



April 1, 2025

The Honorable John Thune  
Majority Leader  
United States Senate  
511 Dirksen Senate Office Building  
Washington, DC 20515

The Honorable Mike Johnson  
Speaker  
United States House of Representatives  
568 Cannon House Office Building  
Washington DC, 20515

The Honorable Chuck Schumer  
Democratic Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Hakeem Jeffries  
Democratic Leader  
United House of Representatives  
2267 Rayburn House Office Building  
Washington, DC 20515

Dear Leader Thune, Speaker Johnson, Leader Schumer, and Leader Jeffries,

LeadingAge represents more than 5,400 nonprofit aging services providers and other mission-driven organizations serving older adults that touch millions of lives every day. Alongside our members and 36 partners in 41 states, we use advocacy, education, applied research, and community-building to make America a better place to grow old. Our membership encompasses the entire continuum of aging services, including skilled nursing, assisted living, memory care, affordable housing, retirement communities, adult day programs, community-based services, hospice, and home-based care.

We write to express great concern related to the proposed \$880 billion dollars in spending cuts assigned to the House Energy and Commerce Committee in the House passed budget resolution. The Energy and Commerce Committee cannot achieve that level of spending cuts without touching the Medicaid program. Our members across the continuum rely on Medicaid to care for older adults in their communities and to sustain their operations. We write to share examples from our communities. These are but a few of the many similar stories we have heard from our members during the past few months.

Medicaid sustains long term services and supports – there is no other option for to pay for these services. The jobs that are created to deliver Medicaid-funded services will be lost in the event of Medicaid financing changes.<sup>1</sup> The real world effect of what is being discussed – whether it is a work requirement, a change to the structure of health care taxes, or a change in the federal medical assistance percentage (FMAP) formula for any segment of the Medicaid population -is large holes to be filled in state budgets. The downstream impact of having to fill those holes will be cuts to essential services, benefit packages, and/or provider rates. Aside from raising state taxes or cutting non Medicaid budget items, there are no other steps that states can take. The end result is that the health and wellbeing of older adults around the country will be severely harmed.

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<sup>1</sup><https://ccf.georgetown.edu/2025/02/14/number-of-hospitals-and-nursing-facilities-and-related-employment-by-county-2023/>

In the words of our members:

- *At a Minnesota Adult Day Program, we currently 45 enroll individuals with 93% of them on Medicaid services. Any cut to Medicaid would be devastating. Some of them live with family. Cuts would take away the needed respite to not only allow family members to maintain their employment but also reduce caregiver burnout. With our individuals that live independently, this is their only source of safe engagement within their community, keeping them active and well. We have longstanding clients – some people have been coming to the Center over 10+ years. One member is 98 and another will be 102. Our program has helped keep them active and allowed them to remain in their community. Adult day services as a whole keep people living in their homes longer and with a higher quality of life. Taking these benefits from them will increase isolation, reduce physical wellness and force the need for higher level care, which will be far more costly.*
- *NM, an older adult in New Jersey, has attended an adult day program 5 days a week since October 2022. She lives in her own apartment and is connected with a case management organization. She has no family or friends who contact her. NM receives assistance with showers, laundering her clothing, support in the bathroom for incontinence, medication administration, and health monitoring. Prior to coming to adult day, NM was not taking her medication daily or managing her hygiene needs. She was not accepting support coming to her home. When NM had COVID and was unable to attend the program while sick, she returned to the program over a week later in the same clothing and incontinence products that she was assisted to put on during her last day of attendance prior to her illness. Without the support of adult day, this would be her reality daily. She has developed friendships, a social outlet, activity engagement, and access to a health and wellness program supporting her with her pain management. Without adult day, funded by Medicaid, she would require nursing home placement.*
- *The Pittsburgh Post Gazette recently cited one of our members talking about what would happen to nursing home residents if Medicaid were cut. “Many elderly nursing home residents turn to Medicaid because they have simply run out of money,” said Samantha Rapuk, executive director of St. John Community. “They’re fathers, they’re mothers, they were active in their communities,” she told the group on Monday. “But they outlived their resources.” Medicaid pays for care for 100 of the 140 skilled care patients at St. John’s, Ms. Rapuk said. The program’s low reimbursement levels means the center loses about \$30 a day per Medicaid patient — a shortfall that the complex must make up with revenue from services provided to private pay residents.<sup>2</sup>*
- *A New York nursing home organization is in a rural part of the state where overall Medicaid utilization for long term care is 70% and their own Medicaid utilization rate is between 69-79% across their three homes. The center that is 79% Medicaid has an operating margin of negative 12.7%. The leadership of this organization is trying to be as operationally efficient as possible – they have taken C-Suite level pay cuts and are trying to cut costs on things like blankets (switching to thinner ones) and less expensive food rather than close beds or*

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<sup>2</sup>[Medicaid cuts will have wide ranging fallout, attendees say at Butler conference | Pittsburgh Post-Gazette](#)

*reduce staff that is needed to maintain quality. These facilities are already hanging on by a thread; any cuts to Medicaid would force closure or reduction in available beds.<sup>3</sup>*

- *Two-thirds of older adults in the U.S. Department of Housing and Urban Development’s (HUD’s) Section 202 Supportive Housing for the Elderly program are enrolled in Medicaid. There are not nearly enough Medicaid assisted living beds to cover the needs of this population and cuts to Medicaid would exacerbate that problem immensely. Furthermore, Medicaid services allow older adult residents of HUD-assisted housing to age in community by receiving the healthcare supports they need to age independently and avoid nursing home care, which is much more costly to U.S. taxpayers than home- and community-based services. HUD-assisted older adults have more chronic health conditions than non-HUD-assisted older adults with the same incomes living in the same neighborhoods; the pairing of Medicaid and affordable housing allows hundreds of thousands of older adults to age in community.*

We ask that no changes be made to the federal financing component of the Medicaid program during reconciliation. Medicaid is efficient<sup>4</sup> and the only program that supports long term services and supports for older adults. Our providers that take Medicaid have already streamlined operations to the extent possible – the only options that will be left will be closure or to stop accepting Medicaid. This will leave huge gaps in care and services for older adults and ultimately, be more expensive to the health care system overall.

We are happy to discuss any potential proposals in more detail and describe the cascading impacts on the long-term services and supports landscape. Please reach out to Mollie Gurian, Vice President of Policy and Government Affairs, at [mgurian@leadingage.org](mailto:mgurian@leadingage.org) with any questions or to discuss further.

Sincerely,



Katie Smith Sloan  
President and CEO  
LeadingAge

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<sup>3</sup>Our state affiliate, LeadingAge New York, [has posted an interview with Capital Tonight Spectrum](#) which is a local news program in Albany. In this interview, there is discussion of the dire Medicaid funding situation in New York State currently and an interview with another of our members who had to close a campus in November due to insufficient Medicaid reimbursement.

<sup>4</sup>[Frequently Asked Questions About Medicaid | Center on Budget and Policy Priorities](#)