

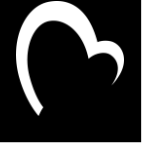
PARCR/LeadingAge PA Legislative Update

April 8th, 2026

LeadingAge[®] PA

WHAT'S AHEAD IN AGING SERVICES





2025-2026 Priorities

Three Big Buckets:

- **MITIGATE the Workforce Crisis**
 - State Staffing Ratios
 - Workforce Package
- **INVEST in the Aging Services Ecosystem**
 - BAF and AWOP floors
 - Increasing PHARE fund cap
- **REMOVE BARRIERS to Accessing Quality Care**
 - MA Application Delays
 - Increase LIFE Awareness and Enrollment

2025-2026
POLICY PRIORITIES



A Blueprint for Ensuring **PA Seniors** Have Access to **Quality Aging Services & Supports:**

- ✓ **MITIGATE** the Workforce Crisis
- ✓ **INVEST** in the Aging Services Ecosystem
- ✓ **REMOVE BARRIERS** to Accessing Quality Care

MITIGATE THE WORKFORCE CRISIS

- Mitigate the impact of staffing mandates and any other regulatory barriers or enforcement practices which further exacerbate the effects of the existing workforce crisis by fighting for regulatory change and appropriate flexibility.
- Support efforts that will help build a robust direct care workforce infrastructure by, among other things:
 - Reforming the nurse aide training program by, for example, allowing LPN and RN nursing students to immediately take the nurse aide exam upon completing relevant coursework and reducing the waiting time for approval of nurse aide training programs.
 - Continuing to monitor and address capacity and operational issues with the nurse aide credentialing system.
 - Providing a pathway for those interested in working as a direct care staff person in a personal care home or assisted living residence by providing for a skills competency exam in lieu of having a high school diploma or GED.
 - Expanding opportunities for high school students to gain exposure to and ignite a passion for aging services.
- Amend Act 128 of 2022 to clarify and expand provisions to guard against predatory pricing practices of temporary staffing agencies.
- Leverage state resources and identify opportunities to push for state support of various LeadingAge PA and other initiatives that will support growth of the workforce (e.g., LeadingAge PA's "Careers to Love," a statewide public awareness campaign, etc.).

GOVERNMENT AFFAIRS TEAM

Chuck Quinnan
Sr. VP & Chief Gov. Affairs Officer
cqinnan@leadingagepa.org

Austin Cawley
Director, Legislative Affairs
acawley@leadingagepa.org

Anna Warheit
Director, Regulatory Affairs
awarheit@leadingagepa.org

Emily Kendall-Brown
Manager, Housing & Data Analytics
ekendallbrown@leadingagepa.org





Budget Adjustment Factor (BAF)

- An outdated budget tool that reduces Medicaid nursing home providers' calculated rates by the percentage necessary to keep state expenditures within the available budget allocation.

20%



CASE-MIX RATE AT 100%



BAF-ADJUSTED RATE



• Providers are losing an additional \$63/day solely due to the BAF, based on data for Quarter 1 2026, weighted quarterly average rate at 100%.



Our Budget Ask

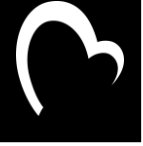
Our advocacy strategy this year is focused on securing Medicaid rate increases and systemic changes that would protect against future erosion of rates relevant to costs for Nursing Homes and LIFE:

- **NURSING HOMES:**



We are requesting approximately **\$274 million in state funding (annualized)** for nursing homes to establish a **Budget Adjustment Factor (BAF) minimum floor of 0.84.**

- Other areas of focus include:
 - **State staffing ratio relief**
 - Consolidation of (and potential investment in) **Quality Investment Programs (QIPs)**
 - Increasing **Medicaid Day One Incentive (MDOI) funds**
 - **70% Accountability Penalty Reform/Repeal**
 - Codification of **Minimum Payment Rate language for CHC and Physical HealthChoices**





Workforce Initiatives

- [SB 114](#) – makes various reforms to nurse aide training requirements, including allowing student and graduate nurses to immediately take the CNA exam upon completion of relevant coursework within their nursing program. (passed the Senate and awaits consideration by the House Prof. Licensure Cmte.) 
- [SB 115](#) – allows applicants seeking employment in a personal care home or assisted living residence to take a skills competency exam in lieu of having a high school diploma or GED. (passed the Senate and awaits consideration by the House Human Srvs. Cmte.) 
- [SB 116](#) – allows high school juniors and seniors to earn up to two credits toward their graduation requirement for employment (either paid or volunteer basis) in aging services. (passed the Senate and awaits consideration by the House Edu. Cmte.)

MA (Medical Assistance) Pending

Three pieces to draft Senate bill

- Reporting to the legislature on application processing.
- Establishing specific timelines for the CAOs to respond to providers to avoid delays before they go to appeal.
 - Providers would receive the state portion of the MA rate toward the care provided if an MA application has been pending at least 60 days due to a determination not being made, or if the application was denied and a subsequent appeal was submitted and received.
- Claw back provision: If the application receives a final *denial* determination, payments received up to day 120 would be returned to the state once the final determination is made. Provider would still keep any payment for days 121+.
- Transparency and accountability
 - Uncompensated Care Payment
 - Adjusting provider case-mix picture date and including pending resident in Medicaid census.

LeadingAge PA is working with Senator Judy Ward on the introduction in the Senate and Dr. Arvind Venkat in the House.



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