Georgia Department of Community Health

2016 ANNUAL REPORT

FY 2016 Annual Report

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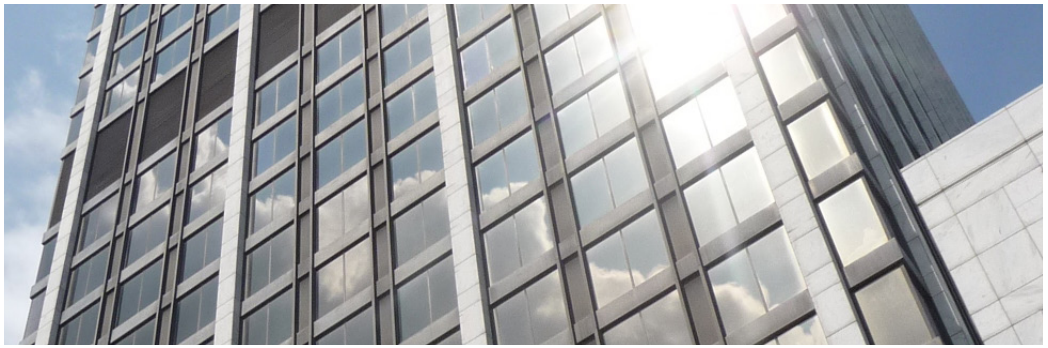
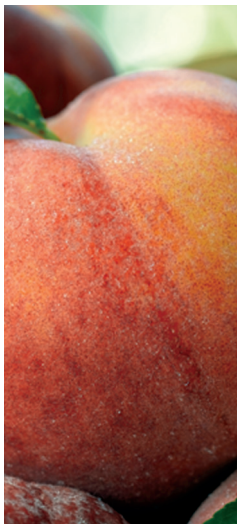
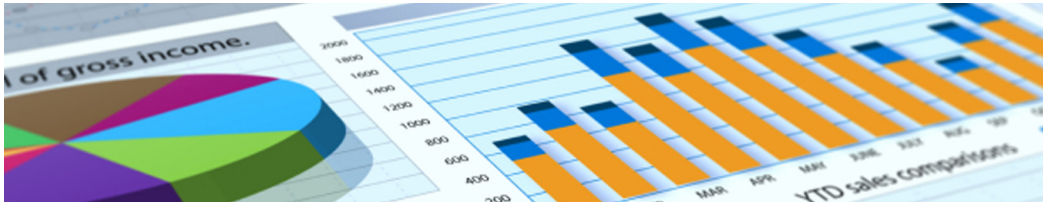






The Big Health Care Picture and Georgia

Introduction

The Georgia Department of Community Health (DCH), designated as the state agency for Medicaid and PeachCare for Kids® , provided access to healthcare for nearly 2 million Georgians. DCH also administered the State Health Benefit Plan (SHBP), providing healthcare coverage for more than 646,000 state employees, public school personnel, retirees and dependents. Combined, these two divisions provided health insurance coverage to approximately one in four people in the state, or nearly 2.6 million Georgians. Highlights of major accomplishments included:

- The Medicaid Division awarded the new Care Management Organization (CMO) contracts in response to the FY 2015 Georgia Families and Georgia Families 360 reprocurement. The Division also procured and awarded new service contracts; continued design and development of an Integrated Eligibility System (IES); executed the ICD-10 project; implemented the Centralized Credentialing Verification Organization; implemented the new Home and Community Based Services Settings Rule; continued and expanded Medicaid's partnership with the Department of Public Health (DPH); implemented the Paperless Initiative; and formed a partnership with the DPH to represent Georgia in the CDC's 6:18 Initiative to improve health and control healthcare costs. In addition, the Division provided over 350,000 members with over four million trips through the Non-Emergency Transportation program using the services of two brokers across the state.
- SHBP secured a new Medicare Advantage (MA) vendor, which offered retirees over 65 a second MA choice. SHBP continued to offer two statewide HMO plan options through Blue Cross and Blue Shield of Georgia and UnitedHealthcare; a regional Atlanta Metropolitan Statistical Area (MASA) through Kaiser Permanente; and a HDHP plan option through UnitedHealthcare.
- The Healthcare Facility Regulation Division (HFRD) inspected, licensed, had oversight of and regulated nearly 20,000 Georgia healthcare facilities, including hospitals, nursing homes and personal care homes. HFRD also issued 667 licenses for new healthcare businesses in Georgia, conducted over 3,400 inspections of existing facilities, and created a Compliance Unit to monitor adherence to state and federal requirements.
- The Office of Health Planning received 71 applications for Certificate of Need, 91 Requests for Letters of Non-Renewability and 233 requests for Letters of Determination and sent 1,470 health planning surveys to regulated facilities and providers and collected and deposited $2,180,980 in the Indigent and Charity Care Trust Fund from adjusted payments to offset

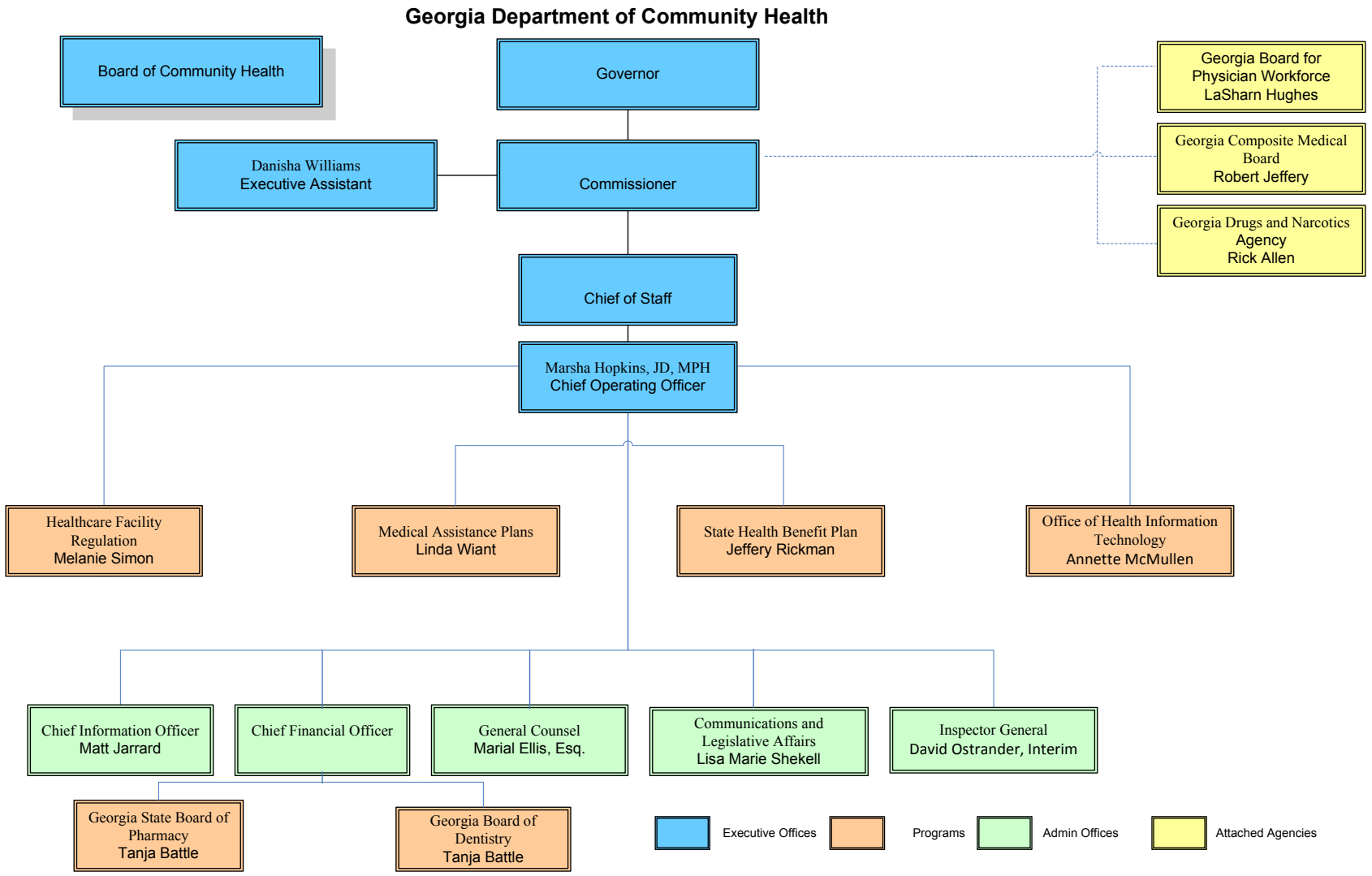
shortfalls in indigent and charity care commitments.

