ECHO ASSURANCE
WHERE TRUST RESONATES

SAMPLE REPORT

REVEAL · PUBLIC-EVIDENCE REVIEW

Sample Operator Revealed: What Your Underwriter Sees

Sample Operator

Insurance Perception Grade and the public record behind it

PREPARED FOR

Sample Operator
Client logo appears here

AS OF

Fourth quarter, 2026 (sample)

CONTACT

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Sample for illustration only. This report shows the structure and method of an Echo Assurance REVEAL review. The operator, every facility, location, date and source have been replaced, and figures have been rounded or changed. It does not describe any real organization.

ECHO ASSURANCE

What we found, in plain terms

Sample Operator runs 42 skilled nursing facilities across four states. We reviewed what an underwriter can learn about you without ever speaking to you: CMS survey, staffing and penalty files, Special Focus listings, court and enforcement records, state licensing data and press coverage. Then we graded what that evidence adds up to.

The grade today is **C**. That is not a judgment about how you run your business. It is an estimate of how your business reads from the outside. The distance between those two things is the subject of this report.

In practical terms, this is Echo's reading of a C. Risk quality: real concerns an underwriter will ask about (for example a Special Focus facility or recent immediate-jeopardy citations). Likely pricing appetite: placeable, but terms depend on the explanation; fewer carriers keen; pricing at or above standard, possibly higher retentions or exclusions.

Three things stand out. Your top end is genuinely strong, stronger than most chains your size, and almost nothing in a standard submission would tell an underwriter that. Your staffing record changes character depending on who you are compared with, and today the market chooses the comparison. And a small number of facilities carry findings serious enough to hold a ceiling over the grade no matter how well everything else reads. Each of these appears later in this report with its evidence.

One more thing you should know before you read further. Of the ten areas behind this grade, only three could be rated from public evidence. Four of the remaining seven depend on information only you hold. That is not a gap in the work. It is the reason the next conversation exists, and Section 2 sets out exactly which is which.

Scott Reese, ARM

Managing Partner, Echo Assurance

How to read this report. Each section opens with the finding in plain language, then shows the evidence beneath it, then closes with what it means for a renewal. Small labels mark the status of each piece of evidence: fact, Echo's reading, or a limitation on what the evidence can carry. The definition and limits of the grade are in Appendix B, and the source types are in Appendix C.

About this sample. This is an illustration of a real REVEAL report. The operator, every facility, every place and every date have been replaced, and the figures have been rounded or changed so that no real organization can be identified. The method, the structure and the shape of the conclusions are unchanged.

EXECUTIVE SUMMARY

The market's likely read

ECHO'S READING OF A C

Risk quality: real concerns an underwriter will ask about (for example a Special Focus facility or recent immediate-jeopardy citations). Likely pricing appetite: placeable, but terms depend on the explanation; fewer carriers keen; pricing at or above standard, possibly higher retentions or exclusions.

42	4	3,520	3 of 10	Q4
FACILITIES	STATES	CERTIFIED BEDS	AREAS RATED	AS OF, SAMPLE

TODAY

C **Needs explanation**

Medium confidence. Score 0.14 on a scale from -1 to +1.

WITH THE TWO PERCEPTION GAPS CLOSED

C **Unchanged**

Medium confidence. Explanation alone does not move the letter. Serious findings hold the ceiling at C whatever the score does.

GAPS CLOSED AND SERIOUS FINDINGS CLEARED

B **Conditional**

Low confidence. Reached only if Facility A leaves Special Focus and the immediate-jeopardy citations age past 36 months with none added. Not a promise.

Five findings

1. **Your top end beats most chains your size.** About 45% of facilities sit at 4 or 5 CMS stars against a peer median of 32%, and about 36% sit at 1 or 2 stars against 43%. **Why it matters:** nothing in a standard submission puts this in front of an underwriter.
2. **The chain average hides both ends.** A 3.1 average suggests a middle-of-the-road operator, while the detail shows a strong top end and an over-representation in Special Focus listed-or-candidate status. **Why it matters:** an underwriter who stops at the average prices you as average.
3. **Staffing changes character with the comparison.** Nationally the median facility sits at about the 68th percentile for adjusted RN staffing and the 40th for adjusted total staffing; within states both are lower, about 44 and 21, with 25 of 42 facilities in their state's bottom quarter on total staffing. **Why it matters:** the market picks the comparison, and today nothing in your file argues for one.
4. **Turnover does not change with the comparison.** It is less favorable on every frame, with the median facility at about 51% against 45% nationally. **Why it matters:** this is the one measure no benchmark rescues, so it needs an explanation instead.
5. **A small number of facilities set the ceiling.** Six citations at the three highest severity levels (J, K or L) sit at 5 of the 42 facilities, and about $850,000 in fines sits at 19 facilities, roughly 38% of it at three. **Why it matters:** these cap the letter at C regardless of score, so they are the only items that change the grade.

This is not a complete ten-area assessment. State court records, Department of Labor, OSHA and most state licensing lookups were not completed, and missing records do not indicate the absence of adverse findings. Section 2 sets out what was rated, what only you can supply and what remains to be searched.

SECTION 1

What a C means in practice

A grade is only useful if it translates. Each point below is Echo's reading of a C, followed by the facts from this account that sit behind it.

MARKET APPETITE	TERMS AND STRUCTURE	GOVERNANCE
Fewer carriers keen. Serious findings set a ceiling of C, shown and never netted: citations at G or above within 36 months (at 19 facilities), at most B; 1 current Special Focus facility, at most C; immediate-jeopardy citations at 5 of 42 facilities (11.9%, threshold 10%), at most C.	**Pricing at or above standard, possibly higher retentions or exclusions.** Six citations at the three highest severity levels at 5 of the 42 facilities, and about $850,000 in fines at 19 facilities, roughly 38% of it at three; not benchmarked against other operators.	**Findings of this kind are facts a board expects to hear from management rather than from a carrier.** Two facilities graduated from Special Focus in the past three years, after about 14 and 9 months. Facility A is a current Special Focus facility after more than a year on the list.

What actually moves the letter

This is the part most often misread, so it is worth stating plainly. Two different things are happening, and only one of them is arithmetic.

