

Fact Sheet

Medicaid and Its Role for Older Adults in Kentucky

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Key Takeaways

- ✓ Medicaid provides health care coverage for Americans throughout their lifespan, including about 288,000 people ages 50 and over in Kentucky.
- ✓ Medicaid is a safety net for low-income adults on Medicare who face unaffordable out-of-pocket costs.
- ✓ Medicaid pays for a broad range of long-term care services for people who need them.
- ✓ Medicaid provides important supports for family caregivers, including health care coverage for them and services for the people they care for.

Medicaid is a critical safety net for about 288,000 adults ages 50 and older in Kentucky.¹ It covers long-term care (such as home care aides and nursing homes), emergency and routine medical and behavioral health care, and prescription drugs for individuals who have very low incomes or qualifying life circumstances. It also helps pay out-of-pocket costs for millions of low-income Medicare beneficiaries.

The Medicaid program plays an integral role in the health and long-term care of older adults, including helping them age at home and in their communities. The program directly supports hospitals, health care workers, nursing homes, other health care and long-term care providers, and their local communities across the state.²

Which older adults rely on Medicaid?

Medicaid provides access to needed health care and supports for healthy living to Americans at every stage of life, including older adults.

In Kentucky, Medicaid helps about 288,000 low-income adults ages 50 and over, including

102,000 ages 65 and older. Among these are approximately:

- 7,800 who use home- and community-based services to stay safely in their homes and in the community. These services include home care aides, adult day services, certain transportation services, home modifications, assistive technology, depending on the enrollee's needs;
- 17,200 who rely on it to pay for their nursing home care;
- 79,000 Medicare enrollees who get help paying Medicare Part B premiums, and deductibles and coinsurance for services such as hospital and doctor visits. Enrollees, in Medicare Savings Programs, are also eligible for the Low-Income Subsidy Program, which helps pay for their Medicare Part D drug costs, such as premiums and copays.
- 70,000 Medicare enrollees who, in addition to help paying Medicare costs, get additional services that Medicare does not cover, notably, long-term care.

How does Medicaid help older adults with long-term care needs?

Medicaid is the nation’s largest payer for long-term care (LTC), sometimes called long-term services and supports, which include hands-on assistance with basic tasks such as feeding, bathing, and dressing. Medicaid LTC enrollees are often older adults with serious and often complex care needs, including Alzheimer’s and other dementias, multiple chronic conditions, or disabilities including cerebral palsy and spinal cord injuries who require help with basic tasks, called activities of daily living. Having Medicaid can be the reason an older adult can get out of bed, get dressed, and go about their day. People receiving long-term care live in nursing homes, assisted living communities, and their own homes. About 32 percent of adults in Kentucky 65 and older with Medicaid long-term care coverage receive home and community-based services, including from home care aides. The rest (68 percent) live in nursing homes or other institutional settings.³ Nationally, more than half of adults ages 65 and older are expected to need some long-term care in their lifetime.⁴

For Medicaid enrollees with disabilities who have Medicare coverage, Medicaid wraps around Medicare and provides needed long-term care. For Medicaid enrollees with disabilities who are not enrolled in Medicare, Medicaid provides comprehensive health insurance coverage in addition to long-term care. It is important to note that Medicare does not pay for most long-term care.

How do older adults qualify for Medicaid long-term care coverage?

Medicaid eligibility is tied to financial need. To receive coverage for Medicaid long-term services and supports, the enrollee must also demonstrate the need for these specific services. States have some discretion in setting their own eligibility rules, but in all states, older adults must be **functionally** and **financially** eligible to receive LTC coverage.

HOW DOES MEDICAID HELP OLDER ADULTS WITH LONG-TERM CARE NEEDS?

Key Long-Term Care Tasks	
Help with Activities of Daily Living	Help with Instrumental Activities of Daily Living
Bathing	Cleaning
Dressing	Cooking
Eating	Household tasks
Toileting	Laundry
Transferring	Managing finances
Walking	Medication management
	Transportation

What is Medicaid’s role in nursing home care?

About 17,200 adults 65-plus in Kentucky received Medicaid-covered nursing home care in 2022, and older adults constitute about 7 in 10 nursing home residents with Medicaid coverage in Kentucky.⁵ Medicaid is the primary source of coverage for nursing home care for about 68 percent of residents in Kentucky at any given time.⁶

What is Medicaid’s role in long-term care at home?

