



DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of Inspector General
Offices of Audit Services

Report Number A-07-03-04025

December 3, 2003

Region VII
601 East 12th Street
Room 284A
Kansas City, Missouri 64106

Betsy Redmond, Administrator
Poplar Grove Care Center
7150 Poplar St.
Commerce City, CO 80022

Dear Ms. Redmond:

Enclosed are two copies of the U.S. Department of Health and Human Services (HHS), Office of Inspector General, Office of Audit Service's (OAS) final report entitled "*Audit of Nursing Facility Staffing Requirements at Poplar Grove Care Center.*"

The audit objective was to evaluate whether Poplar Grove Care Center (Poplar Grove) was in compliance with Federal and State staffing laws and regulations for nursing facilities.

Poplar Grove complied with Federal and State staffing laws and regulations with one exception. State regulations require that a nursing care facility shall be staffed at all times with at least one registered nurse who is on duty on the premises. However, Poplar Grove did not always have a registered nurse on the premises during the evening shift. Poplar Grove officials indicated that it is difficult to employ a registered nurse during the evening shift. The lack of a registered nurse on the premises at all times may result in a reduction in the quality of care received by residents. We recommend that Poplar Grove make additional efforts to ensure that the facility is staffed at all times with a registered nurse including expanding its hiring efforts.

In a written response to our draft report, Poplar Grove officials generally agreed with the finding. They indicated that they have made and continue to make intense efforts to ensure compliance with the registered nurse requirement.

The HHS action official named below will make final determination as to actions taken on all matters reported. We request that you respond to the HHS action official within 30 days from the date of this letter. Your response should present any comments or additional information that you believe may have a bearing on the final determination.

In accordance with the principles of the Freedom of Information Act, 5 U.S.C. 552, as amended by Public Law 104-231, Office of Inspector General, OAS reports issued to the Department's grantees and contractors are made available to members of the press and general public to the extent information contained therein is not subject to exemptions in the Act. (See 45 CFR Part 5.) As such, within 10 business days after the final report is issued, it will be posted on the worldwide web at <http://oig.hhs.gov>.

To facilitate identification, please refer to Report Number A-07-03-04025 in all correspondence relating to this report.

Sincerely,

A handwritten signature in black ink that reads "James P. Aasmundstad For". The signature is written in a cursive style.

James P. Aasmundstad
Regional Inspector General
for Audit Services

Direct Reply to HHS Action Official:

Mr. Alex Trujillo
Centers for Medicare and Medicaid Services
Regional Administrator, Region VII
1600 Broadway, Suite 700
Denver, CO 80202

Enclosures---As stated

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**AUDIT OF NURSING FACILITY
STAFFING REQUIREMENTS AT
POPLAR GROVE CARE CENTER**



**DECEMBER 2003
A-07-03-04025**

Office of Inspector General

<http://oig.hhs.gov/>

The mission of the Office of Inspector General (OIG), as mandated by Public Law 95-452, as amended, is to protect the integrity of the Department of Health and Human Services (HHS) programs, as well as the health and welfare of beneficiaries served by those programs. This statutory mission is carried out through a nationwide network of audits, investigations, and inspections conducted by the following operating components:

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The OIG's Office of Audit Services (OAS) provides all auditing services for HHS, either by conducting audits with its own audit resources or by overseeing audit work done by others. Audits examine the performance of HHS programs and/or its grantees and contractors in carrying out their respective responsibilities and are intended to provide independent assessments of HHS programs and operations in order to reduce waste, abuse, and mismanagement and to promote economy and efficiency throughout the Department.

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The Office of Counsel to the Inspector General (OCIG) provides general legal services to OIG, rendering advice and opinions on HHS programs and operations and providing all legal support in OIG's internal operations. The OCIG imposes program exclusions and civil monetary penalties on health care providers and litigates those actions within the Department. The OCIG also represents OIG in the global settlement of cases arising under the Civil False Claims Act, develops and monitors corporate integrity agreements, develops model compliance plans, renders advisory opinions on OIG sanctions to the health care community, and issues fraud alerts and other industry guidance.

Notices

**THIS REPORT IS AVAILABLE TO THE PUBLIC
at <http://oig.hhs.gov/>**

In accordance with the principles of the Freedom of Information Act, 5 U.S.C. 552, as amended by Public Law 104-231, Office of Inspector General, Office of Audit Services, reports are made available to members of the public to the extent information contained therein is not subject to exemptions in the Act. (See 45 CFR Part 5.)

