Medicaid is a Crucial Safety Net for Vulnerable Assisted Living Residents

Almost 1 in 6 assisted living residents relies on Medicaid for their long term care. This includes residents with limited income and resources upon admission to the assisted living community, as well as those in the middle class who spend down their personal assets and rely on the program to continue receiving services in this setting they’ve grown to call home.

State Medicaid programs have the option to cover long term services and supports (LTSS) in assisted living and other home and community-based settings through the use of Medicaid state plan authorities and various waiver programs. Medicaid home and community based services (HCBS) waivers enable low-income seniors and individuals with disabilities to receive LTSS in the setting most suited to their needs and preferences, including assisted living.

Reforming Medicaid financing where the federal contribution does not keep pace with the cost of care would put more strain on the states. Since HCBS waiver programs are optional for covering long term services and supports—not a mandatory benefit, like nursing home care—states may look to cut these programs by further restricting eligibility and enrollment, and using wait lists. Nearly 200,000 seniors and adults with physical abilities were on waiting lists for HCBS services in 2017, with a wait averaging more than two years. Further cuts to Medicaid could cause many Medicaid recipients needing assisted living to either:

1. never move into a community if the backlog is severe, or
2. for those in a community who spent down their assets and then qualified for Medicaid, they could have to move out while on the wait list, which would be incredibly disruptive to the resident. It is unclear where Medicaid beneficiaries would go after they moved out.

Furthermore, cutting Medicaid could discourage many assisted living and other long term care providers from participating in the Medicaid program altogether, which would further limit vulnerable seniors’ access to needed care.

Medicaid is a crucial safety net for low-income seniors at a crucial time for our entire health care system. Most Americans are not financially prepared for long term care, even though 7 in 10 seniors will need it at some point. Meanwhile, the size of the elderly population is expected to double in the coming decades. Without access to LTSS through Medicaid, vulnerable assisted living residents may forgo vital services, causing increased hospitalization rates and additional strain on the health care system. We urge members of Congress to protect and strengthen Medicaid for low-income seniors and individuals with disabilities.

Ask Congress: To protect Medicaid and ensure access to assisted living care for seniors and individuals with disabilities

44 states & D.C. use some form of a waiver program to offer HCBS, including assisted living. Coverage varies widely across states.

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48% of assisted living communities are Medicaid-certified.