

Department of Health and Human Services
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**CMS's Processes Were Not Effective
in Ensuring the Accuracy of Staffing
Information Reported in the
Payroll-Based Journal**



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Why OIG Did This Audit

- Nursing homes are required to electronically submit to [CMS's](#) Payroll-Based Journal (PBJ) information on direct care staff (e.g., registered nurses [RNs]), including the number of hours that each staff member was paid to deliver services for each day the staff member worked.
- This audit assessed whether RN staffing hours reported in the PBJ for March 2024 were supported in accordance with Federal requirements.

What OIG Found

Not all nursing homes' RN staffing hours reported in CMS's PBJ were supported in accordance with Federal requirements.

- For 45 of 100 sampled items, nursing homes reported a net of 748.5 hours that were not supported.
- For 2 of 100 sampled items, nursing homes reported 336 hours that could not be verified because the nursing homes did not provide supporting documentation.

On the basis of our sample results, we estimated for our sampling frame that for March 2024 nursing homes reported approximately 938,000 hours (5 percent) for approximately 53,000 RNs (42 percent) in the PBJ that were not supported in accordance with Federal requirements. As a result of this and our finding related to the 336 hours that could not be verified, CMS and other stakeholders may not have the most accurate data for their use.

What OIG Recommends

We made four recommendations to CMS, including that CMS educate nursing homes on updated guidance for submitting staffing information and communicate to nursing homes on trends in CMS PBJ audit findings. The full recommendations are in the report. CMS concurred with two recommendations and did not concur with one recommendation. CMS did not indicate concurrence or nonconcurrence with the remaining recommendation.

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INTRODUCTION

WHY WE DID THIS AUDIT

Nursing homes participating in the Medicare or Medicaid programs are required to electronically submit complete and accurate direct care staffing information to the Centers for Medicare & Medicaid Services' (CMS's) Payroll-Based Journal (PBJ) system. Direct care staff include nurse staff (e.g., registered nurses [RNs] and nurse aides) and non-nurse staff (e.g., therapists and social workers). The information that nursing homes report for each direct care staff member includes, among other things, the category of work (e.g., director of nursing, RN with administrative duties, or RN) and the number of hours paid to deliver services for each day worked.

CMS and other stakeholders use the staffing information reported in the PBJ to (1) measure nursing home performance, (2) better understand the relationship between nursing home staffing levels and the quality of care that nursing homes provide, and (3) identify noncompliance with Federal nurse-staffing regulations.¹ We performed this audit to determine the accuracy of the staffing information reported in the PBJ for RNs.

OBJECTIVE

Our objective was to determine whether nursing homes' RN staffing hours reported in CMS's PBJ were supported in accordance with Federal requirements.

BACKGROUND

Direct Care Staffing Information

The Patient Protection and Affordable Care Act amended the Social Security Act (the Act) by adding section 1128I to promote greater accountability for Medicare- and Medicaid-certified nursing homes.² Specifically, section 1128I(g) of the Act requires nursing homes to submit to the Department of Health and Human Services direct care staffing information, including information for agency and contract staff, based on payroll and other verifiable and auditable data in a uniform format as specified by CMS.³

¹ Federal nurse-staffing regulations require each nursing home to have sufficient nursing staff with appropriate competencies and skills to provide nursing and related services necessary to care for residents' needs. Also, the regulations require each nursing home, unless these requirements are waived, to provide the services of an RN for at least 8 consecutive hours each day and provide the services of licensed nursing staff for 24 hours a day (42 CFR § 483.35).

² P. L. No. 111-148 § 6106.

³ Nursing homes submit staffing information for both facility employees (exempt [i.e., salaried] and non-exempt [i.e., hourly]) and individuals under a staffing agency contract or an individual contract.

Direct care staff are those individuals who, through interpersonal contact with residents or resident care management, provide care and services to allow residents to attain or maintain the highest practicable physical, mental, and psychosocial well-being. Direct care staff include nurse staff (e.g., RNs, licensed practical and vocational nurses, and nurse aides) and non-nurse staff (e.g., therapists, social workers, and feeding assistants) but do not include individuals whose primary duty is maintaining a nursing home's physical environment.⁴

Staffing Information Reported in the Payroll-Based Journal

CMS developed the PBJ system as a way for nursing homes to self-report detailed staffing information. Nursing homes electronically submit their staffing information to the PBJ at least quarterly. The staffing information must include the category of work for each direct care staff member (including, but not limited to, whether the individual is an RN, licensed practical nurse, licensed vocational nurse, certified nursing assistant, therapist, or other type of medical personnel as specified by CMS), resident census data, information on direct care staff turnover and tenure, and the hours each staff member worked.⁵ CMS, in turn, posts the information on its data website in separate public use files.⁶

CMS uses staffing information reported in the PBJ for many purposes. For example, CMS uses the information to calculate nursing home star ratings and provides the ratings and other staffing information on its Care Compare website to help consumers understand nursing homes' staffing levels and differences in staffing among nursing homes.⁷ The staffing information, when combined with other information including the number of residents, is used to report on the level of staff in each nursing home, as well as employee turnover and tenure, which CMS has stated can impact the quality of care delivered.

⁴ 42 CFR § 483.70(p)(1).

⁵ 42 CFR § 483.70(p).

⁶ On CMS's data website (<https://data.cms.gov>), CMS makes available for download the PBJ Daily Nurse Staffing and Non-Nurse Staffing public use files, which include the hours staff were paid to work each day, for each nursing home, summarized by category of work. CMS also makes available for download the PBJ Employee Detail Nursing Home Staffing public use file, which includes the number of hours that each individual staff member was paid to work each day.

⁷ CMS's Care Compare website (<https://www.medicare.gov/care-compare>) allows consumers, their family members and caregivers, and other stakeholders to research health inspection reports, staffing, quality-of-care metrics, and CMS star ratings for nursing facilities. A star rating of 1 to 5 stars is determined based on specific information related to each nursing home's health inspections, staffing, and quality measures. Each nursing home receives one overall star rating and separate ratings for health inspections, staffing, and quality measures. A rating of 1 star is considered below-average quality, and a rating of 5 stars is above-average quality.

CMS's Processes for Ensuring the Accuracy of Staffing Information Submitted to the Payroll-Based Journal

CMS uses various processes to ensure the accuracy of staffing information nursing homes submit to the PBJ. These processes include performing data quality checks and audits of the submitted information and providing guidance and other resources for nursing homes on submitting staffing information.