OAS FINDINGS AND OPINIONS

The designation of financial or management practices as questionable or a recommendation for the disallowance of costs incurred or claimed as well as other conclusions and recommendations in this report represent the findings and opinions of the HHS/OIG/OAS. Authorized officials of the awarding agency will make final determination on these matters.



EXECUTIVE SUMMARY

The objective of the audit was to determine whether Poplar Grove Care Center (Poplar Grove) was in compliance with Federal and State staffing laws and regulations for nursing facilities. Poplar Grove is a 95 bed Nursing Facility located in Commerce City, Colorado.

Poplar Grove complied with Federal and State staffing laws and regulations with one exception. State regulations require that a nursing care facility shall be staffed at all times with at least one registered nurse who is on duty on the premises. However, Poplar Grove did not always have a registered nurse on the premises during the evening shift. Poplar Grove officials indicated that it is difficult to employ a registered nurse during the evening shift. The lack of a registered nurse on the premises at all times may result in a reduction in the quality of care received by residents. Therefore, we recommend that Poplar Grove make additional efforts, including expanding its hiring efforts, to ensure that the facility is staffed at all times with a registered nurse.

In a written response to our draft report, Poplar Grove officials generally agreed with the finding. They indicated that they have made and continue to make intense efforts to ensure compliance with the registered nurse requirement.

INTRODUCTION

BACKGROUND

The Omnibus Budget Reconciliation Act of 1987 (OBRA 87) established legislative reforms to promote quality of care in nursing facilities (NFs). The OBRA 87 requires NFs to have sufficient nursing staff to provide nursing and related services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident. Specifically, Title 42, Code of Federal Regulations, Section 483.30 requires NFs to provide sufficient nursing staff on a 24-hour basis. Sufficient nursing staff must consist of licensed nurses and other nursing personnel and include: 1) a licensed nurse designated to serve as a charge nurse on each tour of duty, 2) a registered nurse for at least 8 consecutive hours a day, 7 days a week, and 3) a registered nurse designated to serve as the director of nursing on a full time basis (the director of nursing may serve as a charge nurse only when the facility has an average daily occupancy of 60 or fewer residents).

States are required to ensure that NFs follow these Federal staffing standards at a minimum. Each State may implement its own staffing requirements that exceed these standards. Through the State survey and certification process, the State Survey Agency in each State is required to conduct periodic standard surveys of every NF in the State. Through this process, State Survey Agencies measure the quality of care at each NF by identifying deficiencies and assuring compliance with Federal and State requirements.

Colorado has established staffing requirements that exceed the Federal standards. Under the Colorado Department of Public Health and Environment, Health Facilities Division, Regulations for Long Term Care Facilities, Chapter V, section 7.3.4, NF are required to provide at least 2.0 hours of nursing time per resident per day.

In addition, the Colorado Department of Public Health and Environment, Health Facilities Division, Regulations for Long Term Care Facilities, Chapter V, section 7.3.2 requires that a nursing facility be staffed at all times with at least one registered nurse who is on duty on the premises.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of our the audit was to determine whether Poplar Grove was in compliance with Federal and State staffing laws and regulations for nursing facilities. Based on our analysis of data from the Centers for Medicare and Medicaid Services' (CMS) Online Survey Certification and Reporting (OSCAR) System, we selected Poplar Grove for review.

To accomplish our objective we:

- Obtained background, staffing and deficiency data for Poplar Grove from the OSCAR database through CMS's Nursing Home Compare website;
- Reviewed Federal and Colorado State laws and regulations for NFs to determine what staffing standards Poplar Grove was required to adhere to;
- Obtained staffing schedules, time and attendance records and payroll records to determine the facility's direct care hours per resident per day as well as the employee-to-resident ratio for three two-week periods;
- Obtained and analyzed background checks for all direct care employees to assure they adhere to the State requirements;
- Conducted inquiries through Colorado's on-line license and certification systems to determine if all direct care employees were in good standing;
- Reviewed the survey and certification process at the Colorado State Survey Agency and analyzed the results of the two most recent standard surveys conducted at Poplar Grove; and
- Obtained an understanding of Poplar Grove's procedures for recruiting, retaining and scheduling staff through meetings and discussions with personnel at the facility.

