



Governor Josh Shapiro
508 Main Capitol Building
Harrisburg, PA 17120

cc: Ms. Lindsey Mauldin

May 13, 2024

RE: State plan amendment to authorize payment for Community Health Worker services under Pennsylvania State Medicaid

Dear Governor Shapiro:

The **Pennsylvania Community Health Worker Collaborative (PACHW)** is pleased to provide recommendations and promising practices to the PA Department of Human Services (PA DHS) in preparation for the forthcoming state plan amendment to authorize payment for Community Health Worker (CHW) services under PA Medical Assistance (MA). PACHW is a growing statewide coalition of CHWs and CHW allies that exists to unite and empower Pennsylvania's CHWs through active collaboration, education, advocacy, and support. PACHW strives to create a future where all CHWs can actively shape policies, decisions, and resources that impact the profession. Due largely to a nationwide fiscal cliff of over \$1.1 billion of federal ARPA and CARES funding for CHWs, including over a \$19.9 million loss for Pennsylvania CHWs, CHW programs are ending at a rapid rate across the Commonwealth.^{i,ii,iii,iv} Through PACHW, hundreds of CHWs and allies from across PA have come together to implement a CHW-driven campaign to advocate for sustainable financing for PA CHWs. Since April 2023, PA DHS has worked with PACHW to develop a state plan amendment that will authorize payment for CHW services with an initially anticipated start date of January 1, 2025. We were recently informed that the state plan amendment was not included in this year's budget, and the timeline for submission to CMS has been delayed until April 1, 2025. We urge swift action to ensure the timely implementation of this critical resource due to the end of federal COVID funds for CHWs this year.

Pennsylvania faces critical challenges: clinical workforce shortages, ongoing concerns about health equity and the need to deliver better outcomes at lower costs. The Commonwealth's Community Health Workers are well-poised to address these needs, improving access, outcomes, and health equity while reducing MA costs. A CHW is a trusted member of their community who leverages lived experience to contribute to improved health outcomes. CHWs serve the communities in which they reside or communities with which they may share ethnicity, language, socioeconomic status, or life experiences. They get to know individuals and families in their communities and provide tailored social support, advocacy, navigation and coaching to help them improve their health and well-being. A large body of evidence shows that CHWs improve chronic disease management, mental health, and reduce health care costs.^v

We applaud PA DHS for developing an actionable plan that will assist in financially supporting the CHWs serving Pennsylvanians, recognizing that a robust braided funding approach will continue to be necessary. As PACHW noted during the comment period, CHWs can also be an integral part of the proposed *Bridges to Success: keystones of Health for PA* Section 1115 Demonstration Waiver, but a sustainable plan to fund CHW positions is essential. CHW services are unique and deeply embedded in the community. **Consequently, the billing and policy procedures for services require a unique, non-clinical approach that minimizes barriers for community-based organizations (CBOs) and all CHW employers in Pennsylvania to participate equitably in billing and, ultimately, make the state plan amendment successful.** Community-based organizations (CBOs) are the leading CHW employer in PA (39%), followed by FQHCs and Look-Alikes (21%); health systems (19%); and health plans (6%).^{vi} All Pennsylvanians who would benefit from CHW services should have access to these services, but this will only happen if all employer types are able to participate in MA billing, and notable barriers exist. Please review our recommendations for your consideration below:

