

Engaging Community Members: A Guide to Equitable Compensation

For Medicaid Agencies, Health Care Organizations, Providers, and Others Seeking Best Practices for Community Engagement and Fair Compensation

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TAKEAWAYS

- Community members, including youth and families, can offer health care organizations unique insight to inform policy and program design by sharing their lived experience.
- Organizations should compensate community members for their time and knowledge just as they would other professionals involved in informing program and policy design decisions.
- This brief provides tips to help organizations create clear guidelines and processes for equitable compensation, while maintaining flexibility in their approach.

As Medicaid agencies, health plans, providers, and other health care organizations seek to address long-standing health care inequities, building meaningful partnerships with community members, especially those in marginalized communities, is critical.

Compensation is an important factor for building sustainable partnerships between organizations and communities. This brief offers guidance to help health care organizations develop appropriate compensation practices for community members — including adults, youth, families, and caregivers. It organizes considerations under the following sections:



[1. Make the Case for Equitably Compensated Community Engagement](#)



[2. Develop and Communicate Clear Guidelines](#)



[3. Support Flexible Payment Options](#)



[4. Tailor Compensation Approaches When Engaging Children and Youth](#)

1. Make the Case for Equitably Compensated Community Engagement



Compensating community members ensures that the voices of those receiving health care services — including Medicaid members — inform important conversations about improving care. But it is sometimes necessary to first communicate the importance of community engagement within your organization. The following considerations can help you make the case to leadership and other stakeholders within your organization to equitably compensate community members in ways that recognize the value of lived experience and that are commensurate with other subject-matter experts and consultants.

- **Communicate the value of lived experience.** When community members and families share their lived experience and biggest barriers to care, it can help an organization prioritize areas for quality improvement that may have been previously unnoticed. Patients and families interact with health care in an array of ways, from scheduling an appointment, to meeting with providers, and accessing information, supports, and services. These are all touchpoints for which community members can offer valuable feedback.

Example • St. Christopher’s Hospital for Children, Collaborative Primary Clinic

Through listening sessions with parents, St. Christopher’s Hospital for Children, [Collaborative Primary Clinic](#) (St. Chris CPC) in Philadelphia heard that parents wanted more access to behavioral health services. With that knowledge, the St. Chris CPC team advocated for additional behavioral health training for clinical staff. Parents who participated in the listening sessions received compensation in the form of gift cards.

- **Connect to your organization’s mission.** Community engagement is central to many health care organizations’ missions, particularly Medicaid state agencies, as their commitments to improving health equity and population health expand. Equitably compensating community members for their time and expertise shows that your organization values their input similarly to other types of consultants — an internal practice that can amplify your organization’s commitment to equity.
- **Boost community participation.** Compensation can attract a more diverse set of community members to participate in community engagement, opening your organization up to new perspectives and populations. Participants may be more willing to prioritize engagement when they understand that an organization values their contributions and will compensate them for their time.

2. Develop and Communicate Clear Guidelines

Health care organizations should develop clear, detailed guidelines for compensating community members. Guidelines, whether developed in-house or in collaboration with community members, should reflect organizational values, take existing processes into consideration, and bring transparency to payment processes and requirements for community members.



Incorporate the following key considerations when developing and communicating compensation guidelines:

- **Standardize organization-wide policies.** Clinic teams or program divisions that are part of larger organizations may have differing policies around compensating community members in engagement efforts. Standardizing an organizational policy can create a consistent approach, help mitigate implicit bias, and promote more equitable outcomes across the organization. An organization-wide policy can also identify a review structure to ensure that the policy continues to meet the needs of families and communities served. Organization-wide policies should address:
 - Activities that are eligible for compensation and reimbursement;
 - Recommended compensation rates that consider time commitment, level of responsibility, and take into consideration rates paid to other consultants;
 - Internal procedures to process payments (i.e., internal forms and submission steps);
 - Required documentation (i.e., W-9s);
 - Available methods of payment (i.e., check, direct deposit, and prepaid or gift cards); and
 - Anticipated timeframes for each step of the process, and a point of contact for any questions.
- **Be explicit with community members.** Prior to any engagement, organizations should clearly define and communicate engagement activities, compensation rates, roles and responsibilities, other reimbursable in-kind supports, and procedures community members need to follow to receive payment. Organizations can develop a one-pager that shares information about documentation requirements, timelines for processing payments, and other requirements community members should know. All communication shared with community members should follow [plain language best practices](#) and when possible be translated for community members whose primary language is not English.

