



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.

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 83.3 million people who benefit from Medicaid and CHIP.³ See NHeLP's "[Protect Medicaid Funding](#)" 14-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 **over 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 and home and community-based services (HCBS).
- Medicaid is the primary payer of long-term services and supports in the nation, paying for **over half of all LTSS**.

Medicaid supports children.

- Medicaid and CHIP cover health services for **nearly half of all US children** (over 37 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 24 million** women of reproductive age.
- Medicaid is the largest single payer of pregnancy-related services, financing **41% 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.
- **48 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 over **4 in 10 women with disabilities**.

Medicaid supports people of color and underserved communities.

- Medicaid and CHIP provide coverage for **nearly 55 million people of color**.
- Medicaid provides coverage for **nearly 14 million people residing in rural areas**.
- **Over 10%** of Medicaid and CHIP beneficiaries have a primary language other than English.
- 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 **40% 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.

- **83% of Medicaid beneficiaries** rate the overall performance of Medicaid positively.
- Medicaid beneficiaries are less likely to report cost-related problems and more likely to report having an easier time understanding their coverage, including their appeal rights, than those who are privately insured.
- Medicaid enrollees express higher satisfaction with their coverage than Marketplace enrollees (93% vs. 75%). Medicaid enrollees are 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 school districts use Medicaid funding** to support health professionals and specialized instructional support personnel (*e.g.*, speech-language pathologists, audiologists, occupational therapists, school psychologists, social workers, and nurses) who provide comprehensive health and mental health services to students.

Medicaid supports states and their economies.

- On average, the federal government pays **62%** of states' and territories' Medicaid costs. This federal match rate is higher for certain populations and services.
- The federal government matches **at least 65% 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—beneficiaries 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. Unsurprisingly, the overwhelming majority of Medicaid beneficiaries and the general adult public want Medicaid financing to stay as is, with the federal government guaranteeing coverage for people with low income, setting standards for eligibility and services, and matching state Medicaid spending.⁴ Per capita caps and block grants will only 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 with HIV](#)
- [Issue #10: Substance and Opioid Use Disorders](#)
- [Issue #11: Health Inequities](#)
- [Issue #12: LGBTQI+ Individuals](#)
- [Issue # 13: Work Requirements Hurt the U.S. Workforce](#)
- [Issue #14: Work Requirements Hurt the Economy](#)

ENDNOTES

¹ Robin Rudowitz et al., Kaiser Fam. Found., *10 Things to Know about Medicaid* (Jun. 30, 2023), <https://www.kff.org/mental-health/issue-brief/10-things-to-know-about-medicaid/>; MACPAC, *Access in Brief: Children’s Experience in Accessing Medical Care* (Nov. 2021), <https://www.macpac.gov/wp-content/uploads/2016/06/Access-in-Brief-Childrens-Experiences-in-Accessing-Medical-Care.pdf>.

² Heidi Allen et al., *Comparison of Utilization, Costs and Quality of Medicaid vs. Subsidized Private Health Insurance for Low-Income Adults*, 4 JAMA NETWORK OPEN (2021), <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2774583> (“ . . . overall health care spending was more than 80% higher among Marketplace-eligible adults than among Medicaid-eligible adults. This difference was no longer significant when claims were adjusted to Medicaid prices, indicating that the cost differences were driven by higher prices for the same services in the Marketplace compared with Medicaid.”). See also Ark. Ctr. for Health Improvement, *Arkansas Health Care Independence Program (“Private Option”) Section 1115 Demonstration Waiver Interim Report* (Jun. 16, 2016), <https://achi.net/wp-content/uploads/2018/10/Arkansas-Health-Care-Independence-Program-Section-1115-Demonstration-Waiver-Interim-Report-June-2016.pdf> (noting a 78.3% difference between the commercial and Medicaid per patient per month payments).

³ CMS, *February 2024 Medicaid & CHIP Enrollment Data Highlights* (May 31, 2024), <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>.

⁴ Grace Sparks et al., Kaiser Fam. Found., *Public Opinion on the Future of Medicaid: Results from the KFF Medicaid Unwinding Survey and KFF Health Tracking Poll* (Jun. 4, 2024), <https://www.kff.org/medicaid/poll-finding/public-opinion-on-the-future-of-medicaid-kff-medicaid-unwinding-kff-health-tracking-poll/>.

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