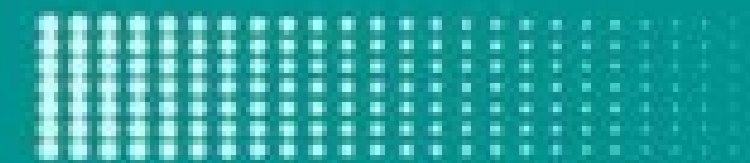
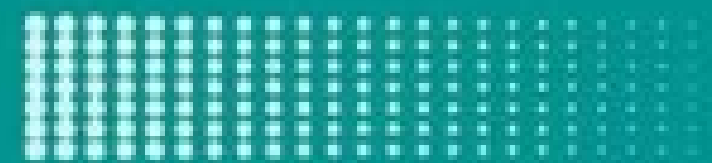
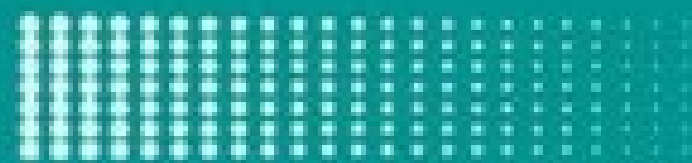




ALLIANCE

FOR COMMUNITY HEALTH WORKER
EMPLOYERS



Business Models to Grow and Sustain CHW Programs

Objectives:

1. Understand Various Funding sources
2. Explore Critical Factors such as Personnel Costs, Supervision and Operational Costs
3. Apply Practical Tools to Simplify the Budgeting Process



Carl Rush

RIPIN



Sam Salganik
Presenters



Ben Tiensvold

RI Medicaid CHW

Three Primary Covered Services:

- Health Promotion and Coaching
- Health Education and Training
- Health System Navigation and Resource Coordination Services

Must Meet Medical Necessity and
Recommendation Requirement

RI Reimbursement Rates

Procedure Code	Modifier	SFY7/1/2023
T1016	No Modifier(Established Patient)	\$12.69
T1016	U3 (New Patient)	\$16.51
T1016	HQ (Group Setting)	\$4.65

RI Medicaid Reimbursement

29 Providers enrolled to provide CHW services



22 Organizations billing



10 Independent CHWs



23,000 total claims



\$1,590,000 Total paid for CHW Services

Business Models to Grow and Sustain CHW Programs

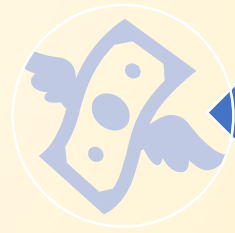
RI CHW Employer Alliance
June 28, 2024

Carl H. Rush, MRP
Community Resources, L:LC
San Antonio, Texas



CHW Sustainability: Sources and Models

Scaling and “sustainability” require:



Sustainable financing



Infrastructure/supports



Organizational readiness



Reflective (trauma-informed) supervision

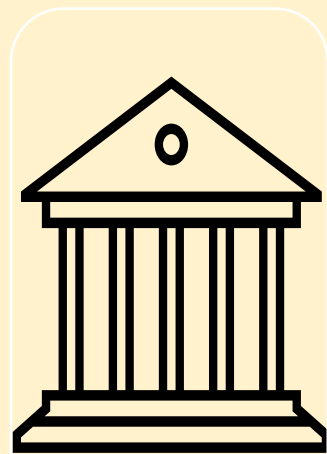


Workforce development investments



Robust evaluation

“Sustainable financing” has been scarce



Sustainable
= long-term,
independent
of grants



Public health lacks appropriate **ongoing**
revenue streams



Employers may also
incorporate CHWs into general
budgets based on internal ROI

Taking the CHW Workforce “to Scale”



- How many CHWs does a state or community “need?”
- How many do we have now?
 - Non-licensed workers are hard to enumerate
 - Official numbers (BLS) likely not reliable

Basic provisions of new Medicare regulations

- ▶ Community Health Integration (CHI) services
 - ▶ can cover wide range of activities
 - ▶ provided by “auxiliary personnel... incident to” clinical care; community health workers (CHWs) are emphasized
- ▶ Must be ordered by “billing provider” during an “initiating visit” – provider also responsible for general supervision and billing
- ▶ Claims may only be submitted by one billing provider for a given patient; provider must be treating patient on ongoing basis
- ▶ Providers encouraged to partner with community-based organization (CBOs), but CBOs cannot bill directly

