

## **Member Call Summary**

**September 12, 2025**

### **CMS Delays Requirement for MA plans to Notify Enrollees of Unused Benefits**

Beginning in 2026, Medicare Advantage (MA) plans would have been required to send their enrollees an annual, mid-year notice detailing all supplemental benefits for which the individual is eligible but has not yet used. However, on September 8, CMS announced it was initiating a “temporary enforcement pause” after it received a barrage of questions and requests for technical guidance from MA plans. Therefore, plans will not need to comply in 2026, and the suspension of the requirement will remain in effect until further notice. LeadingAge is disappointed to see this delay, given the lack of transparency surrounding what proportion of MA supplemental benefits are being used by MA enrollees currently. We supported this provision as it has the potential to ensure enrollees can take full advantage of their plan benefits, which often are a key reason why they select a particular plan.

### **CMS Administrator Discusses Nursing Home Staffing Campaign**

Dr. Mehmet Oz, Administrator of the Centers for Medicare & Medicaid Services (CMS), released a video on X on September 9 discussing the CMS Nursing Home Staffing Campaign. The Administrator highlighted the “new” campaign, with details appearing unchanged from what we knew when this campaign was first launched in December 2024. Administrator Oz announced in his video that letters have been sent to state governors encouraging them to invest state civil money penalty (CMP) funds into the program and stated that CMS would match these state funds. It is unclear if “matching” funds will be in addition to the \$75 million CMS has confirmed to invest from federal CMP funds. Updates have not been posted to the CMS website or Newsroom related to this announcement.

When last CMS left in January 2025, a Notice of Funding Opportunity (NOFO) had been issued seeking Financial Incentive Administrators for the Financial Incentives for Registered Nurses initiative. This NOFO was frozen by the Trump Administration and was archived on April 6. LeadingAge is pleased that the campaign appears to be moving forward once more and will alert members as more information becomes available.

According to a timeline published last year, CMS had initially planned to select 10 administrators to run the financial incentive portion of the program by spring; It remains unclear whether any grants have actually been awarded.

CMS also was set to begin promoting CNA training resources by spring. A related website has not been updated since December, even as providers continue facing frontline staffing shortages in many markets.

By this winter, the agency had wanted to allow RNs to begin applying for financial incentives. The agency said in an email to stakeholders in January that those incentives could include up to \$40,000 in tuition reimbursement and/or \$10,000 outright to work for a nursing home. In return, selected nurses will have to work three years for a qualifying provider or state.

Read more [here](#).

### **CMS Revises QSO Memos on Care Compare Updates**

On September 10, 2025, the Centers for Medicare & Medicaid Services (CMS) revised the Quality Safety and Oversight regarding Updates to Nursing Home Care Compare ([QSO-25-20-NH Revised](#)). The revisions in the memo further delay new processes for antipsychotic medication use on Nursing Home Care Compare. CMS notes that the current national percentage of residents receiving an antipsychotic is 14.64% which is projected to increase based on additional data that will be included and will result in improved accuracy.

Additionally, CMS revised the [Quality & Safety Special Alert Memo \(QSSAM\) 25-03-NH Revised](#) on Temporary Pause in Nursing Home Care Compare Updates. The revised letter indicates that CMS will update the Nursing Home Care Compare website to reflect changes based on findings from payroll-based journal and schizophrenia coding audits as well as nursing homes' Special Focus Facility (SFF) status, beginning with the September 24, 2025 refresh with all other information, including the health inspection status will continue to be based on July 30, 2025 data. CMS anticipates a regular refresh in October 2025. As a reminder, CMS paused the updates to validate data integrity of the completed nursing home surveys based on transition from ASPEN to iQIES.

### **Notification of Substantial Compliance for Nursing Homes**

With the transition to iQIES for survey software, it has been brought to LeadingAge Iowa's attention that providers will no longer be receiving a [CMS-2567B](#) form when deficiencies are corrected and nursing homes are placed back into substantial compliance. The Department of Inspections, Appeals & Licensing indicated that the form was not included as an option in the iQIES system and they have reached out to CMS on this. At this time, nursing homes will only receive a new CMS-2567 report which indicates the nursing home is in substantial compliance.

