

Board of Community Health
Meeting
November 8, 2018

Members Present

Norman Boyd
Allana Cummings
Russell Crutchfield
Russ Childers
Anthony Williamson
Kenneth Davis
Mark Trail
Roger Folsom
David Crews

Members Absent

The Board of Community Health held its regularly scheduled meeting at the Department of Community Health (DCH), 5th Floor Board Room, 2 Peachtree Street, N.W., Atlanta, Georgia. (An agenda and a List of Attendees are attached hereto and made an official part of these Minutes as Attachments #1 and #2). Chairman Norman Boyd presided and called the meeting to order at 10:33 a.m.

Minutes

The Minutes of the October 11, 2018 meeting were unanimously approved.

Opening Comments

Chairman Boyd introduced new Board member David Crews and announced the reappointment of Mark Trail and Anthony Williamson.

Committee Reports

None to report.

Commissioner's Report

Commissioner Berry thanked the Board, members of the public and staff for their attendance.

Commissioner Berry updated the Board on the following:

- Introduced the new Inspector General Sonja Allen-Smith.
- State Health Benefit Plan (SHBP) open enrollment ended on November 2nd for 680+ thousand covered members.

- Significant decrease in customer service dropped calls and wait times in comparison to last year.
- Critical Areas of Exposure & Focus
 - Medicaid Preparedness
 - Information Technology (IT)
 - Healthcare Analytics
 - Administrative Simplification
- Ongoing Emphasis
 - Communication
 - Customer service
 - Teamwork
 - Accountability
- The last Executive Children's Cabinet meeting took place on November 8th. This meeting added value to the Administration.

Brian Dowd, Assistant Chief Policy and Provider Services, Office of Medicaid presented to the Board for final adoption the Medical Assistance Plans, State Plan Amendment: Psychiatric Residential Treatment Facilities (PRTF) Rate Increase Public Notice.

Effective January 1, 2019, the Department proposed a rate adjustment in two parts: 1) a per diem rate adjustment for existing facilities, and 2) an established per diem rate for children with a co-occurring diagnosis of autism. PRTF rates are based on 2017 facility cost reports submitted to DCH.

Part 1 – A per diem rate increase for existing facilities. The proposal increases the per diem cost ceiling by \$37.00, from \$370.00 to \$407.00.

Per diem proposed rates by facility are as follows:

Psychiatric Residential Treatment Facility	Current Rate	Proposed Rate	Billing Code
Coastal Harbor Treatment Center	\$311.18	\$351.62	T2048
Devereux Advanced Behavioral Health	\$349.67	\$407.00	T2048
Hillside, Inc.	\$370.00	\$407.00	T2048
Laurel Heights Hospital	\$365.24	\$363.57	T2048
Lighthouse Care Center of Augusta	\$318.14	\$318.14	T2048
Youth Villages Inner Harbour	\$370.00	\$407.00	T2048

The Georgia Legislature funds the State match for PRTF services in the Fee-for-Service program in the budget allocation to the Department of Behavioral Health and Developmental Disabilities (DBHDD).

Part 2 – A new billing modifier and per diem rate for children with a co-occurring diagnosis of autism. The proposed PRTF per diem rate for claims with this modifier is \$440.00 for all facilities. The Georgia Legislature funded this rate increase for PRTFs in the DCH budget.

An opportunity for public comment was held on October 18, 2018, 10:00 a.m., at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Written comments were accepted on or before October 25, 2018.

Oral comments were received from the following individuals:

- Sally Perry, CEO, Coastal Harbor Health System
- Emily Acker, President and CEO, Hillside, Inc.
- Whitney Vovou, Lighthouse of Augusta, Georgia.
- Sonya Rice, Business Development Director, Laurel Heights
- Patrick McDaniel, CEO, Laurel Heights

Written comments were received from the following individuals:

- Tanya Anderson, Executive Director, Youth Villages
- Patrick McDaniel, CEO, Laurel Heights
- Sally Perry, CEO, Coastal Health Systems
- Emily Acker, President and CEO Hillside, Inc.

Mr. Dowd summarized the public comment from each submission with Department response. One additional written comment was received from Whitney Vovou after the submission deadline. This written comment was not included but responded to directly by Mr. Dowd via telephone.

