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# **CMS's Special Focus Facility Program for Nursing Homes Has Not Yielded Lasting Improvements**



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## CMS's Special Focus Facility Program for Nursing Homes Has Not Yielded Lasting Improvements

### Why OIG Did This Review

- Nursing homes that do not comply with Federal requirements put resident health and safety at risk.
- The Special Focus Facility (SFF) program is [CMS's](#) flagship program to address quality problems at the nation's poorest-performing nursing homes with track records of serious noncompliance. Assessing the effectiveness of the SFF program is critical to ensure that CMS provides support and accountability for poorly performing nursing homes.

### What OIG Found

**The SFF program is not working because most nursing homes that graduate from the program do not keep the improvements they made over the long term.** Between 2013 and 2022, nearly two-thirds of the nursing homes that were in the SFF program improved enough to graduate but soon afterward showed the type of quality problems that put them in the SFF program in the first place. For nursing homes in the SFF program that violate Federal requirements, **the SFF program relies too heavily on financial penalties** that do not require changes in nursing home operations. Our findings point to ways in which CMS could make the SFF program more effective:



**Staffing:** CMS minimally includes staffing in the SFF program, but nursing homes that graduate from the SFF program and sustain improvements maintain higher staffing levels than those that do not sustain improvements.



**Ownership:** CMS does not consider ownership at all in the SFF program. However, a handful of owners stand out as owning many low-quality nursing homes, which points to poor management practices. Also, State agencies told us that owners play an important role in whether nursing homes improve quality.



**States' quality improvement efforts:** Some States build on the SFF program requirements with their own initiatives to support improvements in nursing homes. CMS can learn from these efforts to increase the effectiveness of the SFF program.

### What OIG Recommends

1. CMS should impose more nonfinancial enforcement remedies that encourage sustained compliance.
2. CMS should assess the extent to which it took enhanced enforcement actions for SFF graduates and the effectiveness of those actions, particularly for graduates that received a deficiency for staffing.
3. CMS should incorporate nursing home ownership information into the SFF program, such as in selecting SFFs and identifying patterns of poor performance.

CMS concurred with our second recommendation and did not concur with the first and third recommendations.

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# BACKGROUND

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## OBJECTIVES

1. To determine the extent to which nursing homes that participated in the Special Focus Facility (SFF) program improved and maintained improvements after graduating.
  2. To identify factors associated with nursing homes' graduation from the SFF program and with maintaining improvements after graduation.
  3. To assess the Centers for Medicare & Medicaid Services' (CMS's) implementation of the program.
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Some nursing homes persistently fail to provide adequate care to residents, which puts residents' health and safety at risk. As mandated by the Social Security Act, CMS implements the SFF program to address quality problems at the Nation's poorest-performing nursing homes with track records of serious noncompliance. The SFF program uses increased monitoring and enforcement as vehicles for quality improvement. Because the SFF program focuses on the lowest-performing nursing homes, it is critical that the program deliver on its goal of facilitating high-quality care.

## Background

### Selecting Nursing Homes for the SFF Program

Nursing homes with the worst health inspection survey scores in a State are eligible for the SFF program. Since CMS began implementing the SFF program in 1998, the number of nursing homes that CMS includes in the SFF program has varied depending on the amount of funding received.<sup>1, 2</sup> Since 2014, the SFF program has had 88 slots for nursing homes across 49 States.<sup>3, a, b</sup> Each State has between one and six slots for nursing homes in the SFF program.<sup>4</sup> As nursing homes leave the SFF program, others enter. To fill vacancies when nursing homes leave the program, CMS identifies 440 nursing homes as SFF candidates (5 candidates per program slot). State agencies, with the approval of CMS, select a nursing home from the candidate list for the SFF program to fill the vacancy.<sup>5</sup>

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<sup>a</sup> Alaska and the District of Columbia (DC) do not have any slots for nursing homes to participate in the SFF program.

<sup>b</sup> According to CMS, the number of SFFs has remained static since 2014 due to a lack of increase in the survey and certification budget.

## Surveys and Enforcement in the SFF Program

Surveys and enforcement are central components of the SFF program. The Social Security Act requires SFFs to receive onsite surveys not less than once every 6 months, about twice as frequently as for other nursing homes.<sup>6, 7</sup> Under the Social Security Act, CMS enters into agreements with State agencies to conduct annual onsite inspections of nursing homes to ensure that they comply with Federal requirements.<sup>8</sup> State agencies also conduct surveys in response to nursing home complaints and facility-reported incidents as needed.<sup>9</sup>

When nursing homes do not adhere to Federal requirements, State agencies may cite them for deficiencies during surveys.<sup>10</sup> State agencies cite deficiencies at specified levels of scope and severity, indicating the prevalence of noncompliance and the level of harm caused.<sup>11</sup> CMS uses a lettered deficiency scale that runs A through K, with A being the least serious deficiencies that did not cause harm (although still violations of Federal requirements) and K being the most serious deficiencies that put residents in immediate jeopardy of harm. For nursing homes in the SFF program, any deficiency cited at F or above in a health survey is considered a serious deficiency. For life safety surveys, deficiencies cited at G or above are serious deficiencies.

According to CMS's *State Operations Manual*, nursing homes in the SFF program that receive serious deficiencies must receive an enforcement remedy.<sup>12</sup> Enforcement remedies aim to "achieve, sustain, and maintain compliance."<sup>13</sup> Types of remedies include (but are not limited to) directed plans of correction, directed in-service training, State-appointed monitoring, civil money penalties (CMPs), denial of payment, and temporary management.<sup>14</sup> Since 2017, nursing homes in the SFF program that receive high-level deficiencies in back-to-back surveys have been subject to progressive enforcement. Progressive enforcement means the severity of the enforcement remedies increases on the second survey.<sup>15</sup> For example, CMS may impose "a higher CMP than was imposed for earlier noncompliance" or may increase

### Surveys during the COVID-19 public health emergency

Due to the COVID-19 pandemic, CMS paused some nursing home surveys for part of the period that our report covers. In March 2020, CMS temporarily suspended annual standard surveys and complaint surveys, except for the most serious complaints. CMS directed States to conduct only targeted infection control surveys and oversight of Immediate Jeopardy complaints and incidents. In June 2020, CMS authorized States to conduct surveys at nursing homes in the SFF program and SFF candidates depending on conditions within the State and at the nursing home. In August 2020, CMS authorized States to resume normal survey procedures.

Source: CMS, *Prioritization of Survey Activities*, QSO-20-20-All, Mar. 23, 2020.

CMS, *Enforcement Cases Held during the Prioritization Period and Revised Survey Prioritization*, QSO-20-35-All, Aug. 17, 2020.

“from one remedy to more than one remedy imposed.”<sup>16</sup> State Medicaid agencies may also impose their own enforcement remedies with CMS approval.<sup>17</sup>

During their time in the SFF program, nursing homes may voluntarily use quality improvement resources, such as Quality Improvement Organizations (QIOs), external consultants, and evidence-based interventions, which include programs and policies that have proved effective.<sup>c</sup> CMS’s SFF program policies require State agencies to notify nursing homes about quality improvement resources when they enter the program.<sup>18</sup>

#### Quality Improvement Organizations

Nursing homes may draw on external resources, including QIOs, to improve quality. CMS administers the QIO program, which offers support such as training and technical assistance at no cost to nursing homes via contractors. Any nursing home can access QIO support.

### Leaving the SFF Program

Nursing homes in the SFF program graduate from the program once they meet certain criteria or may end up closing or being terminated from Medicare or Medicaid participation. To graduate, nursing homes must complete two consecutive standard surveys, as well as any complaint surveys, without receiving a serious deficiency. SFFs that fail to do so may be subject to termination by CMS. In an October 2022 policy memorandum, CMS made changes to the SFF graduation criteria. Nursing homes in the SFF program must receive 12 deficiencies or fewer on any one survey to graduate.

During the period of our review, CMS did not have a policy to monitor nursing homes’ performance after they graduated from the SFF program. In its October 2022 memorandum, CMS announced that it would begin postgraduation monitoring for SFFs, signaling the importance of maintaining improvements. CMS said that it would monitor SFF graduates for 3 years after graduation to “ensure improvements are sustained.” Also in its October 2022 memorandum, CMS stated that it may impose enhanced enforcement for SFF graduates that “demonstrate poor compliance,” such as those that receive actual harm and/or Immediate Jeopardy deficiencies.<sup>19</sup>

### Recent CMS Efforts Related to Nursing Home Performance: Staffing and Ownership

#### *Final Staffing Rule*

In May 2024, CMS issued a final rule requiring minimum staffing levels in nursing homes to be phased in from 2026 through 2029.<sup>20</sup> The purpose of this rule is “to address ongoing safety and quality concerns” for nursing home residents. The final rule would require all nursing homes to maintain at least 3.48 total nursing staff hours

<sup>c</sup> According to literature on public health, evidence-based interventions include “programs, practices, policies, and guidelines” that have “proven efficacy and effectiveness.” (See Rabin BA, Brownson RC, Haire-Joshu D, Kreuter MW, Weaver NL, “A glossary for dissemination and implementation research in health,” *J Public Health Manag Pract.* 2008;14(2):117–123.)

per resident per day without exception for SFFs. In addition, nursing homes would be required to maintain 0.55 registered nurse hours per resident per day and 2.45 nurse assistant hours per resident per day. Finally, nursing homes would be required to always have a registered nurse on site.<sup>d</sup> The rule would supplement existing CMS requirements that nursing homes maintain sufficient nursing staff to meet residents' needs, although the existing requirement does not establish minimum staffing hours.<sup>21</sup> In April 2025, a Federal district court vacated the provisions of the May 2024 final rule at 42 CFR §§ 483.35(b)(1) and (c) that had imposed a minimum nurse staffing standard and a 24/7 registered nurse requirement.<sup>22</sup> The Federal Government appealed that decision on June 2, 2025. This rule was not in effect during our study period.

