

## **Member Call Summary**

## **August 15, 2025**

## **Federal Policy Update**

# Analysis: Federal Cuts to SNAP Will Leave Hundreds of Thousands of Older Adults Vulnerable

On July 4, President Donald Trump signed into law a massive budget reconciliation bill, which includes deep spending cuts to Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Widely known as "food stamps," SNAP currently serves about 42 million people per month, according to the U.S. Department of Agriculture (USDA), which oversees the program.

HR 1, referred to as the "One Big Beautiful Bill" by the White House, is projected to result in almost one million current participants losing eligibility for the program. It is also expected to make it harder for people to become and stay eligible, hurt grocery and farm businesses—both of which operate on thin margins and rely on SNAP customers—and also create more, and potentially overwhelming, demand for food banks' resources, which are already struggling to serve their communities. Overall, the bill expands the SNAP program's work requirements and provides fewer exemptions from them, imposes first-time-ever state cost-sharing, and presents more barriers for older adults to receive SNAP benefits.

## **SNAP Eligibility Changes**

Previously, able-bodied people between the ages of 18 and 54 completed a work requirement of 80 hours per month in order to remain eligible for SNAP. The new law increases the age of people who must comply with work requirements to 64. The age cut-off is inconsistent with other federal programs, including Social Security and the Department of Housing and Urban Development (HUD) Section 202 Supportive Housing for the Elderly, where benefits for older adults begin at age 62. The new law also eliminates exemptions to work requirements for people experiencing homelessness, veterans, and people aging out of the foster care system. The USDA warns that SNAP recipients who are unable to complete the work requirement will lose access to SNAP after three months.

Beneficiaries who complete their work requirements will have to get authorization from the state, a process that could present more delays to Americans seeking help. Additional delays will occur while states take time to adjust to the new work requirements. If employers and SNAP administrators lack experience in tracking and verifying a person's hours efficiently and accurately, people will experience longer waits to receive their food stamps.

Research has shown that any time SNAP work requirements have been implemented or expanded, labor force participation has not increased. Instead, more people lose access to nutritional support. For example, the Hamilton Project, an economic policy initiative at the Brookings Institution, shares that there may not be enough jobs available in areas with high numbers of SNAP recipients, and even then, workers may not receive enough hours to fulfill the requirement. Similarly, the Center on Budget and Policy Priorities found that some Americans may meet criteria for work exemptions, but have difficulty navigating the system, completing the necessary paperwork, and meeting with the correct people. Such hurdles to become eligible and stay eligible for SNAP only decrease the number of people receiving benefits, not the number of people who need them.

## **Federal Funding Cuts for SNAP**

The Congressional Budget Office estimates that the new law cuts \$186 billion of federal funding for SNAP through 2034. This is the deepest cut in the program's history and shifts a significant portion of the expenses onto the states. Originally, SNAP was entirely federally funded, but the new law requires states with error payment rates above 6% to cover 5% to 15% of the cost to continue supporting their SNAP recipients.

According to the USDA, SNAP payment error rates measure the accuracy of a state's eligibility and benefit determinations. Forty-two states and the District of Columbia have error rates above 6%. No states are prepared to support the cost of SNAP. Calculations from the Center on Budget and Policy priorities show that at its worst, states such as Florida, Texas, California, and New York will have to contribute close to or more than \$1 billion per year to continue providing SNAP at their current rates. Extreme cost burdens could push states to offer fewer benefits or opt out of SNAP entirely.

Not only do states lack the budgets to subsidize SNAP, but they also lack the tools and experience to implement the new work requirements. If states cannot sufficiently cover the SNAP pay gap, eligible citizens will likely miss out on necessary food assistance.

Food banks in states with an error rate above 6% will also be negatively impacted by federal cuts to funding. The organization Feeding America estimates that for every meal a food bank provides, SNAP provides nine. When states begin to take on the burden of subsidizing SNAP and implementing work requirements, people will lose their benefits and have to rely on food banks and similar services. These non-profits do not have the resources to assist the significant number of people and families who will no longer be able to rely on SNAP and who turn to food banks for help.

Another group experiencing the negative consequences of these cuts will be older adults eligible for SNAP. According to the Urban Institute, about 4.8 million adults aged 60 and older currently participate in SNAP, but hundreds of thousands are at risk of being pushed out of the program due to the new work requirement age. Current law provides an exemption from SNAP work requirements for adults who are older than 54; under the new law, effective no later than July 1, 2026, adults up to 65 will no longer be exempt from the work requirement and will have to file additional paperwork, which can

be inaccessible, confusing, and time-consuming. For example, if a participant requires extra proof of their inability to work due to disabilities, they will have to endure a secondary process to ensure their disability is valid under SSI rules. As the Center on Budget and Policy Priorities has pointed out, this will be a barrier if the person seeking benefits lacks medical documentation or has been improperly screened by state eligibility workers.

## Implementation of SNAP Changes

States must begin subsidizing SNAP based on their error rate by 2028, but SNAP changes could occur as soon as September 1, 2025. SNAP beneficiaries up to age 65 can expect to be subject to work requirements by January 1, 2027 at the latest. This timeline mirrors the work requirements facing Medicaid recipients, inevitably doubling the paperwork and other burden for older adults eligible for SNAP and Medicaid.