Mr. Dowd respectfully asked for the Board's favorable consideration of final adoption.

Anthony Williamson MADE a MOTION to approve for final adoption the Medical Assistance Plans, State Plan Amendment: Psychiatric Residential Treatment Facilities (PTRF) Rate Increase Public Notice. Kenneth Davis SECONDED the MOTION. ON THE MOTION, the yeas were 9, nays 0, abstained 0, and the MOTION was APPROVED. (A copy of the Medical Assistance Plans, State Plan Amendment: Psychiatric Residential Treatment Facilities (PTRF) Rate Increase Public Notice is attached hereto and made an official part of these minutes as Attachment #3).

John Upchurch, Director of Reimbursement presented to the Board for initial adoption the Medical Assistance Plans, State Plan Amendment: Inpatient Prospective Payment System (IPPS) Phase 3 Update Public Notice.

Pending Centers for Medicare and Medicaid Services (CMS) approval and effective for services provided on or after January 1, 2019, the Department of Community Health (DCH) is proposing a methodology change to IPPS. This change is estimated to increase expenditures in state fiscal year (SFY) 2019 by \$17,135,245 total funds and \$5,548,392 state funds.

The Department is proposing this change in order to better match reimbursement to services provided, create appropriate incentives to control costs, help grow the physician workforce through graduate medical education programs, and focus the methodology on service delivery for Medicaid members. The following items are included in this proposal:

The Department proposes the following:

- Update the financial data in the IPPS model in order to rebase hospital specific base rates, cost to charge ratios, DRG weights, and outlier thresholds.
- Update the grouper to Tricare Version 35.
- Change the methodology for high cost outlier claims by basing the outlier payment on the difference between the cost of the claim and the outlier threshold.
- Lower outlier thresholds to 1.96 standard deviations from the average DRG payment amount with a \$30,000 minimum outlier threshold.
- Allocate payments to hospitals from the direct GME pool on a per resident basis.
 - Base funding for direct GME is calculated as follows:
Hospital's Base Funding = \$49,000 x FTE resident count x MAR
MAR = Medicaid Allocation Ratio
 - Certain residency programs will be incentivized through funding bumps.
The funding bumps are as follows:
 - Family Medicine: \$33,000/FTE Resident
 - OB/GYN: \$33,000/FTE Resident
 - General Pediatrics: \$28,500/FTE Resident
 - Pediatric Specialty Programs: \$13,500/FTE Resident
 - General Surgery: \$10,000/FTE Resident
- Apply a stop loss/gain factor to mitigate the initial financial impact to individual hospitals. The stop gain is 4.01%. The stop loss is 0%.

DCH has involved the hospital provider community in the development of this proposal. Prior to calculating the IPPS Phase 3 payment model, in January 2018, the Department presented to the hospitals on the IPPS Phase 3 proposal and solicited provider input. After the final IPPS model was developed, in July 2018, the Department sent the hospitals a memo with the details in the final model, as well as rate sheets specific to their hospital. In October 2018, the Department sent a memo to the hospitals to inform them that the proposal will be presented to the Board of Community Health for consideration at the November 8, 2018 Board Meeting.

An opportunity for public comment will be held on November 13, 2018, 11:00 a.m., at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Written comments will be accepted on or before November 20, 2018.

Mr. Upchurch respectfully asked for the Board's favorable consideration of initial adoption.

Roger Folsom MADE a MOTION to approve for initial adoption the Medical Assistance Plans, State Plan Amendment: Inpatient Prospective Payment System (IPPS) Phase 3 Update Public Notice. Russell Crutchfield SECONDED the MOTION. ON THE MOTION, the yeas were 9, nays 0, abstained 0, and the MOTION was APPROVED. (A copy of the Medical Assistance Plans, State Plan Amendment: Inpatient Prospective Payment System (IPPS) Phase 3 Update Public Notice is attached hereto and made an official part of these minutes as Attachment #4).

John Upchurch, Director of Reimbursement presented to the Board for initial adoption the Medical Assistance Plans, State Plan Amendment: Long Term Acute Care Hospital (LTACH) and Institutional Rehabilitation Facility (IRF) Per Diem Rates Public Notice.

