

Full Public Notice

Georgia Pathways to Coverage 1115 Demonstration Waiver Extension

The Georgia Department of Community Health (DCH) hereby notifies the public that it intends to submit a Section 1115 Demonstration Waiver Extension Application to the Centers for Medicare & Medicaid Services (CMS) for Georgia Pathways to Coverage® (Georgia Pathways).

Pursuant to 42 CFR 431.408, DCH provided the public the opportunity to review and provide input on the Section 1115 Waiver Extension Application. DCH seeks to re-open the comment period for an additional 15 days, beginning on Wednesday, March 5, 2025. This notice provides details about the waiver submission and serves to re-open public comment period, which will close on Wednesday, March 19, 2025.

Summary

Under the Georgia Pathways to Coverage® Section 1115 Demonstration Waiver, Georgia continues to improve the access, affordability, and quality of healthcare for Georgians as well as encourage self-sufficiency through promotion of employment and employment-related activities.

Since the program's implementation on July 1, 2023, the State has made progress towards these goals. Georgia commits to continue this transformative initiative, with the goal of improving access to quality healthcare services for the State's low-income population. Georgia is requesting approval of an 1115 Demonstration extension of a minimum of five years which will build on the progress of key waiver provisions established in the original waiver demonstration, while making some modifications aimed at advancing the waiver's goals and streamlining member participation. These changes include discontinuing monthly reporting requirements, adding additional qualifying activity types, providing retroactive coverage to members to the first of the month in which they submit an application, removing premium payments (not implemented), and removing the Member Rewards Account (not implemented).

Demonstration Goals

The goals for the Demonstration are to improve access, affordability, and quality of healthcare through strategies that:

- Improve the health of low-income Georgians by increasing their access to affordable healthcare coverage by encouraging work and other employment-related activities
- Reduce the number of uninsured Georgians
- Promote member transition to commercial health insurance
- Empower Georgia Pathways participants to become active participants and consumers of their healthcare

- Support member enrollment in Employer Sponsored Insurance (ESI) by providing premium assistance for qualifying employer sponsored health plans, if doing so is cost effective for the State
- Increase the number of persons who become employed or engaged in employment-related activities
- Increase wage growth for those who are employed
- Support the long-term fiscal sustainability of the Medicaid program

Populations Eligible

The following table identifies populations whose eligibility will be affected by the Demonstration.

Table 1: Eligible Populations

Eligibility Group Name	Social Security Act and CFR Citations	Income Level
Individuals who meet the Georgia Pathways requirements and are not otherwise eligible for Medicaid	N/A	0% – 100% of the FPL

Georgia Pathways Continuing Demonstration Features and Changes Requested

The State is seeking approval for an extension of the original Demonstration that has largely been preserved, with a few key changes. Georgia looks forward to maintaining the objectives of the Pathways program while advancing the goals of the Demonstration as approved. The proposed revisions to the program will improve the Pathways member experience, increase engagement, and provide support for participation in employment and employment-related activities.

The State seeks approval for the following changes to the Demonstration:

- Removal of monthly qualifying activity reporting as a requirement for participation; qualifying activity reporting will still be required at initial eligibility and annual renewal
- Addition of qualifying activity types for program eligibility
- Addition of a retroactive coverage policy, with coverage effective the first of the month in which the application was received
- Removal of premiums and Member Rewards Accounts
- Request reporting on a quarterly basis only per original Special Terms and Conditions

The State believes that the proposed changes will improve the member experience to participate in Pathways and provide more individuals with the opportunity to become acclimated to

participating in the insurance market. For example, removing the monthly reporting requirement will allow Care Management Organizations (CMOs) to focus their efforts on engaging members in employment-related activities (because qualifying activity reporting at annual renewal will continue to be a requirement), rather than monitoring the compliance of and outreaching to individuals on the monthly reporting requirements. Continuing Demonstration Features and New Demonstration Proposals are described in the section below.

