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Serving Georgia's Elderly Since 1953

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October 24, 2013
Clyde Reese, Commissioner
Department of Community Health
P.O. Box 38406
Atlanta, Georgia 30334

Re: ABD Care Coordination Program Public Notice, dated 10-10-13

Dear Commissioner Reese and DCH Board Members:

Georgia Health Care Association (GHCA) appreciates the opportunity to comment on the ABD Care Coordination Program Public Notice, dated October 10, 2013. GHCA is the state's leading long term care organization that is committed to quality performance for affordable, transparent and ethical long term and post-acute care. Our membership consists of nursing facilities, assisted living communities, and SOURCE case management agencies who are dedicated to the delivery of professional and compassionate care provided daily by thousands of caring employees to more than 60,000 of our state's elderly, infirmed, and disabled citizens who live in an institutional settings and in the community. As I understand the intent of the program, I have the following comments and/or concerns:

1. To my knowledge, no state in the nation has ever attempted, much less succeeded, in the enrollment of 450,000 persons in a single program / single vendor model. No vendor in the nation has ever implemented this model of administrative services contract at this scale or in a single fiscal year. I am fearful this effort may be a risky experiment by the State of Georgia at a time of great uncertainty in health care and in the economy that could not be easily reversed.

2. As noted above, there are 450,000 persons currently enrolled in Georgia's Medicaid ABD program. Of these 40,000 are in SNFs and 40,000 in waivers with Medicaid payments and systems for care management and existing vendor contracts for prior authorization, service review, and level of care as well as contracts with other state agencies for oversight or certain management functions of some programs. GHCA suggests that it would be reasonable to exclude from this RFP those beneficiaries enrolled in these programs.

3. Georgia's Medicaid ABD per member / per month (pm/pm) payments are the lowest in the Southern states and among the lowest in the nation. For the 450,000 ABD a $3 pm/pm for this proposal would cost 16.2 million annually, while a $10 pm/pm would cost $54 million. Neither of these hypothetical rates is high for what appears to be the expectations of the vendor. It seems unreasonable to divert these funds away from payments to providers for current services or to increase Medicaid spending by those amounts while provider fees are in need for adjustments.

4. A program of this scope with an impact on this many citizens, health care providers and the DCH budget should be fully transparent. The RFP documents, other bid documents, and DCH expectations should be publicly stated and available for review by stakeholders and the public. Previous discussions with various DCH task forces indicated the DCH intent to limit the disclosure of the RFP only to "qualified" vendors.

5. DCH currently has multiple vendor agreements for administrative, fiscal, and clinical functions with other State agencies and outside vendors (DHS, Division of Aging, DHBDDDSA, GMCF, consulting firms, etc.). How would this proposal for an overreaching administrative services organization change the roles and potentially reduce costs for these existing vendor agreements?

Thank you for the consideration of these comments and questions. I stand ready and available to address any questions you may have with regard to this matter.

Sincerely,

Jon S. Howell