### *Collecting Ownership Information*

In November 2023, CMS finalized a rule requiring nursing homes to report certain information about the people or entities that own and manage these nursing homes.<sup>23</sup> Among other ownership information, nursing homes must report the names of those in the facility's governing body as well as any officer, director, member, partner, trustee, or managing employees. CMS stated that this data collection effort would increase transparency around nursing home ownership and help CMS hold owners of nursing homes accountable for quality of care. In its rulemaking, CMS cited concerns about quality of care at nursing homes owned by the same owner, such as private equity companies and real estate investment trusts. CMS began publishing ownership data on its public website in September 2022 but had not yet published information about private equity companies or real estate investment trusts during the time of our study period.<sup>24</sup>

## **Related OIG Work**

This study contributes to the Office of Inspector General's (OIG's) robust body of work on nursing home oversight and quality. Past OIG work, including surveys, deficiency correction, and complaint investigations, has shed light on shortcomings in CMS and State agency oversight of nursing homes. One report found that, from 2015 through 2018, more than half of State agencies did not meet performance requirements, such as timeliness, for nursing home surveys.<sup>25</sup> Additional reports showed that State agencies were often late in investigating nursing home complaints.<sup>26, 27</sup> Another study found that State agencies did not always verify nursing homes' corrections of deficiencies, as required by CMS.<sup>28</sup> OIG has an array of work on nursing home quality concerns, such as hospitalization rates; abuse and neglect reporting; adverse events; and staffing.<sup>29, 30, 31, 32</sup> Finally, OIG has published voluntary compliance program guidance for nursing facilities to help facilities identify potential risks and implement a compliance program to mitigate them.<sup>33</sup>

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<sup>d</sup> In its final rule on nursing home staffing minimums, CMS established criteria that may exempt non-SFF nursing homes from meeting the staffing minimums. These criteria include factors such as a lack of available workforce and a facility's good-faith efforts to hire staff. CMS excluded SFFs from these exemptions. 89 Fed. Reg. 40876 (May 10, 2024).



## Methodology

This study uses a variety of data sources, including data on the SFF program from 2013 through 2022; survey and enforcement data for nursing homes that participated in the SFF program; and publicly available data on CMS's Care Compare website. As part of data collection, we also interviewed staff from CMS, a purposive sample of 10 State agencies, and a purposive sample of 8 nursing homes that participated in the SFF program. We selected State agencies from States with different characteristics (e.g., size, geographic location, number of SFF slots). Likewise, we selected nursing homes with different characteristics (e.g., geographic location, how long the facility participated in the SFF program, ownership type). We analyzed survey and enforcement data to determine the deficiencies and enforcement remedies that these nursing homes received, as well as the extent to which SFF graduates sustained quality improvements. We defined nursing homes that "sustained improvements" as those that continued to meet the SFF program's graduation requirements for at least 3 years after graduating.<sup>e</sup>

In addition, we examined publicly available data to assess any relationships between staffing levels and patterns of ownership among nursing homes that participated in the SFF program. Finally, we analyzed interview data for insights into CMS's and State agencies' implementation of the SFF program, as well as into nursing homes' experiences in the program.

See the Detailed Methodology on page 25 for more information.

## Limitations

We did not assess the extent to which CMS's survey, deficiency, or enforcement data were complete. We also did not assess the extent to which CMS's publicly available data on Care Compare were complete. We did not independently verify self-reported information from nursing homes, State agencies, or CMS.

## Standards

We conducted this study in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

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<sup>e</sup> We assessed whether nursing homes sustained improvements on the basis of the SFF program's graduation requirements that were in place prior to CMS's October 2022 updates to the program. These requirements specify that nursing homes cannot receive a deficiency of F-level scope and severity on a health survey or of G-level scope and severity on a life safety survey. CMS excludes from these requirements deficiencies for food safety (tags 812, 813, and 814) cited at F-level scope and severity, as well as deficiencies for reporting COVID-19 infections to the National Health Safety Network (tag 884). We therefore excluded these deficiencies in our analysis.



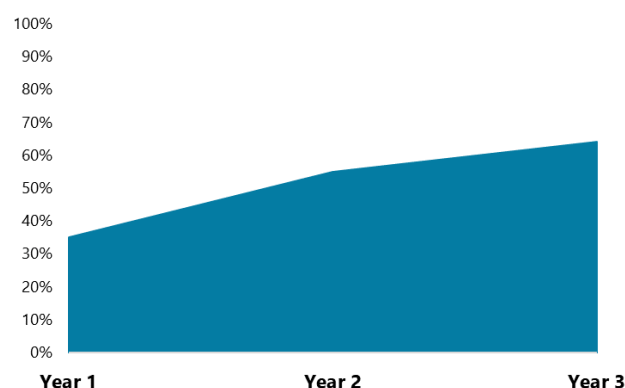
# FINDINGS

## From 2013 to 2022, nearly two-thirds of nursing homes that graduated from the SFF program did not sustain improvements made in the program

During our study's timeframe, quality improvement was short-lived among many of the nursing homes that graduated from the SFF program: 64 percent (318 of 495) received a serious deficiency within 3 years of graduating.<sup>f</sup> About one-third of graduates received a serious deficiency in each of the 3 years after graduation. If these nursing homes had still been in the SFF program, they would not have been able to graduate because of these serious deficiencies.

The remaining one-third of SFF graduates either sustained improvements for 3 years postgraduation or were on their way to doing so.

**Exhibit 1. Within 3 years, 64 percent of SFF graduates received a serious deficiency postgraduation (n=495).**



Source: OIG analysis of 2013–2022 SFF program data and CASPER data, 2024.

## In most States, more than half of nursing homes declined in quality after graduating from the SFF program

All States had nursing homes that received a serious deficiency within 3 years of graduating from the SFF program. In most States (31 of 49), more than half of nursing homes received a serious deficiency after graduating from the SFF program. Thus, these nursing homes failed to maintain the improvements that allowed them to graduate from the SFF program. The State agencies we spoke with shared examples of nursing homes that improved enough to graduate, only to have those improvements falter after leaving the program. One State agency told us that, after graduating, nursing home leadership may pull back on improvements they made during the SFF program. Another State agency observed that some nursing homes

<sup>f</sup> We excluded deficiencies for food safety (tags 812, 813, and 814) cited at F-level scope and severity, as well as deficiencies for reporting COVID-19 infections to the National Health Safety Network (tag 884). According to its October 2022 memo outlining updates to the SFF program, CMS may use discretion on whether to graduate nursing homes that receive these deficiencies.

prioritize “get[ting] off the [SFF] list” quickly instead of implementing sustainable improvements.

## The types of deficiencies that nursing homes received after graduation call into question the SFF program’s ability to foster lasting high-quality care

Among nursing homes that received a serious deficiency in the 3 years after graduating, 38 percent put residents at risk of serious injury, harm, impairment, or death. Twenty-two percent failed to meet requirements for preventing abuse. These violations of Federal requirements indicate that residents’ health and safety are at risk despite the intense oversight SFF graduates received. For example, one Ohio nursing home spent 20 months in the SFF program, only to receive 25 serious deficiencies in the 3 years after it graduated, including 3 cited as Immediate Jeopardy. Another SFF graduate in California received 18 serious deficiencies after spending less than a year in the SFF program. Of these deficiencies, seven were cited as Immediate Jeopardy and three were cited as Abuse.

**Among nursing homes that received a high-level deficiency after graduating from the SFF program:**

**38%**

received a deficiency cited as **Immediate Jeopardy**.

**22%**

received a deficiency cited as **Abuse**.



**Immediate Jeopardy** is the highest level of severity in nursing home deficiencies. It means a situation in which a provider’s noncompliance with one or more requirements of participation has caused or is likely to cause serious injury, serious harm, impairment, or death to a resident.



**Abuse** is the willful infliction of injury, unreasonable confinement, intimidation, or punishment with resulting physical harm, pain, or mental anguish. If State agencies find abuse, they may cite it under one or more deficiency tags.

Source: 42 CFR 488.301.

In fact, 17 nursing homes that graduated from the SFF program declined so far in quality that State agencies reselected them for the SFF program. Of the 495 nursing homes that graduated from the SFF program between 2013 and 2022, 17 were reselected as SFFs. In six cases, the nursing homes were reselected less than 2 years after graduating. One nursing home was reselected twice, spending three rounds in the SFF program between 2017 and 2022.

CMS updated the SFF program in October 2022 to strengthen its oversight and enforcement of SFFs and graduates to prevent what CMS officials called “yo-yo” noncompliance. Due to the period of our review, we were unable to assess the results

of this update, but our findings show that many nursing homes struggled with noncompliance after graduating.

## CMS relied mostly on financial penalties to enforce nursing homes' compliance while in the SFF program

In its operations manual, CMS encourages its offices across the United States to choose remedies that will bring nursing homes back into compliance quickly and will help maintain this compliance.<sup>34</sup> Any nursing home that receives a deficiency (other than deficiencies cited at scope and severity level A) must submit a plan of correction detailing how the nursing home will come back into compliance.<sup>35</sup> In addition, States recommend enforcement remedies to CMS, but ultimately CMS decides what remedies to use. CMS may use different types of remedies at its discretion, depending on the scope and severity of noncompliance. These include financial penalties (e.g., CMPs), directed plans of correction, and temporary management. CMS may also consider the extent to which nursing homes used optional resources to improve quality, such as QIOs, in deciding whether to apply enforcement or terminate a nursing home while it is in the SFF program.

### Eighty-six percent of nursing homes received CMPs for noncompliance while in the SFF program

The prevalence of CMPs that nursing homes received raises doubts about the ability of financial penalties to encourage lasting compliance. CMPs are fines that CMS imposes on nursing homes. These fines represented more than half of the enforcement remedies that nursing homes in the SFF program received from 2013 through 2022.<sup>9</sup> For nursing homes that had a CMP go into effect while in the SFF program, the median CMP amount was \$9,750.

