

Board of Community Health  
Meeting  
February 12, 2015

**Members Present**

Norman Boyd  
Clay Cox  
Michael Kleinpeter  
Russ Childers  
Allana Cummings  
Roger Folsom

**Members Absent**

Rick Jackson  
Kiera von Besser  
Donna Moses

The Board of Community Health held its regularly scheduled meeting at the Department of Community Health (DCH), 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 Norman Boyd presided and called the meeting to order at 10:32 a.m.

**Minutes**

The Minutes of the December 11, 2014 meeting were unanimously approved.

**Opening Comments**

Chairman Boyd noted that two Board positions, Vice-Chair and Secretary have been under interim status. It was determined that it is necessary to hold an election of new officers for the three Board positions. In the previous Board meeting a nominating Committee was created to make recommendations to the Board.

**Nominating Committee:**

1. Allana Cumminings, Chair
2. Clay Cox, Member
3. Kiera von Besser, Member

Allana Cummings advised the Board that the Committee would like to nominate the following Board members for officer positions:

**Officer Positions/Nominees:**

1. Norman Boyd, Chair

2. Clay Cox, Vice-Chair
3. Donna Moses, Secretary,

Chairman Boyd asked if there were additional nominations to be presented by the Board. Hearing none;

A MOTION was made to approve the nominations for the following officer positions: Norman Boyd, Chair, Clay Cox, Vice-Chair and Donna Moses, Secretary. ON THE MOTION, the yeas were 6, nays 0, abstained 0, and the MOTION was APPROVED.

### **Committee Reports**

None to report.

### **Commissioner's Report**

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

Commissioner Reese updated the Board on the following items:

1. AFY 15 and FY 16 Budget:

The Board previously approved the AFY 15 and FY 16 budget recommendations. The proposal was presented to the Office of Planning and Budget (OPB) and then included in the larger State budget and presented to the General Assembly in January. Hearings will proceed and the General Assembly approves and votes on AFY 15 and then the FY 16 budget.

Budget presentations made:

- AFY 15 to the Joint Appropriations Committee of the House and Senate
- FY 16 to the House and Senate subsequent

The recommendations the Board approved are primarily what was included in the Governor's final recommendations. One item of interest during the hearings has been the high cost to Medicaid and the State Health Benefit (SHBP) as it relates to new drugs to treat Hepatitis C.

A large amount of funding was incorporated into the budget for Medicaid and SHBP to address this cost. There are three primary new drugs that seem to work affectively for individuals who been diagnosed with this disease.

## Hepatitis C Diagnosis:

- 6,000 Medicaid recipients (800 may be eligible for this treatment which will cost approximately \$118,000 per person)

The Governor included in our budget for FY 16 a proposal to eliminate coverage for non-certificated employees in school systems beginning January 1, 2016 from the SHBP.

The plan includes the following:

1. State employees
2. School teachers
3. Non-certificated employees (bus drivers, cafeteria workers, janitors, etc. that work less than 30 hours per week)

In the past the two larger groups (state employees and school teachers) have heavily subsidized the non-certificated employees.

Subsidies presented in the budget presentation:

- Between 2008-2014 \$2.15 billion
- Plan year 2014 \$136 million

It is essential to look at the long-term financial viability of the plan. As the process continues there will be a comprehensive budget presentation to the Board after the session as well as a legislative briefing to include Certificate of Need (CON).

Additional Governor recommendations include:

- Creation of a task force to look at Disproportionate Share Hospital (DSH) payments. The Affordable Care Act (ACA) provided for the elimination of DSH payments nationwide. These are payments made to hospitals to recognize their disproportionate share of services provided to Medicaid recipients and those individuals unable to pay.

Initially the ACA provided that Medicaid expansion would be mandatory for all 50 states. Later the Supreme Courts announced that all states would have the option not to expand; Georgia decided not to expand. The DSH elimination remains a part of the law. Between FY 17 and FY 20 Georgia will lose approximately \$400 million in DSH payment funds. The Department realizes this loss is something that we will need to prepare for and mitigate the negative impact on the hospital provider community. Congress has delayed the DSH

reductions for two years. The DSH payment study will be submitted to the general assembly by August 1, 2015.

- Conduct a study of the cost and benefits of services provided within the SHBP. The study would include, the cost of the SHBP compared to other plans within Georgia such as the Board of Regents health plan, cost and services compared to other states and the long-term viability of the plan. There will also be focus on what the plan includes, should include and the financial health. This study will be conducted and submitted to the General Assembly by July 1, 2015.

## 2. Personnel Updates:

- Commissioner Reese reiterated to the Board that he is serving as Interim Medicaid Director while a search is conducted to fill the position. Commissioner Reese noted that there have been several good interviews conducted. Commissioner Reese further stated that he has some concrete concepts in mind that he has discussed with the Governor's office. Announcements pertaining to a new Medicaid Director may be communicated by the next scheduled Board meeting, but the search is on-going.

