

Healthier Washington Medicaid Transformation Accommodating the needs of the age wave

In 2017, Washington State and the Centers for Medicare and Medicaid Services (CMS) finalized an agreement for a five-year Medicaid transformation project to improve the state's health care systems, provide better health care, and control costs.

Washington has been a national leader in providing long-term services and supports (LTSS) that help people remain in their homes and communities. These programs have saved the state billions of dollars over the past two decades. Our LTSS system has sustained AARP's ranking of second in the nation for its high performance. At the same time, however, we rank among the lowest (34th) in cost effectiveness.

Our population is aging, increasing the number of individuals who will need these services. By 2040, the number of people 65 and older will more than double and as we age, we often need more assistance.

The Healthier Washington Medicaid Transformation is boosting our preparations for the coming "age wave," allowing us to test new services that support unpaid family caregivers and provide targeted supports to people who may or may not be eligible for Medicaid.

Why this work is critical

- **More support for unpaid caregivers**

In Washington State, family members and other unpaid caregivers provide approximately 80 percent of the care for people needing support. If just one-fifth of these caregivers stopped providing care, the cost of LTSS in Washington would double.

Providing care for a family member can be among the most rewarding things a person can do, but it also has challenges. Eighty-five percent of caregivers show increases in stress and other negative health effects, both physical and mental.

Prior to the Medicaid Transformation, Washington had developed a successful program to support unpaid caregivers, so we know that early caregiver support results in a 20 percent reduction in more intensive Medicaid LTSS the following year.

- **Protecting peoples' savings**

The majority of Washingtonians do not have insurance to cover LTSS, and have no affordable options for coverage.

Within Medicaid, an individual qualifies for everything or nothing at all. People and their families often have no practical way to prepare financially for future LTSS needs except by impoverishing themselves to become eligible for full-scope Medicaid.

Medicaid transformation responds to increased demand for LTSS

The Medicaid transformation offers additional choices that:

- Preserve and promote choice in how individuals and families receive services.
- Support families to care for loved ones while increasing the well-being of caregivers.
- Delay or avoid the need for more intensive, Medicaid-funded LTSS.

New benefits

Medicaid Alternative Care (MAC) provides support for unpaid family caregivers caring for Medicaid-eligible people who are not currently accessing Medicaid-funded LTSS. This benefit enables unpaid caregivers to provide high-quality care for their loved ones, while also tending to their own health and well-being. They receive a number of services, such as training, support groups, respite services, and help with housework, errands, and home-delivered meals.

Tailored Supports for Older Adults (TSOA) establishes a new eligibility category and benefit package for people who may need Medicaid LTSS in the future, who currently do not meet Medicaid financial eligibility criteria, but do meet functional criteria for care. This benefit helps people and families avoid or delay impoverishment and the future need for Medicaid-funded services, while providing support to individuals and unpaid family caregivers. As with MAC, TSOA includes supports such as training, support groups, respite services, and help with housework, errands, and home-delivered meals.

Providing people with the right services at the right time

Benefit specifications are available on the [Initiative 2 Medicaid Transformation web page](#).

Note: Estate recovery does not apply to these new benefits.

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Note: These programs are funded through a federal 1115 waiver, issued by the Centers for Medicare and Medicaid Services. Funding is not a grant. The state must demonstrate that it will not spend more federal dollars on its Medicaid program with this project than it would have without it.