Georgia Health Initiative

Welcome!

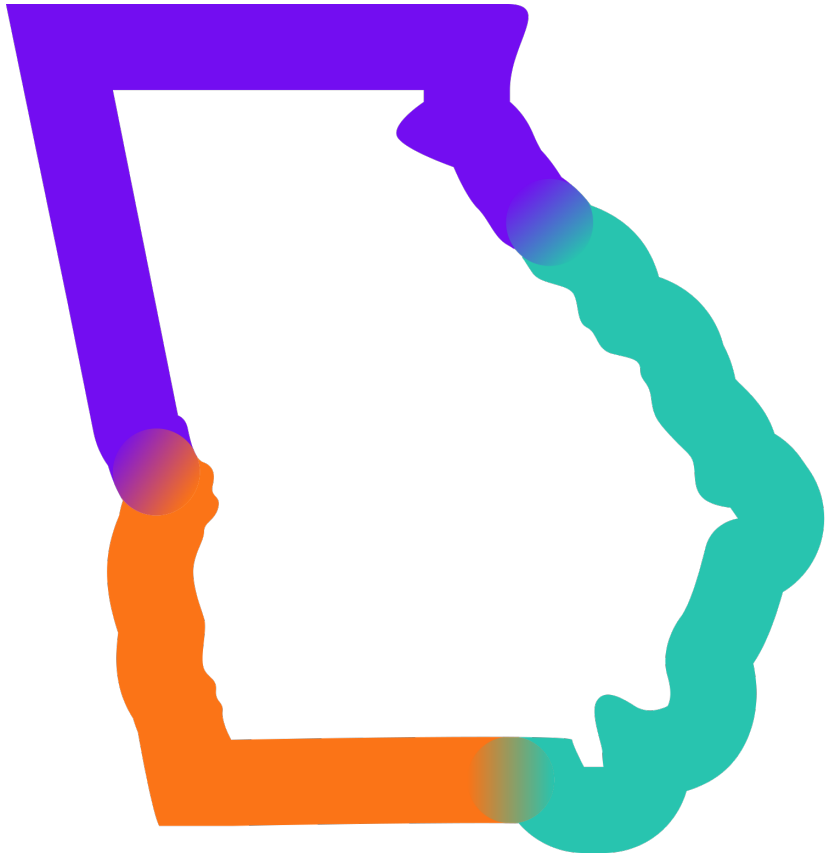
Insights on Medicaid in Georgia

Informational Webinar

January 10, 2025

Georgia Health Initiative

#TeamPossible



Our Mission

To inspire and promote collective action that advances health equity for all Georgians

Our Vision

A Georgia in which all people have the opportunity to attain their fullest potential for health

Our Values

Courageous Leadership • Trust • Equity • Partnership

Insights on Medicaid in Georgia

Purpose of this Research: To provide a visually compelling, accessible, and digestible resource for Medicaid experts and novices alike that spotlights timely and relevant data and information about Medicaid in Georgia.

Georgia Health Initiative

HMA Health Management Associates

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Georgia Health Initiative

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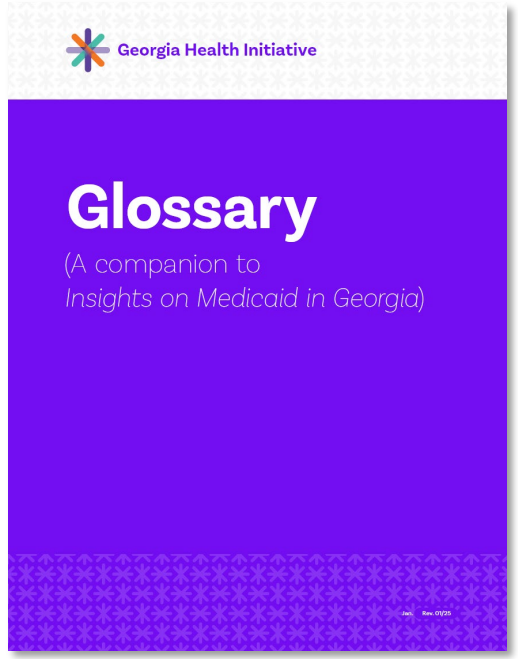
Insights on Medicaid in Georgia



available online at:

georgiahealthinitiative.org/our-work/publications-and-releases

Introducing Speakers from Medicaid Insights Project Team:

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Methodology & Approach

1 Co-Creation Approach

- Merging HMA subject matter expertise with the Initiative's vision

2 Interviews with Key Informants

- Gathered insights about topics of interest
- Trended responses and organized thematically

3 Data Collection and Analysis

-Referenced similar publications from other states
- Data sources
- Sought data to correspond to findings from key informant interviews
-Collected and analyzed data elements from common time periods as much as possible
-Assessed findings to prioritize and highlight those most salient

4 Compendium Development

- Narrative development
- Developed illustrative graphics to best represent the data story

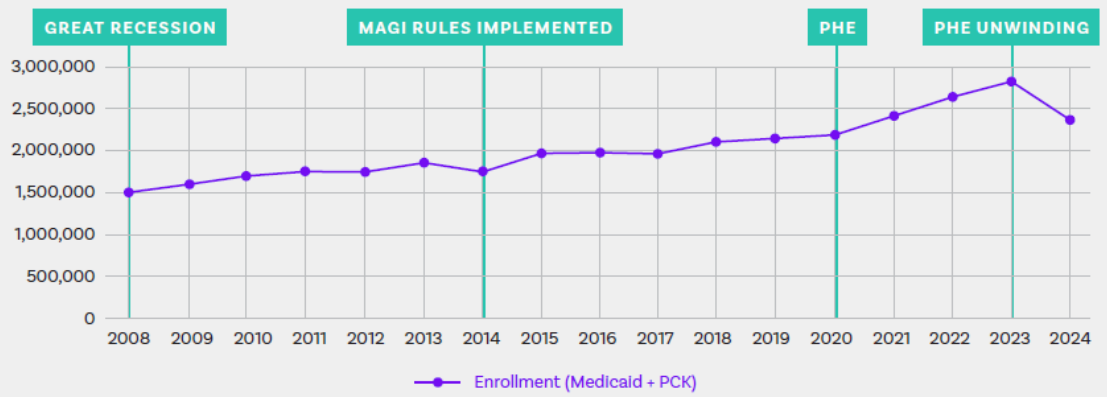
Webinar Content Preview

1. Eligibility & Enrollment
2. Covered Benefits & Services
3. Operations & Infrastructure
4. Financing & Expenditures
5. State Priorities & National Trends
6. Q&A

Medicaid Enrollment Overview

Nearly one in five Georgians (19%) has health coverage through Medicaid. In the two decades between State Fiscal Year (SFY) 2000 and 2020, enrollment increased from 1.3 million[2.1] to almost 1.9 million, an average rate of growth of just over 2% each year. Several factors, including Georgia's total population growth, rising poverty rates, the aging of the population, and state policy decisions have contributed to Medicaid growth.

FIGURE 2-1.
GEORGIA MEDICAID AND PEACHCARE FOR KIDS® (PCK) POINT-IN-TIME ENROLLMENT (2008-2024)



Sources: Data.Medicaid.Gov (2017-2024) and Monthly Medicaid and CHIP Application and Enrollment Reports (2014-2016).
NOTE: Enrollment reflects Medicaid and PCK enrollment in June of each year. "MAGI" refers to Modified Adjusted Gross Income.

Enrollment peaked at 2.8 million[2.2] in 2023 as a result of the federal public health emergency (PHE), during which states could not disenroll members in exchange for receipt of enhanced federal funding. As of June 2024, enrollment had fallen to 2.3 million according to the Department of Community Health (DCH), which is higher than pre-pandemic counts by over 100,000 and relatively on par with the average rate of enrollment growth for the state.

