

OC/Long Beach Rap Session

April 16, 2025



YEAR ANNIVERSARY



The State of the State: LTC Sector

Cassie Dunham
CAHF CEO/President

What's Happening & What's Ahead

- Current State
- CAHF 2025-2028 Strategic Plan
- AHCA Strategic Plan
- A Better Way
- Medi-Cal Funding & Rate Deal
- Managed Care
- Workforce
- Regulation
- Legislation and Politics



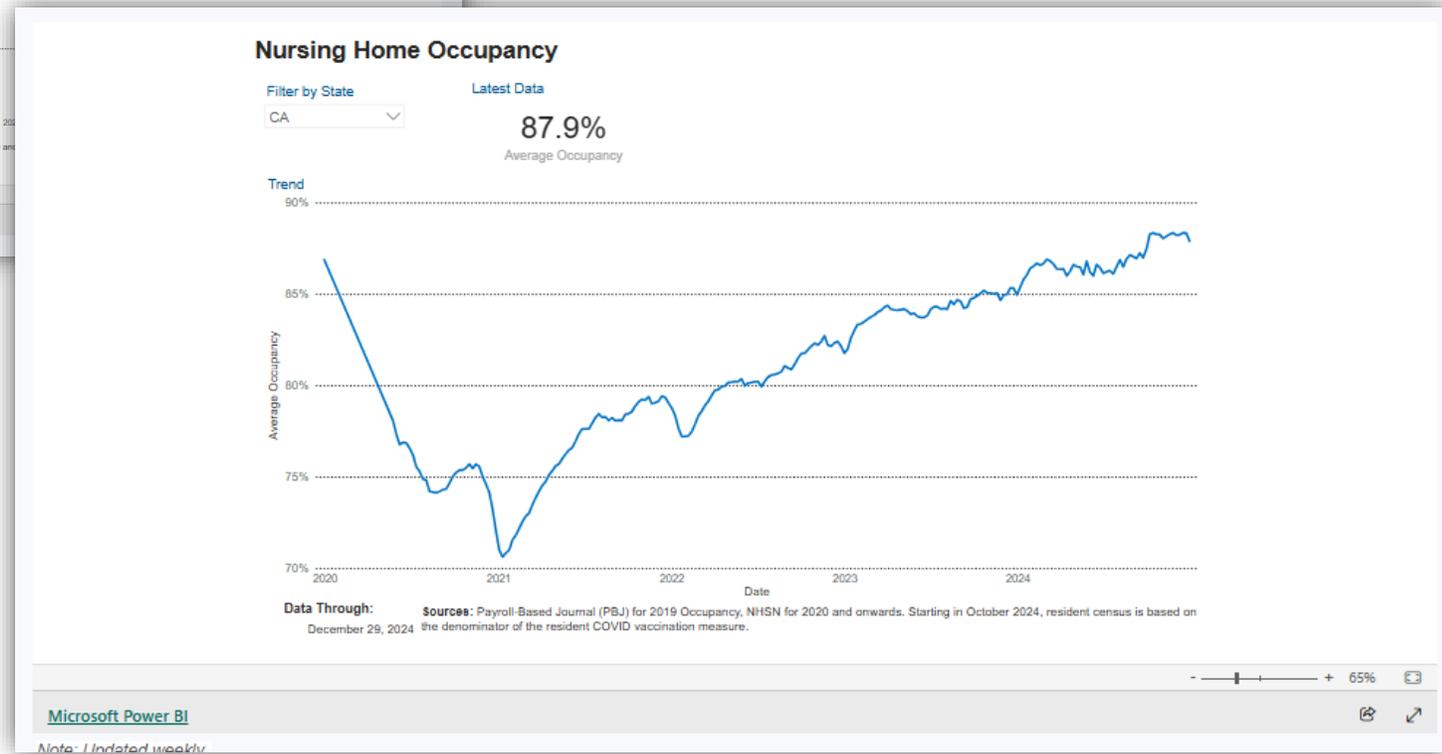
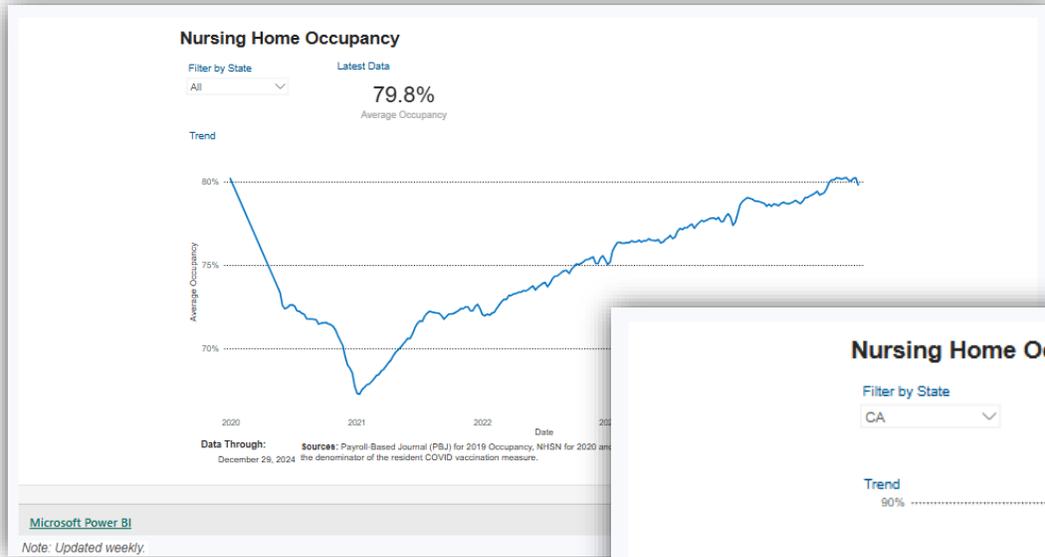
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Current State: Census