LEVER	WHAT IT DOES	EFFECT ON THE LETTER
Closing the two perception gaps	Explains the chain average against the detail beneath it, and argues for the right staffing comparison. Raises the score.	None on its own. The caps still hold the letter at C.
Clearing the serious findings	Facility A graduates from Special Focus; the immediate-jeopardy citations age past 36 months, or fall below 10% of facilities, with none added.	Lifts the ceiling. With the gaps also closed, B.
Completing the public searches	Rates claims, litigation and enforcement, the heaviest single area, currently unrated.	Downside only. Claims, litigation and enforcement could lower the letter on its own, and none of the unrated areas could raise it.



WHAT THIS MEANS FOR YOUR RENEWAL

Only clearing the serious findings lifts the ceiling on the letter.

A caution that cuts the other way. The potential grade shows what the same rules would give if the stated conditions were met. It holds only if your own evidence supports it, and it is not a promise. Private information reviewed later may move the grade up or down.

SECTION 2

Why only three of ten areas carry the grade

Ten areas sit behind the Insurance Perception Grade, the full set an underwriter weighs. Three could be rated from public evidence, which is 7 of 17 weight points. The honest question is why each of the other seven is blank, because they are blank for three completely different reasons.

AREA	READING	WEIGHT	BASIS
RATED FROM PUBLIC EVIDENCE · 7 OF 17 WEIGHT POINTS · THESE PRODUCE THE SCORE			
Quality and regulatory	Mixed	3	Serious finding; evidence strong
Workforce	Mixed	3	Evidence limited
Demonstrated strengths	Favorable	1	Quality direction only; evidence limited
ONLY YOU CAN SUPPLY THIS · 4 OF 17 WEIGHT POINTS · NO PUBLIC SEARCH CAN RATE THEM			
Risk controls	Not rated	2	Internal by nature: programs, audits, corrective-action discipline
Governance	Not rated	1	Not researched; no supported direction
Transparency	Not rated	1	Not researched; no supported direction
PUBLIC RECORD EXISTS · THIS REVIEW DID NOT COMPLETE IT · 5 OF 17 WEIGHT POINTS · RECOVERABLE WORK			
Claims, litigation and enforcement	Not rated	3	Core searches incomplete: state court tools need a name entered; DOL, OSHA and the OIG exclusion database were not run
Entity clarity	Not rated	2	Researched, unresolved: Secretary of State filings unavailable; ownership beyond the CMS holding entities not identified
CONTEXT ONLY · NEVER SCORED BY THE METHOD			
Scale	Described	1	Context only
Portfolio consistency	Described	none	Context only

READ THIS AS THE AGENDA, NOT THE GAP

Areas without enough public evidence are not counted against the organization; they lower confidence instead. Five of the seven blank weight points are recoverable by finishing public work. Four can only come from inside your organization. That split is the shape of the next engagement.

The one you should not ignore. Claims, litigation and enforcement carries weight 3, tied for the heaviest in the model, and is unrated because the searches are incomplete. It could lower the letter on its own, and it is the area an underwriter will complete for themselves.

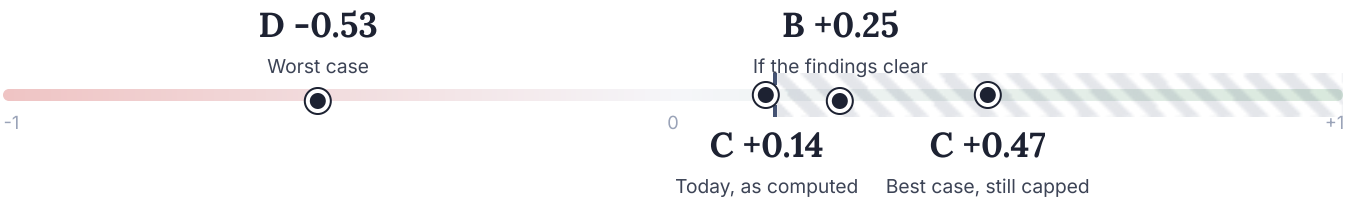
A limitation on the three that were rated. Quality and regulatory and workforce both read Mixed, which the method scores as zero. Demonstrated strengths reads Favorable at weight 1. The letter is not really coming from the score. It is coming from the caps in Section 3.

SECTION 3

Where the score sits, and what is holding it

The score is 0.14. The cut-off for a B is 0.15. A reader could reasonably conclude that the operator is one hundredth of a point from a better grade. That is not what is happening, and the chart below is drawn to show why.

Score on the method's scale · runs from -1 to +1 · shaded region shows scores capped at C



Missing-data bounds are not a confidence interval. The best case assumes every unrated area reaches its most favorable reading; the worst case assumes the opposite. B cut-off: 0.15.

Two caps, and they are doing the work

FINDING	CEILING
Citations at G or above within 36 months, at 19 facilities	**At most B**
One current Special Focus facility (Facility A)	**At most C**
Immediate-jeopardy citations at 5 of 42 facilities (11.9%, threshold 10%)	**At most C**

WHY THE BEST CASE IS STILL A C

Serious findings set a ceiling on the letter regardless of the score. With every unrated area at its best reachable reading the score would be 0.47, still C under the caps; at its worst it would be -0.53, a D.

WHAT THIS MEANS FOR YOUR RENEWAL

Explanation improves your score and your story. It does not move your letter. Only clearing the serious findings does that, which is why the priority map in Section 13 puts them first.

Confidence, and how it was tested. Confidence is Medium (40% or more of the weight rated and at least two high-weight areas rated): 7 of the 17 weight points are rated (41.2%), with 2 of the 3 high-weight areas rated. The full calculation is in Appendix B.

SECTION 4

What the record says you are

Sample Operator reads to an outside analyst as a four-state chain of 42 skilled nursing facilities and about 3,520 certified beds, heavily concentrated in one state. That concentration matters more than it looks: CMS lists about a quarter of that state's nursing homes under the operator's chain, and more than half of your facilities sit there, so results in that state carry heavy weight in any portfolio view of you.