Among nursing homes that stayed in the program for 2 years or longer and received an enforcement remedy, 96 percent received a CMP. For example, one nursing home that spent more than 3 years in the program received only CMPs for repeated noncompliance as an SFF. CMS did not put any other types of remedies into effect in

**For one nursing home, CMS put 11 CMPs and no other enforcement remedy into effect in the 3+ years that the SFF was in the program.**

the 11 times that it took enforcement action on this SFF. CMPs are undoubtedly appropriate remedies in some circumstances, but applying repeated rounds of CMPs on nursing homes that continue to provide poor care raises concerns that CMS is not effectively using the full array of remedies at its disposal.

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<sup>9</sup> Of the 318 nursing homes that graduated from the SFF program and did not maintain their improvements, 161 received an enforcement remedy while in the SFF program.

Other, nonfinancial remedies at CMS’s disposal may be better suited to spur quality improvements, but fewer nursing homes received these remedies as SFFs. Of nursing homes that received an enforcement remedy while in the SFF program, only 37 percent received a directed plan of correction, and just 15 percent received directed in-service training. This pattern of receiving directed plans of correction and training much less often than CMPs applies to both nursing homes that sustained improvements and those that did not sustain improvements. Although all nursing homes must correct deficiencies, remedies such as directed plans of correction and in-service training explicitly require nursing homes to take actions that affect internal processes and can require nursing homes to make systemic improvements, such as making building repairs or educating staff. (See Appendix B for a description of enforcement remedies.)

According to the State agencies we interviewed, directed plans of correction stand out as an especially helpful tool to spur operational changes in nursing homes. A few State agencies told us that including root cause analyses as part of directed plans of correction has been helpful in improving SFFs. For one nursing

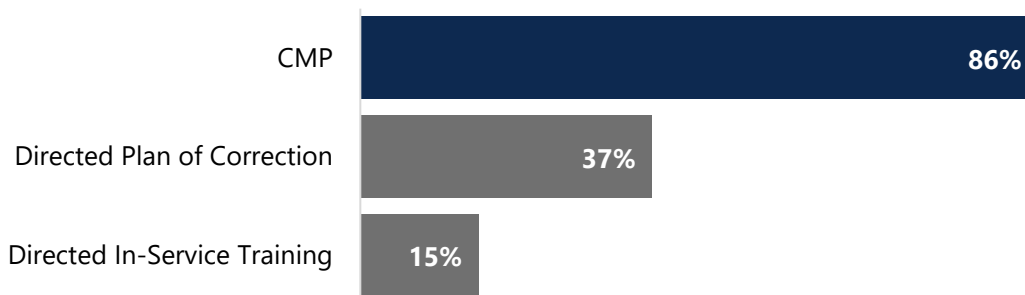
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*“With directed in-service training, they [nursing homes] have to reach out of their routine and really focus on the issue.”*  
– State agency

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home that received an Immediate Jeopardy deficiency as an SFF, the directed plan of correction required the nursing home to conduct a root cause analysis; audit policies and procedures against industry standards; and hire an outside consultant, among other actions. According to the State agency, these interventions were successful.

**Exhibit 2. From 2013 through 2022, most nursing homes that graduated from the SFF program and did not maintain improvements received CMPs; far fewer received other kinds of enforcement remedies (n=385).**



Source: OIG analysis of CMS’s ASPEN Enforcement Manager data, 2024.

## CMS rarely used State-appointed monitoring or temporary management as enforcement remedies for nursing homes in the SFF program

CMS used temporary management or State-appointed monitoring as remedies for SFFs even less frequently than it used directed plans of correction or training. Just three nursing homes in the SFF program received temporary management as a remedy, and only 12 received State-appointed monitoring, from 2013 through 2022. State-appointed monitors oversee the nursing home's correction of deficiencies to protect residents against further harm. According to CMS, State-appointed monitoring may be an appropriate remedy for nursing homes with patterns of poor compliance, the defining feature of nursing homes in the SFF program.<sup>36</sup> In addition, CMS used temporary management in just a few cases. One State agency, whose State-level regulations allow it to install temporary managers, extolled the benefits of this remedy and suggested that the SFF program could improve by using temporary management more frequently. According to CMS, the lack of increase in the survey and certification budget, as well as the lack of qualified candidates for temporary managers, presents challenges to using temporary management as a remedy.

**State-appointed monitoring** is an enforcement remedy whereby the State appoints a monitor to oversee the nursing home's correction of deficiencies. Monitors have access to all areas of the nursing home. The duration of State monitoring can vary, depending on the severity of noncompliance. (CMS refers to this remedy as State monitoring.)

**Temporary management** is an enforcement remedy whereby the State agency selects a temporary manager to oversee the nursing home. The temporary manager has the authority to hire or fire staff; change procedures; manage funds; and take other actions necessary to correct deficiencies.

Source: CMS, *State Operations Manual*, Chapter 7, Sections 7504, 7550.3 (Rev. 213, 02-10-23).

## Due to concerns about access to care, CMS rarely terminates nursing homes in the SFF program

CMS terminated few nursing homes in the SFF program from 2013 through 2022: Just 13 percent of nursing homes that exited the program either closed or were involuntarily terminated.<sup>h</sup> CMS told us that terminating a nursing home is a serious decision and that CMS weighs many factors when deciding whether termination is the appropriate remedy. CMS described concerns about relocating residents and reducing access to care by terminating nursing homes. In areas with limited nursing

<sup>h</sup> CMS recommended that we include involuntary terminations and closures in one category because nursing homes on their way to involuntary termination may have closed beforehand. A total of 562 SFFs exited the program from 2013 through 2022; of these, 71 were terminated or closed. Some of the SFFs that were terminated or closed participated more than once in the program and graduated out of the program during their previous rounds of participation.

home beds, terminating a nursing home could mean placing residents far away from families and support networks. In addition, CMS must consider the residents' care needs in the decision to terminate. Transferring residents with dementia, for example, requires the receiving nursing home to have available beds in its dementia unit, as well as enough staff to adequately care for these residents.

Some nursing homes remain in the SFF program for years providing poor care to residents. In fact, 15 percent of nursing homes in the SFF program were in the program for at least 2 years. For example, one nursing home was in the program for more than 5 years before CMS terminated its provider agreement. During its time in the SFF program, this nursing home received 195 deficiencies, including 8 deficiencies that constituted actual harm. According to the State agency, this nursing home faced

significant problems with staffing and management and did not invest in sustained improvements. When a nursing home remains in the SFF program after three standard surveys (i.e., after 18 months), CMS and State agencies must assess "the likelihood of the facility achieving sustained compliance."<sup>37</sup> However, the fact that some nursing homes stayed in the program for at least 2 years suggests that this assessment may not lead to actions that fully address poor performers.

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*One nursing home remained in the SFF program for **more than 5 years** before CMS terminated its provider agreement.*

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*In discussing challenges with termination, one State agency raised the question: "[We] don't want to displace residents, but is it better [for the nursing home] to close and get [residents] better care?"*

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State agencies expressed mixed views on terminating nursing homes that fail to improve while in the SFF program. One State agency strongly echoed CMS's concerns about access to care and disruption for residents. Similarly, another State agency told us that it did not want to terminate nursing homes and displace residents. However, a couple of State agencies said that they view termination as a positive outcome in the SFF program because it protects residents. For example, according to one State agency, termination means that poor performers are no longer providing substandard care. This State agency suggested that CMS consider termination for nursing homes that perform poorly on their first standard

survey as an SFF, rather than allowing two standard surveys before considering termination.

## CMS fell short in imposing progressive enforcement remedies on nursing homes in the SFF program that received serious deficiencies on subsequent surveys

From 2018 through 2022, CMS did not impose progressive enforcement remedies in all surveys where it was required, per its policy implemented in 2017. CMS defines progressive enforcement as “a higher CMP than was imposed for earlier noncompliance” or “increasing from one remedy to more than one remedy imposed.”<sup>38</sup> We examined situations in which nursing homes received serious deficiencies on subsequent surveys while in the SFF program, thus warranting progressive enforcement action per CMS’s policy.<sup>i</sup> In 25 percent of these situations, CMS did not impose progressive enforcement, through either an additional remedy or a higher CMP.<sup>j</sup> Progressive enforcement is a key feature of the SFF program, and applying it inconsistently undermines CMS’s efforts to hold SFFs uniquely accountable for patterns of noncompliance.

**25%** of surveys did not have progressive enforcement imposed when required per CMS’s policy.

However, CMS generally fulfilled the requirement to impose remedies for nursing homes in the SFF program that receive a serious deficiency. Almost all nursing homes that received a serious deficiency from 2013 through 2022 had an enforcement remedy imposed by CMS: Just 6 percent of surveys (72 of 1,121) did not have a remedy imposed as required.<sup>k</sup> Four percent of these surveys (3 of 72) had an Immediate Jeopardy deficiency, meaning that residents were at risk of serious injury, harm, impairment, or death. Notably, State agencies also generally fulfilled the requirement to survey SFFs every 6 months, which ensures that State agencies and CMS identify deficiencies timely.

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<sup>i</sup> To ensure accuracy, we examined only situations in which the back-to-back surveys were not part of the same enforcement case. CMS imposes remedies as part of enforcement cases, which can include multiple surveys and represent a cycle of noncompliance (CMS, *State Operations Manual*, Chapter 7). We eliminated back-to-back surveys that were in the same cycle of noncompliance, and thus part of the same enforcement case, in our analysis of progressive enforcement.

<sup>j</sup> When analyzing enforcement remedies that went into effect, rather than all remedies imposed, we found that 16 percent of surveys did not receive progressive enforcement when warranted per CMS’s policy.

<sup>k</sup> When analyzing enforcement remedies that went into effect, rather than all remedies imposed, we found that 14 percent of surveys with serious deficiencies did not result in an enforcement remedy.