Eligibility

Population

Continuing Demonstration Features: Georgia will maintain the same population for Georgia Pathways eligibility for the new Demonstration period. The population eligible for Georgia Pathways includes parents, caretakers, or guardians with household incomes from 35% up to 100% of the FPL who are not otherwise eligible for Medicaid and adults without dependent children with household incomes up to 100% of the FPL who are not otherwise eligible for Medicaid. Individuals must be between the ages of 19 and 64, must be a resident of Georgia and not incarcerated in a public institution, and must be a citizen of the United States or a documented, qualified alien. *See Table 2: Eligible Populations.*

Table 2: Eligible Populations

Eligibility Group Name	Income Level
Individuals who meet the Georgia Pathways requirements and are not otherwise eligible for Medicaid	0%-100% of the FPL

New Demonstration Proposals: The State does not request any substantive changes to the eligible population for Georgia Pathways.

Eligibility Determination

Continuing Demonstration Features: Georgia will maintain the same eligibility criteria for Pathways eligibility determination. Individuals must:

- Meet the required qualifying hours and activities threshold of 80 hours per month
- Meet the income eligibility requirement of a household income up to 100% of the FPL using the MAGI methodology
- Enter into a contractual agreement, agreeing to the terms of the Georgia Pathways program

Individuals who do not meet the qualifying hours and activities threshold, and therefore are not eligible for coverage through Georgia Pathways, will continue to be provided information

regarding qualifying activity resources in their denial notice. The State has established opportunities to use electronic sources and automation to support identification and verification of qualifying hours and activities and continues to explore additional options.

Maintaining Eligibility

Continuing Demonstration Features: Members will be required to continue to meet the hours and activity threshold of 80 hours per month, as well as the income eligibility requirement to remain eligible for Georgia Pathways. In addition, individuals who have access to or are enrolled in ESI must still enroll in that insurance, if it is determined cost-effective for the State.

New Demonstration Proposals: The State requests the removal of premium payment as an eligibility requirement in the Demonstration extension, and that all program elements related to premium payments are removed. Corresponding programmatic elements including premium payments as a policy in effectuating coverage, the credit of premium payments to the Member Rewards Account, penalties for missing premiums payments, grace periods, suspensions, and terminations will no longer be applicable.

Qualifying Activities

Continuing Demonstration Features: Georgia will maintain all the previously defined allowable activities and definitions as acceptable qualifying activities. *See Table 3: Allowable Activities and Definitions.*

Table 3: Allowable Activities and Definitions

Activity	Definition
Unsubsidized Employment	Full- or part-time employment in the public or private sector that is not subsidized by a public program.
Subsidized Private Sector Employment	Employment in the private sector for which the employer receives a subsidy from public funds to offset some or all of the wages and costs of employing an individual.
Subsidized Public Sector Employment	Employment in the public sector for which the employer receives a subsidy from public funds to offset some or all of the wages and costs of employing an individual.
On-the-job training	Training in the public or private sector that is given to a paid employee while he or she is engaged in productive work, and that provides knowledge and skills essential to the full and adequate performance of the job.

Job Readiness	<p>Activities directly related to the preparation for employment, including life-skills training, resume building, and habilitation or rehabilitation activities, including substance use disorder treatment. Rehabilitation activities must be determined to be necessary and documented by a qualified medical professional.</p> <p>An inpatient hospital stay/short-term skilled nursing facility (SNF) stay is considered a habilitation or rehabilitation activity under job readiness only at initial application. For each day of an inpatient hospital stay/SNF stay, an applicant may claim 4 hours towards their monthly Qualifying Activities requirement.</p> <p>Members will be allowed to participate in job readiness for no more than a total of six weeks in any 12-month period.</p>
Community Service	<p>Structured programs and embedded activities in which the member performs work for the direct benefit of the community under the auspices of public or nonprofit organizations.</p> <p>Community service programs must be limited to projects that serve a useful community purpose in fields such as health, social service, environmental protection, education, urban and rural redevelopment, welfare, recreation, public facilities, public safety, and child care. A state agency shall take into account, to the extent possible, the prior training, experience, and skills of an individual in making appropriate community service assignments.</p>
Vocational Educational Training	<p>Organized educational programs that are directly related to the preparation of individuals for employment in current or emerging occupations. Course hour requirements for vocational educational training shall be determined by the Department of Community Health.</p> <p>Participation in vocational educational training is limited to 12 months in a member's lifetime, unless a member is enrolled in vocational education for a highly sought-after trade through the Technical College System of Georgia High Demand Career Initiative. In this instance, vocational educational training may count as a qualifying activity for the duration of the vocational education program.</p>
Enrollment in an Institution of Higher Education	<p>Enrolled in and earning course credit at a college, university, or other institution of higher learning. A full-time academic workload, as determined by the Department of Community</p>