Data Quality Checks

CMS uses data quality checks to identify improbable data, such as unreasonably high or low levels of nurse staffing, and will exclude improbable data from the public use files on its data website.⁸

Payroll-Based Journal Audits

CMS, with the assistance of its PBJ audit contractor (CMS PBJ auditor), performs audits to assess whether nursing homes complied with the requirements to submit complete and accurate staffing information to the PBJ. The audits verify that the staffing information is supported based on payroll and other verifiable and auditable data.⁹ According to CMS, nursing homes are selected for audit based on certain metrics that may indicate staffing data errors.¹⁰ CMS can also recommend that the CMS PBJ auditor perform a followup audit to determine whether a nursing home took action to comply with the requirements. CMS and the CMS PBJ auditor hold regular meetings to discuss the status of audits and other topics. The CMS PBJ auditor also analyzes the results of audits and provides CMS with trend analyses quarterly and annually.

CMS's Guidance on Reporting Staffing Information in the Payroll-Based Journal

CMS's *Electronic Staffing Data Submission Payroll-Based Journal Long-Term Care Facility Policy Manual* (PBJ Policy Manual) provides guidance on how to report staffing information in the PBJ. The PBJ Policy Manual requires nursing homes to report in the PBJ the hours that direct care staff were paid for each day to deliver services. It also specifies that hours worked shall be reported by the calendar day. Additionally, it provides guidance on time related to meal

⁸ CMS, [Design for Care Compare Nursing Home Five-Star Quality Rating System: Technical Users' Guide](#), (July 2025). Accessed on Oct. 23, 2025.

⁹ CMS Memorandum to State Survey Agency Directors, [QSO-18-17-NH](#) (Apr. 6, 2018).

¹⁰ These metrics are subject to change depending on their success at identifying nursing homes with staffing data errors. To protect the integrity of the audits, CMS does not publicly disclose the number of audits performed or the metrics used to select nursing homes for audit.

breaks, leave, unpaid work time, and training.¹¹ CMS provides additional clarification of the PBJ Policy Manual in the *Electronic Staffing Data Submission Payroll-Based Journal Frequently Asked Questions* (PBJ Policy Manual FAQs).¹²

CMS's Resources for Submitting Staffing Information to the Payroll-Based Journal

CMS provides resources on its Staffing Data Submission PBJ web page (PBJ web page) to help nursing homes submit staffing information to the PBJ.¹³ In addition to the current versions of the PBJ Policy Manual and the PBJ Policy Manual FAQs, CMS provides training modules and templates that nursing homes can use to report staffing information. CMS communicates on the PBJ web page any changes to the materials available for download and also communicates with nursing homes during Open Door Forums, which are scheduled online forums CMS uses to address issues affecting the nursing home industry. On a separate web page, CMS includes an April 2018 memorandum that discusses common audit findings identified by the CMS PBJ auditor.¹⁴

HOW WE CONDUCTED THIS AUDIT

Our audit covered 127,100 RNs who had approximately 20 million hours reported in the PBJ by 14,535 nursing homes for March 2024 (audit period).¹⁵ Our audit included only RNs who had at least 80 hours reported in the PBJ for March 2024 and worked at a nursing home that was in operation as of August 1, 2024.

We selected a stratified random sample of 100 RNs who had approximately 17,700 RN hours reported in the PBJ by 99 nursing homes for March 2024. For each of the sample items, we reviewed payroll records and other documentation from the nursing homes at which the RNs delivered services to determine whether the RNs' hours reported in the PBJ were supported in accordance with Federal requirements. We also interviewed nursing home representatives to obtain an understanding of the nursing homes' processes for submitting staffing hours to the

¹¹ CMS, [PBJ Policy Manual](#), version 2.7 (June 2025). Accessed on Oct. 23, 2025. The June 2025 version fully incorporated the guidance that was included in version 2.6 (June 2022), which was the version in effect for our audit period.

¹² CMS, [PBJ Policy Manual FAQs](#), June 2025. Accessed on Oct. 23, 2025. The June 2025 version fully incorporated the guidance that was included in the version from October 2018, which was the version in effect for our audit period.

¹³ On the PBJ web page (<https://www.cms.gov/medicare/quality/nursing-home-improvement/staffing-data-submission>), CMS provides information including how nursing homes submit staffing information to the PBJ and whom nursing homes contact with questions, and provides downloadable resources.

¹⁴ CMS Memorandum to State Survey Agency Directors, [QSO-18-17-NH](#) (Apr. 6, 2018).

¹⁵ The audit period encompassed the most current data available at the time we initiated our audit.

PBJ.¹⁶ In addition, we interviewed CMS officials and the CMS PBJ auditor to understand how the audits are performed and the steps they take to review the quality and accuracy of the staffing data that nursing homes submit to the PBJ.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A describes our audit scope and methodology. Appendix B describes our statistical sampling methodology, and Appendix C contains our sample results and estimates.

FINDINGS

Not all nursing homes' RN staffing hours reported in CMS's PBJ were supported in accordance with Federal requirements. For the 100 sample items we reviewed for March 2024, hours for 53 sample items were supported, but hours for 45 sample items were not supported. For the remaining two sample items, the hours could not be verified.

For the 45 unsupported sample items, 44 nursing homes reported a net of 748.5 hours that were not supported in accordance with Federal requirements, ranging from 60 hours that were underreported for 1 sample item to 192.5 hours that were overreported for another sample item. Specifically, we found the following:

- Nursing homes did not accurately report the number of hours that RNs were paid to deliver services for each day worked (42 sample items). Specifically, nursing homes:
 - Reported hours that RNs did not work (19 sample items)
 - Did not deduct meal breaks from hours reported (18 sample items)
 - Did not report hours that RNs worked and were paid for (13 sample items)
 - Reported hours that RNs were not paid for (13 sample items)
 - Reported hours for RNs who attended training and were not available to perform their primary role (2 sample items)

¹⁶ We interviewed nursing home representatives at 96 of the 99 nursing homes. The representatives included administrators, directors of human resources, directors of payroll, and consultants under contract with the nursing home for functions such as payroll and PBJ submission. Of the remaining three nursing homes, two declined the interview, and one was no longer in operation.

- Did not report RN hours by calendar day (2 sample items)¹⁷
- Nursing homes reported hours for individuals who did not have active licenses to practice as RNs (two sample items).
- A nursing home reported hours for an RN who did not work onsite (one sample item).

In addition, for two sample items, nursing homes reported 336 hours that could not be verified because the nursing homes did not provide supporting documentation.

