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CMS's Special Focus Facility Program for Nursing Homes Has Not Yielded Lasting Improvements

Why OIG Did This Review

- Nursing homes that do not comply with Federal requirements put resident health and safety at risk.
- The Special Focus Facility (SFF) program is [CMS's](#) flagship program to address quality problems at the nation's poorest-performing nursing homes with track records of serious noncompliance. Assessing the effectiveness of the SFF program is critical to ensure that CMS provides support and accountability for poorly performing nursing homes.

What OIG Found

The SFF program is not working because most nursing homes that graduate from the program do not keep the improvements they made over the long term. Between 2013 and 2022, nearly two-thirds of the nursing homes that were in the SFF program improved enough to graduate but soon afterward showed the type of quality problems that put them in the SFF program in the first place. For nursing homes in the SFF program that violate Federal requirements, **the SFF program relies too heavily on financial penalties** that do not require changes in nursing home operations. Our findings point to ways in which CMS could make the SFF program more effective:



Staffing: CMS minimally includes staffing in the SFF program, but nursing homes that graduate from the SFF program and sustain improvements maintain higher staffing levels than those that do not sustain improvements.



Ownership: CMS does not consider ownership at all in the SFF program. However, a handful of owners stand out as owning many low-quality nursing homes, which points to poor management practices. Also, State agencies told us that owners play an important role in whether nursing homes improve quality.



States' quality improvement efforts: Some States build on the SFF program requirements with their own initiatives to support improvements in nursing homes. CMS can learn from these efforts to increase the effectiveness of the SFF program.

What OIG Recommends

1. CMS should impose more nonfinancial enforcement remedies that encourage sustained compliance.
2. CMS should assess the extent to which it took enhanced enforcement actions for SFF graduates and the effectiveness of those actions, particularly for graduates that received a deficiency for staffing.
3. CMS should incorporate nursing home ownership information into the SFF program, such as in selecting SFFs and identifying patterns of poor performance.

CMS concurred with our second recommendation and did not concur with the first and third recommendations.