

**MINUTES OF THE
BOARD OF COMMUNITY HEALTH MEETING
June 9, 2011**

Members Present

Ross Mason
Norman Boyd
Inman C. "Buddy" English, M.D.
Hannah Heck
Jamie Pennington
William H. Wallace, Jr.
Mary Eleanor Wickersham, D.P.A.

Members Absent

Archer Rose

The Board of Community Health held its regularly scheduled meeting at the Department of Community Health, Fifth Floor Board Room, 2 Peachtree Street, N.W., Atlanta, Georgia. Commissioner David A. Cook was also present. (An agenda and a List of Attendees are attached hereto and made official parts of these Minutes as Attachments #1 and #2). Chairman Mason called the meeting to order at 10:34 a.m.

Minutes

The Minutes of the May 12, 2011 Meeting were UNANIMOUSLY APPROVED and ADOPTED.

Committee Reports

Chairman Mason reported that the Policy Committee heard from Dr. Taliaferro Smith of CPORT Solutions who described a telehealth program in a rural school system, and Leigh Ritorto of Georgia Maternal Fetal Medicine who provides specialized services to high-risk obstetrics patients in rural areas with the use of telemedicine. The guests and Committee discussed access to care issues, leveraging telemedicine technology both in health and education, and policy impediments.

Report of the Commissioner

J. Patrick O'Neal, M.D., Director, Emergency Preparedness and Response, Division of Public Health, presented Emergency Medical Rules 111-9-2 for final adoption. The Department conducted a public hearing on May 17, 2011. The stakeholders who provided public comment expressed support for the proposed rules and regulations. Ms. Pennington MADE a MOTION to approve for final adoption Emergency Medical Rules 111-9-2 that also repeals Chapter 290-5-30 in its entirety upon the adoption of the new rule. Dr. Wickersham SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of Emergency Medical Services Rule 111-9-2 is attached hereto and made an official part of these Minutes as Attachment # 3).

Jerry Dubberly, Pharm.D., Chief, Medical Assistance Plans, presented the Hospital Services: Morehouse Medical Education Partnership Expansion Public Notice. The purpose of the public notice is to allow DCH to make technical adjustments to the State Plan Amendment that would allow Morehouse School of Medicine to continue to draw down federal funds through the Georgia Board for Physician Workforce grant. Effective for dates of service on and after July 1, 2011, the Department is proposing an expansion of the current Morehouse Medical Education Partnership to include eligible hospitals in addition to Grady Memorial Hospital to mitigate the negative impact of the Pass-Through Grant on Grady Memorial's adjusted disproportionate share hospital limit. The Department received one oral and written comment, both from the leadership of Morehouse School of Medicine. Ms. Pennington MADE a MOTION to approve for final adoption the Hospital Services: Morehouse Medical Education Partnership Expansion Public Notice. Ms. Heck SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Hospital Services: Morehouse Medical Education Partnership Expansion Public Notice is attached hereto and made an official part of these Minutes as Attachment # 4).

Dr. Dubberly presented the Community Behavioral Health Rehabilitative Services Public Notice, formerly called Community Mental Services. This action is a part of the State's strategy to comply with the Department of Justice Settlement Agreement. Effective on and after September 1, 2011 the proposed changes expand three existing services: case management, community living supports and employment rehabilitation. Also, the proposed changes will further open the State Plan to make technical

adjustments to change the name of the Operating Agency from the Department of Human Resources to the Department of Behavioral Health and Developmental Disabilities (DBHDD). All state funds will be provided by the DBHD as match to drawn down the Federal Financial Participation; consequently, there is no financial impact to DCH. Attached to the Public Notice is a description of the actual services within each service area, procedure code, units, rates, and maximum units per day. Ms. Heck MADE a MOTION to approve for initial adoption the Community Behavioral Health Rehabilitative Services Public Notice and rate table to be published for public comment. Ms. Pennington SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Community Behavioral Health Rehabilitative Services Public Notice and rate table is attached hereto and made an official part of these Minutes as Attachment # 5).

Dr. Dubberly discussed the Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice. Effective for dates of service on and after July 1, 2011, and subject to payment at fee-for-service rates, the Department is proposing to decrease provider reimbursement rates (excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice) by 0.5% for Medicaid and PeachCare for Kids programs. The purpose of these changes is to implement Sections 93.5, 94.4 and 95.3 of House Bill 78 and more closely align provider reimbursement with available avenue. The provider rate reductions will result in \$5 million state funds and \$15.3 million total funds.