	<p>Health, will meet the requirements for 80 hours of qualifying activities in the month. For individuals not enrolled full-time, the Department of Community Health shall determine the associated number of qualifying activity hours based on the course load when compared to full-time. The student's workload may include any combination of courses, work, research, or special studies that the institution considers contributing to the individual's full-time status.</p> <p>As the payor of last resort, students enrolled in an institution of higher education who have access to their parent's health insurance coverage are not eligible for Georgia Pathways coverage.</p>
Enrollment and Active Engagement in the Georgia Vocational Rehabilitation Agency (GVRA) Vocational Rehabilitation Program	Enrollment and active engagement in the Georgia Vocational Rehabilitation Agency (GVRA) Vocational Rehabilitation program, as long as the beneficiary has been determined eligible for GVRA services based upon a documented disability and remains in compliance with the terms of the GVRA program.

Georgia Pathways requires a minimum of 80 hours per month of a qualifying activity or a combination of qualifying activities at the time of application and monthly thereafter. At the time of application, an individual with a disability may request a reasonable modification if they need assistance in meeting the Qualifying Activities.

New Demonstration Proposals: In addition to the previously defined activities, Georgia requests to expand the allowable activities and definitions to include Compliance with Georgia's Supplemental Nutrition Assistance Program (SNAP) Able-Bodied Adults Without Dependents (ABAWD) program and caregiving of a child under six years of age. *See Table 4: New Allowable Activities and Definitions.*

Table 4: New Allowable Activities and Definitions

Activity	Definition
Compliance with Supplemental Nutrition Assistance Program (SNAP) Able-Bodied Adults Without Dependents (ABAWD) program	Compliance with the eligibility requirements to receive SNAP benefits under the ABAWD program

Caregiving of a child under six years of age	Parents and legal guardians who are primarily responsible for the daily care and well-being of a child younger than six years of age
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Reporting and Compliance

Reporting

Continuing Demonstration Features: Georgia maintains that individuals who apply for Pathways will need to demonstrate that they are meeting the qualifying hours and activities threshold and provide documentation at the time of application, at annual renewal, or at a change in circumstance. Reporting will continue to include a member’s self-attestation of qualifying activity hours, accompanied by supporting documentation such as a pay stub or transcript. The State will continue to accept the submission of supporting documentation through various channels, including an online portal, by mail, or in-person. Continued periodic and random audits will confirm compliance with the qualifying hours and activities threshold. Members continue to have the affirmative responsibility to inform the State of any change in circumstance which might affect their eligibility.

New Demonstration Proposals: The State requests to remove the monthly reporting requirement for qualifying hours and activities participation. Members will no longer need to provide self-attestation of activity hours or supporting documentation on a monthly basis.

Additionally, the State requests to remove the reporting requirement exemption for members with evidence of meeting the hours and activities threshold for six consecutive months. This exemption is no longer applicable in the new Demonstration period due the requested elimination of the monthly reporting requirement.

Compliance

Continuing Demonstration Features: The State will maintain that Pathways members must continue to meet the hours and activities threshold each month.

The State will maintain that Pathways members, like all Medicaid members, have an affirmative responsibility to report changes in circumstances, even if that change may make them ineligible for the program. Changes may include a change in address, a change in income, or a change to qualifying activities such as employer or activity completed.

The State continues to recognize that there are circumstances that limit or prevent a member from being able to participate in a qualifying activity. Members who are unable to complete their qualifying activity requirement can still report a change and report a Good Cause exception for failure to meet the hours and activities threshold if any of the following events occur:

- A family emergency or other life changing event

- Birth or death of a family member
- Serious illness or hospitalization of member or a member of their family
- Severe inclement weather including a natural disaster
- Temporary homelessness
- Other good cause reasons as defined and approved by the State

A member can use a combination of Qualifying Activity and Good Cause Exception hours to meet the 80 hour threshold.

New Demonstration Proposals: The State requests to remove adverse action such as suspensions and terminations for failure to report monthly qualifying hours and activities, as the State requests to remove monthly reporting requirements. Members will now only be required to report Qualifying Activities and hours at application and at annual renewal to continue their coverage. Members may be terminated at annual renewal for failure to report qualifying hours and activities.

