

SENIOR CARE POLICY BRIEF

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NURSING HOME CHALLENGES CMS SCHIZOPHRENIA AUDITS

- An Illinois nursing home is challenging CMS's decision to reduce its Five-Star ratings following an audit that identified erroneous coding involving schizophrenia diagnoses and/or antipsychotic medications. Forest City Rehab & Nursing Center argues that CMS improperly imposed the rating reductions without providing an adequate opportunity to appeal. The facility currently has one-star overall, health inspection, and quality measure ratings, and two stars for staffing.
 - ⇒ [LTCCC's Q1 2026 staffing data](#) reveal serious concerns at Forest City. The facility reported just 2.39 total nurse hours per resident day (HPRD), compared with 5.42 HPRD expected based on residents' needs – 56% below expected staffing.
 - ⇒ Forest City reported zero hours for medical directors, pharmacists, dietitians, and social workers in the quarter's staffing data. It also reported just 1.1 minutes per resident day of occupational therapy (OT), compared with the U.S. average of 8.42 minutes, and 2.06 minutes of physical therapy (PT), compared with 9.48 minutes nationally.
 - ⇒ The facility is affiliated with Saba Healthcare, seven of whose 11 facilities appear in [LTCCC's problem-facility data](#). Saba's chainwide averages are 2.0 stars overall, 2.0 stars for health inspections, and 1.6 for staffing, compared with 2.8 for quality measures.

In its [11/25 inspection](#), Forest City was cited for failing to ensure that as-needed psychotropic medication orders had stop dates for three of eight residents reviewed. These included an order for the antipsychotic haloperidol and two orders for lorazepam, a benzodiazepine medication. None had a specified stop date, despite the facility's policy limiting as-needed psychotropic orders to 14 days.

GENESIS BANKRUPTCY: RESIDENTS LEFT SHORTCHANGED?

- A federal bankruptcy judge has [approved Genesis HealthCare's liquidation plan](#), involving the nearly \$1 billion sale of approximately 175 nursing homes. However, according to [Skilled Nursing News](#), residents and families with person injury, negligence, and wrongful death claims are expected to recover no more than 26% of what they are owed.
 - ⇒ As documented in our [October 2025](#) and [December 2025](#) briefs, Genesis's bankruptcy raised serious concerns about private equity ownership, insider transactions, and resident harm. The bankruptcy may resolve the company's financial obligations, but what about its obligations to residents and families?

HOME CARE RIGHTS: SETTLEMENT REACHED

- After five years of litigation, [New Hampshire and advocates for older adults and people with disabilities have reached a proposed settlement](#) over gaps in the state's Choices for Independence home care program. The agreement, which requires final court approval, would establish stronger monitoring of missed services, contingency plans, reimbursement reviews, and an expanded grievance process.
 - ⇒ The right to receive care at home means little when approved services are unavailable. States must ensure that community-based programs provide the staffing, funding, and accountability necessary for people to remain safely in their homes.