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Avoiding Citations:
The Administrator's Guide to the CMS Five-Star Quality Rating System

Introduction

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The CMS Five-Star Quality Rating System helps consumers evaluate skilled nursing facilities that participate in Medicare and/or Medicaid. But that's not all it does. Healthcare providers use this information to help drive referrals and effect reimbursement for care within their networks, and it can even affect bonus payments. Those decisions can impact your facility's reputation and bottom line.

This guide will provide you with an overview of CMS's Five-Star Quality Rating System and compliance tips that will help you avoid the most common citations.*

Anyone can view a facility's ratings at medicare.gov/care-compare.

The CMS survey

CMS surveyors visit skilled nursing homes on roughly an annual basis (every nine to 15 months). They also conduct quarterly Payroll-Based Journal (PBJ), Minimum Data Set (MDS), and Medicare/Medicare claims data audits.

Each skilled nursing facility receives one overall Five-Star Quality Rating, as well as separate ratings for health inspections, staffing, and quality measures. One star indicates that a facility's care quality falls "much below average," while five stars indicate that the care delivered is "much higher than average."

How stars are earned

CMS's Quality Rating System is complex. It's advisable to maintain a working knowledge of CMS's "Design for Care Compare Nursing Home Five-Star Quality Rating System: Technical Users' Guide," which is linked in the resources section, and stay alert to any updates. Updates can happen anytime but are more likely when a new presidential administration comes into power. State and national professional associations usually have up-to-date information.

How your overall star rating is calculated

Health Inspection Rating +/- Staffing Rating (add one star for five-star rating or subtract one star for one-star rating) **+/- Quality Measures Rating** (add one star for a five-star rating or subtract one star for a one-star rating)

The Health Inspection Rating

Each nine to 15 months, facilities undergo unannounced health inspections for recertification.

During these inspections, teams of healthcare professionals spend days in the facility assessing its compliance with the federal requirements for "resident rights, quality of life, medication management, skin care, resident assessment, nursing home administration, environment, kitchen/food services" and more.

During health inspections, surveyors measure deficiencies in each category by "severity" and "scope." They also use complaint surveys, focused infection control surveys, and the number of revisits necessary to correct deficiencies in determining a facility's score.

"The Five-Star Quality Rating System uses nearly 400,000 records for the health inspection domain alone."

-CMS

The Health Inspection Rating is the foundational metric in the overall star rating. If a facility receives one star on its Health Inspection Rating, its maximum rating will be two stars, even if it receives five-star ratings in the staffing and quality domains.

For more information, download our free guide: "The Administrator's Guide to Five-Star Health Inspections."

The Staffing Rating

CMS has found that staffing levels influence quality of care in skilled nursing facilities, with more professionals corresponding to higher quality care. To figure out a facility's Staffing Rating, CMS uses PBJ data and daily resident census data from the MDS. It also uses MDS Version 3.0 assessments by nursing case-mix groups (CMGs) from the Patient Driven Payment Model (PDPM).

A facility's Staffing Rating comes from six staffing measures:

1. Case-mix adjusted total mix staffing
2. Case-mix adjusted RN staffing
3. Case-mix adjusted total nurse staffing on the weekends
4. Total nurse turnover
5. Total RN turnover
6. Total administrator turnover

If a facility's Staffing Rating is five stars, one star is added to the overall star rating. If it's one star, one star is subtracted from the overall rating.

For more information, download our free guide: "The Administrator's Guide to Five-Star Staffing."

The Quality Measures Rating

The Quality Measures Rating (QM Rating) determines residents' ability to function and their health status, based on the most recent four quarters of MDS and Medicare claims data. The exception is the measure "Rate of successful return to home and community from an SNF." CMS tracks that metric in two-year periods.

Most skilled nursing facilities will have three QM ratings: Overall, long-stay and short-stay. Facilities with only short- or long-stay ratings will receive an equivalent overall rating.

If a facility's QM Rating is five stars, one star is added to the overall star rating. If it's one star, one star is subtracted from the overall rating.

Download our in-depth guide for free: "The Administrator's Guide to Five-Star Quality Measures."

