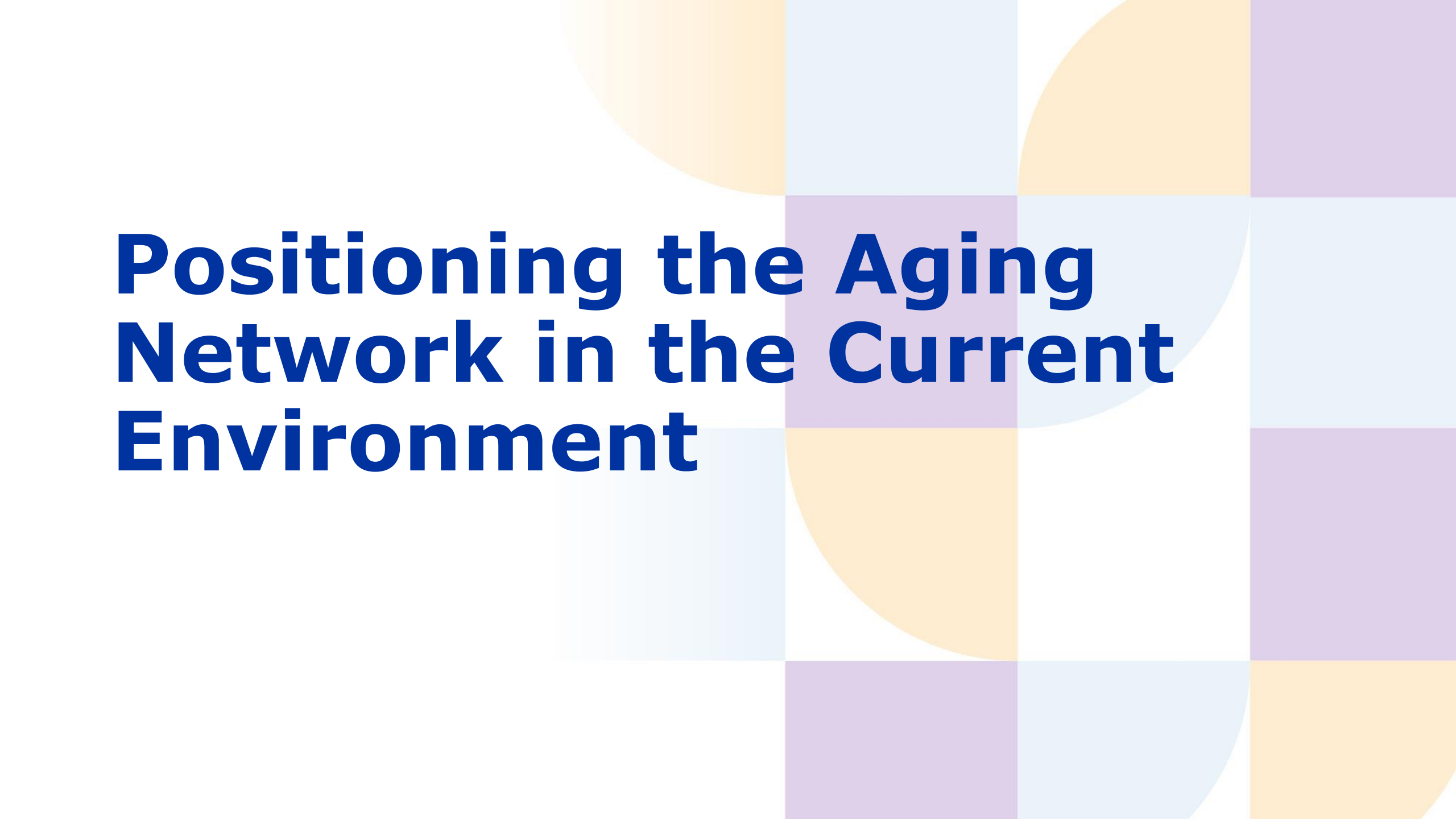




Federal Policy Updates for T4A

Amy Gotwals, Chief, Public Policy & External Affairs

9.16.26



Positioning the Aging Network in the Current Environment

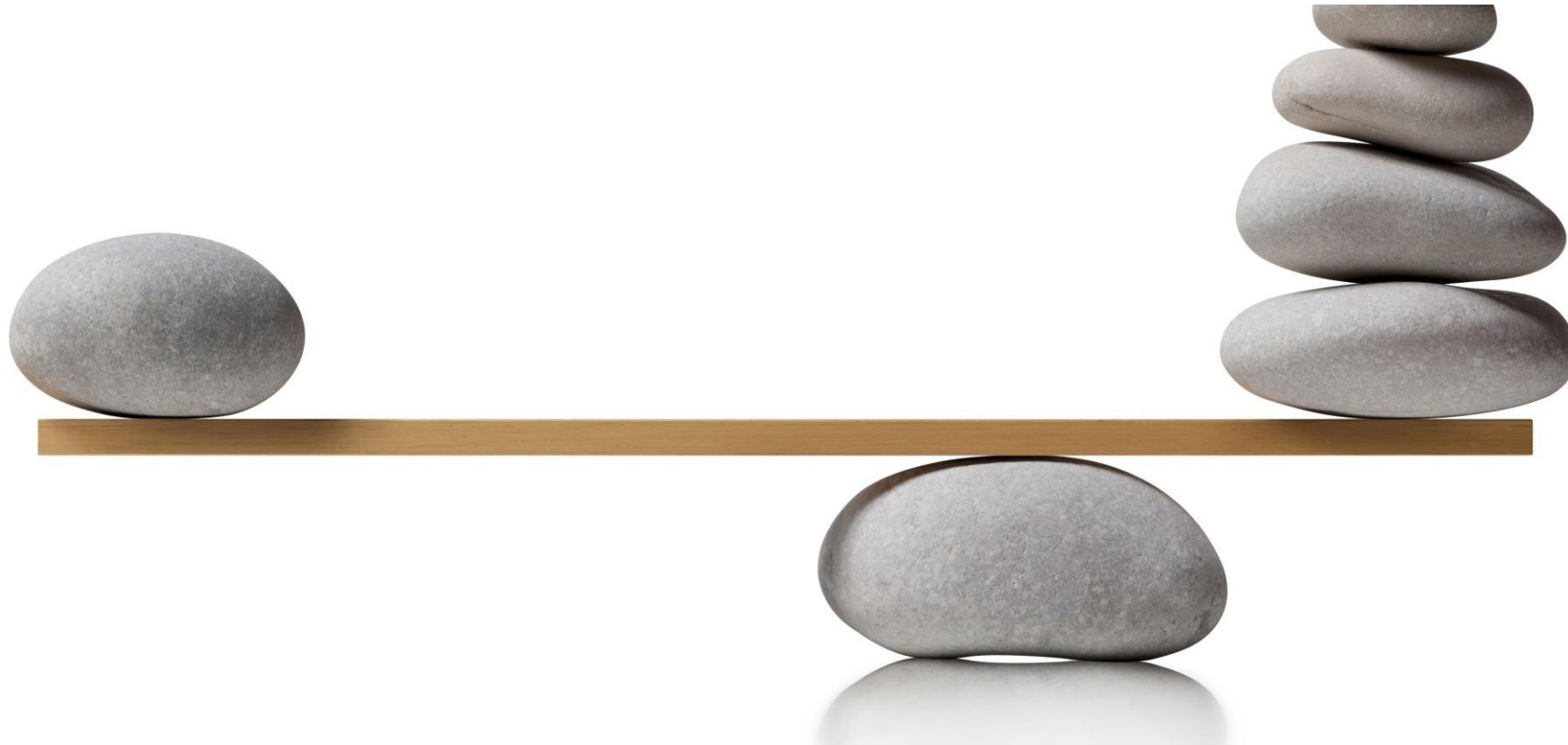
2025-2026

Time of Uncertainty Time of Change



Finding the Balance

Protecting AND Promoting the Aging Network



Need for Strategic Decisions and Positioning





MISSION STATEMENT | USAgings represents and supports the national network of Area Agencies on Aging and advocates for the Title VI Native American Aging Programs that help older adults, people with disabilities and family caregivers live with optimal health, well-being, independence and dignity in their homes and communities.

VISION | USAgings believes that every person should be able to age with optimal health, well-being, independence and dignity in their homes and communities. To achieve this, we are committed to building a society that values and supports people as they age.

Strategic Goals		
Advocacy Champion policies to advance support for older adults, individuals with disabilities and caregivers.	Visibility and Awareness Position USAgings and its members as the leading experts and change agents in aging and home and community-based services.	Capacity Enhancement Enhance and expand members’ ability to successfully provide a range of aging and caregiver services to improve the health and well-being of older adults and people with disabilities.
Strategic Objectives		
Advocate for increased, flexible and sustainable funding mechanisms to drive member impact.	Lead efforts to inform policymakers, key stakeholders and the public on the value and impact of the AAA and Title VI networks.	Refine USAgings’s portfolio of professional development and technical assistance resources.
