



December 3, 2025

The Honorable Rick Scott  
Chairman  
Senate Special Committee on Aging  
Washington, DC 20515

The Honorable Kirsten Gillibrand  
Ranking Member  
Senate Special Committee on Aging  
Washington, DC 20515

Subject: Statement for the Record: Aging in Place: The Impact of Community During the Holidays

Submitted Electronically via: [Hans\\_hansen@aging.senate.gov](mailto:Hans_hansen@aging.senate.gov)

Dear Chairman Scott and Ranking Member Gillibrand,

LeadingAge is pleased to offer the following statement for the record on the December 3, *Aging in Place: The Impact of Community During the Holidays*.

LeadingAge represents more than 5,400 nonprofit aging services providers and other mission-driven organizations that touch millions of lives every day. Alongside our members and 36 partners in 41 states, we use applied research, advocacy, education, and community-building to make America a better place to grow old. Our membership encompasses the continuum of services for people as they age, including those with disabilities. We bring together the most inventive minds in the field to lead and innovate solutions that support older adults wherever they call home.

In 2026, the oldest baby boomers will turn 80. The older population in 2030 is projected to be more than twice as large as in 2000, growing from 35 million to 73 million and representing 21% of the U.S. population.<sup>i</sup> Complicating the increasing numbers of older people are economic declines in the over-65 group. Many older adults face financial hardship while our social safety net is not keeping up and, in many ways, is being cut back.

Fundamentally, 2025 brought huge changes to the Medicaid program, which is the backbone of our nation's long-term care system and the only payer that funds older adults to remain in their communities with long-term services and supports. In 2022, Medicaid financed over \$415 billion dollars of LTSS services, most of which went to home- and community-based services (HCBS). This is 61% of total U.S. LTSS spending. Medicaid is the primary payer for over 60% of nursing home stays. It is estimated that the changes from H.R. 1 will cut over \$900 billion over the next 10 years from the Medicaid program (14% of the program's overall budget). The amount of these cuts will vary by state with a potential range of spending cuts from 4% to 20%. These fundamental shifts in Medicaid funding will impact the ability of older adults to remain in their communities. We urge the Committee to advance proposals that ensure the services and supports necessary for aging in community are available to people by investing in housing, services, local neighborhoods, and communities themselves.

Medicare does not cover ongoing LTSS needs. Medicaid finances some LTSS for people who have very limited incomes and assets, and for those whose health and LTSS expenditures drive them into poverty. Individuals at the top of the income spectrum may be able to self-finance care. Others have few options to meet their LTSS needs.

We urge the Committee to support proposals that explore multiple financing mechanisms – both expanding Medicare to cover long-term care services and providing options outside of the Medicare program. For example, there is bipartisan support to invest in options that support family caregivers and The Well-Being Insurance for Seniors to be at Home (WISH) Act was reintroduced in the House this year with bipartisan support. Meanwhile, states are discussing LTSS financing proposals of their own.

While most people prefer to remain in place, at least until they need extensive supports, few reform proposals to date have considered that many people with low incomes have no real options to receive extensive services in any place other than a nursing home. Those that do are threatened by the forthcoming cuts to Medicaid and face a severe shortage of affordable housing in which to receive those services.

To receive home- and community-based services, individuals must have a home. Any viable system to ensure aging in community is possible must include resources to expand the supply of affordable housing for older adults with low incomes. Today's affordable housing programs are so small that they only meet about 30% of the need. Proposals must also ensure that people that do have housing can receive services that help them remain in the community, that help older adults navigate to different care settings and services as their needs change.

In this statement, we highlight the importance of affordable housing and community-based services that often receive less attention in conversations about aging in place as well as home-based care.

