Department of Health and Human Services

OFFICE OF
INSPECTOR GENERAL

NORTH CAROLINA SHOULD IMPROVE ITS OVERSIGHT OF SELECTED NURSING HOMES’ COMPLIANCE WITH FEDERAL REQUIREMENTS FOR LIFE SAFETY AND EMERGENCY PREPAREDNESS

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OFFICE OF AUDIT SERVICES FINDINGS AND OPINIONS

The designation of financial or management practices as questionable, a recommendation for the disallowance of costs incurred or claimed, and any other conclusions and recommendations in this report represent the findings and opinions of OAS. Authorized officials of the HHS operating divisions will make final determination on these matters.
Why OIG Did This Audit
In 2016, the Centers for Medicare & Medicaid Services (CMS) updated its life safety and emergency preparedness regulations to improve protections for all Medicare and Medicaid beneficiaries, including residents of long-term-care facilities (commonly called nursing homes). Updates included requirements that nursing homes have expanded sprinkler systems and smoke detector coverage; an emergency preparedness plan that is reviewed, trained on, tested, and updated at least annually; and provisions for sheltering in place and evacuation.

Our objective was to determine whether North Carolina ensured that selected nursing homes that participated in the Medicare or Medicaid programs complied with CMS and State requirements for life safety and emergency preparedness.

How OIG Did This Audit
Of the approximately 400 nursing homes in North Carolina that were enrolled in Medicare or Medicaid, we selected a nonstatistical sample of 20 nursing homes based on risk factors, including multiple high-risk deficiencies reported to CMS by North Carolina.

We conducted unannounced site visits at 20 nursing homes from December 2018 through May 2019. During the site visits, we checked for life safety violations and reviewed the nursing homes’ emergency preparedness plans.

North Carolina Should Improve Its Oversight of Selected Nursing Homes’ Compliance With Federal Requirements for Life Safety and Emergency Preparedness

What OIG Found
North Carolina did not ensure that selected nursing homes that participated in the Medicare or Medicaid programs complied with CMS and State requirements for life safety and emergency preparedness. Of the 20 nursing homes that we visited, 18 had deficiencies in areas related to life safety or emergency preparedness. Specifically, 18 nursing homes had 64 instances of noncompliance with life safety requirements related to building exits, smoke barriers, and smoke partitions; fire detection and suppression systems; hazardous storage areas; smoking policies and fire drills; and electrical equipment power cords. Furthermore, 14 nursing homes had 124 instances of noncompliance with emergency preparedness requirements related to written emergency plans, emergency power, plans for sheltering in place and tracking residents and staff during and after an emergency, emergency communications plans, and emergency plan training and testing.

The instances of noncompliance occurred because nursing homes had inadequate management oversight and high staff turnover. In addition, North Carolina did not have a standard life safety training program for all nursing home staff and generally performed life safety surveys no more frequently than once every 8 to 15 months, even at these higher risk nursing homes.

What OIG Recommends and North Carolina Comments
We recommend that North Carolina: (1) follow up with the 18 nursing homes to ensure that corrective actions have been taken regarding the deficiencies we identified, (2) work with CMS on developing life safety training for nursing home staff, and (3) conduct more frequent surveys at nursing homes with a history of multiple high-risk deficiencies. We also made other administrative recommendations.

North Carolina partially concurred with our first and fifth recommendations and concurred with our sixth recommendation, but North Carolina did not concur with our remaining three recommendations. In addition, North Carolina expressed concerns regarding our life safety and emergency preparedness findings and provided general comments about our sample, the timing of our surveys, and the qualifications of the auditors performing the life safety survey. After reviewing North Carolina’s comments, we modified our fifth recommendation to remove monitoring and removed the deficiency related to emergency water supplies. We maintain that our findings and recommendations, as revised, are valid.

The full report can be found at https://oig.hhs.gov/oas/reports/region4/41908070.asp.
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INTRODUCTION

WHY WE DID THIS AUDIT

In 2016, the Centers for Medicare & Medicaid Services (CMS) updated its life safety and emergency preparedness regulations to improve protections for all Medicare and Medicaid beneficiaries, including those residing in long-term-care facilities (commonly called nursing homes). The updates included requirements that nursing homes have expanded sprinkler systems and smoke detector coverage; an emergency preparedness plan that is reviewed, trained on, tested, and updated at least annually; and provisions for sheltering in place and for evacuation.

As part of our oversight activities, the Office of Inspector General (OIG) is conducting a series of audits nationwide (Appendix B) to assess compliance with these new life safety and emergency preparedness requirements. This audit focuses on selected nursing homes in North Carolina.

OBJECTIVE

Our objective was to determine whether the North Carolina Department of Health and Human Services (State agency) ensured that selected nursing homes in North Carolina that participated in the Medicare or Medicaid programs complied with CMS and State requirements for life safety and emergency preparedness.

BACKGROUND

Medicare and Medicaid Coverage of Nursing Homes

The Medicare and Medicaid programs cover care in nursing homes for eligible beneficiaries. Sections 1819 and 1919 of the Social Security Act (the Act) establish requirements for CMS and States to perform surveys of nursing homes to determine whether they meet Federal participation requirements. For Medicare and Medicaid, these statutory participation and survey requirements are implemented in Federal regulations at 42 CFR part 483, subpart B, and 42 CFR part 488, subpart E, respectively.

Requirements for Life Safety and Emergency Preparedness

Nursing homes are required to comply with all Federal, State, and local laws, regulations, and codes, as well as accepted professional standards and principles (42 CFR § 483.70). Federal regulations on life safety (42 CFR § 483.90) require nursing homes to comply with standards set forth in the Life Safety Code (National Fire Protection Association (NFPA) 101) and Health Care Facilities Code (NFPA 99). CMS lists applicable requirements on Form CMS-2786R, Fire Safety

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Survey Report.\textsuperscript{2} Federal regulations on emergency preparedness (42 CFR § 483.73) include specific requirements for nursing home emergency preparedness plans and reference the \textit{Standard for Emergency and Standby Power Systems} (NFPA 110) as part of the requirements.\textsuperscript{3} CMS lists applicable requirements on its \textit{Emergency Preparedness Surveyor Checklist}.\textsuperscript{4}

The Fire Safety Survey Report and \textit{Emergency Preparedness Surveyor Checklist} are used when CMS or a designated agency performs a nursing home survey. The results of each survey are reported and added to CMS’s Automated Survey Processing Environment (ASPEN) system.

\textbf{Responsibilities for Life Safety and Emergency Preparedness}

In North Carolina, the State agency oversees nursing homes and is responsible for ensuring that they comply with Federal, State, and local regulations. Under an arrangement with CMS called a “section 1864 agreement,” the State agency is responsible for completing life safety and emergency preparedness surveys at least once every 15 months at nursing homes that participate in Medicare or Medicaid.\textsuperscript{5} However, the State agency may survey nursing homes more frequently to confirm that they corrected previously cited deficiencies.\textsuperscript{6}

The North Carolina Division of Emergency Management (DEM) has the responsibility and authority to prepare for and respond to emergencies and natural disasters.\textsuperscript{7} This response is carried out through a network of local emergency management (LEM) agencies. In addition, the North Carolina Department of Health Services Regulations (DHSR) Office of Emergency Medical Services Healthcare Preparedness Program (HPP), in partnership with North Carolina’s DEM and Division of Public Health, contracts with eight hospitals to lead and coordinate Regional Healthcare Coalitions (RHCs) in eight regions across the State. RHCs carry out the mission, goals, and objectives of the HPP in helping health care facilities, including nursing homes, prepare for and respond to emergencies and disasters. RHCs work within their respective regions to partner with the health care facilities and emergency response

\textsuperscript{2} Form CMS-2786R is available online at \url{https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/CMS-Forms-Items/CMS009335.html}. Accessed on December 1, 2018.


\textsuperscript{4} CMS provides online guidance for emergency preparedness at \url{https://www.cms.gov/medicare/enrollment-and-certification/surveycertemergprep/emergency-prep-rule.html}.

\textsuperscript{5} The Act §§ 1819(g)(2)(A)(iii) and 1919(g)(2)(A)(iii). Under the agreement, the State agency agrees to carry out the provisions of sections 1864, 1874, and related provisions of the Act.

\textsuperscript{6} 42 CFR § 488.308(c). The State agency generally conducts comprehensive surveys every 8 to 15 months and will follow up on deficiencies either through a site visit or by reviewing documentation submitted by the nursing home depending on the nature and severity of the deficiency. For all 20 nursing homes we visited, the State agency conducted its three most recent comprehensive surveys no more frequently than every 8 to 15 months.

organizations. Each RHC is charged with building and sustaining its partnerships with four pillar stakeholders: emergency management, public health, hospitals, and emergency medical services. In addition, RHCs include other partners and stakeholders, such as nursing homes, within their regions. The HPP has five main goals: strengthen health care preparedness, support continuity of operations, enhance situational awareness, improve incident management, and augment medical surge. The HPP accomplishes the preparedness goal by making training available and bringing the regional stakeholders together for emergency preparedness exercises during non-emergency times.

