

**Opening Statement of Senator Charles E. Grassley**  
**Senate Special Committee on Aging Hearing**  
**Wednesday, June 30, 1999**  
**"The Nursing Home Initiative:**  
**Results at Year One"**

Good morning and welcome. Before we begin I want to thank the witnesses who will be on Panel Two who have traveled a long way to be with us here today.

I also want to thank the members of our first panel who have extremely busy schedules and heavy responsibilities for joining us today. And, of course, I would like to extend a special welcome to members of the public.

Today's hearing is the third this Committee has devoted to the quality of care in nursing homes and HCFA implementation of the Nursing Home Reform Act, the public law enacted to guarantee high quality care in nursing homes.

In July of last year, this Committee convened a two-day hearing to explore the findings of a General Accounting Office report that found unacceptable conditions of care in California nursing homes. These conditions were present despite billions of federal and state dollars being spent for the care of residents.

A week before last July's hearing, the President announced a package of 17 initiatives to improve nursing home quality. This announcement was not only a response to this Committee's pending hearings, but also directly related to a report issued by HCFA that showed that the quality of care problem in nursing homes was much more systemic than what could be determined by GAO's report, which focused only on California. At that hearing, Deputy Administrator HCFA Mike Hash's pledged the agency to immediate action to address the urgent matter of improving nursing home care.

Since that time, the General Accounting Office and the Inspector General of the Department of Health and Human Services have reported further on the status of nursing home quality and federal enforcement of the Nursing Home Reform Act by the Health Care Financing Administration. At our hearing in March, we learned of other breakdowns in the federal oversight of nursing homes. HCFA was ordered not to appear at our hearing, but responded to these findings of the federal watchdog agencies by incorporating additional items into its nursing home initiative. These new initiatives address stricter enforcement and improved responsiveness to complaints.

Today's hearing will be different from the first two. It will be different because a rare thing has happened in Washington. As a consequence of this Committee's work and the President's initiative, there is general agreement that, although the majority of nursing homes around the country provide good care, there is a minority of homes that do not.

Furthermore, there is agreement about what to do about this situation. In fact, not only is there agreement about what needs to be done, but action is being taken. I am speaking about the Nursing Home Initiative currently being implemented by the Health Care Financing Administration. I believe that, as a consequence of this Committee's work, and the Administration's willingness to respond to the critical findings of the General Accounting Office, work already in progress at HCFA was greatly accelerated and additional initiatives were undertaken. I think that this represents a major departure from business as usual.

Taken altogether, these initiatives constitute one of the most hopeful developments I have seen in

Washington in a long time and it is attributable to the willingness of all parties to focus on solving a problem rather than seeking advantage.

It has been almost a year since the Nursing Home Initiative was launched. At that time, in July, at a hearing of this Committee on the quality of care in California nursing homes, I stated, "We have to remember that the initiatives themselves are only 50 percent of the solution. The other 50 percent is getting them implemented...".

So that is the purpose of today's hearing - to assess the degree to which the initiatives are being implemented to fix the quality of care problem.

We will hear from two panels. The first panel will include representatives from HCFA, the GAO, and the president-elect of the Association of Health Facilities Survey Agencies, which represents state survey officers. HCFA will testify on the progress it has made to date on the Nursing Home Initiative. Following their testimony, we'll hear a report from the General Accounting Office with its assessment of the agency's effectiveness in carrying out those initiatives which HCFA tells us it has completed. Next, we'll hear testimony from the perspective of state surveyors. She will tell us whether HCFA's work is actually taking hold at the state level, and what else needs to be done from the state perspective.

We will learn from this panel whether HCFA has made progress in implementing this initiative. We will also learn whether what has been done by HCFA has been done as effectively as it could or should have been done.

The second panel will be more forward looking. It will address the longer term - but absolutely vital - matters of redesign of the survey system and the development of quality indicators. In addition, the topic of what information is now available through the Internet - and what could be added - to help consumers make better choices when selecting a nursing home will be discussed. This panel will lay out the promise of ongoing work at HCFA, work that in my view is absolutely essential to complete as quickly as is humanly possible.

In conclusion, let me say that we must not forget that the history of the effort to make high quality nursing home care commonplace is filled with false starts and failures. The quality of care problems the GAO and the IG documented have been with us since before the Institute of Medicine began its work in 1987. They do not seem to go away. We have to do better. We have to make sure that the departure from business as usual in HCFA's work characterizes every aspect of these initiatives so that we can have complete confidence that the quality of care in nursing homes improves and stays improved.

We have a historic opportunity to do the right thing if we do it the right way. I hope we are all up to that challenge. The human cost of another failed effort in this area is too costly to contemplate.