Nursing Home Weekly Recap

January 30, 2026

Nursing Home Network Call: Tuesday, February 24, 2 p.m. ET. Join our monthly Nursing Home Network call on Tuesday, February 24 at 2 p.m. ET. We will review the latest nursing home updates, followed by time for feedback and discussion among members. The Nursing Home Network meets on the last Tuesday of each month and is open to all LeadingAge provider members. Register for the Network here using your LeadingAge login.

National Policy Pulse Call. Join over 1,000 of your LeadingAge peers for our National Policy Pulse calls where we keep members equipped to navigate the ever-evolving landscape of aging services national policy. The calls are Mondays at 3:30 p.m. ET. If you're interested in signing up for these members-only calls, please sign up using the link on our National Policy Pulse webpage.

Senate Reportedly Reaches a Deal to Split Appropriations Package into Two Votes. As reported last week, on January 22, the House passed the remainder of this year's appropriations bills. Two votes occurred on January 22 — one that included funding for the Departments of Defense, Labor, Health and Human Services (HHS), Education, Labor, Transportation, and Housing and Urban Development (HUD). This package passed the House by a vote of 341-88 and a separate vote on the funding for the Department of Homeland Security (DHS) which passed the House by a much narrower margin of 220-207. The package was passed on to the Senate, which was set to vote on the entire package as one; however, tensions over DHS funding significantly threatened the likelihood of the package being passed.

To avoid another federal government shutdown, on January 29 the Senate reached a deal, blessed by the White House, to split the Fiscal Year (FY) 26 appropriations package votes into two separate votes. One would be a continuing resolution that would fund DHS for two weeks while negotiations continue around guardrails for Immigration and Customs Enforcement (ICE). The other vote would be on the remaining five appropriations bills as one package — including the funding for HHS, HUD, and several health extenders, among others. This vote in the Senate could occur as soon as Friday, January 30. The House is not due back until Monday, February 2, so there would be a short shutdown, but if the House seems set for passage on Monday, the Office of Management and Budget (OMB) might not trigger shutdown procedures. LeadingAge will continue to monitor progress on FY2026 appropriations.

Reviewing Agency Contingency Plans as Lapse in Appropriations Looms. As the January 30 funding deadline for Fiscal Year (FY) 2026 appropriations nears, LeadingAge is monitoring federal agency activities and potential impact on providers by care settings and community types, as well as funding for certain programs impacting aging services, to help members navigate a government shutdown, should one come to pass. Read here for an overview of agency lapse plans, what providers can expect, by specific care settings and community types, and funding of some programs.

Nursing Home Care Compare Refresh POSTPONED. The Nursing Home Care Compare January quarterly refresh has been delayed until February 5, 2026 due to a data issue. Originally set for January 28, the quarterly refresh includes updates to the overall Five-Star Rating and the health inspection, staffing, and quality measure domains. The Centers for Medicare and Medicaid Services (CMS) are working to correct

the issue. Unfortunately, an **impending potential lapse in appropriations** could cause further delays to these anticipated updates. LeadingAge will continue to monitor this situation and share updates as they become available.

CMS Updates Special Focus Facilities Program. Building off of program revisions originally released in October 2022, the Centers for Medicare & Medicaid Services (CMS) announced updates to the nursing home Special Focus Facility (SFF) program on January 28. Updates include new recommendations for state survey agencies to consider the prevalence of falls when selecting a nursing home from the SFF candidate list and clarification that standard health inspections will be completed in SFFs at least once every six months (no less than twice annually), while Life Safety Code and Emergency Preparedness surveys will be conducted at least annually. CMS further announced that selection for the SFF candidate list will now be based on the past two standard health inspections rather than the past three standard surveys. This change is consistent with the June 2025 adjustment to the health inspection domain rating on Nursing Home Care Compare in which the third survey cycle was dropped from Five Star Quality Rating System calculations. These changes come amid scrutiny of the Special Focus Facility program by the Department of Health & Human Services' Office of Inspector General (OIG) that recently released reports on outcomes of SFFs as well as falls in nursing homes.

CMS Seeks Ideas for Strengthening Domestic Supply Chain for PPE, Essential Medicines. The Centers for Medicare & Medicaid Services (CMS) announced an Advance Notice of Public Rulemaking and is seeking public input on potential approaches for improving the American-made supply chain of personal protective equipment (PPE) and essential medicines with a goal of reducing reliance on foreign made medical supplies. For full details on the request and how to submit comments click here. publication in the Federal Register, which is expected to occur on January 29, 2026.

LeadingAge Offers Wide-ranging Comments on CY27 MA Proposed Rule and Related RFIs. On Monday, January 26, LeadingAge submitted a 20-page comment letter to the Centers for Medicare & Medicaid Services (CMS) in response to its Calendar Year (CY) 2027 proposed Medicare Advantage (MA) policy and technical rule. The proposed rule contained numerous requests for information including ideas for the future of MA. In the letter, we reiterated many previous comments about how the MA program could be improved and also offered new suggestions in response to CMS's interest in rethinking the MA Star Rating system including the bonus payment and quality measures. In addition, we weighed in on concerns CMS expressed about the fact that institutional and chronic condition special needs plans (I-SNPs and C-SNPs) are enrolling high proportions of dual eligibles and the fact that these plans are not currently integrated with Medicaid. To read our full letter and recommendations, click here.

