

Board of Community Health  
Meeting  
April 10, 2014

**Members Present**

Norman Boyd  
William Wallace  
Clay Cox  
Allana Cummings  
Jamie Pennington  
Kiera von Besser  
Jack Chapman

**Members Absent**

Rick Jackson  
Donna Moses

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 Clyde L. Reese, III 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 10:33 a.m.

**Minutes**

The Minutes of the March 13, 2014 and March 24, 2014 meeting were UNANIMOUSLY APPROVED.

**Opening Comments**

Chairman Boyd welcomed and thanked everyone for their attendance.

**Committee Reports**

Chairman Boyd called on Mr. Wallace to give the report of the Policy Committee. William Wallace, Chairman of the Policy Committee reported that the Committee was honored to have a guest speaker, Charles Owens, Director of the State Office of Rural Health, an attached agency of the Department of Community Health (DCH). Mr. Wallace informed the Board that Mr. Owens shared with the Committee the various programs that are currently in place. Mr. Owens also discussed a major topic, the shortage of healthcare professionals and access to healthcare services in rural parts of Georgia and the plan to address this matter going forward.

## Commissioner's Report

Commissioner Reese thanked the Board, staff and members of the public in attendance as well as individuals viewing the meeting via web-ex for taking time to participate in this Board meeting.

Commissioner Reese discussed with the Board the topic of Rural Healthcare. Commissioner Reese indicated this year the Department of Community Health (DCH) is working on substantive steps to address this issue. The Governor addressed the General Assembly Legislative Rural Caucus and introduced three components of his initiative to begin work on immediately:

1. The Department of Community Health (DCH) was asked to appoint a special representative to serve as the point person for rural healthcare issues. Commissioner Reese announced that Charles Owens, Director of the State Office of Rural Health will be our designee.
2. The second component of the Governor's initiative was for the Department of Community Health (DCH) to propose administrative rules to create for Rural Free Standing Emergency Departments. This will allow hospitals that are in danger of closing and those that have closed in the past 12 months for the Department of Community Health (DCH) administratively within our rules for the licensure of hospitals to allow them to downgrade to a lesser level of service. The Board approved these rules for public comment during the March 24, 2014 Special Call Meeting. The public hearing is scheduled for April 15, 2014 with the comment period ending April 23, 2014. April 29, 2014 the Board will vote on the final adoption for Rural Free Standing Emergency Departments Rule Change Public Notice.
3. The third component of the Governor's initiative is for The Department of Community Health (DCH) to establish a Rural Hospital Stabilization Committee. Commissioner Reese informed the Board that there is discussion about the Committee's composition, meeting locations and topics that will be addressed.

Commissioner Reese informed the Board as part of the budget presentation there will be discussion about the provider fee and Tier 2 (private and for profit) facilities that for the first time will be able to participate in UPL payments. There were complications with CMS concerning the approval of the methodology for Tier 2 payments. There is still discussion about a resolution so that payments can be made to Tier 1 and Tier 2 hospitals.

Commissioner Reese discussed with the Board the Integrated Eligibility System in which money was received from the government as part of the Affordable Care Act to create a new eligibility system for the state. Georgia is an Integrated Eligibility model

consisting of Medicaid, TANF, SNAP and subsidized childcare. Phase I of the web-based system consists of Medicaid eligibility for October 2013 and January 2014. The Department of Community Health (DCH) continues to work with the federal government for the state level site and the federal site to communicate with each other as intended. The Department of Community Health (DCH) is entering into Phase II where the Human Services component will be added which consists of TANF, SNAP and childcare subsidy program and ultimately the Women, Infants and Children's (WIC) will also become a part of this integrated system. We are in contract negotiations with vendors who submitted proposals to assist in the implementation of Phase II.

Commissioner Reese shared good news with the Board concerning the move of foster care children, selective children in the juvenile justice system and those who receive adoption assistance to move their healthcare from Medicaid fee for service to managed care under Amerigroup on March 3, 2014. Commissioner Reese expressed that he feels this will be a very positive development for these children and their continuity of care. The name of the program will be titled Georgia Families 360.

Commissioner Reese also informed the Board that a piece of legislation that was passed by both the House and Senate last week in Washington and signed by the President addressed physician payment reimbursement for Medicare. One component of the legislation was to delay the implementation of the ICD-10 originally scheduled for October 1, 2014. There will be a delay of at least one year. The Department of Community Health (DCH) has been working diligently with external providers and will continue to move forward working on project plans despite the implementation delay.

