



10 Things to Know About Medicaid

In every community throughout the country, disabled people, older adults, family caregivers, and direct care workers rely on Medicaid every day for their health, safety, and independence. Medicaid is core to the needs of disabled people, our aging population and caregivers, but this vital program is facing imminent threats. Here are 10 things to know about Medicaid as we prepare to protect it.

1. **Medicaid is [widely popular](#) and is a cornerstone of America’s health and wellbeing in every part of the country.** Across the United States, 1 in 5 Americans are enrolled in Medicaid, [nearly 80 million people](#). That includes more than [17 million older adults and disabled people](#). Medicaid is crucial across [every state and district](#). Polling at Caring Across Generations showed 72% of voters have a favorable view of Medicaid. In 2023, 84% of voters, with agreement across party lines, said Congress should place a higher priority on protecting Medicaid from harmful cuts than cut Medicaid to get federal spending under control.
2. **Medicaid provides essential and life-saving care for millions of children and families.** Parents are [44% of the Medicaid adult population](#), and [nearly half of children](#) in the U.S. are Medicaid enrollees. Four [in ten births](#) in the U.S. are financed by Medicaid. For disabled children, Medicaid is a lifeline. As a result of Medicaid’s comprehensive [Early and Periodic Screening, Diagnostic, and Treatment \(EPSDT\) benefit](#), most children and youth can receive the services they need in their homes and remain with their families. Medicaid covers [nearly half of all children with special health care needs](#).
3. **Medicaid, not private insurance or Medicare, is the primary source of funding for aging and disability care.** More than [7.8 million disabled people and older adults](#) rely on [Medicaid-funded Home and Community-Based Services \(HCBS\)](#), such as home health care, personal care services, and job supports for working adults. Because private insurance and Medicare do not



cover the majority of long-term care, Medicaid pays for more than [70%](#) of all home and community-based services. Approximately [1.5 million people](#), including 60% of nursing facility residents, also rely on Medicaid for facility-based care. Because HCBS are [optional](#) for states to provide under Medicaid law, these vital services are among the most at risk from Medicaid cuts.

4. **Medicaid is a key part of state budgets.** As the largest source of federal funding for states, Medicaid dollars make up about [one-third or more of state budgets](#). It is also the [second largest spending area for states](#), second only to K-12 education. States would not be able to maintain coverage and services for their full Medicaid population, and would likely resort to cutting eligibility, enrollment, and provider payments, especially for optional services. Any cuts to Medicaid, a federal and state partnership, would also compromise essential goods and services provided by the state in other critical areas including education, infrastructure, and economic development. Medicaid strengthens all communities and local economies.
5. **Medicaid is critical for workforce participation and economic opportunity.** The vast [majority of Medicaid enrollees are employed](#), and the remaining people are primarily family caregivers, disabled people, or students. [Medicaid also supports employment](#). More than [one-third](#) of working-age disabled adults utilize Medicaid. The [majority of Medicaid enrollees with disabilities qualify](#) based on income, underscoring the [importance of Medicaid expansion for](#) disabled people. Medicaid provides coverage that enables people to stay healthy and provides services that help people find and maintain employment.
6. **Medicaid fills critical gaps in Medicare coverage for the [12.5 million people dually enrolled in Medicaid and Medicare](#).** In addition to covering long-term care needs, Medicaid helps Medicare beneficiaries [pay for premiums and cost sharing](#), limiting the out of pocket costs for those dually enrolled.
7. **Medicaid provides for millions of rural Americans.** Medicaid covers [nearly a quarter of adults](#) under age 65 living in rural America. Medicaid is a lifeline to [rural hospitals](#), who provide central access to care in rural communities. In rural areas, [Medicaid expansion cut the uninsured rate nearly in half](#). Additionally, a [higher proportion of people in rural America are disabled](#) than



their urban counterparts. Attacks on Medicaid would destabilize hospitals and health care systems families all rely on, especially in rural communities.

8. **Medicaid is necessary for direct care workers.** Because Medicaid is the primary payer for aging and disability care, the direct care workforce is largely paid through Medicaid. [Every state accepted all American Rescue Plan funding for HCBS](#) and all used funding to bolster the direct care workforce, because the need for direct care workers is high to meet the demand of our aging nation. Additionally, [31% of direct care workers](#) utilize Medicaid for their own health coverage. Cutting Medicaid will likely result in states cutting provider rates to make up for funding losses.

9. **Medicaid provides critical support to family caregivers.** Without Medicaid providing access to home and community-based services, family caregivers will be left to fill already enormous gaps in care for older adults and disabled people. Among working-age Medicaid enrollees, [13% of enrollees do not work because of their caregiving responsibilities](#). Additionally, [most states provide support to family caregivers through Medicaid](#), primarily through self-direction payments to caregivers, training, support groups, and respite care. Because these supports are [optional](#) services, family caregiver supports are at risk if there are cuts to Medicaid.

10. **Disabled people and older adults make up more than half of Medicaid spending.** While Medicaid covers the needs of many populations, disabled people and older adults make up 1 in 5 Medicaid enrollees but [more than half of Medicaid spending](#). Additionally, [Medicaid spending for people who use aging and disability care is nearly nine times higher](#) than those who do not use aging and disability care. Any cuts to Medicaid are likely to put high-cost enrollees, who are overwhelmingly older adults and disabled people, at risk of losing their care and services.

Caring Across Generations is a national organization of family caregivers, care workers, disabled people, and aging adults working to transform the way we care in this country so that care is accessible, affordable and equitable—and our systems of care enable everyone to live, work, and age with dignity. To achieve our vision, we transform cultural norms and narratives about aging, disability and care; win federal and state-level policies; and build power amongst the people touched by care.