Once implemented, this bill will render millions of qualifying people, including older adults, ineligible for food assistance. According to the National Council on Aging, about 60% of qualified older adults are not enrolled. Increased barriers to SNAP ensure that qualified, yet unenrolled, Americans remain off the program despite meeting its requirements. These changes will prevent eligible older adults from both applying for benefits and receiving the help they need from their government.

Additionally, older adults tend to need higher rates of medical care. Food assistance helps them focus their financial attention on their medical and other needs. If adults under 65 who fail to prove their inability to work lose their SNAP benefits, they will have to decide between spending money on food or health care. Separate cuts to Medicare and Medicaid will likely generate additional obstacles for this demographic. Similar work requirements imposed for the first time by the new law for Medicaid recipients necessitate even more documentation that will make care less attainable, leaving older adults without the ability to afford basic food, medical treatment, and other life necessities

LeadingAge is deeply concerned by the new work requirements and cost shifts for nutrition assistance. We will continue to monitor the impacts on SNAP access among older adults as states move forward with implementation.

## Implementation Dates for 2025 Budget Reconciliation Law

On July 4, President Trump signed the budget reconciliation bill, previously known as "One Big Beautiful Bill Act," into law. The bill includes significant health care policy changes. This timeline provides a brief overview of the specific provisions and their effective dates. You can view all health provisions in the order they are implemented or can filter them by the following categories: Medicaid, Medicare, Affordable Care Act and Health Savings Accounts. You can read a detailed summary of the health provisions of the law here.

#### **CMS Announces Transition to Electronic CLIA Processes**

The Centers for Medicare & Medicaid Services (CMS) Clinical Laboratory Improvement Amendments (CLIA) program will be transitioning to electronic systems. After March 1, 2026, CLIA will be completely electronic. Providers completing laboratory services including point of care (POC) testing, must switch to email notifications to receive CLIA fee coupons and certificates. To transition to electronic notifications, providers must email their <a href="mailto:CLIA State Agency Contact">CLIA State Agency Contact</a> (Iowa is <a href="mailto:shl-clia@uiowa.edu">shl-clia@uiowa.edu</a>). More information is available on the <a href="mailto:CLIA page">CLIA page</a> of the CMS website and CMS <a href="mailto:developed a toolkit">developed a toolkit</a> to assist labs and providers during this transition.

#### **CMS Issues Memo on State Performance Measures**

On August 6, the Centers for Medicare & Medicaid Services (CMS) issued a Quality, Safety, & Oversight Group administrative memo <u>25-04-ALL</u> on the Fiscal Year 2024 (FY24) State Performance Standards System (SPSS) Findings. The memo outlines several measures for both accredited and non-accredited levels of care and based on national and state performance. How does low measure up?

Under the Survey and Intake Process there are seven non-accredited measures and six accredited measures included. Iowa met five of seven measures including surveys of nursing home special focus facilities, the frequency of nursing home recertification surveys, timeliness of upload of recertification surveys, use of the immediate jeopardy template, and intakes are prioritized as immediate jeopardy and started within the required time period for nursing homes.

Additionally, the survey agency met the measures for accredited and deemed providers including timeliness of upload for recertification surveys, and surveys prioritized as immediate jeopardy are started within the required time periods.

lowa did not meet measures including conducting off-hour surveys for nursing homes and indicated that measures that were not applicable for immediate jeopardy intakes are overdue for investigation for both nursing homes and accredited agencies. Additionally, the survey agency did not meet measures for accredited providers including the use of the immediate jeopardy template and EMTALA prioritized as IJ and Non-IJ conducted within the required time period.

The memo also included three measures on survey and intake quality which assessed the assessment of survey practice in accordance with federal standards using focused concern surveys, nursing home tags downgraded or removed by informal dispute resolution and unresolved informal dispute resolutions and data submission. Iowa met all three of these measures. Finally, Iowa met the noncompliance resolution measures which assessed the timeliness of revisits for accredited and non-accredited providers.

## **AL Rule Review – Ongoing Tenant Evaluations**

In the last rule review, we covered initial tenant evaluations. <u>481-69.22 (2) and (3)</u> requires that once a tenant is admitted to the assisted living program, there are required

ongoing evaluations that must be completed. Again, each evaluation must consist of the three components – health, functional, and cognitive to be compliant. Unless a significant change of condition occurs shortly after admission, the next required evaluation will be within 30 days of occupancy. This is calculated by calendar days, so ensure that you have a process of tracking when these evaluations are due.

Once this evaluation is complete, evaluations are required at least annually and whenever a tenant has a significant change in condition. In assisted living, a significant change of condition can be somewhat subjective whereas the nursing home has very specific criteria for completing a significant change of condition Minimum Data Set (MDS). Each tenant's condition and change must be considered as a possible significant change. There are two recommendations that I usually provide when programs ask me if an event would require a significant change evaluation. The first is to use the flow chart in Table A that the department developed. This walks you through various scenarios based on questions to determine if a nurse review, evaluation, and service plan update is necessary. You can find this on the <a href="Last page of 481-69">Last page of 481-69</a>. Secondly, I would offer that if you are in doubt of whether a significant change exists, you should complete an evaluation. Completing evaluations when they were not necessary does not result in non-compliance but failing to complete them does.