CMS's processes were not effective in ensuring the accuracy of staffing information reported in the PBJ. Specifically, CMS did not (1) ensure that nursing homes took corrective actions to address findings identified in prior PBJ audits; (2) ensure that nursing homes fully understood the Federal requirements for reporting complete and accurate staffing information; and (3) regularly communicate trends in CMS PBJ audit findings to nursing homes, which may encourage nursing homes to improve the accuracy of staffing information they report in the PBJ.

On the basis of our sample results, we estimated for our sampling frame that for March 2024 nursing homes reported approximately 938,000 hours (5 percent) for approximately 53,000 RNs (42 percent) in the PBJ that were not supported in accordance with Federal requirements.¹⁸ As a result of this and our finding related to the 336 hours that could not be verified, CMS and other stakeholders may not have the most accurate data for their use.

FEDERAL REQUIREMENTS

Federal regulations require nursing homes to electronically submit to CMS on at least a quarterly basis complete and accurate direct care staffing information, including information for agency and contract staff, based on payroll and other verifiable and auditable data in a uniform format according to specifications established by CMS. The staffing information must include the category of work for each direct care staff member (including, but not limited to, whether the individual is an RN, licensed practical nurse, licensed vocational nurse, certified nursing assistant, therapist, or other type of medical personnel), resident census data, information on direct care staff turnover and tenure, and the hours worked by each staff

¹⁷ The number of sample items for which nursing homes did not accurately report the number of hours is greater than 42 because the hours may not have been accurately reported for more than 1 reason (e.g., the nursing home reported hours that included time for meal breaks and time that the RN did not work).

¹⁸ Specifically, we estimated that 937,823.7 hours were not supported, with a 90-percent confidence interval of 422,572.6 to 1,745,806.5. Additionally, we estimated that 52,783 RNs had hours that were not supported, with a 90-percent confidence interval of 41,296 to 64,270.

member.¹⁹ Federal regulations also require that professional staff be licensed, certified, or registered in accordance with applicable State laws.²⁰

The PBJ Policy Manual requires nursing homes to report in the PBJ the hours that direct care staff were paid to deliver services for each day worked. It also requires that nursing homes not include meal breaks (paid or unpaid), paid leave or non-work-related absences, or unpaid work time. For each full 8-hour shift that staff are paid to work, a 30-minute meal break must be deducted from their shift whether or not the employee actually takes a meal break. For staff who work shifts of 16 hours (two 8-hour shifts), two 30-minute meal breaks must be deducted. The PBJ Policy Manual states that only hours paid to work onsite at the nursing home shall be reported and describes an RN as a person licensed to practice as a registered nurse in the State where the facility is located. It also specifies that hours worked shall be reported by the calendar day and that midnight is the cutoff for each day reported. Furthermore, the PBJ Policy Manual states that hours for staff who attend training (either onsite or offsite) and who are not available to perform their primary role, such as providing resident care, shall not be reported.²¹

NOT ALL REGISTERED NURSE HOURS REPORTED BY NURSING HOMES IN THE PAYROLL-BASED JOURNAL WERE SUPPORTED IN ACCORDANCE WITH FEDERAL REQUIREMENTS

For the 100 sample items we reviewed, nursing homes reported in the PBJ hours for 45 sample items that were not supported in accordance with Federal requirements.

Nursing Homes Did Not Accurately Report the Number of Hours That Registered Nurses Were Paid To Deliver Services for Each Day Worked

For 42 sample items, nursing homes did not accurately report the number of hours that RNs were paid to deliver services for each day worked.

Nursing Homes Reported Hours That Registered Nurses Did Not Work

For 19 sample items, nursing homes incorrectly reported hours that RNs did not work. For example, a nursing home reported 96 hours for an RN although the RN was on paid leave or not scheduled to work. Nursing home representatives stated that their payroll system provider made a system change so that some non-worked hours were erroneously coded as worked hours. The representatives were not aware of this issue before our audit but stated that as of February 2025, they were working to resolve the issue with the payroll system provider and were manually correcting the hours reported in the PBJ. As another example, a nursing home reported 11.8 hours that an exempt RN did not work. Nursing home representatives stated they reported the hours the RN was paid to work in accordance with the RN's salary agreement

¹⁹ 42 CFR § 483.70(p).

²⁰ 42 CFR § 483.70(e)(2).

²¹ CMS, [PBJ Policy Manual](#), version 2.7 (June 2025). Accessed on Oct. 23, 2025.

(i.e., 8 hours per shift) regardless of the hours that the RN actually worked. The representatives believed it was appropriate to report hours that the RN was paid rather than the hours the RN worked.

Nursing Homes Did Not Deduct Meal Breaks From Hours Reported

For 18 sample items, nursing homes did not deduct meal breaks from the hours that they reported as required. For example, a nursing home did not deduct a 30-minute meal break for each 8-hour shift worked by an RN, which resulted in 4 hours that were not supported. Nursing home representatives explained that their timekeeping system was set up to deduct a 30-minute meal break for each 8-hour shift, and they were working to determine why the deduction was not made. As another example, a nursing home did not deduct a full 30-minute meal break when an RN did not take the full meal break, resulting in the nursing home reporting for the RN 1.3 hours that were not supported. Nursing home representatives stated that because the Department of Labor required the nursing home to pay employees for time worked, they did not deduct the time for missed meal breaks.

Nursing Homes Did Not Report Hours That Registered Nurses Worked and Were Paid For

For 13 sample items, nursing homes did not correctly report hours that RNs worked and for which they were paid. For example, a nursing home did not report 60 hours for an RN because it did not report overtime hours in the PBJ. Nursing home representatives explained that the payroll file they used to report staffing hours in the PBJ captured only regular hours worked. The representatives were not aware of this issue before our audit but stated that the issue was resolved for future reporting. As another example, a nursing home did not report 12 hours an RN worked because it mistakenly reported the hours as work performed by a licensed practical nurse rather than an RN. Nursing home representatives explained that the RN was not a licensed practical nurse, and an error must have been made when manually reporting the hours.

Nursing Homes Reported Hours That Registered Nurses Were Not Paid For

For 13 sample items, nursing homes incorrectly reported hours for which RNs were not paid. For example, a nursing home did not pay an RN for 19.1 hours that it reported in the PBJ. Nursing home representatives stated that they paid the RN for 80 hours of work each pay period but reported the actual hours the RN worked in the PBJ. As another example, a nursing home did not pay an RN for a total of 1 hour that the nursing home reported in the PBJ. Nursing home representatives stated that the actual hours the RN worked during each shift were reported in the PBJ, but they paid the RN based on a rounding of the hours worked to the nearest quarter hour.

