

CMS Nurses for Nursing Homes **Nursing Home Qualifying Criteria**

Overview

- CMS will publish a list of qualifying nursing homes and update it throughout the period of performance, as needed.
- States may establish a different or supplemental methodology to identify qualifying nursing homes, subject to approval from CMS.
- Nursing homes cannot apply to qualify for this program. CMS will determine qualifying nursing homes based on the criteria described below.
- Qualifying nursing homes will have no formal agreement with CMS for the Nurses for Nursing Homes program.
 - Nursing homes have no obligation to hire nurses who have applied for, or are participating in, this program.
 - CMS has no involvement with the nursing homes' hiring process or decisions. Nursing homes should conduct their normal hiring process for nurses in this program (e.g., background checks).
 - Nurses must be direct W-2 employees of the qualifying nursing home.
 - Once a qualifying nursing home hires a nurse that qualifies for the financial incentives, CMS (through its contractor) will verify that the nurse is fulfilling their expectations for the incentive.
 - If a nurse does not meet the written requirements for an incentive, or is disqualified for any reason, the nurse will no longer be eligible for incentive payments. There are separate eligibility requirements for nurses, regardless of a facility's qualifying status (see nursesfornursinghomes.cms.gov for more information).

CMS qualifying nursing homes methodology:

Each state has a different amount of CMP-based funding to support its financial incentives for recruiting nurses. We estimated the number of nurses that can be recruited in each based on the combined federal/state funding divided by an average incentive of \$35,000 per nurse. We set a target that the number of qualifying nursing homes CMS approves to be 1.5 times the number of nurses we estimate the combined federal and state CMP-funding can afford to recruit in each state. In other words, if state and federal funding combined will support 10 nurses, we are targeting fifteen facilities to qualify. We then applied the following methodology:

- a. The target number of qualified facilities will be capped at 80% of the total number of nursing homes in a state in cases where 1.5 times the number of nurses able to be recruited exceeds 80% of the total number of nursing homes in a state. For example, if a state recruits 100 nurses for the program and has 150 qualifying facilities, but the state has a total of 160 nursing homes in the state. Since 150 is higher than 80% of the total of 160 facilities (128), the number of qualifying facilities will be adjusted to 128 in that state. This is to prioritize nursing homes in higher-labor shortage areas. However, all nursing homes in Alaska, Delaware, Guam, Hawaii, Puerto Rico, Vermont, Washington DC, and Wyoming are eligible due to the exceptionally low numbers of facilities in those areas.

- b. CMS has invited states to conduct their own analysis to identify qualifying facilities. States were advised that CMS will need to approve their methodology, but we encourage states to use additional data sources to identify eligible facilities (CMS used national data sources to identify facilities, but we acknowledge that states may have state-based data sources with other information). CMS also advised states that their methodology must be based on geographic labor data and not nursing home staffing data (see [Frequently Asked Questions](#) for information on this).
- c. CMS identifies qualifying nursing homes using the following order:
- First, all nursing homes in rural-designated areas (including any nursing homes submitted by a state). We used the core based statistical areas (CBSAs) crosswalk file to identify rural and urban areas.
 - Second, all urban nursing homes (up to the limit described above) submitted by a state using that state's CMS-approved methodology.
 - Finally, nursing homes in urban counties in each state ranked in order of the ratio of general population to registered nurse (RN) from highest (i.e., worst) to lowest (i.e., best), utilizing population data from the U.S. Census Bureau and RN labor data from the U.S. Bureau of Labor Statistics. We start with the nursing homes in the areas with highest ratios and add nursing homes in lower areas, as necessary, to reach the number of nursing homes needed to meet the target ratio of 1.5 nursing homes to 1 nurse to be recruited, or 80% of total nursing homes in a state, whichever is lower.
- i. We note that due to some state-specific nuances, and the indeterminacy of the precise numbers of RNs in a state at any given time, we cannot precisely hit the target number of eligible nursing homes. Therefore, we are utilizing the number of nursing homes in counties that is as close to the target number as possible.