

Leveraging Medicaid to Support Community Health Workers

[Community health workers \(CHWs\)](#) are pivotal in [advancing health equity](#) and improving population health, especially for marginalized communities. Today, there is [increasing federal investment](#) to better integrate CHWs into the healthcare system, spurred by post-COVID-19 [federal legislation](#). While the benefits of CHW integration are [well-documented](#), sustainable funding remains a challenge. This brief, developed in partnership with the Center for Health Care Strategies (CHCS), explores Medicaid coverage for CHW-led services and highlights opportunities for state and territorial health agencies (S/THAs) to collaborate with Medicaid to support CHWs.

Key Considerations

Medicaid-Funded CHW-Led Services

Medicaid authorities can [finance CHW-led services](#), such as [state plan amendments \(SPAs\)](#), [section 1115 demonstrations](#) (1115 waivers), and [managed care flexibilities](#). States can pick a pathway depending on their goals, timeline, and administrative capacity. As compared to SPAs, 1115 waivers provide states with more flexibility to waive federal Medicaid rules to test innovative approaches (see Table 1).

Table 1. 1115 Waiver and SPA Criteria: Community Health Worker Services

Considerations	SPA	1115 Waivers
Purpose	Classified under “preventive services” or “health home” state plan option	Tests innovative policy approaches (e.g., CHW pilots in certain geographic areas)
Approval period	Permanent	Generally, five years, renewed for three years
Must be budget neutral?	No	Yes
Evaluation required?	No	Yes

The Centers for Medicare & Medicaid Services recently issued an [informational bulletin](#) and a [table](#) that explain how states can use Medicaid to cover services for health-related social needs (HRSN), including [HRSN case management services](#) typically provided by CHWs (as exemplified in Table 2).

Table 2. State Approaches to Funding CHW Services with Medicaid

State	Approach	Authority
Georgia	Managed care organizations provide case management services through the Resource Mother CHW model .	Managed care, 1115
Louisiana	CHW services are Medicaid benefits, including health promotion and coaching, care planning, and health system navigation and resource coordination.	SPA
Massachusetts	Under the primary care sub-capitation model , primary care teams have the flexibility to use CHWs. Past waiver funding also supported accountable care organizations hiring CHWs , and provided additional funds for CHW core competency and specialized trainings.	1115
New Jersey	Managed care organizations receive funding for a CHW pilot program with a focus on asthma, diabetes, depression, or HIV.	1115

State	Approach	Authority
North Carolina	The state published a Medicaid Community Health Worker Strategy featuring care management requirements for new managed care plans and CHW integration into the state's Healthy Opportunities Pilots addressing HRSN (approved in an 1115 waiver).	Managed Care, 1115
Washington	As part of pre-release services for individuals in carceral settings, the state will cover services provided by CHWs. In addition, CHWs affiliated with Community Hubs and Native Hubs can provide HRSN-related case management, outreach, and education .	1115

Training and Certification of CHWs

When states formally cover CHW services as a Medicaid benefit, they often require [CHW certification](#) for the individual to enroll as a Medicaid provider and meet eligibility for billing services. While these requirements are a [pathway to formalize the CHW profession](#), they may exclude individuals with valuable community knowledge and connections, and “[overmedicalize](#)” a profession intended to meet medical- and health-related social needs. Further, certification may create [financial barriers](#) for CHWs seeking employment or professional development.

When considering certification programs, S/THAs and Medicaid agencies can collaborate with community partners, particularly CHWs, to explore barriers and ensure that these programs reflect the [needs and values of the workforce](#).

How Agencies Can Help Medicaid Support CHWs

S/THAs exploring CHW coverage via an 1115 waiver or another mechanism within Medicaid can take action to ensure programs are supportive of CHWs, including:

- **Encourage CHW workforce engagement** in design and implementation of CHW programs and payment models, with recognition of the authority, limitations, and responsibilities of your state Medicaid agency.
- **Recommend a statewide CHW definition and core competencies.** Resources like the [C3 project](#) can assist in identifying core competencies for CHWs, understanding the need to align with existing practice laws. A scope of practice framework can help policymakers design supportive Medicaid reimbursement models.
- **Share programmatic details and lessons from public health-led CHW programs and evidence-based resources** (e.g., caseload sizes) to help Medicaid understand supportive reimbursement structure options.
- **Implement CHW trainings and voluntary certification processes co-designed with CHWs.** Explore alternative policy/program options, such as organizational level certification instead of individual certification. Update specialized trainings to align with new opportunities for CHW workforce development through [HRSN infrastructure funds](#) in new HRSN-related 1115 waivers.
- **Create a roster of active CHWs, community-based CHW employers, and national and local CHW associations** to help Medicaid agencies plan engagement efforts and build key partnerships with CHWs.
- **Encourage communication with community-based CHW employers** to ensure they have the necessary resources, infrastructure, and support to navigate the Medicaid claims process for CHW reimbursement.

Additional Resources

- National Academy for State Health Policy | [State Community Health Worker Policies](#)
- National Association of Community Health Workers | [Resource Library](#)
- Kaiser Family Foundation | [Medicaid Waiver Tracker: Approved and Pending Section 1115 Waivers by State](#)
- CDC | [Community Health Worker Resources](#)
- National Association of Medicaid Directors | [Medicaid innovation pathway: How 1115 waivers work](#)