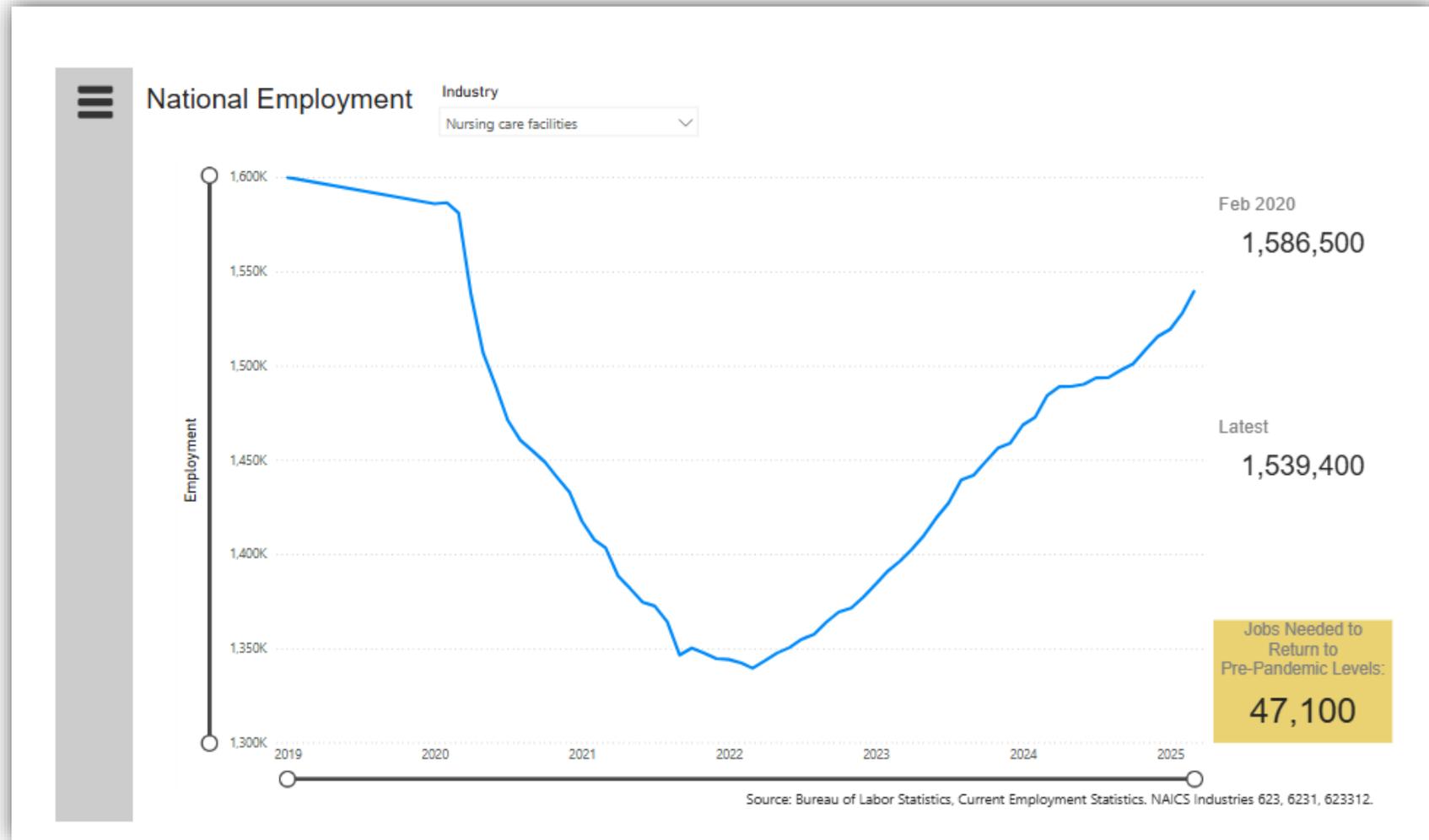
Nation: 79.8%

California: 87.9%



