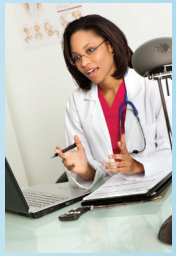
Georgia Department of Community Health

Annual Report FY 2012

Georgia Department of Community Health





Annual Report July 2011 - June 2012

DCH

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FY 2012 Message from the Commissioner

Our Dedication to A Healthy Georgia Continues

Since 1999, the Department of Community Health (DCH) has been designated as the state agency for Medicaid and PeachCare for Kids,® providing access to health care for more than 1.75 million Georgians. DCH also administered the State Health Benefit Plan (SHBP), providing health care coverage for more than 665,000 state employees, public school personnel, retirees and dependents.

I am proud of our many accomplishments during this fiscal year, including:

- Georgia Medicaid continued its administrative simplification to reduce administrative burdens on providers and members. During Fiscal Year 2012 (FY 2012), the Medicaid and Children's Health Insurance Program (CHIP) Redesign Initiative continued. The redesign identified and evaluated various strategic options to improve members' health outcomes as the division worked to achieve long-term program savings and financial sustainability.

- Georgia decided not to expand Medicaid in response to the federal health care law because of lack of flexibility in management of the program and the uncertainty about cost and budget implications. DCH will continue to make final determinations for Medicaid eligibility.

- The state decided to use the Federally Facilitated Exchange (FFE) to manage all exchange functions.

- SHBP continued the fiscal improvement of the health of the plan. It reduced the deficit through plan design changes and rate increases with employer contribution sharing and moved toward increased parity.

- Georgia's SHBP Wellness Plan Options, when combined, became the largest in the nation.

- Health Information Technology (Health IT) continued to lay its foundation for the new Georgia Health Insurance Exchange (HIE), to help connect providers and patients to ultimately improve the quality of care to all Georgians.

- The HIE, which began in 2012 with Georgia**Direct**, enabled critical patient care information-sharing between unaffiliated providers and hospital systems.

FY 2012 From the Commissioner

- Healthcare Facility Regulation (HFR) increased the number and severity of adverse actions against facilities not in compliance with the rules. The division successfully sought legislation that made the operation of unlicensed homes a crime and removed the grace period for unlicensed homes to acquire a license. In addition, HFR strengthened the division's relationship with other agencies and local law enforcement to foster coordinated responses to allegations of abuse, neglect and/or exploitation of vulnerable adults.

Most of all, I am proud of the ongoing dedication, service and conscientiousness of the department's employees. Without their drive and determination to make DCH responsive to all the people we serve, we could not be nearly as effective as we have been. I am looking forward to FY 2013 with great anticipation for the new challenges we will face together.

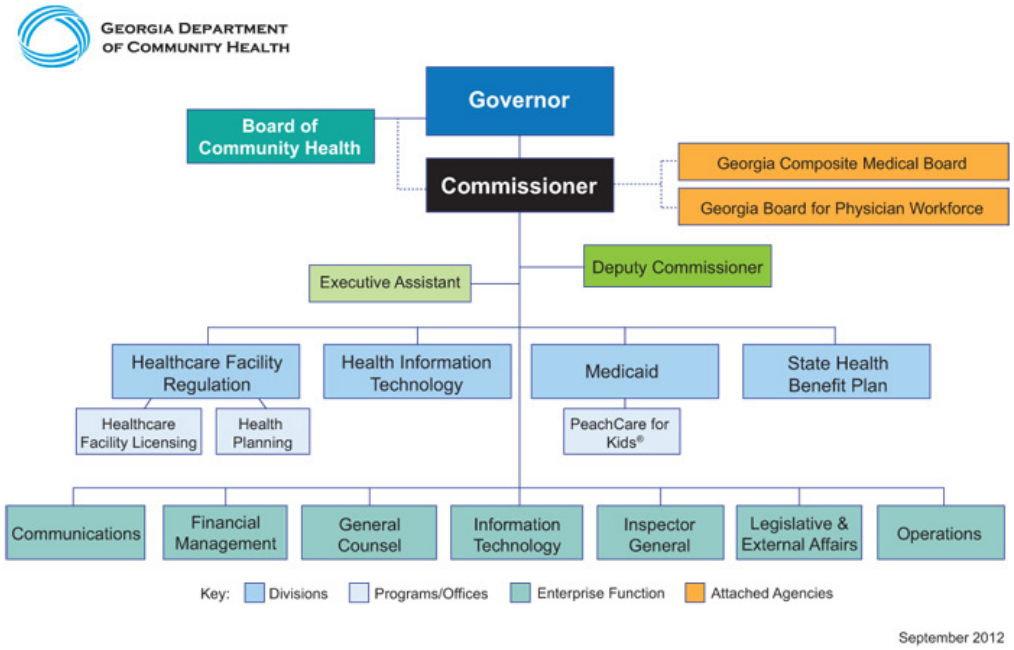
Sincerely,

David A. Cook
Commissioner, Georgia Department of Community Health

DCH AT-A-GLANCE

DCH Organization

In FY 2012, DCH was composed of four divisions, seven support offices and two attached agencies. See chart below.



DCH Mission

We are dedicated to *A **Healthy** Georgia*.

DCH Board

DCH is governed by the Board of Community Health. The board is composed of nine people who have policymaking authority for the department. The board is appointed by the Governor and confirmed by the State Senate. The board meets monthly. The members serving at the end of FY 2012 were:

Ross Mason, Chairman
Archer R. Rose, Secretary
Hannah K. Heck
Jamie Pennington
Clay Cox
Norman L. Boyd, Vice Chairman
Inman C. English, MD
Jack Chapman, MD
William H. Wallace Jr.

ACCOMPLISHMENTS

FY 2012 was a year of significant accomplishments for the divisions and offices of DCH. The most notable accomplishments included:

- The **Medicaid Division was awarded a CHIPRA Cycle II grant** to combine technology solutions to simplify, streamline and better coordinate enrollment and renewal for Medicaid and PeachCare for Kids.®

- The division continued successfully transitioning 456 individuals from institutional settings into the community through the **Money Follows the Person (MFP)** program.

- Because of uncertainty at the federal level, a decision was made in July 2012 not to undertake a wholesale restructuring of the Georgia Medicaid program. However, the department began its commitment to move children in **foster care and adoption assistance** into risk-based managed care.

- Georgia Medicaid received notice of a grant award in FY 2012 for the **Balancing Incentives Payment (BIP)** program provides financial incentives to the state for the investment and strengthening of access to non-institutionally based long-term services and supports. The Georgia award was estimated at $64.3 million.

- The Medicaid Division moved toward mandated compliance with the **International Classification of Diseases, 10th Edition (ICD-10) code sets**. ICD-10 will replace ICD-9 code sets used to report medical diagnoses and inpatient procedures.

- **5010 Transaction Standards Compliance**, as mandated by the Health Insurance Portability and Accountability Act (HIPAA) as a prerequisite for ICD-10 transactions, was completed in FY 2012.

- **The State Health Benefit Plan (SHBP)** launched its wellness initiative in FY 2012 which later became the largest Wellness Plan in the nation. As of June 2012, 52.4 percent of SHBP's total membership was enrolled in a SHBP wellness plan option.

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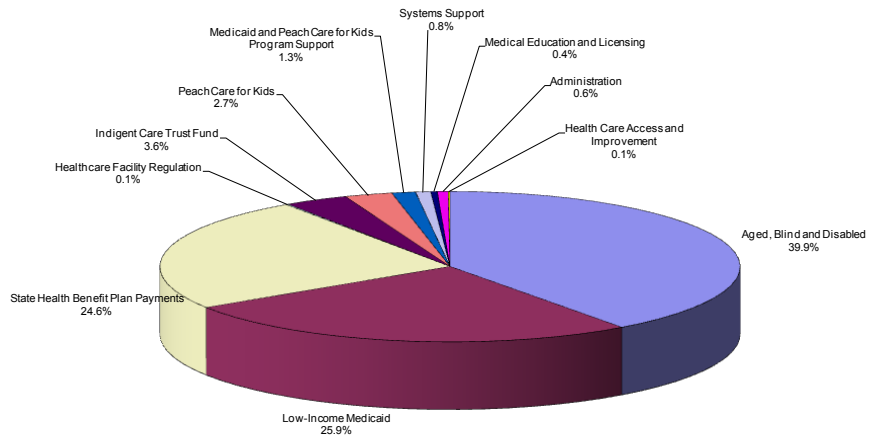
DCH Total Expenditures FY 2012



ACCOMPLISHMENTS

• **SHBP targeted disease-specific screening campaigns:** mammograms, colorectal cancer and pre-hypertension. The mammography campaign included 29,427 targeted members resulting in 3,412 receiving mammograms with 31 diagnosed with cancer. The colorectal cancer campaign included mailings of screening kits to 8,204 members with 364 found to be positive.

• **Held Open Enrollment and the Retiree Option Change Period:** For coverage effective January 1, 2012, 96.39 percent of members made their election on SHBP's website.