Management and staff at nursing homes are ultimately responsible for ensuring the safety and well-being of nursing home residents and for complying with Federal, State, and local regulations. They are responsible for ensuring that facility systems, such as furnaces, kitchen equipment, generators, sprinkler and alarm systems, elevators, and other equipment, are properly installed, tested, and maintained. They are also responsible for establishing and maintaining an emergency preparedness program, including an emergency plan that is updated and tested regularly.

HOW WE CONDUCTED THIS AUDIT

As of October 2018, over 400 nursing homes in North Carolina participated in the Medicare or Medicaid programs. We selected for our audit a nonstatistical sample of 20 of these nursing homes based on various factors, including the number of high-risk deficiencies that the State agency reported to CMS’s ASPEN system and the potential risk of environmental threats, such as hurricanes, wildfires, and extreme heat, taking into account the nursing homes’ locations.8

We conducted unannounced site visits at the 20 nursing homes from December 2018 through May 2019. During the site visits, we checked for life safety violations and reviewed the nursing homes’ emergency preparedness plans.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix A contains the details of our audit scope and methodology.

FINDINGS

The State agency did not ensure that selected nursing homes in North Carolina that participated in the Medicare or Medicaid programs complied with CMS and State requirements for life safety and emergency preparedness. During our site visits, we identified deficiencies in

8 We defined high-risk deficiencies as those that had potential for more than minimal harm.
areas related to life safety or emergency preparedness at 18 of the 20 nursing homes that we reviewed:

- We found 64 instances of noncompliance with life safety requirements related to building exits, smoke barriers, and smoke partitions; fire detection and suppression systems; hazardous storage areas; smoking policies and fire drills; and electrical equipment power cords.

- We found 124 instances of noncompliance with emergency preparedness requirements related to written emergency plans, emergency power, plans for sheltering in place and tracking residents and staff during and after an emergency, emergency communications plans, and emergency plan training and testing.

As a result, nursing home residents at the 18 nursing homes were at increased risk of injury or death during a fire or other emergency. The identified deficiencies occurred because nursing homes had inadequate management oversight and had high staff turnover. In addition, the State agency did not have a standard life safety training program for all nursing home staff (not currently required by CMS) and generally performed comprehensive life safety surveys no more frequently than once every 8 to 15 months, even at these higher risk nursing homes.

In addition, the State agency could improve its monitoring and collaboration with LEM agencies and RHCs to ensure that nursing home residents are protected to the extent possible in the case of an actual emergency. Specifically:

- the State agency does not require or have a process to monitor nursing homes’ submissions of their emergency plans to LEM agencies;

- the LEM agencies have expressed concern about their roles and responsibilities, available resources, access to survey results, and awareness of existing and newly licensed facilities within their jurisdictions; and

- the State agency has not promoted awareness of the resources available through the RHCs, resulting in a relatively low rate of participation by nursing homes.

The lack of monitoring and collaboration among the State agency, LEM agencies, and RHCs occurred because there were no specific State requirements mandating these activities. Although LEM agencies and RHCs can provide training and resources to nursing homes, both before and during an actual emergency, the nursing homes we visited did not mention these resources and appeared to be unaware of their existence. Furthermore, the LEM agencies and RHCs have limited funding, limited staff, and no authority over nursing homes’ emergency

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9 Smoke barriers restrict the movement of smoke and have a fire-resistance rating. Smoke partitions are designed to limit the movement of smoke and are not as substantial as smoke barriers. Smoke partitions need not have a fire-resistance rating.
preparedness requirements. Without improved monitoring and collaboration, nursing home residents are at increased risk of injury or death in the event of an emergency.

Appendix C summarizes the areas of noncompliance and the number of deficiencies that we identified at each nursing home.

**SELECTED NURSING HOMES DID NOT COMPLY WITH LIFE SAFETY REQUIREMENTS**

CMS’s *Fire Safety Survey Report*, described earlier, lists the Federal regulations on life safety with which nursing homes must comply and references each with an identification number called a “K-Tag.”

**Building Exits and Smoke Barriers**

In case of fire or emergency, nursing homes are required to have unobstructed exits that allow full-use, self-closing doors in exit passageways that do not require tools or keys to open and are not manually propped open, discharges from exits that are free from hazards, and sealed smoke and fire barriers. In addition, corridor doors are required to latch and should seal the room from smoke or fire (K-Tags 211, 222, 223, 271, 363, and 372).

Of the 20 nursing homes we visited, 14 had 1 or more deficiencies related to building exits and fire barriers.¹⁰ Specifically:

- nine nursing homes had corridor doors that were impeded from closing, would not latch, or did not fully seal;
- eight nursing homes had self-closing doors that were propped open or missing altogether;
- three nursing homes had missing or damaged smoke and fire barriers, including broken ceiling tiles and openings that could contribute to the spread of smoke and fire;
- two nursing homes had areas, such as storage rooms and electrical closets, that were inaccessible in case of a fire;
- two nursing homes had the discharge area from the exit door blocked or impeded; and
- one nursing home had the pathway leading to the exit doors blocked or impeded.

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¹⁰ Among these 14 nursing homes, there were 25 deficiencies related to building exits and smoke barriers.
The following photographs show some of the deficiencies we identified during our site visits.

Photograph 1 (left): Missing fire caulking resulted in a deficient smoke or fire barrier.
Photograph 2 (right): A patient’s room door could not shut.

Fire Detection and Suppression Systems

Nursing homes are required to have a sprinkler system that must be inspected, tested, and maintained in accordance with NFPA requirements, which include the requirement to keep 18 inches of clearance below sprinkler system heads. Nursing homes must also inspect portable fire extinguishers at a minimum of 30-day intervals (K-Tags 351 and 355).

Of the 20 nursing homes we visited, 7 had 1 or more deficiencies related to their fire detection and suppression systems. Specifically:

- seven nursing homes did not have documentation showing that their portable fire extinguishers had been inspected at least every 30 days and
- two nursing homes did not maintain 18 inches of clearance below sprinkler system heads.

The photograph on the next page shows one of the deficiencies we identified during our site visits.

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Among the seven nursing homes, there were nine deficiencies related to fire detection and suppression systems.
Photograph 3: A fire extinguisher lacked documentation of any inspections.

Hazardous Storage Areas

In hazardous storage areas, nursing homes must store hazardous chemicals in a safe manner. In addition, nursing homes must store oxygen cylinders in a safe manner so as not to damage or tip over the cylinder, which could cause a dangerous pressurized oxygen release (K-Tags 321 and 923).

Of the 20 nursing homes we visited, 8 had deficiencies related to hazardous storage areas. Specifically:

- four nursing homes did not properly store filled gasoline cans or portable propane tanks in approved flammable storage cabinets and
- four nursing homes stored oxygen cylinders in an unsecure manner.

The following photographs show some of the deficiencies we identified during our site visits.

Photographs 4 and 5 (left/center): A filled unsecured gasoline can was stored next to a generator, and a filled unsecured gasoline can was stored in a maintenance shed.

Photograph 6 (right): Oxygen cylinders were not properly stored in a rack that prevented them from tipping.

12 Among the eight nursing homes, there were eight deficiencies related to hazardous storage.
Smoking Policies and Fire Drills

Nursing homes are required to establish smoking policies for residents and staff. Smoking is permitted only in authorized areas where ash receptacles are provided. Furthermore, signs must identify no-smoking areas. Nursing homes are also required to conduct fire drills each calendar quarter that cover each work shift. Participation by staff members is required, and the drills must be planned and conducted by a qualified individual designated by the nursing home. The drills may be announced or unannounced and must include the transmission of a fire alarm signal and simulation of emergency fire conditions (K-Tags 712 and 741).

Of the 20 nursing homes we visited, 6 had 1 or more deficiencies related to smoking policies or fire drills. Specifically:

- six nursing homes did not follow their smoking policies, which required, for example, banning smoking except in allowable marked areas and
- one nursing home did not ensure that fire drills were conducted each quarter.

The following photographs show some of the deficiencies we identified during our site visits.

Photograph 7 (left): Cigarette butts were found near an emergency gas shutoff button.
Photograph 8 (right): Cigarette butts were found next to waste kitchen grease.

Electrical Equipment

If a nursing home uses power strips or extension cords, they must meet Underwriters Laboratories (UL) requirements and be used in a safe manner; they cannot be attached to other...
power strips. Extension cords may be used temporarily but must be removed immediately after use (K-Tag 920).

Of the 20 nursing homes we visited, 15 had deficiencies related to electrical equipment power cords.\textsuperscript{14} All 15 nursing homes used power strips and extension cords that either did not meet UL requirements or were unsafely connected to appliances or other power strips.

