

IOWA DEPARTMENT OF
INSPECTIONS & APPEALS

Iowa Department of
 Inspections & Appeals

Regulation of
 Health Care Facilities

January 28, 2008 Iowa Department of
 Inspections & Appeals

Funding Sources

Funding Source	Percentage	Amount
Federal Government (Medicare and Medicaid Funds)	84%	\$12,442,988
State Appropriation	16%	\$2,415,847

84 percent of the Division's funding comes from the federal government – Medicare and Medicaid Funds

16 percent of the Division's funding comes from a state appropriation

Source: DOM FY 08 Financial Summary

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State Licensed Health Care Facilities

Long-Term Care Facilities – 764 Facilities

- 413 Nursing Facilities
- 140 Intermediate Care Facilities
- 211 Residential Care Facilities

Hospitals – 123 Hospitals

- 40 Acute Care Hospitals
- 82 Critical Access Hospitals
- 1 Long-Term Acute Care Hospital

Psychiatric Medical Institutions for Children – 32 Facilities

Total number of Licensed or Certified facilities regulated by the Department: 1,964 as of December, 2007

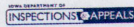
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Federal Certification

- DIA is the federally designated state survey agency for inspections at facilities participating in the Medicare and Medicaid programs.
- Any enforcement action taken as a result of DIA inspections is imposed by the federal Centers for Medicare & Medicaid Services (CMS).

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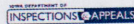
CMS Region Seven

- DIA is the designated State Survey Agency for the inspection and certification of all Medicare & Medicaid certified health care providers and suppliers, including long-term care facilities
- Four states are included in CMS Region Seven
 - Iowa - 456 certified long-term care facilities
 - Kansas - 350 certified long-term care facilities
 - Missouri - 520 certified long-term care facilities
 - Nebraska - 225 certified long-term care facilities

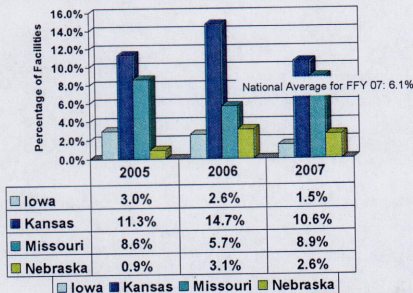
Source: CMS Kansas City Regional Office, Annual Report FY 2007

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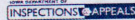


Percent of Long-Term Care Facilities Cited for Substandard Quality of Care*

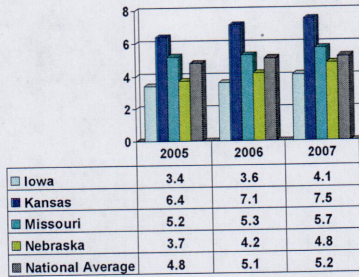


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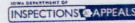
Average Number of Deficiencies Per Survey – Standard Health & Complaint Surveys



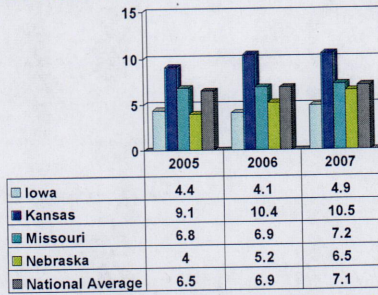
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Source: CMS PDQ System

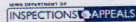


Average Number of Deficiencies Per Survey Freestanding LTC Facilities Standard Health Surveys

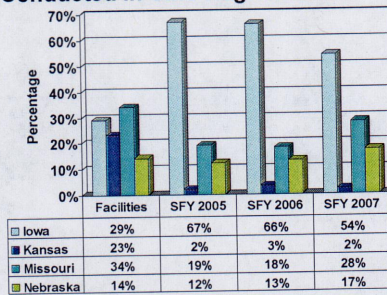


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Source: CMS Kansas City Regional Office, Annual Report FY 2007
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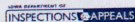
Percentage of Deficiency-Free Health Surveys Conducted in CMS Region Seven



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Source: CMS Casper Reporting System

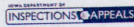


State Licensure

- DIA licenses health care facilities to operate in the State of Iowa.
- Fines imposed by the Department are deposited into the General Fund.
- State law prohibits the collection of state fines if a federal penalty is imposed.

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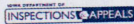
Class I Violations

A Class I violation is one which presents an imminent danger or a **substantial probability of resultant death or physical harm** to the residents of the facility in which the violation occurs. A physical condition or one or more practices in a facility may constitute a Class I violation. A Class I violation shall be abated or eliminated immediately unless the department determines that a stated period of time, specified in the citation issued under section 135C.40, is required to correct the violation. A licensee is subject to a penalty of not less than two thousand nor more than ten thousand dollars for each Class I violation for which the licensee's facility is cited.

