

A MEDICAID LEADER’S PLAYBOOK

Action Steps to Building Public Health Partnerships

An action-oriented guide for initiating, strengthening, and scaling Medicaid–Public Health partnerships that improve health outcomes for Medicaid members while maximizing the impact of public funds.

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NAMD
National Association of
Medicaid Directors

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Executive Summary

Medicaid and public health agencies share a common mission: improving the health and well-being of the populations they serve. Yet, sustained collaboration has often been limited, constrained by short-term projects, different funding streams, and leadership changes. “A Medicaid Leader’s Playbook: Action Steps to Building Public Health Partnerships” provides practical guidance for Medicaid leaders to initiate, strengthen, and scale durable partnerships with public health agencies, improving outcomes for Medicaid members, advancing community health, and maximizing public investments.

Today’s policy and fiscal landscape makes collaboration more critical than ever. Rising rates of chronic and preventable conditions underscore the value of population-level interventions that reduce long-term costs. Federal priorities, including prevention, whole-person care, rural health transformation, and effective use of public funds, align with public health expertise. Budget pressures require agencies to use resources efficiently and reduce duplication. Changes in federal funding, including the sunset of COVID-19 Public Health Emergency (PHE) funding, may leave gaps in public health infrastructure that partnerships can help address.

Building effective partnerships requires navigating structural and cultural challenges. Medicaid and public health differ in several key areas: their mandates (focusing on individuals versus populations), timelines, organizational culture, and data-sharing practices. These agencies may face uneven funding and perceived power imbalances. This playbook helps leaders address these barriers by establishing common ground, fostering trust, and aligning priorities.

The guide offers a **structured approach to collaboration** that includes:

Understanding
public health’s
role and
**statewide
priorities**

**Initiating
partnerships**
through shared
goals and
achievable pilot
projects

**Navigating
relationship
scenarios** from
new to well-
established
connections

Leveraging
**complementary
strengths**

**Institutionalizing
collaboration**
through shared
governance,
aligned metrics,
and long-term
planning

By following these steps, Medicaid leaders can build sustainable, high-impact partnerships that improve outcomes, ensure efficient use of public resources, and endure beyond the tenure of a single Medicaid Director or State Health Official.

Opportunities for Partnership in the Current Environment

Despite their shared mission, Medicaid and public health agencies do not always fully leverage opportunities for deeper collaboration. Partnerships often emerge in response to specific leadership priorities, targeted funding streams, or short-term initiatives, which can limit their long-term impact. When leadership changes, funding concludes, or program priorities shift, many collaborations lose momentum. Even within a single agency, staff may be unaware of existing partnerships if they are managed by different divisions or embedded in separate programs, making it difficult to sustain progress or scale successful efforts.

A more sustainable approach to collaboration begins with a thorough understanding of each agency's structure, priorities, and operational context. Establishing this shared foundation reduces silos, fosters trust, and supports partnerships that extend beyond individual projects. Stronger collaboration enables both agencies to serve shared populations more effectively, address persistent health challenges, and build a foundation for lasting impact.

NATURAL OPPORTUNITIES *to Advance Collaboration*



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The current policy and operational environment present several natural opportunities to advance collaboration:



Budget pressures at the state and territory level: With resources increasingly constrained agencies must reduce duplication and maximize efficiency.¹ Partnerships can extend investments, broaden reach, and enhance overall impact.



Federal focus on efficient use of government resources, prevention, and rural health. The Centers for Medicare and Medicaid Services (CMS), the Centers for Disease Control and Prevention (CDC), and other federal agencies are focused on making the most efficient use of government resources across programs. In addition, they are also rolling out key priorities around prevention, whole-person care, coordination across sectors, and rural health transformation.^{2,3} Medicaid and public health partnership can help states respond to these emerging federal policy priorities most effectively, and in the context of each state and territory.



Addressing chronic and preventable conditions: Rising rates of chronic disease, maternal health complications, and behavioral health needs place significant costs on Medicaid programs. HHS and other federal agencies have prioritized prevention and management of these conditions, particularly with children. By refining strategies to prevent and manage chronic and preventable conditions and leveraging public health expertise in population-level interventions, state Medicaid agencies can improve member health outcomes, reduce long-term costs, and maximize the impact of their resources.



Post-PHE public health realities: The conclusion of COVID-19 Public Health Emergency (PHE) funding, along with other federal funding changes, has created gaps in public health infrastructure that affects the delivery of services to Medicaid members. By partnering with public health agencies, Medicaid leaders can help address these gaps, strengthen system capacity, and ensure that public health efforts effectively support the populations they serve. By capitalizing on these opportunities, Medicaid and public health agencies can develop strategic, sustainable partnerships that enhance community health, improve outcomes for Medicaid members, and maximize the value of public resources.