• **During FY 2012, Healthcare Facility Regulation (HFR) Office of Health Planning** received 68 CON applications, 273 Letters of Non-Renewability (LNRs) and Letters of Determination. The Office sent 1,368 health planning surveys to regulated facilities and providers, and collected and deposited $1,478,115 into the Indigent Care Trust Fund from adjustment payments to offset shortfalls in indigent and charity care commitments.

• **HFR's Office of Licensing** regulated nearly 15,000 health care facilities in FY 2012. The unit issued 750 licenses for new health care businesses in Georgia and conducted 3,223 routine inspections and 928 initial inspections. HFR also increased the number and severity of adverse actions against facilities not in compliance with the rules.

• From September 2011 through June 2012 (partial year FY 2012), **Health Information Technology** (Health IT) disbursed more than $66 million into the Georgia economy through federally funded incentive payments to more than 693 eligible Medicaid professionals and 89 eligible hospitals for incorporating a certified electronic health record system into their practice or hospital.

• Health IT, in collaboration with Georgia Tech, received one of **10 Challenge Grants** nationwide to develop a program for patient-mediated health information exchange for cancer patients.

• DCH formed a public-private collaborative with the Georgia Health Information Exchange Inc. (GHIE) and the Georgia Health Information Technology Regional Extension Center (GA-HITREC) to develop the **Georgia statewide health information exchange network**, connecting patients, providers and various health care organizations from around the state. The network's first offering was Georgia**Direct**, a free and secure e-mail messaging platform designed to facilitate better coordination of care, better care decisions, and better care for patients overall.

• In FY 2012, the **Office of Inspector General (OIG)** was involved in recovering $20,680,976.77, including overpayments to Medicaid providers, members and global settlements.

• OIG also was successful in implementing its **Medicaid Recovery Audit Contractor (RAC)** in FY 2012 to expand the reviews performed by the department.

• **Operations' Procurement Services** helped DCH obtain a competitive advantage through category management and strategic sourcing. The unit administered 35 procurements totaling nearly $7.1 billion, and 40 grants totaling approximately $4 million. Collectively, the team successfully negotiated more than $1 million in direct savings to DCH and Georgia's taxpayers.

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ACCOMPLISHMENTS

• **Human Resources** launched DCH's first Employee Engagement Survey used to baseline further study in subsequent years. Simplifying the employee performance evaluation process and educating managers on this best practice resulted in a departmental compliance rate of 78 percent compared to other state agencies' rate of 48 percent.

• The **State Office of Rural Health** received $4,112,562 in state funding and $4,195,220 in federal funding for FY 2012.

• The **Non-Emergency Transportation Program (NET)** administered more than 3.6 million trips to non-emergency medical appointments for eligible members. Open competitive solicitations supported the statewide transportation broker system resulting in program enhancements and more equitable distribution and program administration.

• The **Breast Cancer Tag Program** awarded $1.1 million to 16 community-based organizations for screening and treatment projects for eligible uninsured Georgians and another $1 million to 18 Health Districts of the Department of Public Health to provide targeted screening and diagnostic services for the uninsured.

• **The Office of Communications** continued to produce DCH**NOW**, a monthly e-mail publication for DCH staff. The department also launched **DCH-i**, an external newsletter to keep providers, legislators and other interested Georgians informed about all matters DCH. Both publications earned "open rates" well above the industry average.

• Communications **reorganized the department's web sitemap** for greater user accessibility (fewer clicks to related information). Communications also planned the launch of DCH's new website for the next fiscal year. During FY 2012, the **DCH website** received more than 5 million page views. The most-visited site pages were Medicaid and the State Health Benefit Plan (SHBP). New visitors accounted for nearly 56 percent of all page views.

• In FY 2012, **Financial Management** was again instrumental in obtaining an unqualified opinion on the department's financial statements as identified in the Independent Auditors' Report, an important classification that helped maintain the state's ability to obtain general revenue bonds for state-financed capital improvements across Georgia.

• The **Office of General Counsel** received and responded to 246 requests for records in FY 2012 pursuant to the Open Records Act of Georgia.

• The Office of General Counsel also developed and led the **"Refreshed and Ready"** training program, in which 100 percent of DCH workers (665 DCH employees and contractors) reviewed and acknowledged all DCH policies and procedures including those on ethics and privacy/security.

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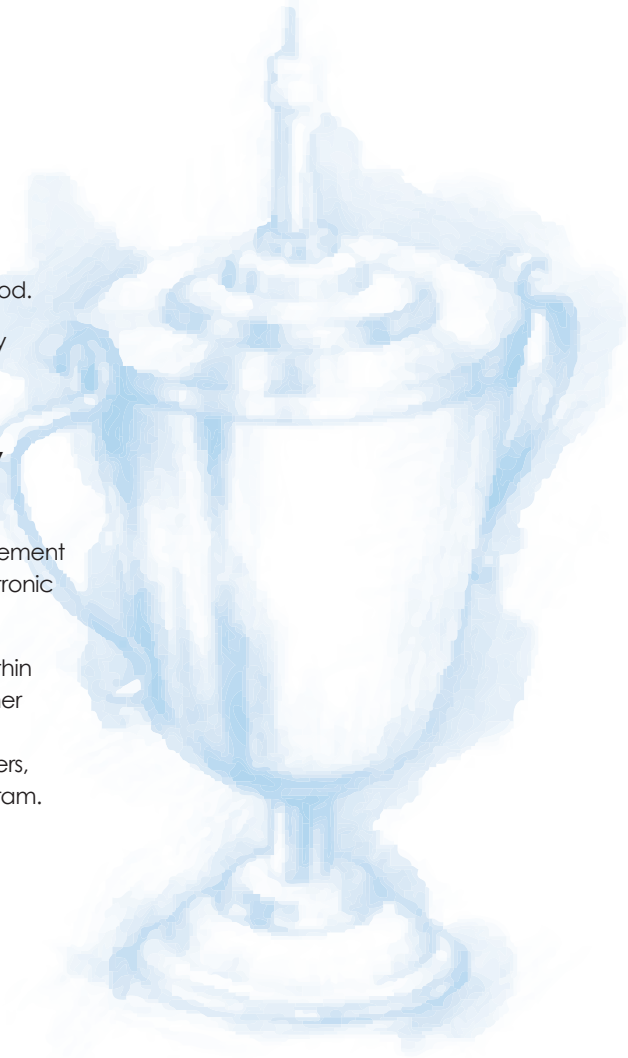
ACCOMPLISHMENTS

- In the **Office of Information Technology (IT), SHBP IT** supported the Membership Enrollment Management System (MEMS), providing health insurance coverage to SHBP members. For FY 2012, SHBP IT:
  - Completed 734 IT requests for updates, changes and implementations.
  - Executed more than 40,800 batch jobs.
  - Finished more than 6,000 interfaces.
  - Assisted more than 360,444 employees/ retirees during their annual enrollment period.
  - Implemented a new billing methodology (Direct Bill) for the 571 Board of Education and Library payroll locations.
- In FY 2012, the **Office of Information Security** completed revisions to agency Policy 419, Appropriate Use of Information Technology Resources, which addressed security management standards concerning the protection of electronic protected health information.
- The Office of Constituent Services (OCS) within **Legislative & External Affairs** provided customer service for Georgia's Medicaid program, responding to thousands of calls, e-mails, letters, faxes and inquiries about the Medicaid program.



MEDICAID

Overview

The Department of Community Health (DCH) served as the single state agency for the administration of the Medicaid program under Title XIX of the Social Security Act, providing health care for children, pregnant women and people who were aged, blind or disabled. In FY 2012, DCH's Medicaid Division provided oversight for Georgia Medicaid programs and PeachCare for Kids® (Georgia's Children's Health Insurance Program {CHIP} population). Medicaid and PeachCare for Kids members received services through either managed care or Fee-for-Service (FFS) arrangements.

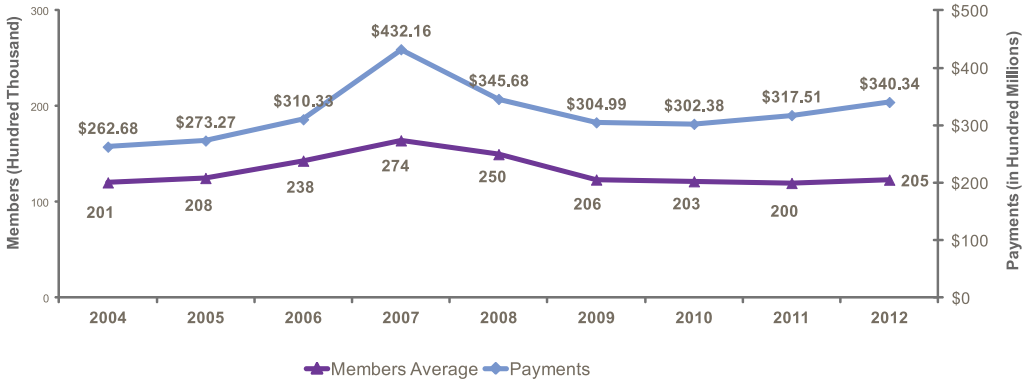
Eligible low-income Medicaid members, primarily children and pregnant women, which included PeachCare for Kids members, were required to enroll in Georgia's Medicaid managed care program, Georgia Families.® These members had a provider choice period before enrolling in Georgia Families and were in a Medicaid FFS arrangement until their selection choice period was complete.