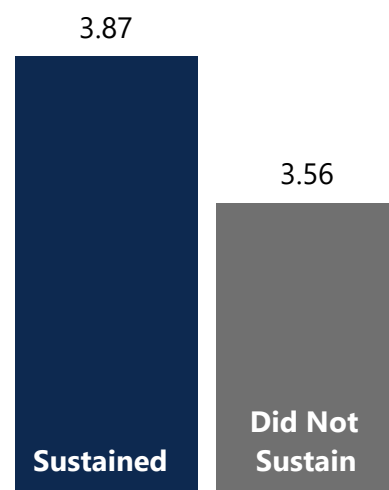


## Nursing homes that had higher staffing levels 3 years after graduating from the SFF program were more likely to have sustained improvements, suggesting that staffing could play a larger role in the SFF program

Maintaining higher staffing levels after graduating from the SFF program could help nursing homes sustain higher-quality care and improve the SFF program's outcomes. At 3 years after graduation, nursing homes that sustained improvements had significantly higher levels of staff than those that did not sustain improvements.<sup>l</sup> Nursing homes that sustained improvements had an average of 3.87 nurse staffing hours per resident per day, compared to 3.56 for nursing homes that did not sustain improvements (see Exhibit 3).<sup>m</sup> This means that, in nursing homes that sustained improvements, each resident received about 20 minutes more nursing care per day. Specifically, nursing homes that sustained improvements also provided about 6 more minutes of registered nurse care and about 10 more minutes of nurse aide care per resident per day. Thus, maintaining higher staffing levels over the long term may help nursing homes sustain improvements years after graduating from the SFF program. CMS's SFF policies consider staffing levels when selecting nursing homes for the program. (See Appendix C for more information about staffing levels.)

Leadership we spoke with at nursing homes that participated in the SFF program associated higher staffing with better quality of care. Leadership at one SFF graduate that sustained improvements told us that it maintains higher numbers of nurse aide hours and staff-to-resident ratios than required by the State. According to a representative of the nursing home's corporate office, the nursing home "will never run the minimums," implying that higher staffing levels contribute to the nursing home's success. Leadership at other nursing homes in the SFF program at the time of

**Exhibit 3. Nursing homes that sustained improvements (n=104) on average had higher total nurse staffing hours per resident per day 3 years after graduation than nursing homes that did not sustain improvements (n=259).**



Source: OIG analysis of nursing home staffing data on Care Compare, 2024.

<sup>l</sup> We define nursing homes that sustained improvements as those nursing homes that graduated from the SFF program and did not receive a high-level deficiency for at least 3 years postgraduation.

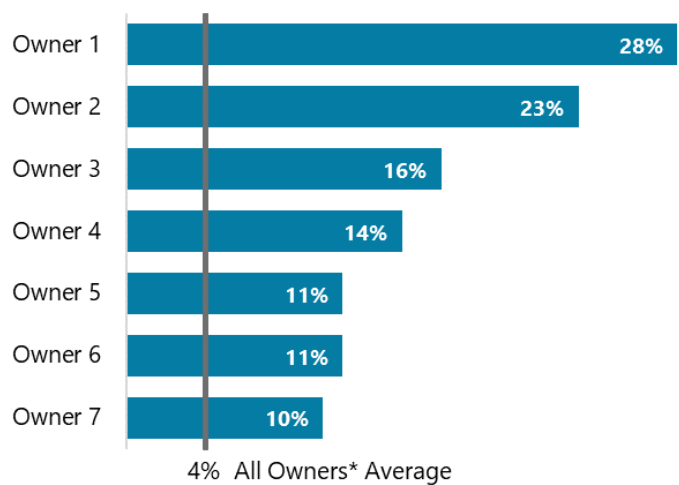
<sup>m</sup> We used CMS's case-mix adjusted measure of staffing hours per resident per day. The case-mix adjusted measures account for the acuity of residents in the facility. Total nurse staffing hours include hours for registered nurses, nurse aides, licensed practical nurses, and licensed vocational nurses.

our data collection echoed this belief, telling us they have focused on increasing staff to facilitate quality improvements.

## Patterns in ownership are not considered in the SFF program, despite several owners having multiple poorly performing nursing homes selected as SFFs

A small number of owners stood out as having a relatively high proportion of their associated nursing homes in the SFF program from 2015 through 2022.<sup>n</sup> Seven owners had at least 10 percent of their associated nursing homes in the SFF program—notably higher than the percentage seen when looking across all owners (4.1 percent).<sup>o</sup> (See Exhibit 4.) This means that, for these 7 owners, at least 1 out of 10 of their associated nursing homes have been considered the worst in the State. In addition, a few of these owners have been connected to SFFs in multiple States. Individual State agencies may not be fully aware of these owners’ histories. Through its nationwide data, CMS may have more visibility into ownership patterns among SFFs.

**Exhibit 4. Seven owners had a high proportion of their associated nursing homes in the SFF program from 2015 through 2022.**



### Percentage of Nursing Homes in the SFF Program

\*All owners that had at least five nursing homes in the SFF program from 2015 through 2022.

Source: OIG analysis of nursing home ownership data on Care Compare and of SFF program data, 2024.

<sup>n</sup> The number of nursing homes in the SFF program from 2015 through 2022 was 348. Only one of these 348 nursing homes was missing ownership information.

<sup>o</sup> When identifying owners with a relatively high percentage of nursing homes as SFFs, we limited our analysis to owners that were associated with at least five SFFs from 2015 through 2022. We conducted a Tukey analysis to identify owners with at least five SFFs that had a disproportionately high share of their nursing homes in the SFF program.

The performance of all nursing homes associated with the owners identified above suggests a broader pattern of low-quality care. As of March 2024, 134 nursing homes were associated with these owners. These nursing homes had an average health inspection star rating of 2.2 stars and an average staffing rating of 1.7 stars, below the

#### **Nursing home star ratings**

CMS's Five-Star Quality Rating System allows the public to compare nursing home quality. CMS provides an overall rating between 1 and 5 stars for each nursing home. According to CMS, 1 star is much below average quality, and 5 stars is much above average quality. CMS provides separate star ratings for health inspections, staffing, and quality measures. Health inspection star ratings are based on nursing homes' survey and complaint investigation results, and staffing star ratings are based on nursing homes' staffing measures, including level of staff and turnover.

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

averages across all nursing homes (2.8 stars for health inspections and 2.7 stars for staffing). In addition, more than half had the lowest star rating for staffing (1 star), and more than one-third had the lowest health inspection rating. These patterns raise questions about ownership practices—such as owners' operational and management decisions—that regulators could explore to better understand drivers behind poor performance.

Focusing on individual nursing homes' compliance may obscure patterns of poor performance related to ownership. CMS does not consider patterns of ownership when overseeing and enforcing compliance in nursing homes that are in the SFF program. On its website with data on affiliated nursing home entities, CMS notes that it "does not have the authority to take action on groups of nursing homes[,]" such as those owned by the same

entity.<sup>39</sup> The SFF program's graduation requirements rely on individual nursing homes' compliance histories. Similarly, it appears that CMS does not reference information about nursing homes with common ownership during its monitoring of nursing homes that have graduated from the SFF program. CMS told us that its postgraduation monitoring relies on deficiencies that SFF graduates receive.

CMS's current ownership data are limited, preventing deeper inquiry into the role of ownership on SFF performance. Recent efforts by CMS to collect ownership information, however, will likely improve these data and increase transparency into the types of entities that own nursing homes, such as private equity.<sup>40</sup>



### Owners who invest in and support their nursing homes can facilitate sustained improvements.

Although we identified patterns of poor performance among some owners associated with SFFs, we heard from CMS and State agencies that engaged, committed owners can have a positive impact on facility quality. Specifically, CMS noted that ownership and leadership are critical to whether SFFs use quality improvement resources and implement operational changes. Also, among the State agencies that echoed this point, one State credited support from corporate ownership as the reason an SFF nursing home was able to maintain improvements after graduation.

## State-level initiatives that couple quality improvement resources with increased oversight point to how the SFF program might achieve better results

CMS encourages nursing homes in the SFF program to use quality improvement resources, such as QIOs, but cannot require that they do so.<sup>P</sup> States can implement their own initiatives, separate from the SFF program, to address poor performance in nursing homes, including SFFs. As part of these initiatives, nursing homes can (and, in some cases, may be required to) undertake efforts to improve quality of care. These initiatives suggest that oversight and enforcement are not by themselves enough to foster lasting improvements in the worst-performing nursing homes. Coupling enhanced oversight with initiatives that require nursing homes in the SFF program to take specific actions for quality improvements may prove more fruitful than enhanced oversight alone.

### Nursing homes have not consistently used QIOs while in the SFF program, despite QIOs being a nationally available resource

All nursing homes in the SFF program have access to certain resources, including QIOs. QIOs provide nursing homes with training, technical assistance, and other support at no cost to the nursing home.

However, uneven uptake of QIO support suggests that some nursing homes in the SFF program do not take advantage of resources that could help them improve. CMS requires States to notify nursing homes in the SFF program of QIO resources but does not prescribe whether or how these nursing homes should work with a QIO.

- Seven of the 10 States we interviewed told us that they exceed CMS's requirement to notify by encouraging nursing homes in the SFF program to work with a QIO. Of these seven States, three told us that their States' QIOs

<sup>P</sup> CMS told us that it cannot require nursing homes to work with QIOs on improvement efforts.

were highly active and worked with many SFFs. In fact, one of these three States said that it required an SFF to work with the QIO as part of a settlement agreement.

- Two other States told us that nursing homes in the SFF program generally do not use QIO support. One State reported that, despite outreach by the QIO, nursing homes have been hesitant to allow “outsiders” into their facilities.
- The remaining State did not mention QIOs.

State agencies’ insight into SFFs’ work with QIOs appears limited in some States: Four States said that they did not know how many SFFs worked with a QIO. This was sometimes due to confidentiality rules.

### Six of the 10 State agencies we interviewed described how their State-level initiatives can facilitate lasting improvements in poorly performing nursing homes

Six of the 10 State agencies that we interviewed described the benefits of their State-level initiatives as important factors in nursing home improvement, including for nursing homes in the SFF program. Some of these initiatives have demonstrated their value to encourage quality improvements among SFFs, while another, newer initiative holds promise for SFFs. By addressing the way nursing homes provide care, among other internal operations, these State efforts complement the SFF program’s focus on surveys and enforcement. These initiatives were available to non-SFF nursing homes as well and were important supports for nursing homes in the SFF program, according to these State agencies.

