



GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

Amended FY2020 and FY2021 Governor's Budget Recommendation



Presentation to: Joint Appropriations Committee

Presented by: Frank W. Berry, Commissioner

Lisa A. Walker, Chief Financial Officer

January 23, 2020



GEORGIA DEPARTMENT
OF COMMUNITY HEALTH

Purpose:

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



Agency Overview...

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



Preparing for the HealthCare Environment of Future ...

- ***Information Technology Infrastructure***
- ***Medicaid Reorganization***
- ***Continuous Program Improvement***
- ***Healthcare Analytics and Reporting***
- ***Certificate of Need***



Continuous Program Improvement

- ***As part of Governor Kemp's initiative to streamline government, DCH identified 32 process improvements across 6 offices. Notable improvements include:***
 - 1) ***Converting paper processes to electronic processes***
 - 2) ***Creating centralized incident reporting system with follow-up tracking mechanisms***
 - 3) ***Creating centralized user-friendly end-user portal to streamline provider enrollment***
 - 4) ***Removing restrictive requirements such as annual or provisional licensing for home health, private home care, and hospice that takes time away from patient care***



Patients First Act

- ***Governor signed SB106 into law on March 27, 2019.***
- ***Grants DCH authority to submit a Section 1115 waiver to the Centers for Medicare & Medicaid Services (CMS).***
- ***Public hearings were held at 6 locations across the State.***
- ***DCH submitted a waiver application to the Federal Government on December 23, 2019.***
- ***Received a certificate of completeness for the application from CMS on January 6, 2020.***

FY2019 Budget Highlights

Georgia Beneficiaries of DCH Programs

61% of Georgia's children (ages 0 to 19) have access to health insurance through a DCH Program.

DCH Program	GA Children Population (ages 0-19)*	DCH Beneficiaries (ages 0-19)	%
Medicaid and PeachCare		1,569,973	56%
State Health Benefit Plan		153,437	5%
Total Children	2,817,820	1,723,410	61%





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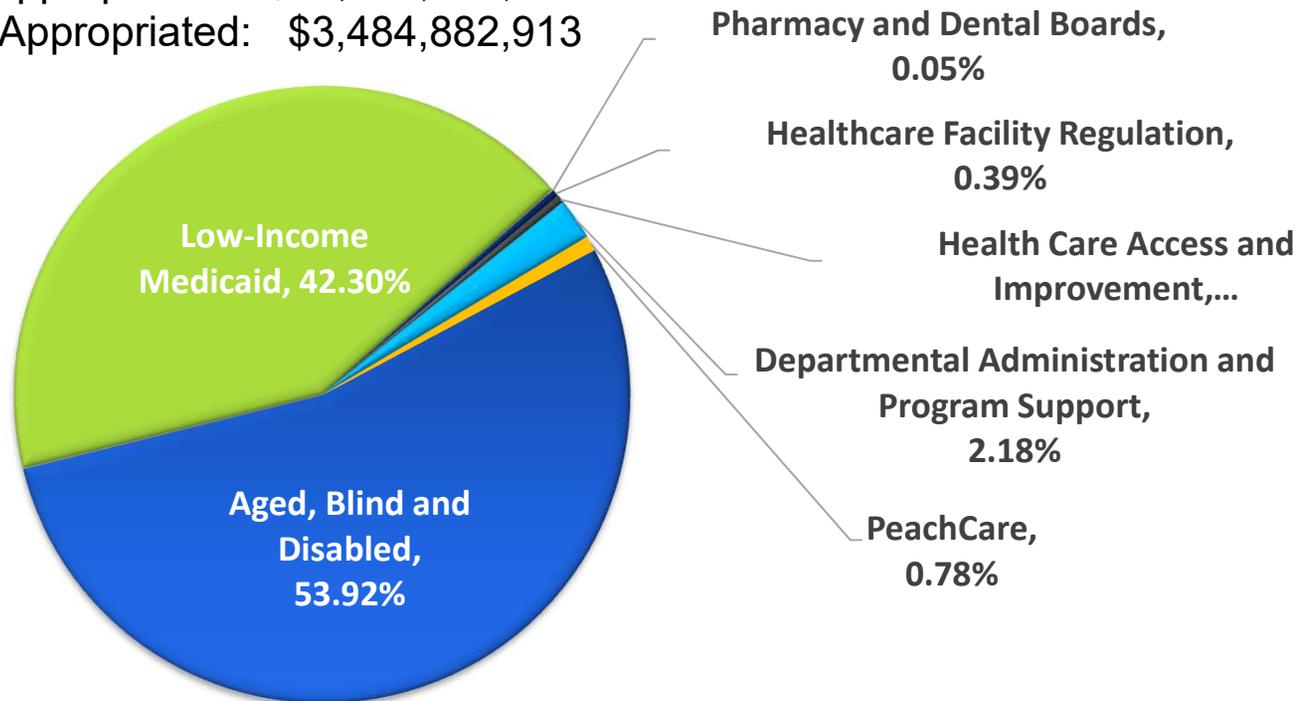
FY2020 Current Budget