Certain Medicaid populations were not eligible to enroll in Georgia Families, including children in foster care and the aged, blind and disabled (ABD) population. This meant that more than 451,000 members were eligible to receive services under a FFS arrangement.

In FY 2012, DCH coordinated statewide Non-Emergency Transportation (NET) services for both Georgia Families and FFS members on a capitated basis through three vendors.

During FY 2012, the Medicaid and Children's Health Insurance Program (CHIP) Redesign Initiative continued. The redesign identified and evaluated various strategic options to improve members' health outcomes as the division worked to achieve long-term program savings and financial sustainability. The Strategy Report was published in mid-FY 2012 and included wide-scale stakeholder input.

PeachCare for Kids Member Average and Payments by Fiscal Year



MEDICAID

Waivers

Georgia Medicaid focused on community-based alternatives to institutional care settings through its Home- and Community-based Services (HCBS) waiver funding for long-term care.

The Medicaid Division provided administrative oversight for the six HCBS waiver programs listed below.

Waiver Name	Population Served	Institution Waived	Unduplicated Count of Members served in FY12
Elderly & Disabled Waiver: Community Care Services Program (CCSP)	Elderly and disabled (Over 64 or disabled)	Nursing facility	11,413
Elderly & Disabled Waiver: Service Options Using Resources in a Community Environment (**SOURCE**)	Elderly and disabled Supplemental Security Income Recipients	Nursing facility	24,004
Independent Care Waiver Program (ICWP)	Individuals with severely physical disabilities	Nursing facility Hospital	1,072
New Options Waiver (NOW)	Individuals with Intellectual disabilities	Intermediate Care Facility-Intellectually Disabled (ICF-ID)	5,085
Comprehensive Supports Waiver (COMP)	Individuals with Intellectual disabilities	ICF-ID	6,447
Georgia Pediatric Program (GAPP)	Medically fragile children under age 5	Nursing facility/ Hospital	1,253

Money Follows the Person

The Medicaid Division continued successfully transitioning individuals from institutional settings into the community through the Money Follows the Person (MFP) program. People who have been in a nursing home for at least three months (with some exceptions) and who desire relocation into the community are assisted with that transition through MFP. During FY 2012, MFP:

- Increased the use of home- and community-based, rather than institutional, long-term care services.
- Eliminated barriers that prevent or restrict the flexible use of Medicaid funds to enable Medicaid-eligible persons to receive long-term support in the setting of their choice.
- Enhanced the state's ability to continue providing home- and community-based services to eligible people who choose to transition from an institution to a community setting.

MFP removed barriers to living in the community. An Options Counselor and Transition Coordinator worked with individuals to find a home, arranged the move and obtained basic household supplies.

During Calendar Year 2012, 465 individuals were successfully transitioned from an institutional setting to a home- and community-based setting through MFP.

Balancing Incentives Payment Program Grant

Georgia Medicaid received notice of a grant award in FY 2012 for the Balancing Incentives Payment (BIP) Program.

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MEDICAID

The BIP Grant provides financial incentives to the state for the investment and strengthening of access to non-institutionally based long-term services and supports. The state must ensure that the waiver programs have:

- No Wrong Door/Single Entry Point System
- Conflict-free Case Management
- Core Standardized Assessment Instrument

The grant will begin in FY2013 and run through September 30, 2015. The Georgia award is estimated at $64.3 million and is subject to a national ceiling on expenditures under this program of $3 billion.

Other Key Initiatives

Integrated Eligibility Project

Along with other state agencies in FY 2012, DCH worked to develop a robust Integrated Eligibility System (IES), projected to be operational in 2014. As the lead agency, DCH worked closely with the Department of Human Services (DHS), the Department of Public Health (DPH) and others to develop this integrated eligibility solution. A single point of entry will serve those applying for Medicaid, Food Stamps (SNAP), Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Program for Women, Infants and Children (WIC) benefits and more.

CHIPRA Cycle II Grant

The Medicaid Division was awarded a CHIPRA Cycle II grant that spans the period of August 2011 through August 2013 to combine technology solutions to simplify, streamline and better coordinate enrollment and renewal for Medicaid and PeachCare for Kids.® The desired outcomes of this grant include:

- Introducing pre-populated Medicaid renewal forms and redesigned client notices to help facilitate completeness, make timely eligibility renewal submissions, and create clear communication to applicants about their eligibility determination and due process.

- Enhancing the electronic match with the Social Security Administration to verify citizenship and identity of applicants. This is an additional safeguard to protect the integrity of the program.

- Equipping Medicaid eligibility field staff with portable scanners and laptop computers to support off-site enrollment activities. Applicants at events such as health fairs and job fairs will be able to have their eligibility determined subject to the applicant's providing the required documentation.

- Implementing an online renewal module within the PeachCare for Kids® program. This option should allow for more timely renewals and fewer gaps in eligibility.

- Developing an electronic referral process from Medicaid to PeachCare for Kids. Applicants will not need to apply separately for PeachCare for Kids when they are denied Medicaid eligibility because of income exceeding the Medicaid income maximum but less than 235 percent of the federal poverty level. Information obtained from a single application can be forwarded to PeachCare for Kids for eligibility evaluation subsequent to an over-income Medicaid denial.

MEDICAID

The International Classification of Disease – 10th Edition (ICD-10) Project

During FY 2012, the Medicaid Division moved toward compliance with the transition to the International Classification of Diseases, 10th Edition (ICD-10) code sets. ICD-10 will replace ICD-9 code sets used to report medical diagnoses and inpatient procedures starting in 2014. The ICD-10 transition was mandated because ICD-9:

- Limited patients' medical diagnoses and hospital inpatient procedures data coding,
- Used 30-year-old outdated terms,
- Was inconsistent with current medical practices and would not accommodate changes in medical science, and
- Constricted the creation of new codes because many categories were full.

ICD-10 consists of two parts:

- **ICD-10-CM** for diagnosis coding will be used in all U.S. health care settings.
- **ICD-10-PCS** for inpatient procedure coding will be used in U.S. inpatient hospital settings only.

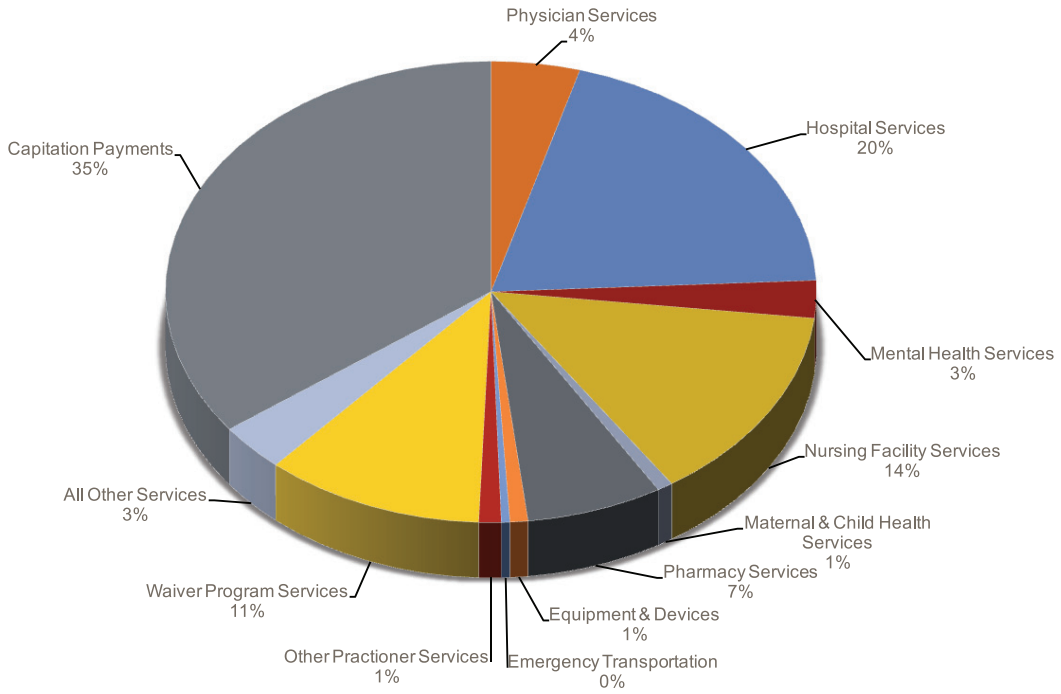
The Medicaid Division continues remediating all policies, procedures and systems to make this transition and to optimize the use of the new ICD-10 codes. Integral to the transition is the readiness at the provider, trading partner and clearinghouse levels. Providers were encouraged to engage early in their own remediation and readiness for this important transition. Provider claims submitted with ICD-9 codes with dates of service on or after the national compliance date of October 1, 2014, will not be paid. Claims with dates of service on or after the national compliance date must use the ICD-10 code set.

