

## Rapid Growth but Limited Use of CHWs in Medicaid, 2016-2019

Clese Erikson, MPAff, Hong-Lun Tiunn, MPH, Jordan Herring, MPH, and Eric Luo, PhD

### ABSTRACT

Community Health Workers (CHWs) gained prominence as crucial healthcare providers in the United States by leveraging their unique understanding of local communities to improve patient access, quality of care, and outcomes. Acknowledged by the American Public Health Association as trusted community members, CHWs are bridges between healthcare and social services, particularly adept at addressing cultural disparities. We reviewed state Medicaid policies to identify states that authorize CHW billing by CHW authorization type (SPA, 1115 or 1915 waiver, MCO contract, or health home) and reimbursement method (*direct* fee-for-service (FFS) or MCO care cost versus *indirect* funding such as per-member-per month (PMPM) payments, administrative fees, or grants) and identified 12 states that reimbursed for peer support services between 2016 and 2019. Using CMS' Transformed Medicaid Statistical Information System (T-MSIS) for the years 2016-2019, we then examined trends in the number of CHWs directly billing Medicaid, the number of beneficiaries served, total claims, and average number of claims per beneficiary. The number of CHWs billing Medicaid increased by 58.59% between 2016 and 2019, but only 1,532 (8.68%) of the CHWs registered with the National Plan and Provider Enumeration System (NPPES), a requirement for billing Medicaid, submitted claims in 2019. The number of unique Medicaid beneficiaries with services billed by CHWs increased from 165,797 to 282,049 between 2016 and 2019 but is also very modest relative to the number of beneficiaries who might benefit from CHW services. States with direct reimbursement methods represented only 43.4% of CHW Medicaid claims in 2019, and limited use of CPT codes specified in authorizing language exemplifies messiness in CHW Medicaid billing, complicating understanding of their important role. Other federal data sources that extend past our Medicaid claims data, such as the Health Center Program Uniform Data System (UDS) from HRSA and the National Plan and Provider Enumeration System (NPPES), show continued growth through 2022. Additionally, 31 states now reimburse CHW services in Medicaid. New authorizations after our study period are a mix of SPAs and waivers. More research is needed on optimal reimbursement methods for increasing the use of CHWs, given their known role in advancing health equity and the continued increase in state Medicaid coverage for CHW services.

### Key Words:

Community health workers, Medicaid