Billing and rates

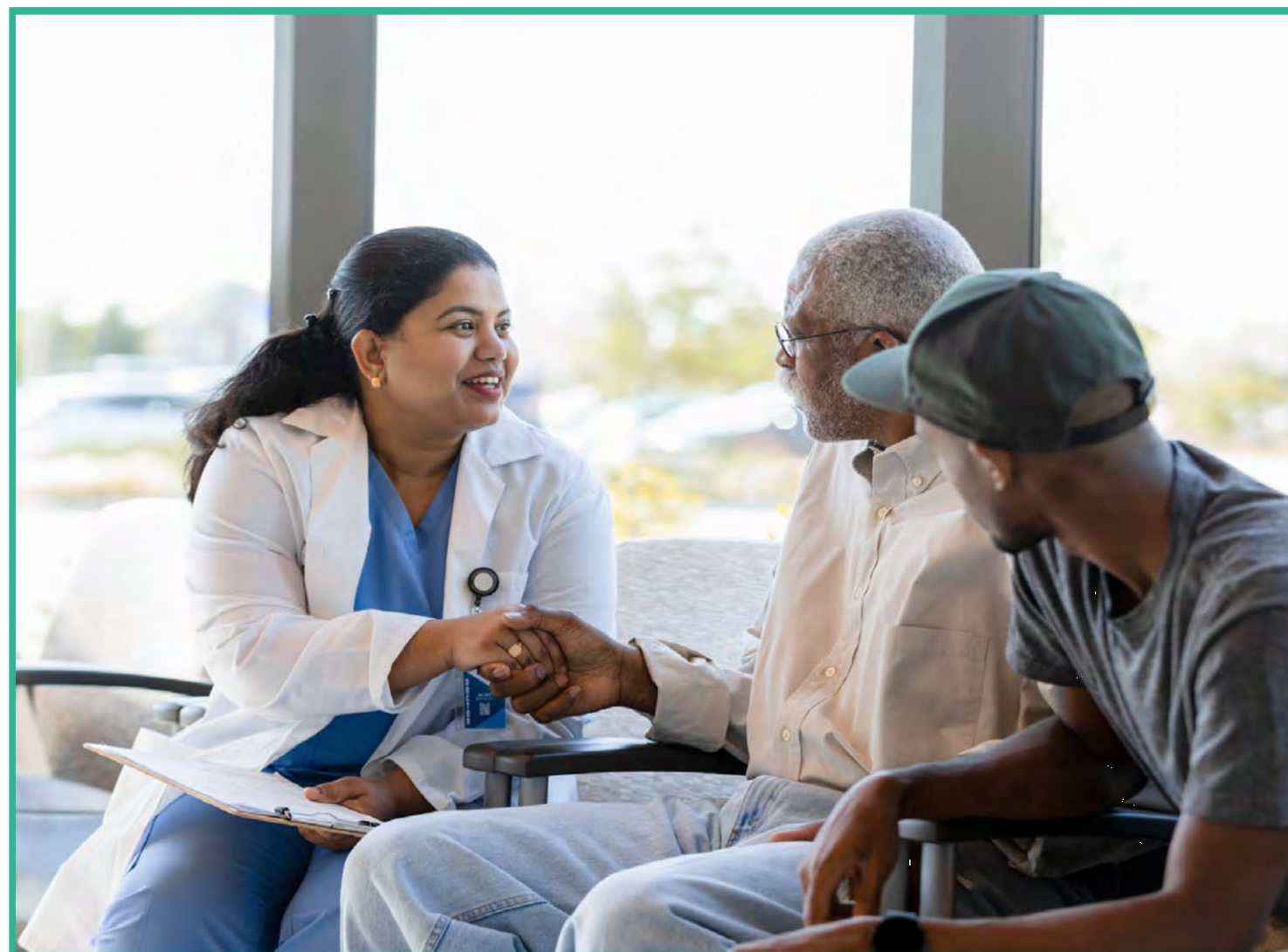
- ▶ Billing on monthly basis: \$79 for first hour, \$49 each additional half hour in month, rates vary by state - no limit (HCPCS G0019, G0022)
 - ▶ Lower rates for services provided in hospital or other facility (\$49 and \$34)
 - ▶ FQHCs/RHCs: \$78 flat fee per service (G0511)
- ▶ Patient consent required, can be verbal (if documented in patient record)
- ▶ Claims submitted first to Medicare Administrative Contractor, except for individuals covered by Medicare Advantage plans (Part C)
 - ▶ Remaining authorized charges not reimbursed by Medicare can be billed to private Medicare Supplement plan or Medicaid

Cost sharing: potential issue?

- ▶ Original Medicare requires 20% co-pay for most services including CHI
 - ▶ Providers are not permitted to waive co-pays
 - ▶ Could be removed if CHI services defined as preventive
- ▶ Medicare Supplement (“Medigap”) and Medicare Advantage plans, including plans for duals (D-SNPs and C-SNPs) generally cover cost-sharing
 - ▶ Medicaid required to cover co-pays for dual eligibles, but states may object

Health Equity Services in the 2024 Physician Fee Schedule Final Rule

<https://www.cms.gov/training-education/medicare-learning-network/compliance/mln9201074>



Other potential funding sources

17

6/28/24

- ▶ State-created special tax levy on revenues of health insurers (MCOs) and/or major provider systems
- ▶ Nonprofit hospitals "community benefits" funds
- ▶ Federal block grants
- ▶ Federal categorical programs: CDC, HRSA, SAMHSA, ACL
 - ▶ Pooling of funds across silos?
 - ▶ Some of these programs do not currently allow spending on CHW salaries
- ▶ DoT "mobility managers" program



Reimbursement Strategies for Employers of Community Health Workers

A Toolkit

October 2022

Prepared by ES Advisors, LLC
and Tim McNeill, Freedmen's Health
with support from Mid-America Regional Council
and the Health Forward Foundation



https://www.marc.org/sites/default/files/2022-11/CHW_Sustainability_Toolkit_FINAL_10-11-22.pdf

Blended and braided funding

- ▶ Both approaches combine resources from multiple payers
 - ▶ May be used by a single employer independently or by a community-level system, e.g., a “community care hub”
- ▶ “Blended” means all payers accept a common payment structure and a shared reporting/accountability structure
- ▶ “Braided” means employer reports separately to each payer based on a separate reporting system and separate objectives/metrics