Looking Ahead

In FY 2013, the division will continue its programs of work in the Medicaid and PeachCare for Kids® Redesign Initiative including stakeholder involvement in the movement of children in foster care and adoption assistance into risk-based managed care. The division will also work to identify mechanisms to better coordinate care and improve outcomes for the ABD populations. Other programs of work, including the Integrated Eligibility System Project, CHIPRA grant, Money Follows the Person, Balancing Incentive Payments and the transition to ICD-10, will also move forward. In all of its programs and initiatives, the division will continue to identify and implement administrative simplification for its providers.

MEDICAID

Medicaid Payments Distribution by Type: FY 2012



FY 2012 Table of Members and Expenditures

Measures	Medicaid**	Medicaid-ABD	Medicaid-LIM	PeachCare for Kids™
Average of Members	1,540,666	451,553	1,089,113	205,330
Member Months	18,487,990	5,418,636	13,069,354	2,463,960
Net Payment	$5,081,483,066	$4,477,403,724	$604,079,342	$20,694,322
Providers	81,733***	63,144	76,539	35,831
Claims Paid	47,492,294	25,278,340	22,213,954	3,221,028
Capitation Amount	$2,731,901,706	$0	$2,731,901,706	$319,650,578
Administrative Fees	$466,810	$466,810	$0	$1,199
Total Payment*	**$7,813,851,582**	**$4,477,870,534**	**$3,335,981,047**	**$340,346,099**
Total Payment Per Member	$423	$826	$255	$138

Source: Truven Health Analytics formerly Thomson Reuters Advantage Suite, based on incurred dates July 2011 through June 2012

* Includes Net Payment, Capitation Amounts, and Administrative fees.

**Medicaid includes Medicaid ABD and Medicaid LIM and excludes PeachCare for Kids®

***Unique count of providers used across the ABD and LIM populations.

****Average of Members is the average number of members per month with any coverage type. Each member is counted once for each month they are eligible, then this count is divided by the overall number of months in the time period during which at least one member was enrolled.

MEDICAID

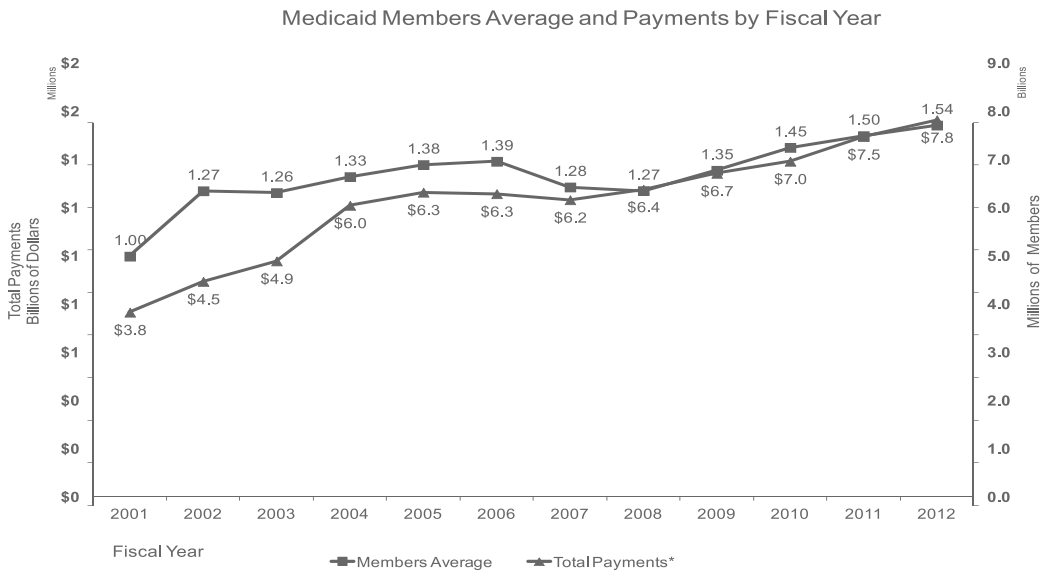


Table of Historical Medicaid Members and Payments by Fiscal Year**

Fiscal Year	Members Average	Total Payments*	Payment Per Member	% Change in Payment Per Member
1996	1,013,386	$3,125,050,131	$3,084	N/A
1997	999,337	$3,162,117,909	$3,164	2.6%
1998	977,061	$3,043,018,566	$3,114	-1.6%
1999	965,229	$3,226,445,622	$3,343	7.3%
2000	947,054	$3,482,779,560	$3,677	10.0%
2001	996,901	$3,822,786,433	$3,835	4.3%
2002	1,268,225	$4,461,972,245	$3,518	-8.3%
2003	1,260,795	$4,885,865,204	$3,875	10.1%
2004	1,326,909	$6,039,465,103	$4,552	17.5%
2005	1,376,730	$6,311,890,515	$4,585	0.7%
2006	1,390,497	$6,280,193,139	$4,517	-1.5%
2007	1,283,940	$6,155,158,918	$4,794	6.1%
2008	1,268,661	$6,371,942,440	$5,023	4.8%
2009	1,353,191	$6,703,774,787	$4,954	-1.4%
2010	1,447,865	$6,954,116,861	$4,803	-3.0%
2011	1,496,881	$7,464,027,216	$4,986	3.8%
2012	1,540,666	$7,813,851,582	$5,072	1.7%

Source: Truven Health Analytics formerly Thomson Reuters Advantage Suite, based on incurred dates July 2011 through June 2012
* Includes Net Payment, Capitation Amounts, and Administrative fees.
**Medicaid includes Medicaid ABD and Medicaid LIM and excludes PeachCare

State Health Benefit Plan

Overview

The Georgia Department of Community Health (DCH) served as the state's administrator of health insurance coverage for state employees, teachers, school system employees and retirees who continued coverage (including annuitants and former employees on extended coverage), and covered dependents. This health coverage is known as the State Health Benefit Plan (SHBP).

SHBP is actually three plans: the State Employees Plan, the Teachers Plan and the Public School Employees Plan. SHBP covered 665,946 lives as of June 2012.

SHBP is a self-insured, self-funded plan that pays benefits out of the premiums contributed from members (through monthly payroll deductions) and from monthly contributions from the employers that offer the SHBP (e.g., state agencies and public school systems).

SHBP also offers fully insured Medicare Advantage options for former employees who are continuing coverage and are enrolled at a minimum in Medicare Part B. Employer contributions and member premiums are used to purchase the Medicare Advantage insurance.

SHBP offered eligible active employees, annuitants under age 65 and eligible former employees the choice of a Wellness or Standard Plan through these self-insured plan options:1) Health Reimbursement Arrangement (HRA); 2) High-Deductible Health Plan (HDHP); and 3) Health Maintenance Organization (HMO) Plans.

Georgia's SHBP Wellness Plan Options, when combined, became the largest in the nation.

Structure of SHBP

Within the division, there were six primary operating units.

- **Plan Management** developed the benefit Plan and designed the Plan documents, which contain the terms and conditions of the SHBP; the unit was responsible for the negotiation of vendor contracts and compliance.
- **Medical Management** provided oversight of the vendors' performance of services for clinical programs including, but not limited to, utilization management, case management, disease management, behavioral health, wellness and pharmacy management and the overall quality of these services.
- **Communications** provided information to employers and members on the Plan's benefits, eligibility, policies and requirements.
- **Employer Services** assisted participating employers with information and training about Plan coverage and billing.
- **Member Services** assisted members with all eligibility matters including member changes and premium payment issues.
- **Vendor Program Management** provided oversight and monitoring of vendor performance, member correspondence and eligibility appeals.

The SHBP operated using a calendar year as its Plan Year.

State Health Benefit Plan

Accomplishments

- **Increased wellness activities:** Offered flu shots at 71 worksites with 3,883 individuals receiving their shots; 174,464 individuals completed their online health assessments.

- **Targeted disease-specific screening campaigns:** mammograms, colorectal cancer and pre-hypertension. The mammography campaign included 29,427 targeted members resulting in 3,412 receiving mammograms with 31 diagnosed with cancer. The colorectal cancer campaign included mailings of screening kits to 8,204 members with 364 found to be positive.

- **Held Open Enrollment and the Retiree Option Change Period:** October 11, 2011, through November 10, 2011, for coverage effective January 1, 2012; 96.39 percent of members made their election on the Health Plan's Web site; SHBP reached 20,748 employees and 525 HR managers through benefit fairs, meetings for active members, retiree meetings and conference calls for Payroll Human Resources across the state; the division assembled and mailed nearly 104,000 packets to SHBP retirees.