Expand reach into key federal agencies and Congress to amplify USAgings’s influence on policy and funding issues affecting our members.	Develop strategic partnerships and recruit champions that raise the visibility of USAgings’s members' mission and priorities.	Be recognized as the leader in developing and supporting AAA, CBO and network partnerships and contracts with health care to expand access to social care.
Provide training and tools to strengthen members’ advocacy efforts.	Implement a cohesive communications strategy to elevate the profile of AAA and Title VI, and USAgings programs.	Explore and develop new ways to increase member and stakeholder engagement and collaboration.
Organizational Excellence		
Invest in USAgings’s staffing model and infrastructure to ensure resources are aligned with strategic initiatives.	Foster a culture of ongoing professional growth and sustained well-being for staff.	Optimize organizational systems and policies to enhance operational efficiency.

Strategic Outcomes
➤ USAgings's impact on aging and health policy expands, with successful initiatives to influence legislation, regulations and other policymaking. ➤ USAgings members' ability to serve older adults, caregivers and people with disabilities is enhanced by access to best practices, training and technical assistance, funding opportunities and other resources. ➤ USAgings has formed new and strengthened existing partnerships and relationships, including those with the health care sector, for-profit entities and philanthropic organizations. ➤ USAgings members and key stakeholders have increased their engagement in the organization’s programs and resources. ➤ USAgings’s staff feel they have increased support and resources to perform and succeed in their roles.