### **The Importance of Stable, Affordable Housing for Older Adults**

Older adult homelessness is the fastest-growing type of homelessness in America, and as a country, we need housing solutions that support older adults as they age in community. In addition, stable, accessible housing is a foundational determinant of health for older adults and a prerequisite for the effective delivery of community-based services. Federal housing programs such as the Department of Housing and Urban Development (HUD) Section 202 Supportive Housing for the Elderly, Housing Choice Vouchers, and project-based rental assistance play an essential role in ensuring that low-income older adults can remain safely housed as their functional needs change. Without affordable housing that can accommodate changes in functional needs, many older adults face premature and avoidable transitions to higher-cost settings or experience health and safety risks that exacerbate chronic conditions. Housing stability also enables the efficient delivery of community-based supports, including home-delivered meals, personal care, and access to adult day services and PACE programs.

Strengthening and expanding federal housing subsidies and supporting service coordination within federally assisted housing can help address the homelessness crisis and significantly enhance older adults' ability to age in community while reducing system-wide costs.

We urge the Committee to support investment and expansion of proven affordable housing supply solutions coupled with services and scalability to promote housing stability and aging in community. To ensure ongoing access to community-based services, expanding access to affordable housing access and maintaining our current affordable housing supply are paramount.

## **Adult Day Services**

Adult day programs provide structured supervision, social engagement, cognitive stimulation, and health monitoring throughout the day. They also offer affordable, high-impact support for family caregivers by providing respite, regular schedules, and peace of mind that loved ones are safe and engaged. Attendance at adult day programs allows family caregivers to maintain employment and the household, while providing much needed social and cognitive stimulation to attendees.

Adult day services have been shown to reduce social isolation, support functional maintenance, and help prevent avoidable emergency department visits and hospitalizations. These supports delay the need for more intensive care and services and provide community and purpose for attendees. High quality providers tailor activities, community service, and purpose for attendees through person-centered care planning. Our members report that on average 80-90% of their attendees are experiencing moderate dementia. Staff are trained to provide compassionate and dutiful care to participants with various stages of dementia. Training focuses on communication and de-escalation of behaviors if participants become agitated. During the holidays, when caregivers may be pulled in multiple directions, adult day services can be a critical stabilizing force for both older adults and their families.

Payment rates for adult day services varies significantly by payer and is typically offered by state Medicaid programs under optional waivers as well as by Veteran's Affairs and Older Americans Act (OAA) programs and private pay. States set their program rates for Medicaid, while other payers like OAA or private pay rates are negotiated via contracts. Medicare does not cover adult day services except as an option for respite care in Guiding an Improved Dementia Experience (GUIDE) model being tested by the Center for Medicare and Medicaid Innovation (CMMI) and a limited number of Medicare Advantage plans offer adult day as a supplemental benefit. Many providers cobble together funding from philanthropic organizations or counties to support their missions and provide a community service to locals in need. Adult day centers often struggle to remain viable and to gain recognition for their contribution to keeping older adults in community and any proposal to promote aging in community should include adult day as a part of the solution.

## **Program of All-Inclusive Care for the Elderly (PACE)**

PACE is a comprehensive, interdisciplinary model of care that integrates medical services, LTSS, transportation, rehabilitative therapies, and social supports. It is designed for individuals residing in the community that also meet a clinical threshold for program eligibility. PACE organizations coordinate services through interdisciplinary care teams and day centers that provide stability to participants and staff visibility of participants to monitor health, well-being, and unmet needs. The model blends clinical care, personal support, and social engagement within one care plan illustrates the value of holistic community-based approaches.

Because of the PACE program's role as the care coordinator, provider, and payer, data on participant wellbeing and interventions is integrated which allows for truly individualized care planning and interventions. PACE services are funded as a blend of Medicare and Medicaid payment, where long-term care interventions typically funded by Medicaid offset acute care costs that would be incurred by Medicare. The financial incentives for PACE programs to provide wrap around services to keep participants safe demonstrate how fully integrated programs can be built to promote participant wellness and satisfaction.

