



Budget Update and Amended FY2018 and FY2019 Requests



Presentation to: Department of Community Health Board

Presented by: Lisa A. Walker, Deputy Commissioner and
Chief Financial Officer



Mission

The Georgia Department of Community Health

We will provide Georgians with access to affordable, quality health care through effective planning, purchasing and oversight.

We are dedicated to A Healthy Georgia.

Agenda

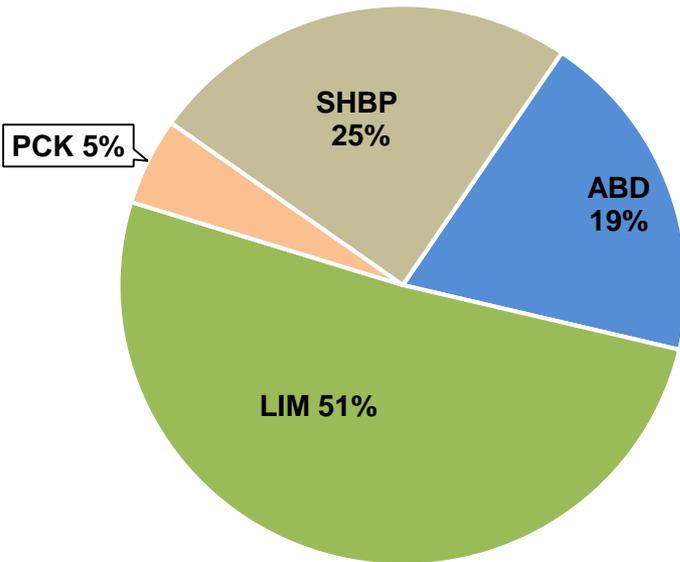
- FY2017 Budget Highlights
- FY2018 Current Budget
- Amended FY2018 Budget Request
- FY2019 Budget Request
- State Health Benefit Plan (SHBP) Financial Status



FY2017 Budget Highlights

FY2017 Budget Highlights

Georgia Beneficiaries of DCH Programs



Programs	2017 YTD	%
Medicaid	1,837,237	70%
<i>Aged, Blind and Disabled (ABD)</i>	503,067	19%
<i>Low-Income Medicaid (LIM)</i>	1,334,170	51%
PeachCare (PCK)	131,635	5%
Subtotal	1,968,872	75%
State Health Benefit Plan (SHBP)	642,990	25%
Total Beneficiaries	2,611,862	100%

One in four Georgians is a direct beneficiary of DCH Programs

FY2017 Budget Highlights

Georgia Beneficiaries of DCH Programs

DCH Program	GA Children Population*	DCH Beneficiaries (ages 0-19)**	%
Medicaid and PeachCare		1,300,843	47%
State Health Benefit Plan		127,428	5%
Total Children	2,784,116	1,428,271	52%

52% of Georgia's children (ages 0 to 19) have access to health insurance through a DCH Program.