ACL Priorities and Operational Drivers

Priorities

- Caregiving
- Connecting People to Services
- Whole-Person Health
- Employment
- Protecting Rights and Preventing Abuse

Operational Drivers

- Scaling
- Marketing
- Outcomes
- Speed
- Grantmaking



Opportunities for AAAs Now and in the Future

- Expand Who We Serve, HCBS for All
- Opportunities in Networks/Community Care Hubs
- Development of New Service Lines
- Focus on Longevity
- Looking to New Service System Strategies
- New Strategies on Marketing and Outreach



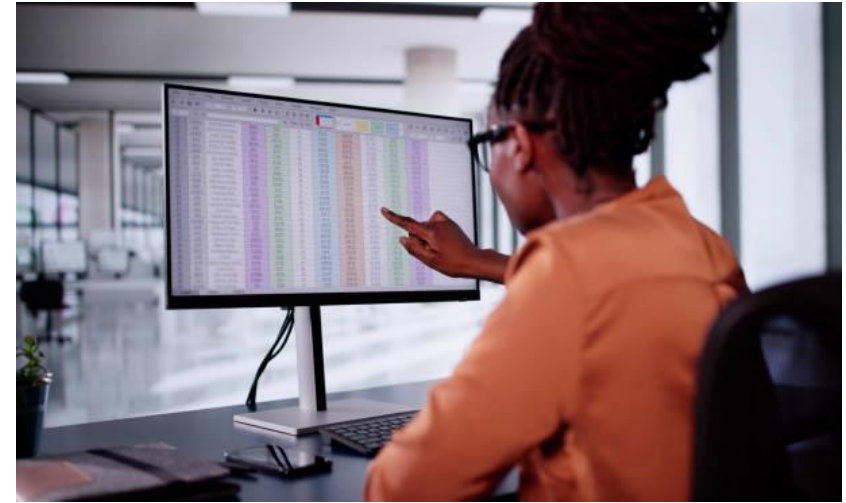
Challenges We Face

- Funding
- New layers of scrutiny
- Structure
- Competition



Drivers of Change

- Data
- Efficiencies
- Technology
- Leadership





Federal Policy Updates



Policy Priorities 2026

**Promote the Health, Security and
Well-Being of Older Adults**



What's the Status of ACL Today?

- Five new program administrators at AoA soon, with one only for single-PSA states
- Unclear if new admins will be regionally based or “type”
- Other hirings continue including in policy and evaluation
- May end up being about half the number of staff who were fired/left
- Mary Lazare nominated for Assistant Secretary for Aging in early August

Where is Congress?

- House back now, only for a week
- Senate in session, only came back last week, but will be out before September is over
- October is for campaigning!
- Both chambers will return in mid-November for the lame-duck period
- If they can get a new CR or bill on discretionary funding before December 11, they will head home

