

**MINUTES OF THE
BOARD OF COMMUNITY HEALTH MEETING
July 10, 2008**

Members Present

Richard Holmes, Chairman
Ross Mason, Vice Chairman
Dr. Inman C. "Buddy" English
Kim Gay
Dr. Ann McKee Parker
Raymond Riddle
Richard Robinson
Archer Rose

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 10:41 a.m.

Approval of Minutes

Chairman Holmes announced Ms. Gay as Secretary of the Board. The Minutes of the June 12, 2008 Meeting were UNANIMOUSLY APPROVED AND ADOPTED.

Committee Reports

Kim Gay, Chair of the Care Management Committee, reported that Dr. Dev Nair, Director of Clinical and Quality, gave a report and update on the Medicaid Quality Program. The Committee also received an update on the implementation of House Bill 1234 and discussed Senate Bill 507. Mark Trail, Chief, Medical Assistance Plans, gave a brief update on the Myers and Stauffer CMO Audit which will be concluded at the end of July.

Commissioner's Comments

Dr. Rhonda Medows, Commissioner of DCH, reviewed the agenda. Dr. Carladenise Edwards, Chief of Staff, will give an overview of the Department's Strategic Plan. Dr. Medows said thanks to the leadership of the Department's Management Team and Dr. Edwards, the Department has one consolidated Strategic Plan. Dr. Dev Nair, Clinical Deputy Director, will give an update on the Medicaid Quality Initiative. Clyde Reese, General Counsel, will present Certificate of Need Rules (CON) which Dr. Medows described as the most comprehensive reform of the Certificate of Need program since its inception. She said today the Board will be asked to release the rules to the public for public comment. Dr. Medows said the rules represent a massive change and will affect the way the Department does health planning for the State in terms of availability of healthcare facilities and regulations.

Dr. Medows updated the Board on other matters. She said the Department has received its budget directions as have all state agencies. Budget directions include a 3.5% reduction in FY 09 in administrative expenditures across programs and a 4% reduction in the FY 10 administrative budget. She said at this point the budget for benefits has not changed.

Dr. Medows stated that the Health and Human Services Task Force which is looking a reorganization of the state's health and human services has not released its final report. The Department will share the report with the board when it is available.

Dr. Medows reported that Georgia was one of the states awarded the U.S. Health and Human Services demonstration grant for Electronic Health Records for small practices of family physicians and primary care physicians. She said this is a major undertaking and commitment on behalf of the federal government and also sets the stage for the State of Georgia since it was able to produce matching efforts by both the State as well as commercial partners to offer contributions to begin providing compensation to physicians using electronic health records.

Chairman Holmes congratulated Dr. Medows for receiving a national award for her health information technology leadership and advocacy.

Department Updates

Chairman Holmes asked Dr. Edwards to give an overview of the Department's Strategic Plan. Dr. Edwards said she was pleased to present a comprehensive strategic plan for the Department that has been vetted throughout the Department. She said typically strategic planning starts at the top in hopes that the initiatives trickle down. She said the Department took a different approach and asked the staff to contribute their ideas related to what strategies to put in place in order to achieve its mission of access to affordable, quality health care in our communities; responsible health planning and use of health care resources; and healthy behaviors and improved health outcomes. Through the strategic planning process it was discovered the Department had a mission but did not have a vision that had been succinctly communicated. Staff went through the process of determining what the Department wanted to look like in five, ten, twenty years from now. The stated vision is DCH strives to be a results-oriented, innovative, and productive state agency that seeks to address the health care needs of all Georgians by serving as a national leader in the areas of health planning, health promotion, and health care quality by the year 2011. The core business of the Department is purchasing, planning and regulation of the state's health care programs and services and providing healthcare benefits to over two million citizens through the Medicaid, PeachCare for Kids (PCK), Georgia Families, and the State Health Benefit Plan (SHBP). The FY 2009 Priorities and initiatives to help the Department reach its goals are customer service, financial and program integrity, health care consumerism, health improvement, Medicaid Transformation, PeachCare for Kids Stability, and solutions for the uninsured and workforce development. The goals of the Department for the next three years are: improve health outcomes for Georgia Medicaid, PeachCare for Kids, and SHBP; increase access to affordable, quality health care services; and increase health care transparency by providing access to objective health information. Dr. Edwards reviewed the strategies and measures attached to each goal. She emphasized that this is a strategy; it is not the actual implementation or work plan. She said with the board's feedback, the Department would be able to get to the next level—the implementation of the strategies that are presented. Dr. Edwards said the Department's goals are aligned with the State's Strategic Plan and Vision of a state government that is value-driven, customer-focused and results-oriented and focuses on five primary areas: education, health, safety, growth, and best managed. (A copy of the Department of Community Health Strategic Plan: FY 2009-2011 presentation is attached hereto and made an official part of these minutes as Attachment # 3).