How your Five-Star Quality Rating affects your bottom line

Referrals and insurance

Today, consumers tend to depend on Google and personal referrals over CMS's Five-Star Quality Rating, but hospitals use it to decide which facilities to prioritize for referrals. A Five-Star Quality Rating may increase your referral business from hospitals. With advancements in technology, consumers may soon rely on these ratings more heavily for their own consideration.

Your rating can also impact how much you pay for general and professional liability insurance, since being seen as providing subpar quality can make your facility more susceptible to lawsuits and riskier for insurers. Additionally, payers may use the Five-Star Quality Rating when considering whether or not to add a facility to their preferred provider networks, and states may use it in determining Medicaid bonus payments.

Deficiencies lead to citations

Skilled nursing facilities are cited for deficiencies, or noncompliance with state and federal regulations. Citations can come with civil monetary penalties (CMPs), and those can be expensive. For example, Category 2 violations of certification requirements can cost up to $7,752 per day, while Category 3 violations can cost up to $25,847 per day.

In 2024, U.S. skilled nursing facilities were fined a total of $566 million, with the average fine at $18,056. Citations are tied to the severity and scope of any deficiencies. The higher the severity and/or the wider the scope, the higher the fine.

Common citations— and how to avoid them

Here are 2024's top citations, along with some tips to help you shore up your compliance strategy.

F880: Infection control

Citations under this F-tag usually happen when a facility does not have adequate infection prevention or control procedures or when documentation of those procedures is lacking.

Compliance tips:

- Audit your infection management system:

  1. Ensure it enables your team to prevent, identify, report, investigate and control infections for residents, staff, volunteers, visitors and other service providers.

  2. Ensure it's in compliance, using prior facility assessments, surveyor guidance at F880, and nationally accepted infection control standards.

- Review your system for recording infection-related incidents, and ensure that your team is documenting corrective actions.

- Create a protocol for properly handling, storing, processing and transporting linens. (Detail how you will prevent infection spread via linens.)

- Put your standards, policies and procedures in writing, and include:

  1. How you will identify infections before they spread (your infection surveillance system).

  2. Communicable disease reporting guidelines (who to notify and when).

  3. Standard and transmission-based precautions (how you will prevent infection spread).

  4. Isolation protocols for residents that specify the type and duration of isolation for each infectious agent; there is a requirement for the least restrictive isolation methods possible.

  5. Restrictions on employees with communicable diseases or infected skin lesions (how you will prevent their contact with residents or food).

  6. Hand hygiene protocols for your direct care workforce.

- Make sure the annual review of your infection control program is well-documented, and show how it ensures compliance and effectiveness.

> For more information, see F880, §483.80(a)(1), §483.80(a)(2), §483.80(a)(4), §483.80(e), §483.80(f) in CMS's "Revised Long-Term Care (LTC) Surveyor Guidance," linked in the resource section.

F689: Accidents

Citations for this F-tag occur when a skilled nursing facility fails to provide residents with an "accident-free environment" or fails to provide the supervision/assistance needed to prevent avoidable resident accidents.

Compliance tips:

- Review hazard identification and risk assessment plans. Show that:

  1. Your team is able to identify and assess hazards and risks.
  2. You have a plan for eliminating or reducing them when they occur.

- Audit resident-accessible areas during daily rounds to ensure they are hazard-free.

- Have a system for implementing proper supervision and assistive device plans for each new resident.

- Regularly re-evaluate resident supervision needs and environments so the team can adjust those plans/interventions as needed.

- Invest in technology that can help teams prevent falls or accidents.

> For more information, see F689, §483.25(d), §483.25(d)(1), and §483.25(d)(2)**

F812: Food safety

Citations under this F-tag usually happen when there is a possibility (or occurrence) of contamination in the procurement, preparation, storage, and/or handling of food served to residents.

Compliance tips:

- Review food procurement procedures and ensure they're either approved or considered safe by federal, state or local authorities.

1. If you obtain food directly from local producers, ensure that they're in compliance with local and state laws and regulations.

2. If you grow food in facility gardens, ensure growing and harvesting is in compliance with applicable safe growing and food-handling practices.

