

# What is Medicaid?

**1.** **How you get Medicaid:** Medicaid is primarily for people with low-income. Eligibility is determined by each state, with minimum standards set by the federal government. The Affordable Care Act (ACA) expanded access to Medicaid, but not all states adopted the ACA standards.

**2.** **Do you pay premiums for Medicaid?** No. There are no premiums for people on Medicaid.

**3.** **What does Medicaid cover?** Hospitalization, outpatient care, drugs home care, nursing home care, most dental care and transportation.

**4.** **Are there out-of-pocket costs?** Medicaid has very minimal out-of-pocket costs, sometimes a nominal copayment for a prescription or a doctor's visit.

**5.** **How is Medicaid administered?** Medicaid is a joint program managed by the federal government and the states. Billing is done by private insurance companies on behalf of the government. Some patients are assigned to managed care companies that administer their care according to Medicaid regulations.

**6.** **How is Medicaid financed?** The money for Medicaid is paid partly by states and partly by the federal government according to a complicated formula. The average government share is about 59%.\*

\*For more details see our fact sheet "How is Medicaid Financed?"



For more details go to: <https://www.acamfausa.org>