Eligibility Policies

Coverage Effective Date

Continuing Demonstration Features: Georgia will not maintain the approved waiver coverage effective date of prospective coverage, with coverage effectuating the first of the month following an eligibility determination.

New Demonstration Proposals: The State requests to remove premium payment as a policy in effectuating coverage. Additionally, the State requests to remove its prospective coverage policy and implement retroactive coverage, with a coverage effective date the first of the month in which a member applies.

Retroactive Coverage

Continuing Demonstration Features: Georgia will not maintain the approved waiver coverage effective date of prospective coverage, with coverage effectuating the first of the month following an eligibility determination.

New Demonstration Proposals: The State requests to remove its prospective coverage policy and implement retroactive coverage, with a coverage effective date the first of the month in which a member applies.

Presumptive Eligibility

Continuing Demonstration Features: Georgia will continue to waive hospital presumptive eligibility. Eligibility in Georgia Pathways has a specific qualifying hours and activities

threshold requiring documentation for verification, which is not practicable for hospitals to evaluate.

Benefit Package

Benefits

Continuing Demonstration Features: Georgia will maintain the benefit package that is provided under the Medicaid State Plan without Non-Emergency Medical Transportation (NEMT), as originally approved. The State Plan benefits include Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services for enrollees ages 19 and 20, including NEMT under Pathways. Members enrolled in ESI will have a different benefit package based on the insurance offered by their employer and will receive premium and cost-sharing assistance, without wraparound benefits. *See Table 5: Benefit Package by Eligibility Group.*

Table 5: Benefit Package by Eligibility Group

Eligibility Group	Benefit Package
Individuals who meet the Georgia Pathways requirements and are not otherwise eligible for Medicaid	Georgia State Plan without NEMT, except enrollees ages 19-20
ESI Eligible Adults	Benefit package provided in the ESI plan Premium and cost-sharing assistance

Employer Premium Assistance Program

Continuing Demonstration Features: Georgia will continue to operate the Pathways HIPP program, where Pathways-eligible individuals who have access to ESI through an employer are required to enroll in that coverage if it is cost effective for the State. The State continues to ensure that the employer sponsored plan is cost effective using a methodology that considers the amount paid under capitation versus what it would pay to cover the cost of premiums and associated cost-sharing. The State pays monthly premiums and associated cost-sharing for participants of this program. ESI enrollment, when determined cost effective, will be a condition of Georgia Pathways eligibility. If during redetermination or based on other information reported to the State, an employer sponsored plan is no-longer cost effective, the member will no longer be required to be enrolled in ESI and can be enrolled in Medicaid through Georgia Pathways, should the member meet Pathways eligibility requirements.

Cost-Sharing

Premiums

Continuing Demonstration Features: The State has not implemented any cost-sharing policies, including premiums.

New Demonstration Proposals: The State requests to remove premiums as a component of the Pathways program.

Copayments

Continuing Demonstration Features: The State has not implemented any cost-sharing policies, including copayments.

New Demonstration Proposals: The State requests an update to the copayment component of the Pathways program as initially approved. Because the State is requesting the removal of the Member Rewards Account, the copayment policy is no longer able to be implemented as approved. The State requests to implement cost-sharing for members in the Pathways program to align with those of all other Medicaid classes of assistance, as reflected in the State's Medicaid plan. See *Table 6: Copayment Amounts*

Table 6: Copayment Amounts

Copayment Amounts	
Service	Copay
Inpatient Hospitalization	\$12.50 for entire stay
Outpatient Hospital Visit	\$3.00 per visit
Non-emergency use of the emergency department	\$3.00 per visit
Primary Care	\$0.00
Specialist	\$2.00
Durable Medical Equipment (DME)	\$3.00 \$1.00 for rentals and supplies
Pharmacy – Copayment varies based on the cost to the state.	\$10.00 or less: \$0.50 \$10.01 to \$25.00: \$1.00 \$25.01 to \$50.00: \$2.00 \$50.01 or more: \$3.00

Member Rewards Accounts

Continuing Demonstration Features: The State has not implemented any cost-sharing policies, including the Member Rewards Account.