Example • Washington State

Washington State enacted [legislation](#) allowing state agencies to compensate community members with lived experience for their participation on community advisory boards, commissions, councils, committees, and other similar groups. To ensure state agencies are in compliance with the law, Washington’s [Office of Equity](#) created [Community Compensation Guidelines](#), which include detailed information on who is eligible for stipends, what documentation is required to process payments, compensation rates by activity, agency reporting guidelines, and best practices for disbursing payments.

- **Establish standard rates.** Payment types will vary depending on the engagement activity and level of commitment. Some engagement efforts may only require short time commitments, like completing a survey or participating in listening sessions, while other efforts may include ongoing work with larger deliverables. There are resources to assist organizations in structuring a compensation policy, including CYSHCNet’s [compensation guide](#), The Change Foundation’s [decision tool](#), and the National Health Council’s [Fair-Market Value Calculator](#). While these resources can be a helpful guide, organizations should also consider their own past engagement efforts, current organizational policies, and additional factors, like cost of living, when establishing standard rates.

Example • The United Way of Salt Lake

The United Way of Salt Lake created a [Community Member Compensation Policy](#), which includes a range of engagement activities, as well as a commitment to pay community members a living wage by the hour, to provide additional supports, such as transportation and childcare, to eliminate barriers to participation, and a declaration that it will follow Internal Revenue Service (IRS) guidelines on taxable income. The policy also includes best practices to build and maintain trust with community members, including defining roles and compensation amounts before an engagement activity, a two-week timeframe for payment, considerations for where engagement activities will occur, and recommendations on meeting the needs of community participants.

- **Involve community members.** Consult with community members to understand preferences for compensation. Approaching the development of these guidelines with humility, flexibility, and an “iteration mindset” will support continuous improvement in refining compensation approaches. Feedback and recommendations from community members after the engagement can help guide future efforts as well.

3. Support Flexible Payment Options

Organizations will need to maintain some flexibility around payment types given varying degrees of engagement efforts and community preferences. While consultants will typically be paid by check or direct deposit, community members, including those enrolled in Medicaid, may prefer alternate methods.

The following best practices support payment flexibility for community members:

- **Offer multiple forms of payment.** Individuals with lived experience may not have a social security number, a bank account, or an easy way to deposit checks. In this case, gift cards or prepaid cards (i.e., Visa gift cards) will be easier options. If possible, organizations should offer multiple payment options and discuss with community members the method that works best for them.



In addition to payment, organizations should also consider providing in-kind reimbursement for meals, transportation, parking, and childcare. Compensation may also take the form of professional development opportunities, such as sponsoring an individual's participation in a certificate training program. Organizations should be transparent around the types of compensation available prior to the start of any work.

- **Reduce barriers around processing payments.** If forms and signatures are required, using mobile-friendly options can help reduce barriers community members might face in receiving compensation. The IRS has [a digital W-9 form](#), and organizational forms required to process payments, such as invoice templates, can be created in online formats, such as DocuSign or Adobe.
- **Make implications for public benefits clear.** Organizations are [required to issue an IRS 1099 Form](#) to any non-employee who receives \$600 or more of compensation in one calendar year. This compensation is reported as income to the IRS. In some cases, the compensation could change community members' income thresholds, which has implications for public benefits eligibility. Make community members aware of the compensation limit that triggers IRS reporting forms and potential impact on public benefits. Washington State's [member compensation legislation](#) seeks to minimize the impact of stipends on benefits eligibility. The state does not count stipends as income where permissible by federal and state laws.
- **Engage with finance partners early and often.** It is important to include your organization's finance or business team, human resources, and other key stakeholders early when determining compensation practices to ensure a smooth process and minimize delays. Depending on the compensation method, the finance team may need additional information, and time to process requests.

