Increase Access to Memory Care for Medicaid Patients

The Problem

Patients should not be stuck in hospitals. Yet some patients stay in hospitals unnecessarily because they cannot be discharged to more appropriate post-acute care settings. The very low Medicaid rate for memory care services for Medicaid patients living with dementia is a significant barrier to getting patients the right care at the right place.

Patients with dementia often need residential care because they can no longer live at home due to a loss of cognitive function. The state’s specialized dementia care program though the Department of Social and Health Services offers long-term care services for Medicaid patients. However, the rate paid under the specialized dementia program is inadequate and only a small number of post-acute care facilities accept patients with specialized dementia needs.

According to data from hospitals in Washington State, dementia is one of the top barriers that keep patients in acute care hospitals - on average these patients spent 90 unnecessary days in the hospital per hospitalization.

The need for increased access to specialized dementia care is included in the Governor’s budget as part of the statewide behavioral health reform package. The Governor’s budget includes $22.2 million total ($11.1 million general fund state) for a specialized dementia rate increase from approximately $120 to $325 and projecting increased capacity of 200 slots. WSHA has a similar request that is targeted to patients who are living in community hospitals.

Proposed Solution

WSHA supports increasing Medicaid long-term care payment rates for patients living with dementia and capital funding to support increased community capacity to care for Medicaid patients needing specialized dementia care.

Budget Ask

$10 million general fund state ($20 million total) to increase rates for Medicaid patients being discharged from acute care hospitals to specialized dementia facilities, including enhanced adult residential care settings.

$30 million in capital funding to support increased community capacity and increase access to specialized dementia care for Medicaid patients.

Funding assumptions: Increase specialized dementia rate from approximately $120 to $325 per day for patients being discharged from acute care hospitals. This increase would cover approximately 175 slots.
Key Messages

- Based on recent data from Washington State hospitals, the need for memory care was one of the top five barriers preventing patients from leaving an acute care hospital. Patients needing memory care often had additional barriers of combativeness, low or inadequate funding, and the need for a guardian. Patients needing memory care had an average of 90 avoidable days (day the patient was in an acute care hospital but did not need to be there).

- Acute care beds are a finite, expensive resource. Patients who need acute care need access to these beds. Patients who need post-acute care should be discharged to appropriate settings.

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