Core features of the Pathways model

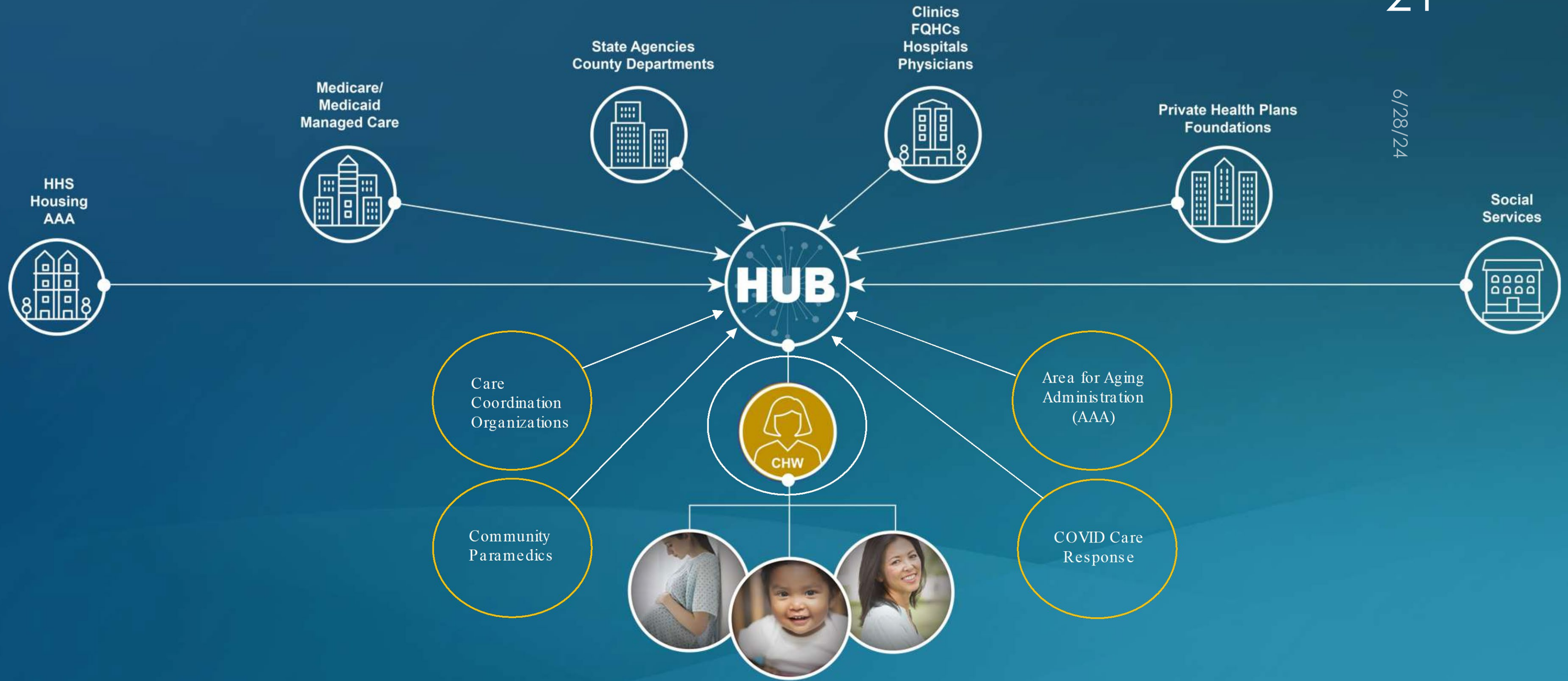
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- ▶ Community HUB manages partnerships, assigns referrals to CHW from clinical providers and invoices payers
- ▶ CHWs employed primarily by CBOs
- ▶ CHWs assess family situation and risks, and negotiate action plan
- ▶ Pathways are protocols used to resolve specific situations/needs
- ▶ Progress on Pathways is used to invoice payers
- ▶ Payers include Medicaid, housing authorities, school systems, food programs, United Way etc.

6/28/24

Pathways Community HUB Blended Resource Model ²¹

6/28/24



One Care Coordinator for the Entire Family



Thank you! - ¡Gracias! - Obrigado!



RIPIN

Business Models to Grow and Sustain CHW Programs *Expenses*

Alliance for CHW Employers
Learning Session, June 28, 2024
Sam Salganik, Executive Director
Salganik@ripin.org



PERSONAL SUPPORT BUILT ON PERSONAL EXPERIENCE



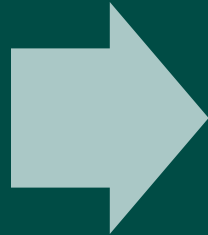
What is RIPIN?

- Peer-led
- Special education, health care, and healthy aging
- 100 emerging or certified CHWs

PERSONAL SUPPORT BUILT
ON PERSONAL EXPERIENCE



Revenue



Expenses

Budgeting

Typical Expenses

Wages: Salary

Benefits/Fringe: Payroll taxes, health insurance, retirement, workers comp premiums, PTO, etc.