Impact of workforce shortages on Medicaid and public health systems: Workforce shortages remain one of the most significant challenges for both Medicaid and public health systems, limiting provider availability, straining administrative capacity, and reducing the reach of prevention efforts. By partnering, agencies can align resources to expand workforce development, share data to target areas of greatest need, and test innovative delivery models such as team-based care and community health workers that expand capacity and reduce duplication.



Shared responsibility in monitoring state and territory health systems: Medicaid and public health share a mutual responsibility for monitoring the broader health care system, with Medicaid focusing on utilization and outcomes data and public health focusing on surveillance and population level trends. When these perspectives are combined, agencies gain a fuller picture of system performance, enabling earlier identification of challenges, more strategic resource allocation, and stronger accountability for improving health outcomes. Sustained collaboration helps both agencies build resilience, improve access, and ensure that public investments deliver maximum impact for the populations they serve.

¹ National Association of Medicaid Directors (NAMD). *Top Five Medicaid Budget Pressures for Fiscal Year 2025*. "National Association of Medicaid Directors, June 16, 2025, <https://medicaiddirectors.org/resource/top-five-medicicaid-budget-pressures-for-fiscal-year-2025/>.

² The White House, *Make America Healthy Again Report*, September 10, 2025, <https://www.whitehouse.gov/wp-content/uploads/2025/05/MAHA-Report-The-White-House.pdf>

³ Centers for Medicare & Medicaid Services (CMS). Rural Health Transformation (RHT) Program. Centers for Medicare & Medicaid Services, <https://www.cms.gov/priorities/rural-health-transformation-rht-program/rural-health-transformation-rht-program>

Historical Challenges of Medicaid-Public Health Partnerships

Medicaid and public health agencies each play a vital role in promoting the health and well-being of communities, yet sustained collaboration has often been limited by structural and cultural challenges. Both systems serve overlapping populations, including children and adolescents, pregnant and postpartum women, older adults, people with disabilities, individuals with behavioral health needs, low-income adults, and rural and underserved communities. Medicaid primarily focuses on delivering services to covered individuals and ensuring access to care, whereas public health agencies emphasize population-level outcomes, prevention, and long-term community well-being. These differing priorities can make it challenging to identify shared objectives, coordinate initiatives, and sustain collaboration over time.

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Medicaid represents a significant portion of state budgets, whether measured through general fund expenditures, total expenditures, or federal funding contributions. Its size means that increased Medicaid spending can crowd out other priorities, including public health initiatives. In FY 2024, total Medicaid spending grew by 5.3 percent compared to the prior year, representing 29.8 percent of total state spending, 18.7 percent of general fund spending, and 56.1 percent of federal fund spending.⁴ Due to Medicaid's joint state-federal financing structure, each dollar that a state spends on eligible services and populations generates federal matching funds, typically yielding \$1.00 to \$3.33 per state dollar depending on the state's per capita income.⁵ In the 50 states and DC, Medicaid funding is not capped, meaning that the federal government will match all qualifying expenditures.⁶ This funding structure amplifies Medicaid's impact while creating an imperative to ensure that investments are cost-effective, outcome-driven, and aligned with broader state priorities.

Public health agencies represent a substantially smaller share of state budgets. ASTHO reports that in 2018, state health agency total expenditures, including federal funding, averaged about \$557 million. State public health agencies are funded through a mix of federal funds (52.9% of total expenditures in 2021), state general funds (26.3%), other state funding (9.5%) and other funding sources (including tobacco settlement funds, fines and fees, private funding, and funding from local governments; 11.3%).⁷ Federal funds include grants, cooperative agreements, and contracts from a variety of federal agencies, including the U.S. Department of Agriculture (which funds the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)), the CDC, and the Health Resources and Services Administration (HRSA). These grants and cooperative agreements typically fund specific public health programs and are capped at a total dollar amount. State public health agencies also receive reimbursement from Medicaid for covered clinical services that they deliver.

⁴ National Association of State Budget Officers (NASBO), State Expenditure Report, 2024. Available at: <https://www.nasbo.org/reports-data/state-expenditure-report>

⁵ Kaiser Family Foundation (KFF), Federal Medical Assistance Percentage (FMAP) for Medicaid and Multiplier, accessed September 11, 2025, <https://www.kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/>

⁶ The US Territories operate under a different Medicaid financing structure, in which total matching funds are capped at a dollar amount defined in statute.

⁷ Association of State and Territory Health Officials (ASTHO) Profile Report, 2024. Available at: <https://astho.shinyapps.io/profile/>

Medicaid and public health agencies each bring unique expertise but also face constraints that require mutual understanding. Medicaid is a highly regulated health coverage program and must comply with federal regulations around eligibility, benefits, and claiming; Medicaid agencies must keep careful track of claims submitted by providers and then submit detailed information to CMS to receive federal match. Innovative programs, such as housing supports or community health worker initiatives, often require special waivers that must be approved by CMS. Budget pressures further demand measurable, short-term returns on investment.

