

**MINUTES OF THE
BOARD OF COMMUNITY HEALTH MEETING
January 14, 2010**

Members Present

Richard Holmes, Chairman
Ross Mason, Vice Chairman (via phone)
Hannah Heck
Dr. Inman C. "Buddy" English
Archer Rose

Members Absent

Norman Boyd
Sidney Kirschner

The Board of Community Health held its regularly scheduled monthly meeting at the Department of Community Health, Fifth Floor Board Room, 2 Peachtree Street, N.W., Atlanta, Georgia. Dr. Rhonda Medows, Commissioner, was present also. (An agenda and a List of Attendees are attached hereto and made official parts of these Minutes as Attachments #1 and #2). Chairman Holmes called the meeting to order at 10:39 a.m.

Chairman's Comments

Chairman Holmes announced the resignation of board members Kim Gay and Raymond Riddle. He changed the order of the agenda to move items that required the board's vote to the beginning of the agenda.

Department Updates

Doug Colburn, Chief, Healthcare Facility Regulation Division, presented proposed rules that combine and restate the enforcement of licensing requirements already in place in Rules 290-1-6 and 290-5-44 into one new chapter of rules 111-8-25 applicable to all facilities and providers licensed by the Department of Community Health, Healthcare Facility Regulation Division. He said this is a housekeeping effort to bring these two sets of rules together under the DCH rules. There are two new provisions: adding to the definition of facility which clarifies that the facility must be physically located in Georgia to be licensed in Georgia. The second provision requires a facility or provider to make information regarding the patients/residents available to the Department in a usable format. Mr. Rose MADE a MOTION to approve for initial adoption Rule 111-8-25 to be published for public comment. Ms. Heck SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of Rule 111-8-25 is attached hereto and made an official part of these MINUTES as Attachment # 3).

Dr. Jerry Dubberly presented the Disproportionate Share Hospital Allocation for Private Hospitals Public Notice for final adoption. He said last month the Department presented to the board this public notice which proposes to change the methodology for Disproportionate Share Hospital (DSH) allocations. The public notice contained two key components: the Department is seeking to restore and clarify the reinstatement of private non-deemed hospitals DSH allocations at 100%; and secondly, to move to the Department's ultimate goal of recognizing hospitals that provide a larger proportion of uncompensated care. The Department received no oral comments during the public hearing and received one written comment from a private hospital chain stating its appreciation of the Department's attempt to create more appropriate allocations for DSH funds. The responder also pointed out the level of uncompensated care provided by private hospitals and stated that the level of DSH funding fell short of covering all uncompensated care. Dr. Dubberly said the responder asked the Department to consider an Upper Payment Limit (UPL) program for private hospitals (although this comment was not directly related to the subject of the public notice). Dr. Dubberly stated that DCH believes the methodology set forth in the public notice furthers the Department's long term strategy of a more appropriate allocation of funds for uncompensated care in a manner that minimizes the impact to providers. Mr. Mason MADE a MOTION to approve for final adoption the Disproportionate Share Hospital Allocation for Private Hospitals Public Notice. Ms. Heck SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Disproportionate Share Hospital Allocation for Private Hospitals Public Notice is attached hereto and made an official part of these MINUTES as Attachment # 4).

Minutes

The Minutes of the December 12, 2009 meeting were UNANIMOUSLY APPROVED and ADOPTED.

Committee Reports

Archer Rose, Chairman of the Audit Committee, said the Committee received the independent auditors' report for Fiscal Year 2009. The Department received a clean opinion. Mr. Rose said the auditors expressed concern about the reduced fund balance in the State Health Benefit Plan which has been reduced from \$439 million to about \$32 million. He stated that the challenge moving forward will be to maintain a positive cash flow in the Department. Mr. Rose said there were a few issues the auditors pointed out which staff addressed in the Committee meeting. He thanked the auditors for working diligently to present the audit report in a timely manner.

Chairman Holmes thanked Mr. Rose for the update. He announced the appointment of Hannah Heck as the new chairman of the Care Management Committee.

Commissioner's Comments

Dr. Rhonda Medows, Commissioner of DCH, said the Governor announced during the State of the State Address that the state budget would be released Friday, January 15. She said the Department will analyze the budget and make preparations to present it to the Joint Appropriations Committee on Thursday, January 21. The Department will brief the Board on the budget at the February meeting.

Dr. Medows introduced new members of the Department's leadership team: Vince Harris, Acting Chief Financial Officer, and Perry Sims, Chief Information Officer.

Dr. Medows stated that once the National Health Reform bills have gone through the legislative process, the Department will analyze the final legislation and present to the Board the impact, opportunities, and challenges for the State of Georgia.

Mr. Mason asked if the Governor made any general statements about budget cuts in the State of the State Address. Dr. Medows said the Governor did not speak to a total dollar amount for any agency or for the state overall. She said the Department knows that in Fiscal Year 2011, the Medicaid program alone will face a shortfall of \$605-\$635 million.

Chairman's Closing Comments

Chairman Holmes asked Commissioner Medows for a legislative update if there is legislation affecting the Department of Community Health.

Adjournment

There being no further business to be brought before the Board, Chairman Holmes adjourned the meeting at 10:53 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE _____ DAY OF _____, 2010.

RICHARD L. HOLMES
Chairman

Secretary to the Board

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 Rule 111-8-25
- #4 Disproportionate Share Hospital Allocations for Private Hospitals Public Notice