Supervision: Salary and other expenses associated with program supervision staff

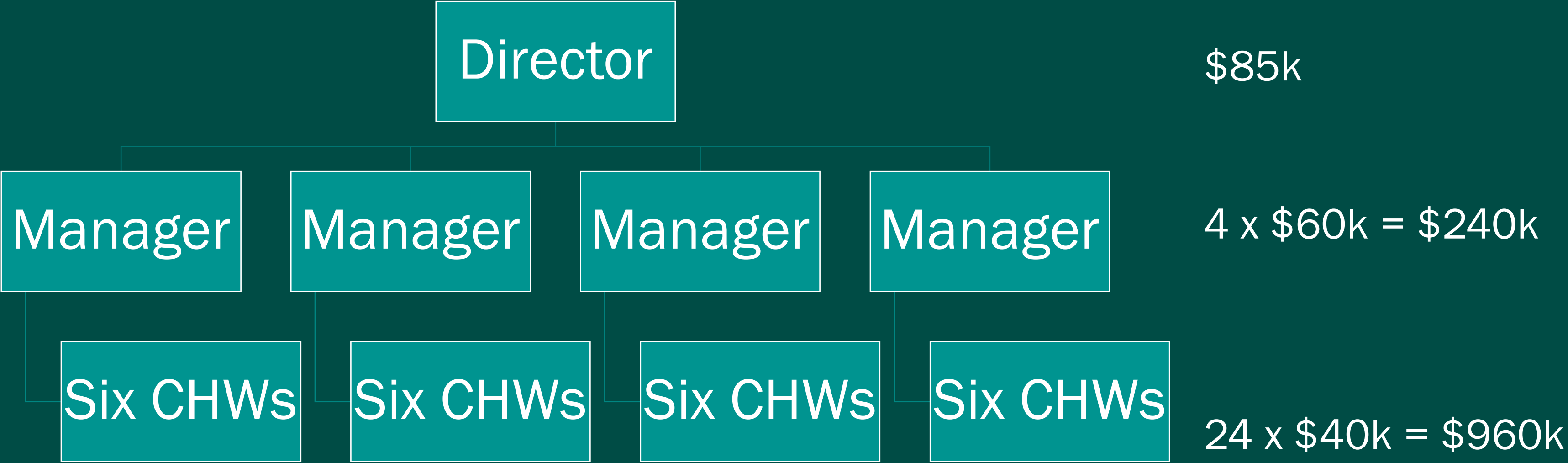
Other Direct Expenses: Rent, equipment, software licenses, telephony, mileage, training, supplies, etc.

Indirect: Cost of organizational HR, Finance, and other shared functions

RIPIN Example

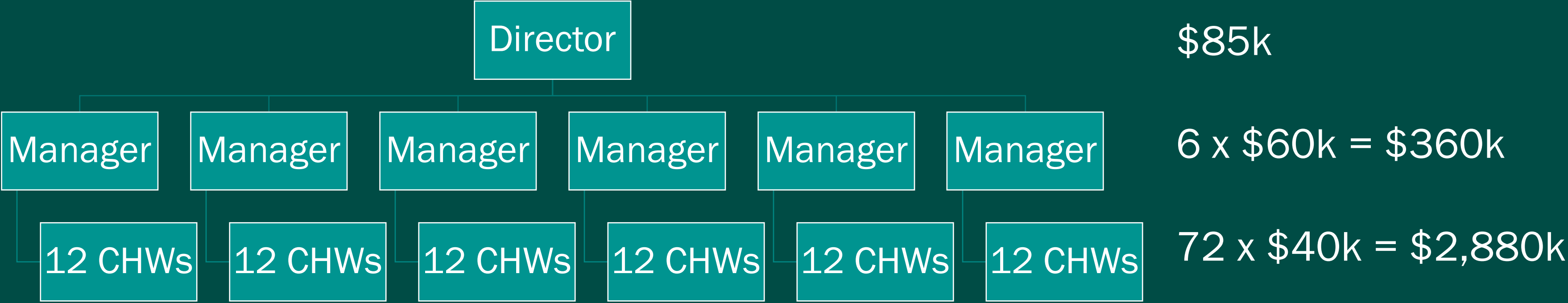
Expense Item	Explanation	Cost Factor	Cost
Wages	<i>Assumption to make math easy!</i> (Not necessarily reflective of RIPIN CHW pay!)		\$20/hour
Benefits / Fringe	Employer payroll taxes, health insurance, retirement, workers comp, PTO, etc.	25% of wages	\$5/hour
Supervision	Span of control of 5-7 CHWs per supervisor, 10-15 CHWs per manager, 30-40 CHWs per director.	25% of wages	\$7/hour
Other Direct	Rent, technology, equipment, licensing, mileage, training, supplies, etc.	25% of wages	\$5/hour
Indirect	At RIPIN, this covers only HR, finance, and front-desk reception.	15% of total direct	\$5.55/hour
TOTAL			\$42.55/hour