Nursing Homes Reported Hours for Registered Nurses Who Attended Training and Were Not Available To Perform Their Primary Role

For two sample items, nursing homes incorrectly reported hours (7.3 hours and 1 hour, respectively) for RNs who attended training and were not available to perform their primary role. For both sample items, the nursing homes incorrectly reported the RNs' time as providing care and services. For the first sample item, nursing home representatives explained that the RN's training hours were not assigned to the correct category of time worked. For the second sample item, nursing home representatives did not provide an explanation for why the RN's training hour was reported as time spent providing care and services.

Nursing Homes Did Not Report Registered Nurse Hours by Calendar Day

For two sample items, nursing homes did not correctly report RN hours worked by calendar day when the RNs worked shifts spanning midnight.²² The nursing homes reported the RNs' hours on the calendar day the shifts started rather than reporting the hours on the days the hours were actually worked.

- For one sample item, this resulted in no net difference in the RN's reported hours for March 2024, but the difference in hours reported on a calendar-day basis ranged from 4.8 hours underreported for one calendar day to 4.8 hours overreported for another calendar day. Nursing home representatives explained that they made an error when manually calculating the shift for the RN and that the error was corrected for future reporting.
- For the other sample item, this resulted in a 0.8-hour net underreporting in the RN's reported hours for March 2024. The difference in hours reported on a calendar-day basis ranged from 7.8 hours underreported for one calendar day to 6.3 hours overreported for another calendar day.²³ Nursing home representatives explained that the nursing home's new payroll software had a default setting to record staff members' time on the date the staff member clocked in rather than recording it by calendar day. The representatives were not aware of this issue before our audit but stated that the default setting in the payroll system had been changed to record time on the day the time was worked.

²² For example, if an RN worked a shift that started at 10 p.m. on March 5 and ended at 6 a.m. on March 6, 2 hours would be reported in the PBJ for March 5 and 5.5 hours would be reported for March 6, allowing for the 30-minute meal break.

²³ The RN worked multiple shifts during March 2024 that were not reported by calendar day, including shifts worked on the first and last day of March. This resulted in the RN's hours being reported for Feb. 29, 2024, that were worked Mar. 1, 2024, and hours reported for Mar. 31, 2024, that were worked Apr. 1, 2024.

Nursing Homes Reported Hours for Individuals Who Did Not Have Active Licenses To Practice as Registered Nurses

For two sample items, nursing homes incorrectly reported hours for individuals who did not have active licenses to practice as RNs.

- For one sample item, the nursing home reported 192.5 RN hours for an individual who was a licensed practical nurse. Nursing home representatives stated they were not aware of this issue before our audit but stated the nursing home reported an incorrect category of work for the individual when reporting hours in the PBJ. The representatives added that they did not know how the error occurred but stated the RN's category of work was corrected for future reporting.
- For the other sample item, the nursing home reported 173.5 hours for an individual whose RN license expired on February 29, 2024, which was prior to our audit period. Nursing home representatives stated they were not aware of this issue before our audit but stated that the director of nursing position, whose duties included ensuring that employee licenses were active, experienced a lot of turnover around that time. The representatives added that the individual no longer worked at the nursing home as of June 2024.

A Nursing Home Reported Hours for a Registered Nurse Who Did Not Work Onsite

For one sample item, a nursing home incorrectly reported 112 hours for an RN who did not work onsite. Specifically, the RN was an agency RN employed by a staffing agency who worked remotely and was not licensed in the State in which the nursing home was located. Nursing home representatives explained that hours the RN worked remotely were included in the hours reported in the PBJ because the nursing home had not specified to its staffing agencies that onsite and remote work should be identified separately. The representatives added that the nursing home's process for requesting hours worked by staffing agency personnel will be updated to include clear instructions to the staffing agencies that only hours worked onsite should be provided to the nursing home.

SOME REGISTERED NURSE HOURS REPORTED BY NURSING HOMES IN THE PAYROLL-BASED JOURNAL COULD NOT BE VERIFIED

For two sample items, nursing homes reported 336 hours in the PBJ that could not be verified because the nursing homes did not provide supporting documentation. Representatives at both nursing homes explained that they could not locate supporting documentation for the two RNs as a result of a change in ownership.

CMS'S PROCESSES WERE NOT EFFECTIVE IN ENSURING THE ACCURACY OF STAFFING INFORMATION REPORTED IN THE PAYROLL-BASED JOURNAL

CMS's processes were not effective in ensuring the accuracy of staffing information reported in the PBJ. Specifically, CMS did not (1) ensure that nursing homes took corrective actions to address findings identified in prior PBJ audits; (2) ensure that nursing homes fully understood the Federal requirements for reporting complete and accurate staffing information; and (3) regularly communicate trends in CMS PBJ audit findings to nursing homes, which may encourage nursing homes to improve the accuracy of staffing information they report in the PBJ.

CMS Did Not Ensure That Nursing Homes Took Corrective Actions To Address Findings Identified in Prior Payroll-Based Journal Audits

CMS did not ensure that nursing homes took corrective actions to address findings identified in the nursing homes' prior PBJ audits. The audit process used by the CMS PBJ auditor did not include a step to routinely confirm whether a nursing home took corrective actions to address findings identified in a prior PBJ audit.²⁴ In March 2025, CMS and the CMS PBJ auditor discussed adding a step to the audit process to ask nursing homes whether they addressed findings identified during a prior audit, but they did not reach an agreement to add the step.

During discussions with nursing home representatives, we found that not all nursing homes took corrective action to effectively address findings identified during prior PBJ audits. For example, at least 4 of the 18 nursing homes that did not accurately deduct meal breaks from the RN hours reported in the PBJ had prior audit findings for not deducting time for meal breaks.²⁵ In addition, nursing home representatives at three of the four nursing homes stated that the nursing homes had systems in place at the time of our audit to automatically deduct meal breaks from the hours reported in the PBJ, indicating that the changes they made to address their prior audit findings were not effective. Representatives for the remaining nursing home stated that the nursing home did not implement any changes as a result of the prior audit findings because they believed that they did not need to deduct time for meal breaks if the staff were paid to work during that time.

²⁴ CMS only requires the CMS PBJ auditor to verify that corrective actions have been taken when performing followup audits, which are performed on a small percentage of nursing homes. To protect the integrity of the audits, CMS does not publicly disclose the number of followup audits performed.

²⁵ Of the 18 nursing homes that did not deduct meal breaks from hours reported, representatives at 4 additional nursing homes were uncertain whether they had been audited by the CMS PBJ auditor or were unaware of or no longer had the results of the CMS PBJ audits that were conducted.

