



Frequently Asked Question About the Modern Medicaid Program

Medicaid is an essential safety net—there for you when you need it—because no matter how prepared you are, you never know when you or your family may face hard times. The modern Medicaid program, along with the Children's Health Insurance Program (CHIP), helps promote and protect the health of nearly 76 million Americans. That's 1 in 5 Americans, including 2 million veterans.

Modern Medicaid Alliance members often hear misconceptions about the Medicaid program. Below, we set the record straight on 5 top questions about the program.

1. Does Medicaid provide access to quality care?

Yes. Medicaid coverage has been [credited](#) with many positive health outcomes, including increased access to care; improved self-reported health status; higher rates of preventive health screenings; lower likelihood of delaying care because of costs; decreased hospital and emergency department utilization; and decreased infant, child, and adult mortality rates. [Research](#) has shown that Medicaid also improves economic measures for Americans, including their financial well-being and growth in the labor market that leads to employment gains.

2. Are Medicaid programs completely coordinated and implemented by state agencies?

No. The private sector is an essential partner in the success of the Medicaid program. While some states do administer Medicaid directly through state Medicaid agencies, [39 states](#) and the District of Columbia choose to partner with private health insurance providers to deliver Medicaid benefits in what is known as Medicaid managed care. These Medicaid managed care programs – which serve two-thirds of Medicaid enrollees (more than 55 million people) across the country – seek to streamline health care and save taxpayers billions of dollars by working directly with doctors, hospitals, nursing homes, pharmacies, and home and community-based service providers.

3. Is Medicaid a good deal for taxpayers?

Yes. Medicaid provides comprehensive benefits to eligible Americans with low or no out-of-pocket costs. The program is very efficient, with modern Medicaid costs [growing less](#) than private insurance, while also costing less per enrollee. Research shows that Medicaid coverage contributes to the economy by helping enrollees look for work and maintain employment. Medicaid expansion has also had a [positive impact](#) on state budgets and economies.

4. What do Americans think of Medicaid?

The vast majority of Americans understand the value that Medicaid provides to individuals, families, and communities. According to [polling](#) from the Modern Medicaid Alliance, 87% of Americans say it's important to have a strong, sustainable Medicaid program. Further, Medicaid is viewed favorably by a bipartisan 72% of Americans once they learned more about the program, while fewer than 10% of Americans want to see cuts to federal funding.

5. Does Medicaid only cover unemployed adults?

No. Medicaid covers 1 in 5 Americans, including many of our neighbors and their families. People benefitting from Medicaid include more than 45 million children, 11 million Americans with disabilities, 7 million seniors age 65 or older, and nearly 2 million veterans. [63% of adults](#) covered by Medicaid do work; those who are not working often face health barriers, such as a disability or a serious medical condition, or have caregiving responsibilities.