Nearly 1 in 5
Georgians (19%) has health coverage through Medicaid

18.8%
As of July 2023, 18.8% of Georgia residents received health care through Medicaid compared to a national average of 21.3%.

81%
On average, 81% of Medicaid members have experienced continuous enrollment for 10-12 months.

18%
18% of Medicaid members are also dually eligible for Medicare (in part or in full).

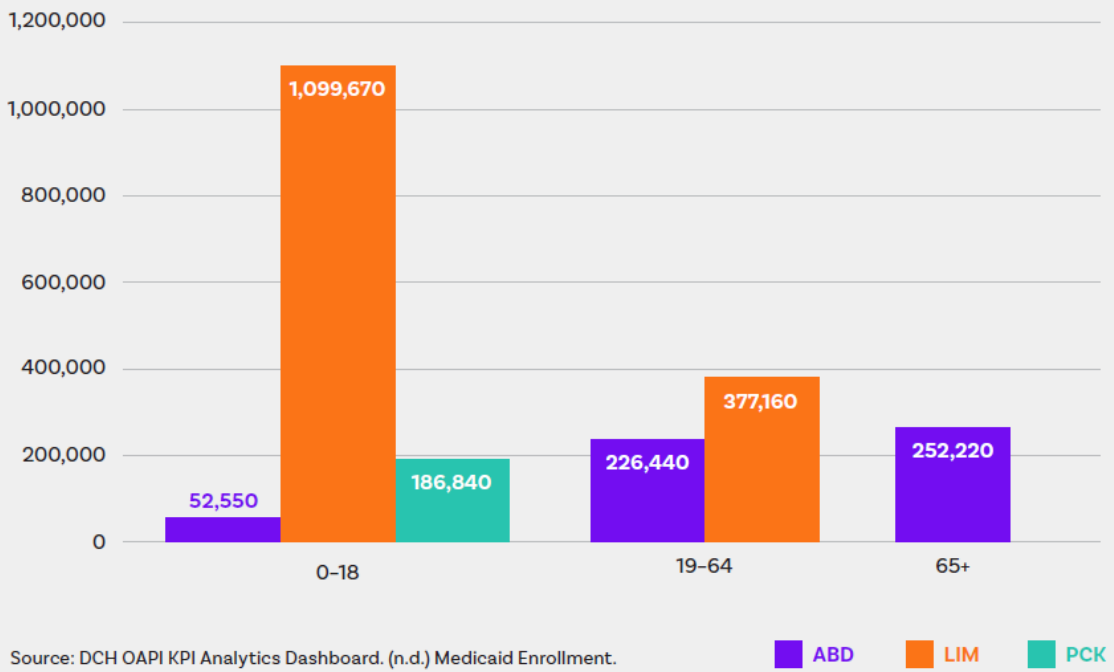
2.1 DCH Annual Report. (2000). https://dch.georgia.gov/document/publication/fy00-annual-report/download.

2.2 DCH OAPI KPI Analytics Dashboard. (n.d.) Medicaid Enrollment.

Medicaid Enrollment by Age and Eligibility Category

Because Georgia has not expanded its program, Medicaid generally serves a younger average population as compared to other states. In April 2024, the average age of the Georgia Medicaid member was 16 (excluding dual eligible Medicare enrollees whose average age was 66). Aged, Blind, and Disabled (ABD) Medicaid is the one category in which members throughout the age span are enrolled, as individuals of any age can be blind or disabled. The vast majority of Georgia Medicaid members (1.82 million) are in managed care and served by one of three currently contracted care management organizations (CMOs).[2.3] The CMOs serve both Low Income Medicaid (LIM) members and PCK members, a partnership with DCH known as Georgia Families®. About 590,000 members are in fee-for-service (FFS) Medicaid.[2.4]

FIGURE 2-2.
MEDICAID ENROLLEES BY AGE AND ELIGIBILITY CATEGORY (APRIL 2024)



Source: DCH OAPI KPI Analytics Dashboard. (n.d.) Medicaid Enrollment.

2.3 Most LIM members are assigned to managed care while ABD members remain in the FFS system. The contracted care management organizations will change with the next procurement cycle project to become effective in July 2026.

2.4 DCH Member Report. (November 2023 – January 2024). Medicaid Enrollment by CMO and FFS Health Plan.

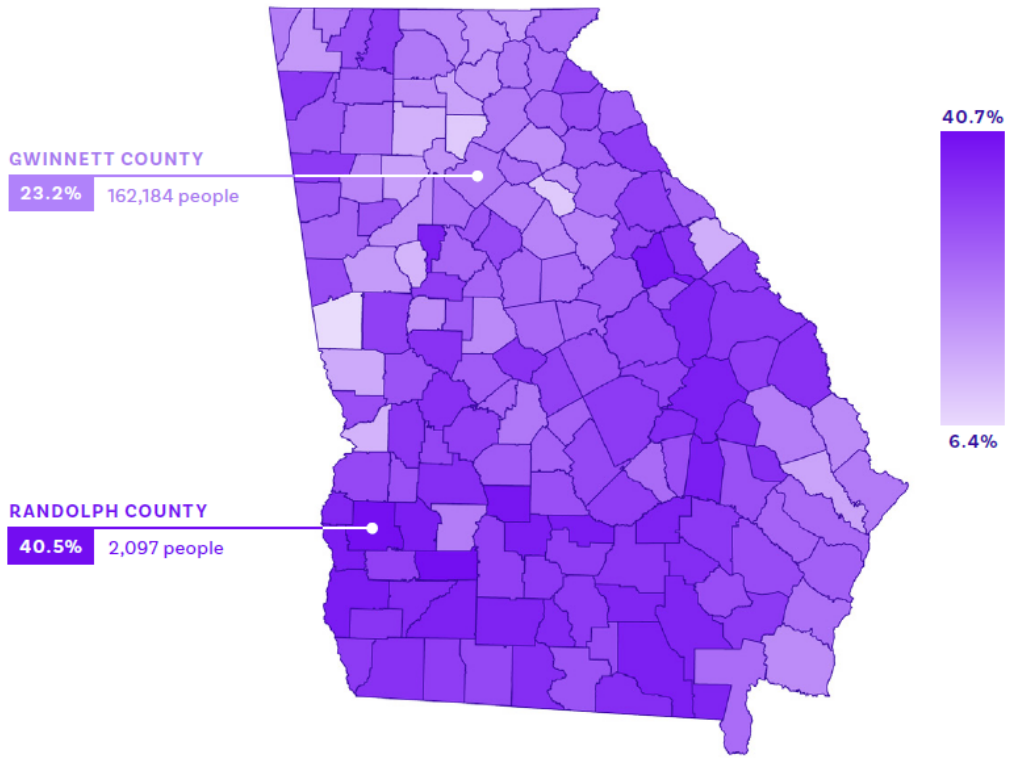
Medicaid Enrollment by County

There are Medicaid members in every county in Georgia. Overall Medicaid enrollment is higher in the more densely populated areas of the state. However, the less populated and more rural counties of Georgia tend to have higher levels of poverty and consequently have higher percentages of their population enrolled in Medicaid as compared to their urban counterparts, with as many as 43% of county residents receiving Medicaid coverage.

For example, while there are 162,184 people enrolled in Medicaid in **Gwinnett County** (the highest enrollment in the state), this translates to only 23.2% of the total county population. By contrast, **Randolph County** only has 2,097 people enrolled in Medicaid, but this translates to 40.5% of the total county population.

FIGURE 2-3.