New Demonstration Proposals: The State requests the removal of Member Rewards Accounts as a component of the Pathways program. Corresponding programmatic elements including the establishment of the Member Rewards Account, the copayment deductions from the Member

Rewards Account, and the premium credits to the Member Rewards Account are no longer applicable.

Delivery System and Payment Rates for Services

Managed Care Delivery System

Continuing Demonstration Features: Georgia will continue to use a managed care delivery system to provide services to the Georgia Pathways population. The State contracts with three CMOs, which were selected through a competitive procurement process.¹

Health Plan Choice

Continuing Demonstration Features: The State will continue to ensure the Georgia Pathways population has choice of CMOs consistent with Medicaid requirements. Upon enrollment, individuals are prospectively auto assigned into a CMO using existing algorithms applicable to the current Medicaid program. Members have 90 days to switch plans. If a member does not make a different choice within the 90-day period, the member remains with the assigned CMO until the member's annual choice period.

Capitated Payments

Continuing Demonstration Features: The capitation rate-setting methodology for Georgia Pathways will continue to be the same methodology used to set rates for the current Medicaid populations and comply with all federal rate-setting requirements and guidance.

Additional Change Requested

In implementation discussions with CMS, Georgia agreed to provide monthly monitoring reports to the agency. Given the policy changes proposed in the extension application, the State requests to discontinue monthly reporting and report quarterly as agreed upon in the Special Terms and Conditions.

Waiver and Expenditure Authorities

Georgia plans to maintain the following authorities granted in the original waiver Demonstration:

- Methods of Administration: Section 1902(a)(4) insofar as it incorporates 42 CFR 431.53
 - To the extent necessary to enable Georgia to waive NEMT services except for EPSDT members
- Provision of Medical Assistance: Section 1902(a)(8)

¹ The State is re-procuring their Care Management Organizations and may enter into contract with up to four CMOs.

- To the extent necessary to enable Georgia to discontinue eligibility for, and not make medical assistance available to, members who fail to comply with the hours and activities threshold under Georgia Pathways
- Comparability of Eligibility Requirements: Section 1902(a)(10)(A)(i)(VIII) and 1902(a)(17)
 - To the extent necessary to enable Georgia to require an hours and activities requirement as a condition to maintain eligibility
- Amount, Duration, Scope, and Comparability: Section 1902(a)(10)(B)
 - To the extent necessary to enable Georgia to allow individuals to receive the benefits provided through an ESI plan, without wrap-around benefits
- Freedom of Choice: Section 1902(a)(23)
 - To the extent necessary to enable Georgia to restrict the freedom of choice of providers for Demonstration eligibility groups
- Vision and Dental Coverage: Section 1902(a)(43)
 - To the extent necessary to enable Georgia not to cover certain vision and dental services described in sections 1905(r)(2) and 1905(r)(3) of the Act for 19- and 20-year-old members enrolled in ESI through the Mandatory HIPP Program
- 133 Percent Income Level: Section 1902(a)(10)(A)(i)(VIII)
 - To the extent necessary to enable Georgia to implement a lower income level for the Demonstration group

Georgia is requesting a waiver of the income level specified in Section 1902(a)(10)(A)(i)(VIII) of the Social Security Act, which will permit the State to implement an income level of 95% of the FPL, rather than 133% of the FPL, for the Demonstration group. This will allow the State to receive the full enhanced Federal Medical Assistance Percentage (FMAP) allowable under 42 U.S.C. Section 1396d(y).

The following waiver authorities are no longer being requested in the new demonstration period:

- Eligibility: Section 1902(a)(10)(A)
 - To the extent necessary to enable Georgia to delay coverage until the first day of the month following an individual's first premium payment
 - To the extent necessary to enable Georgia to delay coverage until the first day of the month following an individual's determination of eligibility
- Cost-Sharing: Section 1902(a)(14) insofar as it incorporates Section 1916 and 1916A
 - To the extent necessary to enable to charge monthly premiums and higher co-pays
- Prepayment Review: Section 1902(a)(37)(B)
 - To the extent necessary to enable Georgia to ensure that prepayment review be available for disbursements by members to their providers through the Member Rewards Account
- Reasonable Promptness: Section 1902(a)(3)/Section 1902(a)(8)

- To the extent necessary to enable Georgia to begin Medicaid coverage on the first day of the month following an individual’s determination of eligibility
- Retroactive Eligibility: Section 1902(a)(34)
 - To the extent necessary to enable Georgia to begin eligibility the month following determination of eligibility

Enrollment and Expenditures

Please refer to Appendix B for the Budget Neutrality With Waiver (WW) and Without Waiver (WOW) exhibits. As discussed below, the State is requesting the Georgia Pathways population be considered "hypothetical"; therefore, a simplified single exhibit is provided.