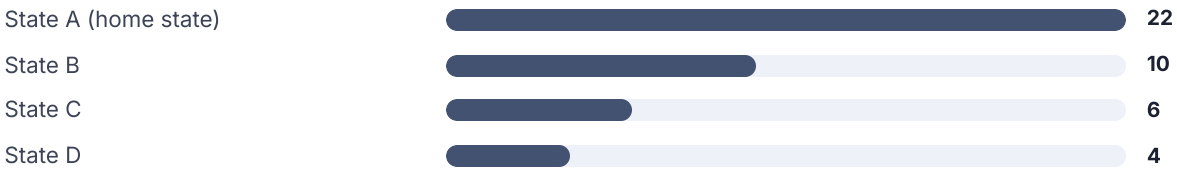
FACT — In CMS's latest facility file, Echo's count places 22 of the operator's listed facilities in State A, 10 in State B, 6 in State C and 4 in State D.

FACT — The operator spans 4 states, while the median peer chain spans 2.

ECHO'S READING — In State A, the same CMS file lists roughly 65 facilities outside the operator's chain beside its 22.

LIMITATION — Totals cover 42 facilities confirmed as part of the operator's organization. Not counted: one facility that the operator's own website lists but whose CMS record names no parent organization. We have not assumed it belongs to the operator.

Facilities by state



Counts are shown per state because the CMS file gives each facility's city and state but no coordinates. State names are withheld in this sample.

WHAT THIS MEANS FOR YOUR RENEWAL

Concentration is a presentation decision before it is a risk decision. An underwriter who builds a state comparison in State A is comparing you largely against yourself, and that is an argument worth making for you rather than leaving to them.

SECTION 5

What you do well, and why no one sees it

On the measures CMS publishes, the operator's top end is stronger than most chains its size. That is the single most under-used asset in this file, because a standard submission contains nothing that would tell an underwriter so.

FACT — Across 80 chains of similar size, the average CMS overall star rating of the operator's facilities, 3.1, beats 55 of them; the peer median is 2.8.

FACT — About 45% of its facilities sit at 4 or 5 CMS stars against a peer median of 32%, and about 36% sit at 1 or 2 stars against 43%, better than 54 of the 80.

FACT — CMS marks 6 of the operator's 42 facilities with its high-performing icon, a share of about 14% against roughly 12% nationally; that share is larger than at 66 of 80 peer chains, whose median share is about 4%. In State C, 3 of the operator's 6 facilities carry the icon, against about one in six other facilities in that state.

FACT — Facility B shows CMS stars of 5 overall, 4 for health inspection, 4 for staffing and 5 for quality measures, a single health deficiency in the latest inspection cycle, and registered nurse turnover lower than at about 90% of facilities nationally.

LIMITATION — CMS also records a past change of ownership at Facility B, so part of its record may reflect the period before that change.

LIMITATION — Peers are matched on size only, not on state, payer mix or acuity, and within their own states the operator's facilities sit at a median percentile of about 45 on CMS overall stars.

FACT — Industry announcements name several of the operator's facilities as recipients of a national quality award in recent years.

> *Every one of these facts is public. None of it reaches an underwriter unless somebody puts it in the submission and stands behind it.*
>
> ECHO ASSURANCE

WHAT THIS MEANS FOR YOUR RENEWAL

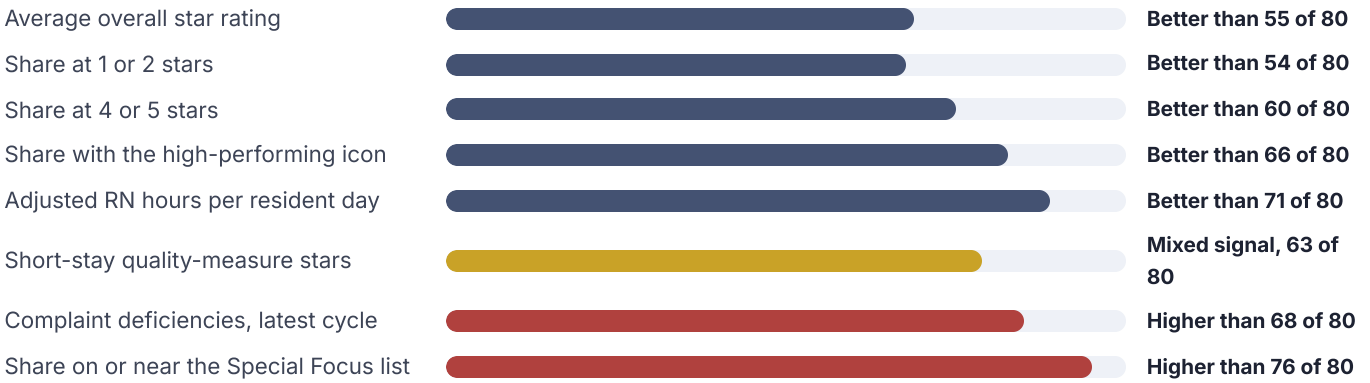
Strengths do not price themselves. That is the work Storify™ does in the next phase.

SECTION 6

How you sit against chains your own size

Against 80 chains CMS lists at a similar size, the operator is above the middle on every quality and staffing measure and below it on two: complaint deficiencies and exposure to the Special Focus list. The pattern is consistent, and it is the clearest single picture in this report.

Position among 80 similar-size chains · each bar states the direction of the comparison in words



LIMITATION

Peers are matched on size only, not on state, payer mix or acuity, and within their own states the operator's facilities sit at a median percentile of about 45 on CMS overall stars.

FACT

Mean fines per facility of about $20,000 sit below the peer median of about $25,000, and the share of facilities with CMS's abuse icon, about 5%, is below the peer median of about 8%.

LIMITATION

Fines per certified bed (about $240 against a peer median of about $255) sit near the middle among peers, and one facility, Facility C, carries about $170,000 of the total.

FACT

Adjusted RN hours per resident per day average about 0.78 across the operator's facilities against a peer median of 0.55, and the median facility's 0.74 compares with a national median of 0.58.

LIMITATION

Measured within each state the median percentile for adjusted RN staffing is only about 44, so part of the peer advantage may reflect the states the operator works in.

WHAT THIS MEANS FOR YOUR RENEWAL

Two of these eight bars are the whole conversation. A market that sees complaint-deficiency volume and Special Focus exposure first will not reach the other six on its own.

SECTION 7

How you compare nationally

Against the national population rather than a peer set, the picture narrows. RN staffing is well ahead and star averages are marginally ahead; total nurse staffing, turnover and complaint deficiencies are behind. The same account, a different frame, a different story.