PERCENTAGE OF COUNTY POPULATION ENROLLED IN MEDICAID (JULY 2023)



Sources: DCH Enrollment Data. Medicaid Enrollment by County. U.S. Census Bureau. Projected population by County. (2023).

Financial Criteria for Medicaid Eligibility

FPL, which is the basis for Medicaid and CHIP eligibility, is set by the U.S. Department of Health and Human Services and its guidelines are adjusted at least once a year. FPL is the earned income by a household annually and is deemed federally to represent the minimum income that a family requires for food, clothing, transportation, shelter, and other necessities. Poverty is defined federally as any income that falls below FPL. In 2024, the FPL for an individual was $15,060 and $31,200 for a family of four.

TABLE 2.7.
RANGE OF FINANCIAL LIMITS FOR DIFFERENT ELIGIBILITY TYPES WITHIN EACH ELIGIBILITY CATEGORY

	Aged, Blind, and Disabled		Low-Income Medicaid		PeachCare for Kids®
			Individual	*Family of 4*	
Income Limits	SSI, Medically Needy, Institutional	$317 - $2,829/month	$208 - $2,649/month	$442 - $5,720/month	$3,100/month
	Medicare Duals	$1,275 - $1,715/month			
Resource Limits	SSI, Medically Needy, Institutional	$2,000	N/A*		N/A
	Medicare Duals	$9,430			

Source: Georgia Medicaid. (n.d.) Basic Eligibility. https://medicaid.georgia.gov/how-apply/basic-eligibility.

NOTE: This table represents an abbreviated summary of Medicaid eligibility criteria. The table collapses multiple eligibility classes of assistance for illustrative purposes to convey general income and resource thresholds. For the complete list of criteria, please see the state's website, listed in the source.

*TANF recipients have a $1,000 resource limit which may apply to some LIM members.

Medicaid Application Processing – Volume and Duration

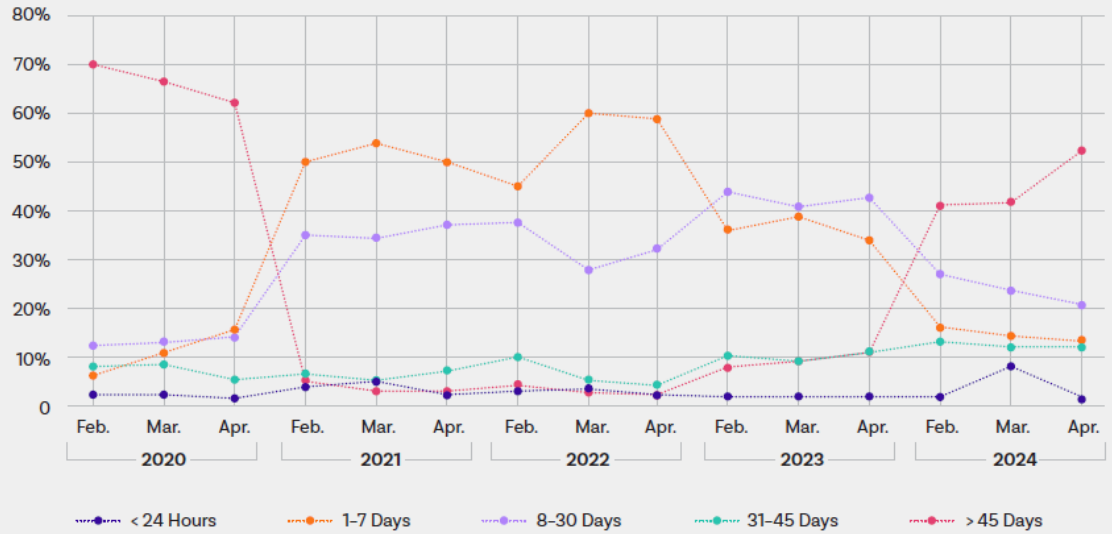
For SFY 2024, the state reported receiving 122,644 Medicaid applications —103,653 online, 16,845 on paper, and 2,146 by phone.[2.11] Georgia receives close to 50,000 Medicaid applications each month.

Standard of practice targets a turnaround time of 45 days to process a Medicaid application from time of receipt. In February 2020, 70% of applications were completed in more than 45 days while 8.7% were completed in less than 8 days. During the federal COVID-19 PHE, when only new applications were being processed, processing times decreased and the majority of applications were processed in less than 30 days.

Applications taking longer than 45 days to process trended upward from 41% in February 2024 to 52% in April 2024. However, in December 2024, DCH reported that the average processing time is 70 days, returning to pre-PHE processing times.

FIGURE 2-11.

GEORGIA MEDICAID AND CHIP APPLICATION PROCESSING TIMES (FEB 2020 – APRIL 2024)



Source: CMS. (n.d.). Medicaid Modified Adjusted Gross Income & Children's Health Insurance Program Application Processing Time Report. https://www.medicaid.gov/state-overviews/medicaid-modified-adjusted-gross-income-childrens-health-insurance-program-application-processing-time-report/index.html.

NOTE: Figure compares completion times for the same three-month period between the stated time frame based on completion in less than 24 hours, between 1-7 days, 8-30 days, 31-45 days, or over 45 days.

2.11 Georgia Department of Human Resources. (2024, November 15). Open Records Request.

Mandatory and Optional Medicaid Benefits

Georgia Medicaid benefits include both mandatory services each state must provide to all members and many optional services, about 50 different service programs in all.

Optional benefits authorized by the State Plan are available to any Medicaid member who meets the medical necessity criteria for each specific service. Only optional benefits available through Home and Community Based Services (HCBS) waivers have special eligibility criteria that limit the total number of members allowed to participate.

FIGURE 3-1.
KEY MANDATORY AND OPTIONAL SERVICES IN GEORGIA MEDICAID

MANDATORY Services	OPTIONAL Services
• Physician Services • Inpatient Hospital Services • Outpatient Hospital Services • Laboratory and X-Ray Services • Home Health Services • Nursing Home Care • Early and Periodic Screening, Diagnostic, and Treatment Services for Individuals under 21 • Family Planning and Supplies • Federally Qualified Health Care Center Services • Rural Health Clinic Services • Nurse Midwife Services • Non-Emergency Transportation	• Pharmacy • Dental Care for Adults • Orthotics, prosthetics and durable medical equipment • Primary care case management • Mental Health clinical services • Psychological Services • Hospice Care • Inpatient Hospital Care for Individuals under age 21 (psychiatric) • Home and Community Based Services • Podiatry Services • Portable X-Ray and CT Scan Services • Targeted Case Management • Vision Care

Source: Georgia Medicaid. (n.d.) Medicaid State Plan. https://medicaid.georgia.gov/organization/about-georgia-medicaid/medicaid-state-plan.

Access to Georgia Medicaid Providers

Georgia Medicaid enrolls most licensed health care provider types, including physicians, therapists, and Board Certified Behavior Analysts, who will become licensed in 2025. In 2023, a total of 76,346 traditional medical providers (physicians, therapists, diagnosticians, etc., but not including facility-type providers) were enrolled in CMO provider networks and 72,547 in the Medicaid FFS system.

Medicaid also enrolls facilities like hospitals, nursing homes, and community mental health, but not assisted living centers. Some facilities, such as personal care homes and community living arrangements, are not enrolled providers but an approved setting in which to deliver Medicaid-reimbursed services.

Most Medicaid providers must be credentialed by the state. Credentialing is a required process for all providers who also enroll to provide services to members in CMO networks. The credentialing process validates that the provider or facility is qualified to enroll according to established policy and to confirm that the provider, provider organization, and its owners pass criminal background and other checks.

