

For Immediate Release

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State Directed Payment Programs Renewed for State Fiscal Year 2023

Georgia's PDPP and HDPP will continue to provide increased Medicaid funding for eligible physicians and public hospitals

ATLANTA (November 21, 2022) – The Georgia Department of Community Health (DCH) announced the renewal of two state directed payment programs, the Physician Directed Payment Program (PDPP) and Hospital Directed Payment Program (HDPP) for public hospitals. SFY23 is the third program year for PDPP and the second for HDPP.

Both programs are associated with DCH's goal of smarter spending through reduced hospitalization and emergency room utilization rates. These efforts are specifically aligned with DCH's Quality Strategy and will be reviewed and evaluated annually.

"Our goal is to improve both access and quality while working to address health disparities related to chronic conditions, preventive care, and women's and children's health for underserved populations," said DCH Commissioner Caylee Noggle. "The renewal of these programs is part of our overall strategy of using direct payment programs to enhance access to care and to support payment rates for our providers and partners."

Georgia's PDPP provides state directed payments to eligible physicians and other professional services practitioners who are affiliated with a government teaching hospital. In SFY23, eligible participants are expected to receive approximately \$120.6 million in additional funds through rate increases up to the commercial equivalent.

Georgia's HDPP provides additional Medicaid funding for eligible participating public hospitals. Public hospitals are defined as all state and non-state government hospitals, excluding Critical Access Hospitals. In SFY23, eligible participants are projected to receive approximately \$236.2 million in additional funding through rate increases up to the Medicare equivalent. This program aims to increase provider funding of critical services for the Medicaid population and strengthen Georgia's healthcare workforce.

State directed payment programs are submitted for annual approval by the Centers for Medicare and Medicaid Services. DCH has similar directed payment programs pending with CMS aimed at benefitting teaching hospitals and private hospitals. If approved, the directed payment programs would collectively result in more than \$800 million new federal dollars in SFY23 being directed to hospitals around the state to improve access to care, health outcomes and equity, and the healthcare workforce.

About the Georgia Department of Community Health

DCH serves as the lead agency for [Medicaid](#) and [PeachCare for Kids®](#), which, combined, cover more than 2 million Georgians annually. The agency also oversees the [State Health Benefit Plan](#), [Healthcare Facility Regulation Division](#), and the [State Office of Rural Health](#), 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 <https://dch.georgia.gov/>.