

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.

HOSPITAL SERVICES

Inpatient Services

Effective for admissions on and after July 1, 2008, the Department is proposing the following changes:

Current DRG base rates for designated trauma hospitals Levels I through III will be increased by 3.68%. DRG base rates for all other hospitals will be increased by 2.7746%. This change will not result in cost based settlements for inpatient claims.

Effective July 1, 2008, Care Management Organizations are required to increase their current per unit or per admission reimbursement rates for their contracted inpatient hospital providers to effect a rate change comparable to the proposed change in fee-for-service rates.

This change is estimated to increase annual expenditures as follows:

<u>Program</u>	<u>Total Funds</u>	<u>State Funds</u>
Aged, Blind, and Disabled	\$18,354,264	\$6,581,839
Low Income Medicaid	24,514,205	8,790,794
PeachCare for Kids	895,158	224,058
All Programs	<u>\$43,763,627</u>	<u>\$15,596,691</u>

Outpatient Services

The Department is proposing to modify the payment method for hospitals services as follows:

Payments to hospitals that are designated as a Critical Access Hospital, a historically minority owned hospital or as a state owned hospital are not affected by this public notice and will continue to be reimbursed in accordance with current policy.

For all other hospitals:

- Effective for outpatient services provided on and after July 1, 2008 and subject to cost settlement, the percentage of cost coverage will be increased to 90.7% for designated trauma hospitals Levels I through III and 88.3% for all other hospitals.
- Effective for payments made on and after July 1, 2008, the hospital-specific, annual percentage of charges, used to determine interim reimbursement amounts, will be

recalculated to consider the increase in cost coverage to 90.7% of cost for designated trauma hospitals Levels I through III and 88.3% for all other hospitals.

- Effective for payments made on and after July 1, 2008, for out of state enrolled hospitals, payments will be made at the statewide average percentage of charges that will be paid to Georgia hospitals being reimbursed at 88.3% of costs.
- Effective for payments made on and after July 1, 2008, the flat rate for non-emergency use of the Emergency Room will be increased from \$50 to \$60.

Effective July 1, 2008, Care Management Organizations are required to increase their current per unit, per admission, or percentage of charges reimbursement rates for their contracted outpatient hospital providers to effect a rate change comparable to the proposed change in fee-for-service rates.

This change is estimated to increase annual expenditures as follows:

<u>Program</u>	<u>Total Funds</u>	<u>State Funds</u>
Aged, Blind, and Disabled	\$5,822,103	\$2,087,806
Low Income Medicaid	11,479,702	4,116,621
PeachCare for Kids	<u>1,554,966</u>	<u>389,208</u>
All Programs	<u>\$18,856,771</u>	<u>\$6,593,635</u>

This public notice is available for review at each county Department of Family and Children Services office. An opportunity for public comment will be held on **May 20, 2008**, 1 p.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 30, 2008**, to the Board of Community Health, Post Office Box 38406, Atlanta, Georgia 30334.

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 12, 2008** 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 8th DAY OF MAY, 2008

Rhonda M. Medows, M.D., Commissioner