Overview

The Georgia Pathways Demonstration provides a pathway to healthcare coverage for low-income Georgians up to 100% of the FPL who are not otherwise eligible for Medicaid coverage. The State is requesting a Demonstration renewal date of October 1, 2025.

The Georgia Pathways program was implemented July 1, 2023. Therefore, limited historical data for the population covered under this demonstration is available. The data used, and adjustments applied to align the costs with the population anticipated to enroll under this Demonstration, are described in the following Enrollment and Expenditure section.

For purposes of this Budget Neutrality calculation, the State is requesting the expenditures under this Demonstration to be considered "hypothetical." Per the August 22, 2018 State Medicaid Director's Letter (SMD #18-009):

"In cases where expenditure authority is provided for coverage of populations or services that the state could have otherwise provided through its Medicaid state plan or other title XIX authority, such as a waiver under section 1915 of the Act, CMS considers these expenditures to be "hypothetical;" that is, the expenditures would have been eligible to receive FFP elsewhere in the Medicaid program. For these hypothetical expenditures, CMS currently makes adjustments to the budget neutrality test which effectively treats these expenditures as if they were approved Medicaid state plan services."

Enrollment and projections from DY 1 to DY 5 are for the existing Pathways population only, as outlined in ‘Continuing Demonstration Features.’

Enrollment and projections from DY 6 to DY 10 include both the existing Pathways population as well as the proposed ‘New Allowable Activities.’ As the State is requesting an extension of at least five years, enrollment and projections beyond DY 10 can be provided upon request.

Enrollment

Table 7.0(a) summarizes DY 1 - DY 5 actual and estimated enrollment for the Georgia Pathways population. Given the implementation began during DY 3, Table 7 reflects actual enrollment from July 2023 to September 2024 and estimates through the remainder of the demonstration. There is no enrollment for DY 1 and DY 2. The population figures reflected are the average assumed enrollment for each DY.

Table 7.0(b) summarizes enrollment estimates for the requested renewal Georgia Pathways population. The population figures reflected are the average assumed enrollment for each DY.

For the ‘Continuing Demonstration Features’ population, enrollment estimates for DY 6 were based on actual Georgia Pathways Demonstration enrollment and trended forward through DY 10. It is estimated that this population will continue to grow from DY 6 through DY 10 by 8% annual growth. This estimate was calculated using actual historical application processing and enrollment for the Georgia Pathways Demonstration. There are no expected changes requested in this demonstration extension request that would impact this enrollment growth.

For the ‘New Allowable Activities’ population, the baseline eligible population estimates for DY 6 was based on eligible populations from the Georgia Gateway system. Additional assumptions to this baseline eligible population were applied to reflect the estimated take-up rate of the ‘New Allowable Activities’ population. The take-up rate assumption was informed based on historical take-up observed in the ‘Continuing Demonstration Features’ population. A DY 6 ramp-up factor was also applied, which assumes that not all eligible members will enroll on the first day of DY 6 and will instead phase-in uniformly over a 12-month time period. This population was then trended forward through DY 10. It is estimated that this population will continue to grow from DY 6 through DY 10 by an average 2.0% annual growth. This estimate was based on enrollment trends for actual and comparable populations.

The average number of months per member for our hypothetical population was assumed to be the same as the number of months per member for our comparable Georgia Families population. A 12 month/member average was assumed.

