

Please find a summary of the key budget items impacting hospitals from [HB 31](#), the FY 2020 Appropriations Act, passed by the General Assembly on March 28, 2019. Find the full version of HB 31 [here](#). All figures reflect State Funds unless otherwise noted.

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### 1. Medicaid/PeachCare for Kids

#### *Hospital Providers:*

- a. New funding for the revision of the hospital **Inpatient Prospective Payment System (IPPS)** reimbursement model, effective for dates of service on and after January 1, 2019. (\$9.3 million)
- b. New funding to include additional **long-term care acute hospitals (LTACs) and intermediate rehabilitation facilities (IRFs)** as Medicaid providers, effective January 1, 2019. (\$3.2 million)
- c. Increased funds for a \$150 per diem add-on payment for hospital-based **swing bed units** in Prospective Payment System (PPS) hospitals located in counties with populations less than 35,000. (\$575 thousand)
- d. Supplemental payments to general acute care hospitals with **inpatient child and adolescent units** to achieve a \$750 per diem. (\$172 thousand)
- e. Legislative directive for the Department of Community Health to evaluate the cost of Medicaid **inpatient payment parity** for hospitals with specialized units and to develop qualification criteria in order for those units to receive any such payments. (No funds)

#### *Nursing Home Providers:*

- f. 3 percent inflationary cost increase and use of the most current fiscal year audited cost for the general liability and professional liability calculation. (\$13.7 million)
- g. Increase funds to provide an increase in the maximum adjustment factor to the Allowed Per Diem for Routine and Special Services from 4.5% to 5.5% for nursing homes that qualify for the maximum adjustment rate based upon approved assessments for resident cognitive impairment. (\$717 thousand)
- h. \$5 increase in the monthly personal needs allowance pursuant to [HB 206](#) (2017 Session). (\$402 thousand)
- i. Support for enhanced background checks (\$330 thousand)
- j. 3% increase in the nursing home ventilator reimbursement rate (\$109 thousand)

#### *Other Providers:*

- k. Increased payment rates by 3 percent for **dental providers**. (\$205 thousand)
- l. New funding for **gene therapy drug** coverage recently approved by the FDA. (\$5.9 million)

#### *Medicaid Financing:*

- m. Additional funding for increases in Medicaid enrollment, medical services utilization and medical trend. (\$55.6 million)
- n. Savings from a one-year moratorium of **Health Insurance Fees** as required by the Affordable Care Act. (\$34 million)



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- o. Recognition of additional **Hospital Provider Payment Program** revenue used for the state share of Low-Income Medicaid benefits expenditures. (\$10.4 million)
  - p. Increased funding for Medicaid costs related to **Medicare** Part B. (\$6.8 million)
  - q. A decrease in the Federal Medical Assistance Percentage (**FMAP**) from 67.62% to 67.30% and the enhanced FMAP from 100% to 88.61% required more state funds to maintain total funding levels.
2. Healthcare Access and Improvement
- a. Creation of a grant program for hospitals in counties with populations less than 35,000 for CMS-required **upgrades to emergency rooms for behavioral health patients**. The program would support five grants with a \$25,000 match requirement for each grant. (\$250 thousand)
  - b. Funding for **FQHC startups** in Screven County (primary care) and Chatham County (behavioral health). (\$500 thousand)
  - c. Additional student housing for community-based rotations managed by the Georgia Statewide **Area Health Education Centers (AHEC)**. (\$300 thousand)
  - d. Funding for the **AHEC** program office to expand certification training for health professions students as Mental Health First Aid trainees. (\$42 thousand)
3. Georgia Board for Physician Workforce
- a. Funding for 139 **new residency slots** in primary care medicine. (\$1.9 million)
  - b. 54 new slots in the **OB/GYN residency program** to reach a total of 36 slots at Emory University School of Medicine, 20 slots at Medical College of Georgia, 16 slots at Memorial University Medical Center, 16 slots at Morehouse School of Medicine and 16 slots at Navicent Health Care Macon. (\$828 thousand)
  - c. For **Augusta University/Medical College of Georgia**:
    - i. Three-year primary care residency track for physicians (\$500 thousand)
    - ii. Child and adolescent psychiatry residency slots (\$381 thousand)
    - iii. Rural Surgery Initiative (\$353 thousand)
    - iv. Second year of gynecological fellowship (\$125 thousand)
    - v. New slots (7) in Pediatrics residency programs. (\$116 thousand)
  - d. Increased medical student capitation rate for 50 students at the **Philadelphia College of Osteopathic Medicine (PCOM)** and 40 students at PCOM South Georgia. (\$572 thousand)
  - e. Funds to create a **Center of Excellence on Maternal Mortality** at Morehouse School of Medicine. (\$500 thousand)
  - f. Increased funding for **loan repayment awards** for rural advanced practice registered nurses, dentists, physician assistants and physicians. (\$500 thousand)
  - g. Marketing and outreach funds to encourage students in rural areas to enroll in the PCOM South Georgia campus. (\$318 thousand)
  - h. Startup grant for the **South Georgia Medical Center residency** program. (\$180 thousand)
  - i. Use of existing funds for an online **physician workforce data visualization tool**.
4. State Health Benefit Plan (*Funds reflect Health Insurance Payments from employers and members*).
- a. Increased funding for increases in SHBP membership, medical services utilization and



