

**CLIENT UPDATE: October 27, 2008**

**OIG RELEASES SUPPLEMENTAL  
COMPLIANCE PROGRAM GUIDANCE  
FOR NURSING HOMES**

OIG recently issued supplemental compliance program guidelines for nursing facilities (the “Supplemental Guidance”). The Supplemental Guidance updates the original OIG Compliance Guidance for nursing homes issued in 2000. It is meant to assist nursing facilities as they update their current compliance programs to address significant changes (i) in the way nursing facilities deliver and receive reimbursement for health care services, and (ii) in the federal enforcement environment, particularly with respect to addressing quality of care.

The Supplemental Guidance focuses on a few key operational areas:

- Quality of care: specifically sufficient staffing, comprehensive resident care plans, adequate medication management, appropriate use of psychotropic medications, and preventing resident abuse or neglect.
- Claim preparation and submission: advice on how to increase accuracy.
- Federal anti-kickback statute: common violations and safe harbor provisions.
- Other risk areas: physician referrals, anti-supplementation, and Medicare Part D.
- HIPAA privacy and security rules: emphasizing compliance.

The Supplemental Guidance was prompted by a recent OIG trend report entitled “Trends in Nursing Home Deficiencies and Complaints,” which found that between 2005-2007, 91% of surveyed nursing homes were cited for deficiencies. On average, each facility was cited for 7 deficiencies, with for-profit homes averaging a higher number of deficiencies. The most common deficiencies cited were quality of care, resident assessment, and quality of life, with many other deficiencies in the other categories addressed by the Supplemental Guidance.

Downloads:

- The trend report:  
<http://oig.hhs.gov/oei/reports/oei-02-08-00140.pdf>.
- The Supplemental Guidance:  
[http://oig.hhs.gov/fraud/docs/complianceguidance/nhg\\_fr.pdf](http://oig.hhs.gov/fraud/docs/complianceguidance/nhg_fr.pdf).
- The original Compliance Program Guidance (issued in 2000):  
<http://oig.hhs.gov/authorities/docs/cpgnf.pdf>.