SOCIAL INNOVATIONS Journal

Vol. 36 (2026): Public Policy Innovations for Equitable Communities

Establishing a County-Level Community Health Worker Credentialing and Role Standardization Policy in Philadelphia and Chester County

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Keywords: community health workers, credentialing, health advocacy, medicaid funding, workforce development, health equity, integrated healthcare, Pennsylvania

Abstract

Community Health Workers (CHWs) are a proven strategy for improving health outcomes, reducing preventable hospitalizations, and addressing health-related social needs. However, the CHW workforce remains largely dependent on short-term grant funding due to the absence of standardized credentialing and reimbursement pathways, particularly in Pennsylvania. This policy brief examines the fragmented policy landscape at the federal and state levels and identifies structural barriers to sustainable CHW integration into healthcare systems. It proposes the establishment of a county-level credentialing and role standardization framework in Philadelphia and Chester County as a pragmatic solution to enable Medicaid reimbursement through Managed Care Organizations and support value-based care models. The proposed framework emphasizes competency-based standards, formalized training requirements, and the creation of a credential registry, while preserving accessibility through recognition of lived experience. Although concerns exist regarding potential barriers to entry and the risk of over-professionalization, this brief argues that a flexible, community-informed credentialing model can balance workforce integrity with payer requirements. Establishing such a framework is positioned as a critical step toward workforce stabilization, improved care integration, and the advancement of health equity in underserved communities.

Problem Statement

CHW programs face persistent financial instability due to the absence of a consistent reimbursement structure. At the federal level, CHWs are not recognized as a reimbursable provider type under Medicare or Medicaid, and no national certification or licensure requirement exists to standardize the workforce. Consequently, financing is inconsistent and often temporary. A recent survey found that 58% of CHW employers depend primarily on grant funding, most of which is limited to three-year cycles or less (1). While the Consolidated Appropriations Act of 2023 allocates significant funding to support CHW workforce development, this funding does not establish reimbursement pathways (2). In Pennsylvania, these gaps have produced fragmented credentialing systems, inconsistent reporting requirements, and limited integration of CHWs into sustainable care delivery models.

In addition, CHWs are often thought to only address social needs. However, their work spans a broad range of health needs. Including primary care connection, medication follow-up, post-

discharge support, maternal health navigation, and preventive care engagement. When the workforce is not formally defined, it becomes harder to integrate CHWs into clinical care teams and harder to justify sustainable payment structures.

There is also a significant equity concern. Communities with the greatest barriers to care stand to benefit most from CHW support. Without a formal role standardization or credentialing, expansion into these communities occurs slowly, further entrenching existing health disparities.

Current Policy and Law

Federal Policy Landscape

At the federal level, no national certification or licensure requirement exists for CHWs. The workforce is not recognized as a reimbursable provider type under Medicare or Medicaid. Despite this, federal investment in the CHW workforce has grown in recent years. The Consolidated Appropriations Act of 2023 allocates approximately $50 million annually through 2027 to support CHW capacity building. However, this funding supports workforce development and does not establish reimbursement pathways (2).

In March 2024, Senator Bob Casey (D-PA) introduced the Community Health Worker Access Act (S. 3892), which proposes to amend titles XVIII and XIX of the Social Security Act to expand access to CHW services under Medicare and Medicaid (3). The bill would establish coverage for two new categories of CHW services under Medicare, including services aimed at illness prevention and restoration of functional capacity, and services addressing social needs through education and referrals, while also encouraging states to expand CHW coverage under their Medicaid programs. The bill was referred to the Senate Committee on Finance, but did not receive a vote during the 118th Congress. While it did not advance, it signals growing federal momentum toward formal recognition of the CHW workforce.

State Policy Models

Several states have moved ahead of federal policy by establishing formal credentialing and reimbursement structures for CHWs. Illinois enacted the Community Health Worker Certification and Reimbursement Act (Public Act 410 ILCS 67) in 2021, creating a formal certification process administered through the Illinois Department of Public Health and establishing a CHW Certification Review Board (4). The law also requires the state's Department of Human Services to develop a defined set of reimbursable CHW services. Other states have leveraged Section 1115 Medicaid waivers to expand CHW reimbursement; California, Nevada, and Louisiana have authorized billing for patient education, navigation, and care coordination services. Colorado has passed legislation permitting CHW reimbursement contingent on the establishment of credentialing standards.

