There are 47.5 million Americans age 65 and older, making up 15% of the population, as of 2015. Many have complex physical and behavioral health care needs, such as heart disease, diabetes, and dementia.

Seniors often require services that are not covered by Medicare, such as long-term care. These include assistance with self-care, such as bathing and dressing, and household activities, such as preparing meals and housekeeping. Medicaid covers these services and also helps make Medicare affordable for seniors with low incomes by helping with Medicare premiums and cost-sharing.

Medicaid currently provides federal matching funds with no pre-set limit to help states cover seniors with low incomes. Many coverage pathways and services that are important to seniors are optional for states, so Medicaid financing reductions and restructuring as proposed in the American Health Care Act could limit states’ ability to care for seniors.

The Older Adult Population Continues to Grow and Many Seniors Have Significant Health Care Needs

- Nearly 1 in 3 seniors live below 200% FPL.*
- Over 4 in 5 are white.
- Nearly 3 in 5 are female.
- Nearly 3 in 5 living in nursing homes have a cognitive impairment.

*100% FPL=$12,060/year for an individual in 2017

Seniors are more likely to need long-term care as they age.

- Share of seniors living in the community with long-term care need
  - Age 65–74: 37%  
  - Age 75–84: 51%  
  - Age 85+: 74%

The number of people age 85 and older is expected to more than triple over the coming decades.

- 2010: 5.8M  
- 2030 Projection: 8.7M  
- 2050 Projection: 19M

Average annual cost of care in 2016:
- $82,000 nursing home
- $46,000 home health care

Medicaid Facilitates Access to Coverage for Many Low-Income Seniors, Including Long-Term Care

Medicaid funds over half of long-term care.

- Medicaid
- Out-of-Pocket
- Private Insurance
- Other Public and Private

Total Spending= $331.2 billion in 2015

Many states opt to increase Medicaid eligibility for seniors beyond SSI beneficiaries (73% FPL in 2017)

- # of states covering:
  - Seniors up to 100% FPL: 21
  - Seniors with long-term care needs up to 300% SSI: 44

- All state Medicaid programs cover hospital stays, doctor visits, labs, x-rays, nursing homes, home health care, and help with Medicare out-of-pocket costs.
- State Medicaid programs can cover vision and hearing services and home and community-based services.

Seniors use Medicaid long-term services in institutional and community settings.

- Community: 50%
- Institutions: 30%

People served - Spending

Reduction in Medicaid Financing Could Limit Seniors’ Access to Coverage and Services

Reflecting complex health needs, Medicaid spending on seniors is high relative to program enrollment.

- Seniors as a proportion of Medicaid:
  - 9% Enrollees
  - 21% Spending

Medicaid spending per senior enrollee varies across states, due to state choices on eligibility and services.

- U.S. average: $17,522 in 2011
- $10,000–14,999 (11 states)
- $15,000–19,999 (20 states)
- $20,000–24,999 (8 states)
- $25,000–32,999 (11 states)

Medicaid complements Medicare for seniors, particularly for those who need long-term care, today and as the population ages.

Reductions and limits on federal Medicaid financing could lock in historical differences among states and set back efforts to care for seniors.
References for Medicaid’s Role for Seniors


Kaiser Family Foundation estimates based on 2015 National Health Expenditure Accounts data from CMS, Office of the Actuary

Kaiser Family Foundation and Urban Institute estimates based on data from FY 2013 MSIS and CMS-64 reports