Commissioner Reese discussed a positive project to look for enhanced case management care coordination for our most expensive Medicaid population, which are the Aged, Blind and Disabled (ABD). A proposal was put out for a care coordination model for one state wide vendor to help implement this voluntary program. Numerous proposals were received and are currently under review. Once the selection process begins that information will be shared with the public and the Board.

Lisa Marie Shekell, Director of Communications and Legislative Affairs provided a high-level overview of the 2014 Legislative Session. Remarks focused on legislation that passed the 2014 General Assembly and will have an impact on DCH and its various divisions and programs.

A summary of the impact of the following pieces of legislation was given: HB 490, HB 511, HB 772, HB 899, HB 973, HB 998, SB 98, SB 281, SB 352, SB 391, SR 828, SR 1121 and SR 1175.

The Board was informed that the department is conducting a full legal and programmatic analysis to study the full impact of legislation. The department will make any necessary program and policy changes as identified. (A copy of the 2014 Legislative Session: DCH Related Legislation presentation is attached hereto and made an official part of these minutes as Attachment #3).

Commissioner Reese thanked Lisa Marie Shekell and her Deputy, Kallarin Richards for their dedication and service during the 2014 General Assembly.

Tim Connell, Chief Financial Officer presented an overview of the Amended Fiscal Year 2014 and Fiscal Year 2015 budgets as approved by the General Assembly. Mr. Connell stated at the outset that the department did well in the appropriations process this year and he complimented the Governor and the General Assembly for their support. Mr. Connell also complimented the efforts of staff in the Medicaid, SHBP and HFRD divisions for their quick turnaround of information related to questions coming from the Office of Planning and Budget (OPB) as well as the House and Senate budget offices.

Mr. Connell commented that the as-passed version of the Amended budget kept intact the department's request for funds related to the implementation of the Affordable Care Act, Planning for Healthy Babies, foster care and adoption assistance and operating funds for the Boards of Pharmacy and Dentistry. Not funded were the funds for the outstanding CMO payment, but Mr. Connell mentioned that there is general recognition that the funds will be provided in a future budget, perhaps in the Amended Fiscal Year 2015 budget. Also included in the Amended budget were funds for private hospital DSH payments, hospital provider payments, and a transfer of funds from the Department of Behavioral Health and Developmental Disabilities (DBHDD) and Department of Juvenile Justice (DJJ) for the department's foster care program.

Turning to the Fiscal Year 2015 budget, Mr. Connell provided a brief overview of the entire state budget and the portion of total state funds earmarked for the Department of Community Health (DCH) as well as a brief overview of the state's Revenue Shortfall Reserve. Mr. Connell's comments were then directed to the Department of Community Health's (DCH) budget for Fiscal Year 2015. Mr. Connell indicated that as in the Amended Budget, the department received all the funds requested related to the Affordable Care Act, Planning for Healthy Babies, foster care, and Medicaid growth. There was a slight increase in the funding for the Boards of Pharmacy and Dentistry. Also included was transfer funding from the Department of Behavioral Health and Developmental Disabilities (DBHDD) and Department of Juvenile Justice (DJJ) for the department's foster care program, an increase for nursing homes based upon 2012 cost reports, hospital provider payments, as well as funds for a 1% employee pay raise. Mr. Connell noted that the department did see some cuts to contracts, to the department's Hospital Cost Settlement funds, an increase in the savings associated with INTEGRUS

and a cut attributable to the implementation of the ABD Case Care and Disease Management initiative. Mr. Connell commented that the department will implement the Case Care and Disease Management initiative in November 2014 but will not realize any savings in Fiscal Year 2015, but will in Fiscal Year 2016. The department may request the restoration of this cut in the Amended Fiscal Year 2015 budget. Mr. Connell closed his presentation with brief remarks regarding several "language" items included in the appropriations legislation including a directive for the department to create a Rural Stabilization Plan in which Commissioner Reese addressed in his report to the Board. Also mentioned were the directives for the State Health Benefit Plan (SHBP) to provide coverage for hearing aids for children, coverage for autism spectrum disorder as well as for the State Health Benefit Plan (SHBP) to contract with multiple statewide and regional vendors for plan year 2015.

Following his presentation there were several questions from Board members seeking clarification or expansion of several budget items. (A copy of DCH FY 2014 Amended and FY 2015 Budget Overview is attached hereto and made an official part of these minutes as Attachment #4).

