shiftkey + On Shift

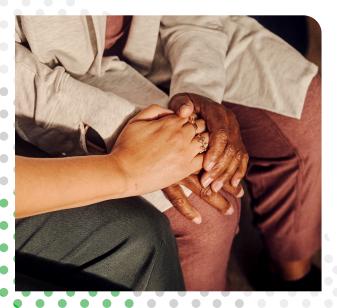# The Administrator's Guide to Five-Star Quality Measures

# Introduction

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The Quality Measure Rating (QM Rating) determines residents' ability to function and their health status based on the most recent four quarters of Minimum Data Set (MDS) and Medicare claims data. The exception is the "rate of successful return to home and community" for skilled nursing facilities (SNFs) that use two-year periods to track that metric.

Most SNFs will have three QM Ratings: an Overall QM Rating, a Long-Stay QM Rating and a Short-Stay QM Rating. However, facilities with only short- or long-stay ratings will receive an equivalent overall rating.



# QM Ratings are determined from MDS and Medicare claims data

Quality Measure (QM) Ratings are based on resident performance on a subset of 10 MDS-based QMs and five QMs that use Medicare claims data.

**QMs for Long-Stay residents (100 days or more) derived from MDS assessments:**

- Percentage with increased need for help with daily activities.
- Percentage whose ability to walk independently worsened.
- Percentage with pressure ulcers.
- Percentage who have (or had) a catheter inserted and left in their bladder.
- Percentage with a urinary tract infection.
- Percentage experiencing one or more falls with major injury.
- Percentage who got an antipsychotic medication.

**QMs for Long-Stay residents derived from Medicare claims data:**

- Hospitalizations per 1,000 resident days.
- Outpatient emergency department visits per 1,000 resident days.

**QMs for Short-Stay residents derived from MDS assessments:**

- Percentage at or above an expected ability to care for themselves and move around at discharge (discharge function score).

- Percentage with pressure ulcers/ pressure injuries that are new or have worsened.
- Percentage who got antipsychotic medication for the first time.

**QMs for Short-Stay residents that are derived from Medicare claims data:**

- Percentage who were re-hospitalized after a nursing home admission.
- Percentage who have had an outpatient emergency department visit.
- Rate of successful return to home and community.

**Five MDS-based QMs are risk-adjusted to account for resident-specific factors that may impact performance. These measures include:**

- Percentage of Long-Stay residents who lose the ability to walk independently.
- Percentage of Long-Stay residents with pressure ulcers.
- Percentage of Long-Stay residents with a catheter left in their bladder.
- Percentage who meet or exceed expected self-care and mobility levels at discharge (discharge function score).
- Percentage with new or worsening pressure ulcers.

Risk adjustment is applied using resident-level factors to ensure fair comparisons across facilities. All claims-based QMs are risk adjusted.

# How QM scores are calculated

Here's how CMS calculates the adjusted four-quarter QM values for most MDS-based QMs in the Five-Star algorithm:

**Four-quarter QM=**

$$\frac{(Q1QM \times Q1D) + (Q2QM \times Q2D) + (Q3QM \times Q3D) + (Q4QM \times Q4D)}{(Q1D + Q2D + Q3D + Q4D)*}$$

**\*QM =** Risk adjusted QM values for each quarter
**D =** Denominator: The number of residents eligible for the QM each quarter
**Q1, Q2, Q3, Q4 =** quarter one, quarter two, quarter three, quarter four

Values for the Medicare claims-based measures, the MDS-based Short-Stay pressure ulcer/pressure injury, and the discharge function score measures are calculated using either a full year or two years of data. The data is not broken down quarterly.

# Understanding the QM point system:

## How points become stars

For each QM, CMS groups skilled nursing facilities into deciles and quintiles based on their "performance relative to the national distribution of the measure." This means each facility is judged in relation to how it performs compared to other skilled nursing facilities rather than solely its individual performance ("graded on a curve").

For the QM Rating, more points equal a higher score. However, a higher number on a QM might not translate to a higher score overall.

For example, you'd want fewer residents visiting the emergency room every 1,000 resident/patient days but more residents at or above the expected ability to care for themselves and move around at discharge.

### Skilled nursing facilities receive three scores:

**Long-Stay QM Score**
(155–1,150 points)

**Short-Stay QM Score**
(Zero–800 points, adjusted to match Long-Stay scale)

**Total QM Score**
(Sum of both, ranging from 299–2,300 points)

Most facilities receive a Long-Stay QM Rating, a Short-Stay QM Rating, and an Overall QM Star Rating based on their scores. Facilities that serve one population will receive either Long- or Short-Stay QMs, and facilities without enough data for either category will receive no rating.