There are many barriers that limit PACE growth and access to communities across the country – Congressional action to alleviate these barriers would help to expand this popular, community-based program. For example, PACE programs are limited to enrollment of new participants on the first day of each

month, though individuals' needs don't adhere to calendars. Therefore, when new participants are finally enrolled, many times the delay in accessing services results in expensive early months, as PACE providers stabilize neglected chronic conditions. Additionally, PACE programs are limited in the numbers of applications for expansion that a program can have pending with the Centers for Medicare and Medicaid Services – so those programs that are successful at the model are limited in their ability to expand. As programs consider ways to serve populations in rural areas, they are burdened by physical plant requirements such as available bathrooms or square footage transportation, network requirements to include providers that do not exist in these areas and who do not align with participant needs, and others. The comprehensive and integrated nature of PACE programs would benefit scores of rural and frontier areas, though those populations will continue to miss the opportunity if Congress and CMS do not consider new ways to provide flexibility for PACE programs.

### **Transportation Challenges for Older Adults**

Reliable transportation is a critical component of aging in the community, particularly for older adults who no longer drive and those living with cognitive impairments such as dementia. When transportation is unavailable or inconsistent, older adults face heightened risks of social isolation, food insecurity, missed medical appointments, and avoidable emergency care. Challenges are especially acute in rural areas, where long distances, limited public transit options, and workforce shortages constrain access to essential services. While many communities draw on a patchwork of supports including volunteer driver programs, paratransit, PACE transportation, faith-based networks, and Area Agency on Aging services, these resources are often insufficient to meet growing demand. Current healthcare payer arrangements, including Medicare's focus on medically-necessary and episodic services, rarely cover transportation for social needs or ongoing long-term supports. Medicaid scheduling and reimbursement for transportation remains spotty and unreliable. As a result, older adults frequently experience gaps that undermine continuity of care and contribute to preventable health decline.

Many of our mission-driven members have invested extensive time, energy, and capital in vehicles to transport adult day, PACE, and affordable housing participants to medical appointments and other services vital for their health and community engagement. Funding to acquire vehicles and associated liability insurance burden providers with significant costs. Grants from government sources and donations from local philanthropy are the most common sources of funding for modified vehicles appropriate for our community-based services provider members serving older adults using assistive mobility devices and wheel chairs. Congress should expand funding and incentives to invest in a stronger transportation infrastructure across payers and jurisdictions to ensure older adults can fully participate in community life and access the care and support they need.

### **Home Based Care**

While LeadingAge is pleased to underscore the value of community-based care, care in the home is a critical component of aging in community. Personal care services such as assistance with bathing and dressing are not covered by the Medicare program – and, as detailed above, a funding mechanism whether through Medicare or through a new financing mechanism is essential to support widespread aging in community. Skilled home health under the Medicare program has sustained years of decreased reimbursement making it more challenging for patients to access this critical service as providers have had to cut back on service, close, or delay admissions. We support reforms to create a more sustainable home health benefit that should consider how to better fund the availability of aide services. Aide services are covered in Medicare home health, but the current payment system does not allow providers to offer the services sustainably. The Medicare hospice benefit is also an important service that allows dignified and supported end of life care when done right. LeadingAge supports changes to the hospice benefit that would expand access through

payment for home respite in hospice, expanded inpatient hospice options, and payment for therapies like palliative radiation, dialysis, blood transfusions, and others that would make it easier for people to elect hospice timely.

### **Improve Information Sharing Across Payers**

Community-based interventions like home care, adult day, and home maker services keep people stable and healthy in their communities. Accessible and usable communication across provider types from primary care, hospital, community-based provider, and caregiver do not exist. Multiple platforms and software solutions try to bridge the chasm, but communication and information analysis takes time. Taking a holistic approach to person-centered care would bring privacy-protected information sharing across provider types allowing family caregivers to schedule care and services, in the same location physicians can review upcoming appointments and prescriptions for interactions.