Setting Compensation Rates

Organizations can use the following questions in determining rates for engagement:

- What level of skills, expertise, and experience is required for this project?
- What is the time commitment, including preparation, coordination, travel, and meetings?
- What is the level of responsibility required?
- Is any additional training required?
- Are there other positions at the organization that require a similar level of skills, expertise, and level of responsibility? If so, what is the hourly rate of those positions?
- Is the level of time commitment and responsibility more conducive to a staff position (full or part time)?

Compensation vs. Reimbursement

- **Reimbursement** refers to any out-of-pocket expenses that one incurs to participate in engagement activities, including transportation, childcare, parking, or meals. Reimbursement offsets any costs a community member encounters to participate in the engagement effort.
- **Compensation** refers to the payment made in exchange for an individual's time and expertise.

Example • The Colorado Member Experience Advisory Council

The [Colorado Member Experience Advisory Council](#) compensates community members \$25 an hour for attending council meetings, covers transportation costs to council meetings, and provides overnight accommodations for out-of-town members. The council, which has been operating since 2015, meets monthly and is a space exclusively for Medicaid and Child Health Plan Plus members to share their experiences and recommendations for both programs. It also serves as a steppingstone to other agency engagement opportunities, including issue-specific workgroups.

4. Tailor Compensation Approaches When Engaging Children and Youth

Organizations that serve children and youth might be interested in engaging younger individuals, including middle or high school students, to understand their unique perspectives. When working with community members under age 18, organizations should keep additional considerations in mind:



- **Consider alternative compensation.** Engage youth and families around compensation preferences prior to the start of any work to help build a [more authentic partnership](#). When offering alternative forms of compensation, it is important that organizations do not assume the preferred compensation. For example, volunteer hours may be an appropriate form of compensation when working with students, since students are often required to accumulate volunteer hours for graduation and may be seeking volunteer experience as they apply to college or search for jobs. Organizations that have established relationships with academic institutions may consider offering credits to college students. Volunteer hours and credits, however, should not be the only form of compensation offered since unpaid opportunities may be out of reach for students with lower incomes.

Example • Primary Health Care Iowa

[Primary Health Care \(PHC\) Iowa](#) — a comprehensive clinic in central Iowa — has a student advisory council to inform child health care transformation efforts. Council members can choose between volunteer hours (with which students receive special recognition at high school graduation) or an hourly rate in the form of a gift card in exchange for their time. The PHC Iowa team met individually with each student to understand preferences for compensation. This allowed each student to choose the method that worked best for them and prevented external pressures from their fellow council members to choose one way over another. The students also had a facilitated group discussion on what they thought was the appropriate hourly rate for their work. The amount that was chosen by the council was honored by the PHC Iowa team.

- **Consider additional supports for children, youth, and families.** When engaging youth in efforts to improve health care services, organizations should address factors that could limit participation. For instance, the individual may need to rely on a parent, public transportation, or ride sharing apps like Uber to attend in-person meetings. The organization should consider how to provide reimbursement for transportation and/or identify ways to engage the parent or caregiver who may be dropping their child off as well as ways to compensate their time. Organizations can also seek to align and communicate with other systems that youth associate with, such as school systems, libraries, or community centers to increase parent or caregiver comfort with the engagement opportunity.

Conclusion

Compensating community members is an important tool for improving policy and program design, building trust between organizations and communities, and advancing health equity. Fair compensation acknowledges the value that lived experience brings to program and policy design and is an important step to dismantling the historic power imbalances between health care organizations, including Medicaid programs, and the communities they serve. The considerations and strategies above can help mitigate confusion about organizational compensation processes and set the stage for equitable community partnerships.



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ABOUT THE CENTER FOR HEALTH CARE STRATEGIES

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