

Board of Community Health  
Meeting  
March 28, 2013

**Members Present**

Norman Boyd  
William Wallace  
Jack Chapman  
Kiera von Besser  
Mimi Collins  
Donna Moses  
Clay Cox - teleconference  
Rick Jackson - teleconference

**Members Absent**

Jamie Pennington

The Board of Community Health held a Special Called meeting at the Department of Community Health, Fifth Floor Board Room, 2 Peachtree Street, N.W., Atlanta, Georgia. Commissioner David A. Cook was also present. (An agenda and a List of Attendees are attached hereto and made official parts of these Minutes as Attachments #1 and #2). Chairman Norm Boyd presided and called the meeting to order at 9:00 a.m.

**Minutes**

The Minutes of the February 14, 2013 meeting were UNANIMOUSLY APPROVED.

**Commissioner's Report**

Commissioner Cook thanked Chairman Boyd for calling the Special Board meeting and the board members for convening on short notice. He further stated that the importance of this meeting was to take action on the proposed rules and state plan amendment on the hospital provider fee in order to present to CMS for their approval.

Commissioner Cook provided the Board with some background information on provider fees. Provider fees are a mechanism for drawing down federal funds. (2-1 match). 48 states use provider fees to help support their Medicaid system. Under the current hospital provider fees, the state generates just under \$250 million from Georgia hospitals, which are then returned to the hospital industry. Provider fee funds are used to generate approximately \$500 million in federal funds which are then used to support Medicaid in general.

Commissioner Cook stated that Georgia's current hospital provider fee terminates on July 1, 2013. The General Assembly passed Senate bill 24 to extend the hospital

provider fee to 2017. He further stated that under current law, the amount of the provider fee is set in statute and under the new law; the Board of Community Health is authorized to set the fee. The new law requires that the amount of the fee be consistent with the annual appropriations bill. Several provisions have been built into the new law: Aggregate amount of fees can't exceed the percent of net revenue set forth in the general appropriations bill, fees are paid into the separate segregated account in the Indigent Care Trust Fund, funds can only be spent if they are appropriated by the General assembly and funds collected can be used only for obtaining federal funds to pay providers who care for Medicaid patients.

The Commissioner stated that CMS must approve the state plan amendment before the new law can be implemented on July 1, 2013 and the approval could take up to 90 days.

Commissioner Cook stated that the Governor issued an Executive Order establishing an Advisory Committee to make recommendations to the department on rules and state plan amendments necessary to implement the new law. Pursuant to the Executive Order an Advisory meeting was called last week and unanimously recommended that the Board adopt each of the items on the agenda.

The Chair called on Mr. Fulenwider to present Proposed Rule: Chapter 111-3-9 – Implementing the Hospital Medicaid Financial Program Act. Mr. Fulenwider stated that the department is proposing a new Chapter and accompanying rules in order to implement the requirements of the Hospital Medicaid Financing Program Act. The chapter and rules authorize the Department of Community Health to assess a fee of 1.45% (1.40 for trauma hospitals) on net patient revenue and provide an “add on” payment to certain hospitals of 11.88%. Revenues collected from these payments will be deposited into a segregated account within the Indigent Trust Fund. The Funds may only be used to obtain federal financial participation for medical assistance payments on behalf of Medicaid recipients. The chapter and rules also authorize the department to assess a penalty of up to 6% for nonpayment within the specified time allotment.

Ms. Moses MADE a MOTION to approve for Initial adoption, the Proposed Rule: Chapter 111-3-9 – Implementing the Hospital Medicaid Financial Program Act. Dr. Chapman SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 1, and the MOTION was APPROVED. Mr. Cox voted Nay on the motion. (A copy of the Proposed Rule: Chapter 111-3-9 – Implementing the Hospital Medicaid Financial Program Act is attached hereto and made an official part of these minutes as Attachments #3)

Mr. Fulenwider presented Proposed Rule: Chapter 111-3-10 – Implementing the Hospital Medicaid Financial Program Act and explained that this chapter and rules authorize the department to collect provider payments from Non-Governmental Hospitals. Non-Governmental Hospitals is a subclass of Hospitals that shall not include public, Long Term Acute Care, children's, rehabilitative, geriatric, osteopathic and other specialty hospitals. Revenues will be handled the same as in Chapter 111-3-9, as will any penalties assessed.

Dr. Chapman MADE a MOTION to approve for Initial adoption, the Proposed Rule: Chapter 111-3-10 – Implementing the Hospital Medicaid Financial Program Act. Ms. Collins SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 1, and the MOTION was APPROVED. Mr. Cox voted Nay on the motion. (A copy of the Proposed Rule: Chapter 111-3-10 – Implementing the Hospital Medicaid Financial Program Act is attached hereto and made an official part of these minutes as Attachments #4)

The Chair recognized Dr. Dubberly, Chief, Medicaid Division to present the Inpatient and Outpatient Hospital Provider Fee Public Notice. Dr. Dubberly explained that the Hospital Medicaid Financing Program Act which was signed into law on February 13, 2013 by Governor Deal would allow continuance of the current program in order to preserve access to health care services and promote continued viability of Georgia's Medicaid program. The program was scheduled to expire June 30, 2013. The department is proposing to continue the program with an add on payment rate of 11.88%. The payments will apply to Medicaid and PeachCare for Kids programs. Care Management Organizations are also required to pass through this increase in payment to providers for services.

Dr. Chapman MADE a MOTION to approve for initial adoption, the Inpatient and Outpatient Hospital Provider Fee Public Notice. Ms. Collins SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 1, and the MOTION was APPROVED. Mr. Cox voted Nay on the motion. (A copy of the Inpatient and Outpatient Hospital Provider Fee Public Notice is attached hereto and made an official part of these minutes as Attachment #5)


### **New Business and Closing Comments**

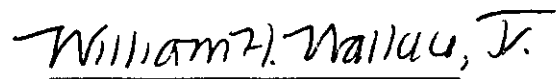
Chairman Boyd stated that due to lack of action items he would propose to cancel the April 11, 2013 Board Meeting. There were no objections and the April Board meeting was cancelled.

## Adjournment

There being no further business to be brought before the board, Chairman Boyd adjourned the meeting at 9:28 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 9th DAY OF May, 2013.

  
Jamie Pennington  
Secretary

  
William H. Wallace, Jr.  
Bill Wallace  
Vice Chairman

### Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 Rule: Chapter 111-3-9 Implementing the Hospital Medicaid Financial Program Act.
- #4 Rule: Chapter 111-3-10 Implementing the Hospital Medicaid Financial Program Act
- #5 Inpatient and Outpatient Hospital Provider Fee Public Notice