CMS Did Not Ensure That Nursing Homes Fully Understood the Federal Requirements for Reporting Complete and Accurate Staffing Information

CMS did not ensure that nursing homes fully understood the Federal requirements for reporting complete and accurate staffing information. Although CMS's PBJ Policy Manual, PBJ Policy Manual FAQs, and other resources included guidance on the specific hours to report and not report in the PBJ, the guidance was not always effective in ensuring the accuracy of the staffing information in the PBJ.

As evidenced by the findings in this report and our discussions with nursing home representatives, nursing homes did not fully understand or misinterpreted the Federal requirements for reporting hours for salaried staff, time related to meal breaks, and work performed offsite. Some nursing home representatives indicated that they were uncertain whether they should report hours for salaried staff as hours paid or hours worked, and 10 nursing homes did not deduct time for meal breaks from the reported hours when staff was paid to work through the meal breaks. Additionally, nursing home representatives at 10 nursing homes stated that the nursing homes had potentially reported or were currently reporting in the PBJ hours for staff who did not work onsite.²⁶

During our audit, CMS updated its guidance in the PBJ Policy Manual and the PBJ Policy Manual FAQs. The PBJ Policy Manual effective June 2025 was updated to include a section that clearly addressed the requirement for reporting only time worked onsite at the nursing home. The PBJ Policy Manual FAQs effective June 2025 were also updated to include additional examples of reporting salaried staff hours that are worked and paid, deducting meal breaks when staff work through the meal break, and work performed onsite.

CMS Did Not Regularly Communicate Trends in CMS Payroll-Based Journal Audit Findings to Nursing Homes

CMS did not regularly communicate trends of PBJ audit findings to nursing homes. The CMS PBJ auditor analyzes the results of audits to identify trends and provides CMS with the results of that analysis quarterly and annually. However, the results of the trend analyses are not always shared with nursing homes. In addition, while CMS posted on its website a memorandum that discusses common audit findings identified during PBJ audits, which includes nursing homes' failure to deduct meal breaks, the memorandum is more than 7 years old.²⁷

More current trend analyses conducted by the CMS PBJ auditor provided to us during our audit identified nursing homes' failure to deduct meal breaks from the hours reported in the PBJ as the most common finding for audits performed in 2022, 2023, and 2024. In addition to our findings for meal breaks, the CMS PBJ auditors' analyses identified findings similar to other

²⁶ The RNs in our sample from these 10 nursing homes worked onsite at these nursing homes.

²⁷ CMS Memorandum to State Survey Agency Directors, QSO-18-17-NH (Apr. 6, 2018).

findings in this report. Moreover, from 2022 through 2024, between 39 percent and 55 percent of the nursing homes audited during that timeframe had findings. More frequent communication by CMS on the most updated trends may encourage nursing homes to improve the accuracy of staffing information they report in the PBJ.

AN ESTIMATED 42 PERCENT OF REGISTERED NURSES HAD HOURS REPORTED BY NURSING HOMES IN THE PAYROLL-BASED JOURNAL THAT WERE NOT SUPPORTED

On the basis of our sample results, we estimated for our sampling frame that for March 2024 nursing homes reported approximately 938,000 hours (5 percent) for approximately 53,000 RNs (42 percent) in the PBJ that were not supported in accordance with Federal requirements. As a result of this and our finding related to the 336 hours that could not be verified, CMS and other stakeholders may not have the most accurate data for their use.

CONCLUSION

CMS and other stakeholders need accurate staffing information to assess nursing home performance and gauge the impact that staffing has on the quality of care that nursing homes provide. While nursing homes are responsible for ensuring that hours reported in the PBJ are supported, CMS has a role in ensuring the accuracy of the staffing information reported in the PBJ. Although the majority of the RN hours we reviewed were supported in accordance with Federal requirements, the findings in this report demonstrate that CMS can enhance its oversight efforts to improve the accuracy of the PBJ's staffing information. Specifically, 45 of the 100 RNs we reviewed had hours reported by nursing homes in the PBJ that were not supported; these RNs worked at 44 nursing homes. The hours that were not supported ranged from an underreporting of 60 hours for one sample item to an overreporting of 192.5 hours for another sample item. Additionally, the 44 nursing homes that reported unsupported hours and the variety of findings in this report may be indicative of systemic issues across the nursing home industry that should be addressed to better ensure the accuracy of nursing home star ratings and other staffing information that consumers may use to make informed decisions about nursing home care.

RECOMMENDATIONS

- We recommend that CMS consider the results of our audit when selecting nursing homes for followup audits by the CMS PBJ auditor.
- We recommend that CMS require the CMS PBJ auditor to verify whether nursing homes have taken corrective actions on findings identified in prior PBJ audits.
- We recommend that CMS educate nursing homes on the updated guidance available in the PBJ Policy Manual and PBJ Policy Manual FAQs.

- We recommend that CMS regularly communicate to nursing homes the trends in CMS PBJ audit findings (e.g., by providing information on frequently identified CMS PBJ audit findings during an Open Door Forum and on the PBJ web page).

CMS COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

CMS COMMENTS

In written comments on our draft report, CMS concurred with our first and third recommendations and did not concur with our fourth recommendation. CMS did not indicate concurrence or nonconcurrence with our second recommendation but requested that OIG close the recommendation as implemented.

Regarding our first recommendation, CMS agreed to consider the results of our findings when considering whether the sampled nursing homes need further PBJ audits.

Regarding our second recommendation, CMS did not indicate concurrence or nonconcurrence and stated it does verify whether nursing homes have taken corrective actions when conducting followup audits. CMS requested that the recommendation be closed as implemented.

Regarding our third recommendation, CMS agreed and stated it will provide additional notification to nursing homes about the updated guidance. CMS indicated it notified nursing homes about the additional guidance on July 1, 2025, through its normal channels.

Regarding our fourth recommendation, CMS did not concur with the recommendation and stated it regularly communicates with nursing homes about updates and issues that need attention, such as through CMS memoranda and the Medicare Learning Network (MLN).

CMS also provided technical comments, which we addressed as appropriate. CMS's comments, excluding the technical comments, are included as Appendix D.

OFFICE OF INSPECTOR GENERAL RESPONSE

After reviewing CMS's written comments, we maintain that our second and fourth recommendations are valid.

Regarding our second recommendation, we maintain that CMS should require the PBJ auditor to verify whether nursing homes have taken corrective actions on findings identified in prior PBJ audits. Although CMS stated that it verifies whether nursing homes have taken corrective actions when conducting followup audits, not all nursing homes with findings are subject to followup audits. These followup audits are performed on a small percentage of nursing homes. Therefore, this recommendation will remain open.

