



Highlights - AFY 2021 Appropriations

Please find a summary of some of the key budget items impacting hospitals from [H.B. 80](#), the FY 2021 Supplemental Appropriations Act, passed by the House and Senate on February 11, 2021. Find a copy of the bill and related details [here](#) (Select "FY2021" under *Search by Year.*) All figures reflect State Funds unless otherwise noted.

BUDGET OVERVIEW: The Amended FY 2021 appropriation for total state funds is **2.5% more (+\$655 million)** than the original FY 2021 State Fund [Appropriation](#) approved by the 2020 General Assembly.

1. **No Medicaid payment rate cuts** for any provider group.
2. H.B. 80 includes initial funding for the FY 2022 implementation of the [Patients First Act](#) (2019 Session), with **\$7 million** appropriated.

The Patients First Act authorized the Department of Community Health to submit a Section 1115 waiver to the Centers for Medicare and Medicaid Services (CMS) to increase Medicaid eligibility. Approved by CMS in 2020, the Georgia Pathways to Coverage Section 1115 waiver provides Medicaid coverage to low-income adults ages 19 through 64, with incomes up to 100 percent of the FPL who are not otherwise eligible for Medicaid coverage. As a condition of eligibility, applicants and beneficiaries must complete a minimum of 80 hours of qualifying work activities. See the Department of Community Health's [website](#) for more information.

3. **Indigent Care Trust Fund**
 - a. Full funding for both deemed and non-deemed private hospitals eligible for the **Disproportionate Share Hospital (DSH)** program. **+\$36 million**
4. **Medicaid/PeachCare for Kids**
 - a. Recognition of **\$456 million** in state funds savings from the enhanced Federal Medical Assistance Percentage (**FMAP**) during the COVID-19 Public Health Emergency.
 - b. **New funding (+\$19 million) for rate increases for nursing home providers of 3.5% from July 1, 2020 through June 30, 2021.**
 - c. Increased funding for Medicaid costs related to **Medicare Part B.** **+\$1.3 million**
 - d. State fund savings of **\$28.1 million** from the Coronavirus Aid, Relief, and Economic Security (CARES) Act for **Medicare Part D clawback** costs.
 - e. Reduced funding for Medicaid enrollment, medical services utilization and medical trend based on projected need. **-\$47 million**
5. **Healthcare Facilities Regulation**
 - a. **\$7.3 million** made available for **long term care surveyors** (\$2.4 million) and contractual services (\$4.9 million) to comply with CMS COVID-19 mandates and to ensure safe and healthy living conditions for residents of long-term care and health care facilities.
 - b. **\$478 thousand** in new funding for **additional staff regulating nursing homes.**



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6. DCH Administration
 - a. Use of \$850 thousand in existing Medicaid funds to conduct prior authorizations for **independent lab services**.
 - b. The provision of one-time funds of \$750 thousand to plan and implement an **All-Payer Claims Database** to enable analysis and public reporting of health care costs and utilization for medical, dental, and pharmaceutical services.

7. State Health Benefit Plan
 - a. **No changes** to the State Health Benefit Plan.

8. Public Health
 - a. **Recognition of \$1 billion in federal funds** made available to the Department of Public Health to prevent, prepare for, and respond to the COVID-19 pandemic.
 - b. **\$16 million in new state funding** and redirection of **\$11.1 million** in unused 5-year bond funding from 2016 and 2017 to replace and modernize the **public health surveillance system** and to implement **a new vaccine management system**. The aggregate amount of funding for both the new public health surveillance system and the new vaccine management system is **\$27.1 million**.
 - c. **\$15 million** in new funding for the **AIDS Drug Assistance Program** to support the increased utilization during the COVID-19 pandemic and to ensure there is no waiting list for program participation.
 - d. **Recognition of \$8.6 million in additional collections of Super Speeder and Reinstatement Fees and \$544 thousand from the Fireworks Excise Tax** for use by the **Georgia Trauma Care Network Commission**.
 - e. **\$486 thousand** to provide funds for a chief medical officer, a deputy commissioner of public health, a chief data officer, a senior programmer, and a financial manager to support the agency with the COVID 19 pandemic response and ongoing **agency leadership**.
 - f. Use of **\$289 thousand** for the **Grady Regional Coordinating Center** to continue coordination of emergency room use.

9. Medical Education
 - a. No changes.

10. Rural Health
 - a. No changes.

11. Behavioral Health and Developmental Disabilities
 - a. Recognition of **\$3.6 million** in state fund savings to be used for additional **adult mental health community services**. Savings are from the extension of the enhanced FMAP during the COVID-19 Public Health Emergency
 - b. Recognition of **\$800 thousand** in federal funds to be used for the Emergency Response for Suicide Prevention in the **adult mental health services program**.