



[For Immediate Release](#)

Contact: Fiona Roberts
DCH Press Secretary
fiona.roberts@dch.ga.gov

State Directed Payment Programs Approved to Provide \$4.5 Billion to Georgia Healthcare Providers

Programs and additional tax waiver strive to improve healthcare access, outcomes and workforce

ATLANTA (March 4, 2026) — The Georgia Department of Community Health (DCH) today announced it has received renewal approval for six state-directed payment programs (DPPs) and approval of four new DPPs from the Centers for Medicare and Medicaid Services (CMS). These programs will direct an estimated \$4.5 billion toward supporting eligible teaching hospitals and private acute-care hospitals.

“We appreciate the strong federal partnership with the Centers for Medicare and Medicaid Services and their collaboration in this effort to strengthen our healthcare system and improve health outcomes for communities across our state,” said DCH Commissioner Dean Burke. “The approval of these renewals, along with the addition of new state directed payment programs, marks a significant step forward for Georgia. This investment provides meaningful support to hospitals serving some of our most vulnerable communities, expands access to critical services, and promotes long-term stability across the state. Most importantly, it helps ensure Georgians can continue to receive high-quality care close to home.”

The renewed programs are Georgia Advancing Innovation and Delivery (GA-AID); Hospital Directed Payment Program (HDPP) public and private, respectively; Physician Directed Payment Program (PDPP); and Strengthening The Reinvestment of a Necessary-workforce in Georgia (GA-STRONG) (public and private are separate programs). The new programs are Health ImProvement Directed Payment Program (HIP DPP) and Rural Obstetric Services Directed Payment Program (Rural OB DPP). Public and private programs are available for both of these new DPPs.

Health ImProvement Directed Payment Program (HIP DPP)

Georgia’s HIP DPP was designed to enhance healthcare access, improve outcomes, and strengthen the state’s healthcare workforce by supporting eligible hospitals that serve Medicaid enrollees. The program will also ensure quality by including a 10 percent at-risk provision of participation related to certain quality improvement targets, to be determined by DCH in the first year of the program. This change will stabilize provider funding for critical services and reduce disparities in Medicaid reimbursement.

Rural Obstetric Services Directed Payment Program (Rural OB DPP)

The Rural OB DPP will help sustain labor and delivery services in rural communities by providing enhanced financial support to hospitals that face unique challenges in maintaining obstetric care. This targeted investment will help stabilize rural maternity units, support the recruitment and retention of OB providers, and expand access to prenatal and postpartum services. By strengthening local access



to care, the program aims to improve maternal and infant health outcomes and ensure families can receive safe, high-quality obstetric services close to home.

Additionally, DCH received approval for its waiver of broad-based and uniformity requirements related to Georgia's tax on certain private hospitals for inpatient hospital services. The Department continues to remain mindful of the requirements of section 71115 of the Working Families Tax Cuts legislation. The approval of this tax waiver allows the state to assess hospitals on a non-uniform basis and impose an assessment to cover the non-federal share of the private directed payment programs.

The funds delivered through the program will allow the state's teaching hospitals to build on and expand innovative programs specific to their communities—leading to stabilization and development of the healthcare workforce and ultimately improve patient outcomes and advance Georgia's quality goals.

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 more than \$25 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/>.