- The Division of Health Information Technology continued its administrative oversight of the Medicaid Electronic Health Records (EHR) Incentive Program. As of June 2016, the program has paid over $263 million to Georgia healthcare providers since the program's inception in 2011.
- The Office of General Counsel's Legal Section received approximately 1,047 member and provider appeals. Contracts Administration generated approximately 183 contractual documents, including amendments. The Open Records section received approximately 340 requests for records pursuant to the Georgia Open Records Act.
- The Office of Information Technology transformed the entire DCH Network at 2 Peachtree to newer, faster network hardware with new fiber cabling between floors and a faster outside connection to the Internet and to the North Atlanta Data Center (NADC). The Office of Health Information and Analytics successfully completed a Request For Proposal (RFP) for Decision Support and Data Warehousing Services.
- The Office of Inspector General's Background Investigation Unit processed 1,386 criminal history records of DCH licensed facilities. The Provider Enrollment Unit enrolled 30,955 providers in Medicaid and PeachCare for Kids®. The Special Investigations teams opened 224 Medicaid recipient cases and 913 cases were closed which resulted in a cost savings of $126,465 for the State of Georgia. The Third Party Liability Unit (TPL) helped recover over $40.3 million for the TPL and recoupment programs.
- Communications and Legislative Affairs responded to 438 media inquiries and 2,802 constituents' concerns.
- In the Operations Division, Grant Administration successfully managed 128 active grants totaling $30,653,716.50 in state, federal and matching funds. The State Office of Rural health administered state and federal funds totaling $17,579,915.

In the DCH Annual Report for FY 2016, you will find descriptions of what the department does, pertinent figures and what divisions and offices considered their greatest accomplishments for the year.

We are dedicated to A ***Healthy*** Georgia.

DCH Organizational Chart



Medicaid

In FY 2016, the Georgia Department of Community Health (DCH) served as the single state agency for the administration of the Medicaid program under Title XIX of the Social Security Act, providing healthcare for children, pregnant women and people who were aged, blind or disabled (ABD). DCH's Medicaid Division oversaw the Georgia Medicaid programs and PeachCare for Kids® (Georgia's Children's Health Insurance Program [CHIP] population). Medicaid and PeachCare for Kids members received services through either managed care (Georgia Families or Georgia Families 360°) or fee-for-service arrangements. The Medicaid Division provided management oversight of the Medicaid and PeachCare for Kids programs by:

- Developing and implementing policies on allowable services and service delivery.
- Administering the Georgia Families 360° managed care program for children in foster care, receiving adoption assistance and select youth in the juvenile justice system.
- Overseeing member eligibility and enrollment into Medicaid and PeachCare for Kids, and enrollment into the Georgia Families Care Management Organizations (CMOs) and the Georgia Families 360o CMO.
- Overseeing the seven programs offering home- and community-based services (HCBS) alternatives over long-term institutional care.
- Collecting data and reporting the performance metrics for both the fee-for-service population and members in Georgia Families and Georgia Families 360°. The state used the Healthcare Effectiveness Data and Information Set (HEDIS) to measure performance on important dimensions of care and service.
- Developing and implementing new programs in Medicaid and PeachCare for Kids promoting continuity of care, care coordination and enhanced health outcomes, such as the rapid cycle process improvement projects.
- Controlling expenditures and overseeing all categories of service including capitation payments, pharmacy, inpatient hospital, outpatient hospital, nursing and long-term care facility and transportation.
- Addressing member needs through Medicaid and PeachCare for Kids provider relations and resolution services.

- Evaluating opportunities to improve efficiency and effectiveness in Medicaid operations and implementing changes that streamline processes for providers and Medicaid and PeachCare for Kids members.

- Managing the performance of three CMOs responsible for providing medical services under the Georgia Families and Georgia Families 360˚ programs to 1,300,000+ Medicaid and PeachCare for Kids® members.

Major Programs and/or Initiatives

Beyond the primary role of managing Medicaid, the Division developed new and innovative programs that enhanced the effectiveness and efficiency of healthcare services offered. Georgia Medicaid continued the improvement of services through program enhancements as part of the Medicaid Redesign initiative. Medicaid Redesign began in FY 2011 and focused on improving the health of Medicaid members, while also controlling the ever-increasing expenditures of providing Medicaid services in Georgia. In FY 2016, Medicaid implemented the following:

- **Awarded new CMO contracts in response to the FY 2015 CMO reprocurement**. DCH first implemented Georgia Families, the Medicaid managed care program for Low Income Medicaid (LIM), and PeachCare for Kids members in FY 2005. DCH released an RFP for new services in FY 2015 and awarded the new contracts in FY 2016. The current contracts will expire at the end of FY 2017. The new CMO contracts will be implemented on July 1, 2017 with changes to the Georgia Families program, including a value-based purchasing component to ensure that the CMOs meet predefined performance metrics.

- **Procured and awarded new service contracts**, including the Medical Management Utilization Services contract and evaluation services for the Planning for Healthy Babies Family Planning Waiver program. Conducted public forums to solicit stakeholder input for two future procurements initiatives in development, Non-Emergency Medical Transportation broker services and centralized credentialing of providers.

- **Continued Design and Development of an Integrated Eligibility System (IES)**. Procured in FY 2015, DCH continued working with other state agencies in FY 2016 to develop a robust IES, projected to be operational in FY 2017. DCH is working closely on this project with the Department of Human Services (DHS), Department of Public Health (DPH) and Department of Early Care and Learning (DECAL). IES provides a single point of entry to serve those applying for Medicaid, Food Stamps (SNAP), Temporary Assistance for Needy Families (TANF), Women, Infants, and Children (WIC) benefits and Child Care Services (CAPS). User Acceptance Testing (UAT) for the new system began in November, 2015 and a major milestone was reached with the implementation of an enterprise Master Person Index (eMPI) in March, 2016. The eMPI currently serves the legacy eligibility system as well as the state's child welfare system (SHINES) and child support services system ($TARS).

- **Executed the ICD-10 project for Medicaid**. DCH completed a successful implementation of ICD-10 and met the national go-live date of October 1, 2015.

- **Implemented the Centralized Credentialing Verification Organization**. In FY 2016, DCH worked with our fiscal agent (HP) to develop and implement a streamlined provider credentialing process. The Credentialing Verification Organization (CVO) is responsible for credentialing and recredentialing Medicaid, PeachCare for Kids, Georgia Families and Georgia Families 360° providers in accordance with guidelines established by the National Committee for Quality Assurance (NCQA). The CVO conducts primary source verification as well as monthly monitoring of provider fraud and abuse sanctions. The CVO has a Credentialing Committee, chaired by a Medical Director responsible for reviewing all credentialing and recredentialing applications. In FY 2016, the CVO also began credentialing fee-for-service (FFS) only providers. Georgia Medicaid is one of the first state agencies in the country to use a centralized credentialing process and to use that process to credential FFS providers.

- **Implementation of the new HCBS Settings Rule.** The Centers for Medicare and Medicaid Services (CMS) issued regulation in FY 2014 defining the characteristics and qualities of home and community based services (HCBS) and the characteristics and qualities of the settings in which services can be delivered. The regulation required the state to develop a Statewide Transition Plan describing how the state would assure compliance with the new rules that call for services to be provided in an integrated setting and in the most community-inclusive manner. Georgia's work toward compliance has included engagement of a statewide Task Force, public meetings to solicit stakeholder input on the development of the Transition Plan, and preparation of four waiver-specific Transition Plans as well as a Statewide Transition Plan (STP). CMS approved the waiver-specific plans. An updated version of the STP was posted for public comment August 8-September 9, 2016. The updates included initial findings from systemic and site-specific assessments where policies, regulations and service settings were reviewed to determine current levels of compliance. After incorporating stakeholder feedback, the STP will be resubmitted to CMS for approval. Next steps include education and remediation to achieve compliance. Implementation of the STP will be ongoing through 2019. **For more information visit dch.georgia.gov/hcbs**

- **Non-Emergency Medical Transportation (NEMT).** Through the NEMT program, DCH provided more than 4,000,000 trips to and from medical services in FY 2016 for approximately 350,000 Medicaid members who had no other means of transportation. NEMT services are managed by two brokers under contract with DCH who cover the state and use transportation providers to pick up and deliver eligible Medicaid members.

- **Paperless Initiatives**
  - The Division continues to move new Categories of Service into the
  - Centralized Prior Authorization portal.
  - The Division implemented an online process for providers to submit and track appeals, which has improved process efficiency.

