

Guidance for Medical Director Series

The Role of the Medical Director in Facility Assessment

Introduction

This paper provides an exploration of the facility assessment process in post-acute and long-term care (PALTC), emphasizing the critical role of the medical director, which includes:

- Engaging with facility leaders in the required facility assessment annually and more frequently as needed
- Providing expert clinical input to facilities based on clinical characteristics of residents, facility resources, and staff needs
- Educating patients, responsible parties, and staff on clinical topics identified by the facility assessment as being necessary to enhance the quality of care services.

Understanding Facility Assessment

Facility assessment refers to a systematic process required by the Centers for Medicare & Medicaid Services (CMS) to determine the resources and standards necessary for a skilled nursing facility to provide care for its residents.

Facility assessments were first codified in the federal Conditions of Participation (COP) regulation in 2016. The assessment must identify:

- The number of residents
- The types of care required
- The staff competencies needed
- The cultural characteristics of residents
- The equipment and personnel available
- Risks related to the facility and its surrounding community

CMS's 2024 memorandum specifies that annual facility assessments must be evidence-based and data-driven, aligning staffing with individual resident assessments, although CMS does not mandate a standardized methodology.

The intent of the facility assessment is to ensure that each facility determine resources necessary to meet the unique needs of its resident population for both day-to-day operations, including nights, weekends, and emergency situations. The facility must use

the facility assessment to inform staffing decisions, ensuring that there are a sufficient number of staff with the appropriate competencies and skill sets necessary to care for the residents. Facilities found by surveyors to be under-resourced or understaffed in a way that compromises resident needs may receive citations.

The Role of the Medical Director in Facility Assessments

Leadership from the medical director is an important part of the facility assessment process. The final rule, however, positions the director of nursing and medical director as leaders in assessment, ensuring that staffing decisions are grounded in clinical expertise and resident needs..

Key participants in the facility assessment process include the administrator, director of nursing, a representative from the governing body, the medical director, and direct care staff. Input from residents, their representatives, and family members must be solicited and considered.

Components of the Facility Assessment

Resident Profile:

- Number of residents
- Prevalent diseases and conditions
- Physical and behavioral health needs
- Cognitive disabilities
- Overall acuity
- Ethnic, cultural, language and religious factors impacting care

Services and Care Offered:

- Types of care required by the resident population such as physician, therapy, pharmacy, behavioral health and specific rehabilitation therapies
- Focus on aggregate population needs rather than individual care plans

Facility Resources:

- Staffing plans (with emphasis on recruitment and retention of direct care staff)
- Staff training, education, and competencies for employees, contracted staff and volunteers
- Physical environment, building needs and vehicles

Other resources, including third-party agreements, health IT systems, community-based risk assessments, emergency services and any additional pertinent information.

Opportunities for the Medical Director

- Proactively engage in the facility assessment process

<https://paltmed.org/news-media/role-medical-director-facility-assessment>

- Advocate for the importance of expert clinical input in staffing decisions
- Collaborate with the director of nursing to review resident acuity
- Identify staff education and training opportunities
- Refer to the PALTmed [Position Paper on Staffing](#) for guidance
- Apply clinical judgment throughout the process

A facility assessment should be viewed as a valuable tool directing facility operations and emergency responses. High-quality, safe care requires a thorough, clinically led assessment of resident acuity and complexity to determine appropriate staffing and resources. This approach aligns with recommendations from PALTmed’s Position Paper on Staffing (see above).

Determining Care and Staffing Needs

Care requirements should be established using evidence-based, data-driven methods that account for diseases, conditions, physical and behavioral health needs, cognitive disabilities, overall acuity, and other relevant factors. These determinations are informed by individual resident assessments and incorporate expertise from all aspects of long-term care medicine.

Necessary staff competencies and skills, the adequacy of the physical environment and equipment, and consideration of cultural factors are all integral to the assessment.

Facility assessments may recommend staffing levels that exceed federal or state requirements or facility budgeted levels. Medical directors should work with facility and corporate leadership to try to address staffing gaps. If staffing levels are below what is indicated in the facility assessment, the medical director should advocate for the facility to reduce census, increase staff, or decline higher acuity admissions.

Medical directors should discuss the following elements involved in determining staffing levels with facility leadership.

1. The collective resident acuity and care needs, determined using tools such as the Facility Assessment, Minimum Data Set (MDS), Resident Census and Conditions (CMS-672), Patient Driven Payment Model (PDPM), and Resource Utilization Group (RUG).
2. The facility’s actual per-resident, per-day staffing levels, calculated using Payroll-Based Journal (PBJ) and Medicare/Medicaid cost reports.
3. Appropriate nurse staffing levels based on resident acuity, established by referencing research, time studies, and recommended standards.
4. Evidence regarding the adequacy of current staffing, prioritizing quality improvement in high-risk, high-volume, or problematic areas, and ensuring compliance with QAPI requirements.

5. Analysis of staffing adequacy considering staff types, competencies, turnover rates, patient mix, facility resources, and management practices, especially if quality issues persist despite meeting recommended staffing levels.

Policy Recommendations and Best Practices

Facility assessments serve as organizational tools to document and allocate resources necessary for high-quality care. They enable right-sizing of staffing based on resident acuity and benefit from consistent, updated methodologies. Assembling an interdisciplinary team—comprising the administrator, director of nursing, governing board representatives, licensed nurses, nursing assistants, and input from residents in addition to the medical director—enhances the assessment’s practicality and effectiveness. Each facility is unique. Assessments should be tailored to ensure residents receive the services and quality of life they require.

Facility assessments should be integral to every nursing home’s Quality Assurance and Performance Improvement (QAPI) plan. Regulations mandate annual updates, but best practices involve treating the assessment as a dynamic, “living document” that evolves with changing needs and circumstances.

Conclusion

A comprehensive facility assessment, led by the director of nursing with significant input from the medical director, should be the foundation for determining staffing needs in skilled nursing facilities. This process helps ensure that decisions are guided by clinical expertise and the specific needs of the resident population, ultimately supporting the delivery of safe, high-quality care.