Regarding our fourth recommendation, we maintain that CMS should regularly communicate to nursing homes the trends in CMS PBJ audit findings. Although CMS stated it regularly communicates with nursing homes about updates and issues that need attention, such as through CMS memoranda and the MLN, the only memorandum issued that addressed common errors in CMS PBJ audit findings was from 2018. Also, we could not identify any MLN that addressed the trends in PBJ audit findings that may help prevent common errors from occurring.

APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

Our audit covered reporting by nursing homes related to 127,100 RNs who had approximately 20 million hours reported in the PBJ by 14,535 nursing homes for March 2024 (audit period).²⁸ Our audit included only RNs who had at least 80 hours reported in the PBJ for March 2024 and worked at a nursing home that was in operation as of August 1, 2024. We selected a stratified random sample of 100 RNs who had approximately 17,700 RN hours reported in the PBJ by 99 nursing homes for March 2024. For each of the sample items, we reviewed documentation from the nursing homes at which the RNs delivered services to determine whether the RNs' hours reported in the PBJ were supported in accordance with Federal requirements.

We did not perform an overall assessment of the internal control structures of CMS. Rather, we limited our review to those controls that were significant to our objectives. Specifically, we (1) reviewed the internal controls (e.g., policies and procedures) that nursing homes have in place to ensure the accuracy of staffing hours submitted to the PBJ and (2) reviewed the processes that CMS and the CMS PBJ auditor use to review the quality and accuracy of the staffing data that nursing homes submit to the PBJ.

We conducted our audit from May 2024 to February 2026.

METHODOLOGY

We took the following steps to accomplish our objective:

- Reviewed applicable Federal laws, regulations, and guidance
- Interviewed CMS officials and the CMS PBJ auditor to gain an understanding of the processes they used to review the quality and accuracy of the staffing data that nursing homes submitted to the PBJ
- Obtained a list of all Medicare- and Medicaid-certified nursing homes nationwide from CMS's Provider Data Catalog that were active as of August 1, 2024
- Obtained the hours reported for March 2024 in the PBJ for RNs from the CMS PBJ Employee Detail Nursing Home Staffing public use file
- Selected a stratified random sample of 100 RNs from the 127,100 RNs nationwide who had at least 80 hours reported in the PBJ for March 2024 and, for each RN:

²⁸ The audit period encompassed the most current data available at the time we initiated our audit.

- Verified the RN was licensed in the State where the nursing home at which the RN delivered services was located
- Reviewed payroll records and other documentation that supported the hours reported in the PBJ for March 2024
- Determined the hours for which each RN was paid to deliver services for March 2024 that were supported in accordance with Federal requirements
- Calculated the difference between what was reported in the PBJ and the hours for which RNs were paid to deliver services for each day worked
- Interviewed nursing home representatives to obtain an understanding of the nursing homes' processes for submitting staffing information to the PBJ²⁹
- Reviewed previous CMS PBJ audit reports obtained from some nursing home representatives and policies and procedures for ensuring the accuracy of staffing hours submitted to the PBJ obtained from some representatives
- Discussed with nursing home representatives any differences identified between what was reported in the PBJ and what was supported for reporting in the PBJ to determine why the nursing home reported hours that were not supported or did not report hours that were supported
- Estimated the number of RNs with hours reported in the PBJ that were not supported in accordance with Federal requirements
- Estimated the total hours that were reported in the PBJ that were not supported in accordance with Federal requirements
- Shared the results of our audit with nursing home representatives and CMS³⁰

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

²⁹ We interviewed nursing home representatives at 96 of the 99 nursing homes. Of the remaining three nursing homes, two declined the interview, and one was no longer in operation.

³⁰ When discussing the results of our audit with some nursing home representatives, the representatives explained why some of the hours reported were not supported. Some representatives also described actions they took to address our findings. However, we did not verify whether the actions taken by the nursing homes addressed our findings.

APPENDIX B: STATISTICAL SAMPLING METHODOLOGY

SAMPLING FRAME

The sampling frame consisted of 127,100 nursing home RNs who had at least 80 hours reported in the PBJ for March 2024 and worked at a nursing home that was in operation as of August 1, 2024.³¹ The RN hours in the PBJ and associated with our sampling frame were reported by 14,535 nursing homes and totaled 19,982,334.5 hours.

SAMPLE UNIT

The sample unit was a nursing home RN.

SAMPLE DESIGN AND SAMPLE SIZE

We used a stratified random sample. We divided the sampling frame into three strata as shown in Table 1:

Table 1: Details of Sampling Frame

Stratum	Description of Stratum (RN Hours Worked for March 2024)	Number of Sample Units in the Frame (Nursing Home-RNs)	Frame Value (RN Hours Worked)	Sample Size
1	80 to \leq 159.99	63,295	8,093,190.6	30
2	160 to \leq 239.99	59,868	10,795,053.2	55
3	\geq 240	3,937	1,094,090.7	15
Total		127,100	19,982,334.5	100

SOURCE OF RANDOM NUMBERS

We generated the random numbers with the Office of Inspector General (OIG), Office of Audit Services (OAS) statistical software.

³¹ We downloaded CMS's PBJ Employee Detail Nursing Home Staffing public use file for the quarter ended Mar. 31, 2024. We extracted from CMS's Provider Data Catalog a list of all Medicare- or Medicaid-certified nursing homes in operation as of Aug. 1, 2024.

METHOD OF SELECTING SAMPLE ITEMS

We sorted the items in each stratum by System Employee ID in ascending order and then consecutively numbered the items in each stratum in the sampling frame.³² After generating the random numbers according to our sample design, we selected the corresponding frame items.

ESTIMATION METHODOLOGY

We used the OIG-OAS statistical software to estimate (1) the total number and percentage of nursing home RNs with hours reported in the PBJ that were not supported in accordance with Federal requirements and (2) the total number and percentage of hours reported in the PBJ that were not supported in accordance with Federal requirements. We calculated the point estimate and the corresponding two-sided 90-percent confidence interval for each of these estimates.

³² The System Employee ID is a PBJ system-generated number that is assigned when the nursing home submits the staff member's hours to the PBJ and is unique for a specific RN at a specific nursing home. If an RN works at multiple nursing homes, the RN will have a unique System Employee ID for each nursing home.

