



Center for Clinical Standards and Quality

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DATE: November 24, 2025

TO: State Survey Agency Directors

FROM: Directors, Quality, Safety & Oversight Group (QSOG) and Survey & Operations Group (SOG)

SUBJECT: Questions + Answers for State Recovery after the Federal Government Shutdown

Memorandum Summary

On November 12, 2025, Congress enacted Public Law 119-37, providing for a continuing appropriation until January 30, 2026, with retroactive authority back to October 1, 2025.

Attached are responses to questions we received from States and providers with regard to the manner in which survey, enforcement & certification activities should accommodate the effects of the federal government shutdown that occurred from October 1, 2025, through November 12, 2025.

On November 12, 2025, Congress enacted Public Law 119-37, providing for a continuing appropriation (“continuing resolution”) through January 30, 2026, with retroactive authority back to October 1, 2025. Attached are answers to questions we received after the shutdown ended. The answers provide special procedures applicable only to the period of the federal government shutdown and subsequent steps necessary to recover from the shutdown.

We appreciate that Congress provided for retroactive application of the Continuing Resolution. This enables States to be reimbursed for survey activities conducted during the shutdown period. Such action provides critical support to States that continued to maintain vital public protections despite the federal government shutdown.

Thank you for your patience during this time of uncertainty, and for your daily diligence in offering Medicare and Medicaid beneficiaries the protections and quality assurance upon which they rely.

Effective Date: October 1, 2025. This policy should be communicated to all survey and certification staff, their managers and the State/Regional Office training coordinators immediately. Questions regarding this communication should be sent to the CMS Location.

/s/
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/s/
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Questions + Answers for Survey & Certification (S&C) Recovery
from the
FY2026 Federal Government Shutdown of Oct. 1, 2025 through November 12, 2025

A. Resumption of Activities and Activities Conducted During the Federal Government Shutdown

- 1. Resumption of Activities:** Are all Survey, Enforcement and Certification activities by States able to be conducted with the enactment of the Continuing Resolution?

Yes, there are no restrictions on activities to be conducted. States should resume all activities suspended during the shutdown. Additionally, Section 118 of Public Law 119-37 – allows for retroactive reimbursement for activities back to October 1, 2025, (e.g., surveys, training, dispute resolution). If there are specific questions that have not already been addressed, please elevate those to your CMS Location.

- 2 State licensure surveys:** For state work on complaints or state licensure recertification surveys were completed during the shutdown, will we now have to do them under federal? Or can we write an F-tag citation using the crosswalk?

If a state licensure recertification or lower-level complaint was investigated under state licensure, it will have to be repeated federally because licensure requirements vary by state. CMS does not crosswalk state licensure standards to federal Medicare/Medicaid law. For complaints that were conducted as part of Excepted activities, the tags for those citations can be written as federal deficiencies.

- 3. Issuance of held CMS-2567s and Survey Exit Dates:** Historically, iQIES has not allowed states to enter compliance dates which proceed the exit date. Can this be fixed to allow it to occur due to the change in exit dates? For instance- let's say a state originally exited on a complaint on 10/1/25 at a D scope and severity. The facility has been working on their corrective action plan based on the findings of the complaint and implemented corrective action and allege compliance as of 10/21/25. If we now change the exit date to 11/14/25 and issue the 2567- iQIES will not allow for the 10/21/25 corrective action/compliance date to be entered. It will give an error message.

States should issue all federal surveys where the CMS-2567 had been held due to the shutdown by December 12, 2025. Since all harm and immediate jeopardy surveys were following the normal process, this should only impact lower-level deficiency 2567s or findings of past-non-compliance that were held.

Additionally, States may adjust the exit date to the date of compliance in the system to either the date of issuance of the CMS-2567 or the compliance date identified by the provider -- provided the State has validated that the provider achieved compliance and there is a note made in the system regarding the survey exit date.

- 4. Applicability of Findings:** Will deficiencies identified during any surveys conducted during the federal government shutdown be considered federal citations if the citations are for non-compliance with federal requirements?

Yes. If the deficiencies are for non-compliance with federal requirements identified by federally-qualified State surveyors through the federal survey process, then the citations apply.

- 5. Dually-Certified Facilities Certification:** During the federal government shutdown, States were able to continue to certify new Medicaid-only nursing facilities. But some facilities were seeking dual status to participate in both Medicare and Medicaid. If a new facility was surveyed for all (Medicare + Medicaid) requirements during the shutdown and was found to be in substantial compliance with such requirements, but was only certified for Medicaid, can the Medicare certification occur on the basis of the survey already conducted, or is a new survey required? If a new survey is not required, can the Medicare certification effective date be the same as the Medicaid certification date?

If the facility submitted an appropriate Medicare enrollment application, met all Medicare requirements, was determined by the State Agency to be in substantial compliance with CMS requirements for non-deemed facilities, and was recommended approved by the Medicare Administrative Contractor (MAC) as of the survey completion date, then the Medicare certification date could be retroactive to the date that CMS requirements were found to be met. The exact date of the certification would be the last date on which all Medicare requirements were met, with the understanding that the date of the onsite survey could be used as the survey date for both Medicaid and Medicare.