## AL Rule Review – Criteria for Admission and Retention of Tenants

The assisted living rules at [481-69.23](#) include very specific criteria that tenants must meet to be admitted or retained in an assisted living program. The criteria outlined by the Department of Inspections, Appeals, and Licensing (DIAL) includes:

- A tenant who is bed-bound
- Requires routine, two-person assistance with standing, transfers, and evacuation
- Is dangerous to self, other tenants, or staff which includes chronic elopement, sexual or physical aggression or abuse, unmanageable verbal abuse or aggression, or displays behaviors that place other tenants at risk
- Is in a stage of acute alcoholism, drug addiction, or uncontrolled mental illness
- Is under the age of 18
- Requires more than part-time or intermittent health-related care
  - Defined in [481-67.1](#) as licensed nursing services and professional therapies that are provided in combination with nurse-delegated assistance with medications or activities of daily living and do not exceed 28 hours per week.
- Has unmanageable incontinence on a routine basis despite an individualized toileting program
  - Defined in [481-69.1](#) as a condition that requires staff provision of total care for an incontinent tenant who lacks the ability to assist in bladder or bowel continence care.
- Is medically unstable
  - Defined in 481-69.1 as a tenant who has a condition(s) that indicated physiological frailty as determined by the program's staff in consultation with a physician or physician extender, results in three or more significant hospitalizations within a consecutive three-month period for more than observation, and requires frequent supervision of the tenant for more than 21 days by a registered nurse.
- Requires maximal assistance with activities of daily living
  - Defined in 481-69.1 as routine total dependence on staff for the performance of a minimum of four activities of daily living for a period that exceeds 21 days.
- Despite intervention, chronically urinates or defecates in places that are not considered acceptable according to societal norms

Additionally, the program may have criteria that would limit admission or retention. These must be disclosed in the written occupancy agreement **prior to** the tenant's occupancy. If the program determines that the tenant exceeds criteria for retention, they must assist the tenant or their legal representative to ensure a safe and orderly transfer from the program. This likely includes sending information to the provider to identify if they are able to meet the tenant's needs.

If you recall, there is an opportunity for the program to request a [waiver](#) of retention criteria as outlined in [481-67.7](#). The program can request this waiver if the tenant is using hospice services. If the department approves the waiver, it is valid for a period of six months or less. If the tenant remains in the program longer than the six months, the program will need to discuss retention with the department.

While it is not cited under this rule, the department expects assisted living programs to include the tenant's preference for nursing home placement in their service plan, should the need arise that the tenant would require transfer to a nursing home.

### **Regulatory Review – Assurance of Financial Security**

The last regulation in the residents' rights section pertaining to resident trust funds includes F570. In this regulation, the Centers for Medicare and Medicaid Services (CMS) requires nursing homes who have a resident trust fund to provide financial security for those funds in the event someone misappropriates those funds. Compliance with this requirement is generally in the form of a surety bond, but can also be other methods as long as the nursing home is able to provide documentation of financial security. The amount of the surety bond must be at least the amount of funds that are deposited within the resident trust fund. For example, if you have a balance of \$9,000 total, the surety bond would not be compliant if the value was only \$5,000.

The interpretive guidance provides a couple key compliance tips:

- The nursing home cannot self-insure the funds.
- Funds deposited in a bank account that is protected by the Federal Deposit Insurance Corporation (FDIC) does not fulfill the financial security requirement.
- The nursing home cannot be listed as the beneficiary – it must be the residents or the state.
- If a multi-site provider has one policy, there must be separate declaration pages for each location that accepts resident funds.
- Refundable deposit fees must be included in the financial assurance compliance.

During survey, the surveyors will generally ask providers to show documentation of the surety bond which can be fulfilled by providing a copy of the declaration page from your bond. This regulation is rarely cited, but instances of deficiency generally related to the value of the surety bond not being adequate to cover the entirety of deposited funds.

### **Save the Date – DIAL Provider/Surveyor Training**

The Department of Inspections, Appeals, and Licensing recently reached out to LeadingAge Iowa to discuss the second required provider/surveyor training for 2025. If you're interested in participating in this training, please save the date for **November 10, 2025**, and more information will be forthcoming!

## Upcoming Events

### 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

### Regional Networking Meeting (in-person)

October 7, 2025 from 1-3 p.m.

Location: Mill Pond Retirement Community, 1201 SE Mill Pond CT, Ankeny, IA 50021

### Assisted Living Program Manager (in-person + on-demand)

October 9, 2025 from 8:30 a.m.-4:15 p.m.

Location: Aurora Training Center, 11159 Aurora Ave., Urbandale, IA

### Assisted Living Nurse Delegation (in-person)

October 9, 2025 from 8:30 a.m.-4:15 p.m.

Location: Aurora Training Center, 11159 Aurora Ave., Urbandale, IA

### AAPACN Director of Nursing Services - Certified (DNS-CT) Certification Workshop (virtual)

October 14-15 & 20-21, 2025 from 9 a.m.-3:30 p.m.