Deep Dive - Supervision



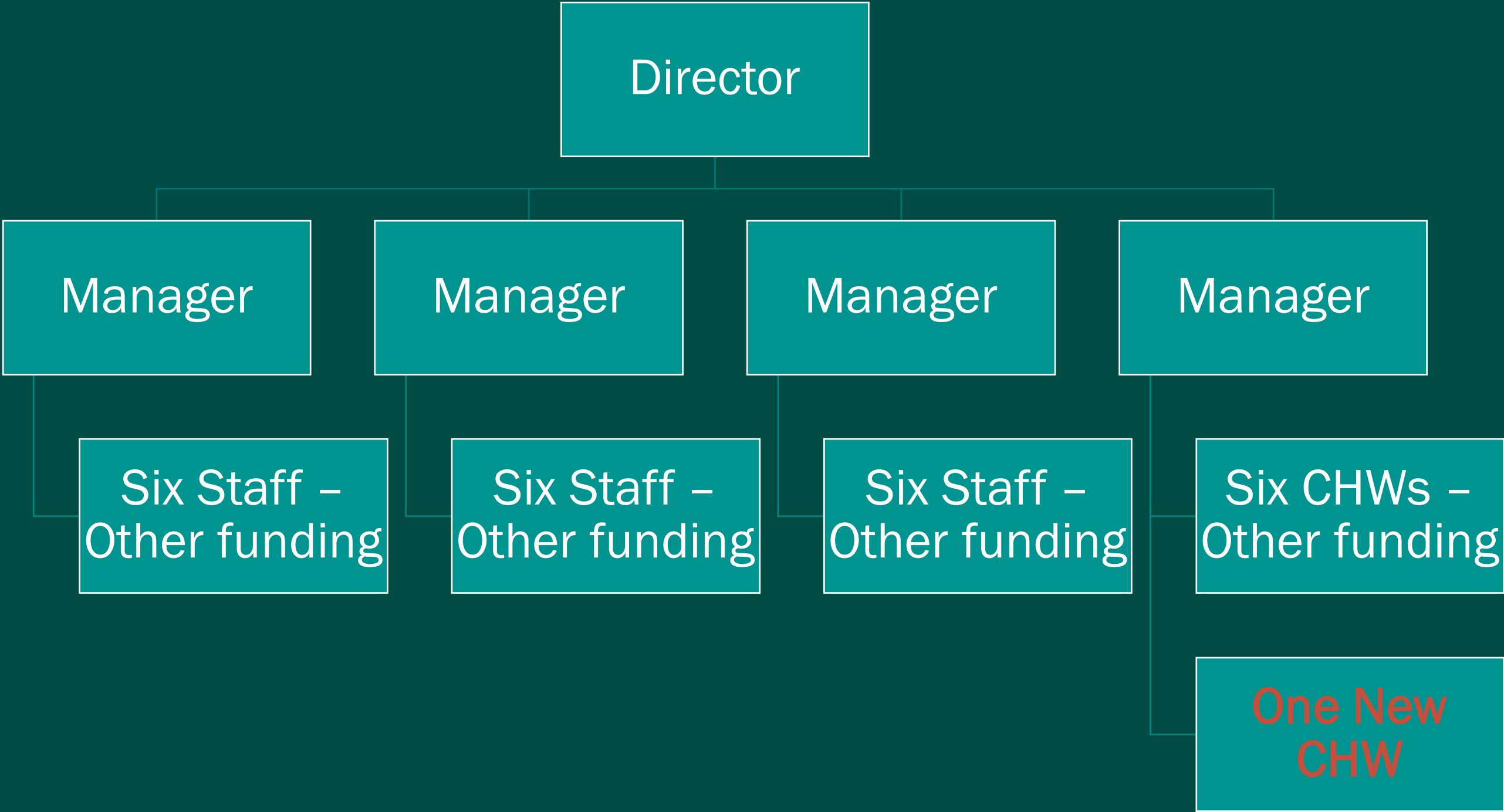
$\$325k / \$960k = 34\%$ cost of supervision

Deep Dive - Supervision



$\$445k / \$2,880k = 15\%$ cost of supervision

Deep Dive - Supervision



What is the cost of supervision for this new CHW?

And what about the allocable cost of indirect?

Hidden Cost? – Unbillable Time

Billable Activity

- Direct communication with clients
- “Collateral” work on behalf of clients
 - Services “on behalf of an individual beneficiary . . . not delivered in that beneficiary’s presence”
 - E.g. calling providers, calling shelters, doing research, etc.

Non-Billable Activity

- Travel time
- Outreach
- Team meetings, supervision, networking, trainings, PD
- Screening clients who do not engage or do not have billable coverage
- Documentation
- Holidays & PTO



Nobody bills
out 100% of
their time!!

RIPIN Billable Time Example - Cedar

- CHW-led program supporting Medicaid-enrolled children with disabilities.
- Not billed through CHW benefit. But time-tracking is important component of billing.
- Supervisory and support staff do lots of patient screening, outreach, billing data support, etc. Once CHWs are working with a child/family, they are already pre-screened and eligible.
- Support mostly phone-based.
- Six CHWs.

How important is the program design to the billable time ratio?

CHW Billable Time / Total Paid Time

13-Week Period (3/18/24->6/14/24)

- CHW 1 – 49%
- CHW 2 – 51%
- CHW 3 – 37%
- CHW 4 – 56%
- CHW 5 – 59%
- CHW 6 – 80%

• **Average = 55%**

- None had unpaid leave over this period.
- CHWs took different amounts of PTO.
- We also get some billable time out of the leadership / support team in this program.



Reminder

Expense Item	Explanation	Cost Factor	Cost
Wages	<i>Assumption to make math easy!</i> (Not necessarily reflective of RIPIN CHW pay!)		\$20/hour
Benefits / Fringe	Employer payroll taxes, health insurance, retirement, workers comp, etc.	25% of wages	\$5/hour
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TOTAL			\$42.55/hour

$\$42.55/\text{hour} \times 2,080 \text{ hours/year} = \$88,504 \text{ per year}$

Billable Time Sensitivity

$\$42.55/\text{hour} \times 2,080 \text{ hours/year} = \$88,504 \text{ per year}$

Medicaid Rate: $\$50.76/\text{hour}$

(\$64.56 for new patients, \$18.60/participant for groups)

Medicare Rate: $\$103.16/\text{hour}$

(\$82.79 for first hour) (non-facility)

(Basically only available for Medicare clinical Part B providers)