CMOs are subject to standards regarding their provider network to ensure there is adequate access by members to providers in their geographic area. Standards address members' proximity to specific provider types based on urban and rural areas.

FIGURE 3-6.

GEOGRAPHIC ACCESS STANDARDS BY PROVIDER TYPE

Provider Type	Urban	Rural
Primary Care Providers (PCPs) and Pediatricians	Two within 8 miles	Two within 15 miles
Obstetric Providers	Two within 30 minutes or 30 miles	Two within 45 minutes or 45 miles
Physician Specialists and Dental, Vision, and Therapy Providers	One within 30 minutes or 30 miles	One within 45 minutes or 45 miles
Hospitals and Mental Health Providers	One within 30 minutes or 30 miles	One within 45 minutes or 45 miles
Pharmacies	One 24/7 location within 15 minutes or 15 miles	One 24/7 location (or has an afterhours emergency phone number and pharmacist on call) within 30 minutes or 30 miles

Source: DCH. (n.d.) Network Adequacy. https://dch.georgia.gov/medicaid-managed-care/network-adequacy.

Medicaid Benefits Utilization

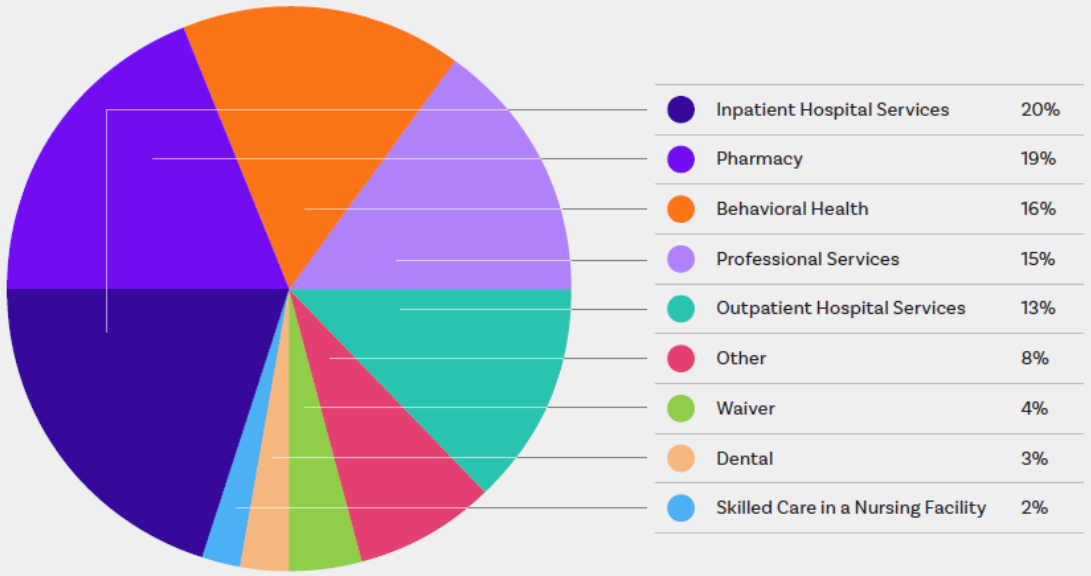
Based on expenditures data, the four largest benefit categories are:

1. **Inpatient hospital**
2. **Pharmacy**
3. **Behavioral health**
4. **Outpatient hospital**

These benefit categories represent 68% of total expenditures. Professional services (e.g., physician, dialysis, orthotics and prosthetics, vision care, and psychological services) account for another 15%.

The most utilized services by members are **professional services**, **pharmacy**, **outpatient hospital**, and **dental** services.

FIGURE 3-4.
EXPENDITURES BY CATEGORY OF MEDICAID SERVICE (FEB 2023 - JAN 2024)



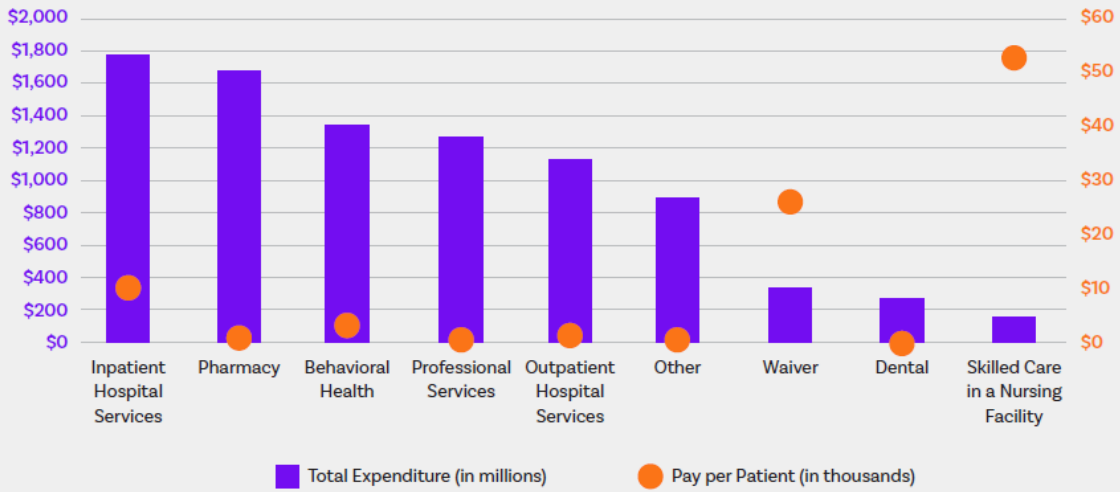
Source: DCH Medicaid Analytic Dashboard. (June 2024).

Service Utilization Rates and Costs

From February 2023 to January 2024, the average annual cost per Medicaid member was $4,242. Nursing facility services had the highest cost, twice as much as HCBS, and almost five times the cost of an inpatient hospital stay. Dental services represent the lowest cost per member. Five programs – inpatient and outpatient hospital, pharmacy, behavioral health, and professional services (e.g. physical therapy) – each account for over $1 billion in spending. Some services, like pharmacy, had high spending but low per-person costs due to heavy utilization, while nursing facility and waiver services had higher per-person costs but lower utilization.

FIGURE 3-5.

SERVICE UTILIZATION RATES AND COSTS FOR (NON-MEDICARE) MEDICAID MEMBERS (FEB 2023 – JAN 2024)



Source: DCH Medicaid Analytic Dashboard. (June 2024.) | NOTE: Excludes members with Medicare coverage.

On average, Medicaid paid for 11,000 office visits for every 1,000 ABD members, and almost 4,000 office visits for every 1,000 PCK members and LIM members.