DISCLOSURE

National means every other facility in the CMS file; state means the other facilities in the same state; peers are the 80 chains CMS lists at a similar size, matched on size only. Percentiles run up to 100, the most favorable.

MEASURE	BASIS	SAMPLE OPERATOR	NATIONAL
Adjusted total nurse staffing (hours per resident day)	Median	3.55	3.77
Adjusted RN staffing (hours per resident day)	Median	0.74	0.58
Total nursing staff turnover	Median	about 51%	about 45%
Complaint deficiencies, latest inspection cycle	Median	2	1
CMS overall star rating	Mean	3.1	3.0
CMS health inspection star rating	Mean	2.9	2.8
CMS staffing star rating	Mean	2.8	2.9

The facilities are in four states, so the national star comparison is a rough one.

Certified beds by CMS overall star rating

Beds in facilities at each overall star level · about 3,520 certified beds



FACT

Weighted by certified beds, about 930 beds sit in facilities at 5 CMS overall stars and about 760 in facilities at 1 star; about 50 beds are blank for overall stars in the CMS file and are counted separately, and the unconfirmed facility's beds are not counted.

FACT

Against peers, adjusted total nurse hours average about 3.6, level with the peer median, near the 48th percentile.

WHAT THIS MEANS FOR YOUR RENEWAL

Bed-weighting is the comparison an underwriter actually cares about, because beds are the exposure. More of your beds sit in 5-star facilities than in 1-star facilities, and that is a sentence nobody has put in front of a market.

SECTION 8

Perception gap one: the average hides both ends

DISCLOSURE

A Perception Gap™ here is a material difference, established by public evidence alone, between the operator's profile across the public record and what an outside reader is likely to take from the most visible public signals. Where internal information would be needed, the item appears instead under Questions to Resolve.

CMS gives the operator a chain average of 3.1 overall. Read alone, that is an unremarkable number and it invites an unremarkable price. The distribution underneath it is not unremarkable in either direction.

FACT

Top end: 10 facilities sit at 5 stars; about 45% are at 4 or 5 stars against a peer median of 32%, better than 60 of 80 similar-size chains; and 6 of 42 carry the high-performing icon, more than at 66 of 80.

FACT

Bottom end on stars: 9 facilities sit at 1 star and 6 at 2, but the share at 1 or 2 stars, about 36%, is better than at 54 of 80 peers.

FACT

Bottom end on Special Focus listings: 1 current Special Focus facility and 4 candidates in the CMS file used, a share larger than at 76 of 80 peers. The next monthly Special Focus posting names two of those candidates and adds a third facility, Facility D, that was not a candidate in the earlier file.

PERCEPTION GAP

The 3.1 average suggests a middle-of-the-road operator, while the detail shows a top end stronger than most similar-size chains and a share at 1 or 2 stars below the peer median, but an over-representation in Special Focus listed-or-candidate status.

ECHO'S READING

Special Focus status is a named public designation, so a reader may give the few facilities that have it more weight than the star profile alone suggests.

LIMITATION

These are size-only peer comparisons, not matched on state, payer mix or acuity, and the operator's icon share sits much closer to the national rate than to the peer median. Each CMS designation describes one facility; local markets, state survey practice or acquisition timing could drive results; and the file is one point in time.

LIMITATION

Confidence that the top end beats most similar-size chains: moderate to high on the size-only peer frame, lower against the national population. Confidence that the Special Focus over-representation is unusual rather than an effect of posting timing: low to moderate.

> *CMS itself cautions that data lags can occur between an inspection and its posting on the Special Focus list, and advises reading the list alongside other sources.*
>
> PARAPHRASED FROM THE CMS SPECIAL FOCUS FACILITY PROGRAM POSTING

WHAT THIS MEANS FOR YOUR RENEWAL

An underwriter who stops at 3.1 prices you as average and never learns otherwise. Closing this gap is a submission problem, not an operations problem. It raises the score without moving the letter, which is why it belongs alongside, not instead of, the work in Section 13.

SECTION 9

Perception gap two: staffing depends on the comparison

The operator's staffing looks strong, average or weak depending on which comparison is used, and today the market chooses. Turnover is the exception: adverse on every frame.

Percentile position by measure · 100 is the most favorable · ▲ favorable, ● middle, ▼ adverse

MEASURE	PEER CHAINS	WITHIN STATE	NATIONAL
QUALITY AND REGULATORY			
CMS overall stars	69 ▲	45 ●	51 ●
Health inspection stars	62 ●	57 ●	55 ●
Total health deficiencies, latest cycle	39 ▼	58 ●	40 ▼
Complaint deficiencies, latest cycle	15 ▼	49 ●	39 ▼
Total amount of fines	66 ●	67 ▲	72 ▲
Long-stay quality measures	36 ▼	40 ▼	48 ●
Short-stay quality measures	79 ▲	29 ▼	64 ●
WORKFORCE			
Adjusted RN hours	89 ▲	44 ●	68 ▲
Adjusted total nurse hours	48 ●	21 ▼	40 ▼
Weekend total nurse hours	72 ▲	26 ▼	43 ●
Total nursing staff turnover	27 ▼	40 ▼	33 ▼
RN turnover	46 ●	42 ●	43 ▼
Administrator departures	50 ●	61 ●	69 ▲
DEMONSTRATED STRENGTHS			
Share with CMS's high-performing icon	82 ▲	82 ▲	82 ▲

PERCEPTION GAP RN staffing is strong against peers and nationally but in the middle band within states (about 44), while total nurse staffing is middle against peers (48) and adverse nationally (40) and within states (21), so whether the operator's staffing looks strong or weak depends on the comparison used.

FACT Turnover is adverse on every frame: the median facility sits at about 51% against about 45% nationally. Within states, 25 of 42 facilities sit in their state's bottom quarter on total staffing.

LIMITATION Alternatives: a deliberate RN-heavy staffing mix; states that staff above the national median; and size-only peers spanning a median of 2 states against the operator's 4. Confidence: moderate; the file does not state the staffing reporting quarter.

WHAT THIS MEANS FOR YOUR RENEWAL

If the RN-rich staffing model is deliberate, that is a defensible underwriting story and nobody has told it. If it is not deliberate, the market will read the within-state numbers and price them. Either way, the decision about which comparison frames your account should be yours.

SECTION 10

Where the weight actually sits

The adverse record is not spread across the portfolio. It is concentrated in a small number of facilities, and that is the most commercially useful fact in this report: a concentrated problem is a manageable one.