The following photographs show some of the conditions we identified during our site visits.

\begin{figure}[h]
\centering
\includegraphics[width=0.4\textwidth]{photograph9.png}
\includegraphics[width=0.4\textwidth]{photograph10.png}
\caption{Photograph 9 (left): One power strip was connected to another power strip. Photograph 10 (right): An extension cord was being used in an unsafe manner.}
\end{figure}

SELECTED NURSING HOMES DID NOT COMPLY WITH EMERGENCY PREPAREDNESS REQUIREMENTS

CMS’s Emergency Preparedness Surveyor Checklist (described earlier) lists the Federal regulations on emergency preparedness with which nursing homes must comply and references each with an identification number called an “E-Tag.”

Emergency Plan

Nursing homes are required to have an emergency plan in place and to update the plan at least annually. The emergency plan must include a facility and community all-hazards risk assessment; address emergency events and resident population needs; include a continuity of operations plan; address coordination with Federal, State, and local government emergency management officials; and have policies and procedures for emergency events based on the risk assessment (E-Tags 0001, 0004, 0006, 0007, 0009, and 0013).

\textsuperscript{14} Among the 15 nursing homes, there were 15 deficiencies related to electrical equipment power cords.
Of the 20 nursing homes we visited, 8 had 1 or more deficiencies related to their emergency plans. Specifically:

- five nursing homes did not update their emergency plans annually,
- three did not address resident population needs,
- three did not provide for coordination with all government emergency management officials,
- two did not include a facility and community all-hazards risk assessment in their plans,
- two did not address emergency events in their risk assessments,
- one did not have policies and procedures for emergency events, and
- one did not include a succession plan within its continuity of operations plan.

**Emergency Power**

Nursing homes are also required to provide an alternate source of energy (usually a generator) for maintaining temperatures to protect patient health, food storage, emergency lighting, fire protection, and sewage disposal (if applicable). Nursing homes that have generators are required to perform weekly maintenance checks, monthly load tests, and annual fuel quality tests (if the generator operates on diesel fuel). Nursing homes should also have a plan to keep generators fueled “as necessary” during an emergency, unless they are evacuated (E-Tag 0041).

Of the 20 nursing homes we visited, 4 had 1 or more deficiencies related to emergency power. Specifically, four nursing homes did not properly perform generator weekly maintenance checks, monthly load tests, or annual fuel quality tests.

**Plans for Evacuation, Sheltering in Place, and Tracking Residents and Staff During and After an Emergency**

Nursing homes are required to have a plan for sheltering in place and tracking residents and staff during and after an emergency. Nursing homes must also have plans for maintaining availability of medical records, using volunteers, and transferring residents and must have

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15 Among the 8 nursing homes, there were 17 deficiencies related to emergency plan requirements.

16 The emergency plan must specify the population served within the facility, such as inpatients and/or outpatients, and their unique vulnerabilities in the event of an emergency or disaster.

17 Among the four nursing homes, there were four deficiencies related to emergency power.
procedures for their roles under a waiver to provide care at alternate sites during an emergency (E-Tags 0018, 0020, 0022–0026, and 0033).

Of the 20 nursing homes we visited, 9 had 1 or more deficiencies related to their emergency plans for evacuations, sheltering in place, and tracking residents and staff during and after an emergency. Specifically:

- six nursing homes did not address transferring residents during disasters,
- four did not address sheltering in place,
- three did not address evacuations,
- three did not address maintaining availability of medical records,
- three did not address tracking residents and staff, and
- two did not address using volunteers.

In addition, eight nursing homes did not have procedures for their roles under a waiver to provide care at alternate sites during an emergency.

**Emergency Communication Plans**

Nursing homes are required to have a communications plan that includes names and contact information for staff, service providers, physicians, volunteers, government emergency management offices, and the State agency, among others. The plan must be updated at least annually. Nursing homes are also required to have a plan for primary and alternate means of communication, such as cell phones or radios, and for communicating the facility’s occupancy, needs, and ability to provide assistance. In addition, nursing homes must have a plan for transferring medical records, a means to communicate information about residents’ conditions and locations in the event of an evacuation, and methods to share emergency plan information with residents and their families (E-Tags 0029–0035).

Of the 20 nursing homes we visited, 9 had 1 or more deficiencies related to the adequacy of their emergency communication plans. Specifically:

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18 Among the 9 nursing homes, there were 29 deficiencies related to plans for evacuations, sheltering in place, and tracking residents and staff during an emergency.

19 Among the 9 nursing homes, there were 39 deficiencies related to emergency communications.
• 7 nursing homes had 24 deficiencies related to not having required name and contact information,

• 4 did not update their plans annually,

• 3 did not have the means for communicating information about residents’ conditions and locations,

• 3 did not have plans that addressed primary and alternate means of communication,

• 3 did not have procedures for sharing emergency plan information with residents and their families, and

• 2 did not have an official emergency communication plan but had contact information in other locations.

**Emergency Plan Training and Testing**

Nursing homes are required to have a training and testing program related to their emergency plans and to update the training and testing program at least annually. Nursing homes must provide initial training to new staff members, independent contractors (e.g., contracted cleaning staff), and volunteers. The training, as well as the annual refresher training required for all staff, must be designed to demonstrate knowledge of emergency procedures and must be documented. Nursing homes must also conduct an annual community-based, full-scale testing exercise. In addition, nursing homes must complete a second training exercise (full-scale testing exercise, facility-based exercise, or “tabletop” exercise) annually. The nursing home must complete and document an analysis of all training exercises (and actual events) and revise the emergency plan if necessary (E-Tags 0036, 0037, and 0039).

Of the 20 nursing homes we visited, 14 had 1 or more deficiencies related to emergency plan training. Specifically:

• nine nursing homes did not conduct a second training exercise,

• nine did not conduct analyses of their training exercises,

• five did not conduct annual full-scale training exercises,

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20 The exercise can be facility-based if a community-based exercise is not possible. Furthermore, nursing homes are exempt from this requirement if they activated their emergency plans for an actual emergency during the year.

21 Among the 14 nursing homes, there were 35 deficiencies related to emergency plan training.
• five did not provide annual training,
• four did not update their training plans annually,
• two did not have training and testing programs, and
• one did not document that it provided initial training.

STATE AGENCY MONITORING AND COLLABORATION ON EMERGENCY PREPAREDNESS REQUIREMENTS

Nursing homes are required to comply with all applicable Federal, State, and local emergency preparedness requirements (42 CFR § 483.73). North Carolina requires each facility to have a detailed written plan and procedures to meet potential emergencies and disasters, including but not limited to fire, severe weather, and missing patients or residents (10A NCAC 13D .2208(a)). In addition, the plans and procedures shall be made available upon request to LEM agencies (10A NCAC 13D .2208(b)). The State agency does not require nursing homes to submit a copy of their emergency plans to the LEM agencies, even though LEM agencies are responsible for performing emergency management functions within their service areas, including the support and, if requested, coordination and execution of a nursing home’s emergency plan in an actual emergency or natural disaster.

State Emergency Plan Monitoring

Nursing homes are responsible for maintaining their emergency plans and providing them to their LEM agencies upon request. The LEM agencies are not required to verify plan compliance with Federal requirements or to monitor nursing homes’ timely submission of emergency plans. The State agency verifies during its annual survey whether the emergency plan is current and in compliance with Federal requirements. However, the State agency does not notify the LEM agencies of any deficiencies noted during its annual survey. State agency officials are not required by State or Federal law to notify LEM agencies regarding deficiencies or to provide the emergency plans to the LEM agencies. However, if the LEM agencies do not have a current copy of the nursing home emergency plans, or if they have not coordinated with the State agency for access to the emergency plans, residents are potentially exposed to increased risk of injury or death during an emergency or natural disaster.

State and Local Emergency Management Collaboration

The State agency requires all nursing home plans and procedures to be made available to local or regional emergency management offices upon request. All seven LEM agencies with whom

22 North Carolina General Statutes § 166A-19.15.

23 We visited 20 nursing homes in 7 counties. There is one LEM agency per county in North Carolina.
we talked stated that they request a copy of each facility’s emergency plan to review and provide feedback or to keep on file in case of an actual emergency. Each LEM agency provides a letter to the nursing home upon submission indicating that an emergency plan has been received. Some LEM agencies will review the nursing home plans and provide feedback although they are not required to by law. The LEM agencies, which are not required to obtain, review, or approve the emergency plans, described several challenges to ensuring that the emergency plans were available, accurate, and useful in the case of an actual emergency.

- Three LEM offices indicated that they do not have enough resources to review and approve plans.
- LEM agencies do not have a tracking mechanism or a way to determine which facilities are in their jurisdictions. For example, officials at one LEM agency indicated that they complete regular Google searches to determine whether any new nursing homes have been opened in their jurisdiction. Although resources are available online through DHSR and the NC DEM, the LEM agency did not know they were available or how to obtain this information.