Since Short-Stay QMs have fewer measures, CMS applies an adjustment factor of 1,150/800 (1.4375) to ensure Long- and Short-Stay scores count equally in the overall rating. CMS adjusts score thresholds every six months, increasing them by 50% of the score growth over that period.

# Point ranges for the QM Ratings (as of January 2025)

| QM Rating | Long-Stay QM Rating Thresholds | Short-Stay QM Rating Thresholds | Overall QM Rating Thresholds |
|---|---|---|---|
| ★ | 155–465 | 144–438 | 299–904 |
| ★★ | 466–565 | 439–525 | 905–1,091 |
| ★★★ | 566–640 | 526–625 | 1,092–1,266 |
| ★★★★ | 641–735 | 626–719 | 1,267–1,455 |
| ★★★★★ | 736–1,150 | 720–1,150 | 1,456–2,300 |

**Note:** The Short-Stay QM Rating thresholds are based on the adjusted scores (after applying the factor of 1,150/800 to the unadjusted scores).

Source: Center for Medicare & Medicaid Services

## QMs with a maximum score of 150 points

For 150-point QMs, CMS divides facilities into deciles based on national performance. Those in the lowest decile receive 15 points, and scores increase in 15-point intervals, up to 150 points.

- **Long-Stay QMs**
  - Percentage of residents whose need for help with daily activities increased.
  - Percentage of residents who received an antipsychotic medication.
  - Percentage of residents whose ability to walk independently worsened.
  - Number of hospitalizations per 1,000 resident days.
  - Number of outpatient emergency department (ED) visits per 1,000 resident days.
- **Short-Stay QMs**
  - Percentage of residents who are at or above an expected ability to care for themselves and move around at discharge.
  - Rate of successful return to home and community from an SNF.
  - Percentage of Sort-Stay residents who were re-hospitalized after a skilled nursing facility admission.
  - Percentage of Short-Stay residents who have had an outpatient emergency department (ED) visit.

## QMs with a maximum score of 100 points

CMS divides skilled nursing facilities into quintiles to calculate the score for most 100-point QMs. The lowest quintile receives 20 points, and scores increase in 20-point intervals. Facilities with 100 points are in the highest quintile.

- **Long-Stay QMs**
  - Percentage of residents experiencing one or more falls with a major injury.
  - Percentage of residents with a urinary tract infection.
  - Percentage of residents who have or had a catheter inserted and left in their bladder.
- **Short-Stay QMs**
  - Percentage of residents who got an antipsychotic medication for the first time.

For two 100-point measures (Short-Stay pressure ulcers/injuries and Short-Stay antipsychotic measures), more than 20% of skilled nursing facilities have a QM value of zero. In both instances, CMS awards all facilities with a QM value of zero 100 points and divides the remaining facilities into quintiles; the distribution of points is as close to even as possible.

- **Long-Stay**
  - Percentage of residents with pressure ulcers.
- **Short-Stay**
  - Percentage of SNF residents with pressure ulcers/pressure injuries that are new or worsened.

# Understanding how your facility compares to QM national performance

Since QMs are graded on a national curve, with points awarded in deciles and quintiles, it may be useful to understand where your facility lies on that curve. For that information, head to CMS's "State Averages Table" and take a look at the top row, which shows national averages for the staffing and health inspection domains too.

# The importance of accurate assessments

Facilities must ensure that MDS assessments and corrections accurately reflect each resident's status and meet all regulatory requirements to avoid allegations of fraud or noncompliance. One or two misreported incidents will be considered isolated, and three or more will be considered widespread, at the surveyor's discretion.

CMS has updated F641 for 2025; review that F-tag in detail to understand the new surveyor guidance, and learn more about it in our free guide: The Administrator's Guide to CMS's 2025 Surveyor Guidance Updates.

# Rating adjustments for inaccurate schizophrenia coding

Per CMS's 2025 updates, surveyors will be placing more focus on the misuse of antipsychotics. A valid diagnosis of any mental disorder (not just schizophrenia) requires adherence to professional diagnostic standards as described in the current version of the "Diagnostic and Statistical Manual of Mental Disorders" (DSM) and comprehensive, evidence-based documentation in the resident's medical record.

The updates to F605 are extensive; it's advisable to review them in detail.

