

DHHS Study Regarding Expansion of Rated Certificates

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Regulation




Expansion of Rated Certificates

- ◆ Section 3.(f) of Session Law 2007-544, Senate Bill 56 required the Department of Health and Human Services to study expansion of rated certificates to other facilities and services licensed and certified by the Department.
- ◆ “The Department of Health and Human Services, Division of Health Service Regulation and Division of Aging and Adult Services, shall study expanding the rated certificate system to other facilities and services licensed and certified by the Department. The Department shall report to the North Carolina Study Commission on Aging on the expansion of the rating system by October 1, 2009.”



Facilities and Services Considered

- ◆ The Department identified four categories of other (non-adult care homes) facilities and services licensed and certified by the Department to be considered for inclusion in a rated certificate program.
- ◆ Three categories are licensed and regulated by the Division of Health Service Regulation (DHSR) and one by the Division of Aging and Adult Services (DAAS):
 - DHSR
 - acute and home care facilities and agencies,
 - nursing homes, and
 - mental health, developmental disability and substance abuse services.
 - DAAS
 - adult day services



DHSR - Acute and Home Care Facilities and Agencies

- ◆ This category contains the following facilities/agencies licensed and regulated by DHSR:
 - Hospitals – G.S. 131E, Article 5, Part 1;
 - Home Care – G.S. 131E, Article 6, Part 3;
 - Ambulatory Surgical Facilities – G.S. 131E, Article 6, Part 4;
 - Nursing Pools – G.S. 131E, Article 6, Part 5;
 - Cardiac Rehabilitation – G.S. 131E, Article 8;
 - Hospice – G.S. 131E, Article 10; and
 - Abortion Clinics – G.S. 14, Article 11.



DHSR - Hospitals

- ◆ Hospitals are monitored by the state primarily on a complaint basis through contractual arrangement with the Centers for Medicare and Medicaid Services (CMS); therefore, a rating system would not be useful since there is no standard monitoring frequency such as annual inspections.
- ◆ CMS provides hospital quality information on their website at www.hospitalcompare.hhs.gov/



DHSR - Home Care

- ◆ Home care agencies are required to be inspected every three years pursuant to G.S. 131E-140(b); however, DHSR currently does not have enough staff to conduct inspections every three years
- ◆ Even if DHSR were to conduct home care inspections every three years, this frequency would not be enough to provide meaningful measures of quality beyond the first year after the survey.




DHSR - Other Acute Care Services

- ◆ None of the below providers are inspected on a regular basis and similar to hospitals and home care agencies the largest drawback is that none of these programs are monitored by DHSR at a frequency, i.e. annually, that would provide meaningful measures of quality.
 - Ambulatory Surgical Facilities – G.S. 131E, Article 6, Part 4;
 - Nursing Pools – G.S. 131E, Article 6, Part 5;
 - Cardiac Rehabilitation – G.S. 131E, Article 8;
 - Hospice – G.S. 131E, Article 10; and
 - Abortion Clinics – G.S. 14, Article 11.



DHSR – Nursing Homes

- ◆ CMS has developed a Five Star Rating System for nursing homes nationwide. The Five-Star Quality Rating System was created to help consumers, their families, and caregivers compare nursing homes more easily and help identify areas about which consumers may want to ask questions. Nursing home ratings are taken from the following three sources of data: Health Inspections, Staffing and, Quality Measures. This information can be accessed at www.medicare.gov/NHCompare.
- ◆ Ninety-seven percent (97%) of the nursing homes in North Carolina participate in the Medicare/Medicaid program; therefore, star rating information is already available for these facilities.
- ◆ It would be expensive and duplicative to create another star rating system for nursing homes. In addition, having a Medicare star rating system and a state sponsored star rating system would most likely be confusing to the public.



DHSR – Mental Health, Developmental Disabilities and Substance Abuse Services Facilities (MHDDASAS)

- ◆ **This category contains over 30 different residential and day services licensed pursuant to G.S. 122C, Article 2 by DHSR;**
 - **24-hour residential facilities for individuals with mental illness, developmental disabilities or substance abuse (i.e. group homes, crisis and other 24-hour residential services); and**
 - **Day treatment or outpatient facilities serving individuals with mental illness, developmental disabilities or substance abuse (i.e. partial hospitalization, developmental day programs, day activity programs, etc.)**
- ◆ **The requirements for these facilities and services can be vastly different and, as such, is not conducive to a comparative rating system.**
- ◆ **DHSR proposes posting information concerning results of inspections on its web site.**



DHSR – MHDDSAS Facilities

- ◆ Making inspection information available would not require changes in statutes or administrative code (rules) but would require at least one additional staff person to make daily changes to the web site.
- ◆ Since the agency does not currently have a web master, adding such a position would be the primary cost of implementing and making information available Information on the web.



DHSR – MHDDSAS Facilities

Information posted on web may include:

- ◆ **Description of survey process**
- ◆ **Types of Administrative Actions, including definitions of Type A, Type B, Suspension of Admissions, and Revocation.**
- ◆ **Ability to pull up the following information (possibly in table format) by county or by provider:**
 - **Facility Name**
 - **Type of Survey - annual, complaint, follow-up, other**
 - **License Number**
 - **Program Code (with link to service categories and rules)**
 - **County**
 - **Date of Survey**
 - **Administrative Action Taken**
 - **Appeal Status**
 - **Post Appeal Outcome**
 - **Final Penalty Amount**
 - **Link to Statement of Deficiencies (inspection report)**



DAAS – Adult Day Services

- ◆ This category contains services certified and regulated by the Division of Aging and Adult Services (DAAS) pursuant to G.S. 131D-6 and under rules adopted by the Social Services Commission (10A NCAC 06P, 06R, 06S).



DAAS – Adult Day Services (continued)

- ◆ There would be significant challenges to the creation of an effective rated certificate system for adult day services.
 - First, there would need to be consensus on the criteria to use in developing a rated certificate system. Consumer, advocate and provider input would be essential.
 - Second, the current monitoring and certification system is largely still paper-driven, non-electronic. While DAAS has begun moving to either a web-based or other e-system for communicating with its local monitoring partners (i.e., county DSS and health department), this would require additional time and especially resources at the local and state levels. Such an automated system would be essential for documenting and analyzing provider performance in a timely and consistent manner to drive a rated certificate system.
 - Third, there would need to be a substantial and well planned provider and consumer education campaign to assure appropriate understanding and use of any rated certificate system.



DAAS – Adult Day Services (continued)

◆ Cost/Benefit

- ◆ DAAS concluded that the cost of instituting a rated certificate system for adult day services outweighs the potential benefits, and more importantly, that the current system is adequate in terms of informing consumers about adult day services options.
- ◆ The creation of an adult day services rated certificate system would require additional staff and resources. Because currently most consumers are in counties that do not have a choice of providers and with 46 counties having no providers, the cost of implementing a rated certificate system would not be of substantial benefit in terms of informing consumers or increasing competition among providers.
- ◆ Under the current system, consumers have ready access to information at the adult day services center about the certification status.



DAAS – Adult Day Services (continued)

- ◆ DAAS does not recommend that the State invest in development of a rated certificate system at this time because of:
 - the limited availability of providers,
 - the challenges that would be involved in developing an effective system with existing resources,
 - the adequacy of current oversight of adult day services, and
 - the adequacy of information for consumers and their families about the status of existing providers and how to select the service.
 - DAAS is not aware of any state that has implemented a rated certificate system for adult day care or adult day health programs.



QUESTIONS?