FACT

About 36 fines totaling roughly $850,000 sit at 19 of the 42 facilities; the other 23 have none. The three largest facility totals, at Facility C (about $170,000), Facility I (about $85,000) and Facility H (about $70,000), add up to about $325,000, roughly 38% of the total.

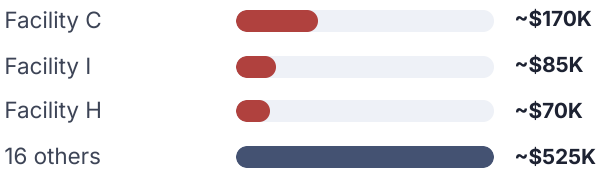
FACT

Complaint deficiencies in the latest inspection cycle average about 5.2 per facility against a median of 2, and the average exceeds that of 68 of 80 peer chains.

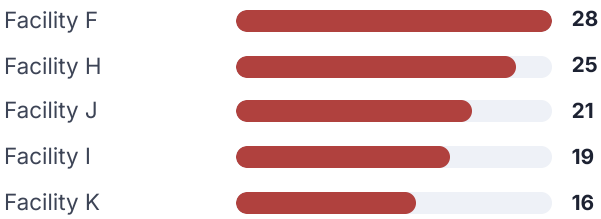
ECHO'S READING

A mean well above the median means the average is pulled up by a few facilities with high counts. State context matters: the median state percentile is about 49, and other facilities in State A average about 6 complaint deficiencies.

Fines are concentrated



Highest complaint-deficiency counts



FACT

Echo's analysis sorts facilities by how many measure groups are unusually good or unusually weak: 1 facility is clearly strong, 12 show only favorable signals, 4 are mixed, 11 show only adverse signals, 5 are weak on two or more groups, and 9 show nothing unusual. The clearly strong facility is Facility B; the 5 weak on two or more groups are Facilities J, L and N in State A and Facilities F and H in State B.

LIMITATION

These groups are aids for reading the data, not ratings, and they move with the method's bound: at 20 or 25 percent the clearly strong group holds 3 or 7 facilities and the weak group 5. Facility P shows adjusted total nurse staffing of about 2.6 hours per resident per day, lower than about 95% of facilities nationally and near the bottom of its state.

WHAT THIS MEANS FOR YOUR RENEWAL

Sixteen facilities carry almost everything an underwriter will object to. A corrective-action story built around those sixteen is a far smaller undertaking than it appears from the portfolio average, and far more persuasive than a portfolio-level assurance.

SECTION 11

What has moved across five data releases

Across five CMS releases covering about a year, the number of the operator's facilities at 1 overall star rose from 5 to 9 while the number of fines fell from about 70 to about 36 and their total from roughly $1.3 million to roughly $850,000. Those two movements point in opposite directions, and neither one, on its own, shows improvement or decline or its cause.

DISCLOSURE

This trend describes the 42 facilities CMS lists under the operator's chain in its latest file, each looked up in five successive CMS releases. The unconfirmed facility is shown separately and not counted.

Facilities at the lowest and highest overall ratings



FACT

At 1 health inspection star the count was 5, 5, 6, 8 and 8 across the five releases, and at 5 stars 4, 3, 3, 2 and 2; at 1 staffing star it was 5, 5, 4, 6 and 7, and at 5 staffing stars it was 3 in the latest release. One facility has no overall stars in the latest release.

DATA RELEASE	FINES	TOTAL
Release 1	about 70	about $1.3 million
Release 2	about 57	about $1.15 million
Latest release	about 36	about $850,000

Counts for releases 3 and 4 are not stated in this report.

WHAT THIS MEANS FOR YOUR RENEWAL

A rising 1-star count against a falling fine total is exactly the kind of pattern an underwriter resolves pessimistically when nobody is there to explain it. Both movements have explanations. Only you have them.

SECTION 12

Four readers, four different versions of you

Which version of the operator an underwriter meets depends almost entirely on where they start. That is not a quirk of this account. It is the mechanism behind the grade, and it is the part a submission can actually control.

IF THEY START FROM	THEY MEET
The Special Focus posting	Two facilities that graduated from Special Focus in the past three years, after about 14 and 9 months, and Facility A, a current Special Focus facility after more than a year.
CMS's chain averages	A mid-range operator at 3.1 overall, which neither the strong top end nor the Special Focus listings resemble.
CMS's high-performing icons	6 of 42 facilities carrying the icon, a share larger than at 66 of 80 peer chains.
Peer and state comparisons	Facilities at or above the peer median on overall stars and RN staffing, near the middle on total staffing and fines per bed, and behind state neighbors on total staffing, with turnover above national levels.

Other public-record items reviewed

FACT — The public record also contains a pending federal employment class matter over pay practices, a second federal case known only from a legal-news docket listing, a labor board union election record, a federal self-disclosure settlement at a single facility, and a vendor's data-security incident notice from several years earlier.

LIMITATION — In the employment class matter the operator contests liability, and the court has made no factual determination. Absence of public evidence on other litigation, accreditation or finances reflects what this review assessed, not weakness or strength.

FACT — **Press reporting, not verified fact.** A regional newspaper reported that a large share of the state's nursing homes had been fined over three years, and that the operator's homes accounted for a substantial part of the statewide total. These are the article's own counts and were not reconciled with the CMS file used in this report.

FACT — **Press accounts of resident harm.** The same article described two events involving residents at Facilities D and E. Echo has not verified either account. CMS lists a J-level citation at each facility. The article's fine figure for Facility E is higher than the CMS penalties data, and Echo has not reconciled the difference.

WHAT THIS MEANS FOR YOUR RENEWAL

A citation has a plan of correction and a 36-month window. Press coverage has neither. What you can do is make sure your account of it is in the submission.

WHAT THIS MEANS FOR YOUR RENEWAL

An underwriter will meet whichever version of you their first search returns, and that first search is usually the Special Focus posting. Controlling that order is most of what a submission is for.

SECTION 13

What to work on, in order

Ranking rule: each item gets a severity, an evidence and a recency score from 1 to 3 and is ordered by severity, then evidence, then recency, then beds touched, never by multiplying them; ties share a rank. Tiers: Act now (severity 3 with evidence and recency of at least 2), Prepare an explanation (severity 2 or more) and Monitor (the rest). Unknowns are listed separately and never ranked.