- **Processed coverage transactions:** totaling more than 202,244 for Health Plan members.

- **Monitored vendor contact activity:** 603 vendor calls, responded to 725 telephone calls; 1,735 e-mails, and 681 letters and 573 appeals through Vendor Management.

- **Received member calls:** 149,805 calls in the SHBP Call Center from Health Plan members; average of 12,483 per month.

- **Handled through Employer Services:** received 11,340 and placed 3,903 calls to Human Resources staff at payroll locations.

- **Acquired savings through subrogation:** $4,217,156.60 gross; $2,963,711.02 net in savings.

- **Produced and mailed:** 355,110 letters from our Member Eligibility Management System (MEMS) to members and payroll locations.

The launch of the Wellness Plan Options for all employees eligible for health insurance under SHBP was the division's most significant accomplishment. As of June 2012, SHBP covered 349,527 lives in several SHBP Wellness Plan Options, which was 52.4 percent of total SHBP membership.

Under the Wellness Plan Options, SHBP required the contract holder and spouse (if covered) to make a Wellness Promise to obtain a biometric screening and complete an online health assessment. In return for taking these actions, the SHBP member paid lower health care premiums and received richer benefits. Many members stated that when they obtained their biometric screening, serious health issues were identified and addressed. More than half of SHBP's Wellness Plan Option members said they decided to become more involved in their health as a result of their wellness participation.

Looking Ahead

SHBP plans to:

- Expand the wellness programs through plan design changes and pricing to engage members in taking steps toward better health.

Continue on next page

State Health Benefit Plan

Looking Ahead (Continued)

- Review billing methodology to move toward a more direct billing method on a covered per-member per-month basis, rather than the current method of a percentage of salary basis.

- Use technology to phase in improved efficiencies through implementation of a year-round web portal for enrollment transactions.

SHBP Membership as of June 30, 2012

FY 2012 Table of State Health Benefit Plan Covered Lives*

Category	Members	Employee/ Retiree	Dependents
State Employees - Active	111,709	57,472	54,237
State Employees - Retired	47,396	32,414	14,982
Teachers – Active	260,855	106,148	154,707
Teachers – Retired	68,432	47,807	20,625
School Service Personnel – Active	143,440	70,133	73,307
School Service Personnel – Retired	27,034	19,614	7,420
Contracts/Board Members	2,216	1,379	837
COBRA	2,986	2,620	366
SHBP TOTAL	**664,068**	**337,587**	**326,481**

*Member counts reflect enrollment in June 2012, the last month of the fiscal year.

FY 2012 State Health Benefit Plan Members Average by Plan Type*

Plan Type	Members
HDHP	27,530
HMO	263,578
HRA	285,883
Medicare Advantage	86,790
Other**	287
SHBP TOTAL	**664,068**

*Member counts reflect enrollment in June 2012, the last month of the fiscal year.
**Includes TRICARE Supplement.

State Health Benefit Plan

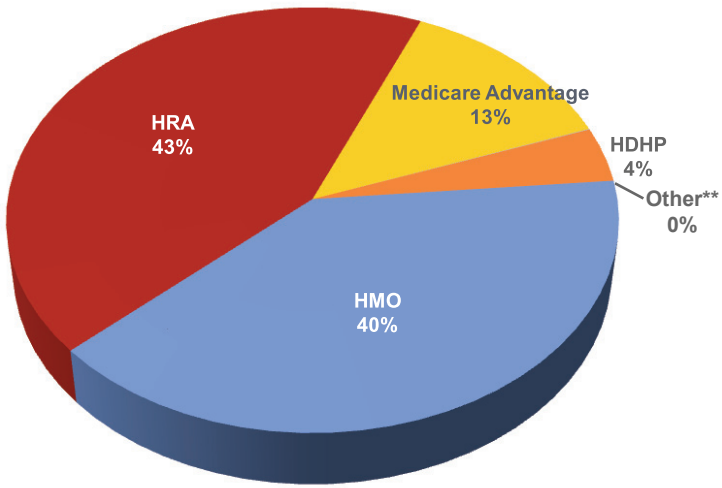
SHBP Membership as of June 30, 2012

FY 2012 State Health Benefit Plan Members and Expenditures*

Measures	SHBP
Members*	664,068
Member Months*	7,968,816
Net Payment	$2,668,271,346
Providers	101,293
Claims Paid	16,053,851
Capitation Amount**	$7,428,749
Healthcare Reimbursement Amount	$93,243,134
Total Payments* **	**$2,768,943,229**
Payments Per Member	$347

*Member counts reflect enrollment in June 2012, the last month of the fiscal year.
** Includes Cigna Capitation Amounts only.
*** Includes Net Payments, Healthcare Reimbursement Amount, and Capitation Amounts.
****Note: Does not include MA Premiums or Administrative Expenses

SHBP Members Average by Plan Type FY 2012



**Represents enrollees in Tricare.

Healthcare Facility Regulation

Overview

The Healthcare Facility Regulation (HFR) Division was composed of Health Planning and Healthcare Facility Licensing.

The Office of Health Planning administered Georgia's Certificate of Need (CON) Program that required health care providers to obtain a CON before offering statutorily defined new institutional health services. In other situations, Health Planning issued Letters of Determination to provide guidance on the applicability of CON rules for proposed projects and Letters of Non-Reviewability (LNR) for facilities or services not required to be reviewed under CON rules.

Health Planning conducted annual surveys of CON-regulated facilities and providers to obtain utilization and financial data to use in health planning and the CON review process. It also conducted architectural plan reviews and site inspections for major renovations and construction projects in hospitals, nursing homes and ambulatory surgery centers. Additionally, Health Planning administered the Patient's Right to Independent Review Program that gave members of health maintenance organizations and other managed care plans the right to appeal an insurer's decision denying coverage for medical services.

The Office of Healthcare Facility Licensing inspected, monitored, licensed, registered and certified 21 different types of health care facilities and services.

HFR investigated complaints against licensed facilities, adverse events and incidents reported by citizens and the facilities themselves. The Office of Healthcare Facility Licensing certified various health care facilities to receive Medicaid and Medicare funds through contracts and agreements with the Centers for Medicare & Medicaid Services (CMS) and the Food and Drug Administration (FDA) of the U.S. Department of Health and Human Services (HHS).

Accomplishments

During FY 2012, Health Planning received 68 CON applications, 273 LNRs and Letters of Determination. The office sent 1,368 health planning surveys to regulated facilities and providers, and collected and deposited $1,478,115 into the Indigent Care Trust Fund from adjustment payments to offset shortfalls in indigent and charity care commitments. The unit conducted 166 plan reviews and 107 inspections at facilities under construction; 92 appeals were submitted for review by an independent review organization.

Healthcare Facility Licensing regulated nearly 15,000 facilities, providers and registrants in FY 2012. The unit issued 750 licenses for new health care businesses in Georgia and conducted 3,223 routine inspections and 928 initial inspections. Healthcare Facility Licensing also responded to 2,793 complaints against licensed facilities and 8,768 incident reports filed by licensed providers. The unit drafted and presented rules and regulations for personal care homes and the electronic payment of fees.

Continue on next page

Healthcare Facility Regulation

Accomplishments (continued)

- Increased the number and severity of adverse actions against facilities not in compliance with the rules.
- Successfully sought legislation making the operation of unlicensed homes a crime and removing the grace period for unlicensed homes to acquire a license.
- Strengthened the division's relationship with other agencies and local law enforcement to foster coordinated responses to allegations of abuse, neglect and/or exploitation of vulnerable adults.
- Amended its rules to allow HFR to accept payments electronically and provided an option for licensees to pay annual fees online with credit cards.
- Instituted stakeholder work groups into the rule-making process so that stakeholders are offered the opportunity to participate in drafting the rules.

Looking Ahead

HFR will stay responsive to changes in the health care industry and consumer expectations. Trends include the consolidation of health care facilities, the creation of new types of facilities, the implementation of new technologies, the continued growth in the use of long-term care facilities, and the increased placement of persons with disabilities in community settings.

Health Information Technology

Overview

During FY 2012, the Division of Health Information Technology (Health IT) continued its mission to advance the use of health information technology throughout Georgia to reduce health care disparities, improve health outcomes, increase the efficiency of health care delivery, and reduce overall health care costs. Health IT's objectives included:

- **Enhancement of the statewide Health Information Exchange (HIE).** The HIE, which began in 2012 with Georgia**Direct**, enabled critical patient care information-sharing between unaffiliated providers and hospital systems.

- **Development and implementation of the Medicaid Electronic Health Records (EHR) Incentive Program (Phase 2).** This phase allowed eligible Medicaid professionals and hospitals to apply for Year 2 Meaningful Use Stage 1 payments – further incentivizing Medicaid providers to not only use EHR technology but use it in meaningful ways to improve patient care and reduce health care costs.

- **Increased awareness of the value of health IT to providers and consumers, specifically through the use of EHR technology and the secure exchange of patient information.** This increase in awareness was generated through a collaboration with the Georgia Health Information Technology Regional Extension Center (GA-HITREC) and several other Georgia health care stakeholders.