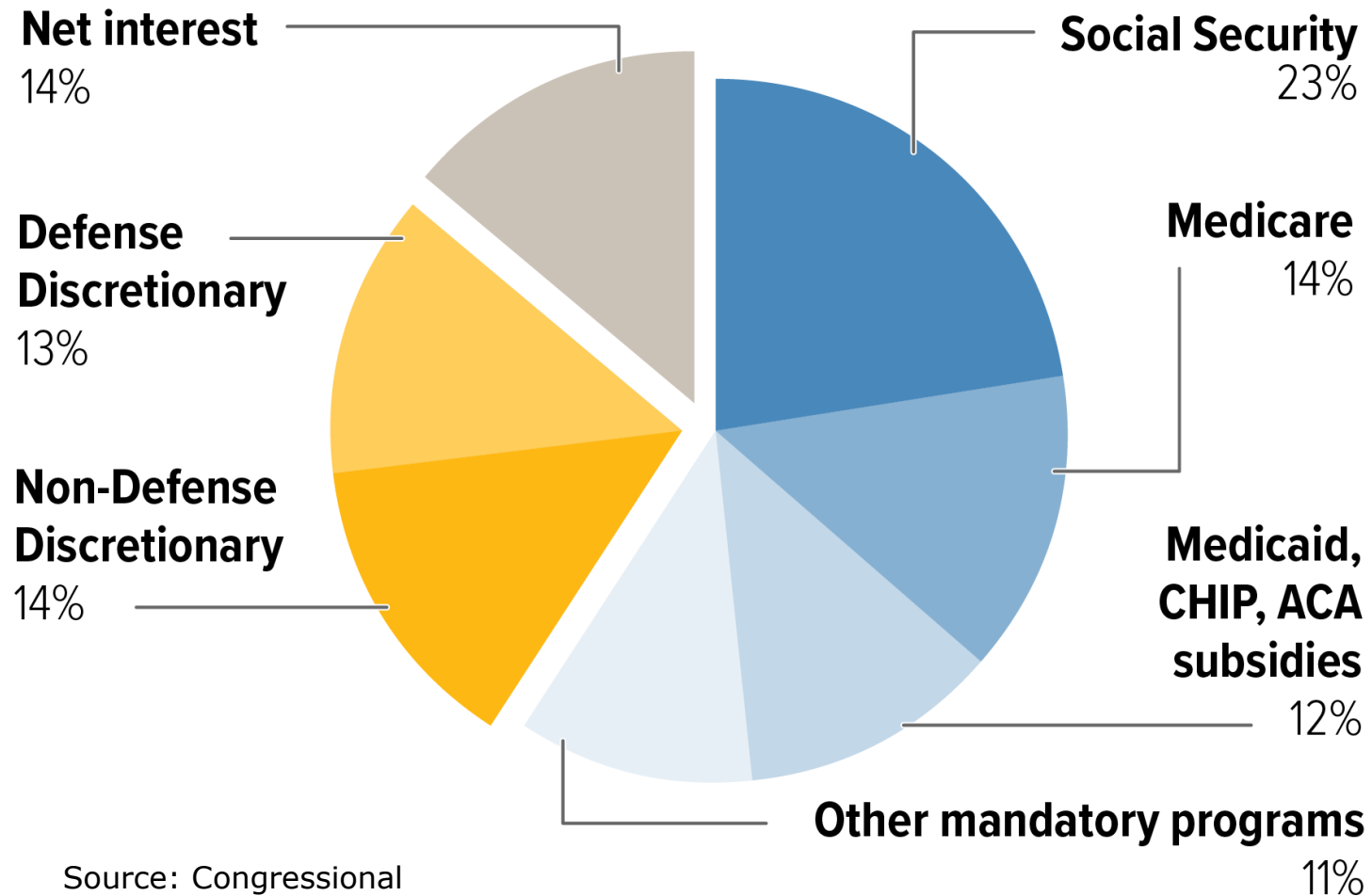


Support Aging Well at Home Through Older Americans Act Programs and Services

USAAging

FY 2027 Discretionary Appropriations

FY 2025 Federal Spending



Source: Congressional
Budget Office; image
provided by cbpp.org

USAgging OAA Top Funding Priorities, FY 2027

- Title III B Supportive Services (+4 mil in FY 26)
- Title III E National Family Caregiver Support Program
- Title VI Native American Aging Programs (+\$4 mil in FY 26)

➡ Protect and increase funding!

➡ Also support increasing funding for *all* titles!

FY 2027 President's Budget

- Older Americans Act programs at HHS level funded
 - Good news, given that 10 percent overall cut to Non-Defense Discretionary Funding
- Eliminated programs:
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Community Development and Community Services Block Grants
 - Corp for National and Community Service (AmeriCorps Seniors)
 - Title V of the OAA, Senior Community Service Employment Program
- *Congress unlikely to take up any of these cuts in FY 2027 but advocacy still needed!*

FY 2027 Congressional Appropriations

- Challenges: short legislative year due to midterms and Congress no longer finishes its process on time
- Sen. Sanders' Dear Colleague Letter to double the OAA drew 40 Senators (all Indep./Dems)
- House marked up its Labor/HHS bill in early June, is a mixed bag for aging programs

FY 2027: HOUSE Increases

- **OAA Title III C 1** Congregate Meals, *\$1 million*
- **OAA Title III C 2** Home-Delivered Meals, *\$1 million*
OAA Nutrition Services Incentive Program (NSIP), *\$1 million*
- **OAA Title VI** Native American Aging Programs (a USAging priority)
 - Part A Grants to Indians, *\$2 million*;
 - Part C Native American Caregivers, *\$2 million*
- **OAA Title VII Long-Term Care Ombudsman (LTCOP), *~\$1.3 million***

FY 2027: HOUSE Increases

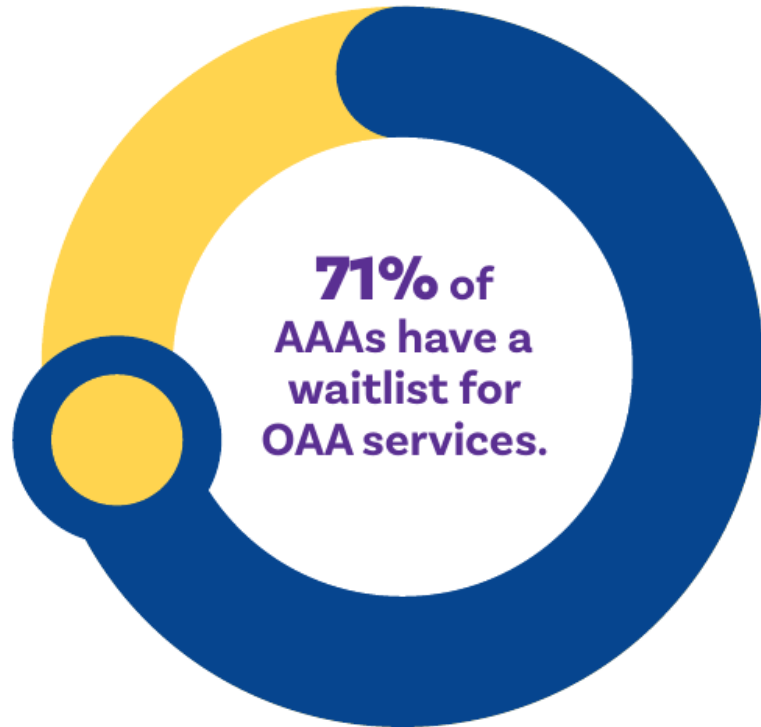
- **AmeriCorps Seniors**, *\$5 million*
- **Community Services Block Grant (CSBG)**, *\$3 million*
- **Low Income Home Energy Assistance Program (LIHEAP)**, *\$10 million*

