Increase Access to Memory Care for Medicaid Patients

The Problem

People with dementia, including Alzheimer’s disease, are getting stuck in hospitals without a medical need for hospitalization. A significant cause is the very low rates Medicaid pays for memory care services. This means many Medicaid patients living with dementia are not able to get the right care in the right place.

As dementia progresses, patients lose cognitive function and can no longer live at home. They need to be placed in residential care to remain safe. The state’s specialized dementia care program through the Department of Social and Health Services offers long-term care services for Medicaid patients. However, the rate paid under the program is inadequate and only a small number of post-acute care facilities accept Medicaid 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.

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.

This request is similar to the Governor’s 2019 request as part of statewide behavioral health reform related to patients in state psychiatric hospitals needing memory care. WSHA’s request is targeted to patients who are living in our community hospitals.

Budget Ask

- **$5 million general fund-state** ($10 million total) in the second year of the biennium to increase rates for Medicaid patients being discharged from acute care hospitals to specialized dementia facilities, including enhanced adult residential care settings.

- **$15 million in capital funding** to support increased community capacity and increased 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 (days 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, especially in critical time like the flu season. Patients who need post-acute care should be discharged to appropriate community settings.

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