1. **An equitable and adequate reimbursement rate should be set by PA DHS.** Nationally, the most robust reimbursement model for Community Health Worker services is seen in South Dakota and presents one of the best reimbursement rates to date, setting an industry standard in the field at \$64.86 per billable hour.^{vii} However, this reimbursement model still only covers an estimated 50% of the cost of a full-time CHW when factors such as benefits, travel, training, supervision, specialization, wage increases, medical leave, and caseload volume are considered. Please consider \$64.86 as the *minimum* starting point for reimbursement to increase sustainability for CHW services and decrease the extensive need for additional funding sources.
2. **Create a Community Health Worker provider type that allows for all CHW employers to equitably attain CHW reimbursement through MA.** Many CBOs do not provide medical services, nor do they always have access to a MA provider that could bill on their behalf. Further, CBOs with medical partner access would need to dedicate already limited funds to contract for such partnerships. Preventing CBOs from enrolling as MA providers is a disincentive for medical partners to engage CHWs in community settings. Additionally, CBOs will need to build internal infrastructure and capacity to navigate this complex payment process. Allowing CBOs to enroll as MA providers accelerates delivery of care, removes barriers to billing for CHW services, and creates access by streamlining this process. Please ensure equitable access to billing participation for all CHW employers and ensure the word “community” is not overlooked when addressing Pennsylvania’s “Community Health Workers.”
3. **Social Determinants of Health (SDoH) should be recognized as a primary diagnosis code to bill for CHW services as demonstrated in other states.** SDoH Z code categories set by CMS provide the guidance and infrastructure to do so in conjunction with appropriate CPT codes. CHWs are not providing medical services. They are the bridge to healthcare access and improved health outcomes due to their direct connections to the communities they serve. CHWs remove barriers, such as transportation, food insecurity, and housing, that prevent Pennsylvanians from accessing medical care in the first place. By allowing CBOs to participate in Medicaid billing, CHWs can continue to focus on the SDoH needs of Pennsylvanians and connect them to medical services. The over-medicalization of Community Health Workers should be reversed.
4. **The ordering of Community Health Worker services should include CBOs who do not employ Licensed Practitioners of the Healing Arts (LPHA) - PA Code § 5200.3.** CHWs do not provide medical services; therefore, a medical practitioner is not necessary to determine individual eligibility for the SDoH services provided by CHWs. Restricting CHW services to LPHA orders limits the ability for all PA MA beneficiaries to access CHW services and will

delay care for Pennsylvanians in need of services. Forty-six percent (46%) of all PA CHW employers, most of which are CBOs, do not employ LPHA.^{viii} CHWs work with Pennsylvanians who are not attending medical appointments to begin with, and therefore, would not encounter a LPHA without the proactive involvement of a CHW. Referrals for CHW services at CBOs are often made from within the community, by word of mouth, or through self-referrals. CMS allows states maximum flexibility to expand the LPHA definition if providers are licensed.

5. **Barriers that disproportionately impact rural communities must be addressed.** Significant challenges exist for rural CBOs when trying to establish relationships with health systems or health care providers whose key services are disappearing from rural settings in PA more and more every year.^{ix} An array of complicated logistics, including data sharing barriers and lack of interoperability, exist for smaller health systems who do not possess the capacity or willingness to partner. Additionally, lower volumes of community members served in rural settings make it difficult for CBOs to achieve sustainable financing for CHW services. CBOs play a crucial role in rural communities by connecting individuals to medical and social services that are spread apart and difficult to access. PACHW urges PA DHS to allow CBOs to bill MA directly to avoid disproportionate access and impact in Pennsylvania's rural communities.

We believe the incorporation of these recommendations will ensure the vital success of the forthcoming implementation of the state plan amendment. Thank you for your consideration.

Sincerely,

Pennsylvania Community Health Worker Collaborative and PA partner organizations below (100):

1889 Foundation, Inc.
 AccessMatters
 Allegheny Health Network Center for Inclusion Health
 Alliance for Nonprofit Resources
 Allies for Children
 Beginnings, Inc.
 Birmingham Free Clinic/Program for Health Care to Underserved Populations
 Blueprints
 Bucks County Opportunity Council
 Caring for You Home Care
 Center for Family Services
 Center for Population Health
 Centerville Clinics, Inc
 Children's Hospital of Philadelphia
 Cocolife.black
 Community Action Association of Pennsylvania
 Cornerstone Care
 Delaware Valley Community Health, Inc.
 Drexel CNSJ
 Education Plus Health
 Epilepsy Association of Western and Central PA
 Fabric Health
 Family Health Council of Central PA
 Familylinks
 Hamilton Health Center, Inc.
 Harrisburg Area YMCA