- **Continued and expanded Medicaid's partnership with the Department of Public Health (DPH):**
  - Completed an agreement with DPH to provide Medicaid newborn babies and mothers with a bassinet and information on SUIDS and safe sleep habits.
  - Completed an agreement to provide additional in home services for children with disabilities under the age of three.
  - Completed an updated Title V and XIX agreement to coordinate services.
  - Developed a partnership to provide tobacco cessation services to Medicaid members

- **Formed a partnership with the Department of Public Health to represent Georgia in the CDC's 6:18 Initiative to improve health and control healthcare costs.** Georgia selected two of the CDC's six high-burden health conditions to focus on: asthma and preventing unintended pregnancies. DCH partnered with its CMOs to implement the following evidence-based asthma interventions: promotion of evidence-based asthma medical management and; promotion of strategies to improve access and adherence to asthma medications. DPH is piloting intensive self-management education and home visits for individuals whose asthma is not well controlled with guidelines based medical management. To address preventing unintended pregnancies, DCH and DPH are collaborating to remove administrative and logistical barriers to long acting reversible contraceptives (LARCs) with a special focus on insuring hospitals are being reimbursed for LARCs inserted in the immediate postpartum period. DCH implemented the other three evidence-based interventions to preventing unintended pregnancies prior to the start of the 6:18 initiative.

FY 2016 Table of Members and Expenditures

Measures	Medicaid[4]	Medicaid-ABD	Medicaid-LIM	PeachCare for Kids™
Members Average[1]	1,862,573	497,141	1,365,432	127,975
Member Months	22,350,880	5,965,693	16,385,187	1,535,696
Net Payment	$5,541,575,588	$5,111,026,700	$430,548,888	$11,082,937
Providers[2]	111,383	77,424	89,911	38,645
Claims Paid	50,816,449	26,166,593	24,649,856	1,983,980
Capitation Amount	$3,716,316,199	$37,838,519	$3,678,477,679	$245,111,521
Total Payment[3]	**$9,257,891,787**	**$5,148,865,219**	**$4,109,026,568**	**$256,194,458**
Total Payment Per Member Per Month	$414	$863	$251	$167

Source: Truven Health Analytics Advantage Suite, based on incurred dates July 2015 through June 2016, paid through August 2016.

[1]Members Average is the average number of members per month with any coverage type. Each member is counted once for each month they are eligible, then this count is divided by the overall number of months in the time period during which at least one member was enrolled.

[2]Unique count of providers used across the ABD and LIM populations. Providers represents multiple locations for individual providers.

[3] Includes Net Payment and Capitation Amounts.

[4] Medicaid includes Medicaid ABD and Medicaid LIM and excludes PeachCare.

Table of Historical Medicaid Members and Payments by Fiscal Year[1]

Fiscal Year	Average Members	Total Payments[2]	Payment Per Member	Percent Change in Payment Per Member
2000	947,054	$3,482,779,560	$3,677	N/A
2001	996,901	$3,822,786,433	$3,835	4.3%
2002	1,268,225	$4,461,972,245	$3,518	-8.3%
2003	180,953	$4,885,865,204	$3,875	10.1%
2004	1,326,909	$6,039,465,103	$4,552	17.5%
2005	1,376,730	$6,311,890,515	$4,585	0.7%
2006	1,390,497	$6,280,193,139	$4,517	-1.5%
2007	1,283,940	$6,155,158,918	$4,794	6.1%
2008	1,268,661	$6,371,942,440	$5,023	4.8%
2009	1,353,191	$6,703,774,787	$4,954	-1.4%
2010	1,447,865	$6,954,116,861	$4,803	-3.0%
2011	1,496,881	$7,464,027,216	$4,986	3.8%
2012	1,540,666	$7,813,851,582	$5,072	1.7%
2013	1,588,074	$8,047,771,351	$5,068	-0.1%
2014	1,633,977	$8,451,360,734	$5,172	2.1%
2015	1,807,586	$8,923,003,018	$4,936	-4.1%
2016	1,862,573	$9,257,891,787	$4,970	0.7%

Source: Truven Health Analytics Advantage Suite, based on incurred dates July 1999 through June 2016, paid through August 2016.

1 Medicaid includes Medicaid ABD and Medicaid LIM and excludes PeachCare.

2 Includes Net Payment and Capitation Amounts.

Medicaid Payments Distribution by Services Type: FY 2016

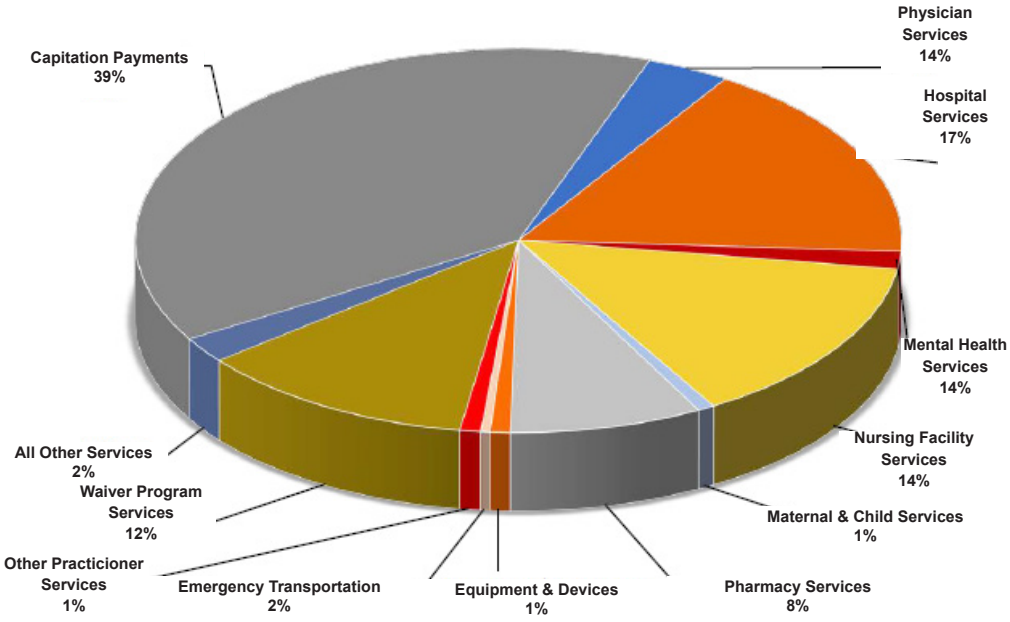
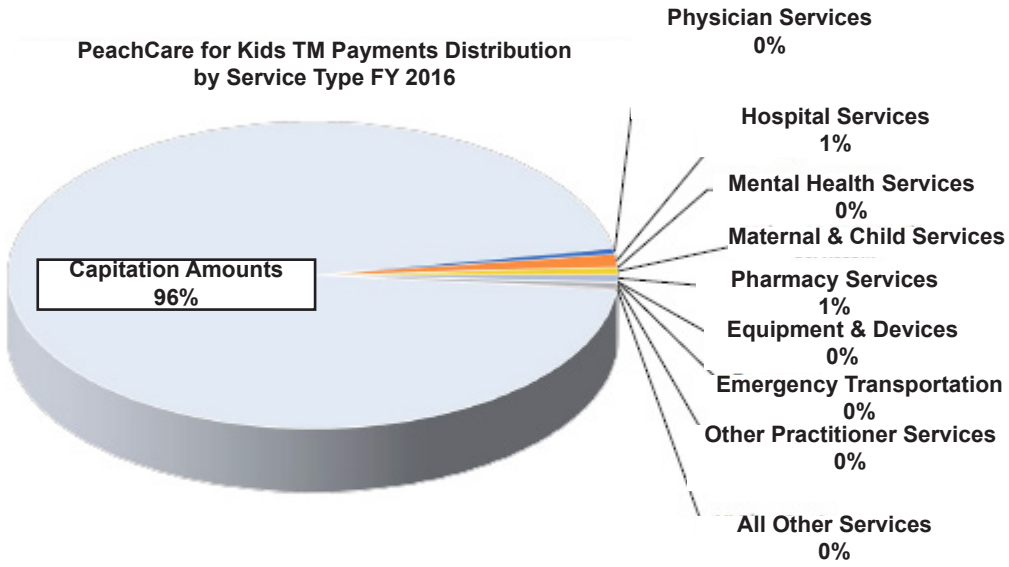


Table of Historical PeachCare For Kids™ Members and Payments by Fiscal Year

Fiscal Year	Average Members	Total Payments[2]	Payment Per Member	Percent Change in Payment Per Member
2000	8,503	$50,730,000	$5,966	--
2001	14,028	$115,931,116	$8,264	38.5%
2002	154,406	$170,916,516	$1,107	-86.6%
2003	180,953	$212,319,603	$1,173	6.0%
2004	200,562	$262,676,747	$1,310	11.6%
2005	208,185	$273,274,876	$1,313	0.2%
2006	238,330	$310,331,108	$1,302	-0.8%
2007	273,659	$432,157,786	$1,579	21.3%
2008	249,681	$345,678,006	$1,384	-12.3%
2009	205,548	$304,985,696	$1,484	7.2%
2010	202,527	$299,535,400	$1,479	-0.3%
2011	199,532	$316,597,618	$1,587	7.3%
2012	205,167	$337,832,456	$1,647	3.7%
2013	217,964	$398,859,531	$1,830	11.1%
2014	215,222	$418,871,817	$1,946	6.4%
2015	158,336	$302,899,875	$1,913	0.0%
2016	127,975	$256,194,458	$2,002	2.9%

Source: Truven Health Analytics Advantage Suite, based on incurred dates July 1999 through June 2016, paid through September 2016.

