

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?
Preventive Services State Plan Amendment (SPA)	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)
Broader Fee-for-Service (FFS) Reimbursement	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"> 1. Difficulty in defining broader services 2. Fee-for-service limits impact on broader delivery system 	MN: patient education & care coordination benefit
1115 Waivers	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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Medicaid Managed Care Benefit	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"> 1. In most states managed care is dominant 2. Combines state flexibility with potential broad CHW benefit 	Contracting process can be complex	NM: Integrated Primary and Community Support model (I-PaCS)
Shared Savings or Accountable Care Organization (ACO) Contracting with Providers	<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"> 1. CHWs align with savings and quality incentives 2. Possibility of driving broad health equity gains via ACO 	<ol style="list-style-type: none"> 1. Providers may be unprepared to take on risk 2. Challenging to structure risk adjustment for safety net providers 	CT: requires ACOs in Medicaid Shared Savings Program to use CHWs
Bundled Payments/ Episode Payments	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"> 1. Providers may be unprepared to take on risk 2. Defining “bundles” can be difficult 	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>.