

**AT A GLANCE**  
**Pathways for Sustainably Funding  
 Community Health Workers in Medicaid**

	What is it?	What scope of services can CHWs provide?	What are this pathway's advantages?	What are this pathway's challenges?	What is an example of this pathway?
<b>Preventive Services State Plan Amendment (SPA)</b>	Direct reimbursement for services recommended by a licensed provider	Preventive services that include direct patient care	Offers a targeted starting point for states to begin paying for CHW services	Only reimburses for a narrow set of services provided by CHWs	MO: reimburses certified asthma counselors, can include CHWs (amount of CHW participation still TBD)
<b>Broader Fee-for-Service (FFS) Reimbursement</b>	SPA and/or state legislation authorizing direct reimbursement	Defined in SPA and/or state legislation	Allows for full utilization of CHW services, in keeping with versatility of CHW model	<ol style="list-style-type: none"> <li>1. Difficulty in defining broader services</li> <li>2. Fee-for-service limits impact on broader delivery system</li> </ol>	MN: patient education & care coordination benefit
<b>1115 Waivers</b>	Typically used for broader Medicaid changes, but could have CHW component	Defined in waiver	State flexibility to define scope and eligibility for services, unlike FFS SPA	Approval process can take a year or more, especially for a larger proposal	MA: uses CHWs in care coordination for dual eligibles

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<b>Medicaid Managed Care Benefit</b>	Contracts with Managed Care Organization (MCO) require coverage of CHW services	Defined in contract—can be network provider or provided directly by MCO	<ol style="list-style-type: none"> <li>1. In most states managed care is dominant</li> <li>2. Combines state flexibility with potential broad CHW benefit</li> </ol>	Contracting process can be complex	NM: Integrated Primary and Community Support model (I-PaCS)
<b>Shared Savings or Accountable Care Organization (ACO) Contracting with Providers</b>	<p>Model 1: Combined with CHW SPA</p> <p>Model 2: Required in ACO contract</p> <p>Model 3: Provider pays CHW out of shared savings</p>	Providers pay for CHWs to help meet cost and quality targets	<ol style="list-style-type: none"> <li>1. CHWs align with savings and quality incentives</li> <li>2. Possibility of driving broad health equity gains via ACO</li> </ol>	<ol style="list-style-type: none"> <li>1. Providers may be unprepared to take on risk</li> <li>2. Challenging to structure risk adjustment for safety net providers</li> </ol>	CT: requires ACOs in Medicaid Shared Savings Program to use CHWs
<b>Bundled Payments/ Episode Payments</b>	Provider are paid set amount based on expected cost for each episode of care	Providers pay for CHWs to help meet bundled payment target	Provider risk is limited, but still a significant shift from FFS	<ol style="list-style-type: none"> <li>1. Providers may be unprepared to take on risk</li> <li>2. Defining “bundles” can be difficult</li> </ol>	MA: pediatric asthma bundle (never implemented)

To learn more about sustainably funding community health workers in Medicaid, please visit our CHW Sustainability Collaborative at: <http://familiesusa.org/c-h-w>.