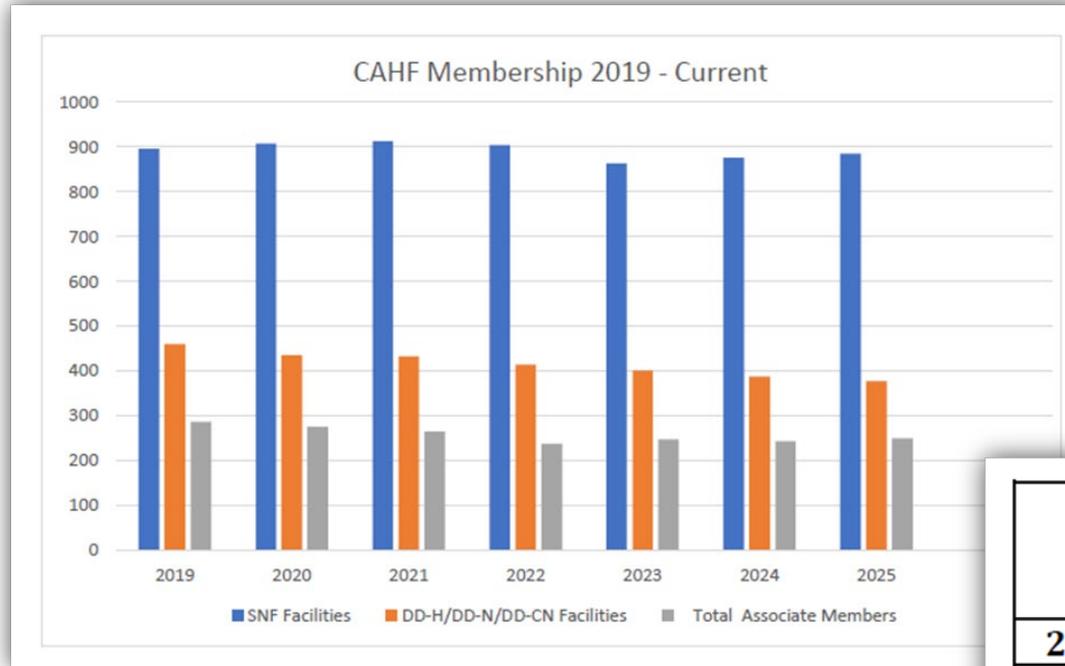
<https://www.ahcancal.org/Data-and-Research/facts/Pages/default.aspx>

