



# LONG-TERM CARE CRISIS COALITION

An alliance to save the long-term care system: at home, in communities, and in facilities.

February 5, 2026 | Comments on the Proposed FY2027 DAIL Budget

The Long-Term Care Crisis Coalition (LTCCC) is a partnership of eight organizations representing more than 200 service providers engaged in different aspects of long-term care in Vermont. Long-term care services support our family members, friends, and neighbors with basic activities of daily living such as dressing or bathing. Support can be offered in an individual's home or at facilities in their community. Coalition members serve thousands of Vermonters every day.

Vermont is second in the country for the percentage of population over the age of 60 (30%). More than half of the 80+ age category lives alone ([Vermont Department of Health](#)). Our older population is growing as the number of younger Vermonters declines (U.S. Census). These trends all indicate a need to grow capacity across the range of long-term care services. However, the administration's proposed FY2027 budget threatens to move that capacity backwards. This would mean longer wait times for home care services and residential options, reduced adult day program availability, and increased risk of utilizing higher cost services such as in the hospital or skilled nursing facilities.

The LTCCC understands the stress on the current state budget. We urge the Legislature to, at a minimum, preserve capacity in the services we know need to grow to match Vermonters' needs. While we appreciate investment in discrete projects, targeted use of one-time funds such as Rural Health Transformation or provider stabilization grants, and a general good intention to support a strong older population, none of those steps are substitutes for paying sustainable rates for necessary services.

Our specific positions are as follows:

- We support an increase of 2% for the Area Agencies on Aging from their FY2026 rates and a restoration of ERC Tier 1 Rates to \$72.37. These requests match our earlier recommendations for the FY2026 Budget Adjustment Act. The estimated annual costs are \$141,000 (Gross) and \$1.07 million (Gross), respectively.
- We support an across the board 3.5% inflationary increase for home- and community-based service providers, including increase for Assisted Community Care Services (ACCS), Designated Agencies, and Specialized Services Agencies.
- We support restoring the Elder Care program, \$349,763 (GC). This program is a collaboration between Area Agencies on Aging and Designated Agencies. It allows for necessary mental health counseling to support homebound elders in the community. The Vermont Department of Health estimates that 8-18% of older



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Vermonters are experiencing increasing memory issues, a third of 60-69 year olds consume alcohol at a dangerous level, and almost 20% of our oldest citizens lack necessary emotional support. We cannot leave this group unsupported.

- We support restoring \$1 million for the Day Health & Rehab Services (DHRS). The DHRS Program provides adult day services for seniors and adults 18+ years old who are physically or cognitively impaired. The state, legislature, and providers have been working to rebuild this program after losses during the pandemic years. The budget should reflect this planned restoration of capacity. Shifting Medicaid funding from the comprehensive services that are provided in Adult Day is counterproductive and potentially more expensive in the long run.
- The LTCCC members appreciate the work done in response to Act 14 to outline a rate setting methodology for future budget years; we agree on the importance of regular updates to ensure adequate Medicaid rates. However, we have concerns about the state's proposal to rely on the 2022 rate study as a framework in CY2027 and beyond. This study was completed during an anomalous period for many long-term care providers. It has not been revisited when better data is available, nor following significant regulatory changes for some care categories. We believe the assumptions require additional review before becoming a permanent baseline.

The capacity of our long-term care system is already challenged by rising demand and complexity. We believe that these recommendations represent the lowest level of investment necessary to maintain capacity. Current providers are already operating at capacity with waitlists growing across multiple service categories. We believe that these recommendations represent the lowest level of investment necessary to maintain capacity. Thank you for considering these recommendations.

Sincerely,

## **The Long-Term Care Crisis Coalition**

.AARP Vermont, Cathedral Square, Vermont Association of Adult Day Services, Vermont Aging Network Consortium, Vermont Catholic Charities, Inc., Vermont Chapter of the Alzheimer's Association, Vermont Health Care Association, VNAs of Vermont

Contact us at [coalition@vltccc.org](mailto:coalition@vltccc.org) or by visiting <https://vltccc.org>.

*The LTCCC represents more than 200 providers of assisted living, adult day services, area agencies on aging, home health, residential care, and other supports*