Pending CMS approval and effective for services provided on or after January 1, 2019, the Department is proposing to convert the reimbursement methodology for LTACHs and IRFs from a per case payment under IPPS to a per diem payment utilizing a facility-specific per diem rate. This change is estimated to increase expenditures in SFY 2019 by \$7,734,861 total funds and \$2,504,548 state funds.

Under the proposed per diem payment methodology LTACHs and IRFs will be placed into one of two peer groups based on ownership status: (1) State-Owned Peer Group and (2) Non-State-Owned Peer Group.

Currently enrolled LTACHs and IRFs in the Non-State-Owned Peer Group will have a facility-specific per diem rate set at 80.02% of the facility's estimated calendar year (CY) 2016 Medicaid claims costs. LTACHs and IRFs in the State-Owned Peer Group will have a facility-specific per diem rate set at 100% of the facility's estimated CY 2016 Medicaid claims costs.

Newly enrolled LTACHs and IRFs that do not have CY 2016 Medicaid claims will receive payment under an average per diem rate. The per diem rate for newly enrolled LTACHs in the Non-State-Owned Peer Group will be set at 80.02% of average estimated LTACH CY 2016 Medicaid claims costs. The per diem rate for newly enrolled LTACHs in the State-Owned Peer Group will be set at 100% of average estimated LTACH CY 2016 Medicaid claims costs.

The per diem rate for newly enrolled IRFs in the Non-State-Owned Peer Group will be set at 80.02% of average estimated IRF CY 2016 Medicaid claims costs. The per diem rate for newly enrolled IRFs in the State-Owned Peer Group will be set at 100% of average estimated IRF CY 2016 Medicaid claims costs.

In October 2018, the Department issued a memo to both currently enrolled LTACHs and IRFs, as well as a memo to the facilities that are not currently enrolled. The memo included a description of the per diem proposal, the facilities' proposed rates, and notice that this proposal will be presented to Board of Community Health for consideration at the November 8, 2018 Board meeting.

An opportunity for public comment will be held on November 13, 2018, 11:30 a.m., at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Written comments will be accepted on or before November 20, 2018.

Mr. Upchurch respectfully asked for the Board's favorable consideration of initial adoption.

Russ Childers MADE a MOTION to approve for initial adoption the Medical Assistance Plans, State Plan Amendment: Long Term Acute Care Hospital (LTACH) and Institutional Rehabilitation Facility (IRF) Per Diem Rates Public Notice. Mark Trail SECONDED the MOTION. ON THE MOTION, the yeas were 9, nays 0, abstained 0, and the MOTION was APPROVED. (A copy of the Medical Assistance Plans, State Plan Amendment: Long Term Acute Care Hospital (LTACH) and Institutional Rehabilitation Facility (IRF) Per Diem Rates Public Notice is attached hereto and made an official part of these minutes as Attachment #5).

New Business/Closing Comments

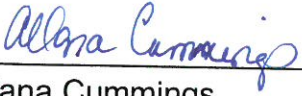
Chairman Boyd shared the following:

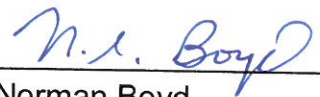
- Thanked staff for preparing Board meeting documents in advance of the meeting, allowing ample time for review.
- The December 13, 2018 Board meeting will take place at Mercer University in Macon, Georgia.
- In recognition of Veteran's Day, remember and thank individuals for their service.

Adjournment

There being no further business to be brought before the Board, Chairman Norman Boyd adjourned the meeting at 11:12 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 8th DAY OF November, 2018.


Allana Cummings
Secretary


Norman Boyd
Chairman

Official Attachments:

- #1 Agenda
- #2 List of Attendees
- #3 Medical Assistance Plans, State Plan Amendment: Psychiatric Residential Treatment Facilities (PRTF) Rate Increase Public
- #4 Medical Assistance Plans, State Plan Amendment: Inpatient Prospective Payment System (IPPS) Phase 3 Update Public Notice
- #5 Medical Assistance Plans, State Plan Amendment: Long Term Acute Care Hospital (LTACH) and Institutional Rehabilitation Facility (IRF) Per Diem Rates Public Notice