

UPDATED: CMS confirms launch of \$75M nursing home staff training fund

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Centers for Medicare & Medicaid Services Administrator Mehmet Oz has announced that his agency is moving forward with \$75 million in funding to support a long-awaited tuition reimbursement and training program for nursing home staff.

The announcement elicited mixed reactions from providers and their advocates as word spread Tuesday. Oz said in a video late Monday that he had sent a letter to all 50 governors notifying them of the funding availability.

CMS initially announced a staffing fund in 2023, in advance of a proposed federal rule that would have required most nursing homes in the country to

hire additional registered nurses and certified nurse aids to meet hourly minimum tan.

The agency is now working to [repeal](#) that rule, but the Oz [video](#) posted to X Monday afternoon indicates the staffing incentive program will live on. No official notice had been posted on the CMS website as of Tuesday evening. “Hard-working nurses and nurse aides are critical to ensuring residents get the best care in safe and inviting nursing homes. But the reality is, we have a shortage of qualified nursing home staff in every state in America. That has to change starting now,” Oz said on Twitter.

He described the effort as a “great opportunity to take bold action and tackle nursing home staff shortages.”

Oz also said the money could be used for tuition reimbursement or stipends, or states could use it to “streamline training” for CNAs. Oz called the coming actions “game changers,” especially for rural America.

He asked states to “bolster” the program by investing a portion of their civil monetary penalties — collected from nursing home providers previously cited for noncompliance — which would be matched by the federal government to double the investment. Some critics previously said CMS could fund a much larger recruitment and incentive program given significant fines collected and held by states.

In [December](#), CMS had said it planned to offer tuition remission and other financial incentives to encourage more RNs to work in SNFs or for state survey agencies. It also planned to promote nurse aide training programs. Oz’s 90-second video was short on details, including timing of any rollout, and CMS did not reply Tuesday to *McKnight’s Long-Term Care News*’ request for a copy of his letter to the states.

Mixed stakeholder reaction

Reaction to the update Tuesday was varied. While it generated buzz about administration support for the sector and “genuine” investment in caregivers, others bristled at the program’s dollar amount.

At the National Investment Center for Seniors Housing & Care fall conference Tuesday, Direct Supply Vice President of Government Affairs Brian Perry called the news “great.”

Holly Harmon, senior vice president of quality, regulatory and clinical services for the American Health Care Association, applauded Oz for recognizing the impact of caregiver shortages on US nursing homes. “We have long been awaiting the release of this staffing campaign after providing recommendations to enhance the effort when it was announced late last year,” Harmon told *McKnight’s* by email. “This is an encouraging start to what we hope will be an ongoing collaboration between CMS and the profession on meaningful ways to further invest in the long-term care workforce.”

But New Hampshire Health Care Association President and CEO Brendan Williams described the Oz announcement as “reheated leftovers from the prior administration,” noting that the spending could amount to about \$5,000 per US nursing home.

What comes next?

Jodi Eyigor, senior director of nursing home quality and health regulation for LeadingAge, said her organization is “eager” to learn details of the initiative as it progresses.

“Combined with last week’s interim final rule to repeal the staffing requirements ... this news is a welcome refocusing on what’s paramount to achieving a goal we share with the administration, residents, families and all stakeholders: ensuring quality care,” Eyigor said in a statement. “That is, investments in supports and solutions to retain, strengthen and grow the aging services workforce.”

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.