In addition to the challenges of reviewing and approving emergency plans, LEM agency officials discussed broader concerns regarding the extent of their responsibilities. For example, officials at various LEM agencies stated that the State agency does not provide:

- regulatory enforcement powers to each LEM agency so that the LEM agency could require changes to a facility’s emergency plan,
- mandatory training on emergency preparedness procedures to facilities,
- a list of current facilities in each LEM agency’s jurisdiction, or
- the results of surveyors’ work to make the LEM agencies aware of vulnerabilities.

**State and Regional Healthcare Coalition Collaboration**

We spoke with officials at each of the eight RHCs in North Carolina to gain an understanding of their roles and responsibilities and to discuss challenges with emergency preparedness within their regions. The RHCs, which are not required to obtain, review, or approve the emergency plans, described several challenges to ensuring nursing homes were prepared in the case of an actual emergency. For example, various RHCs stated the following:

- Participation, although free, is voluntary and not required by the State. As a result, participation is often limited, and three of the RHCs estimated that only 15 percent of nursing homes in their regions participated.
• Staffing and focus at the different RHCs varied and didn’t provide enough resources to meet nursing homes’ requests for individualized review of emergency plans and training exercises.

• Nursing homes were not aware of the resources and training that RHCs can provide. Keeping a current list of nursing home contacts and making those administrators aware of RHC functions is a struggle.

CONCLUSION

At the conclusion of our inspections, we shared the deficiencies we identified with nursing home management and staff so that they could take immediate corrective action. We also immediately shared the identified deficiencies with the State agency and CMS for followup, as appropriate. In addition, we discussed with the State agency the issues identified by the LEM agencies regarding emergency preparedness oversight.

Although nursing home management and staff are ultimately responsible for ensuring resident safety, we maintain that the State agency can reduce the risk of resident injury or death by improving its oversight. For example, the State agency could conduct more frequent site surveys at nursing homes to follow up on deficiencies previously cited.

While conducting our onsite inspections, we found that there was frequent turnover of nursing home management and staff. In addition, although it is not required by CMS, the State agency did not have a standard life safety training program for all nursing home staff that management could use to educate newly hired staff on how to comply with CMS requirements for life safety. For example, there was no standardized training program to teach newly hired maintenance staff about fire extinguisher inspections, fire alarm and sprinkler maintenance, the proper way to conduct and document fire drills, or how to test and maintain electrical equipment. The State agency could explain CMS requirements for life safety and emergency preparedness to nursing homes by providing standardized life safety training.²⁴

Furthermore, the State agency could improve its coordination with LEM agencies and RHCs so that the State agency is in a better position to ensure nursing home compliance with both CMS and State requirements. In addition, advance coordination among the State agency, nursing homes, LEM agencies, and RHCs would reduce the risk to nursing home residents in the case of an actual emergency.

²⁴ Although CMS does not specifically require this type of comprehensive life safety training, under the State agency’s section 1864 agreement with CMS (described on page 2), the State agency agreed to perform certain functions, including explaining Federal requirements to providers to enable them to maintain standards of health care consistent with Medicare and Medicaid participation requirements (CMS State Operations Manual § 1010). Also, as mandated by §§ 1819(g)(1)(B) and 1919(g)(1)(B) of the Act, States must conduct periodic educational programs for the staff and residents of nursing homes to present current regulations, procedures, and policies.
RECOMMENDATIONS

We recommend that the North Carolina Department of Health and Human Services:

- follow up with the 18 nursing homes to verify that corrective actions have been taken regarding the life safety and emergency preparedness deficiencies identified in this report;
- work with CMS to develop life safety training for nursing home staff;
- conduct more frequent site surveys at nursing homes with a history of multiple high-risk deficiencies;
- work with LEM agencies to develop a process to monitor the submission of emergency plans;
- increase collaboration with LEM agencies to:
  o clarify roles and responsibilities;
  o make them aware of pending, or newly licensed, nursing homes in their counties; and
  o provide LEM agencies with survey results, to the extent possible, from individual nursing homes to identify specific vulnerabilities; and
- increase collaboration with RHCs and communication with nursing home administrators to ensure nursing homes are aware of resources available to them.

STATE AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

STATE AGENCY COMMENTS

In written comments on our draft report, the State agency partially concurred with our first and fifth recommendations and concurred with our sixth recommendation, but the State agency did not concur with our remaining three recommendations. In addition, the State agency expressed concerns regarding our life safety and emergency preparedness findings and provided general comments about our sample, the timing of our surveys, and the qualifications of the auditors performing the life safety survey.
State Agency Comments on Recommendations and Findings

The State agency did not concur with the following recommendations:

1. For the first recommendation, the State agency concurred in part but disagreed with several of the deficiencies reported.

2. For the second recommendation, the State agency indicated that standardized training already existed through CMS and that the State already provided life safety and emergency preparedness training.

3. For the third recommendation, the State agency indicated that North Carolina met CMS requirements regarding survey frequency of nursing homes, including those with a history of multiple high-risk deficiencies, and that additional funding would be necessary to exceed those requirements.

4. For the fourth recommendation, the State agency stated that “all the LEMs that the OIG reviewers contacted had received the emergency plans from the nursing homes in their jurisdiction,” which is consistent with our findings as reported, and referred us to its response to our fifth recommendation, which is related.

5. For our fifth recommendation, the State agency concurred in part but indicated that Federal regulations did not authorize the State agency to “monitor” a LEM agency. However, the State agency indicated that it would engage representatives from the DEM and various LEM agencies to collaborate and try to identify an appropriate way to improve LEM agencies’ knowledge and information about the nursing homes in their areas to aid in their planning activities.

The State agency provided general comments on each of our three findings:

1. Some of the life safety deficiencies reported for building exits, hazardous storage areas, and electrical equipment were not actual deficiencies and were not identified by the State agency during followup surveys of all 20 nursing homes. These State agency followup comments related to a cart on wheels, gas cans and propane tanks, and power strips and extension cords.

2. Some of the emergency preparedness deficiencies reported for emergency supplies and power and emergency plan training and testing were not actual deficiencies and were not identified by the State agency during followup surveys of all 20 nursing homes. In addition, the State agency indicated that it provided additional training to its Health Safety Survey Staff regarding emergency preparedness requirements. These State agency followup comments related to annual fuel quality testing; emergency water supplies; and annual community-based, full-scale testing exercises.
3. “[T]here is no [F]ederal or [S]tate requirement that the State [a]gency confirm that a nursing home has submitted a copy of their emergency plan to the LEM agencies.” In addition, all LEM agencies that were contacted had received the emergency plans from the nursing homes in their jurisdictions, and a list of each licensed nursing home by county is available on DHSR’s website. Furthermore, the State agency has excellent collaboration with the RHCs, and it is the responsibility of the nursing home to use LEM and RHC resources and training opportunities.

Additional State Agency Concerns

The State agency also raised the following concerns:

- The sample and findings are not representative of the overall compliance of North Carolina’s nursing homes with Federal life safety and emergency preparedness requirements.
- The State agency does not believe it missed significant findings during its review of the nursing homes because surveys typically capture conditions that are in existence at the time the survey is conducted.
- The audit team did not have the same training as State agency staff who conduct nursing home life safety code surveys and cited several deficiencies that the State agency either disagreed with or was not able to verify based on the information provided.

OFFICE OF INSPECTOR GENERAL RESPONSE

After reviewing the State agency’s comments, we modified our fifth recommendation to remove monitoring and removed the deficiency related to emergency water supplies. We maintain that our findings and recommendations, as revised, are valid.

OIG Response to State Agency Comments on Recommendations and Findings

Regarding our first recommendation and the deficiencies reported for life safety and emergency preparedness, we met with the State agency on numerous occasions to discuss these items as well as to provide any photographic evidence needed to verify our findings. In addition, during our exit conferences with responsible staff at all nursing homes we visited, no findings were ever disputed as inaccurate. With respect to some of the specific deficiencies that the State agency did not agree with or did not observe during its revisits, we noted the following:

- A cart on wheels was stored in an exit corridor and was not in use. Therefore, it did not meet requirements that nursing homes maintain clear building exits. We did not cite as
deficiencies carts on wheels that were being used during the normal course of daily activities, which are present in all nursing homes.

- Filled gas cans and propane tanks were not secured in a safe manner. The State agency would not have observed these items during its resurvey because we asked the nursing facilities to correct these deficiencies while we were conducting our survey. We maintain that these items should have been secured in a safe manner, and, when left unsecured, they did not meet hazardous storage area requirements.

- Power strips or extension cords were attached to other power strips or were used for personal equipment that was not temporary. We understand the code requirements contained in the NFPA, and no additional guidance was provided by the State regarding electrical equipment that indicated that these were allowed. All deficiencies were confirmed with the nursing home during our survey. The State agency would not have observed these deficiencies during its resurvey because we asked the nursing facilities to correct these deficiencies while we were conducting our survey. We maintain that these deficiencies are accurate.

