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Straightforward insights to drive improvements in Medicaid

How Continuous Glucose Monitors Can Strengthen Diabetes Management in Medicaid

Continuous glucose monitors (CGMs) are helping people with diabetes manage their blood sugar (glucose) more precisely, and in real time — improving health outcomes and lowering health care costs. As more states expand CGM coverage through Medicaid, access is growing, but variation in state policies still affects who can use these devices and how much benefit they can provide.

What's the issue? Diabetes affects more than 40 million people in the U.S., and nearly one in four are covered by Medicaid.

- **Diabetes is costly to manage**. It is the most expensive chronic condition to manage and treat. Among adults, Medicaid covers roughly 17% of annual direct diabetes treatment costs in the U.S., or $26 billion.
- **Access to CGMs varies by state**. Many Medicaid members who require insulin could benefit from a CGM, but coverage policies differ by state. Compared with people who have commercial insurance, people covered by Medicaid are less likely to have access to CGMs.
- **Coverage gaps limit potential benefits**. With variable approaches to coverage for these devices, some people who could benefit from CGMs cannot access them.

Why it matters. Approximately 10 million Medicaid members have diabetes. Broader access to CGMs could help Medicaid programs improve diabetes management, avoid complications, and reduce preventable spending.

- **CGMs support faster treatment decisions**. They give real-time information to help people adjust food intake, physical activity, or medications when glucose levels rise or fall.
- **Better monitoring can help prevent serious complications**. CGMs help reduce adverse health risks linked with poorly managed diabetes, such as ketoacidosis and cardiovascular events, which drive high rates of emergency department visits and hospitalization.
- **CGMs can improve outcomes and lower costs**. Stronger diabetes self-management can support better health outcomes for members. People using real-time CGMs were almost twice as likely to achieve the recommended A1C target, and experienced a 68% reduction of hypoglycemia-related inpatient and emergency department visits — both of which reduce avoidable state and federal spending.

The challenge. Although a growing number of states are pursuing policies to reduce barriers to obtaining a CGM for Medicaid members, inconsistencies in coverage scope and eligibility criteria continue to limit CGM access. Without updates to CGM coverage policies, including alignment with diabetes standards of care and streamlined prescribing requirements (e.g., minimized use of prior authorizations), access for patients who could benefit from these devices may remain limited.

- **Coverage exists, but it is uneven**. 48 states and D.C. offer some level of CGM coverage under fee-for-service Medicaid, but eligibility criteria and covered benefits vary widely.
- **Some policies limit who can benefit**. Some states do not cover CGMs for every population that would benefit from them, instead limiting CGMs to people with type 1 diabetes or insulin-requiring diabetes.
- **Policy and implementation are often fragmented**. Lack of consistent collaboration between policymakers, clinical professionals, and Medicaid agency staff — along with limited alignment across states — results in inconsistent policies.
- **Prior authorization can delay access**. Requiring providers to get approval before prescribing CGMs creates administrative burden for providers and makes it harder for patients to get timely care.

The opportunities. States are using a range of strategies to broaden eligibility, improve coordination across coverage and implementation, and reduce administrative burden. The exhibit below highlights a few innovative approaches that help Medicaid members access CGMs. For more information on state-specific coverage policies, check out the CHCS fact sheet, ***Continuous Glucose Monitor Access for Medicaid Beneficiaries with Diabetes: State-By-State Coverage***.

Exhibit 1. Innovative Approaches for Expanding Access to CGMs Through Medicaid

Approach	Description
Expand and streamline comprehensive CGM coverage — prioritizing access	State Medicaid programs are making important progress expanding access to CGMs. Simultaneously, there is room to maximize reach and impact for members who would benefit most by addressing administrative complexity, provider readiness, and user experience.
Cover CGMs as a pharmacy benefit	Covering CGMs as a pharmacy benefit simplifies access by allowing patients to obtain devices from pharmacies where they already get their insulin and other diabetes supplies, reducing delays and other challenges often associated with durable medical equipment benefits. It also eases provider burden by streamlining Medicaid billing.
Reassess prior authorization requirements and remove where possible	States may consider evaluating the effectiveness of prior authorizations, particularly for people with type 1 diabetes who will always require insulin, as they create barriers to timely access to CGMs. Removing prior authorization for CGMs speeds up provider prescribing, simplifying access to devices and reducing delays in care.
Expand coverage to people with type 2 diabetes	Although many states cover CGMs for both type 1 and type 2 diabetes, some only cover type 1. People with type 2 diabetes who require insulin can also benefit from CGMs, and expanding coverage offers both clinical benefits and potential long-term cost savings through improved diabetes management at home.
Expand coverage to gestational diabetes	Gestational diabetes affects approximately 9% of pregnancies in the U.S. and increases the likelihood of developing type 2 diabetes postpartum. States can revise their coverage policies to expand access to CGMs for people with gestational diabetes.
Convene stakeholders and peers to inform policymaking	Bringing together stakeholders can help policymakers identify policy gaps and coverage expansion opportunities, as well as ways to support patients and providers. Initiatives like CHCS' *CGM & AID Devices Access Accelerator*, made possible by The Leona M. and Harry B. Helmsley Charitable Trust, create structured opportunities for states to share lessons, inform decision-making, and engage patients and providers.

What's next? Improvements to care through automated insulin delivery devices, which automatically adjust insulin dosing based on CGM values in real time, are continuing to advance. At the same time, next-generation CGM technologies are expanding beyond glucose tracking, including innovations that enable ketone monitoring and earlier detection of diabetes-related complications. As standards of care evolve, states are beginning to review coverage of these technologies and consider how broader access can support more effective diabetes management.

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