Mark Trail, Chief, Medical Assistance Plans, began the update on the DCH Quality Program by describing the new organizational structure of the Medical Assistance Plans Division. He said the Department took two divisions, Managed Care and Quality Division and the Medical Assistance Plans Division, and brought them under one division—the Medical Assistance Plans. The Division is now separated into three sections—Managed Care, Clinical and Quality, and Medical Assistance Policy. He asked Dr. Dev Nair to complete the update on the Quality Program.

Dr. Nair said the DCH Medicaid Quality Program provides oversight over the Georgia Families program which includes about 950,000 members in the CMO plans, 100,000 Aged, Blind and Disabled (ABD) members in the Georgia Enhanced Care program and about 300,000 members in the Georgia Medical Management Program. Part of the strategy to link all of DCH's programs is to implement a Quality Improvement Committee, align quality objectives with DCH's overall mission, and implement cross-division quality activities. Dr. Nair stated that the Georgia Enhanced Program focuses on seven common chronic diseases: diabetes, chronic obstructive pulmonary disease, asthma, heart failure, schizophrenia and coronary artery disease or Ischemic Heart Disease. Performance is measured in about 46 metrics; 23 metrics place the disease management organization at financial risk; another 23 metrics are measured but do not place the disease management organization at financial risk. There are similar sets of metrics established for ASO members. Next, Dr. Nair talked about the Georgia Families Quality Program. The Quality Assessment and Performance Improvement Program and the Quality Strategic Plan are requirements of the Centers for Medicare and Medicaid Services (CMS) for Medicaid managed care. Another requirement is the Department must procure an External Quality Review Organization (EQRO) to provide an independent assessment of a Medicaid managed care program. The EQRO will focus on validating performance improvement projects, validating performance measures, assessing compliance with federal regulations, producing an annual report, and convening an annual conference to review the annual report. Dr. Nair said when the Department last presented the Strategic Plan to the board, part of the discussion centered on recommendations received from the Board and public. Some of the recommendations included expanding the focus on children's oral health and mental health, and weight status; publicly reporting managed care data; and reassessing measurement methodology. Some of the accomplishments since January 2008 include selecting an EQRO vendor, partnering with Thomson-Reuters to refine current performance indicators, and partnering with the CMOs, DHR and the Mental Health Commission to address improvements to

the delivery of mental health services. Other accomplishments include requiring the CMOs to conduct a focus study on childhood obesity, conducting a conference with various stakeholders to address childhood obesity, and submitting a proposal for a Center for Health Care Strategies (CHCS) Disparities Grant to focus on improving chronic care conditions, specifically to reduce disparities of those conditions. Upcoming activities include planning a conference on improving children's oral health, convening work groups to address birth outcomes, completing and presenting first-year performance measures, and continuing to work with the health transparency initiatives to publicly report some of this data. (A copy of the Update on DCH Quality Program is attached hereto and made an official part of these Minutes as Attachment # 4).

Next, Carie Summers, Chief Financial Officer, presented three public notices for final approval. The purpose of the Psychiatric Residential Treatment Facilities (PRTF) Public Notice is to update the reimbursement rates effective on and after July 1 to utilize FY 2006 provider-specific cost reports to determine provider-specific per diem rates for the reimbursement of psychiatric residential treatment services. The FY 2006 cost report data will be adjusted to consider inflation based on the CMS Hospital Market Basket. Per diems will be subject to a cap of \$370 per day. Ms. Summers said she confirmed with the General Assembly that the word *Psychiatric* should have been used in the budget document instead of *Psychological* [Residential Treatment Facilities]. The Department received one comment about medical add-on, but this issue was not a part of this public notice.

Effective for services provided on and after July 1, 2008, and subject to payment at fee for service rates, the Community Care Services Program (CCSP) Public Notice provides for a 3% percent increase in the reimbursement rate for services provided through the Community Care Services Program. The Department received no public comments on this public notice.

Ms. Summers said the Nursing Home Services Public Notice accomplishes three things: details how DCH will convert to a Fair Rental Value methodology to reimburse nursing homes for the capital component of their cost; indicates the use of a 2007 Cost Report to determine FY 09 reimbursement rates; and adds a 1% incentive to the existing Quality Initiative program. The Department received two public comments that were in favor of the public notice. Dr. Parker MADE a MOTION to approve the Psychiatric Residential Treatment Facilities Public Notice, the Community Care Services Program Public Notice, and the Nursing Home Services Public Notice. Ms. Gay SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (Copies of the Psychiatric Residential Treatment Facilities Public Notice, the Community Care Services Program Public Notice, and the Nursing Home Services Public Notice are attached hereto and made official parts of these Minutes as Attachments # 5, 6 and 7 respectively).