Under Medicaid law, nursing home care is a mandatory Medicaid benefit and must be available to all who are eligible. By contrast, HCBS benefits are mostly optional benefits under Medicaid law. This distinction gives states broad leeway on whether they offer HCBS and to what extent (e.g., a limited number of care hours per person, a budgetary limit on the services a person can receive) and whether to roll back services or reduce access in times of fiscal constraint. Most spending on optional services for older adults is for home care and other HCBS.⁷

How does Medicaid support family caregivers?

Family caregivers benefit from Medicaid both as enrollees themselves and from the Medicaid-covered services for their care recipient. Close

to one in ten family caregivers nationally receive Medicaid coverage for their own health care.⁸ This ensures they have access to medical care while fulfilling their family caregiving responsibilities. Medicaid can provide relief for family caregivers. Medicaid HCBS coverage, for example, can cover the cost of a home care aide for a few hours per day or attendance at an adult day services program, allowing a family caregiver to spend time working, caring for their children, or obtaining some respite from the stress of caregiving.

How does Medicaid support communities?

Medicaid provides important support to communities across all states. More than half of Medicaid spending supports care for adults 65 and older and adults with disabilities (not all of whom are between ages 50 and 64). Medicaid program dollars have been shown to provide stability in the health care system, particularly in lowering rates of rural hospital closures.⁹ Medicaid's direct support for health care and LTC access and reliable reimbursement rates for hospitals and providers also indirectly support surrounding local economies supporting employment and financial stability.¹⁰

- 1 Overall and dual eligible data are projections, using Medicaid and CHIP applications, eligibility, and enrollment data to calculate the change in enrollment over time, and applying the average percent change to Transformed Medicaid Statistical Information System (T-MSIS) December 2022 enrollment data (the most recent T-MSIS data available at the time of analysis).
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- 3 Caitlin Murray, Cara Stepanczuk, Alexandra Carpenter, and Andrea Wysocki, "Trends in Users and Expenditures for Home and Community-Based Services as a Share of Total Medicaid LTSS Users and Expenditures, 2022," Centers for Medicare & Medicaid Services, August 29, 2024, <https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltss-rebalancing-brief-2022.pdf>.
- 4 Richard Johnson and Judith Dey, "Long-Term Services and Supports For Older Americans: Risks and Financing, 2022," HHS Office of the Assistant Secretary for Planning and Evaluation, August 2022, <https://aspe.hhs.gov/sites/default/files/documents/08b8b7825f7bc12d2c79261fd7641c88/ltss-risks-financing-2022.pdf>.
- 5 "Long Term Services and Supports Users and Expenditures," Centers for Medicare & Medicaid Services, accessed March 3, 2025, <https://www.medicaid.gov/medicaid/long-term-services-supports/reports-evaluations/index.html>; AARP Public Policy Institute analysis of data available at "Data Tables, 2022," zip file linked on webpage.
- 6 Priya Chidambaram and Alice Burns, "A Look at Nursing Facility Characteristics Between 2015 and 2024," KFF, December 6, 2004, <https://www.kff.org/medicaid/issue-brief/a-look-at-nursing-facility-characteristics/>.
- 7 Brendan Flinn and Edem Hado, "Home and Community-Based Services for Older Adults," AARP, November 17, 2021, <https://ltsschoices.aarp.org/resources-and-practices/hcbs-older-adults>.
- 8 "Caregiving in the United States 2020," AARP and National Alliance for Caregiving, May 14, 2020, <https://www.aarp.org/pri/topics/ltss/family-caregiving/caregiving-in-the-united-states/>.
- 9 Rose C. Chu, Christie Peters, and Thomas Buchmueller, "Medicaid: The Health and Economic Benefits of Expanding Eligibility," Issue Brief, Assistant Secretary for Planning and Evaluation, accessed February 28, 2025, <https://aspe.hhs.gov/sites/default/files/documents/effbde36dd9852a49d10e66e4a4ee333/medicaid-health-economic-benefits.pdf>.
- 10 Laura Harker, "Fast Facts on Medicaid Expansion," Georgia Budget and Policy Institute, April 23, 2020, <https://gbpi.org/fast-facts-on-medicaid-expansion/>; "Medicaid Expansion and the Louisiana Economy," Louisiana Department of Health, March 2018, <https://gov.louisiana.gov/assets/MedicaidExpansion/MedicaidExpansionStudy.pdf>.

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