- Review food storage, preparation, distribution and service procedures, and ensure they comply with professional safety standards.

- Ensure your safe food-handling and sanitation training and monitoring programs are well-documented and track participation/completion.

- Ensure your facility has safe food-handling and sanitation procedures, as well as procedures designed to prevent outbreaks of foodborne illnesses.

For more information, see F812, and "Definitions §483.60(i)-(2) and Guidance §483.60(i)(1)-(2)" on pages 641 to 642.**

F684: Quality of facility care plans

Facility care plans are required to be based on a comprehensive resident assessment; support each resident's physical, mental and psychosocial well-being; and honor their preferences.

- Review resident care plans to ensure they're person-centered, tailored to each resident, and involve the resident, resident representative and interdisciplinary team.

- Define and implement interventions that are consistent with resident needs, goals and recognized standards of practice.

- Ensure your team is conducting ongoing reviews and revisions of the care plan and interventions as necessary, and monitoring resident responses to any interventions.

- Ensure your team is conducting accurate, comprehensive assessments (see §483.20 Resident Assessment), including evaluating the resident's clinical condition and risk factors.

- Inform and educate residents who decline care about the risks and benefits of declining that care, offer alternative care options, and take steps to minimize further decline.

For more information, see F684.**

F656: Comprehensive care plans

This F-tag is usually cited when a facility's care plans are not current or don't contain sufficient details.

Compliance tips:

- Review care plans to ensure each resident has a comprehensive care plan that aligns with their care needs and supports their physical, mental and psychosocial well-being.

  1. Include measurable objectives and time frames for achieving care goals.

  2. Document its adherence to resident rights, including those found in §483.10(c)(2) and §483.10(c)(3).

  3. List all services necessary to maintain the resident's physical, mental and psychosocial well-being per §483.24, §483.25, and §483.40.

  4. Document any services not provided due to resident refusal under §483.10(c)(6).

  5. Provide specialized or rehabilitative services as required by PASARR recommendations.

- Consult with residents and their representatives to establish, assess and document:

  1. Goals for admission and desired outcomes.

  2. Preferences regarding future discharge.

  3. Whether the resident wishes to return to the community.

  4. How the services that will be provided are culturally competent and trauma-informed.

If yes, include referrals to local contact agencies for discharge support (like home health, DME provider, hospice, etc.) as appropriate.

If disagreeing with PASARR findings, clearly document the rationale in the resident's medical record.

For more information, see F656 in CMS's "Revised Long-Term Care (LTC) Surveyor Guidance," linked in the resource section.

F677: Activities of daily living (ADL) care quality

This F-tag is usually cited for deficiencies in the assistance with ADLs, such as bathing or grooming.

- Ensure residents receive all assistance for ADLs they cannot perform independently, including nutrition, grooming, personal hygiene and oral care.

  1. Address all aspects of oral care, including teeth, gums, lips and oral mucosa.

  2. Assist residents with speech, language or other communication systems to ensure they can express needs and participate socially.

  3. Support toileting, showering, transfers and mobility based on individual capabilities.

- Assess and document each resident's risk of ADL decline, and document whether it's avoidable or unavoidable.

- If avoidable, ensure ADL decline is linked to natural disease progression, acute conditions or informed/educated refusal of care.

  1. Document efforts to inform and educate residents about care options and interventions.

  2. Investigate underlying causes of resistance to care, especially in dementia or depression-related cases, and document.

- If ADL decline is unavoidable, ensure immediate interventions are in place to assist the resident.

- Provide adequate assistance based on resident needs.

  1. Follow RAI Manual definitions for levels of ADL assistance.

- Develop care plans based on standards of practice and resident goals and preferences.

- Monitor the effectiveness of interventions and adjust them as needed.

- Regularly review ADL assessments, care plans and physician orders.

> For more information, see F677 in CMS's "Revised Long-Term Care (LTC) Surveyor Guidance," linked in the resource section.

F550: Resident rights

Citations under this F-tag refer to deficiencies in respecting resident rights.

Compliance tips:

- Ensure the workforce treats all residents with respect and dignity, recognizing their individual preferences and needs.