Current State: Nursing Home Staffing



<https://www.ahcancal.org/Data-and-Research/facts/Pages/default.aspx#occupancy>

Current State: Membership



	Skilled Nursing	ICF DD-H/ DD-N, DD-CN	Total Associate Members
2019	896	461	287
2020	908	436	276
2021	913	433	265
2022	905	415	238
2023	864	402	248
2024	876	388	244
2025	885	378	251

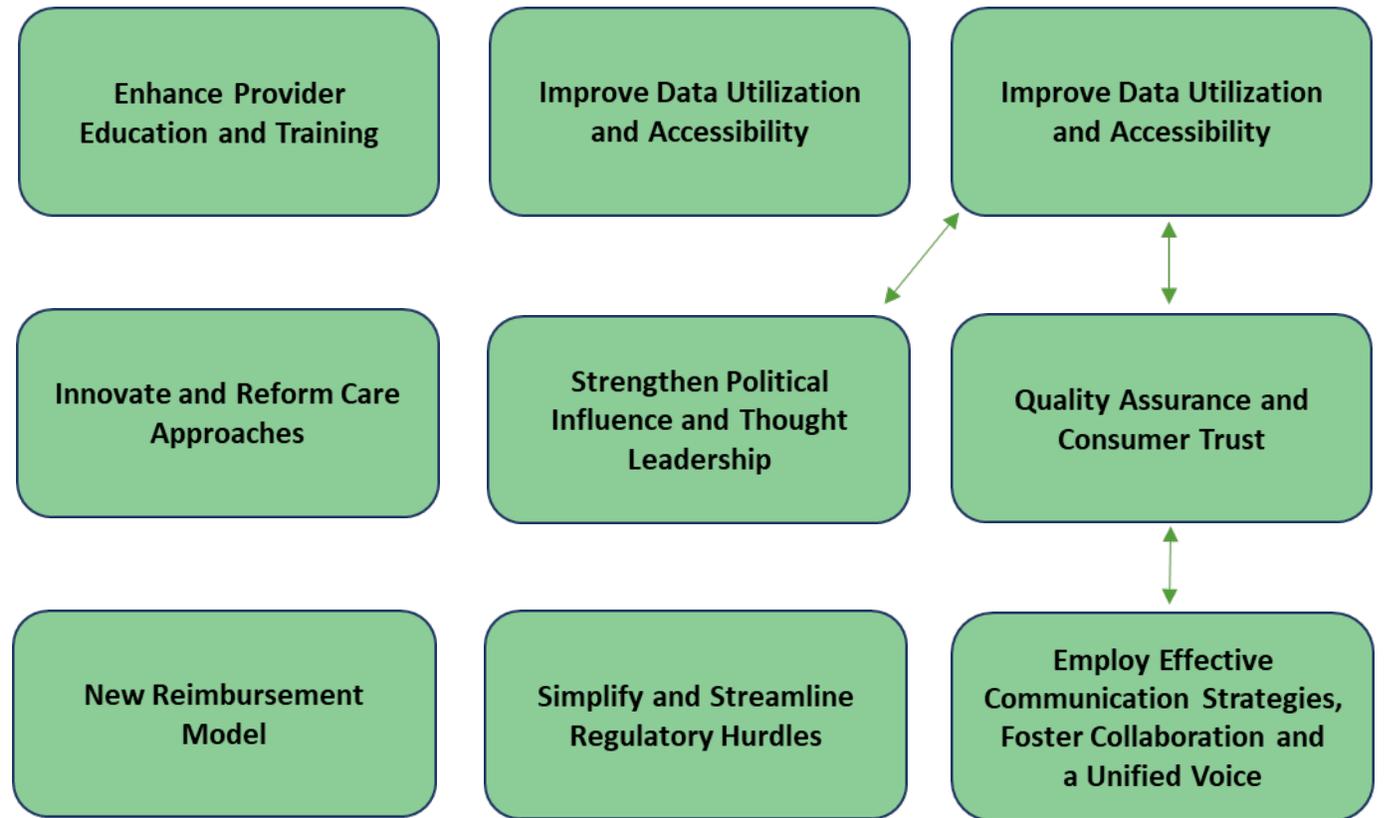