APPENDIX C: SAMPLE RESULTS AND ESTIMATES

Table 2: Sample Details and Results

Stratum	Number of RNs in Frame	RN Hours Worked in Frame	Sample Size	RN Hours Worked in Sample	RN Hours Reported That Were Not Supported in Sample		RN Hours Reported That Could Not Be Verified in Sample	
					Number of RNs	Total RN Hours	Number of RNs	Total RN Hours
1	63,295	8,093,190.6	30	3,837.4	11	148	0	0
2	59,868	10,795,053.2	55	9,866.4	25	566.6	2	336
3	3,937	1,094,090.7	15	3,962	9	33.9	0	0
Total	127,100	19,982,334.5	100	17,665.8	45	748.5	2	336

**Table 3: Statistical Estimates for the Number and Percentages of Nursing Home RNs and RN Hours in the Sampling Frame That Were Not Supported
(Limits Calculated at the 90-Percent Confidence Level)**

Estimate Description	Statistical Estimates		
	Point Estimate	Lower Limit	Upper Limit
Nursing home RNs with hours reported in the PBJ that were not supported in accordance with Federal requirements	52,783 (41.5%)	41,296 (32.5%)	64,270 (50.6%)
Nursing home RN hours reported in the PBJ that were not supported in accordance with Federal requirements	937,823.7 (4.7%)	422,572.6 (2.1%)	1,745,806.5 (8.7%)

APPENDIX D: CMS COMMENTS




DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Administrator
Washington, DC 20201

DATE: April 2, 2026

TO: John D. Hagg
Acting Deputy Inspector General for Audit Services

FROM: Dr. Mehmet Oz
Administrator 

SUBJECT: Office of Inspector General Draft Report: CMS's Processes Were Not Effective in Ensuring the Accuracy of Staffing Information Reported in the Payroll-Based Journal (A-09-24-02005)

The Centers for Medicare & Medicaid Services (CMS) appreciates the opportunity to review and comment on the Office of Inspector General's (OIG) draft report.

CMS is charged with developing and enforcing quality and safety standards across the nation's health care system, a responsibility we take seriously. This duty is especially important when it comes to the care provided for people covered by Medicare and Medicaid who live in nursing homes. CMS has long identified staffing as one of the vital components of a Medicare/Medicaid-certified nursing home's ability to provide quality care. Over time, CMS has utilized staffing data for a myriad of purposes in an effort to more accurately and effectively gauge its impact on quality of care in nursing homes.

CMS understands that choosing a nursing home or community-based care is one of the most difficult and sometimes confusing decisions families have to make.¹ In 2008, CMS announced the Five Star Nursing Home Rating System with the goal of providing families with straightforward assessments of Medicare/Medicaid-certified nursing home quality, with meaningful distinctions between high and low performing homes.² CMS consulted with a panel of experts from academia, patient advocacy, and nursing home provider groups to develop a new rating system to measure performance in health inspection surveys, quality measures, and staffing information.³ Specifically, the staffing measure reports the number of hours of nursing and other staff care per resident per day. CMS adjusts this measure to account for the level of illness and services required by each facility.⁴ At the time, staffing information was collected manually.

In August 2015, CMS amended the Requirements for Participation for Long-Term Care (LTC) Facilities (Medicare- and Medicaid-certified nursing homes) to require the electronic submission of staffing data according to specifications established by CMS.⁵ To implement the requirement,

¹ CMS Press Release, [CMS Issues Historic Star Quality Rating System for Nursing Homes](#), December 18, 2008

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ See 42 CFR §483.70(p) (redesignated from §483.75 at 81 FR 68861 (Oct. 4, 2016); see also section 6106 of the Affordable Care Act, enacted on March 23, 2010, adding section 11281(g) of the Social Security Act.

and with critical funding from Congress in 2014 through the bipartisan Improving Medicare Post-Acute Care Transformation (IMPACT) Act, CMS developed the Payroll-Based Journal (PBJ) system.⁶ Through the PBJ program, CMS began holding nursing homes accountable for their staffing levels through more precise staffing reporting. This system allows CMS to track nursing home staffing through auditable data, which nursing homes must submit on a quarterly basis.

CMS announced in April 2018 that it would use PBJ data to determine each facility's staffing measure on CMS's Care Compare website, and to calculate the staffing rating used in the Five Star Quality Rating System.⁷ More specifically, nursing homes that fail to submit data will be presumed to have low levels of nursing home staff.⁸ Presumed low staffing levels will result in the nursing home receiving a one-star staffing rating, which will reduce the overall star rating.⁹ Further, to ensure data accuracy, CMS excludes data from nursing homes with incomplete or erroneous data from CMS's Public Use Files.¹⁰ Similarly, ratings above one-star are not reported on Care Compare when an audit identifies significant variation between the data reported and the data verified until the nursing home corrects any potential data errors flagged.¹¹ CMS verifies that corrective actions were taken during a follow-up audit before the staffing star rating can improve.¹²

CMS has a vigorous process to ensure the accuracy and completeness of reported PBJ staffing information, including checks for data abnormalities, monitoring of data trends, downgrading Staffing Star Ratings for nursing homes that do not submit accurate data, and audits of individual nursing homes' staffing data. For example, CMS has begun conducting audits aimed at verifying that the staffing hours submitted by nursing homes are aligned with the hours staff were paid to work over the same timeframe.¹³ Upon completion of an audit, nursing homes are notified of the audit's findings, and all audited nursing homes can request to meet with CMS to discuss their audit results.

If a nursing home is found to not be in compliance with mandatory submission of staffing information based on payroll data (§483.70(p)), then it would result in a deficiency citation.¹⁴ Separately, if concerns arise about sufficient or competent staffing, this will trigger an in-depth Sufficient and Competent Nurse Staffing Review¹⁵ during an on-site survey. Through this review, surveyors evaluate whether a nursing home has sufficient and competent nursing staff to provide nursing and related services to assure resident safety and attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident, as determined by resident assessments and individual plans of care.

⁶ CMS Press Release, [CMS Announces Two Medicare Quality Improvement Initiatives](#), October 6, 2014

⁷ CMS Memo, [QSO-18-17-NH](#), Transition to Payroll-Based Journal (PBJ) Staffing Measures on the Nursing Home Compare Tool on Medicare.gov and the Five Star Quality Rating System, April 6, 2018

⁸ Id.

⁹ Id.

¹⁰ CMS, [Payroll Based Journal Methodology](#), October 30, 2024

¹¹ CMS, Design for Care Compare Nursing Home Five-Star Quality Rating System: [Technical Users' Guide](#), pg. 16, January 2026

¹² CMS, Design for Care Compare Nursing Home Five-Star Quality Rating System: Technical Users' Guide, pg. 17, January 2026

¹³ CMS Memo, [QSO-18-17-NH](#), Transition to Payroll-Based Journal (PBJ) Staffing Measures on Nursing Home Compare tool on Medicare.gov and the Five Star Quality Rating System, April 06, 2018

¹⁴ CMS State Operations Manual (SOM), [Appendix PP](#), Guidance to Surveyors for Long Term Care Facilities, , Rev. 232; Issued 07-23-25, at Tag F-851.