The 2022 national average of hospital admissions per 1,000 population was 95 compared to Georgia's 88.[3.2]

The 2022 national average of emergency room visits per 1,000 population was 411 compared to Georgia's 374.[3.3]

3.2 KFF. (n.d.) Hospital Admissions per 1,000 Population by Ownership Type. https://www.kff.org/other/state-indicator/admissions-by-ownership/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

3.3 KFF. (n.d.) Hospital Emergency Room Visits per 1,000 Population by Ownership Type. https://www.kff.org/other/state-indicator/emergency-room-visits-by-ownership/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

Managed Care Organizational Infrastructure

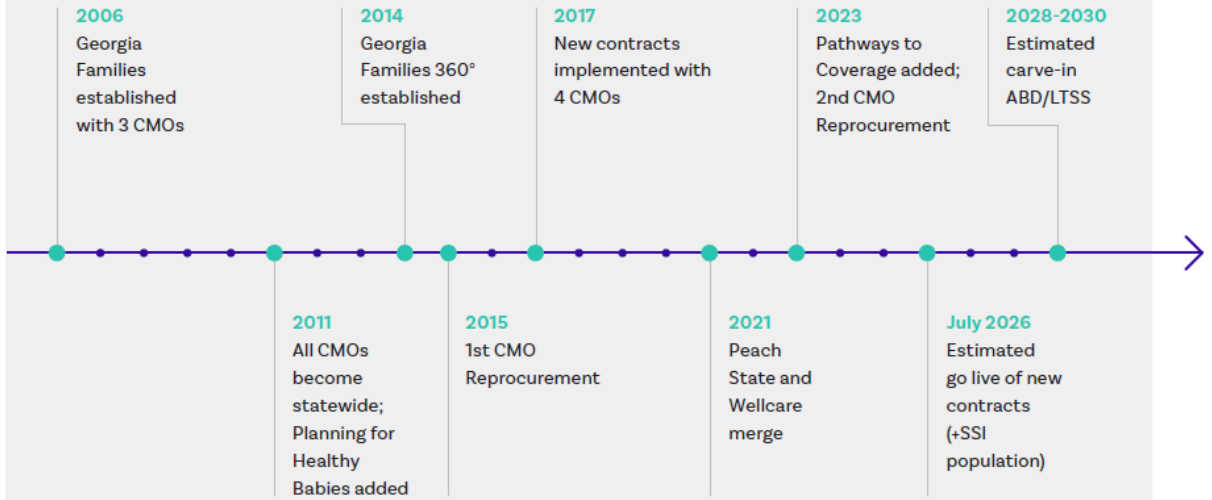
The Georgia Department of Community Health (DCH) oversees contracts with Care Management Organizations (CMOs) to arrange for delivery of benefits and health care services to Medicaid and PeachCare for Kids® (PCK) members under the Georgia Families® program. CMOs are charged with:

- Expanding access to healthcare services and providers
- Enhancing care quality through utilization management and care coordination
- Ensuring timely and effective healthcare delivery
- Educating members on accessing care, specialist referrals, member benefits, and wellness programs

Launched in 2006 for only select member populations, Georgia's managed care program has evolved to also include PCK, Planning for Healthy Babies, children involved in the child welfare and juvenile justice systems, and Georgia Pathways to Coverage participants.

FIGURE 4-1.

TIMELINE OF THE EVOLUTION OF MEDICAID MANAGED CARE IN GEORGIA



NOTE: Peach State and Wellcare are the names of two of the state's contracted CMOs. "SSI" refers to Supplemental Security Income; "ABD" refers to Aged, Blind, and Disabled Medicaid; "LTSS" refers to Long-Term Services and Supports.

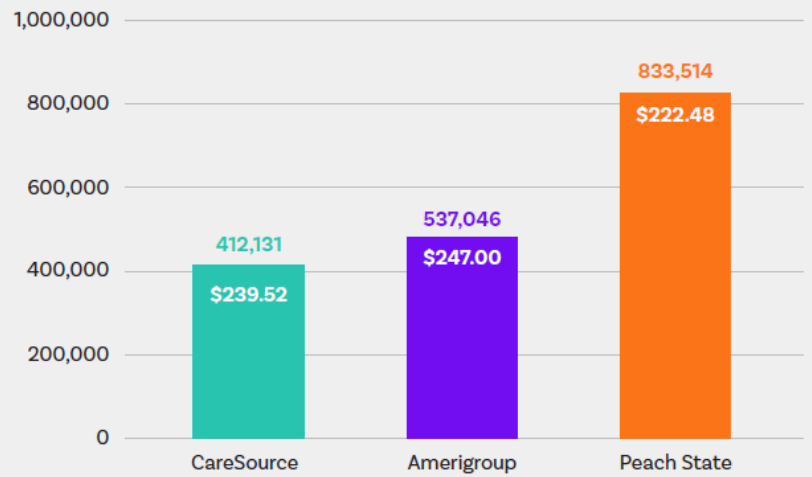
Managed Care Organizational Infrastructure *(continued)*

Certain groups remain excluded from Georgia Families, such as Medicare recipients, members of federally recognized Indian tribes, hospice and nursing home residents, and participants in specific Medicaid waiver programs like Katie Beckett. The program requires mandatory enrollment for specific categories of Medicaid and PCK members, including:

- Low-Income Medicaid (LIM) recipients
- Pregnant women and children under Right from the Start Medicaid (RSM)
- Newborns of Medicaid-covered women
- Women with breast or cervical cancer under age 65
- Refugees

Currently, three CMOs[4.1] cover approximately 1.7 million (75%) of Georgia's Medicaid members through the managed care program. Payments for populations enrolled in managed care account for 40% of total Medicaid expenditures.[4.2]

FIGURE 4-2.
AVERAGE MEMBER ENROLLMENT AND CAPITATED RATES FOR CMOS (Q1 OF 2024)



Source: DCH Medicaid Analytic Dashboard. (June 2024).

4.1 See more information about the status of Georgia's CMOs later in this section, under Next Steps for Georgia's Managed Care Program.

4.2 DCH OAPI KPI Analytics Dashboard. (June 2024). Medicaid Enrollment.

CMO Operational Features

Figure 4-3 presents selected operational features that illustrate how managed care functions in Georgia. This list is not exhaustive but is intended to highlight key operational features of managed care that distinguish it from FFS. Major responsibilities assigned to CMOs are more fully delineated in the CMO contracts that DCH oversees.

FIGURE 4-3.
SELECTED CARE MANAGEMENT OPERATIONAL FEATURES

Feature	Description
Assignment	Upon enrollment, members may select a CMO. If no selection is made, members are assigned to a plan through a passive enrollment process. Members can choose a new plan during their annual enrollment period and can also change or opt-out for substantiated cause at any time.
Policies	CMOs must follow policies established by the state, including programmatic requirements about benefit coverage. CMOs can also choose to establish their own additional policies. For example, different prior authorization protocols across CMOs may require health care providers to submit different information for the same service, depending on the CMO to which it's being submitted.
Population Management	Population management refers to the strategies and processes used by CMOs to coordinate and oversee services for members and includes care coordination, health monitoring, and member engagement, among other approaches.
Disease Management	Disease management programs are designed to improve the health of individuals and reduce associated costs from preventable health complications by identifying and treating chronic conditions more quickly and more effectively, thus slowing the progression of those diseases.
Risk Assessment	CMOs conduct extensive data analytics and use risk modeling to assign members to certain risk categories to align population health and disease management supports with the level of need for members' health conditions.
Capitated Payments	CMOs receive a fixed amount of funding through capitation payments, which are intended to cover all members' needed clinical services and administration costs. Capitated payments incentivize CMOs to provide care in a cost-efficient way. To maximize profits or stay within capitation budgets, CMOs may engage in cost-cutting measures which can result in diminished care quality.
Medical Loss Ratio (MLR)	MLR is the proportion of total capitation payments spent on clinical services and quality improvement. The minimum MLR for Medicaid managed care per federal rules is 85%.[4.3] The remaining 15% is used to cover all administrative and operational expenses and profit. Under the new Georgia contracts, CMOs will be held to an 86% MLR threshold. If the CMO cannot demonstrate a MLR of greater than 86%, they must return 100% of the monetary difference between the actual MLR and 86%.
Internal Auditing and Quality Improvement	CMOs routinely conduct their own internal audits and review data on a weekly/monthly basis to evaluate performance and to look for opportunities and areas to target for improvement. CMOs also must produce and submit reports to DCH on a monthly, quarterly, and annual basis to demonstrate compliance with both performance and contract requirements. Examples of data and information that CMOs may review periodically include claims, cost, and quality data; member and provider program effectiveness; complaints and appeals data; provider and member satisfaction surveys and advisory councils; and services requiring prior authorization.