Public health agencies, by contrast, operate with fragmented and limited budgets. Because public health agencies serve entire communities, often with a focus on prevention strategies and addressing health-related social needs, they do not typically track individual-level medical claims. This community-level focus means that public health agencies contribute population-level data and trusted community relationships, particularly with groups that traditional healthcare systems may struggle to reach. Public health's upstream interventions, such as policy initiatives or environmental changes, complement Medicaid's clinical and coverage-focused approach, creating opportunities for integrated strategies that amplify impact.

Timing and cultural differences can further complicate collaboration. Public health initiatives often require long-term planning and sustained investment, while Medicaid programs operate within annual budget cycles and policy deadlines. Distinct professional norms, terminology, and approaches to problem-solving, combined with legal and technical restrictions on data sharing, can slow joint decision-making and program alignment. Differences in funding levels and perceived power imbalances may also undermine trust and partnership.

Recognizing and addressing these differences is essential to building effective, strategic collaborations. Medicaid's regulatory expertise, focus on measurable outcomes, and infrastructure for delivering coverage can be amplified by public health's population-level reach, prevention strategies, community trust, and upstream interventions. By establishing common ground, strengthening communication, and designing integrated initiatives, Medicaid and public health agencies can improve health outcomes for both individual members and broader populations, reduce long-term costs, and build sustainable collaborations that endure beyond short-term projects or leadership transitions.

*Recognizing and addressing {timing and cultural} differences is essential to building **effective, strategic collaborations**.*

Steps for Collaboration






Strong partnerships between state Medicaid and public health agencies help align fragmented systems around shared goals, improve efficiency, and allow each agency to operate in its area of strength. Medicaid brings expertise in coverage, care coordination, and funding stability, while public health provides prevention strategies, population-level reach, community trust, and upstream interventions. When these efforts are aligned, systems can shift from reactive to proactive, connecting clinical care with population-level initiatives. Additionally, data sharing across Medicaid and public health can enhance understanding of community needs, enable targeted programs, and strengthen evaluation of outcomes.

For new Medicaid directors, initiating collaboration can feel daunting, particularly if public health priorities, programs, and structures are unfamiliar. The following steps provide a structured approach for building meaningful partnerships that create value for both agencies and the populations they serve.

STEP 1: Understand Public Health Value and Mandate

The first step is to understand the foundational roles and responsibilities of public health agencies and identify areas of potential alignment with Medicaid priorities.

Action Steps:

-  Review the [CDC's 10 Essential Public Health Services](#) to understand core public health functions.
-  Examine your state's [State Health Improvement Plan](#) to identify statewide priorities, ongoing initiatives, and measurable goals.
-  Map areas of overlap with Medicaid programs such as maternal and child health, chronic disease management, behavioral health, immunizations, or addressing health-related social needs.
-  Assess the current state of your agency's relationship with public health, including existing collaborations, gaps, and previous successes.
-  Identify potential short-term wins and long-term opportunities for strategic alignment.

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<i>Examples of Collaborative Opportunities: Shared Goal</i>	Public Health Strategy	Medicaid Strategy	Collaboration Opportunity
Improve maternal health outcomes	Home visiting, WIC, safe sleep campaigns, doula programs	Coverage for prenatal/postnatal care, maternal quality measures, Managed Care Organization (MCO) incentives	Medicaid reimbursement for CHWs/doulas; shared maternal health dashboards
Prevent chronic disease	Tobacco cessation, nutrition education, diabetes prevention programs	Coverage of preventive services, managed care performance metrics	Joint investment in lifestyle programs; MCO referrals to public health services
Address behavioral health and substance use	Community coalitions, harm reduction, peer support	Behavioral health carve-ins, crisis stabilization, Medication Assisted Treatment (MAT) reimbursement	Public health-managed naloxone programs supported by Medicaid coverage or provider outreach
Support child and adolescent health	School health, immunizations, screening campaigns	Early and Periodic Screening, Diagnostic, and Treatment (EPSDT), well-child visits, Accountable Care Organization (ACO) pediatric incentives	School-based health centers co-funded by Medicaid and public health; joint teen mental health initiatives
Increase immunization rates	Immunization clinics, registry maintenance, education	Coverage for vaccines, MCO immunization quality metrics	Shared data infrastructure - e.g., Immunization Information Systems (IIS) + claims; aligned messaging strategies
Improve health system navigation	CHW deployment, health literacy campaigns	CHW reimbursement, care coordination mandates in managed care	Joint CHW training and outreach; Medicaid funding for public health-led navigation programs
Respond to public health emergencies	Surveillance, emergency response planning, communication	Emergency flexibilities, continuity of care waivers	Use public health staff in Medicaid outreach (e.g., during COVID or disasters)
Strengthen workforce	CHW training hubs, pipeline programs, local internships	Medicaid-funded CHW or peer support services, waiver pilots	Joint development of workforce extension initiatives; aligned state credentialing
Address health-related social needs	Environmental health, food and housing partnerships	Social Determinants of Health (SDOH) screening/referrals, value-based payment, 1115 waivers	Co-developed resource directories, Medicaid-funded SDOH pilots with public health partners