FY 2027: HOUSE Level Funding

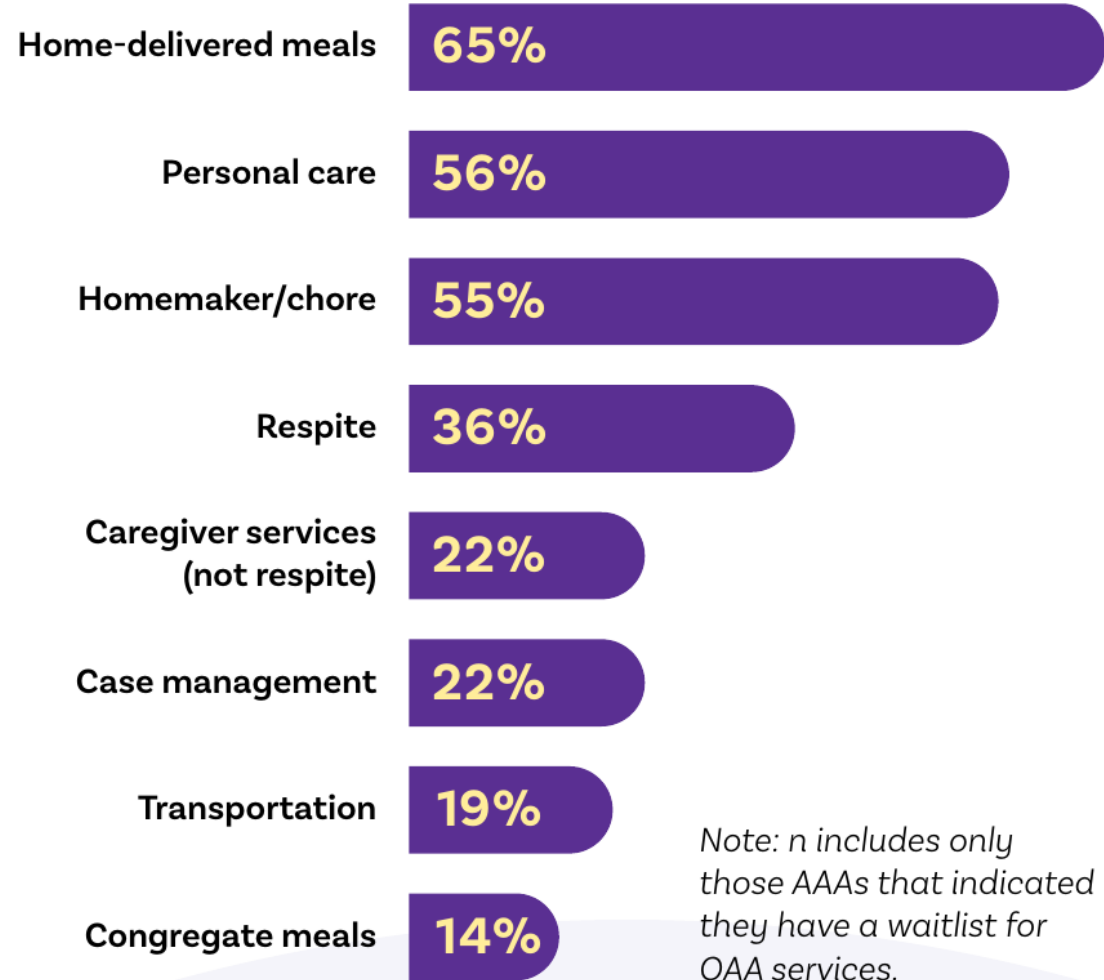
- OAA Title **III B** Supportive Services and Senior Centers
- OAA Title **III D** Evidence-Based Health Promotion and Disease Prevention
- OAA Title **III E** National Family Caregiver Support Program (NFCSP)

Expected but Bad News: House would *eliminate* OAA Title V Senior Community Service Employment Program (SCSEP)

OAA Services With Waitlists



Q: For which OAA services do you currently have a waitlist?
Select all that apply.



