



Medicaid Fast Facts

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Introduction

Medicaid helps people live healthier and more economically secure lives. It increases the diagnosis and early treatment of chronic conditions, enhances educational achievement and future earnings for covered children, reduces health care inequities, and provides comprehensive, high-quality, and cost-effective care.¹ Medicaid coverage is tailored to the unique needs of individuals and families with low incomes but still costs less per beneficiary than private insurance.² Medicaid's core beneficiary protections make the program work for enrolled populations, including children, parents, pregnant people, low-income workers, older adults, and people with disabilities.

During the COVID-19 pandemic, Medicaid has provided essential health care coverage, including for individuals who lost their employer-sponsored coverage due to the pandemic-related economic downturn.³ Furthermore, the continuous Medicaid coverage provision enacted by Congress in early 2020 nearly eliminated "churn" among Medicaid beneficiaries, ensuring individuals have steady, reliable health care coverage during an unprecedented pandemic.⁴

Despite Medicaid's proven success and efficient use of funds, detractors repeatedly seek to cut or cap funding for the program. These proposals seriously jeopardize the health and financial security of the 91.8 million people who benefit from Medicaid and CHIP.⁵ See NHeLP's "[Protect Medicaid Funding](#)" 11-part series for more information on particular issues and populations.

Medicaid Fast Facts

Medicaid supports older adults and people with disabilities.

- Medicaid provides health coverage to **nearly 17 million people with disabilities and older adults.**

- Medicaid is tailored to meet the needs of people with low incomes and thus covers many vital services not covered by Medicare or most other insurance, most notably long-term services and supports (LTSS), including nursing home care.
- Medicaid is the largest single payer of long-term services and supports in the nation, paying for **over half of all LTSS**.

Medicaid supports children.

- Medicaid covers health services for **nearly half of all US children** (over 41 million children).
- Medicaid is a lifeline for **nearly half of the 14 million children with special health care needs** in the United States.
- Medicaid provides comprehensive and preventive services for children under age 21 through its Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit.
- Medicaid is the go-to health insurance for children who have been abused, neglected, and placed in state foster care systems, children with developmental and other disabilities, and children needing special education services.

Medicaid supports women.

- Medicaid provides coverage to **nearly 17 million** non-elderly adult women.
- Medicaid is the largest single payer of pregnancy-related services, financing **42% of all U.S. births**.
- Medicaid accounts for **75% of all publicly funded family planning services** nationwide. Publicly funded family planning saves over \$7.00 for every \$1.00 spent.
- **35 states and DC** have adopted or plan to adopt 12-month postpartum coverage extensions.
- Medicaid provides coverage for treatment of **breast and cervical cancer** for women up to 250% FPL.
- Medicaid covers **1 in 4 adult women with mental health conditions** and **4 in 10 women with disabilities**.

Medicaid supports people of color and underserved communities.

- Medicaid is an important source of health coverage for people of color, who represent **59% of non-elderly Medicaid enrollees**.
- More people in rural areas (24%) are enrolled in Medicaid compared to urban areas (22%).
- Medicaid promotes health equity and prohibits discrimination on the basis of race, ethnicity, language, immigration status, age, disability status, and gender.

Medicaid supports people with mental health conditions and substance use disorders (SUD).

- Medicaid is the single largest payer for mental health services, including SUD treatment, and the only source of funding for some specialized behavioral health services.
- Medicaid covers **23% of adults with mental health conditions** and **21% of adults with SUD**, or a combined estimate of 13.9 million people.

Medicaid supports people with HIV/AIDS.

- Medicaid is the single largest source of health care for people with HIV/AIDS and covers **42% of all people getting regular treatment for HIV**, many of whom were covered only due to the Affordable Care Act (ACA)'s Medicaid expansion.
- States that expand Medicaid are able to shift individuals enrolled in the Ryan White AIDS Drug Assistance Programs (ADAPs) into Medicaid expansion, thereby freeing up ADAP funding for improved HIV/AIDS care in the state. Medicaid also supports community health clinics and reduces their uncompensated care costs.

Medicaid provides quality care.

- **88% of Medicaid enrollees** are satisfied with their health coverage under the ACA's expansion of Medicaid to low-income adults.
- **92% of Medicaid enrollees** are very or somewhat satisfied with their plan doctors.
- **93% of Medicaid enrollees** are more likely to be satisfied with their coverage than Marketplace enrollees overall (75%). Medicaid enrollees are also more likely to be satisfied with their copays when visiting a doctor (92% vs. 66%), copays for prescriptions (93% vs. 73%), and choice of doctors and hospitals (86% vs. 77%) than Marketplace enrollees.

Medicaid supports schools.