- One State enrolled SFFs in a quality monitoring program that operates separately from the State agency’s regulatory oversight. Under this program, quality monitors help nursing homes assess systems and policies; address training needs; and develop corrective action plans. The State agency reported that this approach helped identify root causes of noncompliance to “address systemic issues and have sustainable progress.”
- Another State told us that it entered into settlement agreements with poorly performing nursing homes, including some in the SFF program. Staff in this State described settlement agreements as improvement plans outlining how these nursing homes can come back into compliance. These settlement agreements describe specific steps that the nursing home has agreed to take, such as working with an external consultant and making staffing changes.

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*One State reported that its quality improvement initiatives have helped nursing homes “address systemic issues and have sustainable progress.”*

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- Another State recently implemented a program that refers SFFs and other poorly performing nursing homes to receive technical assistance, such as consultations with administrative and clinical experts who make recommendations for the nursing home to improve quality. State agency staff indicated that the goal of this assistance is to help struggling nursing homes, such as those facing Immediate Jeopardy citations and/or potential termination, improve operations and come back into compliance. Staff also noted that this technical assistance could ideally help nursing homes identify the root causes of their noncompliance. The technical assistance comes from a part of the State agency that operates separately from the State agency's regulatory and enforcement arm.

#### Examples of State-level strategies to support quality improvement at SFFs



Quality monitoring provided by State



Settlement agreements between States and SFFs



Technical assistance

According to CMS, nursing homes that undertake quality improvement initiatives tend to sustain higher-quality care. CMS told us that nursing homes that use resources such as external consultants and evidence-based interventions have greater success in maintaining their improvements. A couple of State agencies echoed this belief. For example, one told us that SFFs that hire external consultants appear to have more success in making long-term improvements. Another State agency told us that its use of settlement agreements, which direct nursing homes to make certain improvements, has helped improve compliance. Our analysis of SFFs in that State supports this: Nearly all SFFs sustained their improvements after graduation.

# CONCLUSION AND RECOMMENDATIONS

The failure of the SFF program to facilitate sustained improvements in two-thirds of nursing homes that graduated from the program puts residents at risk. CMS revised the program in 2022, but the program remains centered on surveys and enforcement. These mechanisms are blunt tools to address systemic problems of poor-quality care in nursing homes.

Still, even with only these existing authorities and tools, CMS could do more. Our assessment shows that the SFF program relies too heavily on financial penalties and not enough on efforts to spur operational changes that could lead to sustained improvements. Additionally, the SFF program could take action to include two core elements of nursing home operations in its monitoring and oversight efforts: staffing and ownership. Beyond the Social Security Act's requirements to select struggling facilities and survey them every 6 months, CMS could shape the SFF program by using its discretion in enforcement remedies to encourage sustained quality improvements.

We recommend that CMS:

## **Impose more nonfinancial enforcement remedies that encourage sustained compliance**

CMS should impose more enforcement remedies that foster sustained quality improvements, such as those that encourage systemic, longer-lasting changes in operations. Although nursing homes submit plans of correction when CMS imposes remedies, including financial remedies, we found that SFFs often regressed into poor quality after graduating. This suggests that CMS's current approach to remedies is not doing enough to foster long-term compliance.

Nonfinancial remedies, such as directed plans of correction, directed in-service training, and temporary management, among others, could support the SFF program's goal of quality improvement because they require the nursing homes to make systemic changes. In fact, CMS has acknowledged the role that nonfinancial remedies play in fostering change that leads to long-term compliance. For example, during the COVID-19 pandemic, CMS instructed State agencies to apply directed plans of correction for any nursing home that received an infection control deficiency, to identify root causes.<sup>41</sup> CMS said that the aim of these remedies was "to facilitate lasting systemic changes within facilities to drive sustained compliance." CMS should consider a similar approach to enforcement discretion for nursing homes in the SFF program to facilitate long-term improvements.



## **Assess the extent to which it took enhanced enforcement actions for SFF graduates and the effectiveness of those actions, particularly for graduates that received a deficiency for staffing**

To help sustain quality improvements in SFF graduates, CMS should determine if it is making effective use of enhanced enforcement. CMS describes enhanced enforcement as “taking more aggressive enforcement actions,” such as increasing civil money penalties or imposing stronger directed plans of correction, among other actions.<sup>42</sup> In its October 2022 memo updating the SFF program, CMS stated that, for SFFs that graduate but continue to demonstrate poor compliance, it “may” take enhanced enforcement actions, leaving discretion in this policy. However, whether and under what circumstances CMS imposes enhanced enforcement action is unclear.

CMS should assess the circumstances under which it imposes enhanced enforcement, the types of remedies imposed, and the effectiveness of these remedies (e.g., how long it takes the nursing home to come back into compliance, and/or the prevalence of repeat deficiencies). Assessing these actions will show the extent to which CMS Locations and States are consistently and effectively applying this policy memorandum. In addition, this assessment would provide CMS with important information as it makes any adjustments to its postgraduation monitoring policy.

Because our analysis shows that SFF graduates that maintain higher staffing levels tend to sustain improvements, CMS should focus particular attention on SFF graduates that receive deficiencies for failing to meet staffing requirements. Specifically, CMS should assess whether these nursing homes receive enhanced enforcement actions, the types of enforcement action received, and the effectiveness of such actions. Doing so will help CMS determine whether it is keeping SFF graduates accountable for meeting minimum staffing requirements.

## **Incorporate nursing home ownership information into the SFF program, such as in selecting SFFs and identifying patterns of poor performance**

CMS should determine how to incorporate ownership data into the SFF program to improve the program’s effectiveness. CMS has already recognized the importance of ownership to quality and has taken steps to increase the transparency and specificity of nursing home ownership data. CMS could build on that by incorporating ownership data into information about SFF candidates that it shares with State agencies and by instructing State agencies on how they should consider this information when selecting SFFs. CMS provides staffing data to State agencies to help them select SFFs from the candidate list, indicating that it can do the same for data on ownership. In addition, CMS could use its newly collected ownership data to identify patterns in ownership among SFFs and other poorly performing nursing

homes. Identifying these patterns could lead to a deeper understanding of the root causes of noncompliance and point to more effective ways to address these causes.

# AGENCY COMMENTS AND OIG RESPONSE

CMS concurred with one of our recommendations and did not concur with the remaining two.

CMS did not concur with our first recommendation that it impose more nonfinancial enforcement remedies that encourage sustained compliance. CMS stated that it has already taken action to address this recommendation, including working with State Agencies to use nonfinancial remedies to enforce compliance. CMS stated that it would continue efforts to impose alternative (i.e., nonfinancial) remedies as appropriate.

OIG acknowledges CMS's new action and encourages its continued efforts to use nonfinancial enforcement remedies on SFF nursing homes. We retain this recommendation given the importance of these efforts and CMS's limited use of such remedies during the period of our review. As stated in our findings, CMS used nonfinancial remedies such as temporary management only a few times on SFFs in the 10 years of our data (2013-2022). Increased use of nonfinancial remedies could support the SFF program's goal of quality improvement because they require the nursing homes to make systemic changes. To implement this recommendation, CMS should provide documentation of the new actions it has taken regarding this enforcement approach, including how it has assessed State Agency use of nonfinancial enforcement remedies and any changes to the conditions for appropriate use of these remedies.

CMS concurred with our second recommendation that it assess the extent to which it took enhanced enforcement actions for SFF graduates and the effectiveness of those actions, particularly for graduates that received a deficiency for staffing. CMS stated that in July 2025 it transitioned to a new nursing home survey database, which CMS said will allow State Agencies and CMS to identify SFF graduates and monitor enhanced enforcement actions imposed on them.

OIG acknowledges the steps CMS has taken to further its ability to track and assess enhanced enforcement action. In its Final Management Decision, CMS should detail its plans to use the new database to monitor enhanced enforcement action for SFF graduates and assess the effectiveness of these actions.

CMS did not concur with our third recommendation that it incorporate nursing home ownership information into the SFF program, such as in selecting SFFs and identifying patterns of poor performance. CMS noted that it updated the SFF program in 2022 and that OIG did not evaluate the program updates for effectiveness (the scope of our study was 2013-2022). CMS stated that it must first consider if and how to incorporate ownership information into the SFF program. Furthermore, CMS stated that its statutory authorities do not allow it to take enforcement action against groups

of nursing homes. In cases of owners having poor compliance across their nursing homes, CMS can only take enforcement action on individual facilities.

OIG maintains that implementing this recommendation could support a data-driven, risk-based approach to selecting and monitoring nursing homes in program. For example, when selecting between two comparable SFF candidates, State Agencies may benefit from knowing that one of the candidates is owned by an entity with many poorly performing nursing homes. OIG points out that none of CMS's 2022 updates relate to ownership and they do not have bearing on our recommendation that CMS incorporate nursing home ownership information into the SFF program.

OIG acknowledges that CMS does not have statutory authority to take enforcement action against groups of nursing homes under the same owner. However, OIG did not recommend that CMS overstep its existing authorities in the SFF program. Rather, OIG believes that CMS can incorporate ownership information within its authority to strengthen risk-based decision-making about where to focus SFF program resources, including selecting candidates and monitoring their quality of care.

Additionally, OIG's recommendation appears to align with CMS's stated intentions for using ownership information to improve quality. In its final rule requiring nursing homes to disclose ownership information, CMS pointed to ways it planned to use the information for quality improvement.<sup>43</sup> CMS stated that with the ownership information, "CMS, states, and stakeholders will be better positioned to ascertain areas of the facility's operations that could be sources of substandard quality and, to the extent applicable, undertake remedial measures or otherwise hold the facilities accountable."

For the full text of CMS's comments, see the Agency Comments appendix at the end of the report.

# DETAILED METHODOLOGY

## Data Sources

This study uses the following data sources: (1) data on nursing homes that participated in the SFF program during 2013–2022, including the dates they entered and exited the program and their graduation status, when applicable; (2) survey, deficiency, and enforcement data for these nursing homes from CMS’s Automated Survey Processing Environment (ASPEN) and Certification and Survey Provider Enhanced Reports (CASPER) systems; (3) publicly available staffing, ownership, and quality data on Care Compare; (4) interviews with 10 State survey agencies; (5) interviews with 8 nursing homes that participated in the SFF program; and (6) an interview with CMS.

