert Flores:

What were some issues or limitations when comparing VHA’s CLC Compare rating system to CMS’s Nursing Home Compare rating system?

Nathan McClafferty:

The bottom line is that you really can’t effectively compare VA and CMS facilities in a meaningful way using rating systems alone. They are based on different measures and data sources that can make comparisons misleading. For example, VHA’s CLC Compare uses the same facility performance factors as CMS’s Nursing Home Compare; however, when CMS added five new measures for a total of 16, VHA continued using CMS’s older methodology of only 11 measures. Part of the discrepancy was because three of the new measures rely on claims data and VHA does not submit claims to CMS. The OIG also identified a problem with comparing CLCs across state lines. It’s possible that a facility with a

one-star rating in one state would rate as a five-star facility in another state thereby rendering cross-state comparisons problematic.

Robert Flores:

That's very helpful. Moving to the second question, were there differences in the demographics—that is the characteristics of the people being cared for—of CLC and CMS residents?

Nathan McClafferty:

Importantly, compared with the CMS population, CLC residents were predominately male. CMS data indicated that two-thirds of all nursing home residents were female compared to just 3.5 percent of the FY 2018 VHA study population. We also looked at whether CLC populations had greater or different needs than other veterans accessing VHA care for additional context. To determine whether patients were similarly situated regarding the types and severity of their needs, the OIG considered factors such as diagnoses and prescriptions before or after admissions. We found that, compared to all other veterans who were active users of VA healthcare services, CLC residents had higher rates of mental health diagnoses, even when looking at similar groups based on age and gender.

Robert Flores:

Now, let's look at the third question: Were important on-site considerations reflected in VHA's CLC Compare star ratings?

Nathan McClafferty:

To answer this question, the OIG conducted 35 unannounced single-day site visits to help assess the reasonableness of using CLC's overall star rating to determine the quality of the facility. The OIG interviewed approximately 300 facility staff, residents, and residents' family members. We asked for their impressions on topics such as the quality of care provided, how resident satisfaction information was collected, and the most common complaints. To maintain comparability with CMS long-term care participating nursing homes, the OIG chose CLCs with long-term care residents.

We found that CLC Compare does not fully consider the physical environment, which can significantly affect the veteran's experience. It also does not include resident and family satisfaction with care. CLC Compare also does not address the importance of effective interdisciplinary care teams. In addition, facility staff and leaders we interviewed found CLC Compare useful but not an accurate representation of real-time conditions at the facility. Another concern was that CLC Compare only reviews some of the services provided to residents and does not present a complete picture of the care delivered by CLC staff.

Robert Flores:

What recommendations did the OIG make regarding the issues noted in your team's report?

Nathan McClafferty:

It's laudable that VHA developed a system to provide a simple comparison of care between CLCs and CMS participating nursing homes, but the OIG believes CLC Compare could benefit from refinement. To that end, the OIG made three recommendations to the VA Under Secretary for Health, all of which he concurred with. The first of which was to supplement the use of CLC Compare with particular adjusted measures. Next, we recommended specific measures be developed for staffing and quality performance that use more rigorous risk adjustment. Finally, we recommended easy-to-understand resources be provided for veterans, their families, and the public.

On CMS's website, it states that when selecting a nursing home, quote, "no rating system can address all the important considerations that go into that decision." The OIG agrees with this statement and believes it also applies to CLC Compare.

Robert Flores:

Mr. McClafferty, thank you for speaking with us today about your review and resulting report.

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