



# California Legislature

May 22, 2026

Pro Tem Monique Limón  
California Senate  
California State Capitol  
Sacramento, CA 95814

Speaker Robert Rivas  
California Assembly  
California State Capitol  
Sacramento, CA 95814

John Laird, Chair,  
Senate Budget Committee  
California State Capitol  
Sacramento, CA 95814

Jesse Gabriel, Chair,  
Assembly Budget Committee  
California State Capitol  
Sacramento, CA 95814

Dear Colleagues:

We write to express our support for the restoration of \$150 million in general fund expenditures for skilled nursing facility (SNF) Workforce and Quality Incentive Payments (WQIP) in the 2026-2027 State Budget to preserve access to skilled nursing medical care for California’s most vulnerable patients. As California feels the impact of the Silver Tsunami, it is imperative that the State Legislature support the services needed by this growing population of seniors.

California’s more than 1,000 SNFs along with their 100,000 health care professionals provide essential 24-hour medical care to over 445,000 of California’s most vulnerable patients; nearly all of whom rely on Medi-Cal or Medicare. Chronic underfunding, however, threatens the sustainability of this care. As the state looks to maintain adequate Medi-Cal funding for the state’s most vulnerable individuals we urge you to prioritize workforce and quality incentive payments (WQIP) for SNF patients and their caregivers.

In July 2025, state budget cuts led to a \$300 million (in total funds) reduction in Workforce and Quality Incentive Payment (WQIP) funds, slashing critical resources that support high-quality care hundreds of thousands of skilled nursing patients and their families depend on. WQIP is a performance-based system that SNFs rely on for funding that supports investing in their workforce, strengthening quality care and advancing health equity— and it has delivered results. According to the Centers for Medicare and Medicaid Services, California ranks among the top four states in ten separate nursing home quality performance categories.

Restoring WQIP funding to SNFs will:

- Directly support patients by ensuring SNFs have the staff and resources to provide comprehensive medical and supportive health care services for patients transitioning out of hospitals to appropriate post-acute care settings; and

- Strengthen workforce recruitment and development and competitive wages for the nursing, medical and behavioral health staff who provide specialized medical care to patients.

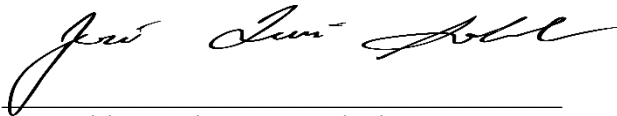
If WQIP funding is not restored, access to care for this vulnerable population will be at risk because SNFs will be challenged to attract and retain clinical professionals resulting in staffing shortages, reduced services and potential facility closures. Hospital overcrowding will increase and ultimately increase California's healthcare system costs.

We urge the Legislature not to approve the Department of Health Care Services (DHCS) Budget Trailer Bill proposal to extend the SNF Quality Assurance Fee (QAF) and Long-Term Care Reimbursement Act from December 31, 2026, to December 31, 2027, unless the bill is amended to restore the SNF WQIP and its associated funding that was eliminated in the FY 2025-26 state budget.

Sincerely,



Assemblymember Lisa Calderon



Assemblymember Jose Solache



Assemblymember Catherine Stefani



Senator Kelly Seyarto



Assemblymember Lori Wilson



Assemblymember Juan Alanis



Assemblymember Stephanie Nguyen



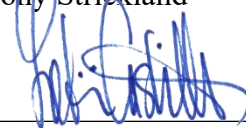
Assemblymember Joe Patterson



Assemblymember Michelle Rodriguez



Senator Tony Strickland



Assemblymember Leticia Castillo



Assemblymember Blanca Rubio



Assemblymember Mia Bonta



---

Senator Rosilcie Ochoa Bogh



---

Assemblymember Juan Carrillo



---

Assemblymember Chris Rogers