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# Federal Ruling on CMS Staffing Mandate Offers Relief for Long-Term Care Facilities

### **WRITTEN BY**

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Long-term care facilities, embattled by rising costs and potential Medicaid cuts, are seeing some relief on the horizon following a recent federal court ruling that struck down portions of the Centers for Medicare & Medicaid Services' (CMS) looming staffing mandate (final rule). The now-vacated provisions of the final rule would have imposed significant staffing requirements on long-term care facilities already strapped for cash and facing staffing challenges.

In American Health Care Association, et al. v. Robert F. Kennedy, Jr., et al., the Northern District of Texas vacated two key provisions of the staffing mandate, which were set to go into effect over the next several years, with the first implementation date being in May 2026:

- **24/7 RN Staffing**: Facilities will no longer be required to have a registered nurse (RN) on-site 24 hours per day, seven days per week, to provide direct resident care.
- Minimum Staffing Ratios: Long-term care facilities will no longer be required to provide a minimum of 3.48
  hours per resident per day (HPRD) in total nurse staffing, including 0.55 HPRD for RNs and 2.45 HPRD for
  nurse aides.

While remaining portions of the final rule are still set to go into effect, the two requirements vacated by this decision are expected to significantly reduce anticipated staffing burdens on long-term care facilities. However, an appeal of the decision is still a possibility, meaning long-term care facilities should not fully abandon their preparations for the final rule.

## **Court's Reasoning and Implications**

The court found that CMS had overstepped its statutory authority, asserting that the final rule imposed mandates inconsistent with the requirements laid out by Congress.

• **Regulatory Overreach**: While acknowledging the importance of improving staffing in long-term care facilities, the court emphasized that agencies must act within the bounds of authority explicitly granted by Congress and cannot implement sweeping regulations without clear statutory backing.

- Conflict With Congressional Mandates: The court determined that the 24/7 requirement contradicted existing statutory provisions, which require RN services for at least eight consecutive hours daily, seven days per week. Because existing law sets the floor at eight hours per day, and the 24/7 requirement would increase the floor to 24 hours per day, the court found this to be an overreach. Since the inception of Medicare and Medicaid in 1965, Congress has maintained control over the framework governing long-term care, standing firm at the floor being eight hours per day. The court was concerned that given this context, CMS was attempting to legislate from the agency and subvert Congress' intent.
- No One-Size-Fits-All Approach: Similarly, the court found the HPRD thresholds to be problematic because they imposed uniform staffing ratios that failed to account for the unique needs of each facility. Congress requires long-term care facilities to provide services that are individualized to be sufficient to meet the needs of residents, which calls for a more flexible, case-by-case approach.

This decision was heavily influenced by the Supreme Court's ruling in *Loper Bright Enterprises v. Raimondo*, which underscores the principle that federal agencies may only exercise authority clearly delegated by Congress. In *Loper Bright*, the Court limited deference to agency interpretations of ambiguous statutes — marking a shift toward stricter judicial oversight of regulatory action.

## Conclusion

The vacating of these provisions of the CMS staffing mandate, coupled with the judicial reasoning grounded in *Loper Bright*, highlights a critical shift in how courts view agency authority. While the decision not to implement these provisions may alleviate some immediate regulatory pressures on long-term care facilities, these facilities continue to face significant staffing challenges that can directly impact facility quality of care and expose long-term care facilities to government inquiries and investigations.

Therefore, long-term care facilities should still address staffing issues by exploring innovative recruitment and retention strategies, investing in staff training and development, and fostering a supportive work environment. In addition, long-term care facilities should continue to monitor activity in this case, in the event this ruling is challenged by an appeal.

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