

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

Effective for services provided on and after July 1, 2005, the Department is proposing the following changes:

- Reduce inpatient hospital reimbursement percentage from 90% to 89.3% in determining payment amounts for outlier claims. This change is estimated to decrease annual expenditures by approximately \$1,124,997 (\$443,699 in State funds).
- Reduce the cap applied to outpatient hospital reimbursement to 85.6% of an amount based on the payment for an average inpatient claim. This change is estimated to decrease annual expenditures by approximately \$6,622,517 (\$2,556,301 in State funds).
- Reimburse outpatient hospital services based on interim rates set to 85.6% of cost, with interim rate calculations based on prior period cost report data with trend adjustments to reflect ongoing changes in hospital charges compared to costs. This change is estimated to decrease annual expenditures by approximately \$50,942,435 (\$19,663,855 in State funds).

NURSING HOME SERVICES

Effective for services provided on and after July 1, 2005, the Department is proposing to modify the payment method for nursing home services by reducing the growth allowance used to compute reimbursement rates from 6.16% to 5.067%. Fiscal Year 2002 cost reports will continue to be used. This change is estimated to decrease annual expenditures by approximately \$10,466,889 (\$4,128,141 in State funds).

PHARMACY SERVICES

Effective for services provided on and after July 1, 2005, the Department is proposing to eliminate the supplemental dispensing fee paid for dispensing generic drugs. This change is estimated to decrease annual expenditures by approximately \$4,578,084 (\$1,805,596 in State funds).

The purpose of these changes is to more accurately match payments to the level of services being provided. This public notice is available for review at each county Department of Family and Children Services office. Citizens wishing to comment in writing on the proposed changes should do so before June 9, 2005, to the Board of Community Health, P. O. Box 38406, Atlanta, Georgia 30334.

Comments so 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, NW, Atlanta, Georgia 30303.

An opportunity for public comment will be held on June 9, 2005, at 12:00 p.m. in conjunction with the June meeting of the Board of Community Health. Individuals who are disabled and in need of assistance to participate during the meeting should call (404) 656-4479. The Board will vote on the proposed change after comments have been received. The June Board meeting will be held in the Floyd Room of the Twin Towers Building, 20th Floor, West Tower, 200 Piedmont Avenue, Atlanta, Georgia.

NOTICE IS HEREBY GIVEN THIS 12th DAY OF MAY, 2005.
Tim Burgess, Commissioner