NACHW
NATIONAL ASSOCIATION OF COMMUNITY HEALTH WORKERS

Medicaid Managed Care Organizations and Community Health Workers (CHWs)
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Managed Care Organizations (MCOs) are increasingly engaging community health workers (CHWs) (including workers with other titles under the CHW umbrella such as community health navigator, peer educator, outreach specialist, etc.). MCOs have voluntarily implemented CHW programs in some cases and have been required to do so by state contracts in others.

CHW roles in managed care (employed by health plan or by vendors) can vary widely:

- Supporting complex care and care coordination
- Patient navigation
- Reducing avoidable/preventable acute care: ER utilization, readmissions, urgent care
- Chronic disease prevention and management
- Behavioral health integration
- Home visits
- Translation and interpretation services
- Patient engagement (e.g. addressing under-participation in primary & preventive care)
- Addressing social determinants of health
- Long term support services/long term care
- Quality improvement; helping to improve HEDIS scores

Examples of Medicaid Health Plans Engaging Community Health Workers (CHWs)

Blue Shield of California has recently partnered with LA Care to create 14 community resource centers where CHWs will be stationed. They have also recently funded 5 primary care providers around California to employ CHWs for two years, with the intention that these services be sustained and expanded at the end of that funding.

Arizona: five Medicaid health plans report employing CHWs (including peer supports) in a range of roles including health education, outreach, and care coordination.

Molina Healthcare conducted a successful CHW pilot in New Mexico in partnership with University of New Mexico and Hidalgo Medical Services. Resulted in reduced ED visits and 4:1 return on investment. Pilot informed state health plan contacting requirements and programs in 10 other states in which Molina operates.

United Healthcare employs CHWs directly in multiple states, and its charitable foundation has made large grants to help establish workforce development infrastructure, including KA, LA, MO, OK and TX. They hired Dr. Jeffrey Brenner, founder of the Camden (NJ) Coalition of Healthcare Providers, to create a national initiative on care for people with complex needs, relying heavily on CHW roles.

Inland Empire Health Plan in California has employed CHWs to deal with patterns of inappropriate utilization of services.

Medicaid Policy Issues Related to CHWs

NACHW leaders have been following and studying a range of issues related to Medicaid, but have not yet taken official positions on specific policies or proposals. We would appreciate your perspective on the points in which you have the greatest interest.

The relationship of CHWs to Medicaid generally

- The Social Security Act and federal regs do not classify CHWs as providers
- Is the State Medicaid Office actively…
  - …promoting CHW integration into health care delivery? If so how?
  - …involved in defining the CHW profession?
- How important is CHW certification to their inclusion in Medicaid financing?
- Can/will Medicaid invest in community-based organizations (CBOs) that work on a community level, rather than with individuals?

Connections between state and federal policy

- The CMMI 2018 meta-analysis of Round One HCIA grants featured a remarkable finding that CHWs were the only category of funded intervention that produced cost savings, but this has not triggered a noticeable wave of state response. Why?
- The cautionary tale of the 2014 Medicaid preventive services rule change (**§440.130)**
- The special case of the FQHCs:
  - Initial UDS data in 2017 showed less than 1,000 CHWs employed nationally
  - Prospective payment system may discourage employment of CHWs: independent patient contact by CHW is not an "encounter" - "flipping visits"
  - Are health centers resisting the move to VBP?
  - Enabling services (as used by some FQHCs to pay for CHWs under HRSA funding) – why not expand Medicaid's existing ability to fund NEMT to something like it?

What policy mechanisms are available for inclusion of CHWs? Potential and limitations?

- Managed care contract requirements/incentives around CHWs: MI, NM, OR, PA, RI
  - Pennsylvania Medicaid allows MCOs to treat spending for CHWs as part of total claims costs
  - NM has dropped their requirement for CHWs in care coordination
  - Oregon requires CHWs and similar workers be employed as part of their Coordinated Care Organizations (ACOs)
  - Admin expenditures for CHWs: how extensive is this practice? is MLR a real constraint?
- Treating CHW services as Quality Improvement
  - New regulations on MLR, effective 2017 - 81FR27522 (42 CFR §438.8)
  - Allows MCOs to count certain "expenditures on activities that improve health care quality" along with actual medical expense (cost of care) when calculating MLR, rather than include them in admin expenditures
  - Specifically cited by CMS staff as opportunity to encourage payment for CHWs
- 1115 Waivers
  - DSRIP Waivers have featured CHWs (one Texas program employed CHWs as community organizers)
  - Is there greater potential for states to use waivers to authorize/encourage financing for CHWs?
- State Plan Amendments
  - No uptake on 2014 preventive services rule SPAs (failed attempt in CA)
  - Health Homes – ME, NY, OR, SD, WA, WI specifically reference CHWs
  - Defining CHWs as reimbursable thru billing or rendering provider (MN, IN, SD, WA)
  - North Dakota SPA allows payment for CHRs performing Targeted Case Management