¹⁵ CMS Nursing Home website, Downloads, LTC Survey Resources (zip file), Survey Pathway, Sufficient and Competent Staff, April 2025

CMS continuously provides guidance to nursing homes to assist in accurately reporting staffing hours. As described in the PBJ Policy Manual, nursing homes may view their data submitted via the PBJ Online System and are encouraged to review their Final File Validation Report, to ensure data was successfully submitted.¹⁶ Most recently, in June 2025, CMS clarified in the PBJ Policy Manual that in no case should a single employee ID or a single system ID have more than 22.5 hours for a single day entered.¹⁷ This is the maximum number of hours allowed per day to comply with the exclusion of time allotted for meal breaks policy. CMS further clarified that all nursing hours must be worked onsite to be reported in PBJ. Off-site hours are not reportable, even for nursing positions with administrative duties. All nursing staff must be able to provide direct care to residents, if required.¹⁸

OIG's audit findings indicate that 95 percent of reported hours were properly supported and in compliance with federal requirements. This demonstrates that the vast majority of PBJ data is accurate and reliable for CMS and stakeholder use. With any large-scale data entry system processing millions of records across thousands of facilities, some level of discrepancy is statistically expected and unavoidable. CMS notes that the five percent variance falls within reasonable parameters for a system of the magnitude and complexity of the PBJ system. Specifically, the PBJ system collects staffing data from approximately 15,000 nursing homes nationwide daily. Given this volume, a 95 percent accuracy rate represents a robust and well-functioning data collection system.

CMS thanks OIG for their efforts on this issue and looks forward to working with OIG on this and other issues in the future.

OIG's recommendations and CMS's responses are below.

OIG Recommendation

We recommend that CMS consider the results of our audit when selecting nursing homes for follow-up audits by the CMS PBJ auditor

CMS Response

CMS concurs with OIG's recommendation. CMS will consider the results of OIG's findings when considering if those facilities need further PBJ auditing.

OIG Recommendation

We recommend that CMS require the CMS PBJ auditor to verify whether nursing homes have taken corrective actions on findings identified in prior PBJ audits

CMS Response

While OIG noted that CMS did not ensure corrective actions were made, CMS does verify whether nursing homes have taken corrective actions when conducting follow-up audits before allowing the staffing star rating to improve. For example, every nursing home that fails an audit is given one quarter to correct the errors that caused the failure and then they are re-audited. If the nursing home passes the audit, meaning they corrected their actions, their staffing domain star rating downgrade

¹⁶ CMS Electronic Staffing Data Submission Payroll-Based Journal, [Long-Term Care Facility Policy Manual](#), Version 2.7, pg. 1-3, June 2025 (referenced herein as "PBJ Policy Manual").

¹⁷ CMS Electronic Staffing Data Submission Payroll-Based Journal, [Long-Term Care Facility Policy Manual](#), Version 2.7, pg. 2-7, June 2025

¹⁸ CMS Electronic Staffing Data Submission Payroll-Based Journal, [Long-Term Care Facility Policy Manual](#), Version 2.7, pg.2-9, June 2025

period is not extended; however, if the nursing home fails again, then it retains a one-star staffing rating with suppressed data until the errors are corrected. Once corrected, the nursing home must request an additional audit so that CMS can verify the corrections in order to improve their staffing rating. Given this information, CMS does ensure corrective actions are taken before improving the staffing rating, and therefore, CMS does ensure the accuracy of staffing information available. CMS therefore requests that OIG close the recommendation as implemented.

OIG Recommendation

We recommend that CMS educate nursing homes on the updated guidance available in the PBJ Policy Manual and PBJ Policy Manual FAQs.

CMS Response

CMS concurs with OIG's recommendation and will provide an additional notification to providers about the updated guidance. However, it is important to note that while CMS made updates to the PBJ Policy Manual and PBJ Policy Manual FAQs in 2025, these updates did not reflect any changes in policy or expectations. Rather, CMS provided additional details about existing policies. CMS did notify providers about the additional guidance on July 1, 2025, through its normal channels.

OIG Recommendation

We recommend that CMS regularly communicate to nursing homes the trends in CMS PBJ audit findings (e.g., by providing information on frequently identified CMS PBJ audit findings during an Open Door Forum and on the PBJ web page)

CMS Response

CMS non-concurs with OIG's recommendation. CMS already regularly communicates with nursing homes about updates and issues that need attention, such as through CMS memoranda and the Medicare Learning Network (MLN).

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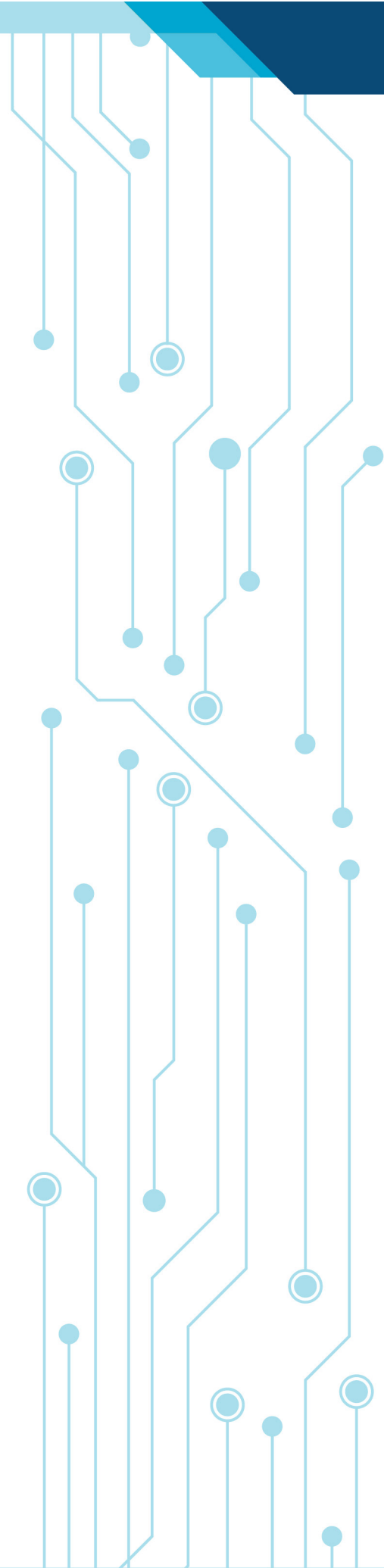
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