## Data Analysis

### SFF Program Data

CMS provided data on all nursing homes that participated in the SFF program from calendar years 2013 through 2022. The data include the SFFs’ locations, dates they entered and/or exited the program, their graduation status (if applicable), and their termination status, as well as reason for termination (if applicable). We used these data to determine the number of nursing homes that participated in the SFF program from 2013 through 2022, both nationally and across States. We also examined how many nursing homes graduated; how many were terminated or closed; and the length of time that nursing homes spent in the SFF program.

### CMS’s Survey, Deficiency, and Enforcement Data

CMS provided survey and deficiency data from its ASPEN and CASPER systems and enforcement data from the ASPEN Enforcement Manager (AEM) system. CMS provided these data for all nursing homes that participated in the SFF program from 2013 through 2022. We merged CASPER data with the SFF program data and analyzed the number and type of deficiencies that nursing homes received before, during, and after the SFF program.

In addition, we merged SFF program data with AEM data to examine the Federal enforcement remedies imposed on nursing homes while they were in the SFF program. We examined the number and types of remedies imposed on SFFs, including the amount of CMPs imposed. To analyze enforcement remedies imposed on SFFs that received a high scope and severity deficiency, we merged survey and deficiency data from CASPER with enforcement remedy data. From this, we determined how many SFF surveys with a high scope and severity deficiency resulted in a Federal enforcement remedy. We also determined how many back-to-back SFF

surveys with high scope and severity deficiencies resulted in progressive enforcement action. Finally, we determined survey timeliness by calculating the intervals between standard surveys while nursing homes were in the SFF program.

## Care Compare on Nursing Home Staffing, Ownership, and Quality

We obtained publicly available data on nursing home staffing, ownership, and quality from the Provider Data Catalog on CMS's Care Compare website. For staffing data, we downloaded archived datasets from November of each year from 2016 through 2022.<sup>q</sup> We appended these datasets together and merged them with the SFF program data to assess nursing homes' staffing levels after graduating from the SFF program.

Similarly, for the ownership data, we downloaded datasets from February of each year from 2015 through 2022 and appended these together.<sup>r</sup> We then merged these data with data on SFFs that participated in the program from 2015 through 2022 on the basis of the nursing home provider number and the year the nursing home entered the SFF program. We examined owners associated with SFFs at the year of entering the program. We calculated the percentage of nursing homes that were in the SFF program from 2015 through 2022 by owner. We limited this calculation to nursing homes that had ownership information. We also calculated the percentage of nursing homes associated with each owner that were in the SFF program. We compared these percentages to identify owners that had a relatively high share of their associated nursing homes in the SFF program. When analyzing patterns in ownership among nursing homes that participated in the SFF program, we assumed that owners with the same name represented one unique owner. We did not differentiate by ownership role.

Finally, we downloaded the Provider Information dataset from March 2024 to examine the quality of all nursing homes associated with the owners we identified as having a relatively high share of nursing homes in the SFF program. We averaged the health inspection rating and staffing rating across nursing homes associated with these owners and compared these ratings to the average ratings across all nursing homes nationally.

## Interviews with SFFs

We selected a purposive sample of two nursing homes that graduated from the SFF program and six nursing homes selected as SFFs after October 2022 to discuss their experiences in the program. The two SFF graduates had maintained their improvements since graduating, meaning they did not receive a high scope and severity deficiency for at least 3 years postgraduation. Originally, we had planned to interview more SFF graduates that maintained improvements but found that, due to

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<sup>q</sup> We compiled staffing data using the nursing home Provider Information datasets on CMS's public website. These datasets are available for 2016 onward.

<sup>r</sup> We compiled ownership data using the nursing home Ownership datasets on CMS's public website. These datasets are available for 2015 onward.

turnover, many of these nursing homes did not have staff available to speak to the nursing homes' experiences as SFFs. We conducted these interviews in September and October 2023. For one SFF graduate, we conducted an in-person interview with a corporate staff member, the administrator, the director of nursing, and a direct-care staff member. For the other, we conducted a telephone interview with the administrator and director of nursing. We discussed a range of topics, including (1) the nursing homes' history of noncompliance prior to becoming an SFF; (2) the nursing homes' experiences in the SFF program; (3) communication with CMS and the State agency; (4) changes the nursing home made to processes and procedures as an SFF; and (5) perspectives on the extent to which the SFF program facilitated improvements in the nursing home.

We also conducted semi-structured interviews over telephone with six nursing homes that were selected as SFFs after October 2022, when CMS made updates to the SFF program. We interviewed the nursing home administrators and, in some cases, directors of nursing and corporate staff. We conducted these interviews between December 2023 and February 2024. These interviews covered the following topics: (1) the SFF selection process, including communication with the State agency and CMS; (2) the nursing home's response to being selected as an SFF, including resources used and any changes made to processes and procedures; and (3) the nursing home's perspectives on the SFF program overall, including its benefits and challenges. We analyzed these interviews for themes across SFFs and used them to provide examples.

## Interviews with State Agencies

To provide insight into implementing the SFF program, we selected a purposive sample of 10 State survey agencies for telephone interviews: California, Florida, Idaho, Illinois, Louisiana, New Hampshire, North Carolina, Ohio, Pennsylvania, and Texas. We selected States that represent different geographic regions and had varied in how many SFF slots they have. We conducted these interviews in July and August 2023. The interviews covered six topics: (1) selecting and overseeing nursing homes in the SFF program; (2) implementing enforcement actions on nursing homes in the SFF program; (3) factors that affect SFFs' outcomes (i.e., graduation or termination); (4) factors that affect SFFs' success after graduation; (5) recent SFF program updates, including postgraduation monitoring; and (6) overall perspectives on the SFF program, including successes and challenges. We analyzed these interviews to identify any themes across State agencies.

## Interview with CMS

We interviewed staff in CMS's Division of Nursing Homes on October 27, 2023. We asked about CMS's approach to implementing the SFF program, including (1) selecting nursing homes for the SFF program; (2) communicating with nursing homes in the SFF program; (3) working with State agencies to implement the SFF program; (4) imposing enforcement remedies; (5) updating the SFF graduation criteria and



monitoring SFFs postgraduation; and (6) overall perspectives on the SFF program, including successes and challenges.

# APPENDICES

## Appendix A: Nursing Home Deficiencies

### Types of Deficiencies

During surveys, State agencies cite deficiencies when nursing homes do not adhere to Federal requirements. Deficiencies fall into different categories, such as resident rights, physical environment, and infection control, among others. In the SFF program, CMS considers almost all deficiency types when it determines nursing homes' progress toward graduation. However, CMS may use its discretion to omit some deficiency types from graduation decisions. As of October 2022, these deficiency types include F812 (Food Procurement, Store/Prepare/Serve), F813 (Personal Food Policy), or F814 (Dispose Garbage & Refuse Properly); or citations at F884 (COVID-19 Reporting to CDC).

### Scope and Severity of Deficiencies

State agencies cite deficiencies at specified levels of scope and severity, which indicate the prevalence of noncompliance and the level of harm caused. The chart below shows CMS's classification system for deficiency scope and severity. Generally, CMS can impose enforcement remedies when a nursing home is not in substantial compliance with Medicare requirements of participation. This includes when nursing homes receive a deficiency of immediate jeopardy, actual harm, or the potential for more than minimal harm to residents (a deficiency cited at level "D" or higher).

**Exhibit 5. Nursing home deficiency scope and severity**

Severity	Scope		
	Isolated	Pattern	Widespread
Immediate jeopardy to resident health or safety	J	K	L
Actual harm that is not immediate jeopardy	G	H	I
No actual harm with potential for more than minimal harm that is not immediate jeopardy	D	E	F
No actual harm with potential for minimal harm	A	B	C

Source: CMS, *SFF Scoring Methodology*. Accessed at <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/CertificationandCompliance/Downloads/SFFSCORINGMETHODOLOGY.pdf>.

## Appendix B: Enforcement Remedies

In cases in which a nursing home is not in substantial compliance with Federal Requirements, CMS may impose several types of enforcement remedies. The State Operations Manual (SOM) states that the purpose of remedies is “to achieve, sustain and maintain compliance” and instructs CMS Locations to select the remedy “that will bring about compliance quickly.”<sup>44</sup> State agencies may also impose their own enforcement remedies with the approval of CMS.

Remedy type	What the Remedy Entails
<b>Civil Money Penalty</b>	The nursing home pays a monetary fine.
<b>Directed In-Service Training</b>	The nursing home provides training to staff.
<b>Directed Plan of Correction</b>	The State agency or CMS Location direct the nursing home to take specific action to address noncompliance.
<b>Temporary Management</b>	The State agency selects a temporary manager to oversee the nursing home. The temporary manager has the authority to hire or fire staff; change procedures; manage funds; and take other actions necessary to correct deficiencies.
<b>Denial of Payment for All New Medicare and Medicaid Admissions</b>	CMS denies payment for all new Medicare admissions at the nursing home. The State Medicaid Agency and CMS—in their joint administration of the State Medicaid program—deny payment for all new Medicaid admissions.
<b>Denial of All Payment for All Medicare and Medicaid Residents</b>	CMS denies any further payment to the nursing home for all Medicare residents, and also denies payment to a State Medicaid Agency for all Medicaid residents.
<b>State-Appointed Monitoring</b>	The State appoints a monitor to oversee the nursing home’s correction of deficiencies. Monitors have access to all areas of the nursing home. The duration of State-appointed monitoring can vary, depending on the severity of noncompliance.
<b>Termination of Provider Agreement</b>	The nursing home may no longer participate in the Medicare and Medicaid programs and, therefore, may no longer receive payment for Medicare and Medicaid admissions.

Source: CMS, *State Operations Manual*, “Chapter 7: Survey and Enforcement Process for Skilled Nursing Facilities and Nursing Facilities.”