1 Includes Net Payment and Capitation Amounts.



1 All Other Services includes payments for laboratory services Federally Qualified Health Centers, Ambulatory Surgical Centers Psychiatric Residential Treatment Facilities (PRTF), and Rural Health Centers.

State Health Benefit Plan

The Georgia Department of Community Health (DCH) served as the State's administrator of health insurance coverage for state employees, teachers, school system employees and retirees who continued coverage (including annuitants and former employees on extended coverage), and covered dependents. This health coverage is known as the State Health Benefit Plan (SHBP).

SHBP is composed of three plans: the State Employees Plan, the Teachers Plan and the Public Schools Employees Plan. SHBP covered 639,111 lives as of June 2016.

SHBP is self-insured, self-funded plan that pays benefits out of the premiums contributed from members (through monthly payroll deductions) and from monthly contributions from the employers that offer the SHBP (e.g., state agencies and public school systems).

SHBP also offers two fully-insured Medicare Advantage (MA) options for former employees who are continuing coverage and are enrolled at a minimum in Medicare Part B. Employer contributions and member premiums are used to purchase MA insurance.

In calendar year 2016, SHBP offered eligible active employees and eligible former employees under age 65 the choice of three Health Reimbursement Arrangement (HRA) plan options, Gold, Silver, and Bronze; two statewide Health Maintenance Organization (HMO) plan options; one Metro Atlanta Service Area (MASA) Regional HMO plan option; and one High Deductible Health Plan (HDHP) plan option.

Structure of SHBP

Structure of SHBP

Within the Division, there were five primary operating units:

- **Plan Management** developed the Benefit Plan and designed the Plan documents, which contained the terms and conditions of the SHBP. The unit was responsible for monitoring compliance with vendor contracts and providing oversight and monitoring of vendor performance.
- **Clinical and Medical Management** provided oversight of the vendors' performance of services for clinical programs including, but not limited

to: utilization management; case management; disease management; behavioral health; wellness and pharmacy management and the overall quality of these services.

- **Communications** provided information to employers and members of the Plan's benefits, eligibility, policies and procedures.
- **Employer Services** assisted participating employers with information and training about Plan coverage and billing.
- **Administrative Solutions Team** assisted members with all eligibility matters including changes and premium payment issues, as well as oversight of the eligibility vendor and member enrollment.

Accomplishments

In 2016, SHBP secured a new Medicare Advantage (MA) vendor, which offered retirees over 65 a second MA choice. SHBP continued to offer HRA plan options (Gold, Silver and Bronze), in addition to two (2) statewide HMO plan options (offered through Blue Cross and Blue Shield of Georgia and UnitedHealthcare); a MASA Regional HMO (offered through Kaiser Permanente); and a HDHP plan option (also offered through UnitedHealthcare). These plan options continued to provide expanded vendor and plan design choices for active employees and their dependents.

Additionally, SHBP continued to encourage health and wellness participation to its membership. To that end, SHBP offered wellness incentive offerings through the HRA, Statewide HMOs and HDHP plan options via its wellness vendor, Healthways. Members and their covered spouses were each able to earn up to 480 well-being incentive credits (up to 960 well-being incentive credits per household) by completing certain health actions; these credits could be used to reduce members' out-of-pocket costs for eligible medical and pharmacy expenses. Further, Kaiser Permanente members and their covered spouses were each able to earn a $240 gift card (up to $480 per household) by completing certain health actions.

Preventative and Wellness Campaigns as of September 2016

Health Assessment Completions

Total completions for this time period was 98,097, of which 79,120 completed by members; 18,752 were completed by spouses, and 225 were completed by Dependents over 18

Biometric Screenings

Total onsite screening events completed for this time period was 571, with 41,583 onsite screening participants and total Physician Screening Forms submitted during this time period was 43,495.

Challenges

- Stress Less Quest nutrition challenge was targeted to 260,462 members and a total of 4,658 members joined.
- Wonder Walk steps challenge was targeted to 262,207 members and a total of 6,492 members joined.
- Mission Nutrition challenge was targeted to 257,540 members and a total of 2,120 members joined.

Preventive Campaigns

- January Cervical Cancer Awareness Month – 229,734 targeted
- March Colorectal Awareness Month – 91,685 targeted
- Women's Health Week – 173,812 targeted
- Men's Health Week – 57,499 targeted
- Online Diabetes Prevention Program – 125 participants

Onsite Activities

January 2016 - September 2016 Wellness Activities

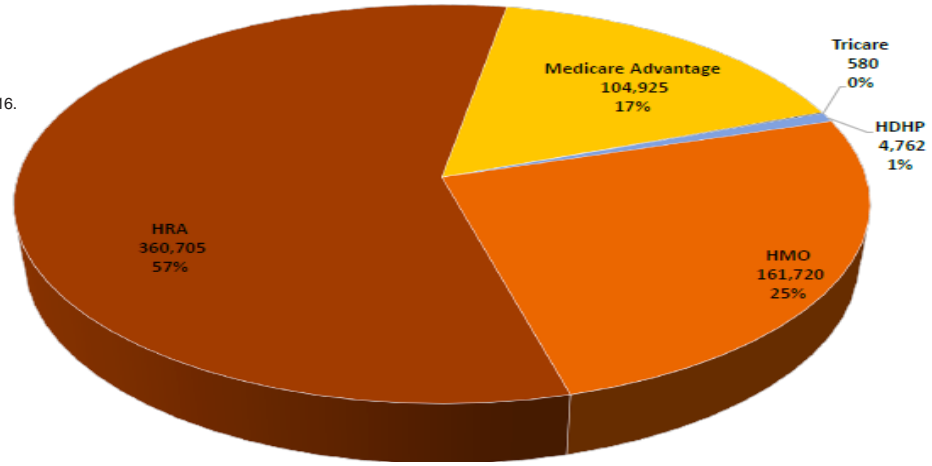
Presentation	50
Onsite Meetings/Collateral Drop	39
Walking Maps	7
New Hire Orientation	5
Benefits Fairs	16
Cooking Demo's	5
Health Assessments Days	4
Conferences/Training	24
Attended Biometric Screening	80
Worksite Fitness Events	10
Total	**240**

Table of Historical SHBP Members and Payments by Fiscal Year[1]

Fiscal Year	Members Average	Total Payments	Payment Per Member	% Change in Payment Per Member
2000 [2]	--	--	--	--
2001	647,466	$1,110,543,053	$1,715	--
2002	663,944	$1,212,072,547	$1,826	6.4%
2003	615,167	$1,099,992,138	$1,788	-2.1%
2004	627,636	$1,378,907,068	$2,197	22.9%
2005	642,553	$1,484,143,212	$2,310	5.1%
2006	647,581	$1,881,122,239	$2,905	25.8%
2007	664,251	$2,000,575,396	$3,012	3.7%
2008	684,346	$2,187,836,485	$3,197	6.1%
2009	695,484	$2,522,951,203	$3,628	13.5%
2010	691,410	$2,647,862,985	$3,830	5.6%
2011	686,776	$2,671,341,740	$3,890	1.6%
2012	677,393	$2,759,640,257	$4,074	4.7%
2013	648,242	$2,580,549,357	$3,981	-2.3%
2014	625,719	$2,956,753,454	$4,725	18.7%
2015	625,559	$3,689,680,729	$5,832	16.2%
2016	632,692	$3,689,680,729	$5,832	6.2%

Source: Truven Health Analytics Advantage Suite and DataProbe, based on incurred dates July 1999 through June 2016, paid through August 2016.
1 Includes Net Payments, Healthcare Reimbursement Amounts, Health Incentive amount and Capitation Amounts.
2 Data for FY 2000 is not available.

SHBP Members Average by Plan Type FY 2016



Source:Truven Health Analytics Advantage Suite, based on incurred dates July 2015 through June 2016 and paid through August 2016
1Members Average reflects entollment for the Fiscal Year, July 2015 through June 2016.

