Medicaid and Public Health Partnership Learning Series

Community Health Workers

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OVERVIEW

In 2013, the Centers for Medicare and Medicaid Services (CMS) published a final rule that expanded the types of providers who are eligible to receive payment for delivering preventive services under Medicaid. The final rule was titled "Medicaid and Children's Health Insurance Programs: Essential Health Benefits in Alternative Benefit Plans, Eligibility Notices, Fair Hearing and Appeal Processes, and Premiums and Cost Sharing; Exchanges: Eligibility and Enrollment." The change gives Medicaid programs the option to cover preventive services delivered by non-licensed providers, such as community health workers (CHWs), when a licensed practitioner recommends the preventive services. The rule does not change the preventive services that Medicaid may cover, but it expands the scope of who may provide the existing services. To implement this option, Medicaid agencies must conduct significant planning, submit a state plan amendment (SPA), and receive federal approval of the SPA.

The following resource provides insights into how Medicaid and state public health agencies may partner to explore using CHWs to deliver preventive services. It also outlines key Medicaid issues that states may need to consider when assessing this option.

It is important to note that this resource focuses exclusively on the SPA option for CHWs to deliver preventive services. Other Medicaid approaches to CHWs are not explored in this document.

OPPORTUNITIES FOR PUBLIC HEALTH

As states explore using CHWs to deliver preventive services, there may be opportunities for public health agencies to partner with Medicaid. Partnership can enhance the feasibility of this option and assist both agencies in achieving mutual health goals. These opportunities will vary depending on whether or not the public health agency provides direct services, and whether the Medicaid agency is located with, or separate from, the public health agency. Some of the major areas where public health agencies may partner with Medicaid around this option include:

- **Leveraging the existing public health infrastructure to credential CHWs.** Public health agencies already certify and license traditional providers, so this infrastructure can be leveraged to meet Medicaid's needs and ensure a credible workforce provides high-quality services.

- **Conducting an analysis of CHWs' workforce readiness and assessing providers/practices' readiness to integrate CHWs into their care teams.** Because of their existing relationship with CHWs and community services, public health agencies can assess CHWs' readiness and prepare them to participate in Medicaid. Public health can also support providers and practices as they train staff to understand CHWs' role in their care teams. For example, the Minnesota Department of Health developed a manual for providers working with CHWs.[i]

- **Support the training of CHWs.** Many public health agencies have created workgroups or taskforces to establish curricula and training programs for CHWs. For more information, see ASTHO's list of current state training/certification standards.

- **Use the public health agency's analytic expertise to identify areas of need and support evaluation of CHWs as they deliver preventive services.** Public health agencies have significant analytic expertise that could enhance Medicaid's ability to promote program integrity and ensure quality of preventive care.

[i] Note: Minnesota Medicaid does not currently use CHWs to deliver preventive services. CHWs in Minnesota deliver diagnosis-related patient education services through other regulatory flexibility, which is not addressed in this document.

KEY ISSUES

As states consider using CHWs to deliver preventive care as a reimbursable Medicaid service, there are a number of Medicaid-related issues to think about in the decisionmaking process. The following sections explore those aspects of Medicaid, and can prepare public health officials for a thoughtful, robust interagency conversation on the potential use of CHWs in providing preventive care.

State Plan and State Plan Amendments

Every state has a Medicaid state plan that outlines the details of its Medicaid program and acts as the contract between the state and CMS for the Medicaid program's administration. Each state plan is different and specifies how that state will carry out the program's operation, as well as what optional program features the state has elected to include. If a state wants to change its Medicaid program, such as allowing CHWs to be paid for delivering preventive services, states must submit a SPA to CMS for its review and approval.[ii] Developing a SPA requires planning on the part of the state; Medicaid must analyze the details of the new option and evaluate the most effective ways to design the SPA in the context of its program, covered populations and healthcare landscape. Specifically, to use CHWs to deliver preventive services, the SPA has to address issues like: provider qualifications, the methodology for paying CHWs, and the preventive services that these non-licensed providers will deliver. (To determine if your state has received CMS approval on a SPA for CHWs, visit the CMS SPA database.)

Provider Credentialing

Medicaid agencies are responsible for ensuring that beneficiaries receive quality services from a qualified practitioner under the program. One way that they do this is by establishing the standards (i.e., certification from a professional society) that providers must meet to participate in Medicaid and deliver services to beneficiaries. Medicaid agencies are responsible for ensuring that providers meet these standards and then enroll as a provider with the state Medicaid program before delivering services and receiving payment.

The Medicaid agency's role is the same for CHWs. The agency must establish the minimum qualifications for CHWs to deliver services to Medicaid beneficiaries and receive payment. At this time, there is no clear idea of what these standards must include, but they may differ from the qualifications that apply to many other providers. Therefore, the agency will need to identify and implement an appropriate approach to define and credential CHWs.

If the public health agency currently conducts provider credentialing, it may be appropriate to extend this role to credentialing CHWs. For example, although Massachusetts does not currently use CHWs to deliver preventive services, the state is credentialing CHWs as a provider type. The state has a Board of Certification of CHWs, which sits within the state Department of Public Health's Division of Health Professions Licensure. The board is responsible for scope of practice, standards and requirements, tiered practice levels, continuing education, reciprocity with other states, and program administration for CHWs.

[ii] It is important to note that a waiver, which requires significantly more time and effort to implement, is no longer needed for a state to use CHWs in this manner.

