

Alice Bonner Chair (508) 269 - 3879 abonner@ihi.org

June 9, 2025

The Honorable Mike Crapo Senator & Chair, Senate Finance Committee The Honorable Ron Wyden Senator & Ranking Member, Senate Finance Committee

Dear Chair Crapo, Ranking Member Wyden, and Members of the Senate Finance Committee (the Committee),

As members of the Moving Forward Nursing Home Quality Coalition (the Coalition), we write to express our grave concern over proposed Medicaid cuts. These cuts would have devastating consequences for the nation's 1.2 million nursing home residents, 1.5 million dedicated staff, and countless families who depend on Medicaid to ensure access to safe, high-quality care. Medicaid cuts would limit the availability of high-quality care in nursing homes, undermine workforce investments and staffing enhancements, and contribute to premature and preventable nursing home placements by reducing access to Medicaid home and community-based services (HCBS).²

Our coalition was established in the aftermath of the COVID-19 pandemic to advance the recommendations outlined in the National Academies of Sciences, Engineering, and Medicine's (NASEM) 2022 report, The National Imperative to Improve Nursing Home Quality.³ The report calls for federal and state governments, providers, payers, researchers, and advocates to clearly state a shared commitment to the care of

¹ Centers for Medicare & Medicaid Services. "Nursing Home Data." CMS.gov, 2024, https://data.cms.gov/.

² Priya Chidambaram, Alice Burns, Tricia Neuman, and Robin Rudowitz, "5 Key Facts About Nursing Facilities and Medicaid," *KFF*, May 28, 2025, https://www.kff.org/medicaid/issue-brief/5-key-facts-about-nursing-facilities-and-medicaid/.

³ National Academies of Sciences, Engineering, and Medicine. The National Imperative to Improve Nursing Home Quality: Honoring Our Commitment to Residents, Families, and Staff. The National Academies Press, 2022. https://doi.org/10.17226/26526.

nursing home residents and underscores the need for sustained public investment in Medicaid and better support for the direct care workforce to improve care quality. As members of the Coalition, which represents nursing home residents, staff, administrators, and advocates, we implore members of the Committee to affirm their commitment to nursing home quality by rejecting cuts to Medicaid.

Limiting High-Quality Care in Nursing Homes

Medicaid is the primary payer for long-term care in the U.S, covering more than 6 in 10 nursing home residents. It funds essential nursing home operations, including staffing, food, medical supplies, and resident services. The proposed cuts to Medicaid may force nursing homes to reduce staff hours or compromise staff-to-resident ratios. Reductions in Medicaid reimbursement rates could delay care, increase the risk of neglect or abuse, and threaten nursing homes' ability to maintain quality standards and a stable workforce.

Medicaid's program integrity and quality measurement functions are also critical for ensuring compliance and high-quality care. These efforts help prevent and detect fraud, waste, and abuse by verifying provider qualifications and ensuring services are necessary and appropriately billed.⁵ Budget cuts would diminish the resources needed for transparency and accountability, which would increase the risk of improper payments and undermine regulatory compliance intended to uphold nursing home quality.

Undermining Workforce Investment and Staffing Improvements

A well-trained long-term care workforce improves care quality, resident outcomes, and safety in nursing homes. Yet, despite this understanding, quality care at nursing homes is threatened by staffing shortages, recruitment challenges, and rising care demands—pressures that have worsened since the COVID-19 pandemic and are often preventable. Medicaid cuts would exacerbate these challenges by further reducing



⁴ Priya Chidambaram, Alice Burns, Tricia Neuman, and Robin Rudowitz, "5 Key Facts About Nursing Facilities and Medicaid," *KFF*, May 28, 2025, https://www.kff.org/medicaid/issue-brief/5-key-facts-about-nursing-facilities-and-medicaid/.

⁵ U.S. Government Accountability Office. Medicaid: Program Integrity Needs Continued Attention to Ensure State and Federal Oversight. GAO-23-106727, Jan. 2023. https://www.gao.gov/products/gao-23-106727.

⁶ Gandhi, Ashvin, et al. "High Nursing Staff Turnover in Nursing Homes Offers Important Quality Information." Health Affairs, vol. 40, no. 3, Mar. 2021, pp. 384–391. https://doi.org/10.1377/hlthaff.2020.00957.

staffing levels, increasing turnover, and making it more difficult to offer competitive wages, training, or career development opportunities⁷

Moreover, more than a third (36%) of direct care workers in nursing homes rely on Medicaid, and current estimates predict that 7.8 million people would become uninsured due to the proposed Medicaid cuts.^{8,9} These cuts would not only jeopardize access to healthcare for many nursing home staff—potentially resulting in untreated conditions, missed preventive care, or rising medical debt—but would also threaten their ability to provide quality care. The workforce could also experience increased stress, burnout, and attrition. Amid an ongoing long-term care workforce crisis, reductions in Medicaid funding would further destabilize the sector by exacerbating staffing shortages and endangering workers' health and well-being.

Reducing Access to HCBS Will Increase Nursing Home Placement

The Coalition also recognizes that cuts to Medicaid HCBS would directly impact nursing home quality by increasing demands on nursing home care due to premature and preventable nursing home placements. These cuts would erode the infrastructure necessary to support individuals aging in place. Recent analysis demonstrates that Medicaid beneficiaries who need nursing home levels of care and did not receive HCBC were five times more likely to be admitted to a nursing home than those who did receive services. ¹⁰ In the absence of funding for Medicaid HCBS, we are concerned there will be a surge in demand for nursing home care which would overwhelm already strained nursing homes, exacerbate staffing shortages, and reduce quality of care for residents.

The Moving Forward Coalition calls on Congress to build a more comprehensive, coordinated long-term care system. This should include robust public investment, a



⁷ Gandhi, Ashvin, et al. "High Nursing Staff Turnover in Nursing Homes Offers Important Quality Information." Health Affairs, vol. 40, no. 3, Mar. 2021, pp. 384–391. https://doi.org/10.1377/hlthaff.2020.00957.

⁸ PHI. Workforce Data Center: Public Assistance. PHI National,

^{2024,} https://www.phinational.org/policy-research/workforce-data-center/2024-states-public-assistance/

⁹ Congressional Budget Office. Estimated Effects on the Number of Uninsured People in 2034 Resulting From Policies Incorporated Within CBO's Baseline Projections and H.R. 1, the One Big Beautiful Bill Act. 4 June 2025, https://www.cbo.gov/publication/61463.

¹⁰ LeadingAge LTSS Center @ UMass Boston. The Impact of Home and Community-Based Services on Nursing Home Utilization and Medicaid Costs. University of Massachusetts Boston, 2025.

commitment to person-centered care models, and a well-trained, fairly compensated workforce. The strength of our long-term care system reflects our values as a nation. We urge you to stand with nursing home residents, staff, and families by rejecting any proposed cuts to Medicaid funding.

Sincerely,

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Alice Bonner, Chair, Moving Forward Nursing Home Quality Coalition

Steering Committee Member Organizations

A.G. Rhodes: Nursing Home Atlanta

American Association of Post-Acute Care

Nursing

American College of Health Care

Administrators

Caregivers for Compromise

Center for Innovation

Forest Hills of DC

LeadingAge

Lutheran Services in America

National Association of State Long-Term Care Ombudsman Programs

Open Doors

PHI

Post-Acute and Long-Term Care Medical Association

Service Employees International Union

The John A. Hartford Association

The National Consumer Voice for Quality

Long-Term Care

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