FY 2016 Table of State Health Benefit Plan Covered Lives[1]

Measures	State Active	State Retiree	Teacher Active	Teacher Retiree	NonCert Active	NonCert Retiree	COBRA/ Surviving Spouse	Total SHBP
Members Average[2]	97,032	51,131	247,082	81,987	119,905	32,634	2,922	632,692
Member Months	1,164,384	613,578	2,964,978	983,846	1,438,854	391,606	35,061	7,592,307
Net Payment	$454,871,155	$468,607,083	$919,491,841	$708,801,448	$627,542,369	$350,215,083	$24,929,809	$3,509,458,786
Providers	28,059	54,922	44,838	83,597	29,538	43,099	11,537	147,833
Claims Paid	2,430,799	3,727,880	5,283,560	4,852,229	3,252,480	2,244,236	148,433	21,484,617
Capitation Amount[3]	$20,839,201	$2,084,946	$40,966,421	$2,374,585	$25,478,164	$1,211,202	$9,354	$92,963,873
Healthcare Reimbursement Amount	$20,521,408	$5,590,764	$43,493,819	$7,267,546	$24,145,362	$2,339,889	$165,967	$107,798,511
Total Payments[4]	**$492,762,518**	**$475,676,837**	**$994,007,745**	**$721,207,349**	**$672,406,438**	**$308,531,705**	**$25,088,138**	**$3,689,680,729**
Payments Per Member	$423	$775	$335	$733	$467	$788	$716	$486

Source: Truven Health Analytics Advantage Suite, based on incurred dates July 2015 through June 2016, paid through August 2016.

1 The State Active group also includes the Contract Active group. The State Retiree group also includes the Contract Retiree group. The Teacher Active group also includes the County Government Active group. The COBRA group includes COBRA Continuees and Surviving Spouse/Dependents from each Employee Type Group.

2 Members Average reflects enrollment for the Fiscal Year, July 2015 through June 2016.

3 Includes Net Payments, Healthcare Reimbursement Amount, and Healthcare Incentive Amounts for UHC members (note, HIA is not available for BCBS members to date). Includes Medicare Advantage payments for the entire year (note, that the MA payments for FY 2014 were only for six months). Excludes Kaiser capitation payments.

4 Unique count of providers used across the State Active and Retiree; Teacher Active and Reitree; Non Cer Active and Retiree; and COBRA/Surviving Spouse and the Total SHBP populations.

FY 2016 Table of State Health Benefit Plan Covered Lives[1]

Category	Members Average	Employee / Retiree	Dependent
State Employees - Active	95,413	52,624	42,789
State Employees - Retired	51,080	35,233	15,848
Teachers – Active	245,928	105,098	141,830
Teachers – Retired	81,987	56,555	25,432
School Service Personnel – Active	119,904	63,259	56,645
School Service Personnel – Retired	32,634	23,711	8,923
Contracts/Board Members	1,824	1,152	672
COBRA/Surviving Spouse	2,922	2,617	305
SHBP TOTAL	632,692	340,249	292,443

Source: Truven Health Analytics Advantage Suite, based on incurred dates July 2015 through June 2016, paid through August 2016.

[1]Members Average reflects enrollment for the Fiscal Year, July 2015 through June 2016.

Healthcare Facility Regulation

The Healthcare Facility Regulation Division (HFRD) of the Georgia Department of Community Health (DCH) served Georgia residents through the oversight of statewide healthcare facilities.

In FY 2016, HFRD inspected and licensed more than 20 types of healthcare facilities and services, such as hospitals, nursing homes, assisted living facilities, personal care homes and drug abuse treatment, and end stage renal treatment facilities. The division certified various healthcare facilities to receive Medicaid and Medicare funds through contracts and agreements with the Centers for Medicare & Medicaid Services (CMS) and the Food and Drug Administration (FDA) of the U.S. Department of Health and Human Services (HHS).

HFRD provided ongoing monitoring of licensed healthcare facilities to ensure compliance with rules promulgated by DCH. The division reviewed and issued decisions to facilities' requests for waivers or variances to these rules. Furthermore, HFRD investigated reports of unlicensed facilities, complaints against licensed facilities, adverse events and incidents reported by citizens and the facilities

Accomplishments

- HFRD provided oversight to over 20,000 facilities, providers and registrants in FY 2016.
- HFRD issued 667 licenses for new healthcare businesses in Georgia and conducted over 3,400 inspections of existing facilities.
- HFRD also responded to 2,370 complaints against healthcare facilities and reviewed nearly 9,000 incident reports.
- To increase accountability and performance, HFRD created a Compliance Unit to monitor adherence to state and federal requirements.

Office of Health Planning

The Office of Health Planning (Health Planning) of DCH serves Georgia residents through its administration of the state's Certificate of Need (CON) program and health planning functions.

A CON is required before the offering of a statutorily defined new institutional health service by a healthcare facility. Health Planning reviews applications for CON issuance in accordance with the state health plan, relevant statutes, rules and regulations. Health Planning also issues Letters of Determination, which provide guidance on the applicability of CON rules for proposed projects, and Letters of Non-Reviewability (LNR) for facilities or services not requiring prior review and approval pursuant to CON rules and regulations.

Health Planning conducts annual surveys of CON-regulated facilities and providers to obtain utilization and financial data for state health planning forecasts and methodologies as well as the CON review process. The Office insures compliance by healthcare facilities with indigent and charity care commitment percentages. Health Planning also conducts architectural plan reviews and site inspections for major renovations and construction projects in hospitals, nursing homes and ambulatory surgery centers.

Additionally, Health Planning administers the Patient's Right to Independent Review Program which provides members of health maintenance organizations and other managed care plans the right to appeal an insurer's decision denying coverage for medical services.

Accomplishments

- During FY 2016, the Office of Health Planning received 78 applications for Certificate of Need, 91 requests for Letters of Non-Reviewability and 233 requests for Letters of Determination. The Office prepared for and participated in the appeals of 15 matters during the fiscal year.
- Health Planning sent 1,470 health planning surveys to regulated facilities and providers and collected and deposited $2,180,980 in the Indigent and Charity Care Trust Fund from adjusted payments to offset shortfalls in indigent and charity care commitments.
- Health Planning conducted 275 plan reviews and 92 inspections at facilities under construction, travelling a total of 9937 miles
- As administrator of the Patient's Right to Independent Review Program, Health Planning reviewed 75 requests for independent review during the fiscal year.

Health Information Technology

During FY 2016, the Division of Health Information Technology (Health IT) continued its mission to advance the use of health information technology throughout Georgia to reduce healthcare disparities, improve health outcomes, increase the efficiency of healthcare delivery, and reduce overall healthcare costs. Health IT's objectives included:

- Administering the Medicaid Electronic Health Records (EHR) Incentive Program (Modified Stage 2). The Medicaid EHR Incentive Program consists of three stages of Meaningful Use. Each stage has its own set of requirements for Meaningful Use. Modified Stage 2 focuses on advanced use of certified EHR technology to support HIE and interoperability, including additional requirements for e-prescribing and incorporating lab results; electronic transmission of patient care summaries across multiple settings; and increased patient and family engagement. All providers are required to attest to a single set of objectives and measures. For eligible professionals (EPs), there are 10 objectives, and for eligible hospitals and critical access hospitals (CAHs), there are nine objectives.

- Demonstrating e-health in Medicaid services and supports. DCH successfully completed the second year of TEFT (Demonstration Grant for Testing Experience and Functional Assessment Tools (TEFT) in Medicaid Community-Based Long Term Services and Supports). DCH was awarded the four year grant by the Centers for Medicare & Medicaid Services (CMS) to test quality measurement tools and demonstrate e-health in Medicaid long term services and supports. This year, DCH developed the Experience of Care (EoC) Survey for Georgia, which elicits feedback on beneficiaries' experience with the services they receive in Medicaid CB-LTSS programs. The execution of the second phase of survey sampling will be conducted in Fall 2016. The TEFT initiative supports state Medicaid agencies in collecting and reporting on the adult core measures under Section 2701 of the Patient Protection and Affordable Care Act. During the grant period, Georgia will demonstrate the personal health record (PHR) component by working collaboratively with CMS and the Georgia Tech Research Institute to provide CB-LTSS beneficiaries with a range of personal LTSS and health information to facilitate decision making about care. The PHR can encourage a more active role for beneficiaries/caregivers in managing care and result in better outcomes through more efficient management of services.

- Supporting the Statewide Health Information Exchange (HIE). The Georgia Health Information Network (GaHIN) is Georgia's statewide HIE. During FY

2016, GaHIN was approved as the State-Designated Entity for the State of Georgia HIE. Created as a public-private partnership under the leadership of DCH, Division of Health IT, GaHIN electronically connects Georgia hospitals, physicians, clinicians, payers, wellness partners and other healthcare stakeholders to exchange patient health information though a secure network. DCH has furthered this public-private collaboration model to seek opportunities to provide technology support for Medicaid programs and policies.

