

For Immediate Release

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Medicaid Payment Program Aimed at Improving Health Outcomes Through Increased Payments to Eligible Hospitals Receives Final Approval

GA-AIDE program increases Medicaid funding to eligible hospitals with goal of addressing health disparities and increasing care access for some of the state's most vulnerable

ATLANTA (July 27, 2022) – The Georgia Department of Community Health (DCH) announced final approval of a new value-based, hospital directed payment program called Georgia's Advancing Innovation to Deliver Equity (GA-AIDE). The program will focus on improving health outcomes by supporting preventive care, chronic disease management, children's and women's health, and addressing health equity through increased Medicaid funding to support eligible safety-net providers.

The GA-AIDE program utilizes directed payments to improve quality of care for patients served by Georgia's largest single provider of Medicaid services, Grady Memorial Hospital, and Georgia's state-owned academic medical center, Augusta University Medical Center. A portion of the payments will be dependent on achieving defined quality metrics. The program will serve as a model for DCH to evaluate improvement statewide and demonstrate measurable impacts on reducing health inequities.

"This approval marks a significant milestone for Georgia Medicaid because it targets new funding directly toward achieving improvement in health outcomes and equity," says DCH Commissioner Caylee Noggle. "Our partners, Grady Memorial and Augusta University Medical Center, will now have more resources and flexibility to address health disparities related to chronic conditions, preventive care, and women's and children's health."

Under GA-AIDE, which received approval from the Centers for Medicare and Medicaid Services (CMS), Grady Memorial Hospital and Augusta University Medical Center will benefit from an increased Medicaid payment rate on services provided to Medicaid members through Georgia's managed care program.

This program is also expected to free up more than \$100 million in Disproportionate Share Hospital (DSH) funding that can be redirected to other eligible hospitals. DCH has similar directed payment programs pending with CMS aimed at benefitting teaching hospitals and private hospitals. The department also plans on submitting a state plan amendment that will reallocate available DSH funding to small, rural hospitals in Georgia. If approved as designed, the programs would collectively result in more than \$800 million new federal dollars being directed to hospitals around the state to improve access to care, health outcomes and equity, and the healthcare workforce.

"As Georgia's sole public academic medical center, our mission is to provide quality health care for the entire state," says Brooks A. Keel, Ph.D., President of Augusta University and Acting CEO of Augusta University Health System. "We are grateful for the tremendous effort on this initiative by Governor Kemp and Commissioner Noggle, as their support is vital in helping our health system enhance reimbursement, improve access to care and fulfill our duty as a safety-net hospital."

"We applaud the thoughtful leadership displayed by our state and federal partners in designing and approving an innovative initiative that will allow Grady to make meaningful strides in delivering quality care in the communities we serve," says John M. Haupert, President & CEO of Grady Health System. "With the approval of GA-AIDE, we can further invest in critical areas like access to behavioral health services, infant and maternal care, and cancer screenings."

About the Georgia Department of Community Health

DCH serves as the lead agency for <u>Medicaid</u> and <u>PeachCare for Kids®</u>, which, combined, cover more than 2 million Georgians annually. The agency also oversees the <u>State Health Benefit Plan</u>, <u>Healthcare Facility Regulation Division</u>, and the <u>State Office of Rural Health</u>, among other divisions, accounting for an annual budget of over \$18 billion. Through effective planning, purchasing and oversight, DCH provides access to affordable, quality health care to some of the state's most vulnerable and underserved populations. To learn more about DCH and its commitment to *Shaping the Future of a Healthy Georgia*, visit <u>https://dch.georgia.gov/</u>.