Access to PrEP in Medicaid: A Backgrounder for Stakeholders

Introduction

The Medicaid program provides vital access to healthcare for millions of Americans. Medicaid covers preventive services for a broad range of health conditions, including pre-exposure prophylaxis (PrEP), to prevent HIV. However, current political challenges might threaten some elements of this coverage.

This backgrounder describes how Medicaid covers PrEP and how states can protect that coverage. It is intended to serve as a guide for stakeholders considering whether and how to advocate for new or revised protections at the state level. A related guide discusses approaches to protecting access to PrEP in the private insurance sector.[1]

The Medicaid Program

Medicaid is a joint federal-state program that provides health insurance for low-income Americans. In every state, the federal government pays a percentage of costs, and the state pays the remaining share. There are federal requirements that every state must follow, including regarding eligibility and benefits. Beyond that, states have flexibility in setting eligibility levels, covering additional optional benefits, and administering the program.

Traditionally, the Medicaid program covered low-income people who fall into certain categories, including children, pregnant women, the elderly, and people with disabilities. The Affordable Care Act (2010) gave states the option to extend Medicaid coverage to all low-income adults living under 138% of the federal poverty level. Forty states plus Washington, DC have chosen to enact this expansion.[2]

As of 2025, Medicaid covered approximately 80 million people nationwide.[3]

Medicaid Managed Care

Historically, state Medicaid programs directly paid doctors and other healthcare providers when they treated enrollees, an approach called "fee for service." Today, most states use managed care in their Medicaid programs. The state Medicaid agency contracts with one or more private insurance companies called managed care organizations (MCOs), typically paying them a specific monthly fee per enrollee. The MCO is then responsible for reimbursing providers that its enrollees see.

Managed care enrollees are entitled to the same set of services that non-managed care enrollees get in the state. MCOs can offer additional benefits, as well as care coordination services. Members are generally required to use healthcare providers who are in the MCO network.

Managed care has become the dominant payment structure for Medicaid nationwide. Forty-two states plus DC use comprehensive managed care in their Medicaid programs, with varying proportions of enrollees enrolled

in managed care.[4] Nationally, 78% of all Medicaid beneficiaries are enrolled in managed care plans.[5]

Medicaid Coverage of Preventive Services

The Affordable Care Act and subsequent federal regulations created new requirements for coverage of preventive services, for both Medicaid and other parts of the insurance market.

In states that expanded the Medicaid program to include all low-income adults, "expansion enrollees" are entitled to a specific set of preventive services:

- Preventive services recommended with an A or B rating by the U.S. Preventive Services Task Force (USPSTF), a body of experts that reviews existing evidence related to preventive screenings and interventions.[6] The USPSTF currently recommends over 50 services to identify and prevent a range of conditions, including PrEP for HIV prevention.[7]
- Vaccines recommended by the Advisory Committee on Immunization Practices (ACIP); and
- Specific sets of services for women and for infants, children, and adolescents, as recommended by the Health Resources and Services Administration (HRSA).

Expansion enrollees are entitled to all of these preventive services without cost-sharing: they cannot be required to pay anything out of pocket. This extends to closely related services, like a doctor's visit that is primarily to get a preventive service, or a lab test that is required before initiating a preventive medication.

In addition to the required coverage for Medicaid expansion enrollees, some state Medicaid programs cover all ACA-defined preventive services without cost-sharing across their entire Medicaid programs.[8] States that do this get a small boost in federal Medicaid funds. However, this level of coverage is not required. Some states do not cover all preventive services on this list for their non-expansion enrollees, or cover them but impose some level of cost sharing.

Examples of Preventive Services Recommended by the USPSTF

The USPSTF currently recommends over 50 preventive services that prevent or detect a broad range of health conditions, including the recommendation for PrEP.[9] Other examples include:

- Screening for colorectal cancer in adults
- Screening for depression and suicide risk in children and adolescents
- Preventive interventions for perinatal and postpartum depression
- Statin use to prevent cardiovascular disease

Medicaid Coverage of PrEP

PrEP, or pre-exposure prophylaxis for the prevention of HIV, is one of the preventive services recommended by the USPSTF. The FDA has approved four formulations of PrEP:

- Truvada (emtricitabine/tenofovir disoproxil fumarate, or TDF/FTC), daily oral, which is also available as a generic;
- Descovy (emtricitabine/tenofovir alafenamide, or TAF/FTC), daily oral;
- Apretude (cabotegravir), an injectable administered every 2 months; and
- Yeztugo (lenacapavir), an injectable administered every 6 months.

All are very effective at preventing the acquisition of HIV through sexual activity, reducing the risk of acquiring HIV by as much as 99% when used as prescribed.[10]

The USPSTF issued an initial recommendation for PrEP in 2019.[11] They reaffirmed the recommendation in 2023 after an updated evidence review, which included published data on the three FDA-approved products available at the time–Truvada, Descovy and Apretude.[12]

The U.S. Department of Health and Human Services (HHS) has clarified that for PrEP, the requirement of coverage without cost sharing applies not only to the medication, but also to the "ancillary services" that are required for PrEP users, including baseline testing, ongoing monitoring, and office visits that are primarily for PrEP.[13]

In addition to the USPSTF recommendation, all state Medicaid programs are required to cover PrEP medications under the Medicaid Drug Rebate Program. Under the rebate program, drug manufacturers enter into a rebate agreement with the federal government; in turn, state Medicaid programs cover nearly all of their drugs.[14] However, by itself the Drug Rebate Program doesn't ensure full access to PrEP: it doesn't prohibit cost sharing, and it doesn't apply to PrEP-related doctor visits and lab tests.