- Annual fuel quality test documentation and plans to address emergency water had the following deficiencies:
  
  o We could not verify, nor could the facility provide, a fuel quality test that was completed within a year of the previously provided (or any) fuel quality test. The State agency has not provided any subsequent documentation that these required annual fuel quality tests have been completed.

  o Regarding water onsite, after consideration of the State agency’s response, we removed the finding related to emergency supplies.

- Some facilities that had experienced an actual emergency and activated their emergency plans had not conducted an annual community-based, full-scale testing exercise. We understand that, if a facility implements its emergency plan during an actual emergency, then it counts as a full-scale testing exercise for the year. (See footnote 20.) However, no facility was able to provide written documentation of its analysis of an actual event to verify that it enacted its emergency plan. In addition, the State agency has not provided any support that these training exercises or actual emergencies took place. Therefore, we maintain that the deficiencies, as cited in our report, are accurate.

Furthermore, the State agency indicated in its comments that several of the deficiencies could not be verified when it re-surveyed those nursing homes. We agree with the State agency that deficiencies cited in our report capture conditions that were in existence at the time the survey was conducted and can change before a subsequent survey. This fact does not invalidate the deficiencies that we documented at the time of our survey. In addition, State agency officials
indicated that they provided additional guidance and documentation to dispute our reported findings. The only additional guidance\textsuperscript{25} and documentation\textsuperscript{26} provided by the State agency related to emergency preparedness requirements and did not invalidate any of the life safety deficiencies cited in our report. This additional guidance did not invalidate our findings because the guidance did not provide any additional evidence to dispute any of our findings. The documentation provided included the results of the State agency’s emergency preparedness resurvey of the facilities covered in this audit. However, the State agency conducted the resurvey after we conducted our survey, so the State’s survey does not reflect the conditions present at the time of our site visits. We maintain that our recommendation and findings are correct.

Regarding our second recommendation, some nursing home staff were not knowledgeable about the CMS requirements. Under the State agency’s section 1864 agreement with CMS, the State agency agreed to perform certain functions, including explaining Federal requirements to providers. Therefore, we continue to recommend that the State agency work with CMS to develop life safety training for nursing home staff even though there is no Federal requirement to do so.

Regarding our third recommendation, we recognize that the State is meeting its survey frequency requirements. However, to the extent that the available funding allows, more frequent surveys of high-risk facilities would likely benefit nursing home residents and protect them in the event of an actual emergency.

Regarding our fourth and fifth recommendations, a process to monitor the submission and approval of emergency plans would potentially detect instances of delinquent or nonexistent plans and ensure that nursing home residents are protected to the greatest extent possible. We agree that there are no Federal or State requirements for the State agency to confirm that a nursing home has submitted a copy of its emergency plan or to “monitor” LEM agencies; therefore, we have revised our fifth recommendation to “collaborate with,” rather than to monitor LEM agencies. Increased communication and collaboration could benefit nursing home residents and protect them in the event of an actual emergency. Therefore, we maintain that these recommendations, as revised, are valid.

**OIG Response to Additional State Agency Concerns**

Regarding our sample, it was not meant to be representative of the overall compliance of North Carolina’s nursing homes with Federal life safety and emergency preparedness requirements. We selected the nonstatistical sample of 20 nursing homes based on various factors, including the number of high-risk deficiencies that the State agency reported. Based on the information

\textsuperscript{25} Emergency Preparedness Surveyor Frequently Asked Questions (FAQs) and Additional FAQs for Surveyors Emergency Preparedness Requirements.

\textsuperscript{26} The State agency resurveyed every sample item for compliance with emergency preparedness requirements.
obtained from these high-risk facilities, we developed a number of recommendations that could further protect nursing home residents and improve North Carolina’s oversight of all nursing homes.

Regarding the timing of surveys, we agree that deficiencies noted reflect conditions only at the time a survey is conducted, and those conditions can change during a later survey. We did not report that the State agency missed significant findings during its surveys of these nursing homes. We reported deficiencies that we identified during our audit and recommended ways to improve nursing home compliance with life safety and emergency preparedness requirements, including offering standardized training and conducting more frequent surveys.

Regarding the expertise of the auditors performing the survey work, we conducted a performance audit in accordance with generally accepted government auditing standards. These standards state that performance audits cover a wide range of topics, and they require the audit team to have a “general knowledge of the environment in which the audited entity operates and the subject matter.”27 The audit team met these requirements. In addition, the auditor who designed these audits is certified by the National Board on Fire Service Professional Qualifications as a Fire Fighter, Fire Instructor, Fire Officer, and Safety Officer. While this individual did not perform the audit in North Carolina, he developed our audit guide and provided guidance when needed. Our reviews were not intended to be a replacement for State agency surveys or a complete survey of each facility under State survey standards. Rather, we reviewed a limited number of K- and E-Tags for compliance with Federal regulations. Therefore, we maintain that the audit team had the appropriate expertise to conduct this audit.

The State agency’s comments are included in their entirety as Appendix D.

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27 GAO-12-331G (Government Auditing Standards (2011 Revision), page 57.)
APPENDIX A: AUDIT SCOPE AND METHODOLOGY

SCOPE

As of October 2018, over 400 nursing homes in North Carolina participated in the Medicare or Medicaid programs. We selected a nonstatistical sample of 20 of these nursing homes based on various factors, including the number of high-risk deficiencies that the State agency reported to CMS’s ASPEN system and the potential risk of environmental threats, such as hurricanes, wildfires, and extreme heat, taking into account the nursing homes’ location.

We did not assess the State agency’s or nursing homes’ overall internal control structures. Rather, we limited our review of internal controls to those applicable to our audit objective.

We performed our fieldwork at the State agency’s offices in Raleigh, North Carolina, and conducted unannounced site visits at the 20 nursing homes throughout North Carolina from December 2018 through May 2019.

METHODOLOGY

To accomplish our objective, we:

- reviewed applicable Federal and State requirements;
- spoke with CMS and State agency officials to gain an understanding of the process for conducting nursing home life safety and emergency preparedness surveys;
- obtained from CMS a list of over 400 active nursing homes in North Carolina that participated in the Medicare or Medicaid programs as of September 2018;
- compared the list obtained from CMS with a list provided by the State agency to verify completeness and accuracy;
- obtained from CMS’s ASPEN system a list of 181 nursing homes that had more than 1 deficiency in the previous 3 years that were considered high-risk as follows:
  - widespread and had the potential for more than minimal harm,
  - potential for actual harm, or
  - immediate jeopardy to resident life and safety;
• selected 20 nursing homes for site visits and for each:
  o reviewed the deficiency reports prepared by the State agency for the nursing home’s 3 most recent life safety surveys and
  o conducted unannounced site visits to check for life safety violations and review the emergency preparedness plans;

• spoke with the LEM agency officials with jurisdictional responsibilities for the 20 nursing homes in our sample and the RHCs to gain an understanding of what type of monitoring and collaboration exists among the State, LEM agencies, RHCs, and nursing homes; and

• discussed the results of our inspections with nursing home, State agency, and CMS officials.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.
## APPENDIX B: RELATED OFFICE OF INSPECTOR GENERAL REPORTS

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APPENDIX C: INSTANCES OF NONCOMPLIANCE AT EACH NURSING HOME

Table 1: Life Safety Deficiencies

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Notice: Under separate cover, we provided to the State agency and CMS the detailed inspection worksheets for each of the nursing homes we reviewed.
June 4, 2020

Lori S. Pilcher
Regional Inspector General for Audit Services
Office of Audit Services, Region IV
61 Forsyth Street, SW, Suite 3t41
Atlanta, GA 30303

Re: Report Number: A-04-19-08070

Dear Ms. Pilcher:

The North Carolina Department of Health and Human Services (NC DHHS), Division of Health Service Regulation (DHSR) appreciates the opportunity to review and comment on this Office of Inspector General (OIG) draft report entitled North Carolina Should Improve Its Oversight of Selected Nursing Homes’ Compliance With Federal Requirements for Life Safety and Emergency Preparedness covering the audit period for December 2018 through May 2019. We also appreciate the professionalism your review staff displayed during this audit.

The safety of residents in North Carolina’s nursing homes is a top priority for NC DHHS. As the State Survey Agency (SSA), NC DHHS, DHSR, surveys nursing homes that participate in the Medicare or Medicaid programs to determine their compliance with Centers for Medicare and Medicaid Services (CMS) and State requirements for life safety and emergency preparedness. DHSR works closely with CMS to understand CMS’ requirements and expectations for nursing facilities and for our SSA.