Reconciliation & CMS Updates

- Senate and House reconciliation
 - [FFY 2026-2034](#)
 - Spending cuts still a reality
 - Provider Tax & MCO Tax at risk
 - Targeting Fraud & Abuse
 - Details on specific cuts to come
- Favorable court decision on CMS Staffing Mandate
- Dr. Oz confirmation



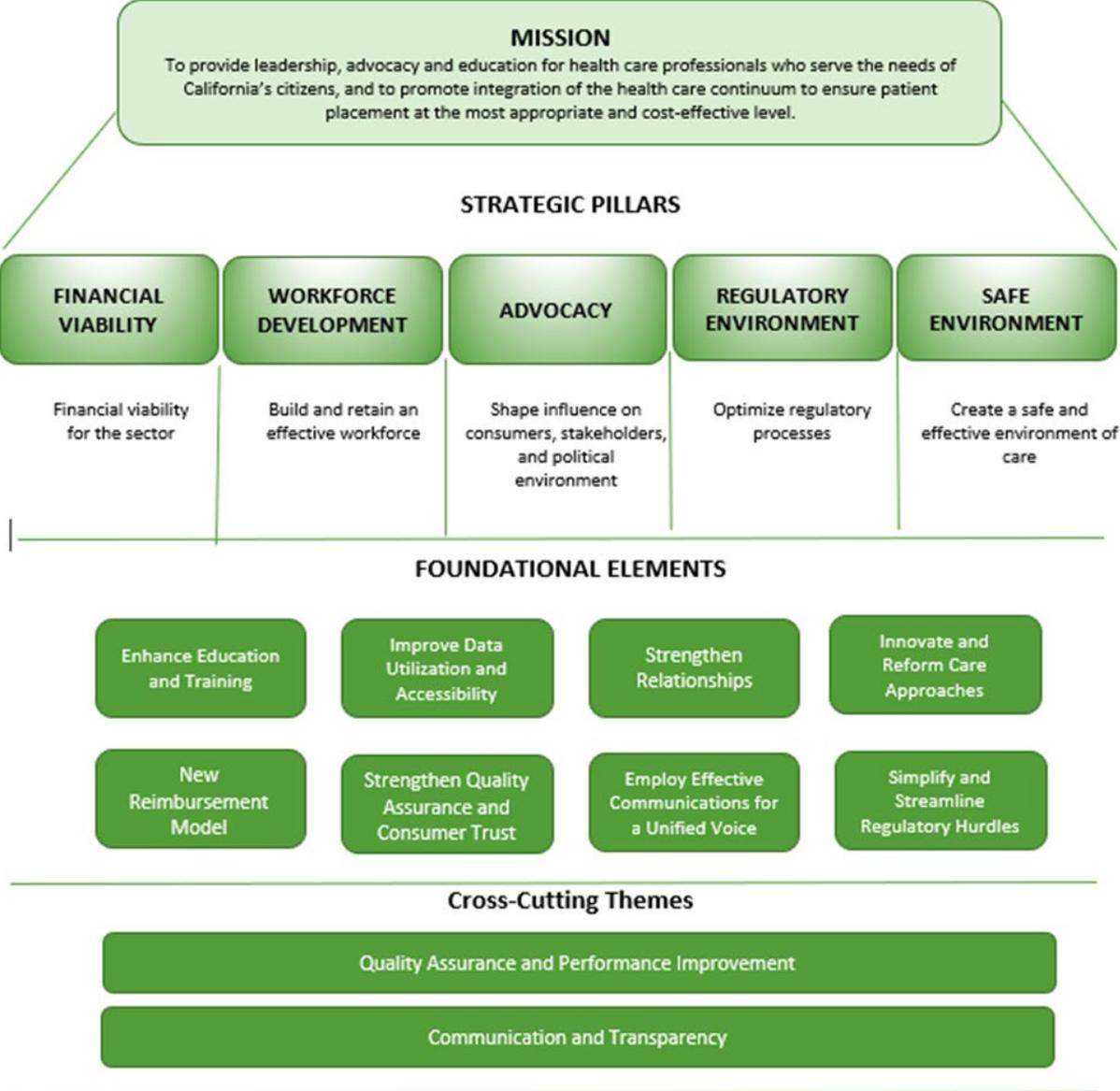
CAHF 2025-2028 STRATEGIC PLAN PRIORITIES