Threats to Coverage of PrEP and Other Preventive Services in Medicaid

The preventive services coverage requirement of the ACA, and the PrEP requirement in particular, have already been challenged in court.[15] Though the Supreme Court upheld the requirement in 2025, the Court noted that the Secretary of HHS can fire USPSTF members at will, and that he can review and block all new recommendations.[16]

Since that time, Secretary Robert F. Kennedy Jr. has cancelled multiple USPSTF meetings and let memberships expire, slowing work on multiple analyses.[17] On April 16, 2026, Secretary Robert F. Kennedy Jr. told Congress that he does in fact plan to overhaul the USPSTF, "bringing new members on who have a clear mission."[18] On May 11, Secretary Kennedy fired the two chairs of the panel.[19]

If the USPSTF stops recommending PrEP, Medicaid programs may not be federally required to continue to provide coverage without cost sharing coverage for PrEP and the related labs and visits. Under the Medicaid Prescription Drug Rebate Program, states would likely be required to continue to cover PrEP medications. However, they could impose cost sharing requirements, which would make it less likely for people to access PrEP.

In this scenario, states could continue to determine whether to apply cost sharing for traditional (non-expansion) enrollee populations. States would not be required to cover PrEP office visits, clinical monitoring or lab testing, and if they do, they could impose cost sharing.

States' Ability to Strengthen Coverage of PrEP in Medicaid

States can implement policies to protect PrEP in their Medicaid programs so that access remains even if federal requirements are weakened:

- Even without a federal requirement, states can decide to cover PrEP and other preventive services in their Medicaid programs and can set cost-sharing at zero

for those services and for related necessary services such as provider visits and labs.
- In the 42 states plus DC that use managed care plans in Medicaid, the state can use a range of tools to incentivize or require managed care plans to cover PrEP and other preventive services. States can consider embedding coverage requirements in the contracts they sign with managed care plans. They can also engage in ongoing efforts, including reporting requirements, solicitation of consumer feedback, and proactive monitoring, to assess and strengthen MCO compliance with the requirement.
- As discussed above, technically all states must cover all FDA-approved formulations of PrEP in their Medicaid programs because of the requirements of the Medicaid Drug Rebate Program. However, states may place some drugs on a "preferred drug list." Typically, enrollees face barriers, like prior authorization requirements or higher out-of-pocket costs, for "nonpreferred" drugs. To improve access, states can ensure that all PrEP formulations are on the Medicaid preferred drug list for all enrollees. States can also mandate these requirements for managed care plans where they are otherwise permitted to set their own formularies.

Current State Examples to Protect PrEP in Medicaid

Some states have already enacted laws that mandate Medicaid coverage of PrEP specifically, or of USPSTF-recommended preventive services generally. These offer examples that other states could consider. Under an optimal policy,

- There should be zero cost-sharing obligations for the enrollee, including for related labs and for office visits that are primarily for PrEP.
- Enrollees should have access to all FDA-approved formulations of PrEP.
- States and managed care plans should not be able to use "utilization management" such as prior authorization or step therapy, unless a generic version of the specific PrEP formulation is available without such restrictions.

For example, in New Jersey, a law passed in 2025 specifically requires the Medicaid program to cover PrEP without prior authorization or step therapy requirements.[20] California also passed a law in 2025 requiring its state Medicaid program to cover all preventive services recommended by USPSTF as of January 1, 2025 – which includes PrEP – along with other preventive services recommended by HRSA and vaccines recommended by ACIP as of that date.[21] Under the law, California's Medicaid program must continue to cover these services even if USPSTF removes or downgrades its recommendations. The law authorizes the state's Department of Public Health to make modifications to the requirements moving forward.[22]

Resources

Deciding on next steps requires understanding several key things about your state's Medicaid program.

1. Familiarize yourself with your state's Medicaid program. Make sure you understand the basics of how your state runs Medicaid:

- Has your state expanded Medicaid to cover low-income adults?
    - Kaiser Family Foundation, "Status of State Medicaid Expansion Decisions"

https://www.kff.org/medicaid/status-of-state-medicaid-expansion-decisions/

- Does your state use comprehensive managed care in its Medicaid program?
    - Kaiser Family Foundation, "Total Medicaid MCO Enrollment." Available at https://www.kff.org/medicaid/state-indicator/total-medicaid-mco-enrollment/

2. Check if your state already has laws protecting access to PrEP for Medicaid enrollees.

A new resource provides state-by-state information on laws mandating coverage of PrEP, USPSTF preventive services, and other categories of preventive services, in both Medicaid and private insurance. Available at https://pix-ta.org/policy-map/

3. Check your state's Medicaid formulary for current coverage of PrEP medications

Check if your state used a preferred drug list, in its fee-for-service Medicaid program and in

managed care. There is no centralized database of state formularies, but you can typically search formulary, "preferred drug list," and the name of your state to find the current list.

Key Takeaways

- Current federal law requires coverage of PrEP with zero cost sharing for many Medicaid enrollees.
- Changes underway in federal policy could threaten this access.
- States have a variety of tools available to protect access to PrEP for their states' Medicaid enrollees.
- Several states have passed laws requiring their Medicaid programs to cover medicines without cost sharing or utilization management.

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5. *Id.*
6. The USPSTF uses a letter-based grading system based on their review of the evidence: A (strongly recommend); B (recommend); C (no recommendation); D (not recommended); and I (insufficient evidence). See U.S. Preventive

Services Task Force, "Grade Definitions" (2018). Available at https://www.uspreventiveservicestaskforce.org/uspstf/about-uspstf/methods-and-processes/grade-definitions.
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