



“While the current budget climate demands that states make smart fiscal decisions, arbitrarily cutting Medicaid would be a bad decision for Arizona. It would be a bad decision for the more than 250,000 Arizona seniors and people with disabilities who rely on Medicaid, and it would be a bad decision for their families. That’s because Medicaid is the major payer of long-term care, both nationally and in Arizona. Cutting Medicaid would affect the availability of long-term care for all Arizonans” (Families USA)

Medicaid is critical for Arizona seniors and people with disabilities



“Few people have insurance that covers long-term care: Medicare doesn’t cover long-term care, and neither does job-based health insurance. Long-term care costs can be financially devastating. In Arizona, nursing home costs average \$64,600 a year, and 63.0 percent of Arizona’s nursing home residents rely on Medicaid to pay for their nursing home care. Home health aides cost, on average, \$22 an hour. Many people who need long-term care

exhaust their savings to the point that they become eligible for Medicaid. For 96,000 seniors and 154,100 people with disabilities in Arizona, Medicaid is a critical source of coverage for long-term care, often the only avenue they have to get the care they need.” (Families USA)

Medicaid helps Arizona seniors and people with disabilities stay in their homes and communities longer and saves Arizona money.

“Medicaid doesn’t just pay for long-term care in nursing facilities. In Arizona, Medicaid also covers care that is provided to people in their homes or in the community. Medicaid’s home- and community-based care helps approximately 34,000 Arizonans stay out of nursing homes. (Families USA)

“When states cut Medicaid long-term care spending, they often target home- and community based services. For example, they might cut the number of hours of home care that people in Medicaid can receive or reduce or eliminate support services like transportation. That’s because states are required to provide nursing facility care in their Medicaid programs, but providing most non-institutional care is optional. However, cutting home- and community based services is short-sighted. Those services are less costly per person and can reduce people’s need for more expensive nursing home care. Cutting home- and community-based long-term care would mean that more Arizonans will have to turn to institutional care—care that will ultimately be paid for by Medicaid. That’s a bad choice for Arizona seniors and people with disabilities and a choice that would cost Arizona more in the long run.” (Families USA)

Medicaid enables a long-term care workforce that can meet the needs of all its residents.

“Approximately 48,000 direct care workers provide care to Arizonans who need long-term services (both those with Medicaid and those with other coverage). These workers include home health aides, nursing aides, orderlies, and personal care attendants. To meet the demands of its aging population, by 2016, Arizona will need to expand its workforce by 36.3 percent.” (Families USA)

“Because Medicaid is a critical source of payment for Arizona’s long-term care workers, cuts to Medicaid could mean cuts in payments to providers, including long-term care workers. That could result in salary reductions or reductions in the number of workers, which could, in turn, affect the quality of care and the availability of workers for all Arizonans who need long-term care. A strong Medicaid program with adequate payment for care providers is essential to helping Arizona build a workforce that can meet the long-term care needs of all its residents, whether they have Medicaid or not.” (Families USA)



Medicaid helps Arizona businesses.

“Family caregiving responsibilities also affect Arizona businesses. Nationally, businesses lose an estimated \$33 billion annually due to absenteeism, reduced work hours, and hiring replacement costs associated with employee caregiving responsibilities. By helping caregivers and by giving them the support they need so that they can remain in the workforce, Medicaid helps Arizona businesses” (Families USA)

The Bottom Line

“For more than 250,000 low-income seniors and people with disabilities in Arizona, Medicaid is critical. The long-term services coverage that Medicaid provides is the only avenue they have for getting the long-term care they need. For approximately 34,000 of these Arizonans, Medicaid makes the difference between living in the community and living in an institution. But Arizona’s Medicaid program helps families in other important ways too: It helps the family members and friends who care for people in Medicaid who need long-term care, giving them much needed assistance with costs and helping them more fully participate in the economy. By helping those caregivers, Medicaid helps Arizona businesses. Medicaid is also an important source of support for jobs for Arizona’s long-term care workers. Cutting Medicaid services would be bad for Arizona seniors and people with disabilities and their families.” (Families USA)



[Source: This document has been recreated from Families USA Special Report: Cutting Medicaid in Arizona: Harming Seniors and People with Disabilities Who Need Long-Term Care. May 2011.]