

PUBLIC NOTICE

Pursuant to 42 C.F.R. § 447.205, the Georgia Department of Community Health is required to give public notice of any significant proposed change in its methods and standards for setting payment rates for services.

INPATIENT HOSPITAL PROSPECTIVE PAYMENT SYSTEM

Pending CMS approval and effective for services provided on or after July 1, 2015, the Department is proposing a cost neutral methodology change to the Medicaid and PeachCare Inpatient Prospective Payment System (IPPS). DCH is proposing this change in order to better match reimbursement to services provided, to create appropriate incentives to control costs, to help grow the physician workforce through graduate medical education programs, and to focus the methodology on service delivery for Medicaid members. DCH proposes the following:

- To maintain current system budget neutrality by updating hospital specific cost to charge ratios;
- To eliminate the capital add-on payment and incorporate capital costs into the IPPS base rate;
- To establish a graduate medical education (GME) payment pool replacing the GME add-on payment. Hospital GME reimbursement will no longer be directly tied to the IPPS claim.
- To reimburse hospital indirect medical education (IME) costs by applying in an IME adjustment factor to the IPPS base rate.
- To reimburse hospitals serving a higher proportion of Medicaid members by applying a utilization adjustment factor to the IPPS base rate.
- To apply a stop loss/gain factor to mitigate the initial financial impact to hospitals for the period of July 1, 2015 through June 30, 2016.

This public notice is available for review at each county Division of Family and Children Services office. An opportunity for public comment will be held on **May 22, 2015 at 10:30 a.m.** at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Individuals who are disabled and need assistance to participate during this meeting should call (404) 656-4479. Citizens wishing to comment in writing on any of the proposed changes should do so on or before **May 29, 2015** to the Board of Community Health, Post Office Box 1966, Atlanta, Georgia 30301-1966.

Comments submitted will be available for review by the public at the Department of Community Health, Monday – Friday, 9:00 a.m. to 4:30 p.m., in Room 4074, 2 Peachtree Street, N.W., Atlanta, Georgia 30303. Comments from written and public testimony will be provided to the Board of Community Health prior to the **June 11, 2015** Board meeting. The Board will vote on the proposed changes at the Board meeting to be held at 10:30 a.m. at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room.

NOTICE IS HEREBY GIVEN THIS 14th DAY OF MAY, 2015

Clyde L. Reese III, Esq., Commissioner