Key elements for action:

- Data collection and utilization
- Proactive and strategic approaches
- Member engagement and expertise

CAHF Strategic Map 2025-2028



- Next Up:
- Specific Goals
 - Objectives
 - Action plans

AHCA Strategic Plan

Increase Available Workforce for LTC Providers

1. Defeat minimum staffing rule
2. Advance health care visa legislation/reinvigorate efforts for visa programs
3. Provide resources to members to increase worker recruitment and retention
4. Ensure increased state and/or federal funding for health care worker training programs
5. Advocate for state or federal policies and legislation to support workforce development, promote long term care careers and attract workers

Improve Quality of Care

1. Provide resources for members to improve quality of care and navigate survey process
2. Increase 2026 Quality Award participants
3. Advocate for changes in survey and regulatory process to support quality improvement
4. Increase Assisted Living provider enrollment in the Long Term Care Data Collaborative

2025 3-Year Strategic Plan

Ensure the Economic Health of Sector

1. Defend sector from Medicaid or Medicare cuts by Congress or Administration
2. Stop any unfunded mandate
3. Preserve SNF/AL ability to own & control financial risk and increase number of lives under a population health management arrangement to 150,000 by 2026
4. Seek development of a SNF-specific wage index within the labor market basket rate
5. Advocate for legislation to hold MA plans accountable to beneficiaries and pay providers fair, timely and adequate reimbursement
6. Ensure there is a net increase in the SNF PPS annual payment rule
7. Support State Affiliates in Medicaid Reimbursement Advocacy

Be a Strong Organization

1. Raise \$4.8 million of \$12 million in first of two-year cycle in hard and soft money
2. Maintain membership level and engage new owners
3. Maintain Association reserves of at least 50% of operating budget
4. Increase non-dues revenue from 2024 budget

A Better Way Proposal

AHCA's A Better Way 2025 key policy priorities and solutions include:

Priority #1: Strengthening the Long-Term Care Workforce

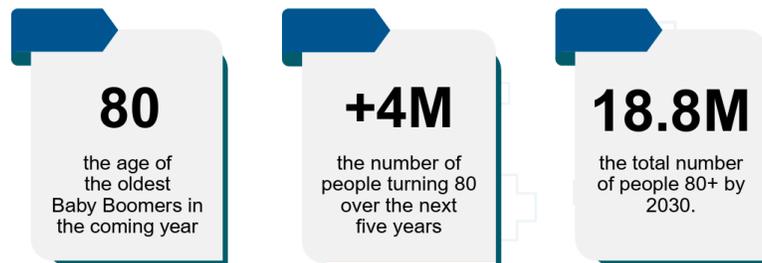
Priority #2: Protecting Medicaid

Priority #3: Reaffirming the Promise of Medicare Advantage

Priority #4: Rationalizing the Regulatory Environment

An Aging America

Our country has a growing elderly population. More people than ever will need long term care. It is critical that our nation's leaders **prioritize, support, and invest** in America's seniors and their caregivers.