4.3 Effective July 1, 2022, the Medicaid and CHIP Managed Care Final Rule (CMS-2408-F), requires Medicaid managed care organizations to spend at least 85% of the premiums they collect on direct medical care for their beneficiaries, rather than on administrative costs or profits.

CMO Quality Overview *(continued)*

FIGURE 4-5.

SUMMARY OF CMO STRENGTHS AND WEAKNESSES FOR MEASUREMENT YEAR 2022

	Quality	Access	Timeliness
Strengths	● Asthma Medication ratio for Adults-51-64 ● **Diabetes Short-Term Complications Admission Rate**	● **Developmental Screening in the First Three Years of Life** ● Well-Child Visits in the First 15 Months of Life ● Immunizations for Adolescents-Combination 1 ● Child & Adolescents Well-Care Visits ● Cervical Cancer Screening ● Chlamydia Screening—16–20 Years	● Ambulatory Care—ED Visits ● **All-Cause Readmissions**
Weaknesses	● Controlling High Blood Pressure ● Hemoglobin A1c Control for Patients With Diabetes	● Breast Cancer Screening ● Cervical Cancer Screening ● Chlamydia Screening	● Prenatal and Postpartum Care

Comparison to Measurement Year 2021

- ● Improved in Measurement Year 2022 as compared to Measurement Year 2021
- ● Declined in Measurement Year 2022 as compared to Measurement Year 2021
- ● No significant difference across Measurement Years 2021 and 2022

NOTE: Bolded text indicates measures where Georgia met or exceeded the national 50th percentile of all state results from the Medicaid Child and Adult Core Set of measures.

CMO Quality Overview - Member Satisfaction

Georgia's CMOs use the CAHPS Member Experience of Care to collect information from members about their experience with healthcare services, focusing on key areas that reflect the quality and effectiveness of care. The CAHPS survey is designed to capture feedback on several dimensions of the healthcare experience, including access to care, communication with providers, and overall patient satisfaction.

- The highest scoring measure was How Well Doctors Communicate, rated at 90.83% by adults and 93.17% for children.
- The overall experience rating for All Health Care was 75.40% for adults and 84.01% (down from 2022) for children.
- Of Composite Measures, Customer Service was 88.94% (up from 2022) for adults and 86.45% (down from 2022) for children.

CAHPS results indicate that Georgians' experience is mixed across several measures:

FIGURE 4-6.
CAHPS MEMBER EXPERIENCE MEASURES (2023)

CAHPS results indicate that Georgians' experience is ***below the national average*** in several measures:		
Georgia Families and PCK Measure	**Adult**	**Children**
Getting Needed Care	76.39%	81.22%
Medical Assistance With Smoking and Tobacco Use Cessation Items: Discussing Cessation Medications Discussing Cessation Strategies	 31.79% 28.82%	
Rating of Health Plan	74.25%	
Rating of All Health Care		84.01%
Rating of Specialist Seen Most Often		78.86%
CAHPS results indicate that Georgians' experience is ***significantly higher than the national average*** in several measures:		
Georgia Families 360° Measure		**Children**
Getting Care Quickly		92.51%
How Well Doctors Communicate		98.37%
Rating of Personal Doctor		93.46%

Source: DCH. (March 2024). 2023 External Quality Review Report.

NOTE: Scores absent from the table above reflect those that did not fall below the national average for their respective Measure.

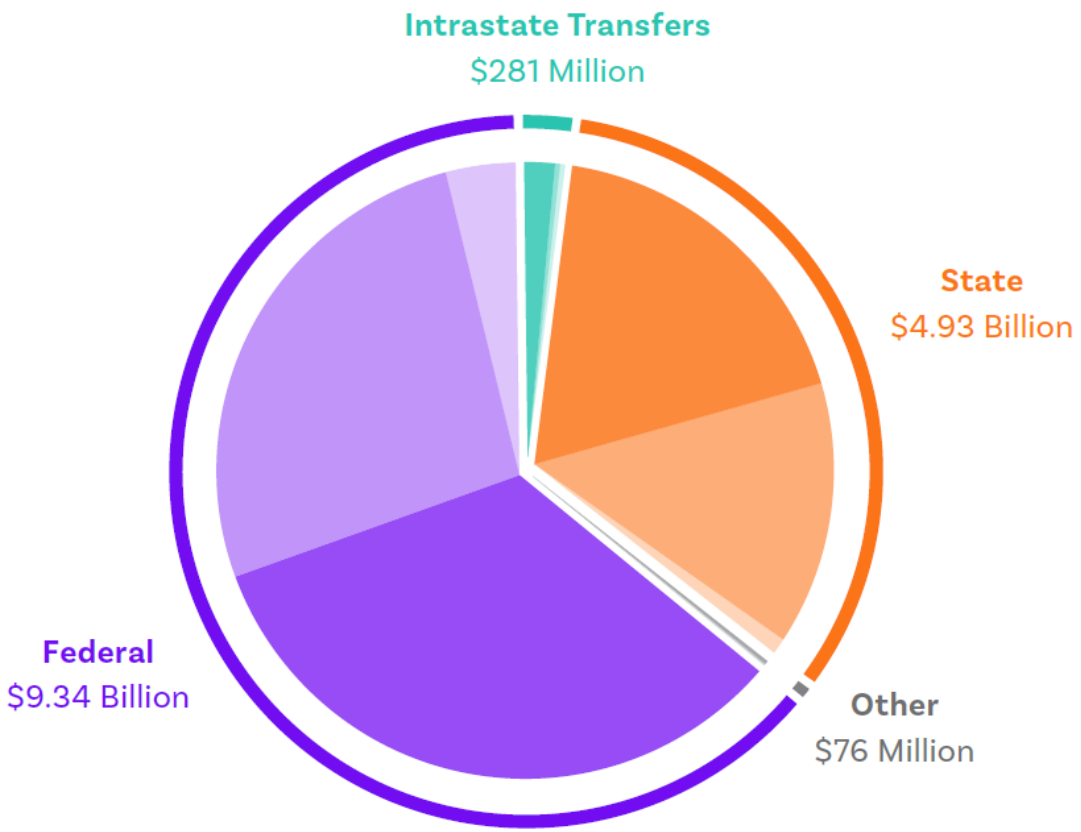
Next Steps for Georgia's Managed Care Program *(continued)*

FIGURE 4-7.
ANTICIPATED CHANGES IN NEW CMO PROGRAM

Georgia Medicaid State-wide Preferred Drug List (SPDL)	• A single list of prescription and non-prescription drugs which will be covered by all Georgia CMOs.
Certified Community Behavioral Health Clinics (CCBHCs)	• Designated clinics that provide 24-hour crisis care, evidence-based practices, care coordination with local primary care and hospital partners, and integration with physical health care.
Closed-Loop Referral Management	• Members will complete a Social Determinants of Health (SDOH) screening, and if a need is identified, a community-based organization will respond to that need. Confirmation that the needed services were provided will be relayed back to the CMO, providers, and DCH.
Behavioral Health Homes (BHHs)	• Increase in CMO contracts with behavioral health providers to serve integrated primary care, behavioral health services, and social services and supports for adults and children diagnosed with mental illness in BHHs.
Focus on Health Equity and Inclusion	• Requirements for CMOs to achieve NCQA Health Equity Plus Accreditation. • New CMO staffing requirements to hire dedicated staff responsible for leading efforts to reduce disparities among diverse members and creating strategies to address social factors (e.g., addressing SDOH). • Enhanced Value-Added Services and In Lieu of Services.
CMO Community Reinvestment Plans	• Requirements to identify population health strategies aligned with the DCH Quality Strategic Plan, and to include investments to address nonmedical risk factors (e.g., housing, food, etc.) for members in a data-driven manner. • Reinvestment contributions are voluntary, except in the case of a required reinvestment as a result of deficiencies in meeting VBP Performance Targets.
Monitoring	• Enhanced access to advanced analytics to monitor CMOs and providers.