We appreciate the professionalism of each OIG staff member we interacted with during this audit, but as expressed during the exit conference, we have concerns with the title of this report, the qualifications of the auditors to evaluate the nursing home life safety survey process given their limited technical knowledge of the survey process and the findings noted in this report. We also note that some OIG recommendations go beyond what is required by federal regulations and do not consider funding by our federal grant. We have reviewed your draft report and offer the following general observations at the outset:

OIG Sample not Representative
North Carolina does not believe the OIG findings set out below are representative of the overall compliance of North Carolina’s nursing homes with federal life safety and emergency preparedness requirements. As the OIG noted in its draft report, the sample of nursing homes selected for this audit was not a random, representative sample. Rather, the OIG selected “a
nonstatistical sample of 20 of these nursing homes based on various factors, including the number of high-risk deficiencies that the state agency reported to CMS' ASPEN system and the potential risk of environmental threats, such as hurricanes, wildfires, and extreme heat, taking into account the nursing homes’ locations.”

OIG Timing of Surveys
OIG reviewers noted several deficiencies that were not noted by North Carolina surveyors during prior surveys but as discussed with the OIG in a number of conferences and at the exit interview, surveys typically capture conditions that are in existence at the time the survey is conducted. It may be that a facility has a condition in compliance the day it is surveyed that is later out of compliance at a subsequent survey. Accordingly, NC does not believe the SSA missed significant findings during its review of the nursing homes.

NC Surveyor Expertise versus Expertise of OIG Reviewers Conducting Onsite Reviews
Unlike the OIG reviewers involved in conducting the onsite reviews for this report, the NC surveyors that conduct the CMS life safety code surveys go through a rigorous training process including learning the federal regulations and the CMS guidance and interpretations regarding the federal regulations. North Carolina’s SSA Life Safety Code (LSC) surveyors are required to complete a number of CMS required courses as well as undergo training in NC. Some of the required courses include: Basic Life Safety Code Training Online Course which provides basic knowledge of the LSC and associated CMS regulations, policy and knowledge on evaluating facilities for LSC compliance; Basic Life Safety Code: The Survey Process; Life Safety Code Transition Course which takes approximately 20 hours to complete and includes a pre-test and a post-test with a required passing score of at 85%; Orientation to Basic Life Safety Code; and training on Compliance with the Principles of Documentation for LSC.

There were a number of items that the OIG noted as a “deficiency” that the state either disagreed or was not able, based on the OIG information/notes provided, to determine whether the matter arose to the level of a deficiency.

The following represents our response and corrective action plan to the Findings and Recommendations.

OIG FINDINGS

SELECTED NURSING HOMES DID NOT COMPLY WITH LIFE SAFETY REQUIREMENTS

CMS’s Fire Safety Survey Report lists the Federal regulations on life safety with which nursing homes must comply and references each with an identification number called a “K-Tag.”
Building Exits and Smoke Barriers

In case of fire or emergency, nursing homes are required to have unobstructed exits that allow full-use, self-closing doors in exit passageways that do not require tools or keys to open and are not manually propped open, discharges from exits that are free from hazards, and sealed smoke and fire barriers. In addition, corridor doors are required to latch and should seal the room from smoke or fire (K-Tags 211, 222, 223, 271, 363, and 372).

Of the 20 nursing homes we visited, 14 had 1 or more deficiencies related to building exits and fire barriers.

NC Comments: NC, per the recommendation of the OIG, revisited and followed up on all 20 named nursing homes for LSC compliance. LSC revisits were conducted from December 27, 2019 thru January 14, 2020. During these revisits we discovered the following:
- There were no Fire/Smoke barriers, in any of the 20 facilities surveyed found to be compromised at time of the NC LSC follow ups. We did not find any self-closing doors that were propped open or missing all together.
- We were unable to verify on follow-up LSC surveys that the actual gap in the door was greater than the ½ inch allowed. The OIG during the exit interview with the state agency were not aware of the actual gap measurement and did not know that there was an acceptable gap code allowance of ½ inch.
- The OIG observed what they believe was an impeded exit describing a frayed rug at the exit discharge door that they determined was a tripping hazard. We could not verify during our follow-up survey as it appeared the rug had been replaced.
- The OIG indicated another impediment and indicated it was a deficiency— it was a cart on wheels. The regulations clearly allow a cart on wheels in the exit corridor if it is in use and can easily be moved in an emergency.

We provided the OIG reviewers the correct guidance and requirements in the federal code regarding the gap measurement and the cart on wheels. We believe if the OIG reviewers were trained as our LSC surveyors are they would have been knowledgeable of the definition and code requirements for Smoke/Fire Barrier walls and would not have identified these areas as deficient.

Fire Detection and Suppression Systems

Nursing homes are required to have a sprinkler system that must be inspected, tested, and maintained in accordance with NFPA requirements, which include the requirement to keep 18 inches of clearance below sprinkler system heads. Nursing homes must also inspect portable fire extinguishers at a minimum of 30-day intervals (K-Tags 351 and 355).

Of the 20 nursing homes we visited, 7 had 1 or more deficiencies related to their fire detection and suppression systems.
NC Comments: On follow up of all 20 named nursing homes:

- NC could not verify the 2 deficiencies for storage within 18 inches of sprinkler head. We have no information that the OIG understood this clearance and we do not have evidence that the reviewers measured the sprinkler heads distance. We did not confirm this as an issue during the follow up.

- The OIG identified as a deficiency a portable fire extinguisher that did not have a signature evidencing the fire extinguisher had been tested monthly. During NC’s follow up revisits none of the portable fire extinguishers that were identified by the OIG for not having a signature on inspection card were found to be discharged or not ready for use. Even though these extinguishers are extremely important and required under NFPA 10, they are not part of an Automatic Fire Detection/Suppression System.

During NC’s follow up of all 20 LSC surveys, NC did not cite or identify any non-compliance involving the operation/testing/inspection of any auto fire detection/suppression systems. These are two of the major Life Safety Systems requirements that are critical to the safety of residents and staff in a Healthcare Environment. In addition, there was no non-compliance cited nor identified involving fire alarm systems, generators, magnetic locks on required exit doors (which are also major/critical components in the protection/safety of the residents/staff.) We continue to believe that the OIG reviewers were not trained or knowledgeable of the operation or code requirements for these systems.

Hazardous Storage Areas

In hazardous storage areas, nursing homes must store hazardous chemicals in a safe manner. In addition, nursing homes must store oxygen cylinders in a safe manner so as not to damage or tip over the cylinder, which could cause a dangerous pressurized oxygen release (K-Tags 321 and 923).

Of the 20 nursing homes we visited, 8 had deficiencies related to hazardous storage areas.

NC Comments: During the NC follow-up surveys we did not observe any incorrect storage of O2 cannisters. These O2 cylinders could have been placed in the facility at any time. We concur that if we had seen this, we would have cited this as a deficiency. The OIG reviewers noted a problem with gas cans and propane tanks not being stored properly. NC observed the gas cans and propane tanks. These gas cans and propane tanks were not located in the facility but a distance away from the facility in a maintenance/storage shed. These storage/maintenance sheds were not attached to the facility and therefore not required to meet federal or state LSC standards. This should not have been identified by the OIG as a compliance issue.

Smoking Policies and Fire Drills

Nursing homes are required to establish smoking policies for residents and staff. Smoking is permitted only in authorized areas where ash receptacles are provided. Furthermore, signs must identify no-smoking areas. Nursing homes are also required to conduct fire drills each calendar year.
quarter that cover each work shift. Participation by staff members is required, and the drills must be planned and conducted by a qualified individual designated by the nursing home. The drills may be announced or unannounced and must include the transmission of a fire alarm signal and simulation of emergency fire conditions (K-Tags 712 and 741).

Of the 20 nursing homes we visited, 6 had 1 or more deficiencies related to smoking policies or fire drills.

NC Comments: During the NC LSC follow up survey of all 20 nursing homes we did not observe any cigarette butts outside the designated smoking areas as indicated in the OIG report. There was no evidence in the OIG survey that there were several butts found together as if the area had been used as a smoking area on a regular basis. We concur that smoking areas should be maintained with no debris. This could have been a condition present at the facility during the OIG review.

**Electrical Equipment**

If a nursing home uses power strips or extension cords, they must meet Underwriters Laboratories (UL) requirements and be used in a safe manner; they cannot be attached to other power strips. Extension cords may be used temporarily but must be removed immediately after use (K-Tag 920).

Of the 20 nursing homes we visited, 15 had deficiencies related to electrical equipment power cords.

NC Comments: During the NC LSC follow-up revisit surveys we determined that approximately 75% of the portable power taps that were cited were not deficient. (For example: one facility was cited for 9 portable power taps, of which 7 complied.) CMS has provided guidance as to when portable power taps may be utilized in a nursing home. NC shared this guidance with the OIG reviewers, but it seems that it was discounted. The code requirement/allowances for power strips is in Healthcare Facilities per NFPA 99, 2012 ed., sections 10.2.3.6 (NFPA 99), 10.2.4 (NFPA 99), 400-8 (NFPA 70), 590.3(D) (NFPA 70), TIA 12-5, CMS S&C Memo 14-46.