Commissioner Reese advised that if there is a Medicaid issue, forward it to him and he will work with the senior Medicaid staff for a response.

- Charles Owens, Director of the State Office of Rural Health will be leaving August 1, 2015 to take advantage of an opportunity to become a professor at Georgia Southern University. Patricia Whaley a veteran with over 40 years in rural healthcare will assume the position as Director of the State Office of Rural Health. The Department will continue to utilize Mr. Owens expertise to help with the Rural Hospital Stabilization Committee.

## 3. Procurements:

- New Care Management Organizations (CMO's) was released on Monday. The Department will go through the Department of Administrative Services (DOAS) process to receive proposals. The goal is to evaluate and make a decision on new vendors by July 1, 2015 with a contract effective date of July 1, 2016 to allow a one year transition period.
- The Department made a decision not to include the Aged, Blind and Disabled (ABD) population which is the most expensive population in Medicaid managed care. Currently they are in a fee for service Medicaid. The goal is to seek savings for this population's cost. The Department would like to establish a Care Coordination program as an intermediate step.

The Department received proposals for a vendor to institute enhanced case management Care Coordination, but had to rescind the procurement in order to address cost savings.

Included in the proposed FY 16 budget is \$12.1 million as an initial investment to repost the procurement seeking a single statewide vendor to administer a voluntary program for ABD members to have enhanced case management. By FY 17 we will begin to see savings of approximately \$18 million. If this proposal is passed, the Department will release a procurement for the Care Coordination program.

- Centralized credentialing: The proposal has been presented to Centers for Medicare and Medicaid Services (CMS) for a centralized verification organization with Hewlett Packard (HP), the current Medicaid Management Information System (MMIS) vendor to conduct this work through an amendment in their current contract. One organization handling credentialing will streamline the process and shorten the timeframes, resulting in more efficiency and effectiveness.

#### 4. Rural Hospital Stabilization Committee:

- Charles Owens, Director of the Office of Rural Health is the point person.
- The Committee is comprised of the provider community and stakeholders with an interest in rural health.
- There is tremendous financial distress in many rural hospitals and an overall issue of access to healthcare.
- The Committee has met four times with one work session.
- Recommendations are ready to be made to the Governor about tangible elements that will help improve access to care in rural areas.
- The use of tele-medicine will be promoted, increased use of our Emergency Medical Services (EMS) system throughout the state as well as how some larger regional facilities can help struggling rural hospitals.
- Pilot projects will be introduced in the upcoming year.

Shelia Alexander, Program Director, PeachCare for Kids presented a public notice for initial adoption of Premium Changes in the PeachCare for Kids program. Premiums for the PeachCare for Kids® program will be adjusted due to changes required by the Affordable Care Act. The Act required the conversion of the state's net income eligibility thresholds to equivalent modified adjusted gross income (MAGI) thresholds in the Medicaid program and Children's Health Insurance Program (CHIP). This adjustment caused the eligibility threshold for PeachCare for Kids to move from 235% of the federal

poverty level (FPL) to 247% of the FPL. The adjustment will also change premiums for members. The state proposes to add medical inflation in line with the Consumer Price Index (CPI) to the new amounts and for most members, the premium will be lower or remain the same, but a few will experience a minor increase. The state also proposes adjusting the number of premium bands from 10 to 6 in response to a recent program evaluation. The evaluator suggested a decrease in the number of premium bands in order to decrease payment errors. The estimated State Fiscal Year 2015 fiscal impact is a decrease of \$108,474 total funds of which \$25,101 is state funds. In State Fiscal Year 2016 the fiscal impact is a decrease of \$433,896 of which \$25,101 is state funds. The state fund impact is relatively low in FY16 because the CHIP Federal Medical Assistance Percentage (FMAP) is 100% beginning 10/1/2015. The Board's favorable consideration was requested.

A public hearing to receive comments on this public notice will be held on February 17, 2015 at 10:30 am at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Written comments may be submitted to the Department through February 24, 2015. This public notice will be presented to the Board for final adoption at the March 12, 2015 Board Meeting.

Clay Cox MADE a MOTION to approve for initial adoption Peach Care for Kids Rate Premium Increase Public Notice. Russ Childers SECONDED the MOTION. ON THE MOTION, the yeas were 6, nays 0, abstained 0, and the MOTION was APPROVED. (A copy of the Peach Care for Kids Rate Premium Increase Public Notice, Initial Adoption is attached hereto and made an official part of these minutes as Attachment #3).

Mary Scruggs, Chief, Healthcare Facility Regulation Division presented the proposed revised Rules and Regulations for Hospices, Chapter 111-8-37, to the board for initial adoption. The revised rules are being proposed pursuant to the authority granted the Department of Community Health in O.C.G.A. § 31-2-4, 31-2-5, 31-2-7 and 31-7-170 et seq., the Georgia Hospice Law.