Overview of the Medicaid Budget in Georgia *(continued)*

FIGURE 5-1.
TOTAL SPENDING ON MEDICAID IN GEORGIA (BY SOURCES OF FUNDING) FOR STATE FISCAL YEAR (SFY) 2025



Federal ABD	$4.9 Billion
Federal LIM	$3.9 Billion
Federal PCK	$511.9 Million
State ABD	$2.8 Billion
State LIM	$2.1 Billion
State PCK	$124.1 Million
Intrastate Transfers ABD	$267.3 Million
Intrastate Transfers LIM	$13.4 Million
Intrastate Transfers PCK	$151,783
Other ABD	$63.3 Million
Other LIM	$12.3 Million
Total	**$14,627,615,990**

Federal and State Medicaid Funding

The most significant portion of Medicaid funding is provided by the federal government through the Federal Medical Assistance Percentage (FMAP). Georgia's FMAP rate has fluctuated between 66-67% over the last several years and will be 66.04% for 2025. The federal government therefore covers approximately two-thirds of the state's Medicaid costs of providing benefits. The remaining third is predominantly comprised of state general funds plus other revenues, such as provider taxes allocated specifically for Medicaid services by the General Assembly's appropriations act each year. For the SFY2025 budget, the total state portion contributed for Medicaid was $4.93 billion and the total federal match was about $10 billion.

The Children's Health Insurance Program (CHIP) receives an enhanced federal match, therefore all PCK services require significantly less state share — currently less than 24%. The FMAP for the administrative costs of running Medicaid are generally 50%, but in some instances up to 75% and 90%. The total value of Georgia's federal administrative Medicaid match is $359 million for 2025.

TABLE 5.3.
GEORGIA'S FMAP OVER TIME

Year	FMAP %	State Share %	PHE Enhanced %	CHIP Enhanced %
2019	67.62	32.38	—	100.00
2020	67.30	26.50	73.50	93.00
2021	67.03	26.77	73.23	81.26
2022	66.85	26.95	73.05	81.14
2023	66.02	27.78	72.22	80.55
2024	65.89	34.11	—	76.12
2025	66.04	33.96	—	76.23
2026	66.40	33.60		

Sources: KFF. (n.d.). Federal Medical Assistance Percentage (FMAP) for Medicaid and Multiplier. https://www.kff.org/medicaid/state-indicator/federal-matching-rate-and-multiplier/ and Enhanced Federal Medical Assistance Percentage for CHIP. https://www.kff.org/other/state-indicator/enhanced-federal-matching-rate-chip/. Federal Register. (2024, November 29). Federal Financial Participation in State Assistance Expenditures. https://www.federalregister.gov/documents/2024/11/29/2024-27910/federal-financial-participation-in-state-assistance-expenditures-federal-matching-shares-for.

While FMAP rates fluctuate from year to year, there has been a 1.58 percentage point decrease in the FMAP between 2019 and 2025, meaning a greater percentage of state funds are needed to offset the decrease in federal match.[5.2] For example, in the SFY 2024 budget, due to the adjustment from 65.89% to 66.04%, an increase of $102.3 million in needed state share allocation was reflected in the budget to maintain the same level of benefits.[5.3] During the PHE, the state received an extra 6 percentage points added to each year's FMAP which was subsequently phased out.

5.2 *Id.*

5.3 Office of the Governor. (2023, May 5). HB 19 Fiscal Year 2024 Appropriations Act (Act 351).

State Funding Sources for Medicaid

Georgia assesses certain provider fees or taxes, including on hospitals, nursing facilities, and ambulance providers, which help generate additional revenue for the Medicaid program. The funding through provider fees is also matched at the regular FMAP rate, drawing down another two-thirds federal funding to help cover facilities' costs. Federal regulations limit the amount of provider taxes that can be used as the state share of Medicaid payments to 6% of an industry's net patient revenue.

Georgia also receives funding through grants, legal settlements, or other federal programs. For example, during the pandemic, Georgia received federal COVID-19 relief funds, an enhanced match of 6.2%.[5-4] In prior years, the state was awarded a Balancing Incentive Payment Program grant, which provided enhanced match for state spending on Home and Community-Based Services (HCBS) over the four-year life of the grant. Occasionally, Georgia Medicaid benefits from legal settlement dollars. For example, Georgia has received approximately $3.4 billion from the national tobacco settlement since 1998, which requires four major tobacco companies to make annual payments to states.

FIGURE 5-4.

SOURCES OF STATE FUNDS ACROSS MEDICAID PROGRAMS (WITHIN SFY 2025 BUDGET)

Medicaid State Funds Source	ABD	LIM	PCK	TOTAL	% OF TOTAL
Ambulance Provider Fees	$9,381,009	$0		$9,381,009	0.2%
Hospital Provider Payment	$41,840,441	$369,150,111		$410,990,552	8.3%
Nursing Home Provider Fees	$152,886,715	$0		$152,886,715	3.1%
State General Funds	$2,545,370,237	$1,567,462,534	$124,111,399	$4,236,944,170	85.9%
Tobacco Settlement Funds	$6,191,806	$117,870,545		$124,062,351	2.5%
Total State Funds	$2,755,670,208	$2,054,483,190	$124,111,399	$4,934,264,797	100%

Source: Georgia General Assembly. (2024). HB 916 General appropriations; State Fiscal Year July 1, 2024 – July 30, 2025.

5-4 Enhanced funding for FY 2020-2023 of a 6.2 percentage-point increase made available through the Families First Coronavirus Response Act and subsequent amendments.

Sources of Supplemental Payments to Medicaid *(continued)*

Disproportionate Share Hospital Program (DSH)

DSH payments are a mechanism states can use to help hospitals cover uncompensated care costs for services provided to Medicaid and uninsured patients. The amount of DSH payments a state can make are limited based on an annual federal allotment. DSH, like other Medicaid programs, requires a state share amount to draw down the federal match. In SFY24, Georgia's federal DSH allotment was $382.2 million, allowing for maximum gross DSH payments of $567.1 million. About $52 million of the state share for Georgia's DSH payments comes from state funds, with the remaining $141 million coming from intrastate governmental transfers (IGTs). The program distributes payments based on each hospital's uncompensated care costs, ensuring that facilities offering essential services to vulnerable communities receive necessary funding. To qualify for DSH payments, hospitals must meet federal criteria which include having a Medicaid inpatient utilization rate of at least 1%.

Intrastate Governmental Transfers (IGT)

IGTs are financial transactions from a state or local government entity to another governmental entity within the state. In Georgia, public hospitals and public hospital-based nursing facilities transfer funds which are then used as "state share" funds to secure additional federal Medicaid funding in compliance with Medicaid rules.

Indigent Care Trust Fund (ICTF)

A separate fund in the State Treasury, ICTF is funded by provider fees and other sources[5.6] and provides a separate accounting for the collection and distribution of DSH payments and other Medicaid payments that use these sources for the state share. Provider groups pay into the ICTF through IGTs (public entities only) and through provider fees. Along with about $53 million in state funds to support the DSH program, these funds are then used as the state share to draw down federal funds for over $2.2 billion in Medicaid payments.