## Appendix C: Staffing Levels 3 Years After SFF Graduation

		Number of Observations	Mean Value
Total Nurse Staffing	Sustained Improvements	104	3.87
	Did Not Sustain Improvements	259	3.56
Registered Nurse	Sustained Improvements	104	0.62
	Did Not Sustain Improvements	259	0.53
Nurse Aide	Sustained Improvements	104	2.32
	Did Not Sustain Improvements	259	2.15

## Appendix D: Agency Comments

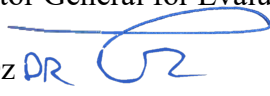
Following this page are the official comments from CMS.



*Administrator*  
Washington, DC 20201

**DATE:** September 18, 2025

**TO:** Ann Maxwell  
Deputy Inspector General for Evaluations and Inspections

**FROM:** Dr. Mehmet Oz   
Administrator

**SUBJECT:** Office of Inspector General Draft Report: *CMS's Special Focus Facility Program for Nursing Homes Has Not Yielded Lasting Improvements (OEI-01-23-00050)*

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's approach to the oversight of nursing homes, including oversight of poor performing nursing homes, is constantly evolving and CMS is continuously looking for ways to improve and build upon its oversight of such nursing homes.

CMS created the Long-Term Care (LTC) Special Focus Facility (SFF) program in 1998, as required by statute, as one of the initiatives of the Nursing Home Oversight and Improvement Program and it was later codified in 2010 through the Affordable Care Act.<sup>1</sup> The SFF program sought to decrease the number of persistently poor-performing nursing homes by focusing more attention on nursing homes with a record of poor survey performance to help ensure these nursing homes significantly improve their quality of care and safety of residents. CMS directed State Survey Agencies (SAs) to conduct two standard surveys per year for each SFF instead of one.

CMS uses a scoring methodology to identify nursing homes that become candidates for the SFF program by virtue of their more serious history of severe and persistent quality of care problems. The scoring algorithm is the method for scoring nursing home noncompliance deficiency findings and survey results to address challenges posed by nursing homes that consistently provided poor quality of care but periodically instituted enough improvement that they would pass one survey only to fail the next (often for many of the same problems as before). Such nursing homes with a "yo-yo" history rarely addressed the underlying systemic problems that were giving rise to repeated cycles of serious deficiencies. For example, when a serious

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<sup>1</sup> Sections 1819(f)(8) and 1919(f)(10) of the Social Security Act (the Act), as amended by Title VI, section 6103 of the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148).

deficiency has been identified, CMS requires that a revisit be conducted to verify that the nursing home has corrected deficiencies and has been restored to substantial compliance with CMS quality of care and safety requirements. Nursing homes that require more than one onsite revisit before being able to demonstrate substantial compliance have generally failed to make systemic changes in quality of care and quality of life requirements and/or failed to monitor and re-evaluate care, treatment and services via the quality assessment and assurance process. Such nursing homes are more likely to exhibit a “yo-yo” pattern of non-compliance. The number of revisits that are conducted represents an indicator of more serious problems in achieving or sustaining compliance. Therefore, CMS assigned additional SFF points to a facility for each additional revisit after the first revisit.<sup>2</sup>

In 2004, CMS revised the methods to improve the selection of nursing homes for the LTC SFF program.<sup>3</sup> CMS also strengthened enforcement of remedial action for those nursing homes that exhibit a persistent pattern of substandard care. The revisions allowed states to monitor nursing homes in need of more attention and for CMS to impose stronger enforcement remedies on SFFs that fail to achieve and maintain significant progress in correcting deficiencies. For example, CMS noticed that many nursing homes remained on the SFF list for some time without improving. In response, CMS implemented more robust enforcement, such as requiring sanctions if progress did not occur and sending notices of termination of participation from Medicare and Medicaid if a nursing home remained on the SFF list for 18 months and had three surveys without significant improvement.

In 2010, CMS released a memorandum adjusting the number of SFF slots for each state to reflect the current population of nursing homes in each state, thus increasing the SFF slots nationally by ten percent.<sup>4</sup> It also required that CMS or the SA impose an immediate remedy on each SFF that fails to achieve and maintain significant improvements in correcting deficiencies on the first and each subsequent standard survey after a nursing home becomes an SFF.<sup>5</sup> The memo also highlighted that, per the Medicare and Medicaid statutes, a nursing home could not continue to participate in Medicare and Medicaid if it was not in substantial compliance within six months nor may they avoid a remedy of mandatory Denial of Payment for New Admissions (DPNA) if they are not in substantial compliance within three months.<sup>6, 7</sup>

Despite an almost nine percent increase in nursing home survey hours, in 2013, the survey and certification budget was reduced by five percent in line with the Balanced Budget and Emergency Deficit Control Act, also known as sequestration, which happened across the federal government.<sup>8</sup> In response, in 2014, CMS decreased the number of slots available in the SFF program.<sup>9</sup> And, since FY 2014, CMS has requested an increase to the funding level for survey

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<sup>2</sup> CMS, [S&C-09-05](#), Special Focus Facility (SFF) Program Survey Scoring Methodology, October 10, 2008.

<sup>3</sup> . CMS, [S&C-05-13](#), Improving Enforcement via the Special Focus Facility Program for Nursing Homes, December 16, 2004.

<sup>4</sup> CMS, [S&C-10-32-NH](#), Special Focus Facility Procedures, September 17, 2010

<sup>5</sup> Id.

<sup>6</sup> Sections 1819(h)(2)(C) and 1919(h)(3)(D) of the Act.

<sup>7</sup> Sections 1819(h)(2)(D) and 1919(h)(2)(C) of the Act.

<sup>8</sup> CMS, [S&C: 13-23-ALL](#), FY2013 Sequestration Adjustments for Survey & Certification, April 5, 2013.

<sup>9</sup> CMS, [S&C: 14-20-NH](#), FY2014 Post Sequester Adjustment for Special Focus Facility Nursing Homes, April 18, 2014.



and certification in the President's Budget every year (FY 2014 – FY 2026). It is crucial to understand that the number of nursing homes that can participate in the LTC SFF program is dependent on the funding available.

Notwithstanding budget constraints, CMS has continued to strengthen the program. In 2017, in conjunction with notice of initial SFF selection, CMS added that a meeting, either face-to-face or via telephone, must be held between the SA and the nursing home's accountable parties (such as governing body, owners, operators). The SA also must provide a copy of the notice to the State Ombudsman's Office, the State Medicaid Director, and the applicable Quality Improvement Networks (QIN) and Quality Improvement Organizations (QIOs).<sup>10</sup>

While the SFF program has helped nursing homes improve their compliance and quality, there are some nursing homes that fail to demonstrate the improvements needed to graduate from the program and can therefore remain in the program for a prolonged period. As mentioned above, there are some nursing homes that graduate from the program only to see their compliance and quality regress later. Therefore, in 2022, CMS further revised the SFF program to protect and improve the quality of care that residents living in these nursing homes receive.<sup>11</sup> The changes made aimed to address nursing homes remaining in the SFF program for too long and nursing homes with "yo-yo" noncompliance after graduating. Additionally, because of the importance of nursing home staffing, CMS asked SAs to consider a nursing home's staffing levels data when selecting SFFs from the SFF candidate list. Furthermore, to inform consumers of the serious quality issues that exist with SFFs, CMS does not display star ratings for SFFs on the Care Compare website. Instead, these nursing homes are identified with an icon and text that indicates their status as an SFF.

When deciding on enforcement actions, CMS considers the nursing home's efforts to improve performance (or lack thereof). For example, an SFF with continued noncompliance and little or no demonstrated efforts to improve performance will have more severe enforcement remedies than nursing homes that have taken aggressive actions to bring systemic change and improve performance. CMS also considers the nursing home's efforts to improve when considering discretionary termination from the Medicare and Medicaid programs. Further, to avoid situations where a nursing home remains an SFF for a prolonged period, CMS established specific criteria that may result in the discretionary termination.<sup>12</sup> For instance, SFFs with deficiencies cited at scope and severity level of Immediate Jeopardy (IJ) on any two surveys (standard health, complaint investigation, life safety code, or emergency preparedness) while in the SFF program will be considered for discretionary termination.<sup>13</sup>

As OIG reported, CMS now closely monitors graduates from the SFF program for a period of three years to ensure improvements are sustained. For the SFFs that graduate but continue to demonstrate poor compliance identified on any survey, CMS may use its authority to impose enhanced enforcement options, up to, and including discretionary termination from the Medicare and Medicaid programs.

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<sup>10</sup> CMS, [S&C: 17-20-NH](#), FY2017 Special Focus Facility (SFF) Program Update, March 2, 2017.

<sup>11</sup> CMS, [QSO-23-01-NH](#), Revisions to the Special Focus Facility (SFF) Program, October 21, 2022

<sup>12</sup> Id.

<sup>13</sup> Id.

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**

Impose more nonfinancial enforcement remedies that encourage sustained compliance.

**CMS Response**

CMS non-concurs with this recommendation. CMS notes that actions have already been taken to address this recommendation. CMS continues to work with SAs to use various available remedies when taking enforcement action against SFFs, including the use of temporary managers and the imposition of Directed Plans of Correction (DPOC) and Directed in Service Training (DIST) remedies in our enforcement work. We will continue our efforts to impose alternative remedies for SFF enforcement when the circumstances are appropriate.

**OIG Recommendation**

Assess the extent to which it took enhanced enforcement actions for SFF graduates and the effectiveness of those actions, particularly for graduates that received a deficiency for staffing.

**CMS Response**

CMS concurs with OIG's recommendation. In July 2025, CMS transitioned nursing home surveys to a new national database, Internet Quality Improvement & Evaluation System (iQIES).<sup>14</sup> iQIES allows SAs and CMS to effectively identify SFF graduates by centralizing survey and enforcement data. CMS will begin to explore future enhancements to assist with monitoring enhanced enforcement for SFF graduates and the effectiveness of those actions.

**OIG Recommendation**

Incorporate nursing home ownership information into the SFF program, such as in selecting SFFs and identifying patterns of poor performance.