Table: 7.0(a): DY 1 – DY 5 Enrollment

	DY 1	DY 2	DY 3 ²	DY 4	DY 5
Enrollment ¹	-	-	362	3,317	6,814
Member Months	-	-	723	39,808	81,766

1. DY 3 and DY 4 reflect actual enrollment. DY 5 is estimated based on historical data.

2. DY 3 only reflects three months following Pathways launch on July 1, 2023.

Table: 7.0(b): Estimated Enrollment

	DY 6	DY 7	DY 8	DY 9	DY 10
Estimated Enrollment	18,301	26,530	27,701	28,946	30,271
Estimated Member Months	219,612	318,361	332,408	347,352	363,257

It was assumed that the current state of Georgia economic conditions, including unemployment rates, would remain consistent throughout the entirety of DY 6 through DY 10. If Georgia's economic conditions materially shift at any point throughout the demonstration period, the enrollment may materially differ from the table and assumptions included within this extension waiver. Each demonstration year reflects a point in time enrollment snapshot, and not a cumulative total.

Expenditures Per Member Per Month

Given implementation on July 1, 2023, limited expenditure data for the ‘Continuing Demonstration Features’ population covered by this Demonstration is currently available. Due to the limited available data for this population, the latest certified capitation rate for the existing Pathways population as set by the State’s actuary for July 1, 2024 – June 30, 2025, (SFY 2025) was used as the base expense assumption for the continuing demonstration features population. The data available for the Georgia Pathways population was reviewed and considered in the development of the SFY 2025 Pathways Capitation rates, however ultimately the basis of the capitation rates was the Georgia Families Proxy Population. Adjustments to the baseline PMPMs were made to account for expected trends impacting the Georgia Pathways program.

The ‘New Allowable Activities’ population costs were proxied based on the existing SFY 2025 Pathways capitation rates.

The following proposed policy changes to this demonstration were reviewed for the estimated impacts to the capitation rates and expenditures:

- Removal of monthly qualifying activity reporting as a requirement for participation: No impact, given pause on monthly reporting requirements during DY 3 and DY 4.
- Removal of premium and Member Rewards Accounts: No impact, given the premium requirement and Member Rewards Accounts were not implemented during DY 3 and DY 4.
- Retroactive coverage to the first month in which the application was submitted: Historical data was leveraged for average duration estimates. Given limited available data for the existing Pathways population, the expected one additional month of coverage is assumed

to behave similarly to the proxy population and therefore no cost impact was applied to the existing capitation rates.

Table 7.0(c) summarizes the estimated per member per month and estimated annual expenditures for DY 1 – DY 5 for the ‘Continuing Demonstration Features’ population. Given the implementation began during DY 3, the estimated annual expenditures in Table(b) reflects actual enrollment from July 2023 to September 2024 and estimates through the remainder of the demonstration. There is no enrollment for DY 1 and DY 2. The population figures reflected are the average assumed enrollment for each DY.

The impact of these adjustments is shown in 7.0(d) and described in further detail below.

Table 7.0(c): DY 1 – DY 5 Expenditures

Demonstration Year	Historical Expenditure PMPM	Growth Factor	Member Months	Expenditures
DY 1	N/A	N/A	N/A	N/A
DY 2	N/A	N/A	N/A	N/A
DY 3	\$351.24	N/A	723	\$253,944
DY 4	\$342.36	0.97	39,808	\$13,628,488
DY 5	\$357.85	1.05	81,766	\$29,260,363

Table 7.0(d): Estimated Expenditure PMPMs

Demonstration Year	SFY 2025 Certified Capitation Rate for Existing Pathways	Estimated PMPM	Growth Compared to SFY 2025 Certified Capitation Rate	Estimated Member Months	Estimated Annual Aggregate Expenditures
DY 6	\$349.29	\$ 385.28	1.10	219,612	\$84,612,852
DY 7	\$349.29	\$ 410.83	1.18	318,361	\$130,790,674
DY 8	\$349.29	\$ 435.52	1.25	332,408	\$144,771,383
DY 9	\$349.29	\$ 461.70	1.32	347,352	\$160,372,895
DY 10	\$349.29	\$ 489.45	1.40	363,257	\$177,797,198

Growth Factor

The SFY 2025 Pathways capitation rate is the best available source of expenditure and enrollment data to develop the expenditure PMPM baseline. However, the historical experience is not a directly appropriate benchmark for the development of the underlying expenditure trends, which are applied to develop the estimated expenditure PMPMs in each demonstration year.

