

Board of Community Health
Meeting
August 26, 2021

Members Present

Norman Boyd
Roger Folsom (delayed)
Mark Trail
David Crews
Russell Crutchfield
Russ Childers

Members Absent

Anthony Williamson
Kenneth Davis

The Board of Community Health held its meeting via WebEx teleconference. (An agenda and a List of Attendees are attached hereto and made an official part of these Minutes as Attachments #1 and #2). Chairman Norman Boyd presided and called the meeting to order at 10:30 a.m.

Minutes

None to approve.

Opening Comments

None to report.

Commissioner's Report

Commissioner Noggle thanked the Board, members of the public and staff for their participation via WebEx.

Commissioner Noggle provided the following updates to the Board:

- Early and Periodic Screening, Diagnostic and Treatment (EPSDT) Report:
 - The agency or CMS can generate reports.
 - CMS reports indicated 15 times higher versus agency reporting, which is a much better metric for performance.
 - Engaged with an existing audit partner to look at how our system calculates information.
- Agency budget recommendation:
 - Continues to support a high level of Medicaid members; not removing ineligible members, supports workload and growth measures.
 - Thanked the finance team for their work.
- Thanked Melanie Simon, Executive Director, Healthcare Facility Regulation for her service to the agency.

Lisa A. Walker, CFO, presented to the Board the proposed Amended FY 2022 and FY 2023 budgets.

Ms. Walker provided an overview of the FY 2021 highlights related to the percentage of beneficiaries we serve, and the expenditures related to those recipients. During FY 2021, DCH served 55% of Medicaid beneficiaries in Low Income Medicaid (LIM) program, 18% in the Aged, Blind and Disabled (ABD) program, 5% in Peachcare, 22% State Health Benefit Plan (SHBP) program and smaller percentages in various other programs.

According to the Kaiser Foundation child enrollment report for Medicaid and the Children's Health Insurance Program (CHIP), Georgia ranked 6th in the nation for child enrollment in the Medicaid and Peachcare CHIP programs. Georgia has a current child enrollment of 1,626,878 which represents 58% of the children population in Georgia.

The Department expended over \$3.3 billion in state funds over the course of the fiscal year of which 94.8% were expended in the Medicaid programs (ABD 52.16%, LIM 40.44% and Peachcare 2.21%) with the remaining funds were expended throughout the other programs.

Ms. Walker advised provided the following information for the FY 2022 budget:

- The Department has a budget of \$17.3 billion (state funds \$4.1 billion, with 97% of those funds budgeted in the Medicaid program).
- The current appropriation: (ABD 53.01%, LIM 40.87% and Peachcare 1.91% in Peachcare) with remaining spread through the other programs.

Turning next to the proposed Amended FY 2022 and FY 2023 budgets, Ms. Walker shared the following:

The Amended FY 2022 request items include a projected growth need in Departmental Administration and Support Program of \$3.4 million; \$342.9 million for growth in Medicaid Benefits (summarized across the benefits programs); \$8.8 million for Medicare Part D Clawback subsidy; \$2.7 million for private hospitals participating in the Disproportionate Share Hospital (DSH) program and \$235.1 million reduction for the change in Federal Medical Assistance Percentages (FMAP) related to the public health emergency.

Next, Ms. Walker addressed the Department's budgetary needs for FY 2023. The FY 2023 budget requests include a projected growth need in Departmental Administration and Support Program of \$1.7 million; \$336.6 million for growth in Medicaid Benefits (summarized across the benefits programs); \$15.4 million for Medicare Part D Clawback subsidy and \$5.2 million for the change in FMAP.

Ms. Walker concluded the budget presentation with a financial status update of the State Health Benefit Plan (SHBP). The Department examines the status by looking at the revenue versus the expenditures to give a net position related to whether the program is operating in a surplus or a deficit and shows how it impacts the fund balance. Revenue within SHBP is generated by employer contributions and employee premiums (77%/23% breakout) and for expenditures, the agency's actuaries look at the medical trends, utilization, and other changes within the market.

The Department ended the year with a deficit of \$88.9 million and projects an operational deficit of \$388.5 million in FY 2022, which declines to a projected deficit of \$629 million in FY 2023 and declines to a deficit of \$1.0 billion in FY 2024. The projected deficit is based on expenses outpacing revenue.

Ms. Walker respectfully asked for the Board's favorable consideration to approve the proposed AFY22 and FY23 Budget.

Mark Trail MADE a MOTION to approve the AFY22 and FY23 Budget. Russell Crutchfield SECONDED the MOTION. ON THE MOTION, the yeas were 6, nays 0, abstained 0, and the MOTION was APPROVED.

(A copy of the AFY22 and FY23 Budget is attached hereto and made an official part of these minutes as Attachment #3).

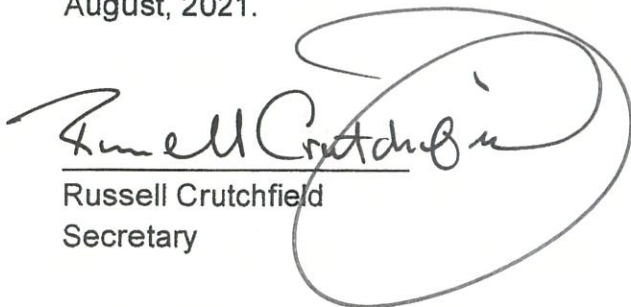
New Business/Closing Comments

On behalf of the Board, Chairman Boyd thanked Ms. Simon for her service. He also thanked Lisa Walker and her team for their work on the budget.


Adjournment

There being no further business to be brought before the Board, Chairman Norman Boyd adjourned the meeting at 10:55 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 26th DAY OF August, 2021.



Russell Crutchfield
Secretary



Norman Boyd
Chairman

Official Attachments:

#1 Agenda

#2 List of Attendees

#3 AFY22 and FY23 Budget