TIER	RANK	ITEM
Act now	1	**Five items tied:** citations at G, H or I, about 36 of them at 18 facilities within the 36-month window, the latest about five months before the review; J citations at Facilities C, D and E; and Facility A's current Special Focus listing.
Act now	6	**Three items tied, older but within 36 months:** an L citation at Facility H (about 28 months old), and an L and a K citation at Facility F (about 18 months old); CMS records a correction date for each.
Prepare	9	**Four items tied:** complaint deficiencies, long-stay quality measures and total health deficiencies, each adverse on two comparison frames, and the 4 Special Focus candidates in the CMS file used.
Prepare	13	The pending federal employment class matter over pay practices, in which the operator contests liability; an open allegation, with evidence Moderate.
Prepare	14	**Three items tied:** adjusted total nurse hours, total turnover and RN turnover, adverse within states and nationally; they rank lower because their evidence is Limited and their reporting period is undated.
Monitor	17	Rank 17, a federal self-disclosure settlement at a single facility; rank 18, a vendor's data-security incident from several years ago, evidence Limited.

NEXT STEP

For the Act-now items: obtain current survey results, plans of correction and corrective actions for the cited facilities and for Facility A. Verified correction and clean follow-up surveys, or Facility A's graduation, would improve the picture; a repeat citation or a new one at G or above would worsen it.

NEXT STEP

For the Prepare items: a facility-level review of each adverse measure with a written explanation against the comparison frames; current survey results and corrective actions for each candidate facility; and a factual status record of the employment class matter with the pay-practice controls.

LIMITATION

Not ranked (listed as unknowns): the unconfirmed facility, the second federal case known only from a docket listing, the Department of Labor, OSHA and OIG exclusion lookups that were not run, and payer mix, property and catastrophe exposure.

WHAT THIS MEANS FOR YOUR RENEWAL

Ranks 1 and 6 are the only items on this page that change the letter. Everything below them changes the story, which is worth doing, but not first.

SECTION 14

The five facilities that set the ceiling

Six citations at the three highest severity levels sit at five of the 42 facilities. These, together with Facility A's Special Focus listing, are what hold the grade at C. They are also the shortest list in this report.

FACILITY	SEVERITY	SURVEY TIMING
Facility D	J	About 12 months before the review
Facility E	J	About 11 months before the review
Facility C	J	About 6 months before the review
Facility F	L and K	About 18 months before the review
Facility H	L	About 28 months before the review
Facility A	Special Focus	Current listing, more than a year

3	1	2	6
LEVEL J	LEVEL K	LEVEL L	THREE HIGHEST LEVELS

FACT

Facility A's next standard survey matters: the Special Focus program requires the graduation criteria to be met on two consecutive standard surveys, and once a facility graduates the state agency selects a new one from the monthly candidate list.

> *Once a Special Focus facility graduates or is terminated, each state agency selects a new one from a monthly list of candidates.*
>
> PARAPHRASED FROM THE CMS SPECIAL FOCUS FACILITY PROGRAM POSTING

WHAT THIS MEANS FOR YOUR RENEWAL

Five facilities and one listing stand between a C and a B. That is a small enough number to manage deliberately, with documented correction and clean follow-up surveys, and it is the only work on which the letter depends.

SECTION 15

Nine questions only you can answer

Each of these could become a perception gap or could resolve in your favor. Public evidence cannot settle any of them, which is precisely why they are the agenda for the next conversation rather than findings in this one.

Special Focus status	What do current survey results and corrective-action records show for Facility A and the candidate facilities, and have any left the candidate list since the CMS file used?
Which entities you are	The operator's website lists a facility that CMS shows with no chain, and court filings describe the organization differently from the CMS file. Which facilities are operated today, under which facility companies, and how are insurance programs organized across them?
Strong and weak facilities	Are the strongest and weakest facilities run under the same clinical and operating model, and do their differences track market, acquisition timing, leadership or staffing?
The staffing model	Does the operator intentionally staff with more RN hours and fewer total nurse hours than its state neighbors, and how do staffing and turnover relate to its own incident and resident outcomes?
Complaints and claims	Do the facilities with the highest latest-cycle complaint counts (Facilities F, H, J, I and K) also show higher internal incident or claims activity?
Two unexplained records	What changed at Facility Q and Facility B, and when, given that the CMS file gives no dates?
Pay practices	What is the current status of the employment class matter, and what timekeeping and pay controls apply across facilities, without any view on the merits?
Vendors and data	Is the code of conduct found online the operator's own, how did the self-disclosure settlement arise, and how are vendors that handle resident data overseen since the earlier vendor incident?
Your own numbers	Do your own claims, loss and insurance records confirm, improve or worsen the picture the public record presents?

WHY THIS PAGE MATTERS MORE THAN THE GRADE

Seven of the ten areas behind the grade are unrated. Four of them turn on the answers above. Nothing in this report is a conclusion about your business until these are answered.

Where this phase ends. REVEAL describes the outside view. QUANTIFY, if separately authorized, would introduce your actual operating, claims, insurance and financial evidence to test whether that view is accurate and whether the gaps have economic consequences. This report does not start QUANTIFY.

SECTION 16

Next steps, with owners

Six pieces of work. Owners and timings are Echo's proposal, not a commitment the operator has made; they are here so this page can be delegated rather than discussed.

#	STEP	SUGGESTED OWNER	BY	WHAT IT CHANGES
1	**Assemble survey and correction records** Facility A and the five ceiling facilities.	Quality and Compliance	Within 2 weeks	The only work that lifts the C ceiling.
2	**Reconcile the facility list** Confirm which facilities you operate and under which facility companies, starting with the unconfirmed facility.	Legal and Operations	Within 30 days	Resolves entity clarity: 2 recoverable weight points.
3	**Document the staffing model** Facility-level adjusted and reported staffing and turnover by period, with a plain account of the RN-rich mix.	Operations and HR	Within 30 days	Decides which comparison frames the workforce.
4	**Capture what the strong facilities do** The icon facilities and Facility B: staffing, turnover and leadership practice, noting Facility B's ownership history.	Operations	Within 45 days	Turns an unused strength into evidence.
5	**Test complaints against internal data** Facilities F, H, J, I and K: compare complaint themes with internal grievance logs.	Quality	Within 45 days	Shows whether the public signal is real.
6	**Keep a factual record on pay practices** Status of the employment class matter, the related pay controls, and vendor oversight for resident data.	Legal	Ongoing	Pre-empts the question instead of answering it late.

