



Protect Medicaid Funding Issue #12: LGBTQI+ People (Updated September 2024)

Charly Gilfoil, Michelle Yiu & [Wayne Turner](#)

A Note on Terminology

This publication discusses both the experiences of the Lesbian, Gay, Bisexual, Transgender, Queer, and Intersex (LGBTQI+) community generally and the specific experiences of distinct groups within this umbrella term. The distinctions are based on the findings of data relied upon to present this information. Where relevant, we distinguish between Lesbian, Gay, Bisexual, Transgender and Non-Binary, and Intersex populations to conform to cited research and data.

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 over 80 million people who benefit from Medicaid and CHIP.³

This fact sheet explains why Medicaid is critical for LGBTQI+ people and how they would be harmed by Medicaid funding caps.⁴

Why Medicaid is Important for LGBTQI+ People

Medicaid provides critical health care access for Lesbian, Gay, Bisexual, Transgender, and Queer people. An estimated 1.2 million adults covered by Medicaid identify as LGBTQ.⁵ However, about 30% of all LGBTQI+ adults living in the U.S. – up to 6 million LGBTQI+ people – could actually be eligible for Medicaid.⁶ This means that up to 4.8 million Medicaid-eligible LGBTQI+ adults may qualify for Medicaid coverage but do not currently receive it, likely due to administrative barriers, discrimination, and stigma.⁷ LGBTQI+ people are more likely to have access to health care and less likely to be uninsured in states that have expanded Medicaid.⁸

Medicaid creates and preserves health care access for Lesbian, Gay, and Bisexual people. Lesbian, Gay, and Bisexual (LGB) individuals are more likely to qualify for Medicaid than the general population, partly because LGB people are more likely to live in low-income households.⁹ For LGB individuals who are enrolled, Medicaid is an effective source of health care coverage. LGB people enrolled in Medicaid access health care services, have a regular source of care, and receive preventive screenings at similar rates to heterosexual individuals enrolled in Medicaid.¹⁰ LGB people enrolled in Medicaid also access care at rates similar to those who are privately insured.¹¹

Medicaid creates and preserves health care access for Transgender and Non-Binary people. Medicaid covers about 21% of the estimated Trans population in the U.S.¹² Trans and Non-Binary people may be more likely to be Medicaid-eligible because Trans and Non-Binary people disproportionately experience income insecurity, illustrating the importance of Medicaid for Trans and Non-Binary people's health care access.¹³ For those enrolled, Medicaid provides critical access to basic preventive care. For example, Trans and Non-Binary people enrolled in Medicaid are more likely to have received critical health screenings, such as pap smears or HIV testing, than those covered by private insurance or who are uninsured.¹⁴

Medicaid creates and preserves health care access for Intersex people. People who identify as LGBTQ+ and Intersex disproportionately experience income insecurity, discrimination, and poverty.¹⁵ A 2020 survey by the Center for American Progress found that 52% of LGBTQ+ Intersex people were enrolled in Medicaid in the past year.¹⁶

Medicaid protects access to gender-affirming health care for Transgender and Non-Binary people. Notwithstanding the attempts to ban and criminalize gender-affirming care, many state Medicaid programs provide access to gender-affirming care for Trans and Non-Binary people. As of December 2022, the Williams Institute estimates that approximately 60% of Trans Medicaid beneficiaries live in states that protect access to gender-affirming care.¹⁷

Although many Trans and Non-Binary Medicaid beneficiaries still pay out-of-pocket where certain gender-affirming services are not covered, the availability of at least some gender-affirming care coverage under Medicaid for these costly services is critical. A 2023 report on the financial wellbeing of LGBTQI+ people found that 82% of people who have had gender-affirming care have paid out of pocket to receive services, and about half have paid over \$5,000 out of pocket in their lifetimes.¹⁸

Medicaid protects health care access for LGBTQI+ communities of color and people with limited English proficiency. LGBTQI+ people of color rely on Medicaid as a critical source of health care access. The Medicaid and CHIP Payment and Access Commission (MACPAC) found a higher proportion of Lesbian and Gay Black people and a higher proportion of Trans and Non-Binary Black, Hispanic, Native Hawaiian, Pacific Islander, multiracial/multiethnic, American Indian, and Alaska Native people were covered by Medicaid than by private insurance.¹⁹ In addition, MACPAC found a higher proportion of limited-English speaking or multilingual LGBTQI+ people were enrolled in Medicaid than in private insurance.²⁰ Many more LGBTQI+ people of color are likely eligible for Medicaid but lack access due to stigma and fear of discrimination.