- Schools receive roughly **\$4.5 billion** in Medicaid funding per year.
- Medicaid pays for some health services for children under the Individuals with Disabilities Education Act (IDEA) through an individualized education program (IEP) or individualized family service program (IFSP).
- **Two-thirds of Medicaid funding for schools** supports health professionals and specialized instructional support personnel (*e.g.*, speech-language pathologists, audiologists, occupational therapists, school psychologists, school social workers, and school nurses) who provide comprehensive health and mental health services to students.

Medicaid supports states and their economies.

- On average, the federal government pays **57%** of states' Medicaid costs. This federal match rate is much higher for certain populations and services and has been enhanced during the COVID-19 public health emergency.
- The federal government matches **at least 69% of state expenses for CHIP and 90% for the Medicaid expansion population.**
- Medicaid—and particularly Medicaid expansion—has significantly reduced states payments for public health, SUD treatment, and mental health costs.
- Money spent on services and payments to health care providers is spent in local communities, further bolstering their economies.

How Funding Caps Threaten Medicaid

Changing the financing of Medicaid from a guarantee (or "entitlement") to a per capita cap or block grant threatens everyone—enrollees who receive services, health care providers who provide care through Medicaid, families who can live and work without the worries of providing expensive care to a child with a debilitating illness or an older adult who needs home care or nursing home care, and all of our communities that benefit from the jobs created and the federal money flowing into our states. Per capita caps and block grants will shift significant risk to states and result in cuts to eligibility, services, and provider payments (for more about the problems with per capita caps and block grants, see NHeLP's publications [here](#)). No one can afford these changes.

Protect Medicaid Funding Series

NHeLP recently updated its "[Protect Medicaid Funding](#)" series. These fact sheets provide more information on particular Medicaid issues and populations. See the links below for details:

- [Issue #1: Medicaid Services](#)
- [Issue #2: Affordability](#)
- [Issue #3: Enrollment and Continuity](#)
- [Issue #4: Access to Providers](#)
- [Issue #5: Children's Health](#)
- [Issue #6: Older Adults and People with Disabilities](#)
- [Issue #7: Access to Reproductive and Sexual Health Care](#)
- [Issue #8: Pregnant People](#)
- [Issue #9: People Living with HIV](#)
- [Issue #10: Substance and Opioid Use Disorders](#)
- [Issue #11: Health Inequities](#)

ENDNOTES

- ¹ Harvey W. Kaufman et al., *Surge in Newly Identified Diabetes among Medicaid Patients in 2015 within Medicaid Expansion States under the Affordable Care Act*, 38 DIABETES CARE 833 (2015), <https://diabetesjournals.org/care/article/38/5/833/> (Medicaid coverage improves diabetes screening and treatment initiation); Owen Thompson, *The Long-Term Health Impacts of Medicaid and CHIP*, 51 J. HEALTH ECON. 26 (2017), <https://www.sciencedirect.com/science/article/abs/pii/S0167629616305136?via%3Dihub>; Sarah Miller & Laura R. Wherry, *The Long-Term Effects of Early Life Medicaid Coverage*, 54 J. HUMAN RES. 785-824 (2019), <http://jhr.uwpress.org/content/54/3/785> (Medicaid improves long-term outcomes for children); Thomas C. Buchmueller et al., *Effect of the Affordable Care Act on Racial and Ethnic Disparities in Health Insurance Coverage*, 106 AM. J. PUB. HEALTH 1416, 1420 (2016), <https://ajph.aphapublications.org/doi/pdf/10.2105/AJPH.2016.303155> (Medicaid expansion reduced health care disparities); Robin Rudowitz et al., Kaiser Fam. Found., *10 Things to Know about Medicaid: Setting the Facts Straight* (March 6, 2019), <https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-medicaid-setting-the-facts-straight/>; Hannah Katch, Ctr. on Budget & Pol’y Priorities, *Medicaid Works: Millions Benefit from Medicaid’s Effective, Efficient Coverage* (June 2, 2017), <https://www.cbpp.org/research/health/medicaid-works-millions-benefit-from-medicaid-effective-efficient-coverage>.
- ² Hannah Katch et al., Ctr. on Budget & Pol’y Priorities, *Frequently Asked Questions About Medicaid* (Nov. 22, 2019), <https://www.cbpp.org/research/health/frequently-asked-questions-about-medicaid> (Private insurance costs twenty-two percent more than covering the same low-income individual with Medicaid).
- ³ Jennifer Tolbert et al., Kaiser Fam. Found., *10 Things to Know about the Unwinding of the Medicaid Continuous Enrollment Provision* (Feb. 22, 2023), <https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-the-unwinding-of-the-medicaid-continuous-enrollment-provision/>.
- ⁴ *Id.*
- ⁵ CMS, November 2022 Medicaid & CHIP Enrollment Data Highlights (Feb. 28, 2023), <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>.

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