Our review was conducted in accordance with the generally accepted government auditing standards. Our review of internal controls was limited to obtaining an

understanding of the controls concerning the hiring and scheduling of employees. The objective of our review did not require an understanding or assessment of the complete internal control structure at Poplar Grove.

We conducted our review during April through August 2003 at Poplar Grove in Commerce City, Colorado and at the OIG office in Denver, Colorado.

FINDINGS AND RECOMMENDATIONS

Poplar Grove was generally in compliance with Federal and Colorado State staffing laws and regulations. Specifically, Poplar Grove scheduled sufficient direct care employees to comply with the State requirement of 2.0 hours of nursing time per resident per day. In addition, all 51 direct care employees¹ were properly licensed and/or certified and were currently in good standing as determined by the State.

However, Poplar Grove did not comply with one State requirement for staffing. The Colorado Department of Public Health and Environment, Health Facilities Division, Regulations for Long Term Care Facilities, Chapter V, section 7.3.2 requires that a nursing facility be staffed at all times with at least one registered nurse who is on duty on the premises. A registered nurse was not always on the premises at Poplar Grove during the evening shift. Poplar Grove officials indicated that it is difficult to employ a registered nurse during the evening shift. The lack of a registered nurse on the premises at all times may result in a reduction in the quality of care received by residents.

RECOMMENDATION

We recommend that Poplar Grove make additional efforts, including expanding its hiring efforts, to ensure that the facility is staffed at all times with a registered nurse.

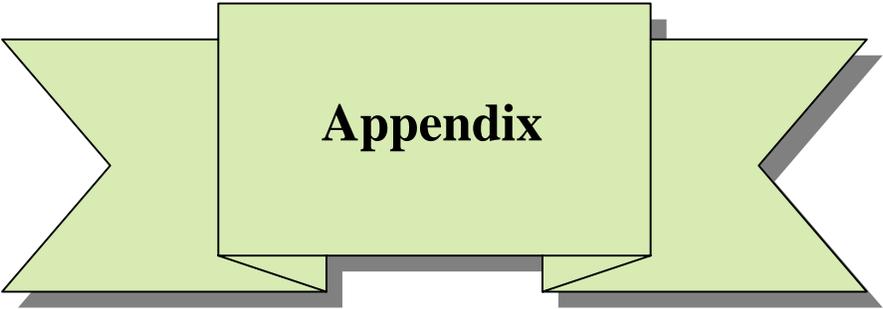
AUDITEE'S COMMENTS

In a written response to our draft report, Poplar Grove officials generally agreed with the finding. They indicated that they have made and continue to make intense efforts to ensure compliance with the registered nurse requirement. Poplar Grove officials asserted that the lack of a registered nurse on the premises for varying shifts has not resulted in any reduction in the quality of care that the residents of the center receive. The complete text of the letter is in Appendix A.

¹ For purposes of this review, we defined direct care employees as any nursing staff who are eligible to provide direct care to the residents. At Poplar Grove, 51 of the employees required medical licenses or certifications to provide direct patient care to residents.

OIG RESPONSE

We commend Poplar Grove for pledging to make intense efforts to ensure compliance with the requirement to have a registered nurse on the premises at all times. We reiterate that the lack of a registered nurse on the premises at all times may result in a reduction in the quality of care received by residents. Therefore, we will be forwarding a copy of this report to the Colorado State Survey Agency to ensure corrective action is taken.



Appendix

Poplar Grove Care Center
7150 Poplar Street
Commerce City, Colorado 80022
303-289-7110

James P Aasmundstad
Regional Inspector General for Audit Services
Office of Inspector General
601 East 12th Street
Room 284A
Kansas City, Missouri 84106

November 3, 2003

Re: Report Number A-07-03-047025

Dear Mr. Aasmundstad

This letter is in response to the U.S. Department of health and Human Services Office of Inspector General, Office of Audit Services draft report entitled " Audit of Nursing Facility Staffing Requirements at Poplar Grove Care Center".

Poplar Grove Care Center has made and continues to make intense efforts to ensure compliance with State Regulation Chapter V, section 7.3.2. The lack of registered nurses on the premises for varying shifts has not resulted in any reduction in the quality of care that the residents of the center receive. It should be noted that one of the evening nurses, who has worked as a charge nurse in the facility for over seven years has completed all requirements to apply for and sit for the registered nurse boards.

We would like to thank you for your thoroughness in completing this report.

Sincerely,



Betsy Redmond
Administrator