



GEORGIA DEPARTMENT  
OF COMMUNITY HEALTH

# FY2020 Governor's Budget Recommendation



Presentation to: Senate Appropriations Community Health Subcommittee

Presented by: Frank W. Berry, Commissioner

Lisa A. Walker, Chief Financial Officer

March 12, 2019



## *Our Purpose*

*Shaping the future of **A Healthy Georgia** by  
improving access and ensuring quality to  
strengthen the communities we serve.*



## *Agency Overview...*

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- *Division of Medical Assistance Plans*
- *State Health Benefit Plan*
- *Health Care Facility Regulation*
- *State Office of Rural Health*
- *Health Planning*



## ***Our Principles...***

### Promote effective **COMMUNICATION**

Conveying complete, accurate, and timely information to others clearly, simply, and in a manner that ensures thorough, consistent understanding.

### Provide superior **CUSTOMER SERVICE**

Providing friendly, attentive service with dignity. Taking ownership of fully addressing the problem end-to-end to ensure complete resolution. Relying on teamwork and warm hand-offs to create a seamless customer experience.

### Embrace **TEAMWORK**

Collaborating, trusting, supporting. Our team members are each respected and valued as they engage one another as crucial components aligned in pursuit of our common goals.

### Foster **ACCOUNTABILITY**

Willingness to measure ourselves and others against transparent expectations and having the integrity to own the result.



## ***Preparing for the Health Care Environment of Future ...***

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- ***Information Technology Infrastructure***
- ***Medicaid Transformation***
- ***Continuous Program Improvement***
- ***Health Care Analytics and Reporting***
- ***Certificate of Need***





## ***Organization redesign...***

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### ***Functionally realigning our operations with our purpose...***

- ***Chief of Staff (COS)*** - will serve as my primary advisor to communicate and direct general operations and strategic initiatives, and oversee the facilitation of relationships with legislative officials and sister organizations. Additionally, the COS will be responsible for a new Project Management Office, as well as the Government Relations, Communications, and Human Resources offices.
- ***Chief Health Policy Officer (CHPO)*** - will oversee all service delivery matters related to health policy for the Department. The CHPO will be responsible for Medical Assistance Plans, State Health Benefit Plan, a new Health Care Analytics and Reporting office, and a new Continuous Program Improvement office.
- ***Chief Compliance and Technology Officer (CCTO)*** - will oversee enterprise technology and compliance-related matters for DCH programs and activities, including Information Technology, Health Care Facility Regulation, and Office of Inspector General.
- ***General Counsel*** - will serve as the primary legal advisor for the Commissioner and the Board of Community Health, with direct responsibility for Legal Services, Contracting, Open Records, Enterprise Policy, and the Office of Health Planning.
- ***Chief Financial Officer (CFO)*** – will have oversight of Financial Services, Budget Services including Facilities and Support Services, Procurement Services including Vendor Management, Reimbursement Services, and the State Office of Rural Health.



## ***Why the Change...***

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### ***The U.S. health care landscape is changing significantly***

- *Growth in Medicaid and CHIP is outpacing private insurance*
- *Increased focus on outcomes requires more use of analytics*
- *Facilities are becoming less centralized in patient treatment*

### ***Georgia's health system is falling behind its peers, drawing attention from state leaders***

- *Georgia falls below national averages in rankings of state population health*
- *Disparities in health and health care continue to affect Georgia*
- *Georgia's safety net providers face significant demand and increasing cost pressures*



## ***Moving Forward...***

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- ***Project Management Office*** — responsible for enterprise-wide strategic planning and forecasting, project management and change management.
- ***Health Care Analytics and Reporting*** — responsible for insights around operations, health trends, health policy, managed care performance, program outcomes and integrity, and overseeing the utilization and upgrading of our data warehouse.
- ***Continuous Program Improvement*** — responsible for administrative simplification, operating efficiency and process improvement focused on Medical Assistance Plans and SHBP.





