



<https://bit.ly/CHW-MD>
TELEPHONE: (410) 625-9409
FAX: (410) 625-9423

HB 871

Health Services Cost Review Commission -Community Benefits – Community Health Worker Workforce Program Hearing of the Senate Finance Committee

March 25, 2025

1:00 PM

FAVORABLE

The **Community Health Workers Empowerment Coalition of Maryland (CHWEC-MD)** is a coalition of CHWs and those who train, hire, support, and employ them across the state of Maryland. Our collective goals are to 1) reduce disparities in healthcare access and outcomes for Marylanders by expanding access to CHWs, 2) ensure that the voices of Maryland's CHWs are represented in the creation of laws and policies that impact the profession, and 3) advocate with CHWs for solutions that address systemic inequities that they experience in the field, including a lack of reimbursement for their services.

We stand in **strong support of HB 871**, which would provide a financially sustainable pathway for Maryland's CHW workforce through Community Benefit program funds that non-profit hospitals receive. HB 871 would alter the definition of a "community benefit" to include a collaboration between a non-profit hospital and community-based organization to develop a CHW workforce for the purpose of improving patient health outcomes and reducing health disparities. It would also provide guidance to non-profit hospitals and CBOs on parameters to include in a memorandum of understanding (MOU), including program design, data collection and sharing protocols, and employer-sponsored health insurance arrangements for CHWs working in the program.

A CHW is a frontline public health worker that is a trusted member of their community with a deep understanding of the barriers to attaining good health that their community faces. They often share similar lived experiences with the communities they serve, which puts them in the position to be a connection between healthcare providers and the community. CHWs are part of a comprehensive approach to patient health. They not only provide education and information to patients on health, but they also help address social determinants of health like access to food, transportation, and housing by helping patients navigate social services. CHWs in Maryland are embedded in a variety of settings across our healthcare system such as

substance use disorder and mental health clinics, hospitals, and maternal health providers. In fact, Maryland is the proud home of the 4th largest CHW workforce in the country with nearly 2,500 employed CHWs.¹

CHWs advance health equity in Maryland but rely heavily on short-term grant funds to support their vital work. While 24 states have expanded their Medicaid programs to reimburse CHW services, Maryland's Medicaid program does not yet cover their services. Thus, many CHW positions in Maryland are supported through short-term funding through state and federal grants and philanthropic organizations. Grants available to support CHWs often restrict them to working with patients with specific diseases or in a specific setting instead of engaging in the holistic, community-focused work that make CHW services such an effective health intervention. Once the grant funding dries up, CHWs often have no choice but to leave (or lose) their positions and potentially leave the field entirely. In fact, research supports that the leading reasons CHWs cite for leaving the field, including positions in state and local health departments, are poor job security, low pay and lack of organizational support. Similarly, many community-based organizations that have a CHW workforce cite lack of organizational resources and short-term grant cycles as a barrier to retaining their workforce.

Hospital Community Benefit programs serve as a pathway to sustaining and retaining our CHW workforce. Under the Affordable Care Act and Maryland law, the Community Benefit program requires non-profit hospitals to invest in “planned, organized, and measured” activities that are designed to meet identified community health needs within their service area to maintain their federal tax-exempt status.² Hospitals are incentivized through budget adjustments to make these investments. While hospitals are not required to develop CHW workforce programs as a community benefit activity, some of Maryland's hospitals have already invested in these programs for hospital patients to reduce health disparities, including heart disease, diabetes, and increasing access to substance use disorder treatment. CHW services are also associated with significant cost savings for health systems as every dollar invested in CHW services yields \$2.47 in savings for state Medicaid programs.³

HB 871 encourages and promotes collaborations between non-profit hospitals and CBOs to deploy CHWs to address social determinants of health and improve patient health outcomes. While leaving ample flexibility for program design and innovation to enable non-profit hospitals to best meet the unique needs of its patient communities, HB 871 would provide guidance to non-profit hospitals and CBOs who wish to memorialize their agreement as an MOU to promote genuine collaboration and accountability as well as thoughtful program design intended to advance health equity in our communities. Additionally, documenting the impact of these programs on health outcomes and health system cost savings aligns with our State's goals to not only reduce health disparities, but to also reduce avoidable emergency room utilization. Finally, by encouraging the parties to develop a plan to provide health insurance to the CHW if the

¹ Bureau of Labor Statistics, Occupational Employment and Wages – 21-1094 Community Health Workers (May 2022), <https://www.bls.gov/oes/current/oes211094.htm>.

² Exemption from tax on corporations, certain trusts, etc., 26 U.S.C. § 501(r) (West 2024); Md. Code Ann. Health-General §19-303 (2024).

³ Shreya Kangovi et. al., *Community Health Worker Program Address Unmet Social Needs and Generates Positive Return on Investment*, 2 Culture of Health 207 (2020), <https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.00981>.

individual needs coverage and wants it, HB 871 would help ensure that our CHWs who are often working with uninsured and underinsured patients are not themselves lacking access to health insurance and care.

Thank you for your consideration, and we respectfully urge this Committee to issue a **FAVORABLE** report for **HB 871**. Should you have any questions about this testimony, please contact Ashley Woolard at woolarda@publicjustice.org, or call 410-625-9409 ext. 224.