

**MINUTES OF THE  
BOARD OF COMMUNITY HEALTH MEETING**

August 14, 2008

The Board of Community Health held its regularly scheduled monthly meeting via conference call on August 14. Chairman Holmes called the meeting to order at 10:32 a.m. Board members participating in the call were Richard Holmes, Chairman; Ross Mason, Vice Chairman; Dr. Inman C. "Buddy" English; Kim Gay; Raymond Riddle; Richard Robinson; and Archer Rose. Dr. Rhonda M. Medows, Commissioner of the Department of Community Health, Carie Summers, Chief Financial Officer, and Suzannah Louise Lipscomb, Counsel, State Health Benefit Plan, also participated in the call. The Fifth Floor Board Room at the Department of Community Health, 2 Peachtree Street, Atlanta, Georgia 30303, was available to anyone wishing to listen to the discussion. (A List of Attendees and Agenda are attached hereto and made official parts of these Minutes as Attachments #1 and #2.)

Chairman Holmes said the August 28 meeting will take place in person and the board will receive budget information and recommendations at that time. He asked Dr. Medows to make brief remarks.

Dr. Medows began by reminding the board of the new budget directions. Each state agency was given directions to prepare options to reduce their administrative budget by 6%, 8% and 10%. This would include the administrative budget for each of the health plans the Department administers, as well as Certificate of Need, General Counsel, Information Technology, Rural Health, and Health Access and Improvement Programs. In addition to the administrative reduction options, the Department is preparing a 5% reduction in the Medicaid benefit budget. That could include Medicaid eligibles, healthcare services, payments for providers, payments for health plans, and payments for contractors who provide administrative or healthcare delivery services. The Department was also instructed to review fraud prevention and recovery, third party liability, and any opportunities to find new sources for revenue that could replace current state appropriations in order to meet the 5% reduction. Dr. Medows said the Department's priority is protecting as much as possible the individuals who are very much in need of the healthcare services. Dr. Medows said in the Medicaid program there are mandatory eligibles and individuals who are described as optional categories of eligibility. She said optional does not mean that their healthcare needs are optional, it means the State and not the federal government has been providing these program services. The Department will present to the board at the August 28 meeting the reduction options. The Department has enlisted the help of its actuaries to help map out a variety of options and combinations to determine what DCH must do to meet the budget directions. Chairman Holmes encouraged the Department to get the budget information to the board as quickly as possible.

Dr. Medows asked Suzannah Louise Lipscomb, Counsel for the State Health Benefit Plan, to present the State Health Benefit Plan Rules for final adoption. Rules 111-4-1-.02, 111-4-1-.04 and 111-4-1-.10 were initially adopted at the June 12, 2008 Board meeting. The Department held a hearing for public comment but received no oral or written comments. Mr. Mason MADE a MOTION to approve for final adoption SHBP Rules 111-4-1-.04, 111-4-1-.02, and 111-4-1-.10. Ms. Gay SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of SHBP Rules 111-4-1-.04, 111-4-1-.02, and 111-4-1-.10 are attached hereto and made official parts of these Minutes as Attachments #3, #4 and #5 respectively).

Carie Summers, CFO, began discussion of a Resolution – State Health Benefit Plan Employee Rates for CY 2009 Plan Year. The Resolution would set Calendar Year 2009 Employee premiums for the SHBP. The main guiding principle for setting the premiums is driven by the General Assembly's intent, as indicated in House Bill 990 which is the State Fiscal Year 2009 Appropriations Act, to establish premiums such that the average increase was no more than 7.5%. Ms. Summers said another important thing to note is the SHBP will be changing the number of tiers that are offered for active employees. Currently employees have two tiers—single coverage (employee only) and family coverage (employee and spouse and/or dependent). For Calendar Year 2009 the SHBP will expand to four tiers; single (employee only) and three tiers for family coverage (employee + spouse + children, employee + child(ren), or employee + spouse). Mr. Riddle MADE a MOTION to approve for final adoption Resolution – State Health Benefit Plan Employee Rates for CY 2009 Plan Year. Mr. Mason SECONDED the MOTION. Chairman Holmes called for votes; votes were taken. The MOTION was UNANIMOUSLY APPROVED. (A copy of Resolution – State Health Benefit Plan Employee Rates for CY 2009 Plan Year is attached hereto and made an official part of these Minutes as Attachment # 6).

Chairman Holmes asked Dr. Medows if there was any information she wanted to share. Dr. Medows said there was no information, but she did want to reiterate that when the Department is looking for reductions in the Medicaid budget, the first priority is to preserve the eligibility categories that are currently served and as much as possible, preserve the services they are receiving.

Chairman Holmes asked board members to call or e-mail him if they could attend the Certificate of Need Rules Public Hearing on August 19.

There being no further business to be brought before the Board, Chairman Holmes adjourned the August 14 meeting at 10:50 a.m.

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

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RICHARD L. HOLMES  
CHAIRMAN

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KIM GAY  
SECRETARY

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 SHBP Rule 111-4-1-.04
- #4 SHBP Rule 111-4-1-.02
- #5 SHBP Rule 111-4-1-.10
- #6 Resolution - SHBP Employee Rates  
for CY 2009 Plan Year