Key Issues

Program Integrity

When Medicaid agencies are considering new ways to deliver or pay for services, program integrity is always a key issue. Program integrity refers to Medicaid agencies' work to prevent and address fraud, waste, and abuse in the program. A new pathway for payment means a new potential pathway for fraud. As a result, Medicaid agencies must consider mechanisms and approaches to combat fraud when thinking about using CHWs to deliver preventive services. Agencies need safeguards to ensure CHWs are delivering the services they bill Medicaid for and are qualified to provide them.

In addition to preventing fraud, program integrity efforts must also ensure that the program is operating efficiently and delivering quality services. To do this, Medicaid programs must ensure proper utilization of services, set appropriate rates, and ensure providers are delivering quality care. For licensed providers, Medicaid agencies have a depth of historical knowledge for addressing these efficiency and quality issues as these types of providers have participated in the program over many decades. However, the foundational knowledge and experience is limited regarding CHWs, making it more challenging for the state to ensure appropriate utilization of CHW services, set rates, and otherwise ensure the new provider group is performing appropriately and maximizing its performance in a given service area. States will need to develop approaches to overcome this challenge and ensure efficiency and quality among this new provider group delivering preventive services. Furthermore, public health agencies may be able to contribute their analytic expertise to support this work to ensure program integrity. (For additional information on program integrity, see CMS' program integrity resources.)

Provider Readiness

All providers in Medicaid must work within the program's parameters to deliver services. First, to become paid providers, they must follow the program's data reporting and billing practices. They must also be prepared to comply with audits and program oversight. To comply with these requirements, providers must have a certain knowledge and skillset, as well as dedicated time or staff. For example, all providers must have knowledge of diagnoses and procedures, as well as know how to appropriately document services.

Before incorporating CHWs into Medicaid to deliver preventive services, it is important to assess their business readiness to follow these requirements, which are essential to effectively adding this group of non-licensed providers to the workforce. The state must also demonstrate CHWs' readiness when applying for a SPA to allow the state to begin paying CHWs for delivering preventive services. This presents an opportunity for public health agencies to work with Medicaid. A public health agency may be ideally positioned—due to its relationship with these nontraditional providers—to conduct a robust analysis of CHWs' business readiness.

Payment Approaches: Fee-for-Service, Managed Care, and Alternative Payment Models

States that submit and receive CMS approval to use CHWs to deliver preventive services may pay these non-licensed providers under a fee-for-service or managed care delivery model. Under a Medicaid fee-for-service model, the state agency pays providers directly for services they deliver to a Medicaid beneficiary. The state would set up individual billing codes for CHWs, who then bill Medicaid directly.

Under Medicaid managed care, which is the most common delivery model in Medicaid—particularly for preventive services—the state contracts with private health plans, called managed care organizations, to deliver some or all healthcare services to Medicaid beneficiaries.[iii] Managed care arrangements are typically risk-based, meaning that the state pays a set fee, or capitation rate, per enrollee to a private health plan for the delivery of services to that individual. The health plan is responsible for contracting with and paying individual providers for the provision of care, including contracting with and paying CHWs under this option.[iv]

More recently, states have also begun pursuing a variety of alternative payment models (APMs) in Medicaid, such as bundled or global payments[v], which may impact payment in states that elect to use CHWs to deliver preventive services. States using APMs could incorporate CHWs into APMs through other authorities specific to the payment model (such as a waiver), but may need to pursue SPA authority as well.

[iii] For additional information about different types of managed care programs, see "Report to the Congress: The Evolution of Managed Care in Medicaid," MACPAC. June 2011. Available at https://www.macpac.gov/publication/report-to-congress-the-evolution-of-managed-care-in-medicaid/.

[iv] Medicaid managed care plans in some states may currently have the flexibility to pay nontraditional providers under the existing authority of their contract with the state.

[v] Bundled payments generally provide one set fee for a given episode of care. Global payment provide a single payment to cover all care for a given individual.

RESOURCES

The following resources provide information on using CHWs to deliver preventive services in Medicaid, as well as broader information that is relevant to a robust understanding of this issue.

- **CMS Informational Bulletin – Update on Preventive Services Initiatives.** Medicaid.gov. http://medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-11-27-2013-Prevention.pdf. *Summarizes federal policy around the use of non-licensed providers to deliver preventive services under Medicaid.*

- **Medicaid State Plan Amendments.** Medicaid.gov. https://www.medicaid.gov/State-Resource-Center/Medicaid-State-Plan-Amendments/Medicaid-State-Plan-Amendments.html. *Provides a list of approved Medicaid state plan amendments.*

- **Program Integrity.** Medicaid.gov. http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Program-Integrity/Program-Integrity.html. *Provides topical information about aspects of Medicaid program integrity.*

- **Community Health Workers Training/Certification Standards.** ASTHO. http://www.astho.org/Public-Policy/Public-Health-Law/Scope-of-Practice/CHW-Certification-Standards/. *Provides information on existing state certification and training standards for CHWs. These standards are not specific to the option for CHWs to deliver preventive services in Medicaid.*

- **Community Health Worker Provider Manual.** Minnesota Department of Human Services. http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_140357. *Explores how providers can work with CHWs, and provides an example of an opportunity for public health. However, it is important to note that Minnesota does not currently use CHWs to deliver preventive services.*

- **State Community Health Worker Models.** National Academy for State Health Policy. https://www.statereforum.org/state-community-health-worker-models. *Highlights state activity to use CHWs in their healthcare system, and explores key areas such as financing, education and training, certification, state definitions, and roles and scope of practice. This resource is not specific to the SPA option to use CHWs to deliver preventive services in Medicaid, but is a much broader resource on state activity around CHWs.*