FY2020 State Funds Budget by Program*

Total Funds Appropriated: \$15,649,092,261

State Funds Appropriated: \$3,484,882,913



97% of all DCH State Funds are budgeted in Medicaid

*State funds amount does not include attached agencies or the State Health Benefit Plan.



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Governor's Budget Recommendation



Governor's Budget Recommendation

Items	AFY2020	FY2021
Departmental Administration and Program Support		
Transfer the Right from the Start Medical Assistance Group to the Department of Human Services effective November 1, 2019.	(\$2,544,383)	(\$3,711,633)
Reduce funds for personal services to reflect projected expenditures	(\$201,343)	(\$476,614)
Reduce funds for contractual services to reflect projected expenditures	(\$703,656)	(\$1,385,657)
Workload Adjustments	\$4,901	(\$39,915)
Transfer funds from the Medicaid- Low-Income Medicaid program for enrollment-based growth		\$3,730,520
Increase funds to reflect a reduction in the enhanced Federal Medical Assistance Percentage (e-FMAP) from 88.61% to 76.92%		\$3,354,747



Governor's Budget Recommendation

Items	AFY2020	FY2021
Aged, Blind and Disabled / Low-Income Medicaid / PeachCare		
Benefits growth	(\$38,583,070)	\$89,578,629
Medicare Part B	\$6,780,737	\$18,898,667
Medicare Part D Clawback	\$3,936,297	\$5,229,225
FMAP Reduction		\$16,435,322
Health Insurer Fee (HIF)		\$38,876,700
Graduate Medical Education and Inpatient Medical Education		\$2,935,770
eFMAP (Children's Health Insurance Program (CHIP))		\$59,982,382
Transfer funds to the Departmental Administration (DCH) program for enrollment-based growth		(\$3,730,520)



Governor's Budget Recommendation

Items	AFY2020	FY2021
Indigent Care Trust Fund		
Disproportionate Share Hospital (DSH)	\$23,000,000	
Georgia Boards of Dentistry and Pharmacy		
Reduce funds to reflect projected expenditures	(\$64,892)	(\$97,338)
Workload Adjustments	\$282	\$10,760
Health Care Access and Improvement		
Reduce one-time funds for the Rural Health Systems Innovation Center	(\$463,000)	(\$463,000)
Workload Adjustments	\$92	\$4,857
Healthcare Facility Regulation		
Workload Adjustments	\$2,725	\$21,938
	(\$8,835,310)	\$229,154,840



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State Health Benefit Plan (SHBP)



SHBP Financial Status

	FY19 (A)	FY20 (P)	FY21 (P)
Baseline Revenue	3,854,233,186	3,503,774,111	3,767,229,749
Total Revenue	3,854,233,186	3,503,774,111	3,767,229,749
Baseline Expense	3,407,569,229	3,751,052,000	4,117,142,000
2019 MA Negotiation Savings	-41,638,000	-62,487,000	-43,644,000
2019 Mental Health Parity Act	3,494,000	7,612,000	8,322,000
Total Expense	3,369,425,229	3,696,177,000	4,081,820,000
Net Surplus/(Deficit)	484,807,957	(192,402,889)	(314,590,251)
Prior Year Fund Balance	2,428,481,356	2,913,821,566	2,721,418,677
Reserve Fund Balance	2,913,821,566	2,721,418,677	2,406,828,426

**FY19 Reserve Fund Balance includes interest earned.*



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***Additional Information on DCH
Website***

www.dch.georgia.gov