STEP 2: Initiate the Partnership

After understanding public health priorities, begin establishing relationships to lay the foundation for long-term collaboration. Early engagement fosters trust, identifies shared goals, and allows for joint planning.

Action Steps:

-  Connect with your State Health Official or key deputies responsible for maternal/child health, chronic disease, or behavioral health programs.
-  Exchange overviews of each agency's priorities, key initiatives, and operational structures to identify alignment and complementary capabilities.
-  Attend public health forums or coalitions to observe discussions, build networks, and identify potential areas for joint action.
-  Select one or two shared populations to focus on for immediate impact, such as rural residents with chronic conditions.
-  Explore joint pilot projects, quality improvement initiatives, or planning exercises that leverage the expertise and resources of both agencies.

STRENGTHS THAT PUBLIC HEALTH BRINGS TO MEDICAID:

- Trusted relationships and established outreach channels to historically underserved communities.
- Evidence-based prevention strategies and interventions that reduce the burden of chronic disease.
- Broad population reach that can amplify Medicaid's programs and initiatives.
- Linkages to community-based services addressing health-related social needs.
- Access to population-level data and analytic expertise to inform Medicaid programs.
- Workforce infrastructure, including community health workers (CHW), doulas, and peer support specialists.

STRENGTHS THAT MEDICAID BRINGS TO PUBLIC HEALTH:

- Sustainable funding and infrastructure for initiatives that have been piloted or tested.
- Strong connections to clinical systems, managed care organizations, and provider networks.
- Ability to move beyond short-term grant cycles to create predictable, long-term funding streams.
- Member level data that informs program design, supports evaluation, and strengthens preventive interventions.



Step 3: Navigate Relationship Scenarios

Agency relationships may exist at different stages of maturity, and each stage requires a tailored approach.



Scenario 1: Establishing New Relationships

Focus on outreach and trust-building when no prior connection exists.

- Schedule introductory calls and attend public health meetings.
- Co-host community listening sessions or forums to explore shared goals.
- Leverage informal partnerships through MCOs or local health departments as a starting point.
- Pilot ideas such as CHW outreach to WIC populations or maternal health education campaigns.



Scenario 2: Tense or Strained Relationships

Rebuild trust and create actionable collaboration through transparency and incremental steps.

- Assign cross-agency liaisons to champion interagency communication.
- Develop shared work plans or small pilot projects to operationalize collaboration.
- Formalize partnerships through memorandums of understanding outlining resource sharing and data principles.
- Communicate leadership support through co-signed memos to internal teams and external partners.



Scenario 3: Relationships in Development

For emerging partnerships, focus on strengthening connections and building momentum.

- Utilize similar strategies to Scenario 2, emphasizing liaison roles, pilot projects, and formal agreements.
- Introduce shared metrics and regular check-ins to track progress.



Scenario 4: Maintaining Strong Relationships

Sustain and institutionalize well-established collaborations.

- Develop multi-year strategic plans with joint benchmarks and evaluation methods.
- Create cross-agency governance structures to maintain alignment and accountability.
- Establish shared learning agendas, staff training programs, and institutionalized collaboration through job descriptions, grant applications, and program policies.



By following these steps, Medicaid leaders can build durable, high-impact partnerships with public health agencies that improve health outcomes, reduce costs, and serve communities more effectively. Strategic collaboration strengthens both individual- and population-level health initiatives and creates lasting value beyond short-term projects or leadership changes.

Additional Resources

- [CMS Framework for Healthy Communities](#)
- [Top 10 Things to Know About Medicaid and Public Health to Improve Health Prevention](#)
- [The 10 Essential Public Health Services](#)
- [Mandatory & Optional Medicaid Benefits](#)
- [Medicaid & CHIP Expenditures by Service Category](#)
- [Data-Sharing Considerations for State Public Health Departments & Medicaid Agencies](#)
- [Association of State and Local Health Officials \(ASTHO\) Toolkits](#)
- [Medicaid Meets Public Health: A Blueprint for Collaboration](#)
- [Leveraging Partnerships Between Public Health and Medicaid to Strengthen the Health Care Safety Net](#)

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