Iowa Code § 135C.36(1)

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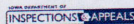
Class II Violation

A Class II violation is one which has a direct or immediate relationship to the health, safety or security of residents of a health care facility, **but which presents no imminent danger nor substantial probability of death or physical harm to them.** A physical condition or one or more practices within a facility, including either physical abuse of any resident or failure to treat any resident with consideration, respect and full recognition of the resident's dignity and individuality, in violation of a specific rule adopted by the department, may constitute a Class II violation. A violation of section 135C.14, subsection 8, or section 135C.31 and rules adopted under those sections shall be at least a Class II violation and may be a Class I violation. A Class II violation shall be corrected within a stated period of time determined by the department and specified in the citation issued under section 135C.40. The stated period of time specified in the citation may subsequently be modified by the department for good cause shown. A licensee is subject to a penalty of not less than one hundred nor more than five hundred dollars for each Class II violation for which the licensee's facility is cited, however the director may waive the penalty if the violation is corrected within the time specified in the citation.

Iowa Code § 135C.36(2)

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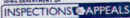


State Fine Ranges

Class	Range
Class 1	\$2,000 to \$10,000
Class 2*	\$100 to \$500
Class 3	No Fine if corrected; \$50/day until corrected

All State Fines collected are deposited into the general fund pursuant to Iowa Code § 135C.41.

* The Director may "roll up" multiple class II violations into a class I violation. To maintain consistency, state enforcement decisions are made by determination team and not by individual surveyors or survey teams.

Source: Iowa Code § 135C.39 and 135C.41 and 481 IAC 56.12
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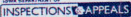
Fining Structure for Surrounding and Other States

State	Fine Ranges
Iowa	\$100 to \$10,000, no per day
Missouri	\$50 to \$10,000, no more than \$25,000 per day
Nebraska	\$50 to \$10,000 per day
Wisconsin	\$500 to \$10,000 per day
Illinois	\$500 to \$50,000
Texas	\$1,000 to \$20,000
Florida	\$1,000 to \$15,000
California	\$100 to \$25,000

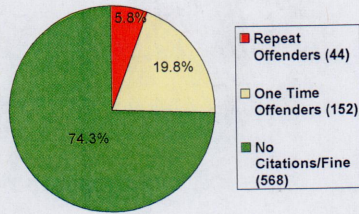
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State Fining & Citation FY 05 through FY 07

	FY 05	FY 06	FY 07
Number of Fining and Citations Issued	225	181	261
Number of Facilities Cited	177	147	196
Total State Fines Assessed	\$242,150	\$234,000	\$757,150
Total Fines Collected*	\$105,618	\$105,575	\$217,533
Average Collected Per Facility Cited	\$597	\$718	\$1,110
Total Class I Violations Cited	58	42	177
Total Class II Violations Cited	195	148	137
Total Class III Violations Cited	9	3	2
Total Violations Cited	253	193	316
Complaints and Self-Reports Received	2241	2171	2660

* May include fine amounts attributed to action taken in previous fiscal years. Source: DIA Fining and Citation Data
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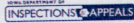
SFY 2007 Health Care Facilities Fining and Citation Records



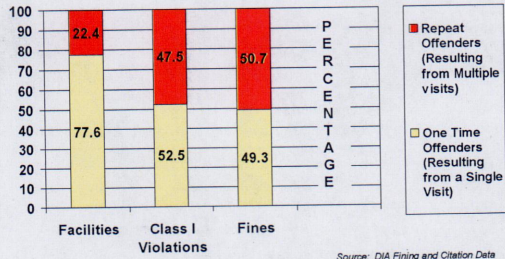
Source: DIA Fining and Citation Data

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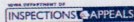
SFY 2007 Comparison Between Repeat and One Time Offenders



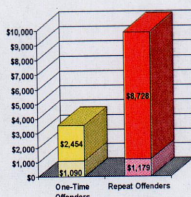
Source: DIA Fining and Citation Data

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Average Assessed and Collected Fines* for Violations Cited in SFY 2007



One-Time Offenders (152 facilities with single citations)

- Average assessed fine is \$2,454
- Average collected fine is \$1,090

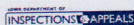
Repeat Offenders (44 facilities with repeat citations)

- Average assessed fine is \$8,728
- Average collected fine is \$1,179

* May include fine amounts attributed to action taken in previous fiscal years.

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Resident Abuse Garner \$400 Fine

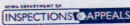


- Resident at long-term care facility slapped, punched, kicked and choked fellow residents
- One resident sustained a broken collar bone in an incident
- Facility staff was aware of resident's aggressive behavior
- Violation was cited as Class II and a \$400 state fine was assessed

Source: Des Moines Register, October 25, 2006

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Advocates Demand Stronger Penalties to Safeguard Resident Health, Safety, and Welfare

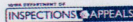


- Historical interpretation was that incidents resulting in harm or injury to a resident were designated a Class II violation, with a maximum state penalty of \$500
- Law requires that a Class I violation be cited for **imminent danger or a substantial probability of resultant death or physical harm** to a resident

Source: Des Moines Register, November 1, 2006

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DIA Should be Congratulated for 'Doing the Right Thing'

THE REGISTER'S EDITORIALS
Higher fines warranted for nursing homes
 Stiff penalties justified when safety at risk

"They should be congratulating the department for doing the right thing."



Source: Des Moines Sunday Register, Jan. 20, 2008

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