Mark Trail presented the New Options Waiver (NOW) and Comprehensive Support Waiver (COMP) Exceptional Rate Requests Public Notice for final approval. Effective for dates of services on and after July 1, 2008, the Department is proposing to utilize a formalized process whereby additional and/or more intensive resources can be accessed in order to serve individuals in transition from an institution or who may be at risk of institutionalization. The Department received no public comments relative to this public notice. Dr. Parker MADE a MOTION to approve the New Options Waiver and Comprehensive Support Waiver Exceptional Rate Requests Public Notice. Ms. Gay SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of the New Options Waiver and Comprehensive Support Waiver Exceptional Rate Requests Public Notice is attached hereto and made an official part of these Minutes as Attachment # 8).

Mr. Trail said four public notices related to Targeted Case Management were brought before the Board at the June meeting and were based on rules that were passed by CMS. Those rules were reflected in the public notices that would change the methodologies from monthly billing units to 15-minute billing units and excluded certain provider types from providing targeted case management. Since the release of the notices last month, Congress enacted a moratorium on all of these rules and the President has signed the bill. As a result the Department asked the Board to withdraw the four targeted case management public notices. In addition, the Department has withdrawn the State Plan Amendments from CMS.

Clyde Reese, General Counsel, gave an overview of the CON Rules 111-2-1 et seq and Rule 111-2-2- et seq. He said these Administrative Rules are to implement the CON reform changes as a result of Senate Bill 433. The rules are not department initiatives and are not interpretive in any way; they are what the Department feels is required by the legislation to amend the administrative rules to comport with the law which became effective on July 1. He reviewed the high points of the bill.

The rules contain new definitions, outlines Exemptions from Review, new reporting requirements, new sanctions that the Department will be able to levy on entities who do not report or report in a timely or complete fashion, new reporting requirements for facilities that previously were exempt from CON, new enforcement provisions, and new revocation powers. In addition, the review procedures and timelines have changed drastically. There are new general considerations that deal with quality and underrepresented services, new requirements for Letters of Determination and Letters of Nonreviewability, specific rules to review Destination Cancer Hospitals that mirror what the law provides, new language about basic perinatal services, and new adjustments to the ambulatory surgery services rules to account for a new definition of a single specialty ambulatory surgery center.

Mr. Reese said these rules do not include any provisions for the new Certificate of Need Appeals Panel. The Panel is an independent body and those rules will not be DCH rules; therefore they are not included. The second step in the appeals process is a DCH Commissioner's review. If there is a need to supplement the DCH rules for the Commissioner's review, the rules will be brought to the board for approval at that time.

Mr. Reese asked the Board for approval to release the rules for public comment. A public hearing has been scheduled for Tuesday, August 19, 10:00 a.m. The rules will be posted to the public in a few days when the rules are sent to the House and Senate Health and Human Services Committees and the Legislative Counsel. Mr. Reese emphasized that the rules are being presented as a total package; however the rulemaking statute gives authorization, if as a result of any of the comments the Department decides to change or add to the rules, DCH will ask the Board to allow the Department to go forth with the rules that have not changed and those rules that have substantive change will have to start the process over. Mr. Rose MADE a MOTION to approve for initial adoption Certificate of Need Rules 111-2-1 et seq and Rule 111-2-2- et seq to be published for public comment. Dr. Parked SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A Synopsis of CON Rules 111-2-1 et seq and Rule 111-2-2- et seq is attached hereto and made an official part of these Minutes as Attachment # 9).

Chairman's Comments

Chairman Holmes said next month is the traditional month for budget approval. He asked the Board to meet in person at the August 14 meeting to receive the budget recommendations and meet via teleconference on August 28 to vote on the budget recommendations.

Adjournment

There being no further business to be brought before the Board, Chairman Holmes adjourned the meeting at 11:43 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE _____ DAY OF _____, 2008.

RICHARD L. HOLMES
Chairman

KIM GAY
Secretary

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 DCH Strategic Plan: FY 2009-2011 Presentation
- #4 Update on DCH Quality Program
- #5 Psychiatric Residential Treatment Facilities Public Notice
- #6 Community Care Services Program Public Notice
- #7 Nursing Home Services Public Notice
- #8 NOW and COMP Public Notice
- #9 Synopsis of CON Rules 111-2-1 et seq and Rule 111-2-2- et seq