Medicaid is the primary provider of health insurance coverage for Trans people with disabilities. LGBTQI+ people are more likely to have a disability than non-LGBTQI+ people.²¹ In particular, Trans people of any gender are more likely to be disabled and more likely to be Medicaid-eligible.²² A MACPAC analysis found that Medicaid is the primary source of health care coverage and the most critical source of health care access for Trans people with disabilities.²³

Medicaid improves access to HIV services and resources for LGBTQI+ people. Medicaid is the largest source of health insurance coverage for adults under 65 living with HIV.²⁴ LGBTQI+ people are disproportionately impacted by HIV and AIDS, and LGBTQI+ people living with HIV and AIDS primarily access health care services through Medicaid or a combination of Medicaid and Medicare.²⁵ Medicaid expansion profoundly impacted health care access for people living with HIV and AIDS because it removed the requirement that people living with HIV had to meet strict criteria of disability eligibility before obtaining Medicaid coverage.²⁶

How Funding Caps Would Harm LGBTQI+ People

Funding caps threaten essential health care access for LGBTQI+ people. Block grants and per capita cap proposals reduce the amount of federal funding available to states to provide critical health care services for LGBTQI+ people. LGBTQI+ people are more likely to

face discrimination in accessing health care coverage and more likely to avoid signing up for coverage for fear of discrimination.²⁷ Yet, LGBTQI+ people rely on Medicaid for health care coverage at higher rates than the larger Medicaid-eligible population. Therefore, LGBTQI+ people are more at risk of losing access to care and coverage due to funding caps.

Funding caps might lead states to reduce critical services for LGBTQI+ people. With less federal funding available, states struggling to finance their Medicaid budgets could reduce services available to LGBTQI+ people. Cuts to Medicaid funding would jeopardize availability of HIV services and roll back expanded coverage made possible by the ACA.²⁸ Health care for Trans and Non-Binary people, including preventive and gender-affirming care, are facing increasing political attacks resulting in reduced availability across the nation.²⁹ With funding caps on the table, services that LGBTQI+ people depend on will continue to disappear.

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), <http://care.diabetesjournals.org/content/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. Buchmeuller 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), <http://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* (Mar. 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* (Jun. 2, 2017), <https://www.cbpp.org/research/health/medicaid-works-millions-benefit-from-medicaid-effective-efficient-coverage>.
- ² Hannah Katch et al., Ctr. for 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 CMS, *May 2024 Medicaid & CHIP Enrollment Data Highlights* (Aug. 30, 2024), <https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html>.
- ⁴ See Nat’l Health L. Prog., *Why Medicaid is an LGBTQ Issue* (Jun. 2019), <https://healthlaw.org/wp-content/uploads/2019/06/WhyMedicaidIsAnLGBTQIssue.pdf>.
- ⁵ Medicaid & CHIP Payment & Access Comm’n (MACPAC), *Access in Brief: Experiences of Lesbian, Gay, Bisexual, and Transgender Medicaid Beneficiaries with Accessing Medical and Behavioral Health Care* 1 (Jun. 2022), <https://www.macpac.gov/wp-content/uploads/2022/06/Access-in-Brief-Experiences-in-Lesbian-Gay-Bisexual-and-Transgender-Medicaid-Beneficiaries-with-Accessing-Medical-and-Behavioral-Health-Care.pdf>.
- ⁶ Spencer Watson et al., Ctr. for LGBTQ Economic Advancement & Res. (CLEAR) & Movement Advancement Project (MAP), *LGBTQI+ Economic and Financial (LEAF) Survey: Understanding the Financial Lives of LGBTQ+ People in the United States*, at 3, (Mar. 2023), <https://lgbtq-economics.org/wp-content/uploads/2023/03/LEAF-Survey-Report-March-2023.pdf>.
- ⁷ Laurel Powell, Hum. Rights Campaign Found., *We Are Here: LGBTQ+ Adult Population in United States Reaches At Least 20 Million, According to Human Rights Campaign Foundation Report* (Dec. 9, 2021), <https://www.hrc.org/press-releases/we-are-here-lgbtq-adult-population-in-united-states-reaches-at-least-20-million-according-to-human-rights-campaign-foundation-report>; and see Suzanne Wilke et al., Ctr. on Budget & Pol’y Priorities, *States Can*

Reduce Medicaid's Administrative Burdens to Advance Health and Racial Equity (Jul. 19, 2022), <https://www.cbpp.org/research/health/states-can-reduce-medicaids-administrative-burdens-to-advance-health-and-racial>.

⁸ This number remains an estimate because Medicaid programs do not uniformly collect information on the number of LGBTQI+ individuals enrolled in or seeking access to Medicaid. Further, there is almost no information on the experiences or prevalence of Intersex individuals accessing Medicaid. Data used to estimate LGBTQI+ participation in Medicaid comes from population health surveys including the Census Bureau's Household Pulse Survey, the Behavioral Risk Factor Surveillance System (BRFSS), the Trans Pop survey, the National Health Interview Survey (NHIS), the National Survey on Drug Use and Health (NSDUH), and the U.S. Trans Survey. See MACPAC, *supra* note 5; Christy Mallory & Will Tentindo, Williams Inst., *Medicaid Coverage for Gender-Affirming Care* 17 (Dec. 2022), <https://williamsinstitute.law.ucla.edu/wp-content/uploads/Medicaid-Gender-Care-Dec-2022.pdf>.