This rule is commonly cited with examples including but not limited to:

- An evaluation was not completed within 30 days of occupancy.
- A significant change evaluation was not completed for a variety of reasons that may be as simple as a change in medication to significant hospitalizations.
- Evaluations were completed in the specified circumstances but did not include the three components (health, functional, and cognitive).

## Regulatory Review - Notice of Certain Balances & Conveyance

The next regulation in the resident's right section of <u>Appendix PP</u> is F569 which requires that the nursing home notify each Medicaid resident when the amount in their account (if they deposit funds in an account with the nursing home) reaches \$200 less than the resource limit for one person and that if they exceed that limit they may lose Medicaid coverage. According to the <u>American Council on Aging</u>, the asset limit for a single person in lowa is \$2,000. Therefore, when a resident reaches \$1,800 in their trust fund, the nursing home should be making the required notification.

Additionally, this regulation requires that if a resident discharges or passes away, the nursing home must reimburse the resident the amount of funds deposited within 30 days of discharge along with a final accounting of those funds. If the resident passes away, the nursing home must reimburse the individual or probate jurisdiction administering the resident's estate the amount of funds deposited into the resident's account, in accordance with any State law.

This regulation is rarely cited for non-compliance, but during the rare event that it was cited the concern was identified during a complaint and related to the time it took to reimburse the funds that the resident deposited in the nursing home account.

#### **Pressure Ulcer Prevention & Nutritional Considerations**

The <u>National Pressure Injury Advisory Panel Quick Reference Guide for Pressure Ulcer Prevention</u> identified that nutrition plays a key role in pressure ulcer prevention along with good practice statements and recommendations for individuals at risk for pressure ulcer development. Once you've completed a pressure ulcer risk assessment and the resident is identified as being at risk for development, the care plan must identify interventions that will be implemented in the resident's ongoing care. Here are some ideas for best practices related to a nutritional aspect of the prevention.

- 1. Conduct a comprehensive nutrition assessment to screen residents for possible malnutrition and aid in developing a person-centered care plan. A comprehensive nutrition assessment should be conducted routinely regardless of the resident's risk for pressure ulcer development, but identifying additional needs related to this risk is necessary for these individuals to ensure a multidisciplinary approach.
- 2. At a minimum, residents at risk of pressure injury should be encouraged to consume a well-balanced diet which includes nutrient-dense foods as well as ensuring adequate hydration. You may consider implementing a hydration program to aid in prevention (along with the numerous other benefits that adequate hydration provides).
- 3. Residents who are at risk of pressure injury and are also identified as being malnourished should be considered for additional general nutritional and protein supplementation. This may be done in the form of a shake or by requesting vitamin supplementation from the resident's physician.
- 4. The Pressure Injury Advisory Panel only recommends carbohydrate-based energy and micronutrient supplementation when there is a known micronutrient deficiency in addition to the interventions identified above.
- 5. Tube feeding protocols are generally not recommended solely for pressure ulcer prevention methods and should be preceded by a comprehensive multidisciplinary assessment and used in conjunction with other clinical needs.

While it is not required, you may consider implementing a practice that reviews other preventative measures first upon identified risk of pressure injury development (such as repositioning and hydration) and then consider nutrition supplementation when the risk is very high or the resident has a pressure ulcer. Interventions such as additional protein at meals (which could be provided by adding more meat, eggs, or nuts to their diet). Are non-pharmacological methods to supplement nutrition and avoid administering more medication to the resident. Regardless of your practice, ensure that your nurses are well educated on the standards to ensure that when they've identified either a risk or actual injury, they are implementing the measures according to your policy.

## **Upcoming Events**

## Admit to Discharge: A Rules, Regs, & Reimbursement Blueprint Webinar Series (virtual)

August 20 & 27, 2025 from 1 - 2 p.m. & September 10, 2025 from 1 - 2:30 p.m.

## Regional Networking Meeting (in-person)

August 27, 2025 from 1-3 p.m. (The Meth-Wick Community will be hosting lunch at noon for those that are able to come at that time.)

Location: Meth-Wick Community, 1224 13th St. NW, Cedar Rapids, IA 52405 Sponsored by: Key Rehab & TrueMed

## Regional Networking Meeting (in-person)

September 8, 2025 from 11:30 a.m.-2:30 p.m. (lunch included)
Location: Martin Bros. Solutions Center, 312 Viking Road, Cedar Falls, IA 50613
Sponsored by: Plunkett Raysich Architects, LLP

#### **Leadership Retreat** (in-person)

September 29, 2025 from 9 a.m.-4:30 p.m. and September 30, 2025 from 8 a.m.-1 p.m. Location: DeSoto House, 230 S. Main Street, Galena, IL 61036