$\$50.76 \times 2080 \text{ hours} = \$106,000$

$\$50.76 \times 2080 \times 70\% = \$74,000$

$\$50.76 \times 2080 \times 60\% = \$63,000$

$\$50.76 \times 2080 \times 50\% = \$58,000$

$\$100 \times 2080 \text{ hours} = \$208,000$

$\$100 \times 2080 \times 70\% = \$145,000$

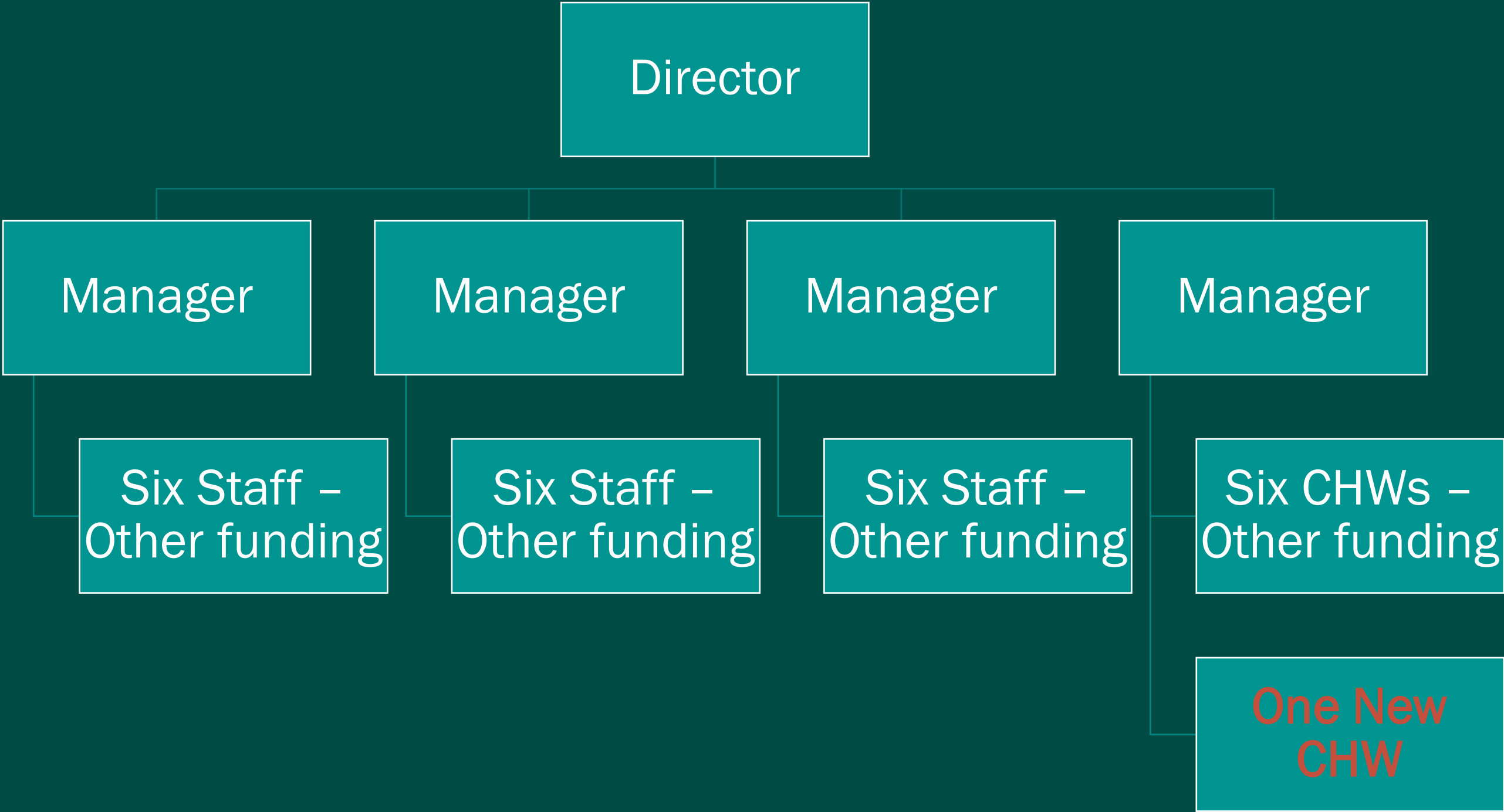
$\$100 \times 2080 \times 60\% = \$124,800$

$\$100 \times 2080 \times 50\% = \$104,000$

Costs to keep in mind when relying on billing revenue:

- Program data systems, billing systems, oversight, finance
- Start-up costs
- REVENUE RISK

Blended Funding to Expand CHW Capacity



Can the existing six CHWs bill out some of their time? Can this support new capacity?

Key Takeaways

- At RIPIN, the “full cost” of employing a CHW (including wages, fringe, supervision, other direct costs, and indirect) is about 2.12 times the CHW’s wage. That multiplier will vary by organization.
- Supervision and indirect are key costs and they are real, but different organizations can view them differently.
- If relying on billing CHW time to insurers, remember that nobody can bill 100% of their paid time. The percentage of time a CHW can bill will vary based on the program design.

Questions & Discussion?