- 6. ACTS approvals for deemed provider complaints:** For deemed provider complaints that did not require CMS Location approval in ACTS during the shutdown, will CMS Locations now be required to go back into ACTS and add an approval in cases where the State conducted a federal survey? Or should the approval section in ACTS remain blank?

The approval section in ACTS can remain blank.

- 7. iQIES entry when federal CoPs were not allowed:** Since iQIES did not allow state complaint/incident teams to enter deemed provider complaints under federal Conditions of Participation—because they cannot be viewed without a CMS location approval—the State had to enter these as state-licensure only complaints. Will the expectation now be for the State to enter the federal portion into iQIES and then route it to the CMS location for approval?

Yes. All federal CoPs that did not have CMS Location approval, but were federal surveys under criteria for Excepted work should be added to the federal portion of iQIES.

- 8. Surveys in Process:** If a team was in the middle of a survey when the shutdown went into effect, does a new survey need to be created versus continuing the other one in progress?

A State may continue with a survey that was held open due to the shutdown. When resuming the survey, a State may need to update some information such as the sample of patients/residents or include intervening complaint issues, but it does not need to start over.

- 9. Off-Hours Survey:** If a survey was in process and it was considered an off-hours survey, would this be able to count towards the 10% if it is resumed after the shutdown since the days were not contiguous days?

An “off-hours survey” that was conducted prior to the shutdown, and then stopped may continue to count as an “off-hours” survey. A state may need to update some information such as the sample of patients/residents or include intervening complaint issues, but it does not need to start over.

10. Fiscal Effects: We are approaching our payroll deadline and need to know if we need to leave our timesheet labor account codes the same so that federal funds are charged during the shutdown time period, or should we deviate and charge staff salaries to state funds as we planned to do during the shutdown when we were only doing state work (except for IJ complaints and authorized revisits)?

Medicare- and Medicaid-qualifying expenses may be charged to the pertinent federal sources. If staff were moved to conduct non-Survey & Certification work, those accounts should be charged for work conducting during the period.

11. Level of Funding: Until January 30, 2026, is the funding for the first quarter of FY2026 at the equivalent rate to what States received in FY2025?

States will receive funding for the first quarter and 30 days of the second quarter equivalent to the level of funding received for FY2024. States have already received the full year funding for the Consolidated Appropriations Act and will be solicited for any additional Impact Act funding for hospice surveys as that was also provided in the Continuing Resolution.

We are not requesting updated state budget materials for FY2026 at this time, because we do not have a final appropriation and work has shifted as a result of the shutdown.

Enforcement Actions and Processing of Survey Findings

12. Surveys with Low Level or No Deficiencies: We were advised during the shutdown to hold off on processing survey findings in which there was no deficiency finding, or where deficiency findings did not find serious deficiencies. Should we issue those Form CMS-2567 now? What should put as the survey end date as those surveys were kept open?

*States may adjust the survey exit date to be the date of issuance of the Form CMS-2567 to the provider/supplier, or the date of compliance provided the state has verified that the provider achieved compliance. States have until **December 12, 2025** to issue all CMS-2567's that had not previously been issued due to the shutdown.*

For surveys released under the above guidance that are also part of an open enforcement cycle, we recommend meeting with the CMS Location to discuss resolution. .

13. Enforcement Dates in General: We are now preparing the Statement of Deficiencies and letter for the facility. Should we continue to use the survey exit date as the date to calculate the enforcement period, potential termination, and nursing home sanctions such as a denial of payment for new admission (DPNA)?

The enforcement cycle begins with the survey exit date. For non-deemed providers or suppliers, for example, the 90-day remedial action period for Condition-level non-IJ deficiencies should be measured from the survey completion date. Similarly, for nursing homes, the mandatory DPNA (at 3 months) and mandatory termination (at 6 months) dates are calculated from the survey completion date.

However, with the exception of civil monetary penalties and State monitoring (where applicable), the effective dates of imposed sanctions may not be earlier than the date permitted by any applicable advance notice requirement. Examples of such requirements include:

- i. SNF IJ Deficiencies – 2-day advance notice of Medicare termination or other discretionary sanctions except CMPs or State monitoring (42 CFR 488.402(f)(3) and 489.53(2)(ii))*
- ii. SNF Non-IJ deficiencies – 15 day advance notice for all discretionary sanctions except CMPs or State monitoring (42 CFR 488.402(f)(4))*
- iii. Other Providers or Situations Involving Termination - 15-day advance notice before the effective date of the termination (42 CFR 489.53(d)).*

State Performance Expectations

14. Adjustments: During the federal shutdown, we were not able to conduct statutorily-required nursing home or home health agency surveys, and we missed our performance expectations. Will CMS make adjustments to the State performance expectations for FY2026 to reflect these factors outside of State control?

Yes. We will make adjustments and communicate with States in advance of finalizing such adjustments.