June 16, 2014

**Q:** Can you clearly explain to me what the CMS 5-Star Rating System is based upon and how it is calculated?

**A:** The Five-Star Quality Rating System is based on facility performance for three types of performance measures, each of which has its own 5-Star rating. They are:

1) **Health Inspections** – based on the number, scope and severity of deficiencies identified during the three most recent annual inspection surveys as well as any complaint investigations (with deficiencies) within the last 36 months. All deficiency findings are weighted by scope and severity. The number of revisits required to achieve correction is also taken into account.

2) **Staffing** – based on two measures; A) RN hours per resident day and B) total staffing hours (RN + LPN + nurse aide hours) per resident day. These staffing measures are pulled from CASPER reports and are case-mixed adjusted based on the distribution of MDS 3.0 assessments by RUG-III group.

3) **Quality Measures** – facility ratings for quality measures are based on:
   - **Long-Stay Residents**
     a) % of residents who need help with ADLs has increased;
     b) % of high risk residents with pressure sores;
     c) % of residents who have/had a catheter inserted and left in their bladder;
     d) % of residents who were physically restrained;
     e) % of residents with a UTI;
     f) % of residents who self-report moderate to severe pain;
     g) % of residents experiencing one or more falls with major injury;
   - **Short-Stay Residents**
     a) % of residents with pressure ulcers (sores) that are new or worsened;
     b) % of residents who self-report moderate to severe pain.

These are based on MDS 3.0 resident assessments and some are risk adjusted.

Based on the 5-Star rating for the health inspection domain, the direct care staffing domain and the MDS quality measure domain, the overall 5-Star rating is assigned in five steps as follows:
1) **Step 1:** Start with the health inspection 5-Star rating.

2) **Step 2:** Add one star to the Step 1 result if staffing rating is for or five stars and greater than the health inspection rating; subtract one star if the staffing is one star. The overall rating cannot be more than 5 stars or less than one star.

3) **Step 3:** Add one star to the Step 2 result if quality measure rating is 5 stars; subtract one star if the quality measure rating is one star. The overall rating cannot be more than 5 stars or less than one star.

4) **Step 4:** If the Health Inspection rating is one star, then the Overall Quality rating cannot be upgraded by more than one star based on the Staffing and Quality Measure ratings.

5) **Step 5:** If the nursing home is a Special Focus Facility (SFF) that has not graduated, the maximum Overall Quality rating is 3 stars.

The CMS inspection data base id updated monthly and the MDS data is updated quarterly. The 5-Star rating is updated quarterly. However, there may be delays in how quickly the latest inspection data is input by the state.