FY 2027 Approps: Next Steps

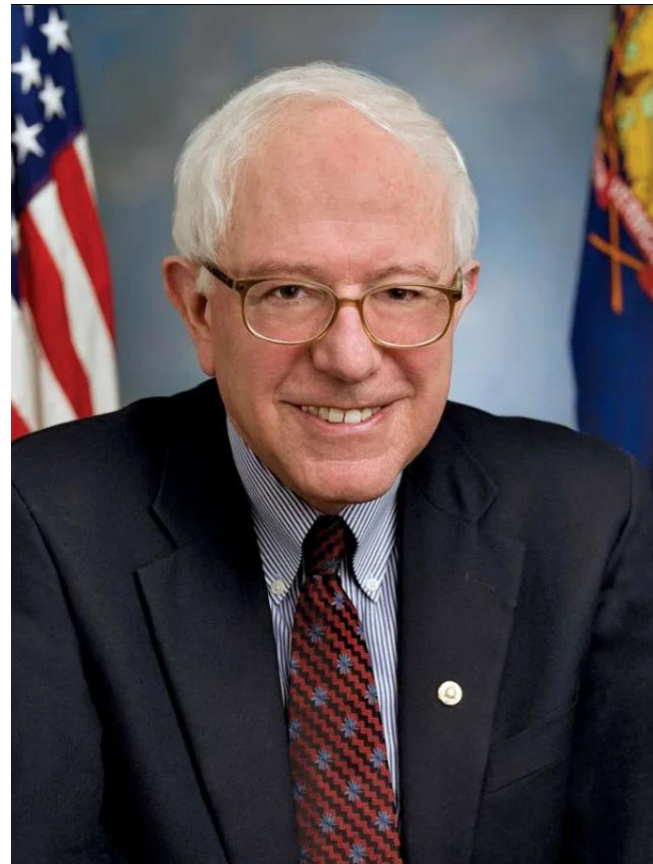
- **Senate** never released its bills but instead passed a continuing resolution (CR) early in August
- **House** returned in Sept. and approved the Senate version! CR runs through December 11
- Senate version includes prohibition on **OMB rule** going into effect so that's a win as well
- **Forecast:** safe bet is that there will be another CR in December, pushing final levels off to at least February

Older Americans Act Reauthorization

Senate HELP Committee



Senator Bill Cassidy (R-LA)
Chairman

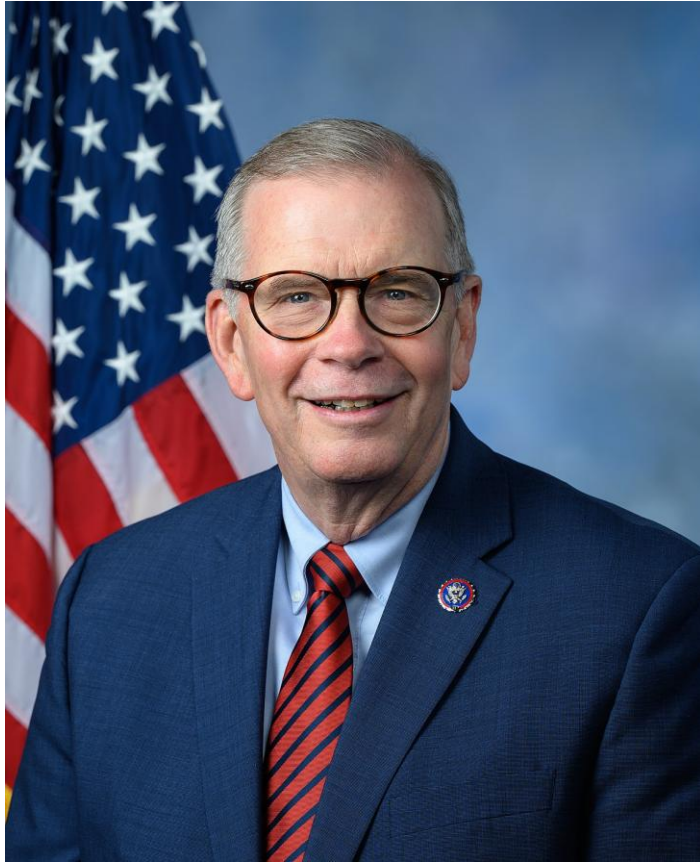


Senator Bernie Sanders (I-VT)
Ranking Member

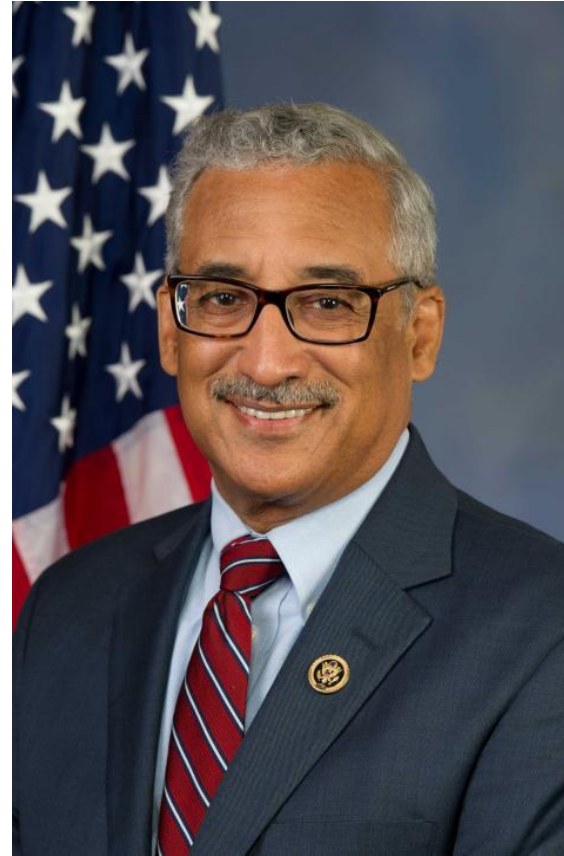
OAA Reauthorization

- S. 2120 passed the Senate on July 14! 😊 😊 😊
- Senator Paul released his hold and the measure went swiftly under Unanimous Consent (so no recorded votes).
- This is great momentum and long overdue but we still have to get a deal with the House...

