

OCTOBER 21, 2022

FACT SHEET: Biden-Harris Administration Announces New Steps to Improve Quality of Nursing Homes

For far too long, nursing home residents have been victims of an industry with little accountability to keep American seniors safe and protected. COVID-19 has laid bare the challenges in America's nursing homes, with over 200,000 residents and staff dying from COVID-19. That's why in his State of the Union, President Biden launched an action plan to improve the safety and quality of care in the nation's nursing homes. Today, the Biden-Harris Administration announced new actions to increase accountability of bad actors in the nursing home industry, improve the quality of nursing homes and make them safer. These efforts complement the Administration's investments in home and community-based services to prevent unnecessary nursing home admissions and help nursing home residents transition back home when possible.

More Aggressive Enforcement for the Worst-Performing Nursing Homes

Today, the Centers for Medicare and Medicaid Services (CMS) announced new actions to significantly strengthen accountability for nursing homes in the Special Focus Facilities (SFF) Program, an oversight program for the poorest performing nursing homes in the country. The SFF Program already provides more frequent inspections of these nursing homes, but more action is needed to ensure these nursing homes improve.

The SFF Program reforms announced for the first time today:

- **Increase penalties for nursing homes in the program that fail to improve:** CMS will, effective immediately, begin using escalating penalties for violations, including considering facilities with citations for dangerous violations in two successive inspections for termination from Medicare and/or Medicaid funding.
- **Increase safety standards for improvement:** Under today's changes, CMS is increasing the requirements that nursing homes in the SFF

Program must meet to be successful and graduate from the program. Even after a facility graduates from the program, CMS will now continue close scrutiny of the facility for at least 3 years—helping ensure these nursing homes consistently maintain compliance with safety requirements.

- **Increase technical assistance:** CMS is also increasing its engagement with these poor-performing nursing homes, through direct and immediate outreach by CMS officials upon their selection as an SFF, to help them understand how to improve and to access support resources like CMS Quality Improvement Organizations.

More Resources to Support Good-Paying, Union Jobs in Nursing Home Care

Sufficient, high-quality staffing is the measure most closely linked to the quality-of-care residents receive. Creating good-paying, union jobs in the nursing home industry—and career pathways into those jobs—promotes the “double dignity” of both patients and workers. That’s why today the Department of Health and Human Services (“HHS”) and the Department of Labor (“DOL”) are highlighting funds that are newly available to support pathways into good-quality nursing jobs—including for the nursing home workforce:

- **A wide variety of workforce stakeholders can apply for \$80 million in grant funding available right now:** Now through January 6, nonprofit healthcare organizations, industry organizations or trade groups, labor unions, labor management organizations, education and training providers, workforce development entities, and Native American Tribal Governments can apply for the DOL’s Nursing Expansion Grant program, which will provide \$80 million in grants to help address bottlenecks in training the U.S. nursing workforce and expand and diversify the pipeline of qualified nursing professionals. Specifically, these funds will help: 1) increase the number of clinical and vocational nursing instructors and educators, and 2) train frontline healthcare professionals and paraprofessionals, including direct care workers, to advance along a career pathway and attain recognized postsecondary credentials, including Licensed Practical Nurses and Registered Nurses. This program will emphasize training those from historically marginalized and underrepresented populations, which helps to address the growing health equity gap in medically underserved communities.

