

**MINUTES OF THE  
BOARD OF COMMUNITY HEALTH MEETING  
July 14, 2011**

**Members Present**

Ross Mason  
Norman Boyd  
Hannah Heck  
Jamie Pennington  
Archer Rose  
William H. Wallace, Jr.  
Mary Eleanor Wickersham, D.P.A.

**Members Absent**

Inman C. "Buddy" English, M.D.

The Board of Community Health held its regularly scheduled 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 Mason called the meeting to order at 10:35 a.m.

Commissioner Cook introduced newly appointed board member Clay Cox. Mr. Cox is a former member of the General Assembly. He is President and CEO of Professional Probation Services Inc.

**Minutes**

The Minutes of the June 9, 2011 meeting were UNANIMOUSLY APPROVED and ADOPTED.

**Committee Reports**

Ms. Pennington reported that the Policy Committee continued a discussion on childhood obesity in the State of Georgia. David Batka of Titus Sports Academy described the program that Titus Sports instituted in Florida and has seen significant results in Florida schools—working with physical education teachers and programs during the school day. He presented those solutions as a consideration for the State of Georgia.

**Report of the Commissioner**

Commissioner Cook reported that on July 1 the new Department of Public Health became a stand alone agency. He thanked CFO Vince Harris and other staff members who worked very closely with the Public Health staff for a successful transition.

Commissioner Cook stated the Department launched a Summer Refresh and Ready Training course in June. It was a three-part on-line Ethics, HIPAA Privacy and Security and Public Records training program. He commended Alison Earles and Richard Greene of the General Counsel Division, and the senior management team for their leadership in encouraging all staff to participate and reach 100% participation.

Mr. Vince Harris presented an update on the State Health Benefit Plan (SHBP). The SHBP ended the fiscal year with \$50 million which would pay claims for about five days. The Department is managing the Plan with declining revenue and increasing expenditures which takes into account that the Early Retiree Reinsurance Program (ERRP) funds did not materialize; decreasing employee headcount; and growth in retiree enrollment. The Department is managing its cash flow very carefully with accelerated billing and frontloading percent of payroll.

The Department recently received an actuarial valuation. The actuaries have identified an Other Post Employment Benefits liabilities for state employees in the amount of \$4.4 billion (FY 11 balance - \$0); \$11.2 billion liability for teachers (FY 11 balance - \$0); and \$463 million IBNR for two months (FY 11 balance - \$50 million).

Mr. Harris said the Department identified strategies to mitigate the declining revenue. DCH asked the Department of Education to prefund by sending funds two weeks early and adjusting the percent of payroll billing rate from 18.534% to 24%. He

presented a Resolution entitled, "State Health Benefit Plan Revised Employer Contribution Rates for Fiscal Year 2012; Authorization of Commissioner to Take Actions Necessary to Address Projected Deficit." The Resolution increases the Department of Education's percent of payroll billings from 18.534% to 24% through March 2012 and lowered to 3.9% the last three months of the fiscal year in order to be budget neutral to the DOE. Ms. Heck MADE a MOTION to adopt the Resolution entitled "State Health Benefit Plan Revised Employer Contribution Rates for Fiscal Year 2012; Authorization of Commissioner to Take Actions Necessary to Address Projected Deficit. Mr. Rose SECONDED the MOTION. The MOTION was ADOPTED with one dissenting vote by Mr. Wallace. (A copy of the Resolution "State Health Benefit Plan Revised Employer Contribution Rates for Fiscal Year 2012; Authorization of Commissioner to Take Actions Necessary to Address Projected Deficit" is attached hereto and made an official part of these Minutes as Attachment # 3).

Mr. Harris said the Department will be presenting to the Governor a Direct Bill Plan. The current billing model for employer contributions to the SHBP is calculated by payroll site as a percent of payroll. The Hybrid Direct Bill for employer contributions will implement a direct bill model for teacher and non-certificated employers and calculate the employer contribution to the SHBP based on the number of employees that are members of the SHBP. State agencies will calculate their SHBP employer contributions based on a percent of payroll. (A copy of the SHBP Update is attached hereto and made an official part of these Minutes as Attachment # 4).