- Advancing the use of EHR Technology through quality improvement. Georgia is looking towards goals of quality improvement and reduction in healthcare costs resulting in the need for a Georgia Clinical Quality Measures System (CQMS). As a result, during FY 2016 the Office of Health Information Technology partnered with Hewlett Packard Enterprise (HPE) and HealthTech Solutions to take a phased-approach in deploying the CQMS to better track the quality outcomes of Medicaid providers for many of the chronic diseases affecting Georgia's population. The popHealth component of the CQMS solution evaluates and presents provider-supplied measurements against industry-standard measures. This initiative realized several accomplishments during FY 2016 including: performed outreach and education to Medicaid providers and members on new policies and procedures; participated in the CMS Testing Experience Functional Tool (TEFT) demonstration to identify gaps in the Beneficiaries experience of service with the Medicaid waivers services; and developing a robust, strategic, HIT plan identifying needs, gaps, solutions and opportunities to advance the use of health information technologies, health information exchange and the adoption of electronic health record systems across the state.

Accomplishments

Through the Division of Heath IT, DCH continued its administrative oversight of the Medicaid EHR Incentive Program, including eligibility, registration and attestation for the distribution of incentive payments to eligible Medicaid providers. The 100 percent federally funded payments were made to eligible professionals and eligible hospitals that adopted, implemented, upgraded or demonstrated meaningful use of certified EHR technology to improve patient care and reduce healthcare disparities.

As of June 28, 2016, the program has paid over $263 million to Georgia healthcare providers since the program's inception in September 2011. Eligible Medicaid providers have until December 31, 2016, to complete their application to participate in the incentive program.

Financial Management

In FY 2016, the Financial Management Division provided financial support to the Georgia Department of Community Health (DCH). Four sections performed the division's work: Financial and Accounting Services, Financial Operations, the Budget Office, and Reimbursement Services.

Financial and Accounting Services

The Financial and Accounting Services section paid providers, vendors and employees, as well as processed federal, state and other fund source receipts. The section performed cash management analysis to ensure adequate funding for the agency. In addition, the section prepared annual financial statements and budgetary compliance reports, as well as financial reports that secured Medicaid, PeachCare for Kids® and other federal funding.

Financial Operations

The Financial Operations section is responsible for the development and implementation of business processes that are efficient and effective to meet the requirements of the Financial Management Division. Financial Operations includes the Medicaid Benefits Recovery and State Health Benefit Plan (SHBP) Audit sections. The Medicaid Benefits Recovery section is responsible for the collection of outstanding accounts receivable balances for Georgia Medicaid providers. The SHBP Audit section is responsible for the administrative and financial analysis of payments made to the SHBP. The Financial Operations section plays a key role in assisting the financial management division with day-to-day operations and the agency internal controls.

The Budget Office

The Budget Office developed, requested, maintained and monitored the DCH's budget. During budget development, the Budget Office prepared budget and cash projections for the Medicaid, PeachCare for Kids, and State Health Benefit Plan (SHBP) programs. In addition, the Budget Office, supported by the Financial and Accounting Services section, ensured funding was available for departmental operations before liabilities were incurred. Finally, the Budget Office provided analytical support on program and policy changes impacting Medicaid, PeachCare for Kids, and the SHBP.

Reimbursement Services

The Reimbursement Services section set payment rates for nursing homes, long-term care facilities, hospitals and non-institutional providers seeking reimbursement from the Medicaid and PeachCare for Kids programs. In addition, working with actuaries, the section determined Medicaid and PeachCare for Kids Care Management Organization (CMO) capitation rates. The section also was responsible for supplemental hospital, nursing home, and physician payments through the federal Upper Payment Limit (UPL) and Disproportionate Share Hospital (DSH) programs. Also in 2016, Reimbursement Services initiated significant changes to Hospital Inpatient reimbursement by establishing a Graduate Medical Education pool and increasing funding for hospitals with Indirect Medical Education cost, as well as for hospitals that treat a high proportion of Medicaid recipients.

Office of General Counsel

In FY 2016, the Office of General Counsel provided legal guidance and support to the Commissioner, the Board of Community Health, and all divisions and offices of the Department. The Office prepared contracts; drafted and monitored proposed legislation; analyzed and researched healthcare policy issues and state and federal laws; provided support in various court cases; and prepared policies, resolutions, rules and regulations for DCH. The Office also monitored compliance with HIPAA Privacy and Security, provided regulatory compliance guidance, and administered the Georgia Open Records Act on the Department's behalf. Through its Legal Services section, the Office also handled administrative hearings before the Office of State Administrative Hearings and the internal Hearing Officer designated by the Commissioner. The Office maintained a close working relationship with various governmental agencies, including but not limited to its sister agencies consisting of the Department of Behavioral Health and Developmental Disabilities (DBHDD), the Department of Human Services (DHS) and the Department of Public Health (DPH) to ensure an open line of communication supporting DCH's programs, goals and missions. Four sections in the Office assisted in the above efforts:

- Legal Services
- Contracts Administration
- HIPAA Privacy & Security
- Open Records

Accomplishments

- The Legal Services section received approximately 1,047 member and provider appeals.
- The Contracts Administration section responded to the contract needs of every division and office in DCH. Contracts Administration coordinated with program staff, DCH leadership and vendors to generate approximately 183 contractual documents, including amendments.
- The HIPAA Privacy & Security section assisted with the "Refreshed and Ready" training program, during which DCH workers, including DCH employees and contractors, completed online training about targeted DCH policies and procedures.
- The Open Records section received approximately 340 requests for records pursuant to the Georgia Open Records Act.

Information Technology

In FY 2016, the Office of Information Technology (OIT) was composed of the following business units:

- **The Medicaid Management Information System (MMIS) unit**, which supported the various systems used for processing, collecting, analyzing, and reporting information needed for all Medicaid and PeachCare for Kids® claim payment functions;
- **The Office of Health Information and Analytics (OHIA)**, which supported the Georgia Department of Community Health (DCH) Decision Support System and provided analytical and reporting services to DCH for the Medicaid, PeachCare for Kids® and SHBP populations;
- **The Information Technology Infrastructure (ITI) unit,** which provided end-user computing support and information technology oversight for the entire agency;
- **The Office of Information Security**, which ensured information and technology security compliance for DCH systems; and
- **The Medicaid Information Technology Architecture (MITA) unit**, which implemented Georgia's MITA framework including the State Self-Assessment, Business Architecture, Information Architecture, and the initiation of business process projects that will allow Georgia to mature along the MITA framework.

Accomplishments

- Transformed the entire DCH Network at 2 Peachtree to newer, faster network hardware with new fiber cabling between floors and a faster outside connection to the Internet and to the North Atlanta Data Center (NADC). This project also provided for wireless connectivity on all DCH floors for employees and external guests.
- Successfully completed implementation of MMIS system changes to allow for processing and payment of ICD-10 Medicaid claims.
- Initiated planning and strategy phase of MMIS transformation and re-procurement which will incorporate modularity and align with MITA principles.
- Established the organizational framework to support the Medicaid enterprise transformation that will align with MITA goals to further the organization with MITA maturity including establishment of an executive level Enterprise Governance Committee (EGC) and a Program Management Office (PMO). The MITA PMO completed the annual MITA State Self-Assessment for 11 Business Areas and 80 Business Processes and established a Roadmap to advance DCH's MITA Maturity in Business, Information and Technical Architecture, and

identified 32 DCH projects to advance DCH in the MITA Maturity Model.

- The MITA PMO adapted the APD development and review process to align with MITA requirements and optimize the ability to obtain Enhanced Federal Funding for 28 DCH projects.
- The MITA PMO developed the following strategies and plans as guidelines for continuous improvement and advancement in DCH's MITA initiative:
    - •Enterprise Business Process Management Strategy (EBPMS)
    - •Enterprise Technical Management Strategy (ETMS)
    - •Governance Structure for Technical Service Management (GSTSM)
    - •Enterprise Information Asset Repository Management Plan (EIARMP)
    - •Enterprise Data Standards Repository Management Plan (EDSRMP)
- The Office of Health Information and Analytics successfully completed a Request For Proposal (RFP) for Decision Support and Data Warehousing Services. The Enterprise Data Solution (EDS) RFP will allow DCH to select a vendor to house data from multiple state agencies in an effort to meet the growing reporting and analytic needs of the Department. The EDS procurement is currently in the evaluation phase and is expected to go live in FY 2019.
- The Office of Information Security provided subject matter expertise for multiple DCH projects including the EDS procurement, the Integrated Eligibility System (IES) Project, and the Care Management Organization (CMO) procurement.
- The Office of Information Security participated in the State Cyber Security Review Board's Cyber Resilience Review to assess cyber security of select high impact DCH systems.

Office of Inspector General

The Office of Inspector General (OIG) is a major asset in safeguarding the integrity of the Georgia Department of Community (DCH) from risk internally and externally. Detecting fraud, waste and abuse is the office's clear charge. The OIG rigorously reviewed, investigated and audited Medicaid providers and recipients to uncover criminal conduct, administrative wrongdoing, poor management practices and other fraud, waste, and abuse. The OIG also recovered the cost of medical expenditures from liable third parties when members were involved in a personal injury action. Additionally, the OIG provided Department oversight, audit and provider enrollment certification services.