Commissioner Reese thanked Tim Connell and his staff (Gerlda Hines, Elizabeth Brady and Demetrius Brown) for their commitment and service during the 2014 Amended and 2015 fiscal year budget cycle.

Elizabeth Brady, Budget Director, presented two FY 2015 rate resolutions for the State Health Benefit Plan (SHBP). The first resolution presented was the State Employees Plan Employer Contribution Rates. Ms. Brady explained that the resolution set employer contribution rates at 30.454% of payroll in FY 2015, a decrease from the FY 2014 rate of 30.781% of payroll. Ms. Brady noted that the change in FY 2015 employer contribution rates is intended to offset the increase in employer revenue that would result if the FY 2014 rate of 30.781% of payroll was to remain in place given the merit-based employee salary increases slated for FY 2015. There were no questions regarding the rate resolution. Clay Cox MADE a MOTION to approve for SHBP Resolution: State Employee Plan Employer Contribution Rates for Fiscal Year 2014. Kiera von Besser SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 0, and the MOTION was APPROVED. (A copy of SHBP Resolution: State Employee Plan Employer Contribution Rates for Fiscal Year 2014 is attached hereto and made an official part of these minutes as Attachment #5).

The second rate resolution presented by Ms. Brady was the Teachers Plan and Non-Certificated Public School Employee Plan Employer Contribution Rates for FY 2015. Ms. Brady explained that all contribution rates in these plans were remaining unchanged from FY 2014 levels. Ms. Brady noted that the third annual increase of \$150 per member per month scheduled for FY 2015 for the Non-Certificated Public School Employee Plan was put on hold in the Governor's budget recommendation as well as in the FY 2015 Appropriations Act to allow time to explore additional options in

Plan Year 2015. There were no questions regarding the rate resolution. Clay Cox MADE a MOTION to approve for SHBP Resolution: Teachers Plan Employer Contribution Rates for Fiscal Year 2014. Kiera von Besser SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 0, and the MOTION was APPROVED. (A copy of SHBP Resolution: Teachers Plan Employer Contribution Rates for Fiscal Year 2014 is attached hereto and made an official part of these minutes as Attachment #6).

Dr. Jerry Dubberly, Chief Medical Assistance Plans, presented the Emergency Air Ambulance Service for Medicaid Adults proposed action for the Board's final adoption. Dr. Dubberly advised the Board that this action is necessary to comply with state appropriations item 86.20 located in the SFY2014 appropriations bill. This action establishes reimbursement for medically necessary emergency transportation of Medicaid eligible members 21 years of age and older by rotary wing air ambulance at the ground ambulance rate. Dr. Dubberly reminded the Board that currently, Georgia Medicaid only reimburses air ambulance services for individuals under the age of 21 years of age. This proposed action will be effective for services provided on or after March 14, 2014 pending CMS approval.

Subsequent to the Board's initial adoption of this item at the March 13, 2014 meeting, DCH held a public comment period. During that time period, there was no testimony at the public hearing and two written comments were received. Written comments were all in favor of the proposed action. While establishing a reimbursement opportunity, the parties commenting noted that the payment rate did not cover the cost of the healthcare delivered to the members. DCH acknowledged appreciation of the comments received and the support offered.

Allana Cummings MADE a MOTION to approve for final adoption Emergency Air Ambulance for Adults Public Notice. William Wallace SECONDED the MOTION. ON THE MOTION, the yeas were 7, nays 0, and the MOTION was APPROVED. (A copy of Emergency Air Ambulance for Adults Public Notice is attached hereto and made an official part of these minutes as Attachment #7).

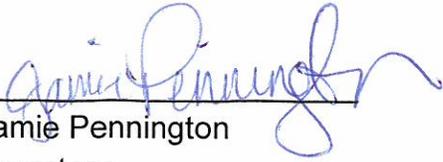
### **New Business**

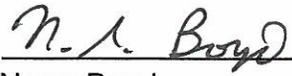
None to report

### **Adjournment**

There being no further business to be brought before the Board, Chairman Boyd adjourned the meeting at 11:38 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 8th DAY OF May, 2014.

  
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Jamie Pennington  
Secretary

  
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Norm Boyd  
Chairman

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 2014 Legislative Session: DCH Related Legislation
- #4 DCH FY 2014 Amended and FY 2015 Budget Overview
- #5 SHBP Resolution: State Employee Plan Employer Contribution Rates for Fiscal Year 2014
- #6 SHBP Resolution: Teachers Plan Employer Contribution Rates for Fiscal Year 2014
- #7 Emergency Air Ambulance for Adults Public Notice