1. Promptly investigate reports of demeaning practices, such as:

   a. Using hospital gowns instead of personal clothing.

   b. Restricting resident autonomy without justification.

   c. Ignoring or excluding residents from conversations about their care.

- Provide timely responses to residents' requests and explain all care provided to them.

- Document and enforce anti-discrimination policies, resident privacy policies, and other policies that protect residents from coercion and retaliation.

1. Train all staff members on these policies.

2. Conduct frequent observations, including different shifts and locations, to ensure compliance.

- Review existing policies and ensure that they do not limit residents' autonomy or penalize them for asserting their rights.

- Interview residents and families if concerns arise about dignity, autonomy or treatment by the workforce, and take corrective action swiftly.

- Ensure the workforce interacts and communicates appropriately with residents, depending on each resident's unique limitations, preferences and circumstances.

> For more information, see F550 in CMS's 'Revised Long-Term Care (LTC) Surveyor Guidance," linked in the resource section.

F761: Labeling and storage of drugs and biologicals

Facilities are cited under this F-tag when not in compliance with currently accepted labeling requirements and/or there are deficiencies in the storage or access to medication. F761 deficiencies are cited at Level 2 and above, as all failures in medication labeling and storage pose a risk of "more than minimal harm" to residents.

Compliance tips:

- Review medication storage and labeling procedures and ensure they include the following:

1. The labeling of medications and biologicals is consistent with applicable federal and state requirements and currently accepted pharmaceutical principles and practices.

    a. Medications and biologicals are labeled (at minimum) with the medication name, prescribed dose, expiration date, strength, route of administration (e.g., oral or intravenous), resident's name, and any instructions or precautions (e.g., take with food).

2. Multidose medications (such as inhalers or eyedrops) are labelled with the resident's name.

3. If your state permits over-the-counter medications to be stored in bulk, make sure that the original manufacturer's (or pharmacy's) labels are included in bulk storage receptacles and indicate the medication name, strength, quantity, usage instructions, lot number and expiration date.

4. Labels on intravenous (IV) medications and biologicals include the solution name, volume, infusion rate, additives and preparation details.

5. All medications are stored in locked compartments and access is restricted to authorized personnel only.

6. Schedule II-V controlled medications are stored in separately locked, permanently affixed compartments.

These medications should only be accessible to authorized team members.

7. Medication passes are directly observed by team members or locked in the medication storage area or cart during that time.

8. Medications are stored in accordance with guidelines for temperature, humidity and light control.

9. Multiuse vials are dated and discarded within 28 days unless the manufacturer specifies otherwise or, if unopened, by the manufacturer's expiration date.

- Review/update your facility's procedures for safe storage of self-administered medications.

- Conduct regular checks for expired medications, proper labeling and secure storage.

- Audit training materials and schedules to ensure that your team understands the requirements for medication handling and storage.

For more information, see F761, §483.45(g), §483.45(h), §483.45(h)(1), and §483.45(h)(2) in CMS's "Revised Long-Term Care (LTC) Surveyor Guidance," linked in the resource section.

Medication noncompliance severity levels and examples

Severity Level	Noncompliance example
Level 1: No Actual Harm (Minimal Harm)	Not applicable—failure to secure and label medications always presents more than minimal harm.
Level 2: No Actual Harm (More than Minimal Harm)	Inaccurate labeling led to incorrect medication or dose administration, causing discomfort but requiring no intervention.
Level 3: Actual Harm	Incomplete medication labeling led to incorrect administration with food, reducing effectiveness and worsening symptoms.
Level 4: Immediate Jeopardy	Incorrect labeling led to administration of the wrong medication or dosage with the potential of causing serious harm or death.

F686: Treatment/devices to prevent and heal pressure ulcers

Facilities are cited under this F-tag when preventative measures for pressure ulcers (PU) and pressure injuries (PI) are found to be lacking and/or when interventions for PU/PIs are delayed.

Compliance tips:

- Review professional standards and facility policies, including training policies:

  1. Ensure facility policies were developed with and approved by the medical director.

  2. Be able to demonstrate to surveyors that appropriate preventative measures were in place to prevent non-KTU pressure ulcers.

