

Medicaid Funding for Assisted Living

- According to the U.S. Census in 2020, Washington was home to more than 1.2 million seniors, accounting for more than 16% of the population. This number is expected to grow to more than 20% of the population in the next few years.
- Funding for assisted living Medicaid care has not kept pace with cost, and access to care in assisted living is declining by about 3 percent annually.
- During last year's legislative session, budget writers rightly increased Medicaid funding for assisted living care but they did not go far enough.
- At this time last year, the state's Medicaid reimbursement rate for labor was funded at just 68% of the actual cost of care – that was only a wage of \$14.38 an hour, \$1 lower than the state's minimum wage.
- The 2023-2025 state operating budget increased the reimbursement rate to 79% of the cost of care, bringing wages to \$16.71 on July 1, 2023. While this now matches the new state minimum wage, it still is not sufficient, and it is not equal to labor rates paid for adult family home and in-home care.
- The Legislature also recognized that Medicaid rates shortfalls are particularly challenging for care providers serving a higher number of low-income residents. They passed a "bridge funding" proposal, which adds \$20 per day for rates where more than 90% of residents rely on Medicaid support. That funding goes away on June 30, 2024. This looming rate cliff must be addressed in this legislative session to ensure continuity of care.
- The Medicaid funding shortfall does not just harm Medicaid clients and their caregivers – private pay rates are inflated to subsidize Medicaid client care. This means middle and working-class people struggle to afford the care they need.

Connect with Your Legislators

You are an expert in the issues that affect your assisted living facility. Write a letter, make a phone call, or schedule an in-person or virtual meeting with lawmakers to share your insights.

These talking points will help you make a strong case for Medicaid funding for Assisted Living.

Questions?

Contact Eric Negomir, Government Relations Manager at WHCA, for more information and support.

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- The assisted living workforce is doing some of the most physically and emotionally challenging work in our society, providing intimate and necessary care and services to support the general well-being of people who truly need care. When funding fails to keep pace with labor costs, these caregivers are asked to do more with less, often at personal expense. Labor shortages reduce access to care and services our aging seniors desperately need.
- Rural long-term care providers are particularly affected by underfunding and the associated workforce shortage. When these facilities shut down, seniors are forced to move hours away from their families and communities.
- Without a budget that covers 100% of Medicaid labor costs, it is impossible for those who provide care to Medicaid beneficiaries to compete in the labor market or provide the best possible care.
- The Medicaid funding shortfall harms residents, families, and caregivers. The state Legislature can fix the problem by making a bold and necessary investment in Medicaid funded long term care this year.
- Washington's low-income seniors and people with disabilities deserve quality long-term care, regardless of payment source. These are our parents, grandparents, and neighbors and they deserve quality long-term care.