A discussion ensued about access to care. Ms. Pennington said one-half percent does not seem that much, but at some point, access to care becomes an issue particularly when the Medicaid rolls will increase by 2014. She asked the Department to furnish information on the number of Medicaid providers ten years ago versus the number of Medicaid providers today. Dr. Dubberly stated he would provide that information by the next meeting. One of the things the Department is looking at is access, not only today, but going forward with a potential Medicaid expansion population and the reality that some providers have made the decision to not participate in Medicaid, and with a new influx of individuals, that decision point may be sped up for other providers who have been indecisive about continuing to serve Medicaid members. Dr. Dubberly further stated that there is a notice of proposed rulemaking that calls for States to do access monitoring. There are time standards in the proposed rules that within X amount of time from any proposed change in reimbursement rates there would have to be an access study and demonstration to CMS that access would not be negatively impacted. Dr. Dubberly stated Ms. Pennington's concerns were well founded and recognized at the national level.

A discussion ensued about the exclusion of certain providers in this reimbursement rate reduction. Dr. Dubberly said part of the Provider Payment Act of 2010 which instituted the hospital provider fee, called for not touching the rates in the period that the fee would be in place for hospitals. The nursing facility exclusion was added by the Legislature. FQHCs, RHCs, and hospice reimbursement rates are governed by federal rates.

Commissioner Cook added that as the Department moves forward toward 2014 where they may be an additional 600,000 individuals joining the Medicaid rolls, Georgia will continue to face a shortage of nurses and physicians in this State. He said from a strategic standpoint, the State will have to look at how to be an attractive state to compete with providers in other states as it relates to bringing sufficient workforce to Georgia and making Medicaid a more attractive product to accept.

Ms. Pennington MADE a MOTION to approve for initial adoption the Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice to be published for public comment. Mr. Wallace SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice is attached hereto and made an official part of these Minutes as Attachment # 6).

Dr. Dubberly presented the Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice. He stated the Department has been on a trajectory to closely align the financial recognition through the DSH payments to the hospitals that provide a greater amount of disproportionate care. The Department has attempted to do this over a multi year period in order to minimize the negative impact in any one fiscal year for the individual providers. To accomplish this the Department reconvened the Hospital Advisory Committee's DSH Subcommittee. The results of their recommendations and the Department's analysis culminate in this Public Notice which calls for the DSH allocations on or after July 1, 2011 to take two actions: 1. phase out the blending of the current DSH payment year with the 2007 DSH payment; and 2. phase in of newly eligible hospitals. DSH allocations do not involve any state funds inasmuch as the non-federal share is funded through intergovernmental transfers. Ms. Pennington MADE a MOTION to approve for initial adoption the Changes to Disproportionate Share Hospital (DSH) Allocations

Public Notice to be published for public comment. Ms. Heck SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice is attached hereto and made an official part of these Minutes as Attachment # 7).

Mr. Vince Harris, Chief Financial Officer, provided an update on the State Health Benefit Plan Financial Status. Last month the Department stated it was budgeting \$93 million to draw down for the Early Retiree Reinvestment Program (ERRP) plan but later was informed the amount is \$69 million. The Department is managing toward the \$24 million reduction. This will have an impact on the surplus amount. The Department projects about a \$122 million surplus for FY 2011 which will be further reduced by a slippage in the May employer contribution rate (\$12 million) and the teacher's employer contribution rate in the month of July. This will affect plan changes in FY 2012. The Department has already identified \$72 million in plan changes; now the Department is looking at another \$74 million to manage in plan design changes. Commissioner Cook added that the Department is instituting a plan design change with mail order drugs.

New Business and Closing Remarks

Commissioner Cook reminded the board that this is the last meeting the Division of Public Health will be a part of the Department of Community Health. Commissioner Cook recognized the leadership of Vince Harris and Dr. Brenda Fitzgerald and the efforts of transition team who has been working for a number of months to make a smooth transition and successful launch of the new Department of Public Health. He wished the new Department of Public Health well.

Chairman Mason stated he really enjoyed getting an opportunity to work with Dr. Fitzgerald. He said he knows she will do a fabulous job. He further stated the new Department of Public Health is a great thing for Georgia to have her leadership and added focus and direction to public health.

Adjournment

There being no further business to be brought before the Board, Chairman Mason adjourned the meeting at 11:03 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE _____ DAY OF _____, 2011.

ROSS MASON
Chairman

ARCHER R. ROSE
Secretary

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 Rules 111-8-100
- #4 Hospital Services: Morehouse Medical Education Partnership Expansion Public Notice
- #5 Community Behavioral Health Rehabilitative Services Public Notice and rate table
- #6 Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice
- #7 Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice