

Written Testimony of Rhea Goodwin, LNHA



**Public Hearing on Nursing
Home Stability and Costs**

Submitted to the Senate Democratic Policy Committee

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Chairman Miller and members of the Committee, thank you for the opportunity to speak today.

My name is Rhea Goodwin, and I have worked in the nursing home industry since 1998. I have spent my entire career serving the nursing home population in many different roles, and I stand before you today as a Regional Director of Operations for Eden East Management. We currently have six facilities in the state, providing care for approximately 660 residents. 87% of these residents currently have Medicaid as their primary payor.

I want to be very direct; what we are experiencing right now is not sustainable.

Over the years, I have seen this industry evolve, but what has never changed is the heart of the people who do this work. Nursing homes are filled with incredibly dedicated professionals, leaders, nurses, aides, and therapists' people who show up every day to care for residents with compassion, respect, and dignity. They are entrusted with supporting individuals in some of the most vulnerable moments of their lives, and they take that responsibility seriously.

But today, I am watching those same people burn out.

Over the past six years, I have seen strong, committed leaders, people I would trust, leading the care for my own family, reach a point where they simply cannot do it anymore. Not because they don't care, but because the system they are working in pushing them beyond what is reasonable. When we lose those individuals, we lose administrators, stability, and leadership that our residents and employees depend on.

Two years ago, I found myself at that same point. After decades in this field, I questioned whether I could continue. That is something I never thought I would say about a profession I have dedicated my life to.

What makes this even harder is what this work truly requires of the people who choose to do it.

This is not an easy profession. The regulatory expectations are high, and I want to be clear, I support that. Our residents deserve strong oversight and quality standards. But what often gets overlooked is what it takes behind the scenes to meet those expectations in an environment where funding does not match the cost of care.

Our senior leadership makes real sacrifices.

They regularly work long hours, answering calls at all times of the day and night, stepping in when there are staffing gaps, and carrying the weight of responsibility not just for operations, but for people for residents, families, and their teams. They are constantly balancing compliance, quality outcomes, staffing challenges, and financial pressures, all at the same time.

And while we talk a lot about work-life balance, the reality is that in this field in PA, it is often very hard to achieve in these leadership roles.

For many of us, this has never been just a job. I have always said this is a calling. It is a commitment to serve, to show up for residents in some of the most vulnerable moments of their lives, to support families who trust us with their loved ones, and to lead teams who depend on us.

But even a calling has its limits when the system around it is not sustainable.

And the financial reality is what is driving that strain.

Approximately 90% of the residents we currently serve are funded by Medicaid. Quite simply, Medicaid does not cover the cost of care. For every dollar we spend, we are reimbursed less. Years ago, providers could offset some of that loss through Medicare, but that is no longer the case. Those margins have shrunk, and the gap continues to grow.

Then the Budget Adjustment Factor takes it one step further. Even after the state determines what it should cost to care for our residents, that number is reduced. Today, we are effectively being asked to operate at about 80% of the state's own calculated cost of care.

As an operator, I can tell you—there is no way to absorb that kind of gap without it impacting our leaders.

In my current role with Eden East, I have a unique perspective. We are a company that is new to Pennsylvania but well established in other states. I see the difference in reimbursement across those markets, and I can tell you Pennsylvania is making it harder to do the very things we all want—retain staff, invest in buildings, and improve quality.

And yet, we are trying.

Since entering Pennsylvania in 2025, Eden has made a real commitment. We have invested over \$3 million into our six facilities. We made the difficult decision to decertify beds to eliminate three-bedded rooms and enhance privacy, and overall quality of life for our residents. We have increased wages not just for nurses, but for ancillary staff and committed to merit increases because we believe our employees deserve that recognition.

We are also deeply focused on quality implementing initiatives that strengthen clinical outcomes, improve the resident experience, and support our frontline teams in delivering the level of care our residents deserve. We are seeing this hard work translate into results.

But commitment alone cannot overcome a broken funding structure.

Pennsylvania residents deserve providers who are willing to make a sustainable investment and raise the bar in quality of care. Our leaders deserve to work in environments where they feel supported, not stretched beyond their limits. And operators should not have to choose between doing the right thing and remaining financially viable.

Establishing a floor to the BAF is not about asking for more than what is fair—it is about aligning reimbursement with the actual cost of care. It is about giving providers the ability to retain the very people who make this system work.

Because if we continue on this path, we will keep losing the very best leaders among us.

And that is a loss for our residents simply cannot afford.

Thank you.