

To: Senator Rick Scott, Chair, U.S. Senate Special Committee on Aging
From: Abigail Chen
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Re: Strengthening Federal Oversight of Nursing Homes to Prevent Elder Abuse

Statement of Issue

With an aging population, over 1.4 million Americans live in federally certified nursing homes. However the U.S. is consistently failing our older population as thousands remain vulnerable to abuse and neglect each year. Despite a federal requirement for annual inspections, over one-third of nursing homes are not surveyed on time due to underfunded oversight and chronic staffing shortages. The U.S. Supreme Court has affirmed that vulnerable populations, including the elderly, are entitled to federal protections. Failure to enforce consistent inspection standards violates their rights to safety and dignified care.

- Federal data show that, as of early May 2023, 28 percent of the Nation's 15,000 nursing homes have not received a comprehensive annual inspection for 16 months or more, placing them behind on statutorily mandated annual inspection schedules. One in nine nursing homes across the Nation have not received an annual inspection in two years.
- Chronic staffing shortages and uncompetitive salaries have made it difficult for state survey agencies to attract qualified candidates, weakening their ability to meet performance standards.
- Based on the 2024 report, survey workloads, especially complaints, have risen significantly since 2015, however federal funding has remained at \$397 million preventing agencies from conducting timely, proactive inspections and allowing issues to worsen and become costlier.
- Under-resourced state survey agencies face vacancy rates over 20%, undermining the quality and timeliness of investigations into abuse or neglect.
- Lack of enforcement and consistent penalties enables repeat violations, further endangering residents.
- Delayed inspections and poor staffing oversight result in reactive, crisis-based care, increasing long-term costs and compromising patient outcomes.

Policy Options:

1. Increase Federal Funding for CMS Nursing Home Surveys to Ensure Timely Inspections: Raise the Centers for Medicare & Medicaid Services (CMS) long-term care inspection budget from \$397 million to approximately \$560 million. This increased funding would specifically target enabling state survey agencies to conduct annual, unannounced inspections for all federally certified nursing homes.
 - a. **Advantages:** This direct funding increase would ensure timely inspections, significantly improving the ability to detect and address abuse and neglect earlier. It would restore the original intent of annual oversight, enhancing resident safety across the nation.
 - b. **Disadvantages:** This option requires a direct increase in federal appropriations or a reallocation of existing budget, which could face political resistance. This is even more likely to face opposition, as the current administration in 2026 is planning to implement a CMS budget shift toward complaint-based inspections, leading to fewer routine inspections and potentially leaving many facilities uninspected for years unless a complaint is filed.
2. Expand and Support State Surveyor Workforce Capacity: Provide dedicated federal funding and programmatic support to state inspection agencies to recruit, hire, and train a qualified and sufficient workforce of surveyors. This includes addressing uncompetitive salaries and requiring CMS oversight of any third-party survey contractors used by states to ensure consistency and quality.
 - a. **Advantages:** This directly tackles the issue of chronic staffing shortages (currently exceeding 20% vacancy rates in many states), leading to more thorough and timely investigations into abuse and neglect. It also improves inspection consistency and raises the overall quality of investigations.

- b. **Disadvantages:** Requires robust state cooperation and the development of effective new hiring and training pipelines, which can be time-consuming to establish and scale.
- 3. **Strengthen Financial Accountability Through Incentives and Penalties:** Implement accountability approach that combines increased financial penalties for verified abuse or neglect with performance-based incentives for facilities that meet high safety and care standards. Incentives could include enhanced reimbursement rates or quality-based bonuses tied to inspection scores. At the same time, require strict timely fines for serious violations to law enforcement and increase fines for repeat or severe offenses.
 - a. **Advantages:** Creates a balanced system of accountability and improvement. Facilities are motivated not only to avoid fines but to invest in higher care standards. Public trust may improve through transparency and visible reward for quality care.
 - b. **Disadvantages:** We need CMS to create clear systems for evaluation and oversight that is fair. Facilities may challenge penalties or dispute performance data, leading to legal or administrative costs.

Policy Recommendation

A comprehensive and immediate federal strategy is imperative to restore effective oversight and robustly protect the over 1.4 million Americans residing in nursing homes. While all proposed options offer benefits, an approach addressing all three aspects is strongly recommended to address the systemic issues of underfunded oversight, staffing shortages, and inconsistent care standards. Increasing CMS funding to reinstate the consistent annual inspections is important. The current federal administration may actually be shifting towards fewer inspections; however, these annual inspections are a critical step to ensure accountability and early detection of deficiencies, which is currently lacking in over a quarter of nursing homes. Expanding staff to carry out these surveys and inspection comes hand in hand with increasing funding. Adequate staffing for state agencies is essential for timely, high-quality investigations and effective enforcement, addressing the current high vacancy rates. Furthermore, through intensified investigations and inspections, this information can be leveraged to enhance the quality of nursing homes. This can be done through incentives and fines as proposed above. Overall, increased oversight on nursing homes is needed to keep our aging population safe.

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