House Education & Workforce Committee



Rep. Tim Walberg (R-MI)
Chairman



Rep. Bobby Scott (D-VA)
Ranking Member

OAA Reauthorization

- Challenges in the House include:
 - How House Republicans treat authorization levels means “pay-fors” are needed
 - Short legislative calendar, fragile House majority for Speaker Johnson so not easy to pass even easy bills
- USAging has already been educating committee members in preparation for year-end action
- But advocacy will be needed!

Use USAging's Advocacy Tools!

usaging.org/advocacy



- Take action via our July 16 *Advocacy Alert!*
- Thank your Senators and urge your Representatives to move OAA this year!
- usaging.org/advocacyalerts

USAging **OLDER AMERICANS ACT** Leaders in Aging Well at Home REAUTHORIZATION TOOLKIT

Key Milestones: OAA from 1965 to the Present

Building the Foundation for Aging in Place

1965 The Older Americans Act of 1965 is signed into law by President Lyndon B. Johnson on July 14. The Act establishes ten broad national policy objectives on aging, creates the U.S. Administration on Aging (AoA) as the federal focal point on aging, provides grants to states for community planning and services, and authorizes research, demonstration and training projects.



1967 First amendments to the Act extend authorization of the state grant program and research, demonstration and training programs created in 1965. Increased requirements and funding for statewide planning and coordination are established.

1969 Congress adds authority for a program of area-wide model projects to test new and varied approaches to meet the social service needs of the elderly.

The Importance of Local Service Coordination and Delivery Comes into Focus

1972 Amendments are enacted, creating a national nutrition program.

1973 Amendments establish Area Agencies on Aging (AAAs) to develop a "comprehensive and coordinated service system" in partnership with state agencies. AAAs are given primary responsibility to develop and coordinate the expansion of services and serve as advocates on behalf of older adults. Multipurpose senior centers and community service employment provisions are included.

Federal Grantmaking

OMB Issues Proposed Changes to Uniform Guidance

- On May 29, the U.S. Office of Management and Budget (OMB) issued a [400-page rewrite](#) of federal grant requirements
- 45-day public comment period ended July 13
- 496,769 comments submitted
- USAging strategically chose not to submit comments at this stage
- Proposed to go into effect October 1 (CR blocks this)

What Does the Rule Do?

- Turns federal Uniform Guidance into actual regulation (UGR) (guidance is less strong than official regulations)
- Takes a “government wide” approach, reducing individual agencies’ ability to tailor rules to the grants or agreements they administer
- Demands greater oversight by the federal government and grantees
- Administration’s goals include greater transparency and accountability and...

What Does the Rule Do?

- ...expansion of Executive Branch and political appointees' authority and power (vs. Congress or civil servants or other experts such as those used to peer review grants)
- January 2025 memo on freezing all federal grants was a first step....lawsuits, advocacy have stopped a lot of those impoundments but...
- OMB Director Russ Vought is now creating new ways for the Trump Administration to....

Gives More Power to Executive

- Codify some Executive Orders (which do not supercede law) into regulation to deepen the reach of these presidential priorities
- Enhance executive agency authority to tailor congressionally authorized and appropriated programs to presidential priorities
- Gives new power to pause or end some grants early if they don't align with the presidential priorities

Creates More Work for You!

- Updates cost principles and other rules related to:
 - Memberships
 - Conferences
 - E-Verify and SAM numbers
 - Many others!
- Will affect your agency and those you grant federal funding TO (e.g., providers)
- USAging Members can review our June 30 webinar recording and slides for more info. policy@usaging.org

What Happens Next?

- Legally, they must review all nearly 500k comments
- **CR pushes off any implementation until at least December 11**
- If Congress doesn't continue to push this off, the rule is likely to be challenged in court, possibly before implementation

Next Steps for AAAs

- Don't panic but don't ignore entirely
- Evaluate your risk: identify which of your agency's federal funding streams are affected by which rules
- Work with fiscal, HR staff and your legal advisors to identify any potential compliance issues should some/all of the rule go into effect
- Share your concern with your Members of Congress!
- Watch this space for updates!



Bolster

**Family and
Professional
Caregivers
to Meet
Growing Demand**

USAging

Our Asks

- Continue implementation of the **National Strategy to Support Family Caregivers** to improve the lives of our nation's 63 million unpaid caregivers—and those they care for.
- Expand **access to HCBS options**.
- Build the **workforce pipeline** an aging nation needs. Expand investment in OAA, Medicaid, training programs and develop immigration policies that reflect the need for a larger care workforce.