  3. Review training on PU and PI prevention, assessment and treatment best practices, and document training completion.

- Identify residents at risk for developing PU/PIs upon admission, considering resident-specific risk factors (e.g., mobility limitations, incontinence, medical conditions, malnutrition) and intrinsic risks, such as age-related skin changes, circulation issues and cognitive impairments.

- Ensure teams monitor residents continuously:

  1. Perform comprehensive skin assessments and conduct ongoing reassessments based on changes in resident condition.

  2. Monitor nutrition and hydration to support wound healing and overall skin integrity.

  3. Ensure pressure redistribution by using support surfaces and repositioning strategies and by offloading heels.

  4. Ensure accurate and consistent documentation of assessments, interventions and resident responses.

  5. Track resident repositioning and consider using technology to help direct care professionals manage repositioning timelines.

- Ensure teams regularly evaluate support surfaces to ensure they are effective and properly maintained.

- Ensure teams minimize moisture exposure by managing incontinence and maintaining skin hygiene.

- Ensure teams use friction and shear reduction techniques to prevent skin breakdown.

- Provide wound care and infection prevention for existing PU/PIs:

  1. Use appropriate dressings and treatment regimens based on PU/PI characteristics and professional standards.

  2. Assess and document PU/PI characteristics, classifying each ulcer as a Kennedy Terminal Ulcer (KTU) or other type of PU/PI.

- Make sure teams are managing each resident's pain to ensure comfort and prevent immobility-related complications.

F625 (now F628): Notice requirements before transfer/discharge

Facilities are cited under this F-tag because they have failed to provide proper notice or documentation for transfers and discharges.

Compliance tips:

- Ensure the team is providing residents and resident representatives with written notices 30 days before transfers or discharges except in urgent situations. (E.g., there is an urgent medical need or the resident poses a danger to other residents or staff.)

  1. These notices should include:

     a. Reason for the transfer or discharge.

     b. Effective date of transfer/discharge.

     c. The new location (where the resident will be transferred or discharged).

     d. Resident appeal rights with contact information for appeal assistance.

     e. Contact information for the State Long-Term Care Ombudsman.

     f. Contact details for protection and advocacy agencies for residents with mental disorders or developmental disabilities.

  2. Send a copy of the notice to the Office of the State Long-Term Care Ombudsman.

- Update the notice if any information changes before the transfer/discharge.

- Ensure all transfers or discharges are documented in residents' medical records, and that receiving providers have received:

  1. Contact details of the resident's practitioner.
  2. Resident representative information.
  3. Advance Directive information.
  4. Special care instructions.
  5. Comprehensive care plan goals.
  6. A discharge summary, including diagnosis, treatment, and therapy details.

- Provide the resident and resident representative a written notice at the time of transfer, reiterating:

  1. The bed-hold duration and return conditions.
  2. The resident's rights regarding bed-holds and facility policies.

- Inform residents and their representatives of bed-hold policies in writing well in advance of transfer to a hospital or therapeutic leave, including:

  1. The state bed-hold policy duration (if applicable).
  2. Reserve bed payment policy under §447.40 (if applicable).
  3. The facility's bed-hold policies, ensuring they align with §483.15(e)(1).
  4. Conditions for returning to the facility after a temporary absence.

- Confirm that facility bed-hold policies are aligned with state regulations and the facility's admissions agreement.

- Clearly communicate return expectations for residents after hospitalization or therapeutic leave.

- Ensure team members understand and consistently implement the bed-hold and return policy.

Note: In early 2025, the guidance for F625 was moved to F628. More information can be found under 483.15(d), §483.15(d)(1) and §483.15(d)(2).**

F627: Inappropriate transfers and discharges

In addition to the guidance at F628, surveyors will likely use guidance for this F-tag when determining proper discharges, as it defines appropriate vs. inappropriate discharges and the documentation needed when discharging residents. If a discharge is found to be inappropriate during a survey or resident appeal, facilities may be cited, required to re-admit, or asked to find a more suitable location for the resident.