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medical trend. (\$245 million)

- b. **Savings from Medicare Advantage Plan** rates in 2019. (-\$126 million)
- c. Funds to ensure **mental health benefit parity**. (\$7.9 million)

### 5. Public Health

- a. Funding for **newborn screening** to include four additional disorders. (\$2.3 million)
- b. Funding for three satellite **perinatal support sites** in Jenkins, Randolph, and Wilcox counties and encouragement of co-location with other providers. (\$600 thousand)
- c. Increased funds for 5 Coverdell-Murphy Act **remote stroke readiness grants**. (\$275 thousand)
- d. New funds for **perinatal facility designation** per [HB 909](#) (2018 Session.) (\$153 thousand)
- e. New nurse peer assistance program to support nurses recovering from substance abuse. (\$150 thousand)
- f. **For Trauma Care:**
  - i. Five new level IV trauma centers to enhance the delivery and access to emergency trauma care in rural Georgia. (\$40 thousand)
  - ii. No Senate-recommended supplemental funding to maintain the current funding levels for hospitals with trauma care designations. Instead, pending additional hospitals obtaining trauma care designations, funding will be maintained at current levels with a reconciliation in the Amended FY 2020 budget. (No funds)

### 6. Behavioral Health and Developmental Disabilities

- a. Annualized funding for the cost of **behavioral health crisis centers** in areas with the greatest need. (\$8.3 million)
- b. Increased funds for:
  - i. The state's **behavioral health services for adults** (\$10.6 million)
  - ii. Adult behavioral health **crisis bed capacity** (\$10.2 million)
  - iii. Adult mental health consumers in **community settings** (DOJ Settlement Agreement compliance) (\$2.5 million)
  - iv. Residential treatment of adult addictive diseases. (\$4.9 million)
- c. Increased support for **Mercy Care Health Systems** to provide mental and primary health care to indigent Georgians. (\$250 thousand)
- d. No additional funding for a Senate-proposed **crisis stabilization unit** in Columbus, Muscogee County starting January 1, 2020. Final recommendation is to support the funding for operations of crisis stabilization units throughout the state as additional beds come open. (No funds)

### 7. Corrections

- a. Funding to cover projected expenses related to the contract for **inmate mental and dental health** services. (\$10.9 million)



### 8. Department of Audits and Accounts

- a. Increased funds to engage an outside consultant to assist Department staff in conducting a **comprehensive study on executive compensation and lobbying expenditures by charitable not-for-profit and hospital authority hospital organizations** receiving more than \$5 million per year from the Georgia Medicaid and PeachCare for Kids programs and report back to House and Senate Appropriations Committee Chairs by December 31, 2019. (\$10 thousand)