RIPIN





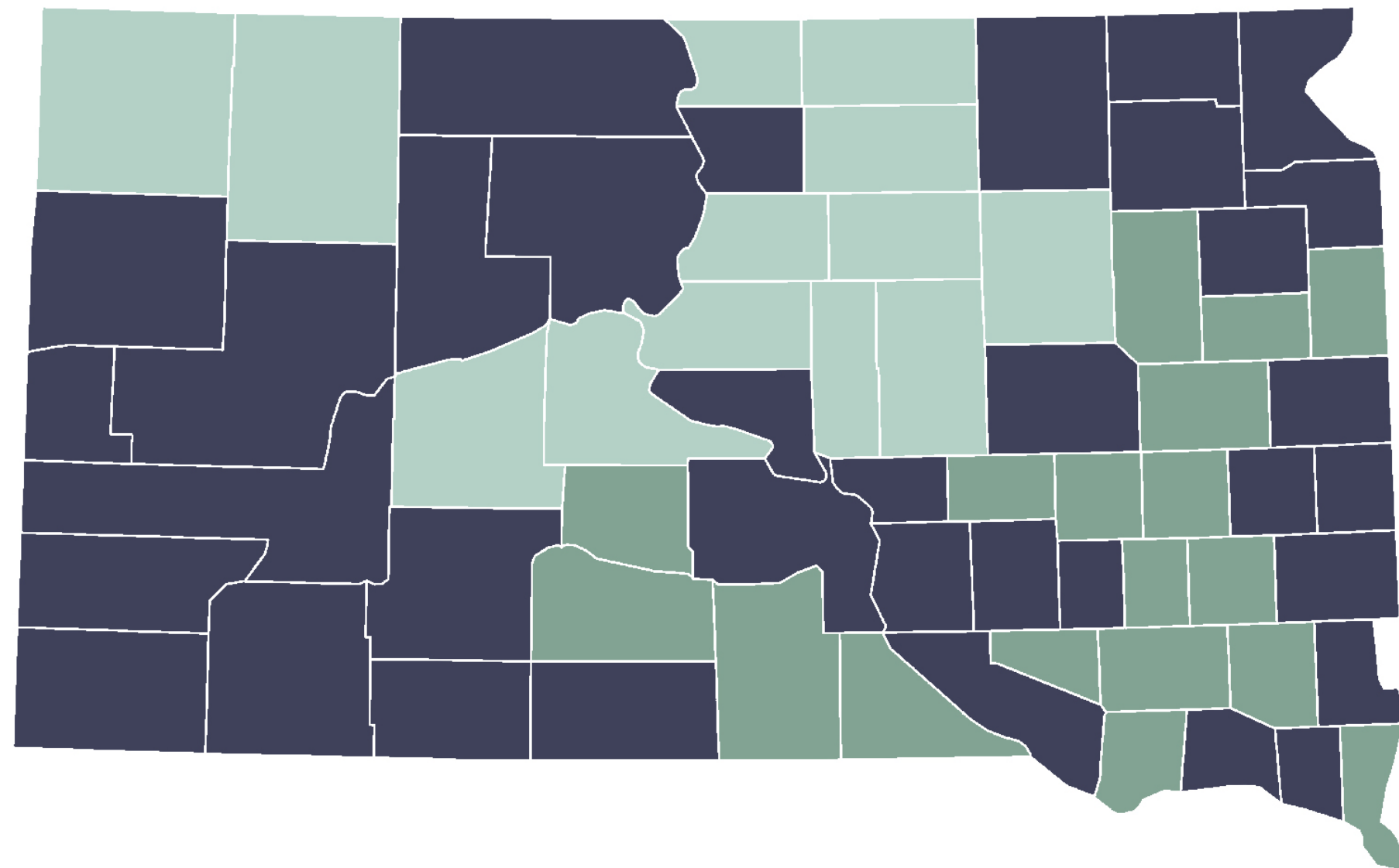
Community Health Worker
Collaborative of South Dakota

**SD Medicaid
Reimbursement Data
and Reimbursement
Offset Calculator for
CHW Positions**



CHWS IN SOUTH DAKOTA

South Dakota CHW/CHR Site Map



- Counties where CHWs/CHRs are employed
- Additional counties served by CHWs/CHRs

As of May 1, 2024

- 85 Tribal CHRs
- 165+ CHWs
- ~10 CHWs currently in training

- SD Population – 900,000
- RI Population – 1,094,000

A woman with long dark hair, wearing a dark turtleneck sweater, is sitting in a chair and smiling while taking notes in a small notebook. She is holding a pen in her right hand. In the foreground, the back of a man's head and shoulders is visible, and to the left, the back of a woman's head and shoulders is visible. The background is a blurred office setting with vertical pillars. The entire image has a light green overlay.

MEDICAID REIMBURSEMENT IN NUMBERS

Reimbursement Rates by State

What's the rate in RI?

- NY - \$70
- SD - \$64.86
- CA - \$53.42
- IN - \$53.12
- AZ - \$48.46
- KY - \$43.06
- NV - \$36.68
- LA - \$36.22
- MI - \$34.46
- KS - \$19.40



Rhode Island's Hourly
Reimbursement - \$50.76
per hour

SD MEDICAID REIMBURSEMENT

Data – March 16, 2023– May 17, 2024

Processed Claims

- Over 10,000 units have been paid through claims
- \$259,256.65 total in reimbursed claims

CHW Agencies Billing

- 15 agencies have billed so far, representing all 6 target organization types:
 - Medical/Clinical
 - FQHC
 - Community-based organization
 - EMS/CHW Program
 - Dental Program
 - CHR Program