Accomplishments

Georgia Statewide HIE Network

The Georgia Department of Community Health (DCH) formed a public-private collaborative with the Georgia Health Information Exchange Inc. (GHIE) and GA-HITREC, to develop the Georgia statewide health information exchange network, connecting patients, providers and various health care organizations from around the state. In June 2012, DCH facilitated the network's launch of Georgia**Direct,** a free and secure service, similar to e-mail. Georgia**Direct** became the first service to be offered through the GHIE network to give health care providers a secure way to share patient health information with other authorized clinicians. This technology should lead to better coordination of care, better care decisions and better care for patients overall.

Medicaid EHR Incentive Program

Through the Division of Health IT, DCH continued its administrative oversight of the Medicaid EHR Incentive Program, including eligibility, registration and attestation for the distribution of incentive payments to eligible Medicaid providers. The 100 percent federally funded payments were made to eligible professionals and eligible hospitals that adopted, used or upgraded certified EHR technology to be able to demonstrate improved patient care and reduced health care costs. Since the launch of Georgia's program in September 2011 through June 2012 (partial year FY 2012), DCH disbursed more than $66 million into the Georgia economy through federally funded incentive payments to more than 693 eligible Medicaid health care professionals and 89 eligible hospitals.

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Health Information Technology

Accomplishments (Continued)

Challenge Grant

DCH's Health IT, in collaboration with Georgia Tech, received one of 10 grants nationwide to develop a program for patient-mediated health information exchange for cancer patients in the Rome (Floyd County) area. This initiative will demonstrate how patients generally, and cancer patients specifically, can use technology to actively participate in their own health care experiences. As part of the initiative, patients were provided with a personal care navigator and the web-based Microsoft HealthVault personal health record (PHR) to enable them to access their health information and communicate with their care team. The project hypothesis focuses on how increased patient engagement gives patients a sense of personal control, driving patient compliance and leading to better health outcomes, lower total costs of care, and improved safety delivered across multiple transitions of care.

Communications

Overview

The Office of Communications served as the internal and external outreach arm of the Department of Community Health (DCH), responding to the department's diverse communications needs.

The office developed and implemented communications plans for local, regional and national media as well as program promotional campaigns; maintained the department's public Internet website and the employee Intranet and social media initiatives; developed and implemented collateral and branding/ graphics. Communications was also responsible for fielding all media inquiries, speechwriting for DCH leadership, collecting news clippings, and preparing media summaries.

Communications marketed a number of programs to various audiences including:

- Medicaid and CHIP Redesign Initiative
- 5010 and ICD-10 Remediation Projects
- Money Follows the Person Program
- State Health Benefit Plan Wellness Initiative
- DCH Worksite Wellness

Accomplishments

During FY 2012, Communications produced more than 15 news releases/advisories and responded to more than 370 media inquiries. Media interest was especially high for Medicaid and Healthcare Facility Regulation issues with coverage received from a variety of state and national media outlets.

Communications continued to produce DCH**NOW**, a monthly e-mail publication for DCH staff. The department also launched **DCH-i**, an external e-newsletter to keep stakeholders, providers, legislators and other interested Georgians informed about the latest news from DCH. By the end of the fiscal year there were more than 14,000 subscribers to DCH-i and an open rate well above the industry average.

During the last six months of FY12, Communications reorganized the web sitemap for greater user accessibility (fewer clicks to related information). Communications also planned the launch of the department's new website for the next fiscal year. The revamped site would be easier to navigate and more accessible to a variety of browsers and Internet platforms.

In FY 2012, the DCH website received more than 5 million page views. The most-visited site pages were Medicaid and the State Health Benefit Plan (SHBP). New visitors accounted for nearly 56 percent of all page views.

Looking Ahead

Following the successful launch of the new external website, Communications will begin updating its internal website. The redesign will not only update the look and feel of the internal website, but will also leverage technology to improve processes and create efficiencies department-wide. In addition, the department is taking steps to bring its external website into 508 accessibility compliance.

DCH continues to market key initiatives in support of the department's goals and objectives keeping stakeholders informed about the latest issues that may affect them.

Financial Management

Overview

Financial Management was primarily responsible for the budget and accounting of the funds appropriated to the Department of Community Health (DCH). The Chief Financial Officer, who oversaw Financial Management's operations, represented DCH's financial interests when working with the Governor's Office, General Assembly, Board of Community Health, the Centers for Medicare & Medicaid Services (CMS) and other stakeholders. The division was composed of four sections: Office of Planning and Fiscal Analysis, Financial Services, Reimbursement Services, and the Budget Office.

The Office of Planning and Fiscal Analysis

The Office of Planning and Fiscal Analysis was the primary source of information for internal and external data requests for the Medicaid, PeachCare for Kids,® and State Health Benefit Plan (SHBP) programs. This section provided routine reports for programmatic monitoring by policy staff and coordinated with Financial Services (Accounting) to perform payment reconciliations between claims data and the accounting interface with third-party administrators. The section also developed financial projections for Medicaid, PeachCare for Kids and SHBP.

Financial Services (Accounting)

Financial Services paid providers, vendors and employees and prepared the financial reports that secured receipt of federal funding for the Medicaid and PeachCare for Kids programs. This section also prepared annual financial statements for the agency and ensured that DCH complied with generally accepted accounting principles. Financial Services was responsible for all Medicaid federal reporting requirements as well as cash management analysis for the agency.

Reimbursement Services

Reimbursement Services performed rate-setting functions for the Medicaid and PeachCare for Kids programs and was composed of units supporting nursing home and long-term care payments, hospital payments and non-institutional provider payments. The rate-setting function includes the Per-Member-Per-Month (PMPM) capitation payments made to the CMOs that provide services to Medicaid and PeachCare for Kids members enrolled in the Georgia Families® program. This section supported special financing projects such as the Upper Payment Limit (UPL) and Disproportionate Share Hospital (DSH) programs, Nursing Home Provider Payment program and the Hospital Provider Payment program.

The Budget Office

This section developed, requested, maintained and monitored DCH's budget. This section coordinated with the Office of Planning and Fiscal Analysis and Financial Services in budget development and expenditure monitoring, respectively.

Office of General Counsel

Overview

In FY 2012, the Office of General Counsel provided legal advice and support to the Commissioner, the Board of Community Health and all divisions of the department. The office prepared contracts; drafted and monitored proposed legislation; analyzed and researched health care policy issues and state and federal laws; provided support in various administrative and judicial cases; processed open records requests; and prepared policies, resolutions, rules and regulations for the department, Medicaid and the State Health Benefit Plan. It monitored HIPAA Privacy, provided advice about ethics and regulatory compliance, and administered the Georgia Public Records Act. The office handled administrative hearings before the Office of State Administrative Hearings (OSAH) and its internal Hearing Officer, designated by the Commissioner.

The office maintained a close working relationship with the Governor's Office, the Attorney General's Office, and its sister agencies, the Department of Behavioral Health and Developmental Disabilities (DBHDD) and the Department of Human Services (DHS) to ensure an open line of communication supporting DCH's missions, goals and programs.

Medicaid Legal Services

Medicaid Legal Services supported and assisted all divisions of the department associated with Medicaid and PeachCare for Kids® and the Office of Inspector General/Program Integrity Unit. The section provided litigation support to the Attorney General's Office on matters that were or became the subject of litigation. In-house litigation attorneys represented the department at administrative hearings. From July 1, 2011, to June 30, 2012, Legal Services received 847 member and provider appeals and resolved 716. The section expects a significant increase in its caseload due to health care reform.

Contracts Administration

The Contracts Administration section managed the contracting process for the department. The section drafted and reviewed documents, managed contracts, maintained files, conducted training and planned for contingency. The section responded to the contract needs of every division and office in the department, managing 136 contracts in FY 2012. Contracts Administration coordinated with program staff, department leadership and vendors to execute 33 new contracts and 66 amendments. Additionally, the section processed renewals, extensions and terminations as necessary for the total contract portfolio. Finally, the section interpreted contract language and resolved contract compliance issues.

Privacy, Security and Ethics Compliance

In accordance with the Health Information Portability and Accountability Act of 1996 (HIPAA) and other federal laws that regulate health information, DCH enhanced information privacy and security protections. The office coordinated with other divisions to revise and develop information privacy and security policies and procedures and update ethics in procurement policies and procedures.