- **HHS is announcing \$13 million in grants to expand nursing education and training:** These funds made available through the Health Resources and Services Administration will help expand the number of nursing preceptors—experienced licensed clinicians who supervise nursing students during their clinical rotations. Expanding preceptors will help support the goal of nursing schools admitting more students by providing more opportunities for well-supported clinical rotations and, ultimately, career paths.
- **HHS and DOL will provide opportunities to apply for additional federal funds to support the nursing workforce pipeline:** HHS and DOL have identified hundreds of millions of dollars in funds coming online over the next year to help improve nurse staffing and workforce sustainability. The Biden-Harris Administration encourages eligible entities to braid these programs to attract and retain high-quality workers to serve in healthcare professions such as nursing aides, home health aides, and registered nurses:
 - By the end of this year, DOL's Employment and Training Administration's (ETA's) **YouthBuild** will make available approximately \$90 million in grant funding for eligible nonprofit organizations or consortia eligible to provide education or employment training under a Federal program, in order to provide job training and educational opportunities for at-risk youth, with over one-third of recent grantees offering healthcare-related training.
 - On a rolling basis, ETA's **National Dislocated Worker Grants program** makes tens of millions or more in grant funding available to eligible States, outlying areas designated by the Governor, and organizations eligible for funding through the Native American Programs to develop training in entry-level nursing occupations such as Certified Nursing Assistant, Medical Assisting, and Physical Therapy. These funds help develop training after major economic dislocations, such as plant closures, mass layoffs, or higher-than-average demand for employment and training activities for dislocated members of the Armed Forces and their spouses—with approximately three-quarters of grantees connecting participants to careers in healthcare.
 - In the first half of 2023, ETA's **WORC Initiative Grants** will make available up to \$35 million in grants to eligible State Government,

County Government, City or Township Government, Special District Government, Regional Organization, Independent School District, Public/State Controlled Institution of Higher Education, Private Institution of Higher Education, Historically Black Colleges and Universities, and Indian/Native American Tribal Governments. These grant funds enable impacted communities to develop local and regional workforce development solutions aligned with existing economic development strategies and community partnerships to promote new, sustainable job opportunities and long-term economic vitality, all to support dislocated workers, new entrants to the workforce, and incumbent workers for good jobs in high-demand occupations including behavioral health, dental health, and health IT.

Building On Other Nursing Home Reform Progress

Today's efforts build on the many other actions the Biden-Harris Administration has already taken to improve nursing home quality and accountability since President Biden announced the Nursing Home Reform Action Plan in the State of the Union:

- **Establishing minimum staffing requirements:** CMS launched a public input process and research study that will inform future rulemaking on a minimum staffing requirement, and the proposed rule is on track for release by Spring 2023.
- **Cracking down on illegal debt collection:** CMS is working with the Consumer Financial Protection Bureau to crack down on nursing homes that illegally hold families responsible for their loved ones' nursing home debt.
- **Increasing transparency & accountability:** CMS made available more data on who owns Medicare-certified nursing homes, helping empower families who are comparison shopping to understand whether a nursing home is part of a bad chain. CMS also released data publicly—for the first time—on mergers, acquisitions, consolidations, and changes of ownership for nursing homes and hospitals enrolled in Medicare.
- **Incentivizing quality performance through Medicare and Medicaid funding:** CMS issued a final rule updating Medicare payment policies and rates for fiscal year (FY) 2023, including a nearly billion dollar payment increase and updates to the Skilled Nursing Facility ("SNF") Quality Reporting Program and the SNF Value-Based Purchasing

Program. CMS also issued a bulletin encouraging states to use their Medicaid authorities to drive better health outcomes for nursing home residents and improve staff pay, training, and retention efforts—i.e., to tie Medicaid payments to measures of safety and quality of care.

- **Improving families' ability to comparison shop:** CMS launched its enhanced Nursing Home Five-Star Quality Rating System, integrating data on nursing homes' weekend staffing rates for nurses and information on annual turnover among nurses and administrators. The updated Star Ratings increase transparency to make it easier for families to comparison shop to find the reliable, quality care their loved ones deserve.
- **Preventing fraudsters from receiving Medicare funds:** CMS issued a proposed rule requiring nursing home owners to be fingerprinted for federal background checks to be eligible for Medicare funds, preventing abuse and Medicare fraud by nursing home owners.
- **Ensuring pandemic preparedness:** CMS updated its guidance to nursing home inspectors, including, among other things, requiring infection control specialists to be on site—not just off-site consultants as the prior Administration allowed.

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