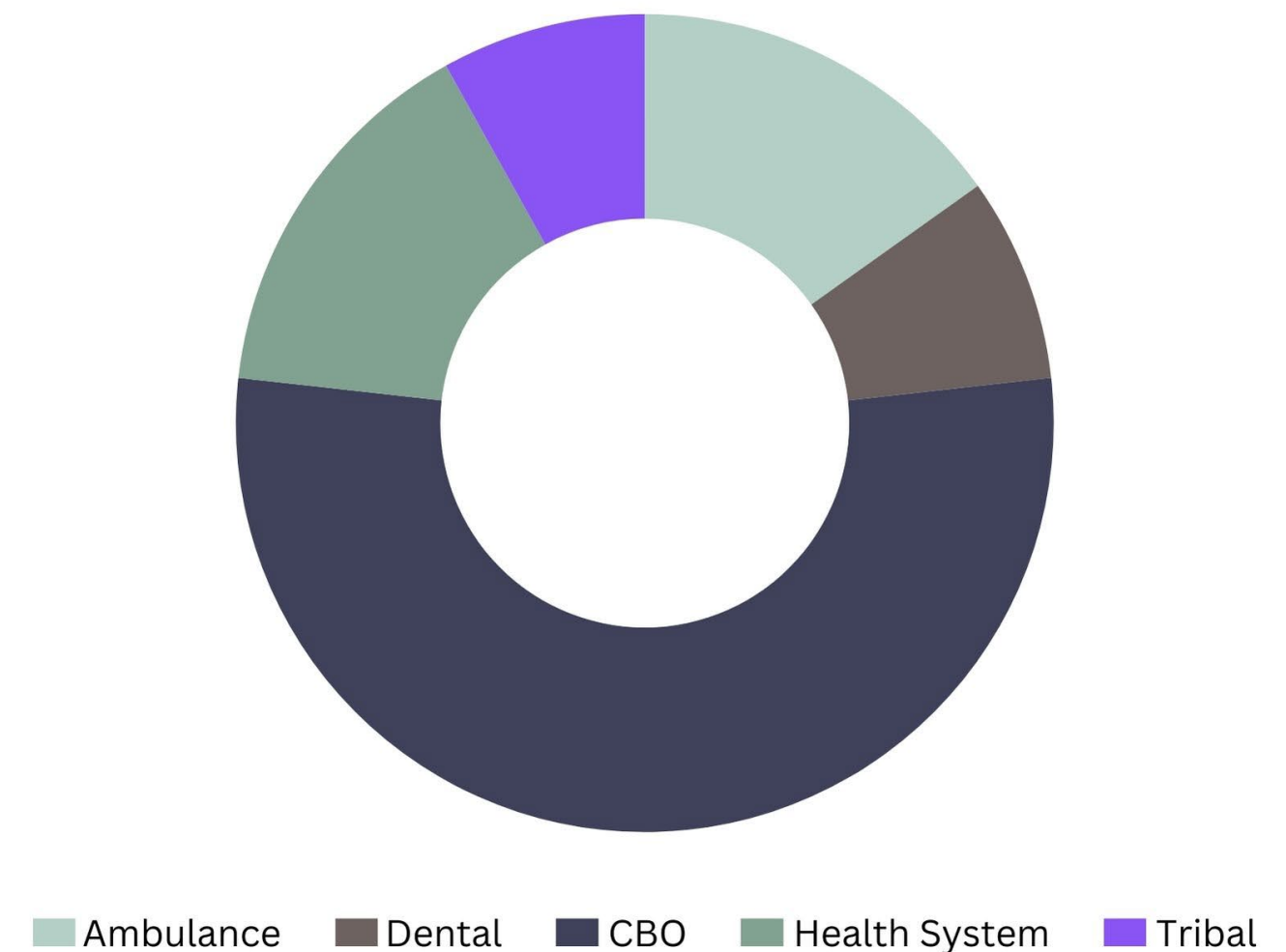
ORGANIZATIONS BILLING MEDICAID IN SD

Data – July 1, 2023 – April 18, 2024

CHW Agencies Billing After Receiving Provider Referrals

- N=41 organizations planning to bill Medicaid
- Half of these organizations seeking SD Medicaid reimbursement are CBOs

Provider Enrollment by Type





REIMBURSEMENT TO SUPPORT POSITIONS AND SUSTAINABILITY

REIMBURSEMENT = SUSTAINABILITY

Sustaining Wages and Programs

**RI Hourly
Reimbursement -
\$50.76 per hour**

1 Hour Reimbursement Per Day

- $\$50.76 / 8 \text{ hours} = \6.35 per hour

2 Hours Reimbursement Per Day

- $\$101.52 / 8 \text{ hours} = \12.69 per hour

3 Hours Reimbursement Per Day

- $\$152.28 / 8 \text{ hours} = \19.04 per hour

REIMBURSEMENT = SUSTAINABILITY

The TIME is NOW!

- **THIS is more important than writing a grant** – you only have to do it once and the reimbursement continues on and on and on and on. Find out what percentage of the population you currently serve is Medicaid eligible or Medicaid recipients.
- Waiting to bill Medicaid for services is leaving money on the table for services already being provided!



A woman with long dark hair, wearing a dark turtleneck sweater, is sitting in a chair and smiling while taking notes in a small notebook. She is holding a pen in her right hand. In the foreground, the back of a person's head and shoulders is visible, looking towards the woman. The background is a blurred office or meeting room with other people and chairs. The entire image has a light green overlay.

CHW POSITION EXPENSES AND REIMBURSEMENT ESTIMATOR

RIPIN

Business Models to Grow and Sustain CHW Programs

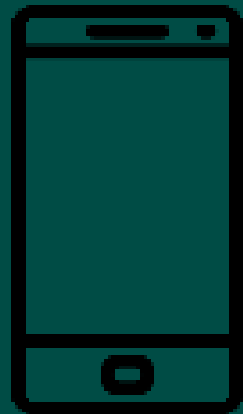
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Alliance for CHW Employers
Learning Session, June 28, 2024



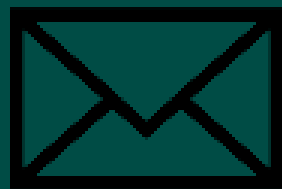
PERSONAL SUPPORT BUILT ON PERSONAL EXPERIENCE

Alliance for Community Health Worker Employers



401-270-0101

Monday through Friday
8:00 AM – 5:00 PM



Alliance@ripin.org



Website: ripin.org/Alliance

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