Mr. Brian Looby, Director, Healthcare Facility Regulation Division, presented Proxy Caregivers Rule 111-8-100 for final adoption. The proposed rules provide for the training and use of proxy caregivers and are designed to be flexible to allow individuals with disabilities to hire their own proxy caregiver or allow a licensed facility to provide the services of a proxy caregiver. The rules also require a written plan of care to be completed by a licensed healthcare provider for each individual receiving assistance from a proxy caregiver and establish minimum training and education requirements for the proxy caregiver. The Board approved the rules for initial adoption at its May 12 meeting. A public hearing was held June 22, 2011. Dr. Wickersham MADE a MOTION to approve for final adoption Proxy Caregivers Rule 111-8-100. Ms. Pennington SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of Proxy Caregivers Rule 111-8-100 is attached hereto and made an official part of these Minutes as Attachment # 5).

Jerry Dubberly, Pharm.D., Chief, Medical Assistance Plans, presented the Community Behavioral Health Rehabilitative Services Public Notice. Effective on and after September 1, 2011 the proposed changes expand three existing services: case management, community living supports and employment rehabilitation. This action is a part of the State's strategy to comply with the Department of Justice Settlement Agreement. All state funds will be provided by the Department of Behavioral Health and Developmental Disabilities as match to draw down the Federal Financial Participation; consequently, there is no financial impact to DCH. The Department received no oral or written comments during the public comment period. Ms. Pennington MADE a MOTION to approve for final adoption the Community Behavioral Health Rehabilitative Services Public Notice and rate table. Dr. Wickersham SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Community Behavioral Health Rehabilitative Services Public Notice and rate table is attached hereto and made an official part of these Minutes as Attachment # 6).

Dr. Dubberly presented the Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice. He stated the Department has been on a trajectory to closely align the financial recognition through the DSH payments to the hospitals that provide a greater amount of disproportionate care. He thanked the Hospital Advisory Committee's DSH Subcommittee for their input. This action calls for two primary activities: 1. phase out the blending of the current DSH payment year with the 2007 DSH payment; and 2. phase in of newly eligible hospitals. DSH allocations do not involve any state funds inasmuch as the non-federal share is funded through intergovernmental transfers. The Department received one oral comment and two written comments. He reviewed each comment and asked the Board for final consideration and approval of these changes in the manner in which DCH allocates DSH funds to participating hospitals. Ms. Heck MADE a MOTION to approve for final adoption the Changes to Disproportionate Share Hospital Allocations Public Notice. Mr. Wallace SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice is attached hereto and made an official part of these Minutes as Attachment # 7).

Dr. Dubberly discussed the Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice. Effective for dates of service on and after July 1, 2011, and subject to payment at fee-for-service rates, the Department is proposing to decrease provider reimbursement rates (excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice) by 0.5% for Medicaid and PeachCare for Kids programs.

The Department received one oral comment and four written comments. The provider rate reductions will result in \$5 million state funds and \$15.3 million total funds and is consistent with the Appropriations Act.

Dr. Dubberly said at the July meeting there was a discussion regarding access to care. Ms. Pennington had asked the Department to furnish information on the number of Medicaid providers ten years ago versus the number of Medicaid providers today. Dr. Dubberly provided information regarding provider count by category of service from 2005 forward and using that as a starting point to identify provider enrollment changes and policies that may have impacted the enrollment changes. He said he was hesitant to draw a cause and effect on those numbers. Ms. Pennington asked for statistics on the number of pediatricians and psychiatrists enrolled in the Medicaid program going back 5-10 years and the number of providers who will accept new Medicaid members.

Ms. Heck MADE a MOTION to approve for final adoption the Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice. Mr. Boyd SECONDED the MOTION. The MOTION was APPROVED with one dissenting vote by Ms. Pennington. (A copy of the Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural Health Clinics and Hospice Public Notice is attached hereto and made an official part of these Minutes as Attachment # 8).

