

Medicaid Works for People with Disabilities



More than 1 in 3 adults under age 65 enrolled in Medicaid have a disability. Medicaid provides essential medical care and supportive services that help many of these individuals remain in their homes and communities.

Radically changing Medicaid's structure to a block grant or per capita cap, as in recent Republican proposals to repeal the Affordable Care Act, would threaten the essential services that people with disabilities rely on to maintain their health and independence.

Medicaid Provides Crucial Services for People with Disabilities and Their Families

More than 23 million adults under age 65 — about 12 percent of all adults — have a [disability](#). Medicaid provides a broad range of medical and long-term care services to meet the needs of people with disabilities. These services include primary and preventive care, medical treatment for illnesses and chronic conditions, and nursing home care.

- **Medicaid is the primary payer for essential long-term services and supports.** In addition to nursing home care, Medicaid supports home- and community-based services, such as personal and attendant care services that help people with disabilities live in their homes and communities. Medicaid also covers wheelchairs, lifts, and supportive housing [services](#). This care is typically unavailable through private insurance and is too costly for all but the wealthiest people to fund out of pocket.
- **Medicaid also helps people with disabilities find and hold jobs.** Some states provide supportive employment programs that offer services such as skills assessment, job search, job development and placement, and job training to help people with disabilities join the workforce and remain employed.
- **Medicaid provides services for children with disabilities in schools.** Many children with disabilities rely on individualized education plans (IEPs) detailing the education and related services they need. IEPs often include services that Medicaid covers for children, such as physical and speech therapy. Schools' ability to leverage Medicaid funding enables them to meet their requirements under the Individuals with Disabilities Education Act and provide the range of services needed to educate students with disabilities.

Medicaid Provides Access to Comprehensive, High-Quality Care

Medicaid's access to providers is [comparable](#) to private insurance, and it provides a broader range of benefits.

- **Medicaid helps people with disabilities get the care they need.** Medicaid beneficiaries with disabilities are less likely to report unmet medical needs than people with other sources of coverage.
- **Medicaid beneficiaries have [access](#) to health care services that are comparable to — but less costly than — what they would receive from job-based or individual market coverage.** People with Medicaid [coverage](#) have a regular health care provider at rates comparable to people with private coverage.
- **Medicaid offers high-quality care.** Medicaid beneficiaries are [likelier](#) than those with private coverage to say their care was excellent or good.

State Innovations Help Meet the Needs of People with Disabilities

States have [flexibility](#) under Medicaid to innovate and improve the delivery of health care services. Using existing state flexibility under Medicaid, for example:

- **States help people with disabilities live at home in the community.** For [example](#), 44 states participate in the Money Follows the Person program, which helps Medicaid beneficiaries safely and successfully transition from nursing facilities to their own home, the home of a caregiver, or a community-based residential facility.
- **States are finding new ways to provide appropriate, timely, and cost-effective care.** For [example](#), Medicaid providers in Minnesota’s Hennepin County created a partnership in 2011 to care for the county’s highest-need patients. Their team-based model has demonstrated extraordinary results: emergency department visits dropped nearly 10 percent, while primary care visits and the share of members receiving recommended care increased.

Cutting Medicaid Funding and Rolling Back the Medicaid Expansion Would Jeopardize Coverage for People with Disabilities

Recent proposals in Congress would have imposed a rigid, arbitrary cap on federal funding for state Medicaid programs and effectively ended the Affordable Care Act’s Medicaid expansion. These [proposals](#) would have reduced Medicaid enrollment by millions of people and cut hundreds of billions of dollars in federal spending over the next decade, threatening health care for large numbers of Medicaid beneficiaries and leaving people with disabilities particularly vulnerable.

Medicaid cuts would:

- **Leave states holding the bag.** A cap on federal Medicaid funding would leave states responsible for 100 percent of the costs above their arbitrary federal funding cap, including costs stemming from new treatments, public health emergencies (like the current opioid crisis), or changing demographics.
- **Threaten existing services when new costs arise.** As new treatments emerge or as demand for treatment increases, states might cover these added costs by scaling back services that people with disabilities now rely on for care and independence, especially if these services are covered at a state’s option.
- **Put people with disabilities at risk of losing coverage.** The Affordable Care Act’s Medicaid expansion covers 11 million people. Many of them struggle with a chronic illness or a disability (such as a mental health condition) that wouldn’t, by itself, qualify them for Medicaid. Only 36 percent of non-elderly Medicaid beneficiaries with disabilities receive Supplemental Security Income, which allows them to enroll in Medicaid even without the expansion. While others may be eligible for Medicaid based on other criteria, many could lose Medicaid coverage under the House bill and wind up uninsured.

States facing large cuts in federal funding would likely scale back services for people with disabilities. The largest share of Medicaid funding for “optional” services (those not required by the federal government) goes for home- and community-based care for seniors and people with disabilities, including children with complex health care needs. In 2013, Medicaid [spent](#) more than \$83 billion on optional services for people with disabilities, including home- and community-based services such as case management, home health aides, personal care services, and respite care. Other optional programs that help people stay independent in their homes include Community First Choice, Money Follows the Person, and Medicaid buy-in programs. Because home- and community-based services make up such a large share of states’ optional Medicaid spending, they are likely targets for cutbacks in case of severe cuts in federal funding.

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