In order to trend the historical expenditure amounts, due to lack of credible historical experience and pursuant to CMS guidance, the President's Budget trend rates were considered in the development of growth factors. The State is applying a 6.1% annual trend rate to develop the growth factors based on the increases demonstrated in the federal fiscal years 2025 through 2029. The growth factor is developed by compounding 1 + the annual trend rate from the midpoint of the experience period (January 1, 2025) to the midpoint of the next state fiscal year. These fiscal year rates were then blended across fiscal years based on projected member months to arrive at the final demonstration year PMPM rates. The same growth factor was applied to both the 'Continuing Demonstration Features' and the 'New Allowable Activities' populations.

Hypotheses and Evaluation Approach

The following hypotheses were tested and evaluated by the Independent Evaluator as described in the Evaluation Design:

- The Demonstration will improve the health care access of low-income Georgians.

- The Demonstration will reduce the number of uninsured Georgia residents with incomes up to 100% of the FPL.
- The Demonstration will increase the number of Georgia Pathways members who transition to commercial health insurance, including employer sponsored insurance and individual health insurance market coverage, after separating from Medicaid.
- The Demonstration will increase member engagement in health care.
- The Demonstration will increase the number of Georgia residents below and up to 100% of the FPL enrolled in employer sponsored insurance.
- The Demonstration will increase the number of adults below and up to 100% of the FPL who are engaged in at least 80 hours a month of employment or employment-related activities.
- The Demonstration will increase wage growth for those made eligible for Medicaid through the Demonstration.
- The Georgia Pathways Demonstration will improve the fiscal sustainability of the Georgia Medicaid program.

Upon approval of the extension application, the State will work with the Independent Evaluator to identify the research hypotheses and evaluation design for addressing these proposed program and policy changes.

Public Hearings and Public Input Procedure

One additional opportunity for public comment will be held in-person at the following location:

- **Cordele, Georgia**
Monday, March 17, 2025, 12:00 – 2:00 p.m. EST
State Office of Rural Health
502 S. 7th Street, Cordele, GA 31015

DCH will accept oral comments at these meetings. Virtual attendance via Zoom will also be available.

Time: Mar 17, 2025 12:00 PM - 2:00 PM Eastern Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81410434872?pwd=GcKxha6iwUsJ4jv0mLXBkJcCTHCbIO.1>

Meeting ID: 814 1043 4872

Passcode: 187523

One tap mobile

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+13052241968,,81410434872#,,,,*187523#US

Dial by your location

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- +1 309 205 3325 US
- +1 312 626 6799 US (Chicago)
- +1 646 558 8656 US (New York)
- +1 646 931 3860 US
- +1 360 209 5623 US
- +1 386 347 5053 US
- +1 507 473 4847 US
- +1 564 217 2000 US
- +1 669 444 9171 US
- +1 669 900 9128 US (San Jose)
- +1 689 278 1000 US
- +1 719 359 4580 US
- +1 253 205 0468 US
- +1 253 215 8782 US (Tacoma)
- +1 346 248 7799 US (Houston)

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Individuals who are disabled and need assistance to participate during this meeting should call (404) 656-4479 at least three (3) business days prior to the scheduled public hearing to ensure any necessary accommodations can be provided.

Individuals wishing to comment in writing may do so on or before **Wednesday, March 19, 2025** to: Shawn Walker c/o the Department of Community Health, Post Office Box 1966, Atlanta,

Georgia 30301-1966. Comment letters must be postmarked by **Wednesday, March 19, 2025** to be accepted. Individuals may submit comments via electronic mail to: Pathways.Comments25@dch.ga.gov. Please include “Pathways Comments” in the subject line of your e-mail. Comments will be available for review by submitting a request via email to: openrecordsrequest@dch.ga.gov. Please note that any comments submitted are subject to open records.

Locations to Access Copies of Public Notice and Waiver Application

This public notice, the abbreviated public notice, and the demonstration application are also available on the Department’s website homepage, at <https://medicaid.georgia.gov>, as well as the Public Notices section of the Department’s website, at <https://dch.georgia.gov/meetings-notices/public-notices>. This public notice, the abbreviated public notice, and the demonstration waiver application are also available for review at each county Division of Family and Children Services office. A comprehensive statewide list of locations of all Division of Family and Children Services offices can be found at <https://dfcs.georgia.gov/locations>.

THIS NOTICE IS HEREBY GIVEN THIS 5th DAY OF MARCH 2025.

Russel Carlson, Commissioner