

**OPENING STATEMENT FOR THE HONORABLE GREGG HARPER  
CHAIRMAN, SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS  
COMMITTEE ON ENERGY AND COMMERCE**

“Examining Federal Efforts to Ensure Quality of Care and Resident Safety in Nursing Homes”  
September 6, 2018

*As Prepared for Delivery*

Good morning, today the Subcommittee continues its work examining whether the federal government is meeting its obligations to ensure that residents in nursing homes across the country are free from abuse and are receiving the quality of care they deserve. Protecting our most vulnerable citizens is among the most fundamental responsibilities entrusted to the federal government, and it is also a responsibility that we, as Americans, all share.

The Centers for Medicare and Medicaid Services (CMS) is the federal agency tasked with ensuring nursing home residents are protected and well-cared for, and CMS largely relies on the efforts of state survey agencies to verify that nursing homes are meeting federal standards for quality and safety. However, reports issued by the Department of Health and Human Services’ Office of Inspector General (OIG) and the Government Accountability Office (GAO), along with all too frequent press reports that detail horrible cases of abuse and neglect occurring in nursing homes, raise questions as to whether CMS is fulfilling its obligations to residents.

For example, in 2014 OIG found that, based on its review of more than 650 medical records of Medicare beneficiaries that were receiving care in a nursing home, approximately one-third of residents experienced some type of harm during their stay. According to OIG, nearly 60 percent of this harm was either clearly preventable or likely preventable.

Last year, reports emerged out of Florida of the deaths of at least a dozen residents of the Rehabilitation Center at Hollywood Hills after the facility's air conditioning system failed in the immediate aftermath of Hurricane Irma. According to state regulators, temperatures at the facility reached nearly 100 degrees and the facility deprived residents of timely medical care despite being located across the street from a fully-functional hospital. CMS described the events at this nursing home as a "complete management failure" and terminated the facility from the Medicare and Medicaid programs, noting the conditions at the facility constituted an immediate jeopardy to residents' health and safety.

Previously, the facility's owner entered into a settlement agreement with the federal government to resolve allegations he and his associates paid kickbacks and performed medically unnecessary treatments to generate Medicare and Medicaid payments at another Florida health care facility in which he had an ownership interest.

Despite this history, and last year's tragedy at the Rehabilitation Center, we have learned that the facility's owner continues to maintain an ownership interest in at least 11 facilities participating in the Medicare and Medicaid programs.

It can't be emphasized enough that it should not take a tragedy like what was seen at the Rehabilitation Center at Hollywood Hills to make CMS mindful, or take action in response, of conditions at nursing homes that threaten residents' well-being. However, the Committee's oversight, and reports issued by OIG and GAO, suggest that this isn't necessarily the case. Improving care for vulnerable populations, including the care provided to nursing home residents, has been identified by OIG as a top management challenge for over a decade. We want to know why this continues to be a top

management challenge, what steps CMS is taking to improve efforts to enforce existing regulatory requirements, and how the agency is addressing any gaps in its oversight.

We also want to recognize the many nursing homes that are providing their residents with high quality care. In advance of this hearing, I checked in with Vanessa Henderson, Executive Director for the Mississippi Health Care Association, for an update on our facilities after Tropical Storm Gordon made landfall late last night on the Mississippi Gulf Coast.

Ms. Henderson received reports every two hours throughout the night from 19 nursing homes in 9 south Mississippi counties. There were no major issues. When Hurricane Katrina devastated the Mississippi Gulf Coast 13 years ago there was no fatality or major problem at a nursing home in Mississippi. I am proud of these successes in my home state. What are the best practices being utilized at these facilities that if applied elsewhere could yield positive outcomes for nursing home residents?

I look forward to hearing from each member of our panel on ways we can improve our federal oversight of nursing homes to ensure that CMS is protecting seniors from abuse and neglect in nursing homes and using its authorities in a fair and effective manner.

I thank you for your testimony today and now recognize the Ranking Member of the Subcommittee from Colorado, Ms. DeGette, for five minutes.