In FY 2016 the office had eight units:

- **Background Investigations Unit (BIU)** - Performs state criminal background investigations for DCH employment, contractors, and applicants for Purchasing Cards. Additionally, the Background Investigations Unit conducts state and federal background checks of owners, directors, and employees of various licensed healthcare facilities.

- **Data Integrity and Analysis Team (DIAT)** – Generates data reports and claim information to support provider and member analysis and audits/reviews for the OIG. DIAT also performs research analysis and creates reports to support the detection of fraud, waste and abuse of Medicaid cases for the Georgia Department of Law, Medicaid Fraud Control Unit (MFCU) and the federal Health and Human Services (HHS), Office of Inspector General.

- **OIG Legal/SHBP Fraud Team (OL/SHBP)** – Reviews legal correspondence, consults and represents the OIG at administrative hearings. The State Health Benefit Program (SHBP) Fraud Team is responsible for oversight of fraud, waste and abuse within SHBP's health plans.

- **Office of Audits (OA)** – Conducts internal operational and financial audits and reviews of DCH business units for compliance with department policies.

- **Program Integrity (PI)** – Ensures that eligible Medicaid members have access to healthcare facilities and healthcare professionals to receive quality care. PI educates providers about compliance regulations in accordance with the policies and procedures established by state and federal guidelines. The core function of the unit is to guard against fraud, abuse and deliberate waste to ensure that taxpayer funds are used in a responsible manner.

- **Provider Enrollment (PE)** – Controls and grants access to enrollment for providers and

practitioners for the Georgia Medicaid and PeachCare for Kids® programs. The enrollment process includes credentialing, endorsement and licensure verification to ensure that all providers are in good standing in the community.

- **Third Party Liability (TPL)** – Identifies, maintains and recovers third-party resources that are liable for the cost of medical expenditures of the Medicaid members.

- **Special Investigations Unit/Internal Investigations (SIU/II)** – Conducts provider and member investigations to ensure compliance with state and federal laws and investigates allegations of misconduct by DCH employees, contractors, and vendors.

Accomplishments

The Background Investigations Unit (BIU) processed 342 background checks for the Office of Human Resources. A total of 1,386 criminal background checks were completed for DCH's Healthcare Facility Regulation Division (HFRD) for licensed facilities. Of those, 1,316 satisfactory determinations were issued. On February 1, 2016, DCH unveiled a new computer system - the Georgia Criminal History Check System (GCHEXS). GCHEXS allows certain facilities licensed by the Healthcare Facility Regulation Division (HFRD) more flexibility in conducting criminal background checks of prospective and current employees. GCHEXS will enable users to easily check various registries, including the Certified Nurse Aide, Sex Offender and federal OIG Exclusions List; determine the status of an applicant's background check; and print the criminal background check fitness determination letter directly from the GCHEXS system. On April 1, 2016, DCH implemented fingerprinting of high risk Medicaid providers pursuant to 42 CFR 455.434(b).

During FY 2016, the Data Integrity and Analysis Team (DIAT) Unit was successful in compiling 412 data requests which assisted in the identification of fraud, waste and abuse. Additionally, DIAT identified improvements and tested modifications on the Ad Hoc reporting system of the Medicaid Management Information System (MMIS).

DIAT conducted data analysis reviews of twenty-one (21) Qui-Tam cases and global settlements of which two (2) cases resulted in settlements totaling $5,163,815.10.

For FY 2016, the Office of Audits monitored and tracked Program Integrity recoveries which totaled $39.7 million; performed fifteen (15) operational and financial audits of various agency business units; provided financial data and/or advice when requested by the OIG staff or DCH staff; and, facilitated Federal and DOAA external audits and/or data requests to ensure timely responses by DCH staff.

The Program Integrity Unit opened 3,432 cases and closed 2,545 cases in FY 2016; and 1,477 cases were identified as fraud, waste and abuse. In addition, the OIG continued to engage providers in informally resolving issues identified during Program Integrity reviews. The Department has used discretion in reducing overpayments identified that are attributable to simple errors and do not affect the quality of care the member received. During FY 2016, Program Integrity recouped $39.7 million.

Provider Enrollment (PE)

For FY 2016, a total of 30,955 providers were enrolled into the Georgia Medicaid/PeachCare for Kids program. Of the 30,955 enrolled providers, 16,500 of these were physicians. A total of 6,047 providers were denied enrollment.

Also during this year, DCH implemented major revisions to the provider enrollment process for Fee-for Service and Care Management Organizations. DCH contracted with a Credentialing Verification Organization (CVO) to perform the enrollment and credentialing activities for new and currently enrolled Medicaid providers. Over 10,500 providers have successfully been re-credentialed or credentialing through the CVO process to date.

The Third Party Liability Unit (TPL)

For FY 2016, a total of 16,885 cases were opened and 9,928 were closed/ settled. TPL also opened 1,866 Health Insurance Premium Payment Program and CHIPRA applications of which 1,522 were denied. For FY 2016, DCH's TPL agents recovered $40.3 million.

Special Investigations Unit (SIU) Internal Investigations (II)

In FY 2016, 224 Medicaid recipient cases were opened and 913 cases were closed which resulted in a cost savings of $126,465 for the State of Georgia. Fifteen (15) member cases were also presented to various District Attorney's for prosecution for allegations of fraud. These members were ordered to pay restitution and were sentenced to probation resulting in a recoupment of $5,417. Forty-one (41) Medicaid provider referrals were sent to the Medicaid Fraud Control Unit (MFCU) for further investigation.

SIU also assisted HFRD with conducting investigations of unlicensed Personal Care Homes. For FY 2016, SIU assisted HFRD with conducting 296 investigations of unlicensed Personal Care Homes.

Communications & Legislative Affairs

The Office of Communications and Legislative Affairs was the primary point of contact and outreach for all DCH internal and external communications, and all legislative activities with the Georgia General Assembly and the annual Legislative Session. The Office's three main programs include communications, legislative affairs and constituent services. The office handled all media and public relations for the Department, responding to the department's diverse communications needs with tools like the DCH website, press releases, e-newsletters, social media channels, Intranet and more. Legislative Affairs staff served as the liaison to government officials, lobbyists, patient advocacy groups and health-related organizations to support departmental initiatives and programs. Constituent Services staff were customer service agents for the department, interacting daily with members, providers, legislators and others to help Georgians understand the Medicaid and State Health Benefit Plan programs, and the department's business functions as a whole. In FY 2016, DCH Constituent Services responded to and sought outcomes for 2,802 constituent inquiries.

During FY 2016, communication staff wrote and distributed 7 news releases/advisories and responded to more than 438 media inquiries. Media interest focused on the State Health Benefit Plan, Healthcare Facilities Regulation Division, Medicaid and other various issues with requests received from state, regional and national media outlets.

Communications continued to produce several publications that have become vital sources of Department news and updates. This included 7 editions of DCH-i, the agency's external newsletter, which kept the more than 55,000 stakeholders, providers, legislators and other interested Georgians informed about the latest news from DCH, and 12 editions of DCHNOW, an internal monthly e-newsletter for DCH staff. In FY 2016, Communications continued to publish a newsletter for SHBP members, benefit coordinators and payroll locations. In addition, an ICD-10 newsletter encouraging provider compliance was issued regularly to support the agency's educational outreach. Communications sent numerous special email bulletins to stakeholders informing them of upcoming changes, deadlines and other important DCH news. DCH social media channels, including a Facebook page and a Twitter feed communicated news and information to interested citizens. Communications also continued the reorganization and clean-up of the DCH web site for greater user accessibility and ease of use. The Intranet site – MyDCH – was used to house staff announcements and other internal communications tools.

Operations

The Operations Division continued its efforts to improve the quality and efficacy of service to its external and internal customers. The Division's administrative offices consisted of the Office of Strategic Management, which had oversight of Vendor, Grantee Management and Support Services; the Office of Human Resources; the Office of Procurement Services and the State Office of Rural Health. Collectively, these Offices focused primarily on further enhancing developed process improvement initiatives that allowed for shortened process times for requests; removal of duplicate or superfluous procedures to streamline activities; and the identification of systematic workflows to improve efficiency. These administrative offices support each of the agency's divisions as well as the stakeholders who assist the Department in improving the health status of Georgians.

The Office of Strategic Management

The Office of Strategic Management oversaw agency-wide functions including the strategic plan, agency dashboard, the enterprise policy initiative, and reporting of performance measures. During FY 2016, this unit utilized the agency's project management dashboard to monitor 9 of the agency's mission-critical projects. Further, in its continuation of efforts to ensure enterprise policies contain the most contemporary, accurate information, the Office of Strategic Management reviewed over 95% of the outstanding policies. The unit led the closeout of the agency's FY 2013- FY 2016 Strategic Plan and facilitated the establishment of the new FY 2017-FY 2020 Plan. In addition, Strategic Management facilitated and coordinated the update and approval of over 90 performance measures for the Department and attached agencies.