Federal support for health information exchanges and commitments to funding for small and community-based organizations is key to assuring the entire healthcare ecosystem is connected and informed. Understanding key interactions and interventions will allow better informed policy decisions and predictive analysis of interventions that prevent acute episodes. Aging services providers never received any meaningful use dollars and need financial support to ensure that they are able to offer technology-enabled care that will support aging in community in the future.

### **Policy Considerations to Strengthen Community-Based Aging Supports**

As an organization that represents stakeholders across the payer and services continuum, we recognize that no single payer or care model can meet all aging-related needs. Instead, progress will require cross-payer alignment, multi-sector collaboration, and flexible approaches that allow communities to build the infrastructure older adults require.

*We respectfully offer the following considerations:*

1. **Strengthen the home- and community-based services (HCBS) foundation across states and payers.**  
Increased federal–state collaboration, stable funding streams, and streamlined access pathways are essential to ensuring older adults can receive the right supports at the right time. Stabilization of these partnerships is more important now than ever, with enactment of H.R.1 reducing Medicaid program capacity in nearly all states.
2. **Expand access to quality community programs such as adult day services and PACE.**  
Policymakers should consider opportunities to reduce barriers to these programs and ensure sustainable, adequate reimbursement that allows providers to meet rising demand. Elimination of burdensome PACE regulations at the federal level along with congressional support for regulatory flexibility in the service of rural areas would improve access to many new rural populations across the country. Additional federal oversight from Veterans Affairs of the community care program to ensure that Optum and Tri-West understand adult day services and are accurately assessing network adequacy and veterans’ abilities to access adult day programs.
3. **Address Affordable Housing Supply Needs.**  
Expand the supply of affordable and accessible senior housing while preserving and positioning the existing U.S. affordable senior housing portfolio for long-term affordability and resilience.
4. **Promote integration of health and social supports across all payers.**  
Integrated and coordinated approaches—whether through PACE, managed care, value-based models, or community-led networks—are critical to addressing whole-person needs without prescribing a single pathway. Integration requires commitments of time, energy and financial investment to coordinate information sharing and promote integration among disparate

organizations governed by distinct regulatory frameworks- particularly relating to data and information sharing and privacy.

**5. Support the aging services workforce.**

Workforce shortages across all settings remain a primary barrier to access. Federal action to strengthen recruitment, training, and retention for direct care workers and community-based staff from both domestic and foreign-born pipelines is essential. Community-based programs like adult day and PACE help relieve stress on local healthcare workforces. When attendees at day programs receive services in group settings, staff are able to efficiently provide care and services to multiple individuals without workforce travel time. These settings create economies of scale, where instead of 1:1 care in the home, one staffer can support six or eight participants over the course of a day. We need more staff across our continuum of services and the resources necessary to ensure jobs in aging services are well-compensated, offer career ladders and lattices, and are well respected.

**6. Address social isolation and caregiver strain as core health issues.**

Evidence-based interventions such as respite services, transportation, social engagement programs, and caregiver supports should be elevated as foundational policy elements of healthy aging. Transportation is a tremendous barrier for older adults and is not covered by traditional health insurance or Medicare. Solutions that provide scheduled transportation to doctor appointments and social programs, particularly in rural areas where ride shares and other public transportation is not an option, will bolster older adult health. Systems reforms that recognize older adults' needs as societal needs will reduce costs and increase availability, improving the healthcare delivery system, long-term services and supports, and accessible infrastructure for all people.

## **Conclusion**

We appreciate the attention of the Chair, Ranking Member, and members of the Committee to older adults' use of the full continuum of services as they age. The need for stable housing and supportive services keeps people in their communities and ensures they can thrive, live, or experience their final wishes in their homes or communities. LeadingAge supports the work of the Committee and is a trusted resource as members have questions about aging services. Questions can be directed to Mollie Gurian at [mgurian@leadingage.org](mailto:mgurian@leadingage.org).

Thank you.

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<sup>i</sup> [Older Americans 2020: Key Indicators of Well-Being \(agingstats.gov\)](https://www.agingstats.gov/)