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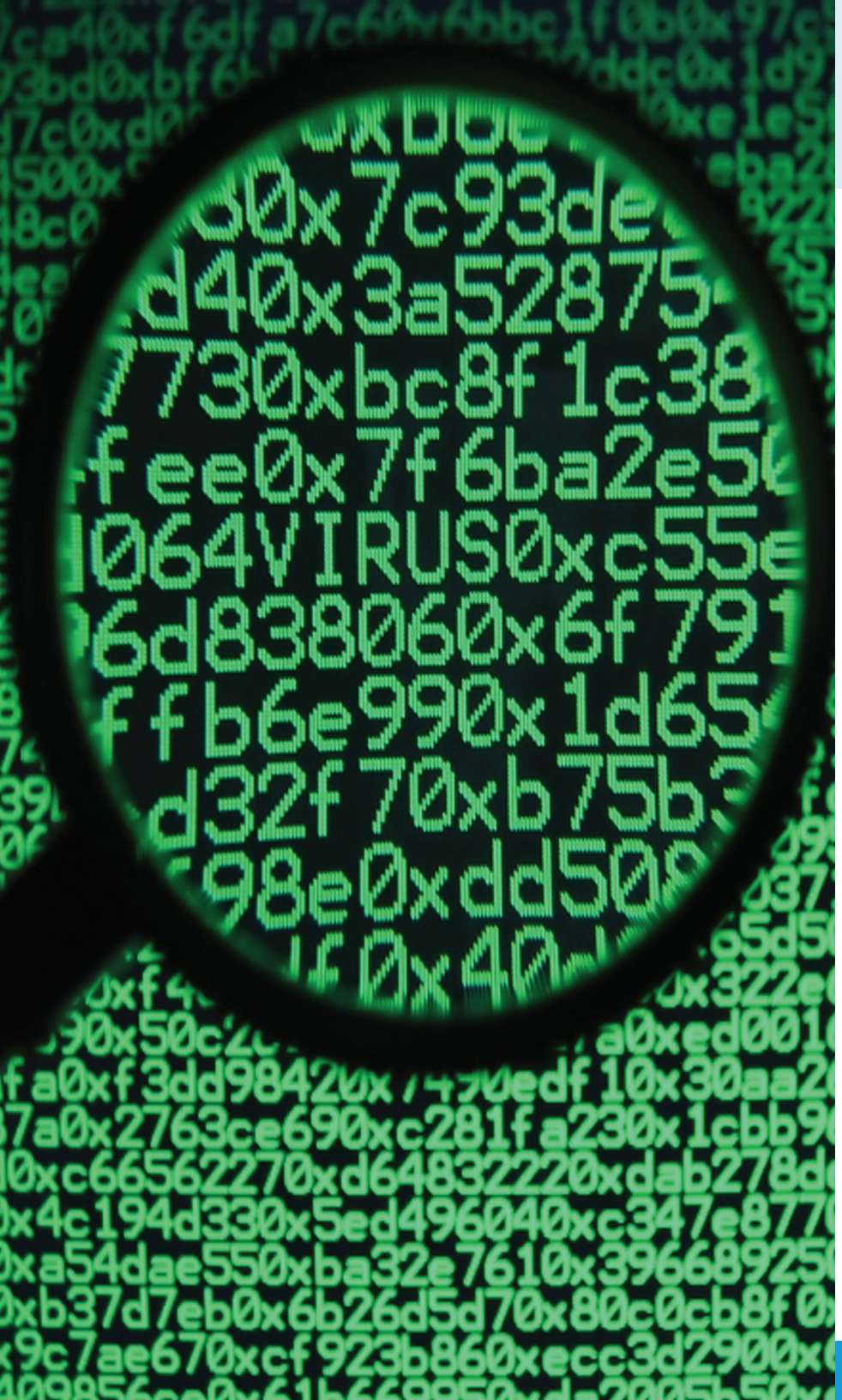
Office of General Counsel

For the second year, the Office of General Counsel developed and led the "Refreshed and Ready" training program, during which 100 percent of DCH workers (665 DCH employees and contractors) reviewed and acknowledged all DCH policies and procedures and completed online training about revised policies and procedures. Managers and supervisors received additional training designed to ensure consistent implementation of policies and procedures. A staff attorney from the DCH Office of General Counsel served as DCH's HIPAA Privacy and Security Officer and as DCH's Ethics Officer. Assisted by two other staff attorneys, the HIPAA Privacy and Security Officer reviewed, negotiated and approved business associate agreements and data-use agreements; monitored all information privacy and security incident reports; oversaw investigations and ensured compliance with HIPAA breach notification rules; and as Ethics Officer provided training to incoming board members, coordinated with the Office of Inspector General during ethics investigations, and provided guidance to Procurement Officers to promptly identify and resolve possible conflicts of interest. Another DCH staff attorney counseled the Drug Utilization Review Board (DURB) for ethics matters and assisted the Ethics Officer when necessary on other ethics issues.

Public Records

The office received and responded to 246 requests for records in FY 2012 pursuant to the Open Records Act of Georgia. A staff attorney was designated as the DCH Open Records Officer. The requests required a search and retrieval of public records of the department in various forms, such as electronic records, procurement documents, contract files, e-mails, program policy materials and other correspondence. Each document was reviewed to ensure that it did not contain exempt confidential material or Protected Health Information. Many documents were furnished to the public after redaction of all confidential portions of the records.



Information Technology

Overview

In FY 2012, the Office of Information Technology (IT) was composed of four business units: (1) the Medicaid Management Information System (MMIS) unit, which supported the various systems used for processing, collecting, analyzing and reporting information needed for all Medicaid and PeachCare for Kids® claim payment functions; (2) the SHBP unit, which supported the Membership Enrollment Management System (MEMS) providing health insurance coverage to SHBP members; (3) the Information Technology Infrastructure (ITI) unit, which executed End User Computing for the entire agency and (4) the Information Technology Security unit, which ensured security compliance for DCH systems.

Medicaid Management Information System (MMIS) – Overview and Accomplishments

Georgia MMIS (GAMMIS), the most complicated and important IT project in our state, began live operations on November 1, 2010. Since then, the GAMMIS team has produced more than 1,100 Customer Service Requests (CSR), including enhancements, modifications and system maintenance. The GAMMIS team also provided project oversight for the initiation and planning phases of several large federally mandated projects such as 5010, ICD-10 and Eligibility. The GAMMIS team continued to support these projects for the design, development and implementation (DDI) phase through project oversight inclusive of resources management, project management and providing subject matter expertise to meet the following deadlines:

- 5010 Compliance -- January 1, 2012
- ICD-10 -- October 1, 2014
- New Eligibility System — January 1, 2014

As federally mandated by the Centers for Medicare & Medicaid Services (CMS), GAMMIS was certified with no negative findings by CMS on November 17, 2011.

The State Health Benefit Plan (SHBP) IT – Overview and Accomplishments

This unit supported the Membership Enrollment Management System (MEMS), providing health insurance coverage to SHBP members. For FY 2012, SHBP IT:

- Completed 734 IT requests for updates, changes and implementations.
- Executed more than 40,800 batch jobs.
- Finished more than 6,000 interfaces.
- Assisted more than 360,444 employees/ retirees during their annual enrollment period.
- Worked with an outside vendor to audit the2011 Open Enrollment/Retiree Option Change Period issues.
- Implemented a new billing methodology (Direct Bill) for the 571 Board of Education and Library payroll locations.
- Initiated Brosix Instant Messaging to the SHBP Call Center.

Information Technology Infrastructure (ITI) – Overview and Accomplishments

The ITI Network Support team continued to facilitate the agency's IT needs.

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Information Technology

This included constant support with File Transfer Protocol (FTP) sites and Sharepoint sites as they were migrated to a new Sharepoint server. In FY 2012, more than 100 desktops and laptops were refreshed within the agency. Both iPads and Airwatch were introduced along with other devices. IT initiated the replacement of six universal power sources and replacements were made in data closets throughout DCH. The team continuously upgraded BlackBerry phones and air cards and provided end-user support by setting up new employees, installing software, moving equipment, adding shared drives and fulfilling other requests.

Information Technology Security – Overview and Accomplishments

The Office of Information Security (OIS) managed risks to the department's business mission(s) and day-to-day operations by providing security governance oversight and ensuring organizational compliance with state and federal laws, regulations, policies and standards. This included HIPAA Security Standards for the Protection of Electronic Protected Health Information (ePHI), Computer Security Standards developed by the National Institute of Standards and Technology (NIST) in support of Federal Legislation known as the Federal Information Security Management Act (FISMA) and State Enterprise Information Security Policies and Standards. The office protected the confidentiality, integrity and availability of ePHI that the department created, received, maintained or transmitted and ensured its protection against reasonably anticipated threats, hazards and impermissible uses and/or disclosures. This was accomplished by implementing the appropriate administrative, physical and technical safeguards throughout the organization.

OIS implemented an enterprise-wide security governance program, providing information security for the information and information systems supporting the operations and assets of the agency including those provided or managed by another agency, vendor, contractor or other source. Information security governance activities provided oversight for the implementation of information security controls throughout the agency and ensured that the minimum security requirements were met. These minimum security requirements covered 17 security areas.

