

Medicaid Home and Community-Based Services Support Autonomy, Dignity, and Independence

Millions of Americans who are living with disabilities or chronic health issues rely on the Medicaid program, the nation’s primary payer for long-term services and supports (LTSS).

Recognizing that most Americans prefer to age in their homes and communities rather than institutional settings like nursing homes and long-term care facilities, lawmakers created the Home and Community Based Services (HCBS) program under § 1915 of the Social Security Act.¹ The HCBS program supports the fundamental need for autonomy, dignity, and independence.

Types of HCBS that support family caregivers include:

- **Home Health Care** such as skilled nursing care, therapists, and dietitians.
- **Self-Directed Services** that allow an individual to choose their care needs.
- **Caregiver Respite** providing both in-home or out-of-home breaks.
- **Caregiver Counseling and Training** provided to the primary caregiver.
- **Adult Day Programs** such as adult daycare centers and senior centers.

Medicaid Home and Community-Based Services are Cost-Effective and Efficient

As a partnership between state and federal government, the HCBS program varies from state to state with some federally mandated services and some optional services that states can elect to offer.²

- As of 2023, all 50 U.S. states and DC offer at least one HCBS waiver.³
- HCBS provides a less costly alternative to nursing home care. For example, Medicaid spending for HCBS older adult recipients in 2021 was roughly \$42,000, compared to \$108,000 per person for nursing home care.⁴
- Medicaid is the only federal program that provides financial assistance to family caregivers. Some states allow caregivers to receive a financial stipend for supporting a friend or family member with long-term care needs which in turn offsets the caregiver’s lost wages, retirement income, or other workforce opportunities.



We need consistent nursing in our home to keep our son alive. That is extremely stressful. It's more than a full-time job.

– Debbi, Family Caregiver, Minnesota



¹Home & Community Based Services Authorities, Medicaid.gov, <https://www.medicaid.gov/medicaid/home-community-based-services/home-community-based-services-authorities>, (last accessed 4/9/2025). ²See Medicaid Home & Community Based Services (HCBS): Programs & Waivers by State, American Council on Aging (9/28/22), <https://www.medicaidplanningassistance.org/home-community-based-services/>. ³Alice Burns, Maiss Mohamed, and Molly O'Malley Watts. "Pandemic-Era Changes to Medicaid Home- and Community-Based Services (HCBS): A Closer Look at Family Caregiver Policies." Medicaid, KFF (9/19/2023), <https://www.kff.org/medicaid/issue-brief/pandemic-era-changes-to-medicaid-home-and-community-based-services-hcbs-a-closer-look-at-family-caregiver-policies/>. ⁴AARP, Home Care Cost LTSS, <https://ltsschoices.aarp.org/scorecard-report/2023/dimensions-and-indicators/home-care-cost>, (last accessed 4/25/2025).