FY2017 Budget Highlights

\$1.1 million contract services for nursing home audits

\$768k in increased salaries for nurse surveyors

\$23 million in state and Tenet funds for Disproportionate Share Hospitals

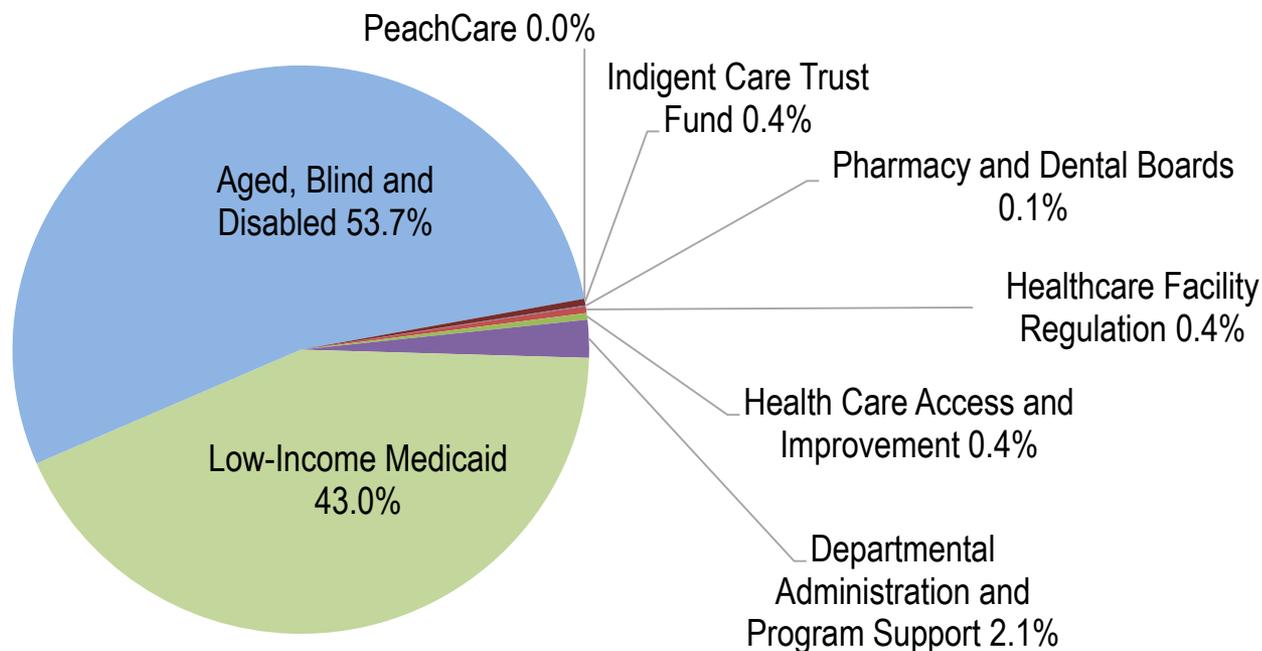


FY2017 Budget Highlights

State Fund Expenditures by Program*

Total Funds: \$14,329,138,287

State Funds: \$3,001,353,963



97% of all DCH State Funds were expended directly in Medicaid



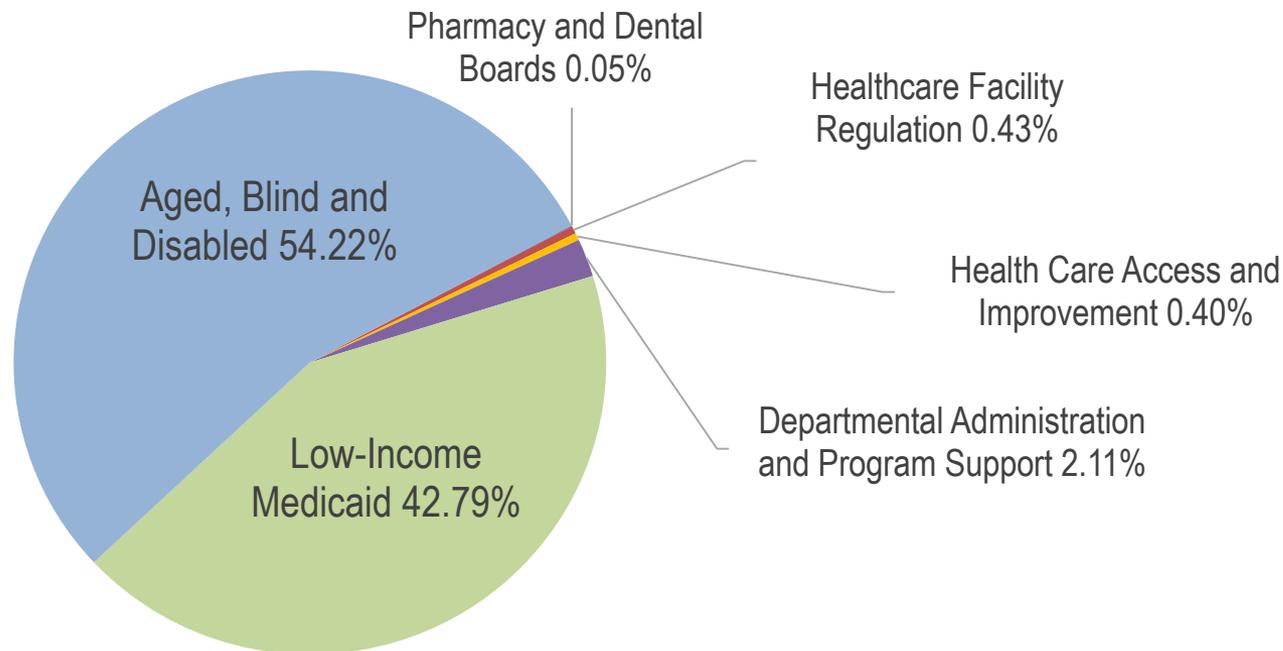
FY2018 Current Budget

FY2018 Budget

State Funds Budget by Program*

Total Funds Appropriated: \$14,809,525,871

State Funds Appropriated: \$3,065,876,528



97% of all DCH State Funds are budgeted in Medicaid



FY2018 State Funds Budget Highlights

\$38.4 million in Tenet funds for growth in Medicaid programs

\$24.4 million in Tenet funds to increase rates for PCP & OB/GYN

\$20.8 million in Tenet funds for autism services

\$1.4 million to reduce waiting list for Community Care Services Program

\$11.7 million for 3% increase in nursing home rates

(\$33 million) in one time Health Insurer Fee (HIF) moratorium



Amended FY2018 Budget Request

Amended FY2018 Budget Request*

Items	Amounts
Aged, Blind and Disabled	
Benefits growth	\$13,997,587
Indigent Care Trust Fund	
Disproportionate Share Hospital	\$22,000,000
Departmental Administration and Program Support	
Electronic Visit Verification system	\$399,750
Third Party Liability procurement, \$319,000 (OIG, internal transfer)	-
Right from the Start Medicaid caseworker retention, \$67,000 (internal transfer)	-
Health Care Access and Improvement	
Swing-Bed Education Grant, \$200,000 (internal transfer)	-
Rural Hospital External Peer Review Network Grant, \$150,000 (internal transfer)	-
Healthcare for the Homeless program, \$66,371 (internal transfer)	-
	\$36,397,337





FY2019 Budget Request

FY2019 Budget Request*

Items	Amounts
Aged, Blind and Disabled/ Low-Income Medicaid	
Benefits growth previously funded with Tenet	\$92,371,724
Growth in Medicaid based on projected need	\$51,341,381
Health Insurer Fee (HIF)	\$32,220,521
3% nursing home reimbursement rate increase	\$12,009,117
Personal needs allowance	\$1,606,098
Healthcare Facility Regulation	