USAgging Members Testify Before the Senate Aging Committee



← BACK TO HEARINGS

FULL COMMITTEE HEARING

Caught in the Middle: Supporting Families in the Sandwich Generation

(From left to right) **Karla Radka**, President and CEO, Senior Resource Alliance with Chairman Rick Scott (R-FL) and **Becky Preve**, Executive Director, Association on Aging in New York, with Sandy Markwood



Current Caregiving Legislation

- **Alleviating Barriers for Caregiving (ABC) Act**
 - Requires CMS, SSA and CHIP to review their eligibility, processes and communications to reduce the administrative burden on family caregivers
- **Credit for Caring Act**
 - Creates a new, non-refundable federal tax credit of up to \$5,000 for eligible family caregivers.
- **Lowering Costs for Caregivers Act**
 - Allows individuals to use tax-free health savings accounts and flexible spending accounts on medical expenses for their parents and loved ones



Protect Cost-Effective Medicaid Home and Community-Based Services

USAging

OBBBA Impacts

- **OBBBA (H.R. 1) cuts to Medicaid, SNAP hitting states hard**
- USAging calling on policymakers to **mitigate OBBBA Medicaid HCBS impacts**
 - Protect access to HCBS during eligibility redeterminations
 - Monitor and report HCBS access impacts by mandating transparent reporting
 - Prevent cost-shifting to families and other programs (e.g., OAA) by preserving Medicaid HCBS
- **State budget pressures** affect non-Medicaid funding
 - Will squeeze state coffers for OAA match, other caregiving, aging supports, housing, homelessness, transportation and other programs OAs need!

CMS Releases Medicaid Work Requirements Framework

- CMS issued a long-anticipated interim final rule guiding state implementation of Medicaid work requirements, *Effective July 31, 2026*
- States likely to face challenges operationalizing the requirements over the next six months
- 3 million to 7 million expected to lose coverage by 2028; CA and NY likely to see largest enrollment declines

CMS Releases Medicaid Work Requirements Framework

- **Of note, the rule adopts a restrictive definition of medical frailty that differs from states' early expectations**
 - Prohibits states from adding categories of individuals to the definition
 - Requires states to develop lists of health conditions but stops them from exempting people with those conditions without considering their ability to meet community engagement requirements based on their health

Restricting Medical Frailty Could Lead to Coverage Losses

- Those with serious health conditions are at risk of losing coverage
- **Hypothetical Situation**
 - Peggy has cancer, is undergoing chemotherapy and is enrolled in Medicaid with a flexible job
 - Some weeks she cannot work due to nausea and fatigue
 - Under the statutory definition of medical frailty, most states would have considered Peggy as medically frail, automatically exempting her from work requirements
 - New definition makes Peggy's path more complicated

NEW: OBBBA HCBS Impacts Tracker

Created by George Washington University, Human Services Research Institute, LeadingAge LTSS Center @UMass Boston, and ATI Advisory

- The HCBS Impact Tracker includes proposed and implemented changes by states to their HCBS programs as a result of reductions in federal Medicaid dollars (from OBBBA or other). It is a work in progress and in a pilot phase.
- Stakeholders are encouraged to share HCBS policy changes in their states to better inform this tracker.
- Link in the chat and here: [Home and Community Based Services Impacts Tracker Project |](#)

Money Follows the Person

- PROBLEM: Money Follows the Person (MFP), a Medicaid HCBS program established in 2005 has dwindling funds in this last year of authorization, so CMS has told states to take off 15% off their highest spending of past two years for the coming award
- MFP needs to be reauthorized and funded (together, by the same committees, unlike OAA) every few years
- Current authorization expires September 30, 2027, so our advocacy timeline has been moved up!



Connect

**Health Care
and Aging Sectors
to Lower Costs
and Improve
Outcomes**

USAging

CMS CY2027 Physician Fee Schedule Proposed Rule

- On July 14, CMS released the annual proposed rule that established policy changes and payment rates for Medicare; *Comments were due September 14*
- For the first time, CMS is proposing to establish a national rule to pay for health and well-being coaching under the Physician Fee Schedule
 - **And to explicitly recognize OAA evidence-based program training as a qualifying credential for the staff who deliver it**

CMS CY2027 Physician Fee Schedule Proposed Rule

- Opportunities for AAAs, Community Care Hubs and Community-Based Organizations
 - The health coaching proposal has the potential to significantly expand the opportunities for sustainable, scalable Part B service offerings
 - Proposed codes are under direct supervision, but CMS carves out that individuals employed by AAAs/CBOs may operate under **general supervision** of the billing practitioner
- **USAgings comments** can be found here:
<https://www.usaging.org/currentissuesandresources>

Our To-Do List

- Ensure Congress protects or increases FY 2027 appropriations for critical aging, health programs
- Educate on OAA and advance reauthorization this year
- Keep up with OMB rule issues
- Advocate on harms from OBBBA on states, older adults
- Be ready for any other threats!
- Start planning for the next Congress

The background of the entire image is a photograph of the U.S. Capitol dome in Washington, D.C., seen from across the water. The dome is a large, white, classical structure with a prominent central dome and smaller domes on the wings. In the foreground, on the right side, there are several branches of cherry blossoms in full bloom, with light pink petals and dark centers. The blossoms are in sharp focus, while the Capitol dome is slightly blurred, creating a sense of depth. The sky is a clear, pale blue.

Save the Date
March 15–16, 2027

USAging
**Aging Policy Briefing
& Capitol Hill Day**



Leaders in Aging Well at Home

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