

Senate Democratic Policy Hearing – Rising Costs for Seniors

Department of Aging Testimony

June 12, 2026

It is no secret that many individuals across the nation are experiencing the pressures of the rising cost of living, daily necessities, and health care services. Older adults, or those aged 60 +who remain largely on fixed incomes, are especially susceptible to these rising costs as they look to remain in the homes and communities of their choice.

Pennsylvania is home to 3.4 million older adults, the fifth highest total in the country. By 2030, one in three Pennsylvanians will be age 60 or older. At the same time, Pennsylvanians are living longer, healthier lives, and the Commonwealth’s population is becoming increasingly diverse. These demographics trends are more than statistics; they are a call to action for Pennsylvania to lead the way in supporting an aging population amid rising costs.

The Pennsylvania Department of Aging (PDA) through the 52 Area Agencies on Aging provides a wide array of services and programs to help older Pennsylvanians live and thrive in their homes and communities for as long as possible. PDA’s mission is to promote independence, purpose and well-being in the lives of older adults through advocacy, service and protection.

With rising costs of living, from gas, to rent, to groceries, we must remain committed to supporting each older adult’s choice on where and how they choose to grow older through quality services and supports. These services include home-delivered and congregate meals, caregiver support, health and wellness services, personal assistance, senior community centers, Medicare enrollment counseling, transportation, job training, elder abuse prevention, PACE prescription assistance and more.

As noted in the article *“AARP Report Finds Long-Term Care Costs Outpacing Americans’ Incomes”*, a recent analysis by the U.S. Department of Health and Human Services, 56 percent of adults who turned 65 between 2021 and 2025 are expected to need long-term services and supports during their lifetime.¹ AARP’s analysis states that the cost of long-term care has begun to outpace middle income families and has left many families to decide whether to use their life savings to pay for care or become caregivers themselves.² The two main forces driving this rise in cost of care, includes rising hourly wages for care workers and the increasing intensity of older adult’s care needs.

¹ [AARP Report Finds Long-Term Care Costs Outpace Income](#)

² [AARP Report Finds Long-Term Care Costs Outpace Income](#)

These increased costs are pushing older adults to commit a larger share of their retirement income to cover the increasingly high costs of their long-term care. PDA recently spoke to an older adult who shared that his 65-year-old wife with early stages of dementia was just admitted to an assisted living facility with specialized dementia care. Their out-of-pocket costs for her care for just one month are \$7,000, not including the husband's costs to maintain and live in their family home. Unless older adults have significant retirement savings, most cannot sustain funding all components of their life circumstances.

To help Pennsylvanians remain in their homes, the Shapiro Administration has made Pennsylvania's first-ever Housing Action Plan which establishes a clear, statewide roadmap to increase housing supply, lower costs, and stabilize housing outcomes for residents across all regions and income levels. Many older adults have a strong desire to age-in-place and continue to be a part of their communities and this plan supports housing access and affordability to allow them to do so.

Additionally, in 2023, the Shapiro Administration secured a historic expansion of the Property Tax / Rent Rebate Program, delivering immediate cost relief to older adults, homeowners, and renters across Pennsylvania. Beginning in 2024, the maximum standard rebate rose from \$650 to \$1,000 and the annual income limit increased to \$45,000, indexed for future cost-of-living adjustments. The Governor's expansion of the Property Tax Rent Rebate Program increased access to nearly 175,000 more Pennsylvania seniors and nearly doubling the maximum rebate helps support homeowners and renters across Pennsylvania.

Governor Shapiro has also supported older adults with combatting the rising cost of prescriptions by signing [House Bill 923 – now Act 49 of 2025](#) into law, which extends the cost-of-living moratorium for the Pharmaceutical Assistance Contract for the Elderly (PACE) program and the Pharmaceutical Assistance Contract for the Elderly Needs Enhancement Tier (PACENET). Through the passage of this bill, it allows more than 20,000 older Pennsylvanians to maintain their prescription medication benefits despite disqualifying increases in their overall income due to Social Security cost-of-living adjustments (COLA). Programs like PACE and PACENET play an important role in supporting older adults by offering tremendous savings through helping them pay for their prescription medications and keeping money in their pockets where it belongs.

While the Commonwealth has taken meaningful steps to help older adults manage rising costs, we must continue to keep their voices at the center of the conversation. That means listening to older adults and working alongside them to ensure Pennsylvania remains a place where they can not only live, but truly thrive. Older adults deserve the opportunity to

age on their own terms without being forced to sacrifice their life savings or leave the homes and communities they cherish.