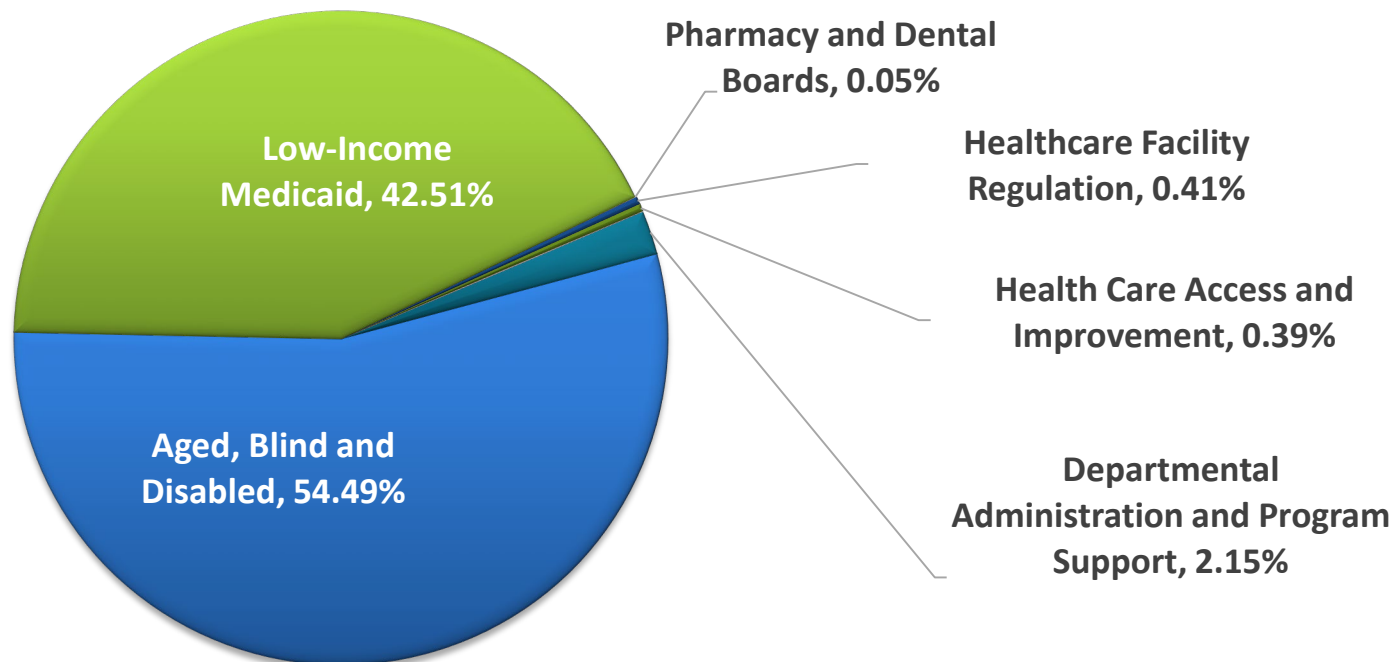
# ***FY2019 Current Budget***



## ***FY2019 State Funds Budget by Program\****

Total Funds Appropriated: \$ 15,334,734,004

State Funds Appropriated: \$ 3,314,376,391



**97% of all DCH State Funds are budgeted in Medicaid**

\* Does not include attached agencies or the State Health Benefit Plan.



# ***Governor's Budget Recommendation***



## ***Governor's Budget Recommendation***

<b>Tracking No.</b>	<b>Items</b>	<b>FY2020</b>
<b>Departmental Administration and Program Support</b>		
85.7	Background Check	\$737,639
85.8	Third Party Liability	\$1,803,250
85.9	CHIP e-FMAP Adjustments for Administration	\$3,708,763
85.10	Utilize Existing Funds to Expand Medicaid Asset Verification System (\$609,091)	<b>Yes</b>
<b>Aged, Blind and Disabled / Low-Income Medicaid / PeachCare</b>		
91.1 / 92.1	Benefits growth	\$88,885,270
91.2	Medicare Part B	\$6,839,224
91.3 / 92.2	Gene Therapy	\$5,926,010
91.4 / 92.3 / 93.1	FMAP / eFMAP Adjustments	\$92,022,629
91.5	IPPS Phase 3	\$9,275,234
91.6	Long-Term Acute Care	\$3,168,093
92.5	Health Insurer Fee Moratorium	(\$34,439,780)
92.6	Hospital Provider Fee Payment	\$10,410,506



## ***Governor's Budget Recommendation***

### **Statewide Changes in Various Programs**

Various	Adjustments to Agency Premiums for DOAS Self Insurance Programs	\$89,655
Various	Merit-Based Pay Adjustments	\$659,376
Various	Adjustment to Employer Share of the SHBP from 30.454% to 29.454%	(\$203,657)
Various	Adjustment to Teachers Retirement System from 20.90% to 21.14%	\$19
Various	Adjustment to TeamWorks Billings	(\$178)
Various	Adjustment to Cyber Insurance Premiums	\$1,621





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# ***State Health Benefit Plan (SHBP)***



## ***Governor's Budget Recommendation***

Tracking Number	Items	FY 2020
<b>State Health Benefit Plan</b>		
94.1	Reflect updated growth FY20 \$224,651,921	Yes
94.2	Reduce funds to reflect savings from Medicare Advantage rates FY20 <b>(\$126,362,000)</b>	Yes
94.3	Increase funds to reflect enrollment growth for Mental Health Parity FY20 \$7,940,000	Yes
94.4	Reduce the employer share of the State Health Benefit Plan from 30.45% to 29.45% FY20 <b>(\$32,218,604)</b>	Yes



***Additional Information on DCH  
Website***

[www.dch.georgia.gov](http://www.dch.georgia.gov)