⁹ Kellan Baker et al., Ctr. for Am. Progress, *The Medicaid Program and LGBT Communities: Overview and Policy Recommendations* (Aug. 9, 2016), <https://www.americanprogress.org/article/the-medicaid-program-and-lgbt-communities-overview-and-policy-recommendations/>.

¹⁰ MACPAC, *supra* note 5, at 5-6.

¹¹ *Id.*

¹² Nat'l Acad. of Sciences, Engineering, & Med., *Understanding the Well-Being of LGBTQI+ Populations* 355 (2020, ed. Charlotte J. Patterson, Martin-Jose Sepulveda, & Jordyn White).

¹³ Mallory & Tentindo, *supra* note 8, at 7-8.

¹⁴ MACPAC, *supra* note 5, at 13-14.

¹⁵ Caroline Medina & Lindsay Mahowald, Ctr. for Am. Progress, *Key Issues Facing People with Intersex Traits* (Oct. 26, 2021), <https://www.americanprogress.org/article/key-issues-facing-people-intersex-traits/>.

¹⁶ *Id.*

¹⁷ Williams Institute, *Medicaid Coverage for Gender-Affirming Care* (Dec. 2022), <https://williamsinstitute.law.ucla.edu/publications/medicaid-trans-health-care/>.

¹⁸ Watson et al., *supra* note 6.

¹⁹ MACPAC, *supra* note 5, at 11-12.

²⁰ *Id.*

²¹ Movement Advancement Project, Ctr. for Am. Progress, Nat'l Ctr. for Lesbian Rights, & Nat'l LGBTQ Task Force, *LGBT People with Disabilities*, <https://www.lgbtmap.org/file/LGBT-People-With-Disabilities.pdf>.

²² Madeline Smith-Johnson, *Transgender Adults Have Higher Rates of Disability Than Their Cisgender Counterparts*, 41 HEALTH AFFAIRS 10 (Oct. 2022), <https://www.healthaffairs.org/doi/10.1377/hlthaff.2022.00500>; Kerith J. Conron & Shoshana K. Goldberg, Williams Inst., *Over Half a Million LGBT Adults Face Uncertainty about Health Insurance Coverage Due to HHS Requirements on Medicaid Requirements* (Jan. 2018), <http://williamsinstitute.law.ucla.edu/wp-content/uploads/LGBT-Medicaid-Coverage-US-Jan-2018.pdf>.

²³ MACPAC, *supra* note 5, at 13.

²⁴ Lindsey Dawson et al., Kaiser Fam. Found., *Medicaid and People with HIV* (March 27, 2023), <https://www.kff.org/hiv/issue-brief/medicaid-and-people-with-hiv/>; Catherine McKee et al., Nat'l Health L. Prog., *Protect Medicaid Funding Issue #9: People Living with HIV (Updated March 2023)* (Mar. 15, 2023), <https://healthlaw.org/wp-content/uploads/2023/03/PMF-Issue-9-People-Living-With-HIV.pdf>.

²⁵ Dawson, *supra* note 24; and see Lindsey Dawson et al., Kaiser Fam. Found., *Medicare and People with HIV* (Mar. 27, 2023), <https://www.kff.org/hiv/issue-brief/medicare-and-people-with-hiv/>.

²⁶ Mallory & Tentindo, *supra* note 8.

²⁷ See Caroline Medina & Lindsay Mahowald, Ctr. for Am. Progress, *Discrimination and Barriers to Well-Being: The State of the LGBTQI+ Community in 2022* (Jan. 12, 2023), <https://www.americanprogress.org/article/discrimination-and-barriers-to-well-being-the-state-of-the-lgbtqi-community-in-2022/>.

²⁸ Nat'l Health Law Prog., *Protect Medicaid Funding Issue #9: People with HIV (Updated September 2024)* (September 2024), <https://healthlaw.org/wp-content/uploads/2024/09/09-PMF-People-with-HIV.pdf>.

²⁹ See, e.g., Aliyya Swaby & Lucas Waldron, *This Georgia County Spent \$1 Million to Avoid Paying for One Employee's Gender-Affirming Care*, ProPublica (Mar. 19, 2023), <https://www.propublica.org/article/georgia-county-spent-one-million-fighting-coverage-gender-affirming-care>; Megan Messerly, *Health care access for Trans youth is crumbling---and not just in red states*, Politico (Apr. 22, 2023), <https://subscriber.politicopro.com/article/2023/04/death-threats-doxxing-and-panic-buttons-docs-who-treat-trans-youth-are-under-attack-00093322>.