

# Protect and Preserve Medicaid Funding Lifeline for Long Term Services and Supports

Long term services and supports (LTSS) help older adults (those age 65 and up) and people with disabilities accomplish basic daily activities like bathing, getting dressed, fixing meals, and walking.

Medicaid is the primary payer of LTSS and covers a range of services, including those needed by people to live in the community such as home health and personal care, as well as services provided in traditional settings such as nursing centers. Virtually all individuals with developmental disabilities and 60 percent of nursing center patients rely on Medicaid on any given day for their care. Many of these critical services are not covered by Medicare or private insurance.

Though they make up just under a quarter of the Medicaid population, older adults and people with disabilities accounts for almost two-thirds of program spending because of their significant health care and LTSS needs. People who use LTSS often require extensive help with basic daily activities, assistance due to Alzheimer's disease or other dementias, and often have multiple chronic conditions.

## Medicaid Already Fails to Fully Cover the Cost of Care

Financing of Medicaid is shared by the federal and state governments, with the federal government covering at least half of a state's costs. Under this existing structure, which does not limit federal matching for allowable state expenses, Medicaid does not adequately reimburse the actual costs incurred by nursing centers in many states. In assisted living, Medicaid cannot cover the cost of room and board in assisted living communities by law, which is nearly 50 percent of the total cost.

Financing challenges exist under the current program structure and concepts that cap federal Medicaid spending would have a dramatic, negative impact on the program. Any proposal that makes further cuts to an already underfunded program will result in nursing centers and centers for individuals with intellectual and developmental disabilities closing, negatively impacting individuals' access to care and local economies.

## LTSS Providers Play an Important Role in the Economy

In addition to providing needed care, LTSS providers are employers, taxpayers, and consumers themselves. Nursing centers employ 1.46 million people in the US, while assisted living communities employ over 490,000 people nationally. Medicaid funding directly impacts these businesses, supporting jobs, income, and capital investments needed in order to provide these services.



## Ask Congress

***To support Medicaid providers and beneficiaries by opposing cuts to the program that will negatively impact local economies and people's access to quality long term care.***

## Key Facts

- ▶ Medicaid is the primary payer of LTSS.
- ▶ Virtually all individuals with developmental disabilities and 60 percent of nursing center patients rely on Medicaid on any given day for their care.
- ▶ Nursing centers employ 1.46 million people in the US.
- ▶ Assisted living communities employ over 490,000 people nationally.

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