SEQUENCE MATTERS

Step 1 is the only one that can move the letter, and the only one whose deadline is set by somebody else: Facility A's next standard survey and the 36-month aging of the citations are both running clocks.

Echo coordinates and holds accountability for the risk and insurance work; the clinical and operational steps sit with your teams, supported by specialists where useful. Echo does not take over your quality function and does not represent that it would.

SECTION 17

What public evidence cannot tell us

Every search described here was run for this review. Where a search surfaced nothing relevant, that means only that the search did not surface the item. Absence of public evidence is not an adverse fact.

LIMITATION

The public evidence reviewed does not show the operator's claims and loss history, insurance program, financial condition or internal controls. The facility file does not state the staffing reporting quarter, the turnover window, the quality-measure period or the look-back period for fines.

TOPIC	STATUS	WHAT WAS CHECKED
CMS survey, citation, fine and penalty records	Material finding	Every facility analyzed, from CMS published nursing home files, with trend comparison across earlier releases.
State licensing and inspection records	Material finding (partial)	Facility-level records in some states; most state lookups were not completed.
Special Focus Facility status	Material finding	CMS facility file and the CMS Special Focus posting.
Ownership, legal entities and affiliation	Material finding (partial)	CMS ownership file and state records; Secretary of State filings were unavailable.
Acquisitions and dispositions	Material finding (press reporting)	CMS ownership-change flags plus two trade press items; closing dates and terms not verified.
Federal and state litigation	Material finding (federal); state source unavailable	One federal employment class matter and one further federal case from a docket listing; state court tools could not be queried by name.
Employment and labor enforcement	Material finding (partial); not run	One labor board election record; Department of Labor and OSHA lookups were not run.
OIG enforcement and exclusions	Material finding (partial); not run	One self-disclosure settlement; the exclusion database lookup was not run.
Awards	Material finding	Announcements naming facilities as national quality award recipients.
Accreditation	No material finding (inconclusive)	Directory search surfaced no entry; directories need name lookups.
Trade press, news and workforce signals	Material finding (press reporting)	Three press items; press reporting is secondary and not verified fact.
Public financial and restructuring	No material finding (inconclusive)	No report of a default or restructuring surfaced.
Property, catastrophe and hazard	Not retrieved	County hazard data was not retrieved in this review.
Cyber and data incidents	Material finding (partial); source unavailable	One vendor incident notice; the federal breach portal needs an interactive form.
Payer mix	Not retrieved	Cost-report data was not retrieved in this review.

WHAT THE TABLE ADDS UP TO

Most topics are complete or substantially complete. Of the rest, some were not run in this review and some could not be reached from public sources at all. Finishing the first group is work; the second group is the reason QUANTIFY exists.

NEXT STEP

What your own information would add

This review used only public information. It cannot see your policies, loss runs, retentions or internal risk-management spending. With those, Echo can build your total cost of risk and loss-pick view, test each perception gap in this report against your actual experience, and prepare how your account is presented to the market.

1. **Public view**
   This report
2. **Private data**
   Policies, loss runs, retentions and risk-management spend
3. **Total cost of risk and loss picks**
   Tested against your own development
4. **Market presentation plan**
   The comparison frame chosen deliberately

What it would settle

- Whether the RN-rich staffing model is deliberate, and whether it shows up in your own incident data.
- Whether the facilities weak on two or more measure groups also drive your claims.
- Whether the complaint-deficiency concentration matches internal grievance volume.
- Four of the seven unrated areas: risk controls, governance, transparency and entity clarity.

What it would produce

- A total cost of risk view, not a premium comparison.
- A loss pick tested against your own development, not the market's assumption.
- A submission that presents the strong top end and explains the concentrated weak end.
- A written market plan with the comparison frame chosen deliberately.

CONTACT

To discuss next steps, contact Scott Reese, ARM, or start straight away with the information request on the next page.

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echoassurance.com · scottyreese.com

> *What Echo commits to is that you see the analysis behind every recommendation before it is made.*
> ECHO ASSURANCE

NEXT STEP

Information request

To begin, please share the items below that you can. Tick each item as you send it. Partial information is welcome: we would rather start with four of these than wait for all of them.

1 Insurance programs

- ☐ Current and expiring policies, declarations pages, endorsements, forms and schedules, for every line of coverage

2 Loss history

- ☐ Currently valued loss runs for the last five years for each line, including open claim reserves
- ☐ Large-loss narratives

3 Retentions and self-insurance

- ☐ Deductibles and self-insured retentions
- ☐ Captive or self-funded arrangements
- ☐ Collateral, letters of credit and funding

4 Spend

- ☐ Premiums and fees
- ☐ Claims administration
- ☐ Internal risk-management spending (safety, compliance, quality, training, staff time)

5 Exposure information

- ☐ The basis used for each line (for example revenue, payroll, headcount, occupied beds or units, vehicles, property values) for the last five years

6 Risk-management and quality documents

- ☐ Documents you consider relevant: policies, audits, plans of correction, and corrective actions responding to the perception gaps in this report

Please send information by the secure method Echo provides when you accept. Do not email claimant names or health information.

APPENDIX A

Facility summary (abridged for this sample)

One row per facility, from the figures in this report. Stars are CMS ratings (1 to 5); n/a means the CMS cell is empty (unknown, not zero). J/K/L counts health citations at those severity levels. SFF is Special Focus status and ★ marks the CMS high-performing icon.