To effectively manage risks to the department and ensure that the agency maintained compliance with federal and state regulatory requirements, the office provided daily security oversight of the State's Technology Infrastructure, Network Management Services and Managed Security Services provided by multiple third-party vendors as part of the State's IT Outsourcing and Privatization Initiative. All service provider changes to the agency's security architecture, systems and services were reviewed and approved by OIS. Additionally, OIS oversaw systems and software applications containing agency data operated by third-party vendors, business partners, associates and others. In FY 2012, OIS completed revisions to agency Policy 419, Appropriate Use of Information Technology Resources. The revisions addressed security management standards concerning the protection of electronic protected health

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Information Technology

information involving the use of removable media (e.g., external hard drives, flash drives, CDs, DVDs, etc.) Additionally, Security Awareness Training Requirements and Guidelines were addressed in this revision. OIS worked with several business divisions and the General Counsel's Office to develop agency Access Control Policy 435. OIS completed the development of organizational Security Awareness Training Material that is included in the department's annual "Refreshed and Ready" training program. OIS addressed all Security Certification Checklist Audit Criteria that led to the successful Federal Certification of the Georgia Medicaid Management Information System (GAMMIS) by CMS. OIS successfully completed a security audit of GAMMIS conducted by the Social Security Administration.

Office of Inspector General

Overview

Honor. Performance. Integrity. The Office of Inspector General (OIG) safeguards the integrity of the Georgia Department of Community Health (DCH) from risk internally and externally. Detecting fraud, waste and abuse is the office's clear charge.

The OIG rigorously reviews, investigates and audits Medicaid providers and recipients to uncover criminal conduct, administrative wrongdoing, poor management practices and other waste, fraud and abuse. OIG also reviews the State Health Benefit Plan (SHBP), Healthcare Facility Regulation and other offices at DCH.

Additionally, the office provides department oversight, audit and provider enrollment certification services. The office has four units:

- Program Integrity – Monitors Medicaid providers and members.
- Internal Investigations – Examines allegations of fraud, waste and abuse by DCH employees, contractors, sub-contractors and vendors.
- Provider Enrollment – Reviews, evaluates and processes all applications for supplier and facility enrollment in Georgia Medicaid and PeachCare for Kids.®
- Office of Audits – Conducts internal and external audits and reviews.

Accomplishments

In FY 2012, OIG was involved in recovering $20,680,976.77, including overpayments to Medicaid providers, members and global settlements. These monies were actual recoveries that were collected. OIG opened more than 2,000 new Medicaid and PeachCare for Kids cases. Several of these cases were referred to the Medicaid Fraud Control Unit in the Georgia Department of Law for prosecution. The OIG also was successful in implementing its Medicaid Recovery Audit Contractor (RAC) in FY 2012. This was a 12.5 percent contingency fee contract that the Affordable Care Act required states to implement. It expanded the reviews the department could do and enabled the review of providers not routinely reviewed in the past.

Looking Ahead

For 2013, OIG will continue implementation of the Medicaid RAC, expand the administrative services organization (ASO) contract, start process improvement for OIG, and implement the public assistance reporting information system (PARIS) program.

Legislative & External Affairs

Overview

In FY 2012, the Office of Legislative & External Affairs was the Department of Community Health's (DCH) primary point of contact for all activities with the Georgia General Assembly and the annual Legislative Session. During the session, the DCH legislative office analyzed bills and shaped legislative strategies about Medicaid, PeachCare for Kids,® State Health Benefit Plan (SHBP), Healthcare Facility Regulation and health care in general.

The external affairs function served as a liaison to government officials, lobbyists, consultants, associations, patient advocacy groups and health-related organizations to support departmental initiatives and programs. The office developed and maintained effective working relationships with legislative and advocacy groups on a local, state and national level. The office advised, coordinated and directed internal policies on legislative and political issues affecting DCH. Also, the office coordinated the implementation of legislation by reviewing newly enacted legislation for provisions that affected DCH.

The Office of Constituent Services (OCS) within Legislative & External Afffairs assisted in providing customer service for Georgia's Medicaid program. OCS interacted daily with members, providers, legislators and others to help people understand the Medicaid program and the department's business functions as a whole. OCS responded to thousands of calls, e-mails, letters, faxes and inquiries about the Medicaid program.

Operations

Overview

Operations provided essential services and support to internal and external customers to improve the health of Georgians. In FY 2012, the office began analyzing its processes to ensure efficiency, effectiveness and alignment with state goals to document and manage the workforce, workflow knowledge for daily operations, processes and problem solving. This statewide initiative included program areas: the State Office of Rural Health (SORH), Non-Emergency Transportation (NET) and Breast Cancer License Tag Program (BCLTP), as well as enterprise-wide administrative areas: Human Resources, Office of Procurement Services (OPS), Vendor Management, Vendor Operations and Support Services. Administrative Services supported 11 divisions and offices, two attached agencies, with 665 total employees.

These initiatives presented opportunities to interact, engage and partner with Operations' stakeholders. For example, Operations coordinated events held during Employee Appreciation Week, Employee Wellness programs, Faithful Service Awards and the department's Town Hall meetings. Additionally, Operations led DCH's strategic planning process and quarterly performance reporting to the state's leadership.

Accomplishments

- **Procurement Services** helped DCH obtain a competitive advantage through category management and strategic sourcing. The unit administered 35 procurements totaling nearly $7.1 billion and 40 grants totaling approximately $4 million. Additionally, Purchasing reduced cycle time on purchases of less than $5,000 by 26 percent. Collectively, the team successfully negotiated more than $1 million in direct savings to DCH and Georgia's taxpayers.

- **Human Resources** launched the department's first Employee Engagement Survey used to baseline further study in subsequent years. Simplifying the employee performance evaluation process and educating managers on this best practice resulted in a departmental compliance rate of 87 percent compared to other state agencies' rate of 63 percent. The unit maintains an aggressive workforce development plan ensuring achievement of DCH's goal to have enough workers with the necessary skills and competencies to meet the current and future demand.

- **The State Office of Rural Health** (SORH) received $4,112,562 in state funding and $4,195,220 in federal funding for FY 2012. The SORH links Georgia's 109 rural counties with state and federal resources to develop long-term solutions to address health care delivery issues and improve health status. The focus for FY 2012 funding was on building regional rural health systems, supporting rural hospitals, increasing services for migrant health clinics, placing physicians and allied health professionals in underserved communities, and identifying creative ways to make health care more accessible in Georgia's underserved rural and urban areas. The SORH facilitated improved access to primary health care in all underserved areas of Georgia by using education, information, technology and collaboration among the multi-levels of health providers.

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Operations

Accomplishments (Continued)

Programs included Federally Qualified Health Center Start Up, Area Health Education Centers, Health Professional Shortage Designations, J1 Visa Waiver Programs, the National Health Service Corps and the Georgia Farm Worker Health Program, which provided cost-effective, culturally appropriate primary health care through clinical sites that focused on meeting basic health needs.

- **The Breast Cancer License Tag Program** awarded $1.1 million to 16 community-based organizations for screening and treatment projects for eligible uninsured Georgians and another $1 million to the 18 Health Districts of the Department of Public Health to provide targeted screening and diagnostic services for the uninsured.

- **The Non-Emergency Transportation Program (NET)** administered more than 3.4 million trips to non-emergency medical appointments for eligible members. Open competitive solicitations were launched during the fiscal year to support this statewide transportation broker system. This resulted in program enhancements and more equitable distribution and administration of the program.

Looking Ahead

Operations will stay responsive and customer-focused on changes affecting the department and Georgia's health care industry. Emerging technology supporting improved administrative simplification and effectiveness will be continually examined and embraced where practical.

Attached Agencies

During FY 2012, the following two administrative agencies were attached to DCH:

Georgia Composite Medical Board

The Georgia Composite Medical Board (GCMB) licensed and regulated physicians, physician's assistants, respiratory care professionals, acupuncturists, perfusionists, auricular detoxification specialists, paramedics and cardiac technicians. The board also maintained a comprehensive database that offered public access to information about licensed physicians in the state. Twelve physicians and one consumer representative served on this board.

Georgia Board for Physician Workforce

The 15-member Georgia Board for Physician Workforce (GBPW) monitored and evaluated the supply and distribution of physicians by specialty and geographic location to identify underserved areas of the state. GBPW also developed medical educational programs through financial aid to medical schools and residency training programs.

Appendix

Below is a listing of the auxiliary charts and maps for the FY 2012 Department of Community Health Annual Report. To access the charts and maps for all programs below except the State Office of Rural Health, please click here.

Medicaid

- Medicaid Members Average Enrolled by County Map
- Medicaid Net Payments and Capitation Amount by County Map

PeachCare for Kids®

- PeachCare for Kids Payment Distribution by Type
- PeachCare for Kids Members Average Enrolled by County
- PeachCare for Kids Net Payments and Capitation Amounts by County

Georgia Families®

- Georgia Families including Medicaid and PeachCare for Kids Population by Region, CMO and Month

Indigent Care Trust Fund

- Sources of Revenue

State Health Benefit Plan

- SHBP Average Membership by County
- SHBP Payments by County

The State Office of Rural Health has 17 maps detailing its service areas. The maps were last updated in September 2012.