

DEPARTMENT OF HEALTH & HUMAN
SERVICES Health Care Financing Administration

Center for Medicaid and State Operations 7500
Security Boulevard Baltimore, MD 21244-1850

JUN 27 2000

Dear State Survey Agency Director:

HCFA's key priorities for FY 2000 include improving management and accountability for the programs it administers. A specific focus for this effort is continued strengthening of HCFA oversight of contractors and States.

Translating this key priority to application for the survey and certification program, HCFA is reevaluating the tools available for overseeing State survey agency performance. The overarching goal governing how HCFA proceeds with oversight and evaluation of State survey agency performance for nursing homes has been articulated by HCFA leadership as a nationally consistent program based on measurable and reportable standards using validated and verifiable data which is publicly reported. To this end, HCFA has already committed to and sought State survey agency input on the development of discrete measures for evaluating State survey agency performance of surveys of nursing homes. (See State Operations Manual, .7801E.) For hospitals, HCFA has committed to reevaluate the current process for oversight of State survey agencies to improve State accountability for issues of hospital quality and to develop a performance measurement based system for evaluating State survey agencies. Additional manifestations of HCFA's vision for this key priority will be developed and refined over time as a function of experience.

The performance measures selected for nursing homes address many of the same areas now being reviewed under the State Agency Quality Improvement Program (SAQIP) process, and they are based on the same statutory provisions. It is expected that performance measures developed for hospitals and other providers and suppliers will also be based on core functions and statutory and regulatory requirements. The performance measures will provide a consistent, national look at data in these functional areas and uniform, regular reporting of findings.

Many States have noted significant improvements and made critical process changes over the past

file:///F:/New%20Website%20Content/PCPG%20Files/2000/2000/smd062700.asp (1 of 2)4/12/2006 11:27:13 AM HCFA's Key Priorities for FY2000

several years as a result of SAQIP. Yet, given the similarity of the performance measures developed for nursing homes and contemplated for other providers and suppliers to the current SAQIP standards, HCFA regional office and State survey agency staffs would be duplicating efforts if two separate systems were operated. In order to avoid duplication, to promote uniformity and to provide for more manageable workloads for both the HCFA regional offices and the State survey agencies, HCFA will consolidate survey and certification oversight and evaluation

functions. To do so, HCFA will incorporate activities previously subject to SAQIP requirements into broader survey and certification performance measurement and oversight strategies. This will be accomplished in stages. First, HCFA will bring closure to the current SAQIP approach by closing out and reporting on FY 1999 activities. Then, State survey agency workloads and activities previously subject to quality improvement plans in the States and quality monitoring activities in the HCFA regional offices will be incorporated into appropriate performance measurement activities within the broader oversight framework which includes other tools such as FOSS/FMS, budget, OSCAR/QIES, MDS, etc. Further details regarding the performance measures, their implementation and their correlation to other survey and certification oversight activities will be provided as this dynamic process unfolds.

Accordingly, required SAQIP activities in State survey agencies and HCFA regional offices cease with the completion of the FY 1999 end-of-year reporting activities. Resources previously devoted to SAQIP activities in the HCFA regional offices and States should be devoted, instead, to the performance measurement and reporting activities mentioned above. To be clear about resource expectations, HCFA does not intend for anyone to lose his/her job solely as a result of its move to a comprehensive oversight strategy for survey and certification. Further details regarding these activities will be released in a separate program memorandum.

If you have any questions, please contact your Regional Office.

Timothy M. Westmoreland Director

cc:

All HCFA Regional Administrators All HCFA Associate Regional Administrators for Medicaid and State Operations

<% 'Sitewide navigation info / do NOT edit %>