The Office of Vendor Management

The Office of Vendor Management provides critical oversight of the agency's contracted vendors. During FY 2016, Vendor Management continued its enhanced oversight of high risk vendors and it remained an effective tool in ensuring compliance with these critical contracts.

During FY 2016, Vendor Management facilitated the monitoring of 235 agreements totaling over $580 million. Vendor Management conducts its monitoring utilizing various methods. One of these methods is the Performance Assessment Report which is periodically initiated to allow the contract's assigned Business Owner to indicate whether the vendor was Compliant, Non-Compliant or Needs Improvement in its performance of its contractual responsibilities. During FY 2016, Vendor Management initiated over 230 Performance

The Office of Support Services

The Office of Support Services handles various functions for the Department, including: mail services, asset management, business continuity/disaster recovery, facility and space management, telecommunications, records management, fleet management, real estate leases, audiovisual equipment operation, safety, and Support Services administrative and accounting functions. During FY 2016, Support Services completed over 485 work order requests; submitted 32 Agency Transfer Requests which involved over 3,000 pieces of Property via Asset Works/DOAS Surplus Property; metered 129,559 pieces of outgoing mail and sorted and delivered hundreds of thousands of pieces of incoming mail; administered 124 leases; transferred 191 boxes of records to the State Record Center, provided audiovisual services for approximately 50 meetings; processed three fleet purchases and transfers; conducted 24 safety training sessions for new employees; completed facility modifications; staff relocations and other infrastructure requests to support all the divisions and attached Agencies of the Department.

Office of Procurement Services and Grant Administration

Procurement Services used strategic sourcing to procure quality goods and services at the lowest reasonable cost and at the best value to the state. In FY 2016, Procurement Services managed twenty-one (21) procurements with an estimated fiscal year value of $4.1 billion through competitive bids. Procurement analyzed 302 current and forecasted purchases to identify services that must be either sourced through the competitive bidding process, could be exempt or approved for renewal, termination and/or substantive changes through the amendments of existing contracts.

In FY 2016, Grants Administration successfully managed 128 active grants totaling $30,653,716.50 in state, federal and in-kind matching funds. In conjunction with DCH business owners, Grants Administration developed performance-based deliverables for all grant awards. The practice of developing performance based deliverables allows the agency to clearly identify the public's return on issuing grant funds. The Office initiated and executed 65 new grants totaling $4,589,565.50.

Among the various competitive grant awards, Grants Administration awarded two grantees through the Rural Health Network Grant and one through the FLEX Operational and Improvement Grant. The purpose of the Rural Health Network Grant was to provide funding used to build, train, and empower community leaders in Cook and Brooks Counties to serve as catalysts for improved community health as well as provide a chronic disease management program to improve health outcomes for patients living with diabetes, enhanced chronic disease management, and engage patients and caregivers in self-management skills to improve quality of life. The purpose of the FLEX Operational and Improvement Grant was to assist in supporting the sustainability of rural hospital healthcare to ensure continued access to local hospital services to Georgia's underserved rural population.

Nine grant awards were renewed in the amount of $4,669,541.00. Grants Administration also amended 8 grant agreements in the amount of $3,859,592.15, extended five grant agreements in the amount of $407,440.00 and initiated 82 grant agreements for termination totaling $6,425,313.00

Office of Human Resources

The Office of Human Resources (OHR) provides human resources support to a workforce of just over 1,100 employees. OHR is committed to supporting the agency through effective recruitment, retention and training strategies that help ensure DCH's workforce is equipped to handle the mission and goals of the Department. During FY 2016, the employee turnover rate for the Department was 18.27 percent compared to the state's FY 2016 rate of 19.97 percent. There were 34 retirements which represented 19.1 percent of the 178 employees who left the Department during FY 2016. Innovative recruitment, effective training and employee work life balance continues to be a focus of HR services. The Office on-boarded 197 new employees during FY 2016. The Annual "Spring into Training" Compliance recorded a 98 percent completion rate. In addition, HR continued to encourage participation in Customer Service classes.

The State Office of Rural Health

During FY 2016, the State Office of Rural Health (SORH) administered state and federal funds totaling $17,579,915. The SORH linked Georgia's 109 rural counties with state and federal resources to develop long-term solutions to address healthcare delivery issues and improve health status. The focus of funding continues to be initiatives launched in FY 2014 to facilitate the work of the Rural Hospital Stabilization Committee, including building regional rural health systems, supporting rural hospitals to improve their financial stability, increasing number of school-based telehealth sites, placing physicians and allied health professionals in underserved communities, and identifying creative ways to make healthcare more accessible in Georgia's underserved rural and urban areas. The SORH facilitated improved access to primary healthcare in all underserved areas of Georgia by using education, information, technology and collaboration among the multi-levels of health providers. Programs include Federally Qualified Health Center Start Up, Rural Health Networks, Area Health Education Centers, Health Professional Shortage Designations, J1 Visa Waiver Programs, the National Health Service Corps, Georgia Breast Cancer Tag Program, and Erlanger & GA Department of Public Safety (Camilla) Air Ambulance Projects. The Rural Swing Bed Education and Training program for CAHs and PPS includes Best Practices for Compliance & Efficiency, Rural Georgia Behavioral Health Environmental Scan Grant, Georgia Rural Hospital External Peer Review Network, Georgia Rural Hospital Board Education, and Patient Centered Medical Home.

Attached Agencies

The Georgia Boards of Pharmacy and Dentistry

The Georgia Board of Dentistry is responsible for the protection of the public's health through the regulation of the practice of dentistry and the enforcement of standards of practice. The Georgia Board of Dentistry issues licenses to qualified dentist and dental hygiene applicants, identifies, investigates and sanctions those licensees who practice below the accepted standards of the profession (or without the necessary qualifications). It also distinguishes between safe and dangerous dental practices through its rules and policies.

The Georgia Board of Pharmacy regulates pharmacy personnel and pharmacy facilities in Georgia. The Georgia Board of Pharmacy reviews applications, administers examinations, licenses qualified pharmacists, pharmacy interns, pharmacy technicians and pharmacy facility applicants, and regulates the practice of licensees. Complaints are investigated through its affiliated agency, the Georgia Drugs and Narcotics Agency, and if warranted, disciplinary action may be taken by the Board.

Accomplishments

In FY 2016, the Georgia Board of Pharmacy adopted rules regarding suspension of licenses for default on child-support obligations; refilling of ophthalmic topical products without authorization by a practitioner under certain circumstances; additional compounds to be added to the schedule of controlled substances including new hallucinogens and synthetic cannabinoids; expansion of educational opportunities for students and aspiring pharmacists by permitting pharmacy observers to be present in the pharmacy for a limited period of time; and authorized collection of drugs for disposal by licensees who meet requirements under state and federal regulation.

In FY 2016, the Georgia Board of Dentistry adopted rules regarding suspension of licenses for default on student loan repayment obligations and new continuing education requirements for volunteer licensees. Additionally, the Board has increased the number of investigative interviews it conducts resulting in quicker turnaround times and increased numbers of case resolutions. An overall streamlining in processes regarding such has resulted in over twice as many case resolutions than in FY 2015.

- **Georgia Composite Medical Board** licenses and regulates physicians, physician's assistants, resident physicians, respiratory care professionals, perfusionists, acupuncturists and auricular (ear) detoxification specialists, paramedics and cardiac technicians. The Board also maintains a comprehensive database on licensed physicians in the state that is available to the public.

- **Georgia Board for Physician Workforce (GBPW)** monitors and evaluates the supply and distribution of physicians by specialty and geographic location to identify underserved areas of the state. GBPW also develops medical education programs through financial aid to medical schools and residency training programs.
- **Georgia Drugs and Narcotics Agency** protects the health, safety and welfare of the state's citizens by enforcing its laws and rules pertaining to manufactured or compounded drugs and by ensuring only licensed facilities or persons dispense or distribute pharmaceuticals.

Appendix

Below is a list of the auxiliary charts and maps for the FY 2016 Department of Community Health Annual Report. To access the charts and maps, please visit to https://dch.georgia.gov/annual-reports.

- MEDICAID MEMBERS AVERAGE BY COUNTY MAP
- MEDICAID NET PAYMENTS AND CAPITATION AMOUNT BY COUNTY MAP
- PEACHCARE FOR KIDS® AVERAGE MEMBERS BY COUNTY
- PEACHCARE FOR KIDS® NET PAYMENTS AND CAPITATION AMOUNTS BY COUNTY MAP
- SOURCES OF REVENUE - INDIGENT CARE TRUST FUND
- SHBP AVERAGE MEMBERSHIP BY COUNTY
- SHBP PAYMENTS BY COUNTY