Dr. Dubberly presented the Copayments for Medicaid and New Copayments for PeachCare for Kids™ Members Public Notice. The proposed changes will increase existing Medicaid co-payments to the current definition of nominal as defined in the Code of Federal Regulations (CFR) and initiate co-payments in the PeachCare for Kids™ program for members six years of age and older. This action is anticipated to result in a savings of \$4.2 million in state funds. A discussion ensued about rounding the co-payments to the nearest dollar. Dr. Dubberly said the Code of Federal Regulations designates what the maximum co-payment can be. Rounding up to the nearest dollar would not meet the CFR definition of "nominal." The Department could not achieve the \$4.2 million savings by rounding down to the nearest dollar. Dr. Dubberly stated that Policy Studies Inc, the PCK vendor, has started an awareness campaign in mailings to the PCK members. Ms. Heck MADE a MOTION to approve for initial adoption the Copayments for Medicaid and New Copayments for PeachCare for Kids™ Members Public Notice and Proposed Copayment Schedule to be published for public comment. Ms. Pennington SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Copayments for Medicaid and New Copayments for PeachCare for Kids™ Members Public Notice and Proposed Copayment Schedule is attached hereto and made an official part of these Minutes as Attachment # 9).

Dr. Dubberly presented the Nursing Facility Services – Ventilator Bed Hold Rate Public Notice. This public notice clarifies and defines the particular rate to be used to secure bed hold at the non-ventilator service nursing facility rate. Effective for services provided on and after September 1, 2011, the Department will reimburse nursing facilities for patient leave days for residents receiving ventilator services at 75% of the normal non-ventilator service nursing home rate. Ms. Pennington MADE a MOTION to approve for initial adoption the Nursing Facility Services – Ventilator Bed Hold Rate Public Notice to be published for public comment. Ms. Heck SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED. (A copy of the Nursing Facility Services – Ventilator Bed Hold Rate is attached hereto and made an official part of these Minutes as Attachment # 10).

Dr. Dubberly provided an update on the Hospital Services Public Notice. In May 2011, the Department presented the Hospital Services Public Notice for initial adoption to modify the add-on rate for hospital providers that was currently 11.88% subsequent to the Provider Payment Act. The recommendation was to decrease the add-on payment to 10.49%. In June the public notice was tabled to review additional data and reconvene the original Hospital Provider Payment Agreement Subcommittee. This subcommittee reviewed the intricate financial details. Dr. Dubberly reviewed the three oral comments and five written comments received during the public comment period. Based on the Department's receipt of newly updated hospital cost reports and available forecasting measures, Dr. Dubberly asked the board to rescind the Hospital Services Public Notice and maintain the 11.88% add-on with close oversight and monitoring by the Department and reconvening the Hospital Provider Payment Agreement Subcommittee as necessary. Mr. Rose MADE a MOTION to rescind the Hospital Services Public Notice. Ms. Pennington SECONDED the MOTION. The MOTION was UNANIMOUSLY APPROVED.

### **New Business and Closing Remarks**

Chairman Mason said on September 22 the Governor is going to be a keynote speaker at an event sponsored by the Technical Association of Georgia and the Metro Chamber of Commerce. On September 1, there will be "Celebration of Service and Sacrifice 10 Years After 9/11" to recognize and honor military men and women and their families.

Finally, Chairman Mason welcomed Clay Cox to the Board of Community Health.

**Adjournment**

There being no further business to be brought before the Board, Chairman Mason adjourned the meeting at 11:41 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2011.

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ROSS MASON  
Chairman

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ARCHER R. ROSE  
Secretary

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 Resolution - State Health Benefit Plan Revised Employer Contribution Rates for Fiscal Year 2012;  
Authorization of Commissioner to Take Actions Necessary to Address Projected Deficit
- #4 SHBP Update
- #5 Proxy Caregivers Rule 111-8-100
- #6 Community Behavioral Health Rehabilitative Services Public Notice and rate table
- #7 Changes to Disproportionate Share Hospital (DSH) Allocations Public Notice
- #8 Public Notice to Reduce Funds for Medicaid and PeachCare Reimbursement 0.5% for all Providers Excluding  
Hospitals, Skilled Nursing Facilities, Home and Community-Based Services, Federally Qualified Health Centers, Rural  
Health Clinics and Hospice
- #9 Copayments for Medicaid and New Copayments for PeachCare for Kids™ Members Public Notice and  
Proposed Copayment Schedule
- #10 Nursing Facility Services – Ventilator Bed Hold Rate Public Notice