Annual onsite inspection of narcotic treatment programs	\$244,317
Health Care Access and Improvement	
Healthcare for the Homeless program, \$66,371 (internal transfer)	-

FY2019 Budget Request (cont'd)*

Items	Amounts
Departmental Administration and Program Support	
Quality assurance within the waivers	\$1,121,715
Enterprise Data Solution	\$3,600,000
New Medicaid Management Information System (MMIS)	\$1,000,000
Ongoing Medicaid Information Technology (MITA) projects	\$548,400
Electronic Visit Verification system	\$5,005,186
Right from the Start Medicaid caseworker retention, \$67,000 (internal transfer)	-
Third Party Liability procurement, \$2,060,767 (OIG, internal transfer)	-
Long-term care provider background checks, \$1,085,837 (OIG, internal transfer)	-
Georgia Board for Physician Workforce	
131 new residency slots	\$2,321,160
\$203,389,619	



State Health Benefit Plan (SHBP)

SHBP Financial Status

	FY17 (A)	FY18 (P)	FY19 (P)	FY20 (P)	
Revenue	Baseline Revenue	3,475,589,319	3,549,697,442	3,559,915,646	3,574,136,398
	Non-Certificated Rate Increase Eff. 1/1/18		29,557,564	73,752,887	73,752,887
	Employee Contribution Change Eff. 1/1/19			17,599,500	35,199,000
	Total Revenue	3,475,589,319	3,579,255,006	3,651,268,033	3,683,088,285
Expense	Baseline Expense	3,071,991,410	3,425,157,529	3,755,796,529	4,085,396,529
	2017 MA Procurement Savings	(8,636,000)	(18,104,000)	(19,438,000)	(21,964,000)
	2018 MA Procurement Savings		(32,541,000)	(61,555,000)	(54,682,000)
	2018 Kaiser Procurement Savings		(2,478,000)	(6,980,000)	(7,441,000)
	Dependent Audit Savings	(17,607,871)	(27,655,000)	(30,006,000)	(32,557,000)
	Pharmacy Benefit Manager Savings	(39,113,000)	(42,295,000)	(45,892,000)	(45,892,000)
	2017 Children's Hearing Aid Benefit to \$6,000	4,736	9,471	9,471	9,471
	Increase Autism Benefit to Age 21		1,100,000	2,200,000	2,200,000
	Total Expense	3,006,639,274	3,303,194,000	3,594,135,000	3,925,070,000
Net	Net Surplus/(Deficit)	468,950,045	276,061,006	57,133,033	(241,981,715)
	Prior Year Fund Balance	1,164,532,505	1,633,482,551	1,909,543,557	1,966,676,590
	Reserve Fund Balance	1,633,482,551	1,909,543,557	1,966,676,590	1,724,694,875



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**Additional Information on DCH
Website**

www.dch.georgia.gov