Board members were provided a copy of the synopsis of proposed rule changes and revised rules. During the oral presentation, the following revisions were highlighted:

- Moving the existing Hospice regulations from Chapter 290-9-43 (Department of Human Services) to Chapter 111-8-37 (Department of Community Health);
- Replacing references to the "Department of Human Resources" with the "Department of Community Health" in accordance with the transfer of authority to license certain healthcare facilities;
- Adding a definition for "advanced and progressive diseases" and addressing a hospice's ability to provide palliative care to individuals with advanced and progressive diseases and their families;
- Revising the definition of restraints to include chemical restraints;

- Prohibiting the governing body from encouraging or coercing a patient or patient's family member to give or loan anything of value to anyone associated with the hospice;
- Requiring the hospice to ensure contracts with staffing agencies require the staffing agencies to verify licensing credential of workers to ensure they meet the same qualifications and licensure requirements as specific in the hospice regulations for hospice employees;
- Amending the timeframes for the hospice's completion of the patient's comprehensive assessment as well as the review of the plan of care;
- Acknowledging that registered professional nurses licensed in this state and employed by the hospice may make the determination and pronouncement of death for a hospice patient in the absence of a physician except when the hospice patient is an organ donor;
- Adding requirement for hospice to develop policy and implement training of personal care aides and volunteers that also addresses patient rights; and
- Amending the rule governing the hospice's provision of home-like residential facilities or units to allow multiple units to be operated under a single hospice license provided the hospice meets identified requirements, including the provision of an emergency power source capable of providing electrical service for communication systems, alarm systems, egress lighting and patient care areas.

A public hearing to receive comments on the rules will be held on March 4, 2015 at 10:30 am at the Department of Community Health (2 Peachtree Street, N.W., Atlanta, Georgia 30303) in the 5th Floor Board Room. Written comments may be submitted to the Department through March 16, 2015. The rules will be presented to the Board for final adoption at the April 9, 2015 Board Meeting.

Roger Folsom MADE a MOTION to approve for initial adoption Revision of Licensure Rules for Hospice Care Public Notice. Allana Cummings SECONDED the MOTION. ON THE MOTION, the yeas were 6, nays 0, abstained 0, and the MOTION was APPROVED. (A copy of the Revision of Licensure Rules for Hospice Care, Initial Adoption is attached hereto and made an official part of these minutes as Attachment #4).

Marial Ellis, General Counsel provided an overview of the Office of General Counsel, which provides legal support and guidance to each Division and Office within the Department. The presentation included a listing of general responsibilities of the Office of General Counsel and highlighted the roles and production of its three major units as follows:

- Legal Services: This unit represents Medicaid in administrative hearings before the Office of State Administrative Hearings (OSAH), and during this fiscal year

has received a total of 457 provider, applicant, and/or member appeals through mid-January 2015.

- Contracts Administration: This unit drafts, reviews and negotiates contractual documents on behalf of all Divisions and Offices in the Department, and during this fiscal year, has produced 134 contractual documents at an approximate value of \$372 million.
- Open Records: This unit receives and processes requests for open records in the Department's possession, and during this fiscal year, has received 171 open records requests through mid-January 2015.

The Office of General Counsel also includes attorneys who provide legal guidance and support directly for certain Divisions and Offices within the Department, and handles HIPAA Privacy and Security.

(A copy of the Overview of the Office of General Counsel is attached hereto and made an official part of these minutes as Attachment #5).

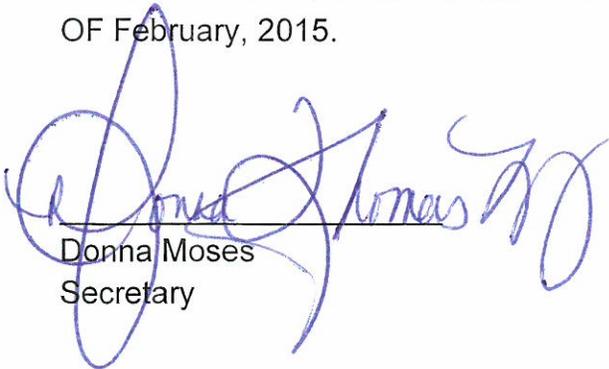
### **New Business**

None to report.

### **Adjournment**

There being no further business to be brought before the Board, Chairman Norm Boyd adjourned the meeting at 11:26 a.m.

THESE MINUTES ARE HEREBY APPROVED AND ADOPTED THIS THE 12th DAY OF February, 2015.



Donna Moses  
Secretary



Norm Boyd  
Chairman

Official Attachments:

- #1 List of Attendees
- #2 Agenda
- #3 Peach Care for Kids Rate Premium Increase Public Notice, Initial Adoption
- #4 Revision of Licensure Rules for Hospice Care, Initial Adoption
- #5 Overview of the Office of General Counsel