Health Federation of Philadelphia
Health Promotion Council of Southeastern PA
Healthy Start, Inc.
Hyndman Area Health Centers
HELP: MLP
Jefferson Health
Jewish Healthcare Foundation
Kangaroo Birthing & Maternity Concierge
Keystone Rural Health Consortia, Inc.
Latino Community Center
Latino Connection
Latino Hispanic American Community Center (LHACC)
Main Line Health
March of Dimes
Maternal and Family Health Services
Maternity Care Coalition
National Association of Social Workers Pennsylvania Chapter
Neighborhood Resilience Project
Northcentral PA Area Health Education Center
Northeast PA Area Health Education Center
Northside Christian Health Center
PA Coalition for Oral Health
PA School-Based Health Alliance
Partnership for Better Health
Penn Center for Community Health Workers
Penn State Health
Pennsylvania Academy of Family Physicians
Pennsylvania Affiliate of the American College of Nurse Midwives
Pennsylvania Area Health Education Center
Pennsylvania Association of Community Health Centers
Pennsylvania Coalition Against Domestic Violence
Pennsylvania Coalition of Nurse Practitioners
Pennsylvania College of Emergency Physicians
Pennsylvania Health Funders Collaborative
Pennsylvania Medical Society
Pennsylvania Public Health Association
Pennsylvania Rural Health Association
Pennsylvania Section of the American College of Obstetricians and Gynecologists
Pennsylvania AWHONN
Philadelphia Health Partnership
Pittsburgh Mercy
Prevention Point Pittsburgh
Primary Care Health Services, Inc.
Project Destiny, Inc.
Project Home
Public Health Management Corporation
RCPA
River Valley Health and Dental Center
Sharon Community Health Center
Sisters Place Inc
Southcentral Pennsylvania Area Health Education Center

Squirrel Hill Health Center
 St. Luke's University Health Network
 Star Community Health
 Sunshine's Loving Hands
 The Alliance for Health Equity
 The Foundation for Delaware County
 The Hospital and Healthsystem Association of Pennsylvania
 The Midwife Center
 The Pittsburgh Foundation
 The Social Impact Studio Consulting LLC
 The Wright Center
 The Wright Centers for Community Health & Graduate Medical Education
 Together for West Philadelphia
 Union Community Care
 United Way of Pennsylvania
 Vivian Speaks LLC
 Volunteers of America of Pennsylvania
 Wayne Memorial Community Health Centers
 Women for a Healthy Environment
 Women's Help Center

ⁱ The White House (2022, September 30) "Fact Sheet: Biden-Harris Administration Announces American Rescue Plan's Historic Investments in Community Health Workers." <https://www.whitehouse.gov/briefing-room/statements-releases/2022/09/30/fact-sheet-biden-harris-administration-announces-american-rescue-plans-historic-investments-in-community-health-workforce/>

ⁱⁱ Payne, Daniel (2023, May 8). "A boom and bust of community health workers." *Politico*. <https://www.politico.com/newsletters/politico-pulse/2023/05/08/a-boom-and-bust-of-community-health-workers-00095730>

ⁱⁱⁱ Centers for Disease Control (2023, August 14) "Community Health Workers for COVID Response and Resilient Communities (CCR) Recipients." <https://www.cdc.gov/covid-community-health-workers/ccr-recipient-profiles.html>

^{iv} Health Resources & Services Administration (2021, July). <https://www.hrsa.gov/coronavirus/local-community-based-workforce>

^v Association of State and Territorial Health Officials and National Association of Community Health Workers. "Community Health Workers: Evidence of Their Effectiveness." Accessed May 1, 2024. www.astho.org/globalassets/pdf/community-health-workers-summary-evidence.pdf

^{vi} Pennsylvania Community Health Worker Collaborative. *2023 Pennsylvania CHW Employer Financing Survey Results*. Online/Qualtrics. April 2023. N=100 CHW Employers in Pennsylvania.

^{vii} National Association of State Health Policy (2024, January 11). "State Community Health Worker Policies." <https://nashp.org/state-tracker/state-community-health-worker-policies/>

^{viii} Pennsylvania Community Health Worker Collaborative. *2024 Pennsylvania Scope of Practice Survey Results*. Online/Qualtrics. February 2024. N=91 CHW Employers in Pennsylvania.

^{ix} Center for Rural Pennsylvania (August 2023). "[Public Hearing on Rural Hospital and Healthcare Sustainability: Testimony Highlights](#)."