During the survey, CMS will audit schizophrenia coding in the Minimum Data Set (MDS), and facilities with coding inaccuracies will have their rating adjusted. If CMS notifies a facility of an upcoming audit, and leadership admits to miscoding before that audit begins, the facility may receive a lesser penalty—such as having the QM Ratings suppressed instead of downgraded.

**Long-Stay and Overall QM Ratings:**

- QM Rating is downgraded to one star for months one through six. This reduces the facility's Five-Star Quality Rating by one star.

- For months seven through 12, the facility receives the minimum possible points for the long-stay antipsychotic QM.

**Short-Stay QM Rating:**

- The antipsychotic score is suppressed (not factored into the rating) for six months.

**Long-Stay Antipsychotic QM Rating:**

- The antipsychotic score is suppressed (not factored into the rating) for 12 months.

**Penalties will only be lifted if CMS verifies the facility has corrected the issues.**

# Your Quality Assurance Performance Improvement plan
## and Quality Assessment and Assurance committee

Though a Quality Assurance Performance Improvement (QAPI) plan encompasses more than just quality measures, having a solid plan in place, implementing it, and reviewing/revising it during Quality Assessment and Assurance (QAA) committee meetings will likely help you increase the care quality delivered in your facility. The surveyor will review QAPI/QAA at the end of the survey.

## Building an effective QAPI plan

At the end of the survey, the surveyor will request to review your QAPI plan. That's why it's key to delineate your process for identifying and correcting quality deficiencies. **In your plan, show:**

- How you track and measure performance.
- How you establish goals and thresholds for measuring performance.
- How you identify and prioritize quality deficiencies.
- Your system for analyzing causes of systemic quality deficiencies.
- Your development and implementation of corrective actions and performance improvement activities.

CMS says that a facility's QAPI program must be "ongoing, comprehensive and capable of addressing the full range of care and services it provides." They define an effective QAPI program as one that addresses care delivery systems and management processes.

**Here are their minimum requirements for QAPI plans:**

- "Address all systems of care and management practices.
- Include clinical care, quality of life and resident choice.
- Utilize the best available evidence to define measure indicators of quality facility goals that reflect processes of care and facility operations that have been shown to be predictive of desired outcomes for residents of an SNF of NF."
- Reflect the complexities, unique care and services that the facility provides."

For more information, see F865, §483.75(b), §483.75(b)(1), §483.75(b)(2), §483.75(b)(3), §483.75(b)(4), §483.75(f), §483.75(f)(1), §483.75(f)(2), §483.75(f)(3), §483.75(f)(4), §483.75(f)(5), §483.75(f)(6), and §483.75(h), in CMS's "Long-Term Care Surveyor Guidance Updates."

**The governing body or executive leadership of the facility must ensure that the QAPI program:**

- Is defined, implemented and ongoing.
- Addresses identified priorities.
- Sustained through transitions in leadership and staffing.
- Has adequate resources, including staff time, equipment, and technical training as needed.
- Uses performance indicator data, resident and staff input, and other information to identify and prioritize problems and opportunities.
- Implements corrective actions to address gaps in systems and evaluates actions for effectiveness.
- Establishes clear expectations around safety, quality, rights, choice and respect.

# The QAA committee

The QAA committee is responsible for ensuring the QAPI plan is being implemented and identifying and correcting quality deficiencies "effectively."

A facility's QAA committee must include (at a minimum): the Director of Nursing, Medical Director, Infection Preventionist, and at least three team members. One of the team members must be the administrator, a board member, or another person in a leadership role. The committee must meet at least quarterly and as needed to coordinate and evaluate QAPI program activities. The committee reports to the facility's "governing body." The surveyor may request to see documentation from QAA meetings.

For more information, see F868,§483.75(g), §483.75(g)(1), §483.75(g)(2),  §483.80(c) CMS's "Long-Term Care Surveyor Guidance Updates."

## How to avoid the 10 most common citations

Download our free guide "Avoiding Citations: The Administrator's Guide to the CMS Quality Rating System" to get compliance tips that will help you avoid the 10 most common citations.

# Improving resident well-being

Improving your QM Rating will likely improve resident well-being, but it may uncover additional areas of concern. We've created three other CMS Quality Rating guides to help. You can download them for free:

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

The Administrator's Guide to Five-Star Health Inspections

The Administrator's Guide to Five-Star Staffing

# 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).

"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).

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

## Quality Measures

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

"REVISED: Updates to Nursing Home Care Compare Staffing and Quality Measures (CMS)."

"State US Averages Table" (CMS).

"Getting Ready for the New Five-Star Ratings" (McKnights).

## 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).