Source: "Aging Boomers Are About to Refund the Senior-Housing Market," Wall Street Journal, February 11, 2025

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See AHCA's The Better Way policy priorities [HERE](#).

Medi-Cal Funding & Rate Deal

- Consultant agreements
 - Upper Payment Limit (UPL) to include Average Commercial Rate (ACR)
 - Rate Methodology Modeling, Alternative structures
 - Adding VP of Reimbursement to CAHF staff
- DHCS Workgroup expected in July/August
- Master Plan on Aging Goal 1, #34
 - Improve nursing home quality through the continued improvement and innovation of the financial methodologies for Skilled Nursing Facilities.
- Reality of ongoing state budget deficit
 - Explore other funding opportunities
- Rate floors/Rate ceilings & MCPs

Medi-Cal Managed Care

- Workforce Standards Program
 - Managed Care Plans are working on updating the posted rates
 - Prospective Rates: 30 working days
 - Retroactive adjustments: 45 working days
 - Payment or recoupment
 - 5th batch posted on April 11
 - 22 facilities remaining
- Workforce and Quality Incentive Program
 - Coming soon: Webinars from each of the managed care plans
 - Managed Care Plans beginning to schedule webinars, CAHF will share to Forum as we become aware of them
- Interim payment for Program Year 2024
 - Intended for end of March, delayed due to State's pending access to MDS data
 - Expected no earlier than mid-May at this point
 - CAHF checking in weekly on data

Workforce

- The Good News: recovering slowly
- The Bad News: still not at target
 - Growing demands, aging population outpacing our progress
- Initiatives at the national level to recognize LTC HCW as essential, pathways to allow workforce growth & retention (incl. immigration policies)
- Future projections needed for solution design
- CNAP and Federal CMS nursing programs
- Reform of CNATP exclusion criteria

Regulatory Updates

- Survey activity, backlog (47% as of 12/31/24, LAC 51%)
- Voluntary bed suspension issues
- DDPNA (Discretionary Denial of Payment for New Admissions)
- Infection Control Preventionist reclassification
- Regulatory packages:
 - Temporary manager (comments submitted)
 - Unusual occurrences (comments submitted)
 - ICF DD (still pending)
 - Change of Ownership (still pending)
- Compliance with alternative power requirements (AB 2511) \$249M budget
- Reforming the IDR/IIDR process
- Regulatory enforcement in Los Angeles County

Legislation and Politics

- New legislative leadership
- California democratic supermajority
- Budget remains a priority topic for Federal and State spending
- California's relationship with the federal administration
- Government efficiency, cost cutting & fraud focus
- Labor influence
- Federal HHS and CMS appointments

Legislation and Politics

- **Wildfire/Disaster response** – legislation related to LTC facility evacuation, rebuilding, use of emergency generators
- **Transparency** – legislation related to requiring state agencies to more prominently post enforcement actions, wage judgments
- **Visitation** – legislation related to clarifying conditions in which family members can visit residents
- Amendments to previous legislative “deals” – **MICRA, PAGA**
- **Managed Care Plans** – legislation related to MCO approval of prior authorization, denial of claims, timely payment

Legislation and Politics

- AB 2511 – backup power source
 - Trailer bill opportunity for delayed implementation or waiver
- Managed Care and WQIP
- SB 525 Minimum patient care spend, possible split from minimum wage
- Civil liability
- Transparency, positing of data and disciplinary actions
- CAHF Activity:
 - Continued grassroots efforts
 - Member engagement, advocacy, and strengthening relationships
 - PAC/PAF
- AHCA/NCAL Congressional Briefing in DC, June 9-10, 2025

CAHF 2025 Summer Conference



CAHF 2025
Summer Conference
Long Beach
July 20 - 23



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Questions?

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