**SELECTED NURSING HOMES DID NOT COMPLY WITH EMERGENCY PREPAREDNESS REQUIREMENTS**

CMS's Emergency Preparedness Surveyor Checklist lists the Federal regulations on emergency preparedness with which nursing homes must comply and references each with an identification number called an “E-Tag.”
Emergency Plan

Nursing homes are required to have an emergency plan in place and to update the plan at least annually. The emergency plan must include a facility and community all-hazards risk assessment; address emergency events and resident population needs; include a continuity of operations plan; address coordination with Federal, State, and local government emergency management officials; and have policies and procedures for emergency events based on the risk assessment (E-Tags 0001, 0004, 0006, 0007, 0009, and 0013).

Of the 20 nursing homes we visited, 8 had 1 or more deficiencies related to their emergency plan.

NC Comments: We concur with some of the information that was addressed by the OIG reviewers. NC completed additional training of all Health Safety Survey Staff on the Emergency Preparedness Regulations including total deficiency review of the Emergency Preparedness Checklist.

Emergency Supplies and Power

Nursing homes must have an emergency plan that addresses emergency supplies and power, and nursing homes are required to have adequate supplies of emergency food, water, and pharmaceuticals readily available. (The Federal Emergency Management Agency (FEMA) considers 3 days of emergency supplies to be sufficient.) Nursing homes are also required to provide an alternate source of energy (usually a generator) for maintaining temperatures to protect patient health, food storage, emergency lighting, fire protection, and sewage disposal (if applicable). Nursing homes that have generators are required to perform weekly maintenance checks, monthly load tests, and annual fuel quality tests (if the generator operates on diesel fuel). Nursing homes should also have a plan to keep generators fueled “as necessary” during an emergency, unless they are evacuated (E-Tags 0015 and 0041).

Of the 20 nursing homes we visited, 5 had 1 or more deficiencies related to emergency supplies and power.

NC Comments: NC regulations require that all nursing homes shall have an emergency generator that is tested monthly and that the proper fuel supply is maintained. This state requirement exceeds the federal regulations. NC’s follow up revisits of all 20 facilities did not find any areas of non-compliance and no documentation was missing during our annual LSC Surveys of these facilities. The OIG reviewers may not have understood that the annual fuel quality test would be due a year from the date of the last test and would not necessarily be due at the time of the last LSC survey. It was determined at the time of our revisit, that the missing documentation was not deficient during the annual LSC Re-Certification survey conducted months before. Since the OIG survey, the annual fuel quality test and required weekly/monthly inspection documentation was completed and documentation was available at time of our revisit.
On the Emergency Preparedness Checklist Item E015 instructs the surveyor to review the policies and procedures for sustenance needs. The regulation at E015 does not require that water be kept on site at the facility but that the facility would have determined the amount that was required and how it was going to be procured during an emergency. There is no federal regulation that require we survey a facility based on the FEMA regulations.

Plans for Evacuations, Sheltering in Place, and Tracking Residents and Staff During and After an Emergency

Nursing homes are required to have a plan for sheltering in place and tracking residents and staff during and after an emergency. Nursing homes must also have plans for maintaining availability of medical records, using volunteers, and transferring residents and must have procedures for their roles under a waiver to provide care at alternate sites during an emergency (E-Tags 0018, 0020, 0022–0026, and 0033).

Of the 20 nursing homes we visited, 9 had 1 or more deficiencies related to their emergency plans for evacuations, sheltering in place, and tracking residents and staff during and after an emergency.

In addition, eight nursing homes did not have procedures for their roles under a waiver to provide care at alternate sites during an emergency.

NC Comments: NC reviews all emergency preparedness plans during the annual recertification survey. Based on OIG Findings we provided additional training to all our Health Safety Surveyors in January 2020 on checklist documentation and the appropriate tags for citations were reviewed.

Emergency Communication Plans

Nursing homes are required to have a communications plan that includes names and contact information for staff, service providers, physicians, volunteers, government emergency management offices, and the State agency, among others. The plan must be updated at least annually. Nursing homes are also required to have a plan for primary and alternate means of communication, such as cell phones or radios, and for communicating the facility’s occupancy, needs, and ability to provide assistance. In addition, nursing homes must have a plan for transferring medical records, a means to communicate information about residents’ conditions and locations in the event of an evacuation, and methods to share emergency plan information with residents and their families (E-Tags 0029–0035).

Of the 20 nursing homes we visited, 9 had 1 or more deficiencies related to the adequacy of their emergency communication plans.

NC Comments: NC reviews all emergency preparedness plans during the annual recertification survey. Based on OIG Findings we provide additional training to all of our Health Safety
Surveyors in January 2020, this included training on properly documenting the checklist and the correct citation of the appropriate tags.

**Emergency Plan Training and Testing**

Nursing homes are required to have a training and testing program related to their emergency plans and to update the training and testing program at least annually. Nursing homes must provide initial training to new staff members, independent contractors (e.g., contracted cleaning staff), and volunteers. The training, as well as the annual refresher training required for all staff, must be designed to demonstrate knowledge of emergency procedures and must be documented. Nursing homes must also conduct an annual community-based, full-scale testing exercise. In addition, nursing homes must complete a second training exercise (full-scale testing exercise, facility-based exercise, or “tabletop” exercise) annually. The nursing home must complete and document an analysis of all training exercises (and actual events) and revise the emergency plan if necessary (E-Tags 0036, 0037, and 0039).

Of the 20 nursing homes we visited, 14 had 1 or more deficiencies related to emergency plan training.

**NC Comments:** Some of the facilities that the OIG reviewers noted as not having conducted an annual community-based, full-scale testing exercise had experienced an actual emergency and activated their emergency plan. Because the facilities had been involved in an actual emergency – a hurricane, they were not required to complete a full-scale training exercise because they have experienced an actual emergency. The CMS Emergency Preparedness Regulations provides this direction. We are unsure if the OIG reviewers understood this requirement. NC provided additional training to all Health Safety Surveyors in January 2020 on survey compliance and documentation of these areas.

**STATE AGENCY MONITORING AND COLLABORATION ON EMERGENCY PREPAREDNESS REQUIREMENTS**

Nursing homes are required to comply with all applicable Federal, State, and local emergency preparedness requirements (42 CFR § 483.73). North Carolina requires each facility to have a detailed written plan and procedures to meet potential emergencies and disasters, including but not limited to fire, severe weather, and missing patients or residents (10A NCAC 13D.2208(a)). In addition, the plans and procedures shall be made available upon request to LEM agencies (10A NCAC 13D.2208(b)). The State agency does not require nursing homes to submit a copy of their emergency plan to the LEM agencies, even though LEM agencies are responsible for performing emergency management functions within their service area, including the support and, if requested, coordination and execution of a nursing home’s emergency plan in an actual emergency or natural disaster.
State Emergency Plan Monitoring

Nursing homes are responsible for maintaining their emergency plans and providing them to their LEM agencies upon request. The LEM agencies are not required to verify plan compliance with Federal requirements or to monitor nursing homes’ timely submission of emergency plans. The State agency verifies during its annual survey whether the emergency plan is current and in compliance with Federal requirements. However, the State agency does not notify the LEM agencies of any deficiencies noted during their annual survey. State agency officials are not required by State or Federal law to notify LEM agencies regarding deficiencies or to provide the emergency plans to the LEM agencies. However, if the LEM agencies do not have a current copy of the nursing home emergency plans, or if they have not coordinated with the State agency for access to the emergency plans, residents are potentially exposed to increased risk of injury or death during an emergency or natural disaster.

NC Comments: As required by regulation and verified through the 20 nursing home annual survey documentation, the state agency reviews the Emergency Preparedness policies and procedures for the emergency plan for that facility during the recertification federal Health Safety Survey. As indicated by the OIG reviewers, there is no federal or state requirement that the State Agency confirm that a nursing home has submitted a copy of their emergency plan to the LEM agencies. The facility is required by federal regulation to have a plan and make it available to the local county emergency management organization and the LEM agencies upon request. Presumably the local county emergency agency would be in contact with the nursing homes and the LEM agencies to coordinate changes or updates that they recommended to the nursing homes emergency plan.

State and Local Emergency Management Collaboration

The State agency requires all nursing home plans and procedures to be made available to local or regional emergency management offices upon request. All seven LEM agencies with whom we talked stated that they request a copy of each facility’s emergency plan to review and provide feedback or to keep on file in case of an actual emergency. Each LEM provides a letter to the nursing home upon submission indicating that an emergency plan has been received. Some LEM agencies will review the nursing home plans and provide feedback although they are not required to by law. The LEM agencies, which are not required to obtain, review, or approve the emergency plans, described several challenges to ensuring that the emergency plans were available, accurate, and useful in the case of an actual emergency.