FACILITY	LOCATION	BEDS	OVERALL	INSP.	QUALITY	STAFF.	FINES (NO. · TOTAL)	J/K/L	SFF / ICON
Facility A	State A	about 55	n/a	n/a	n/a	n/a	1 · ~$40K	none	SFF
Facility B	State C	about 60	5	4	5	4	none	none	★
Facility C	State B	about 90	2	1	5	2	3 · ~$170K	1	
Facility D	State A	about 100	1	1	4	3	2 · ~$25K	1	
Facility E	State A	about 100	2	1	5	4	3 · ~$60K	1	Candidate
Facility F	State B	about 90	1	1	2	1	2 · ~$65K	2	Candidate
Facility H	State B	about 55	1	1	4	3	3 · ~$70K	1	
Facility I	State D	about 110	1	1	1	3	3 · ~$85K	none	Candidate
Facility J	State A	about 40	1	1	4	1	none	none	Candidate
Facility L	State A	about 100	1	2	3	1	1 · ~$15K	none	
Facility P	State D	about 55	3	3	5	1	1 · ~$10K	none	
Facility S	State C	about 85	5	4	5	4	none	none	★
Total, 42 facilities		**about 3,520**					**~36 · ~$850K**	**6**	

Abridged. The full report lists every facility, one row each. This sample shows 12 illustrative rows with placeholder names, withheld states and rounded bed counts and fines. One facility whose membership in the operator's organization could not be confirmed is shown separately in the full report and not counted in any total.

APPENDIX B

How the grade is calculated

Placed here deliberately. The method is the proof behind the grade, not the argument for it, and it belongs where anyone who wants to test the work can find it.

DISCLOSURE

What the grade is. The Insurance Perception Grade is Echo's estimate of how an insurance underwriter would likely read this organization from public evidence alone, before any underwriting submission is reviewed. It is not a rating, a quote or a decision by any insurer. Areas without enough public evidence are not counted against the organization; they lower confidence instead. A potential grade holds only if the organization's own evidence supports it and is not a promise.

FACT

The caps, which decide the letter. Serious findings set a ceiling, shown and never netted: citations at G or above within 36 months (at 19 facilities), at most B; 1 current Special Focus facility, at most C; immediate-jeopardy citations at 5 of 42 facilities (11.9%, threshold 10%), at most C. The score already sits in the C band, so the caps confirm the letter rather than lower it.

LIMITATION

Missing-data bounds, not a confidence interval. With every unrated area at its best reachable reading the score would be 0.47, C under the caps; at its worst it would be -0.53, D.

FACT

What could move it. Up to B only if Facility A leaves Special Focus, the immediate-jeopardy citations age past 36 months (or fall below 10% of facilities) with no new ones, and the perception gaps are closed so that the score also reaches 0.15; down to D if, once the missing evidence is in, claims, litigation and enforcement reads Adverse.

FACT

The arithmetic. Three of the ten areas are rated: quality and regulatory (Mixed, weight 3), workforce (Mixed, weight 3) and demonstrated strengths (Favorable, weight 1). The method scores Favorable as +1, Middle as 0, Mixed as 0 and Adverse as -1, and areas not rated are left out, so the score is (0 + 0 + 1) / 7 = 0.14, in the C band, 0.01 from the B cut-off of 0.15.

FACT

Confidence. Medium requires 40% or more of the weight rated and at least two high-weight areas rated: 7 of the 17 weight points are rated (41.2%), with 2 of the 3 high-weight areas rated. Moving each weight one step up or down gives C across all 18 runs, so the sensitivity test does not lower confidence.

DISCLOSURE

How totals and benchmarks are built. Every total, count and benchmark covers the facilities CMS lists under the operator's chain in the file used; empty cells are unknown, never zero or adverse; national, state and peer comparisons use the other facilities and chains in the same file. A value counts as unusual only when at most 10 percent of the national population is more favorable (or less favorable, for the weak end), the state comparison does not contradict it, and at most 15 percent of facilities nationally reach that end of the scale. That bound is an analytical choice for this report, not an industry standard.

DISCLOSURE

Immediate jeopardy is the most serious designation a nursing home can receive: the home placed a resident at risk of serious injury, serious harm, serious impairment or death. A Perception Gap™ is included only where public evidence alone establishes it.

APPENDIX C

Sources

Numbered references, in order of first appearance. In a client report each entry carries its publisher, date and link. In this sample, every source that could identify the operator is withheld.

1	**CMS nursing home data files (Provider Information, health citations, penalties, ownership), with Echo calculations** Centers for Medicare & Medicaid Services, latest release
2	**Echo Insurance Perception Grade computation** Echo Assurance
3	**Special Focus Facility program posting** Centers for Medicare & Medicaid Services
4	**CMS Provider Information files, four earlier releases** Centers for Medicare & Medicaid Services
5	**Federal court orders in an employment class matter** U.S. District Court; case details withheld in this sample
6	**Federal self-disclosure settlement announcement** HHS Office of Inspector General; withheld
7	**Vendor security incident notice** Vendor website; withheld
8	**Federal docket listing for a second case** Legal-news docket service; withheld
9	**Union election case record** National Labor Relations Board; withheld
10	**Regional newspaper article on state nursing home fines (press reporting, not verified fact)** Withheld
11	**Operator's facility list (company web page)** Withheld
12	**Code of conduct document found online** Withheld
13	**State survey agency letter, licensing records and facility lists** State agencies; withheld
14	**Trade press reports on acquisitions (press reporting, not verified fact)** Withheld
15	**National quality award announcements** Industry association; withheld

ECHO ASSURANCE

Important notice

The Insurance Perception Grade is Echo's estimate of how an insurance underwriter would likely read this organization from public evidence alone, before any underwriting submission is reviewed. It is not a rating, a quote or a decision by any insurer. It does not predict any insurer's decision, the availability of coverage, the premium charged, or the terms actually offered. Areas without enough public evidence are not counted against the organization; they lower confidence instead. Private information reviewed later may move the grade up or down.

This report is an informational risk assessment prepared by Echo Assurance from public sources (regulatory, inspection, enforcement, ownership and court records) as of the dates shown. It is not an audit, legal advice, an underwriting decision, a quote or a commitment to provide coverage, and it does not predict future performance.

Ratings and grades are Echo Assurance's opinions under its documented method, based only on the evidence available when the report was prepared; they may change as new information becomes available. Areas marked "Not rated" or "Not searched, source unavailable" were not assessed, and the absence of public evidence in those areas is not an adverse fact.

Statements of fact are attributed to the sources cited. Items identified as press reporting are secondary and are not verified fact. Echo Assurance does not guarantee that any source is complete or error-free. Readers should perform their own due diligence and consult qualified advisors before relying on this report.

SAMPLE REPORT

This document is a sample for illustration only. The operator, facilities, locations, dates, sources and figures have been replaced or changed. It does not describe any real organization, and no real organization should be inferred from it.