Compliance tips:

- For each transfer or discharge, ensure that at least one of the following has been documented:

1. The transfer/discharge is necessary for the resident's welfare because the resident's needs cannot be met in the facility.

    a. Include attempts to meet the resident's needs, as well as the services that will enable the new facility to meet those needs.

    b. Ensure the documentation was made by a physician or the resident's physician when transfer or discharge is necessary, per §483.15(c)(2).

2. The resident's health has improved to the degree that the resident is no longer in need of the facility's services.

3. The resident's clinical or behavioral status would endanger the workforce or other residents.

4. The resident poses a danger to the health of other residents and the workforce.

5. The resident has failed to pay. (In this case, ensure that you have provided the requisite notice and it qualifies for nonpayment per this F-tag.).

6. The facility is no longer operational.

7. That the resident does not have a pending discharge or transfer appeal (§ 431.230; § 431.220(a)(3)), unless the health and safety of other residents and/or the workforce are at risk.

    a. If the resident poses a danger to others, make sure this is well-documented.

- Ensure the discharge or transfer has been documented in the resident's medical record. Include:

1. The basis for transfer per 483.15(c)(1)(i).

2. Attempts to meet the resident's specific needs, proving that they cannot be met.

3. How the receiving facility will be able to meet those needs.

4. Documentation of the resident's orientation to the new facility, in a manner that they can understand.

5. Proof that the receiving facility has the "appropriate information" regarding the resident.

For more information, including information, please see F627 There, you'll find extensive guidance for resident return requirements, readmission/ bed-hold requirements, discharge planning, and more.**

When facilities focus on delivering quality care, residents benefit

We've created three additional CMS Five-Star Quality Rating guides to help you achieve the highest rating from CMS so you can better serve current and future residents and protect your bottom line. You can download them for free:

1. The Administrator's Guide to Five-Star Health Inspections
2. The Administrator's Guide to Five-Star Staffing
3. The Administrator's Guide to Five-Star Quality Measures

*ShiftKey's "Avoiding Citations: The Administrator's Guide to the CMS Five-Star Quality Rating System" is for general informational purposes only and is not intended to be legal or compliance advice. While we strive to ensure the accuracy and reliability of the information presented, it should not be relied upon as a substitute for professional or legal advice as it may not be applicable to your particular situation or circumstances.

**"Long-Term Care Surveyor Guidance Updates Jan 15" (CMS).

About ShiftKey

ShiftKey is a technology company committed to transforming healthcare by leveraging data and a marketplace approach to connect independent licensed professionals with facilities with open workforce needs. ShiftKey is playing a vital role in advancing empowered work, stability and solutions for professionals, facilities and the people and communities they serve. With 10,000 healthcare facilities and hundreds of thousands of independent licensed professionals on the platform, ShiftKey is the market leader in strategic workforce solutions, driving a more sustainable, inclusive and profitable workforce economy for the future.

For more information, visit www.ShiftKey.com.

Resources and references

Overall Quality Rating

"Five-Star Quality Rating System" (CMS).

"Long-Term Care Surveyor Guidance Updates Jan 15" (CMS).

"Design for Care Compare Nursing Home Five-Star Quality Rating System: Technical Users' Guide" (CMS).

"State Operations Manual" (CMS).

"Contact Information for State Survey Agencies" (CMS).

"The Five-Star Quality Rating System's Impact on Insurance Premiums — and How to Address Them" (McKnights).

"Five-Star Ratings 2018" (LeadingAge Illinois)

"Federal Policy Guidance 2022" (Medicaid.gov)

"The Administrator's Guide to CMS's 2025 Surveyor Guidance Updates" (ShiftKey).

Citations

"Annual Civil Monetary Penalties Inflation Adjustment 2023" (Federal Register).

"Calculation of CMP Adjustments" (CMS).

"LTCCC Alert: New Data on Nursing Home Citations and Penalties" (Long Term Care Community Coalition).

"Nursing Home Enforcements — Frequently Asked Questions" (CMS).

"The Top 10 Nursing Home Citations of 2024: Insights and Prevention Strategies" (Proactive LTC Consulting).

"Safety Considerations for Container Labels and Carton Labeling Design to Minimize Medication Errors" (FDA).