



Fact-sheet: CHW Financing Models

- **Finance opportunities for Community Health Workers (CHW's) include:**
 - The Affordable Care Act allows for CHW's to provide preventative care, as well as incentives to utilize their services¹
 - Currently CHW's are paid through Medicaid reimbursements, government fund, charities, and the private sector through business profits and fundraising^{2,3}
 - CHW financing through temporary means such as grants and government funding is common³
 - Medicaid reimbursement and expansion efforts offer sustainable financing for CHW's, and the opportunity for more individuals to utilize CHW services³

- **Funding Challenges:**
 - CHW programs are having difficulty securing long-term funding options³
 - Federal and state grants are primary funding avenues, account for 50% of funding, and but only for a maximum of 3 years³
 - CHW's experience job and service insecurity due to lack of funds when temporary financing ends³
 - Most states do not participate in Medicaid expansion¹
 - Few states have provisions for Medicaid reimbursements for CHW's, few Medicaid funding models exist, and creating new ones is time consuming³.[Error! Bookmark not defined.](#)

- **Examples of what other states are doing:**
 - New York, California, New Mexico, Michigan and Alaska have successfully created Medicaid reimbursement programs³
 - Texas, Kentucky, California, and Minnesota use a government funding model to finance CHW programs³
 - Medicaid is one of the largest funders of CHW services in Pennsylvania, followed by federal grant funding³
 - Minnesota has had a provision to allow reimbursements through Medicaid for services rendered by CHW's since 2007⁴
 - Washington, DC is pursuing a Medicaid State Plan Amendment to finance the work of CHWs⁴

- In Missouri, healthcare and community organizations fund CHW's, and Medicaid does not reimburse for CHW services⁴
- In June 2015, MO HealthNet, Missouri's Medicaid program, has received grants of nearly \$426,000 from the Missouri Foundation for Health and nearly \$330,000 from the Health Care Foundation of Greater Kansas City to launch a two-year pilot program⁴:
 - MO HealthNet participants in Joplin, Branson, Springfield and Kansas City are getting a financial boost to help improve the health of their local communities
 - 14 new positions for community health workers will be funded in these four locations
 - Selection, training and support will be provided by:
 - MO HealthNet
 - Family and Community Trust
 - Missouri Department of Health and Senior Services
 - Missouri Department of Mental Health

¹ Katzen, A. & Morgan, M. (2014). *Affordable Care Act Opportunities for Community Health Workers: How Medicaid Preventive Services, Medicaid Health Homes, and State Innovation Models are Including Community Health Workers*. Retrieved from July 25, 2015 from: <http://www.chlpi.org/wp-content/uploads/2013/12/ACA-Opportunities-for-CHWsFINAL-8-12.pdf>

² Dower, C., Knox, J. M., Lindler, R. V., & Edward, O. N. *Community health worker*. University of California, San Francisco: National Fund for Medical Education Retrieved August 15, 2015, from: http://nnphi.org/CMSuploads/Handouts_HRiA_CHWs.pdf.

³ State Reform (N.D.). *State Financing of Community Health Workers (CHWs)*. Retrieved August 7, 2015 from: https://www.staterforum.org/system/files/state_financing_of_community_health_workers.pdf

⁴ MODSS (2015) MO HealthNet Pilot Project Adds New Community Support to Help Stabilize Outpatient Care and Reduce Need for Hospital Care, retrieved September 8, 2015 from <http://dss.mo.gov/press/150723-mohealthnet-project-stabilize-outpatient-care.htm>