**CMS Response**

CMS non-concurs with this recommendation. As mentioned above, CMS revised the SFF program in 2022, and we note that OIG's data analysis was 2013 – 2022, which means the revisions were not evaluated for effectiveness. CMS needs to first consider if and how it is appropriate to incorporate ownership information in selecting or in identifying patterns of poor performance and identify potential adverse consequences. Additionally, it is important to note that CMS's statutory authority is limited to surveying for compliance and enforcement based on individual nursing home performance. If a single individual owns multiple nursing homes that are separately certified, finding noncompliance at one nursing home does not give CMS the ability to take action against other nursing homes under that owner.

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<sup>14</sup> CMS, Admin Info: 25-07-NH, March 7, 2025

# ABOUT THE OFFICE OF INSPECTOR GENERAL

## Office of Inspector General

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# ENDNOTES

<sup>1</sup> Sections 1819(f)(8) and 1919(f)(10) of the Social Security Act.

<sup>2</sup> CMS, *Revisions to Special Focus Facility (SFF) Program*, QSO-23-01-NH, Oct. 21, 2022. Accessed at <https://www.cms.gov/files/document/qso-23-01-nh.pdf>.

<sup>3</sup> CMS, *Fiscal Year (FY) 2017 Special Focus Facility (SFF) Program Update*, S&C: 17-20-NH, Mar. 2, 2017. Accessed at <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Survey-and-Cert-Letter-17-20.pdf> on Sept. 14, 2022.

<sup>4</sup> CMS, *Fiscal Year (FY) 2017 Special Focus Facility (SFF) Program Update*, S&C: 17-20-NH, Mar. 2, 2017. Accessed at <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Survey-and-Cert-Letter-17-20.pdf> on Sept. 14, 2022.

<sup>5</sup> CMS, *Revisions to Special Focus Facility (SFF) Program*, QSO-23-01-NH, Oct. 21, 2022. Accessed at <https://www.cms.gov/files/document/qso-23-01-nh.pdf> on Nov. 7, 2022.

<sup>6</sup> Sections 1819(f)(8) and 1919(f)(10) of the Social Security Act.

<sup>7</sup> Sections 1819(g)(1)-(2) and 1919(g)(1)-(2) of the Social Security Act.

<sup>8</sup> Section 1864(a) of the Social Security Act; 42 CFR § 488.330; CMS, *State Operations Manual*, Pub. No. 10-07, “Chapter 1: Program Background and Responsibilities,” Section 1002.

<sup>9</sup> Sections 1819(g)(4)(A) and 1919(g)(4)(A) of the Social Security Act.

<sup>10</sup> CMS, *State Operations Manual*, Chapter 7.

<sup>11</sup> CMS, *State Operations Manual*, Chapter 7.

<sup>12</sup> CMS, *State Operations Manual*, Chapter 7, “Section 7304.1: Mandatory Criteria for Immediate Imposition of Federal Remedies Prior to the Facility’s Correction of Deficiencies.”

<sup>13</sup> CMS, *State Operations Manual*, Chapter 7, Section 7400.3.

<sup>14</sup> CMS, *State Operations Manual*, Chapter 7, Sections 7500–7508, 7510, 7556.

<sup>15</sup> CMS, *Fiscal Year (FY) 2017 Special Focus Facility (SFF) Program Update*, S&C: 17-20-NH, Mar. 2, 2017. Accessed at <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/SurveyCertificationGenInfo/Downloads/Survey-and-Cert-Letter-17-20.pdf> on Sept. 14, 2022.

<sup>16</sup> CMS, *Fiscal Year (FY) 2017 Special Focus Facility (SFF) Program Update*, S&C: 17-20-NH, Mar. 2, 2017.

<sup>17</sup> CMS, *State Operations Manual*, Chapter 7, Section 7400.2. These enforcement remedies would apply to nursing facilities and dually certified facilities (skilled nursing facilities or nursing facilities).

<sup>18</sup> CMS, *Revisions to Special Focus Facility (SFF) Program*, QSO-23-01-NH, Oct. 21, 2022. Accessed at <https://www.cms.gov/files/document/qso-23-01-nh.pdf> on Nov. 7, 2022.

<sup>19</sup> CMS, *Revisions to Special Focus Facility (SFF) Program*, QSO-23-01-NH, Oct. 21, 2022. Accessed at <https://www.cms.gov/files/document/qso-23-01-nh.pdf> on Nov. 7, 2022.

<sup>20</sup> Under the One Big Beautiful Bill Act (OBBBA), implementation of this rule is delayed until October 1, 2034. OBBBA (P.L. 119-21), Section 71111 (July 4, 2025).

<sup>21</sup> 42 CFR 483.35(a).

<sup>22</sup> *American Health Care Assoc. v. Kennedy*, U.S. Dist. LEXIS 69163 (Apr. 7, 2025).

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<sup>23</sup> 88 Fed. Reg. 80141, p. 80142 (Nov. 17, 2023).

<sup>24</sup> CMS, *Posting of Nursing Home Ownership/Operatorship Affiliation Data on Nursing Home Care Compare Website and data.cms.gov*, QSO-23-18-NH, June 28, 2023. Accessed at [Posting of Nursing Home Ownership/Operatorship Affiliation Data on Nursing Home Care Compare Website and data.cms.gov](#) on Feb. 13, 2025.

<sup>25</sup> OIG, *CMS Should Take Further Action To Address States With Poor Performance in Conducting Nursing Home Surveys* (OEI-06-19-00460), Jan. 14, 2022. Accessed at <https://oig.hhs.gov/oei/reports/OEI-06-19-00460.pdf>.

<sup>26</sup> OIG, *A Few States Fell Short in Timely Investigation of the Most Serious Nursing Home Complaints: 2011–2015* (OEI-01-16-00330), Sept. 28, 2017. Accessed at <https://oig.hhs.gov/oei/reports/oei-01-16-00330.asp>.

<sup>27</sup> OIG, *States Continued To Fall Short in Meeting Required Timeframes for Investigating Nursing Home Complaints: 2016–2018* (OEI-01-19-00421), Sept. 22, 2020. Accessed at <https://oig.hhs.gov/oei/reports/OEI-01-19-00421.asp>.

<sup>28</sup> OIG, *CMS Guidance to State Survey Agencies on Verifying Correction of Deficiencies Needs To Be Improved To Help Ensure the Health and Safety of Nursing Home Residents* (A-09-18-02000), Feb. 7, 2019. Accessed at <https://oig.hhs.gov/oas/reports/region9/91802000.pdf>.

<sup>29</sup> OIG, *Medicare Nursing Home Resident Hospitalization Rates Merit Additional Monitoring* (OEI-06-11-00040), Nov. 18, 2013. Accessed at <https://oig.hhs.gov/oei/reports/oei-06-11-00040.asp>.

<sup>30</sup> OIG, *Nursing Facilities' Compliance with Federal Regulations for Reporting Allegations of Abuse or Neglect Report* (OEI-07-13-00010), Aug. 15, 2014. Accessed at <https://oig.hhs.gov/oei/reports/oei-07-13-00010.asp>.

<sup>31</sup> OIG, *Adverse Events in Skilled Nursing Facilities: National Incidence Among Medicare Beneficiaries* (OEI-06-11-00370), Feb. 27, 2014. Accessed at <https://oig.hhs.gov/oei/reports/oei-06-11-00370.asp>.

<sup>32</sup> OIG, *Some Nursing Homes' Reported Staffing Levels in 2018 Raise Concerns; Consumer Transparency Could Be Increased* (OEI-04-18-00450), Aug. 3, 2020. Accessed at <https://oig.hhs.gov/oei/reports/OEI-04-18-00450.asp>.

<sup>33</sup> OIG, *Nursing Facility Industry Segment-Specific Compliance Program Guidance*, Nov. 2024. Accessed at <https://oig.hhs.gov/documents/compliance/10038/nursing-facility-icpg.pdf>.

<sup>34</sup> CMS, *State Operations Manual*, Chapter 7, Section 7304.1 (Rev. 213).

<sup>35</sup> CMS, *State Operations Manual*, Chapter 7, Section 7317 (Rev. 213).

<sup>36</sup> CMS, *State Operations Manual*, Chapter 7, Section 7504.

<sup>37</sup> CMS, *Revisions to Special Focus Facility (SFF) Program*, QSO-23-01-NH, Oct. 21, 2022. Accessed at <https://www.cms.gov/files/document/qso-23-01-nh.pdf> on Nov. 7, 2022.

<sup>38</sup> CMS, *Fiscal Year (FY) 2017 Special Focus Facility (SFF) Program Update*, S&C: 17-20-NH, Mar. 2, 2017.

<sup>39</sup> CMS, *FAQ Chain Performance*. Accessed at: <https://data.cms.gov/quality-of-care/nursing-home-chain-performance-measures> on Aug. 9, 2024. Currently available at: [https://data.cms.gov/sites/default/files/2025-06/d18eeb80-1230-47f0-8545-43636c42d097/FAQ\\_Chain\\_Performance.pdf](https://data.cms.gov/sites/default/files/2025-06/d18eeb80-1230-47f0-8545-43636c42d097/FAQ_Chain_Performance.pdf). Page last modified on Aug. 13, 2025.

<sup>40</sup> 88 Fed. Reg. 80141, pp. 80141–80169 (Nov. 17, 2023).

<sup>41</sup> CMS, *Revised COVID-19 Survey Activities, CARES Act Funding, Enhanced Enforcement for Infection Control Deficiencies, and Quality Improvement Activities in Nursing Homes*, QSO-20-31-All, issued on June 1, 2020. Rescinded on Mar. 30, 2023. Accessed at <https://www.cms.gov/files/document/qso-20-31-all-rescinded.pdf>.

<sup>42</sup> CMS, *Strengthened Enhanced Enforcement for Infection Control Deficiencies and Quality Improvement Activities in Nursing Homes*, QSO-23-10-NH, issued on Mar. 30, 2023. Accessed at <https://www.cms.gov/files/document/qso-23-10-nh.pdf> on Apr. 1, 2025.

<sup>43</sup> 88 Fed. Reg. 80161 (Nov. 17, 2023).

<sup>44</sup> CMS, *State Operations Manual*, Chapter 7, Section 7400.3.