

Board of Community Health  
Meeting  
August 27, 2020

**Members Present**

Norman Boyd  
Allana Cummings  
Roger Folsom  
Mark Trail  
David Crews  
Russ Childers  
Anthony Williamson

**Members Absent**

Russell Crutchfield  
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 Berry thanked the Board, members of the public and staff for their participation via WebEx.

Commissioner Berry updated the Board on the following:

- Recognized and thanked the following individuals:
  - On-going support from the Governor Brian P. Kemp's office
  - Front line workers in hospitals across the state
  - Partnerships with HWL Healthcare and Joseph Hood's leadership with Staff Augmentation, along with members of the Governor's office and other staff members at DCH including, Shawn Walker, the Georgia Hospital Association (GHA), Nursing Home Associations and long-term care facilities (LTCFs)
  - Melanie Simon, Elaine Wright and the Healthcare Facility Regulation (HFR) surveyor team

- Jeff Rickman and his teams' work on the State Health Benefit Plan (SHBP)
- Office of Inspector General (OIG)

Lisa A. Walker, CFO, presented to the Board the proposed Amended FY 2021 and FY 2022 budgets.

Ms. Walker began by outlining the budget process and summarized the conclusion of FY 2020. During FY 2020, DCH served 52% of Medicaid beneficiaries in Low Income Medicaid (LIM) program, 20% in the Aged, Blind and Disabled (ABD) program, 5% in Peachcare, 23% State Health Benefit Plan (SHBP) program and smaller percentages in various other programs. Georgia is amongst the top ten states that has a high child enrollment on the Medicaid and Children's Health Insurance Programs (CHIP) programs. She further noted that the Department expended over \$3.2 billion in state funds over the course of the fiscal year of which 95.4% were expended in the Medicaid programs.

Ms. Walker made a few comments regarding the FY 2021 budget and informed the Board that the Department has a budget of \$3.7 billion in state funds for the year, with 97% of those funds budgeted in the Medicaid program.

Turning next to the proposed Amended FY 2021 and FY 2022 budgets, Ms. Walker began by stating a flat budget related to the budget instructions released by the Governor's Office of Planning and Budget (OPB). Ms. Walker reviewed with the Board each individual request item for the Amended FY2021 and FY 2022 budget and responded to questions.

The Amended FY 2021 request items include a projected growth need in Medicaid of \$6.3 million (summarized across the benefits programs); \$2.2 million for Medicare Part B subsidy; \$7.1 million reduction for Medicare Part D Clawback subsidy; \$162.7 million reduction for the enhanced Federal Medical Assistance Percentages (FMAP) (September through December) and \$35 million for private hospitals participating in the Disproportionate Share Hospital (DSH) program.

There were two transfers from the ABD program. The first transfer was to departmental administration to address the implementation of prior authorization for independent labs of \$850,000 and the second transfer of \$2,448,000 was to Healthcare Facility Regulation (HFR) to fund the Centers for Medicare and Medicaid Services (CMS) COVID-19 mandate to address surveys related to infectious disease.

Next, Ms. Walker addressed the Department's budgetary needs for FY 2022. The FY 2022 budget request includes a projected growth need in Medicaid of \$106.4 million (summarized across the benefits programs); \$165.4 million for the restoration of the Coronavirus Aid, Relief, and Economic Security (CARES) Act enhanced FMAP adjustment; \$102.1 million for the restoration of CMO retro rate amendment and risk corridor adjustment; \$38.5 million reduction for the Health Insurer Fee Moratorium (HIF); \$7.5 million for Medicare Part B subsidy; \$4.9 million for Medicare Part D Clawback

subsidy; and \$50 million for projected revenue related to tobacco reserves.

There was only one transfer in FY 2022 from the ABD program. The transfer was to departmental administration to address the implementation of prior authorization for independent labs of \$850,000.

Ms. Walker concluded the budget presentation with a financial status update of the State Health Benefit Plan (SHBP). The Department ended the year with a surplus of \$228.2 million and projecting an operational deficit of \$108 million in FY 2021, which drops to a projected deficit of \$315.4 million in FY 2022 and drops to a deficit of \$683.3 million in FY 2023. The drop in projected surplus is based on the "status quo" revenue and expense assumptions that are built in to the projection. Any changes to plan design, growth assumptions, premium rates, and employer contribution rates would result in a recast of the plan's projected financial status.

Ms. Walker respectfully asked for the Board's favorable consideration of adoption.

Mark Trail MADE a MOTION to approve for adoption the AFY21 and FY22 Budget. Roger Folsom SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 0, abstained 0, and the MOTION was APPROVED.

(A copy of the AFY21 and FY22 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 expressed appreciation to first responders and DCH staff.

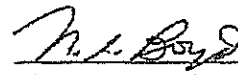
#### Adjournment

There being no further business to be brought before the Board, Chairman Norman Boyd adjourned the meeting at 11:07 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 27<sup>th</sup> DAY OF August, 2020.



Allana Cummings  
Secretary



Norman Boyd  
Chairman

Official Attachments:

#1 Agenda

#2 List of Attendees

#3 AFY21 and FY22 Budget