- Three LEM offices indicated that they do not have enough resources to review and approve plans.

- LEM agencies do not have a tracking mechanism or a way to determine which facilities are in their jurisdiction. For example, officials at one LEM agency indicated that they complete regular Google searches to determine whether any new nursing homes have been opened in its jurisdiction. Although resources
are available online through DHSR and the NC DEM, the LEM agency did not know they were available or how to obtain this information.

In addition to the challenges of reviewing and approving emergency plans, LEM officials discussed broader concerns regarding the extent of their responsibility. For example, officials at various LEM agencies stated that the State agency does not provide:

- regulatory enforcement powers to each LEM agency so that the LEM agency could require changes to a facility’s emergency plan,
- mandatory training on emergency preparedness procedures to facilities,
- a list of current facilities in each LEM agency’s jurisdiction, or
- the results of surveyors’ work to make the LEM agencies aware of vulnerabilities.

NC Comments: As noted in the OIG report, all the LEMs that the OIG reviewers contacted had received the emergency plans from the nursing homes in their jurisdiction. Not only is a list of each licensed nursing home by county on DHSR’s website, it also includes survey reports noting deficiencies.

Based on the North Carolina Emergency Management Act (Chapter 166A of the North Carolina General Statutes), the North Carolina Department of Public Safety’s Division of Emergency Management (NCEM) has the responsibility and authority to prepare and respond to emergencies and disasters. NCEM is nationally accredited under the Emergency Management Accreditation Program, affirming its ability to provide continuous and consistent response to disasters by bringing together necessary staff and resources from local, state, private and volunteer organizations. NCEM administers state and federal grants, manages multi-agency disaster responses, oversees all hazards and threat risk management, coordinates regional hazard mitigation plans, facilitates trainings and exercises, and manages assets such as the regional hazmat response teams and search-and-rescue teams. NCEM’s three (3) branch offices support local communities by helping to develop response plans at the local emergency management level and responding to emergencies.

Currently, CMS’ federal emergency preparedness regulations neither set forth the obligation or grant authority to local, tribal, regional, state, or federal emergency preparedness officials to review and approve/reject/modify each nursing home’s emergency preparedness plan. While most local emergency management officials provide technical assistance to nursing homes in regard to their emergency preparedness plan and include these facilities in community-based exercises (subject to staffing, resources, and funding), such a role is distinguishable from a requirement to approve such plans or the authority to require that plans be revised. In North Carolina, “[t]he governing body of each county is responsible for emergency management within the geographical limits of such county.” GS 166A-19.15(a). Most counties have elected not to
approve emergency preparedness plans submitted by nursing homes nor to require amendments thereto in recognition of the fact that each disaster and emergency is different and to avoid the potential associated liability. Only a few counties have enacted local ordinances that give their local emergency management official the authority to do so. Furthermore, CMS’ federal emergency preparedness regulations do not require local emergency management officials to evaluate based on CMS’ regulations or utilize a checklist.

State and Regional Healthcare Coalition Collaboration

We spoke with officials at each of the eight RHCs in North Carolina to gain an understanding of their roles and responsibilities and to discuss challenges with emergency preparedness within their regions. The RHCs, which are not required to obtain, review, or approve the emergency plans, described several challenges to ensuring nursing homes were prepared in the case of an actual emergency. For example, various RHCs stated the following:

- Participation, although free, is voluntary and not required by the State. As a result, participation is often limited, and three of the RHCs estimated that only 15 percent of nursing homes in their regions participated.

- Staffing and focus at the different RHCs varied and didn’t provide enough resources to meet nursing homes’ requests for individualized review of emergency plans and training exercises.

- Nursing homes were not aware of the resources and training that RHCs can provide. Keeping a current list of nursing home contacts and making those administrators aware of RHC functions is a struggle.

NC Comments: NC has a robust Health Care Plan for Emergency Preparedness that has been in place for many years. https://info.ncdhhs.gov/dhsr/EMS/aspr/index.html. NC has excellent collaboration with the Regional Healthcare Coalitions through DHR’s Emergency Medical Services Section. It is the responsibility of the nursing home to utilize the local emergency management and Regional Healthcare Coalition resources and training opportunities. https://info.ncdhhs.gov/dhsr/EMS/aspr/index.html

OIG RECOMMENDATIONS

OIG recommends that NC DHHS:

1. Follow up with the 18 nursing homes to verify that corrective actions have been taken regarding the life safety and emergency preparedness deficiencies identified in this report.

NC Response: NC disagrees with a number of the items OIG has identified as a “deficiency” Nonetheless, NC concurs with parts of the recommendations and, as required per federal
directive, emergency preparedness surveys are completed during each annual recertification health safety survey.

2. Work with CMS to develop life safety training for nursing home staff.

**NC Response:** NC does not concur with this recommendation. Standardized training already exists through CMS that is available to nursing homes and their staff. In addition, NC already provides training that many providers attend regarding CMS requirements, including life safety code training and emergency preparedness requirements. NC will continue to work closely with CMS to support and execute all training that CMS requires and will also continue to provide training in life safety code and emergency preparedness requirements as requested by nursing homes and their provider associations and other stakeholders.

3. Conduct more frequent site surveys at nursing homes with a history of multiple high-risk deficiencies.

**NC Response:** NC appreciates this recommendation, and, in fact, conducts follow up visits to facilities where deficiencies have been cited to assure that the facility’s corrective action plan is adequate and implemented correctly. NC’s survey frequency of nursing homes is dictated by CMS’ requirements. NC meets the CMS requirements regarding the survey frequency of nursing homes including those with a history of multiple high-risk deficiencies. To exceed these requirements would necessitate additional funding from CMS. Over the last 5 years, NC’s CMS grant base budget funding has increased by only 2.25% despite there being additional workload, higher surveyor travel costs, and increased surveyor salary and benefit expenses. In order to perform additional survey work, additional federal and state funding would be required. Without the additional funding to conduct more frequent surveys, existing survey staffs’ ability to meet current CMS survey requirements regarding the investigation of complaints or the timely completion of recertification surveys would be severely compromised. This would result in potential harm to nursing home residents and, as a result of noncompliance with CMS prescribed survey intervals, potential disallowance of much needed federal funding for North Carolina’s survey activities. Accordingly, NC cannot concur with this recommendation.

4. Work with LEM agencies to develop a process to monitor the submission of emergency plans

**NC Response:** NC reviews each facility’s Emergency Preparedness Plan at each annual survey. As indicated above in the OIG findings, all LEMs that were interviewed indicated that the nursing homes were providing them with the emergency plans and the LEMs were making suggestions and helping the nursing homes with the plan. NC does not concur with this recommendation. However, please see NC’s response to OIG recommendation number five below which relates to this OIG recommendation.
5. Increase monitoring and collaboration with LEM agencies to:

- clarify roles and responsibilities;
- make them aware of pending, or newly licensed, nursing homes in their counties; and
- provide LEM agencies with survey results, to the extent possible, from individual nursing homes to identify specific vulnerabilities

NC Response: NC concurs with this recommendation, in part. Federal regulations do not authorize a CMS state survey agency to “monitor” an LEM. However, the state survey agency will look to identify an appropriate way to engage representatives of NCEM and LEMs to collaborate and identify opportunities to improve LEMs' knowledge and information about the nursing homes in their area. Pursuant to federal regulation, nursing homes are already required prior to opening a new facility to meet with the local emergency agency to establish their emergency plan for their facility in that county. Additionally, every LEM has access to a state database that provides information about every nursing home in their area. As far as providing LEMs with survey results, all nursing home deficiency statements are already publicly available on our NC DHSR website for review by the public. [https://info.ncdhhs.gov/dhsr/facilities/results.asp](https://info.ncdhhs.gov/dhsr/facilities/results.asp). As we explore opportunities to improve LEMs knowledge about the nursing homes in their area, we will work with LEMs regarding the information that is available to them to aide in their planning activities regarding nursing homes in their area.

6. Increase collaboration with RHCs and communication with nursing home administrators to ensure nursing homes are aware of resources available to them.

NC Response: NC concurs with this recommendation and we will work to identify ways to increase collaboration with RHCs and to provide information to nursing home administrators to ensure they are aware of available resources.

Thank you again for the opportunity to review and comment on this draft report. If you need any additional information, please feel free to contact me.

Sincerely,

Cindy Deporter
State Agency Director

cc: Mark Payne, Director, Division of Health Services Regulation
    Emery Milliken, Deputy Director, Division of Health Services Regulation
    Becky Wertz, Chief, Nursing Home Section, Division of Health Service Regulation
    Jeff Harms, Acting Assistant Chief, Construction Section, Division of Health Service Regulation
Bob Strother, Life Safety Engineering Supervisor, Construction Section, Division of Health Service Regulation
Lisa Corbett, General Counsel
David King, Director, Office of Internal Affairs
Lisa Allnutt, Manager, Risk Mitigation & Audit Monitoring