Pennsylvania

Pennsylvania has not yet established a formal statewide credentialing framework or reimbursement pathway for CHWs. The result is a fragmented landscape in which training requirements, job classifications, and outcome reporting vary across employers and regions. This limits the ability of health systems and payers to integrate CHWs into sustainable care delivery models.

Policy Solution

The proposed policy solution is to establish a county-level Community Health Worker credentialing framework that enables sustainable reimbursement for CHW services through Medicaid Managed Care Organizations (MCOs). The absence of a standardized credentialing framework creates barriers for payers who require clear scope of practice definitions and training standards before reimbursing services.

The proposed framework would:

1. Establish standardized core competencies aligned with national CHW standards.
2. Define training and continuing education requirements.
3. Develop a county-recognized registry of credentialed CHWs.
4. Align credentialing with reimbursement pathways in Medicaid managed care and value-based payment arrangements.

Opposition and Alternative Viewpoints

While there is broad support for CHW workforce credentialing, some stakeholders raise legitimate concerns about the approach. CHW advocacy groups and community-based organizations have argued that formal credentialing and standardization may undermine the community roots that define the CHW practice. Specifically, credentialing requirements may create barriers to entry for those who lack access to the time and resources to complete certification processes. Thus, potentially reducing workforce diversity and cultural representation. Researchers and CHW leaders have cautioned that overly rigid credentialing risks "professionalizing away" the attributes that make CHWs most effective, including community trust and informal social support (5)

Critics have also questioned the strength of the evidence base. While some studies demonstrate positive outcomes for CHW programs, the published literature is inconsistent. Often limited by small sample sizes or short follow-up periods. Few studies have rigorously examined cost savings outside of highly structured pilot settings, raising uncertainty about whether research findings will translate into real-world reimbursement models. A review by Findley and colleagues identified significant variability in the literature and called for stronger, standardized research on the effectiveness and economic benefits of CHW interventions (6).

Opposition Rebuttal

These concerns deserve consideration; however, they do not outweigh the case for a county-level credentialing framework. Opponents of credentialing often defend the flexibility of grassroots, but the existing system is completely reliant on short-term grants and inconsistent contracting. This has produced an unstable workforce and limited scalability. To address concerns about barriers to entry, the proposed framework emphasizes competency-based evaluation rather than academic prerequisites. Explicitly recognizing lived experience and non-traditional training pathways of the trainees. This approach allows counties to meet payer requirements for accountability without excluding the community members best positioned to serve as CHWs.

A county-level credentialing framework does not eliminate the community identity of the CHW workforce. It will strengthen workforce legitimacy and ensure CHWs are compensated sustainably for their labor. Credentialing provides the structured mechanism necessary to integrate CHWs into measurable frameworks within the medical systems. Given the persistent health inequities in Philadelphia and Chester County, establishing this framework is the more equitable, sustainable, and evidence-informed policy choice.

Summary

This policy paper has argued that establishing a county-level Community Health Worker credentialing framework in Philadelphia and Chester County is a necessary strategy for achieving sustainable reimbursement and workforce stabilization. The current reliance on short-term grant funding and inconsistent integration into healthcare systems has produced chronic workforce instability and limited the long-term impact of CHW programs. A structured credentialing framework strengthens payer confidence, supports integration into value-based payment models, and formalizes recognition of CHWs as essential members of the public health workforce.

To implement this policy, county health departments in Philadelphia and Chester County should take the following action steps:

1. Convene a CHW Credentialing Task Force that includes CHWs, community-based organizations, health systems, Medicaid MCOs, and public health officials to co-develop credentialing standards. Centering CHW voices in this process is essential to ensuring that the framework reflects the community nature of the workforce and does not impose unnecessary barriers to entry.
2. Adopt a competency-based credentialing model aligned with national standards, such as those established by the National Association of Community Health Workers (NACHW). Ensuring that it explicitly recognizes lived experience and non-traditional training pathways. This approach ensures the framework remains accessible to community members from diverse educational and cultural backgrounds.
3. Establish a voluntary county credential registry to formally recognize credentialed CHWs and create a transparent record that supports payer accountability requirements.

4. Engage Medicaid MCOs and value-based payment partners early to align credentialing standards with reimbursement requirements, ensuring the framework directly supports sustainable financing from the outset.
5. Implement an outcome monitoring and evaluation plan to generate local data on workforce impact, cost savings, and health outcomes. Thus, building the local evidence base needed to sustain and expand the program over time.

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