Common Compliance Mistakes Nursing Homes Make and How to Avoid Them

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November 18, 2025

Nursing home administrators face many challenges daily, including keeping up with regulatory compliance. Insufficient policies, poor risk management, irregular compliance audits, and failure to follow regulations are common issues that can happen and have serious consequences.

Five Common Compliance Mistakes Nursing Homes Make

Failing to maintain compliance can open your facility to considerable legal challenges. Cohen Cleary, P.C. provides valuable support, a healthcare regulatory and compliance lawyer, and guidance with our nursing home legal services to help you avoid compliance mistakes and create an effective plan for moving forward.

Lack of Clear Policies and Procedures

Policies and procedures exist to communicate expectations and guide consistent care. When they are incomplete, outdated, or poorly documented, caregivers may not know how to respond to critical situations. This lack of direction can lead to lower-quality treatment, violations of residents' rights, and even exposure of confidential information. Patients could be placed at risk of abuse or neglect simply because the facility has not clearly outlined what staff should do in different scenarios.

The best way to prevent compliance failures is to implement a robust policy framework that covers all essential areas:

- Patient Care
- Resident Rights
- Emergency Response
- Medication Management
- Infection Control
- Recordkeeping
- Data Security

Nursing home administrators should review and update these policies regularly to align with both federal and state regulations. Each staff member should receive training on these policies and sign acknowledgments confirming their understanding of their responsibilities. Detailed care plans for every resident also help ensure consistent treatment and accountability across the facility.

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Inadequate Risk Assessment and Management

Every nursing home must proactively identify and manage risk factors in all areas regarding patient care and facility management. Without comprehensive risk assessments, facilities may overlook hazards that can lead to accidents, medication errors, or security breaches. A lack of ongoing risk management can also create liability if regulators determine that the harm could have been prevented through proper planning.

With a health care regulatory and compliance lawyer, facilities can minimize risk by conducting regular assessments to pinpoint operational weaknesses and develop strategies to address them. This process should include detailed procedures for preventing and responding to incidents swiftly. Administrators should ensure their teams are trained on these procedures and that protocols are tested through drills or scenario planning. When risk management becomes part of everyday culture, nursing homes significantly reduce the likelihood of violations and claims.

Non-Compliance With Regulatory Requirements

Long-term care facilities must comply with federal standards under 42 CFR § 483, which governs participation in Medicare and Medicaid programs. These regulations cover patient rights, facility operations, and staff obligations. Failing to meet these standards can result in loss of federal funding, civil penalties, or reputational damage. The Centers for Medicare & Medicaid Services (CMS) enforces these rules and has the authority to investigate and sanction facilities for non-compliance.

To maintain compliance, nursing homes must stay informed about regulatory updates and immediately incorporate them into their policies. Administrators should schedule recurring staff training sessions, maintain documentation of all compliance efforts, and report any criminal or abusive conduct by staff to CMS. Regular audits and collaboration with legal counsel can help identify and correct gaps before they become violations. A proactive compliance program demonstrates good faith and reduces liability if issues arise.

Lack of Regular Compliance Audits and Monitoring

Without routine audits, compliance gaps can lead to additional liability issues. Missing documentation, inconsistent recordkeeping, or unmonitored care standards increase the risk of infection, medication errors, and overall declines in quality of care. Facilities that fail to monitor compliance can face fines, certification loss, or lawsuits brought by residents and families.

Establishing a structured audit program is essential. Audits should review every aspect of facility operations, including employee training, resident safety, finances, ethical practices, and adherence to policies. Nursing homes should document audit results, address weaknesses immediately, and implement measurable improvement strategies. Maintaining a fixed audit schedule, quarterly or biannually, helps ensure that compliance becomes routine rather than reactive. Partnering with experienced nursing home defense counsel can also provide an objective review and lighten the administrative burden.

Weak Employment, Scheduling, and Management Policies

Many compliance problems originate from employment-related issues rather than direct patient care. Inadequate staffing levels, unclear job responsibilities, inconsistent scheduling, or a lack of

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oversight can lead to burnout, mistakes, or violations. When a resident injury or neglect allegation arises, regulators and plaintiff attorneys often look closely at employment records and management practices. A poorly documented system can make it difficult to defend the facility's actions and may increase liability exposure.

Establishing strong, well-documented employment, scheduling, and management policies is one of the most effective ways to limit liability. Administrators should:

- Maintain written job descriptions and performance standards for every role
- Ensure adequate staffing levels and balanced schedules to prevent fatigue
- Require supervisors to document shift coverage, training completion, and any incidents or corrective actions
- Enforce policies evenly and maintain accurate records of all employment actions
- Conduct regular performance reviews and staff evaluations.

These efforts not only promote better care but also demonstrate due diligence. When an incident occurs, well-kept records and consistent management practices can show that the facility took reasonable steps to protect residents and comply with employment laws.

Why Strong Internal Policies Reduce Liability

Strong internal policies are the foundation of an ethical nursing home compliance program. These policies shape how employees are trained, how procedures are followed, and how potential risks are managed. Without clear and enforceable policies, even a well-run facility may appear negligent in the eyes of regulators or courts. Internal policies create the structure that demonstrates accountability, consistency, and proactive care.

When a nursing home faces a claim or regulatory review, investigators often look beyond the incident itself and examine whether the facility had appropriate systems in place. Well-defined and regularly updated policies show that facility leadership has taken reasonable steps to prevent foreseeable harm.

Key areas to address include:

- **Documentation practices:** Maintain clear, accurate, and timely records for all aspects of care, training, and incident response. Proper documentation serves as proof that policies were followed and helps resolve disputes efficiently.
- **Employee training and oversight:** Establish mandatory, ongoing training programs for all staff members. Reinforce policies through supervision and performance evaluations to ensure procedures are consistently applied.
- **Reporting and escalation procedures:** Implement defined channels for reporting safety concerns, compliance breaches, or potential abuse. Ensure all staff understand how and when to escalate issues to management.
- **Policy review and updates:** Schedule routine reviews of all internal policies to keep them compliant with state and federal regulations. Adjust procedures as new laws, technologies, or best practices emerge.
- **Legal review and alignment:** Engage experienced nursing home defense counsel to assess

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your internal policies and confirm they meet regulatory standards and align with operational realities.

A nursing home's ability to demonstrate diligence and consistency often determines how liability is assessed after an incident. Strong internal policies backed by training, documentation, and regular legal review not only help protect residents and staff but also serve as critical evidence that the facility acted responsibly. By building compliance into daily operations, nursing homes can reduce exposure, improve care quality, and strengthen their legal position if a claim arises.

Ensure Your Nursing Home Facility Remains Compliant With the Law

Cohen Cleary, P.C., is ready to help you with identifying potential areas of noncompliance and take corrective action. With our help, you can be confident that you are meeting all regulations governing nursing homes and ensuring your residents receive the highest quality care possible. We can also provide counsel if you are currently facing a compliance-related legal matter, helping you navigate the situation and find viable solutions to resolve it. Reach out to our firm today to request a consultation and learn more about how we can serve you.

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