CMS Announces Proposed Average CY27 MA Rate Increase of 0.09%. In a late day announcement, the Center for Medicare and Medicaid Services (CMS) released its 2027 Medicare Advantage (MA) and Part D Advance Notice, which outlines proposed MA annual payment rate adjustments and corresponding payment policies. This year, CMS proposed rate increase is expected to increase MA plan rates by 0.09%, or 2.45% when adjusting for estimated Part C risk score trends. CMS also outlined three principles that it will use in improving risk adjustment for 2027 and beyond: 1) simplicity to reduce provider and plan administrative burden; 2) facilitating competition among all types of plans regardless of size or available resources; 3) ensuring payments accurately reflect beneficiary health risk and facilitate efficient use of health care resources, enhanced integrity and greater accountability. Principal Deputy Director of the Center for Medicare at CMS noted that CMS will now use 2023 diagnoses and 2024 expenditures in calculating risk

adjustment and specifically called out a policy change that will now exclude diagnoses derived from audio-only encounters and those from chart reviews that are not tied to a provider encounter from being used in risk score calculations for Calendar Year (CY) 2027 and beyond. This change could drive down the per member per month rates plans receive but these practices of "upcoming" via unlinked chart reviews has been an ongoing concern of policymakers for some time. The CMS fact sheet on the Advance Notice also states that CMS will continue its work to transition PACE organizations from the Risk Adjustment Processing System (RAPs) to the encounter data system (EDS) to align PACE payments more closely with the MA system. LeadingAge will review the full details of the Advance Notice to confirm there are no changes to the previously outlined transition timeline.

CDC Provides New "Up to Date" Definition for COVID Vaccination. The Centers for Disease Control & Prevention (CDC) has provided a new definition of what constitutes "up to date" with COVID vaccination. The previous definition expired at the end of Calendar Year 2025 Quarter 3 reporting period on September 28. At that time, CDC had not yet endorsed COVID vaccine recommendations for the 2025/2026 respiratory virus season. Vaccine recommendations were endorsed in early October but CDC was unable to update the reporting definition and had been advising providers to report "in the way that [was] most meaningful" to them. This directive meant that data involving classification of vaccination status of nursing home residents and healthcare personnel reported from September 29 going forward could not be standardized and was essentially meaningless. LeadingAge addressed this issue with both CDC and the Centers for Medicare & Medicaid Services (CMS) and a new definition has now been provided. Effective for the reporting period that began on December 29, 2025, individuals aged 65 years and older are considered "up to date" with COVID vaccination if they have received two doses of the 2025/2026 vaccine or at least one dose in the past six months. Individuals under the age of 65 are considered up to date if they have received one dose of the 2025/2026 COVID vaccine. This definition will remain in effect through the end of the reporting period, March 29, 2026 and CDC reminds providers that they can go back to update data that was reported during this period prior to the release of the new definition. It is unclear at this time if CDC will continue this definition for subsequent reporting periods or if a new definition will be provided for the reporting period that begins March 30. LeadingAge will continue discussions with CDC and CMS on this matter.

CMS Posts Final Healthcare Tax Rule. On January 29, the Centers for Medicare and Medicaid Services CMS) posted the Medicaid Program; Preserving Medicaid Funding for Vulnerable Populations- Closing a Health Care-Related Tax Loophole Final Rule to the Federal Register. This rule codifies concepts initially introduced in the May 15, 2024 proposed rule under the same name, then enacted into the federal statute with passage of the Working Families Tax Cut Law (WFTCL), also known as HR1 or the One Big Beautiful Bill. The rule is being finalized with meaningfully similar intent to the proposed rule which is to limit states' abilities to use waivers of uniformity or broad basedness to unduly burden the Medicaid program. From the inception of provider taxes, their purpose was to be 'generally redistributive' to state Medicaid programs, meaning the burden of the tax falls on a broad scope of providers or services, not only those in or participating in Medicaid. In the final rule, CMS takes additional steps in the definitions section to outline instances of taxes that do not meet generally redistributive principles. CMS added two nursing facility taxes to its analysis of non-compliance, but provided no other information in the body in the rule. LeadingAge is working to get more information about this and will report out when we know more. Additionally, the rule finalizes slightly more generous timelines for state compliance efforts on taxes currently presumed out of compliance than was offered in their November 14th "Dear Colleague

letter." The earliest compliance date is now January 1, 2027 for taxes on managed care organizations with waivers approved within the last 2 years. Other taxes see slightly longer runways. The effective date of the rule is April 3, 2026. LeadingAge will continue to review the rule and provide more comprehensive analysis in the coming days. The rule is available for review here.

Technology Companies Vow No and Low-Cost Medicaid IT Updates for States. On January 29, the Centers for Medicare and Medicaid Services (CMS) announced information from ten technology companies that have existing contracts with state Medicaid agencies for eligibility and enrollment (E&E) IT systems. These companies have promised more than $600 million in no-cost or reduced cost services to support states in making IT updates to comply with community engagement requirements in HR1. participating companies include Accenture, Acentra Health, Conduent, GDIT, Deloitte, Gainwell, Maximus, Curam by Merative, Optum, and RedMane. CMS is taking additional steps to support states in procuring additional IT solutions to support outreach, community-based referral coordination, and data sharing by partnering with the federal General Services Administration to limit barriers that have historically slowed state procurement and contracting. More information on how CMS and private industry are supporting states is available in the CMS press release.