FIGURE 5-5.
2024 TOTAL ICTF VALUE: $2,252,110,655

State Share	Federal Match
State Funds: $52,882,042 Provider Fees: $529,613,536 Agency Funds: $157,738,751	$1,529,597,471

5.6 ICTF is funded by a combination of state appropriations, provider fees and payments, breast cancer automobile tag fees, voluntary intrastate transfers, federal funds, ambulance licensing fees, and Certificate of Need (CON) penalties.

Sources of Supplemental Payments to Medicaid *(continued)*

Upper Payment Limit (UPL)

Federal regulations limit aggregate Medicaid FFS reimbursement based on UPL. For hospitals and nursing facilities, the UPL is defined as a reasonable estimate of what Medicare would pay for the same services. Georgia uses UPL-based supplemental payment programs for multiple provider types. The UPL payments are structured to pay the difference between the Medicaid base FFS payments and the estimated amount that Medicare would have paid for the same services. As with other Medicaid payments, about two-thirds of UPL payments come from federal funding with the remaining one-third coming from the state. For these programs, the state funding is provided by IGTs and provider taxes.

DCH currently makes UPL payments to:

- Hospitals (inpatient and outpatient services)
- Nursing Homes (hospital based)
- Physician (attending and mid-level)
- Ground Ambulance Providers (hospital based)
- Intermediate Care Facilities (state owned)

Directed Payments Programs (DPPs) Through Managed Care

Similar to supplemental payments in FFS, states can use DPPs to make targeted payments to certain providers through managed care. Unlike FFS, which is limited to an UPL based on estimated Medicare levels, DPPs can pay up to an average commercial rate. DPPs also require annual approval from CMS and must advance at least one of the goals and objectives outlined in the state's quality strategy. Georgia has been innovative in the use of new DPPs to increase provider funding of critical services for the Medicaid population and strengthen the healthcare workforce, working collaboratively with providers to identify most needed areas of supplemental enforcement. For SFY 2025, Georgia received approval for multiple DPPs totaling over $2.3 billion in Medicaid payments, with the state share funded through IGTs and provider taxes, with federal matching at the state's regular FMAP.[5.7]

FIGURE 5-6.
LIST OF CERTAIN DPPS IN GEORGIA

Physician DPP	Scheduled to distribute approximately $244 Million to eligible physicians and practitioners who are affiliated with a governmental teaching hospital for SFY2025.
Hospital DPP for Public Hospitals[5.8]	Scheduled to distribute approximately $400 Million.
Hospital DPP for Private Hospitals	Scheduled to distribute over $235 Million in SFY2025 across all private, acute hospitals excluding general cancer hospitals, free-standing children's hospitals, and rehabilitative/ psychiatric/long term acute hospitals.
Georgia Advancing Innovation to Delivery Equity (GA-AIDE)	Scheduled to distribute over $586 Million to improve patient quality of care for Grady Memorial, the largest single provider of Medicaid services, Phoebe Putney, and Colquitt Regional Hospitals.
Strengthening the Reinvestment of a Necessary Workforce in Georgia (GA-STRONG)	Scheduled to distribute over $875 Million to 21 qualified teaching hospitals with at least five full-time equivalent residents to encourage workforce retention and incentivize patient care in geographic medical workforce shortage areas.

5.7 DCH. (n.d.). State Directed Payment Programs. https://dch.georgia.gov/programs/state-directed-payment-programs.

5.8 Public hospitals are defined as all state and non-state government hospitals, excluding Critical Access Hospitals.

State Priority - Systems Operations Enhancements

FIGURE 6-4.
STATE SYSTEMS OPERATION ENHANCEMENTS

Priority	Opportunity
CMO procurement 2023-2026	Implementation of new CMO contracts includes opportunities for raising quality standards, moving to value-based reimbursement for improved outcomes, and improving care coordination for newly added populations into managed care.
Procurement for new Eligibility Determination information system 2025-2028 (estimated)	The procurement of a new Medicaid Integrated Eligibility System is an opportunity to streamline the eligibility determination process, improving the integration of various services, and providing more responsive, user-friendly interfaces for both applicants/members and administrators.
Procurement for new Medicaid Management Information System (MMIS) modules	Procuring Georgia's MMIS Claims Module, offers potential for long-term benefits of improved claims processing, enhanced compliance, and data analytics, making this a key opportunity for the state to optimize its Medicaid program.
State Directed Payment Programs	Maintenance of programs securing over $2.3 billion in new funding for Medicaid services, predominately for hospital uncompensated care.
Rural stabilization grants for Graduate Medical Education 2024-2025	Designed to attract and retain medical professionals in rural areas, these grants can address healthcare workforce shortages, improve access to care, and promote long-term economic and community stability in underserved regions. Awarded hospitals in 2024 received between $250,000 and $1 million each.
Program of All-Inclusive Care for the Elderly (PACE) procurement	A priority of the Governor's office, PACE will help bolster the state's system of long-term services and supports (LTSS) by providing a vehicle to help elderly members stay at home longer with better quality outcomes and help the state use funds more effectively.

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State Priority - Systems Operations Enhancements *(continued)*

Priority	Opportunity
Juvenile Justice community services coverage 2024-2025	Effective January 1, 2025, in compliance with the Consolidated Appropriations Act, 2023 (CAA), for Medicaid and Children's Health Insurance Program (CHIP) youth detained through the juvenile justice system, the state is required to provide diagnostic and case management services for 30 days pre- and post-release. Multiple policy, practice, and system changes are required to ensure youth are screened, referred to, and access services such that they are more likely to remain stable in the community, reducing the risk of further detention.
Implementation of Qualified Residential Treatment Programs (QRTPs)	QRTPs, a new provider type, respond to the state's needs to fill gaps in the continuum of care for children in foster care, enabling them to be served in less restrictive placement settings using a therapeutic approach that will ultimately help families stay together.
Expansion of Certified Community Behavioral Health Clinic (CCBHCs)	Expansion of CCBHCs is aimed at improving access to and the quality of behavioral health services, enhancing service integration, addressing the needs of individuals with complex health challenges, and improving overall health outcomes while reducing costs in the long term.
Policy manual updates and standardization	Georgia Medical Assistance Plans' initiative to update and standardize policy manuals is driven by the need to improve clarity, compliance, efficiency, and transparency, and reduce administrative burdens for both providers and the administration.

National Trends - Benefits

Recent trends include a significant number of states adding new Medicaid benefits or enhancing existing benefits. These additions fall into multiple categories, but the most common include expanded pregnancy and post-partum services, additional mental health and substance use disorder (SUD) benefits, dental services, and a continued focus on services to address Health Related Social Needs (HRSN).

FIGURE 6-6.
BENEFITS TRENDS

Trend	Description	States
Pregnancy and Postpartum Services	More than one out of every four Medicaid and CHIP members are females ages 15–49[6.3] and more than 40% of births nationwide are financed by Medicaid.[6.4] Given these statistics, Medicaid must be central to any comprehensive maternal health redesign in the United States, and state Medicaid programs are intensifying efforts on maternal health improvement including expanding the scope of pregnancy care, expanding mental health coverage, and adding coverage for doulas in an effort to increase positive birth experiences, leading to a potential long-term cost-savings over time for Medicaid programs.[6.5] States have also widely adopted the ARPA and CAA option to expand postpartum coverage to 12 months.	Extended Postpartum Coverage Beyond 60 Days: All states *except* AR.[6.6] Doula Services: AZ, CA, CO, DC, DE, FL, IL, KS, MA, MD, MI, MN, MO, NJ, NV, NY, OK, OR, VA, RI, WA
Behavioral Health Services	Mental health and SUD services, collectively behavioral health services, continue to be one of the most frequent categories of benefit expansions since 2016.[6.7] Behavioral health services for children are comprehensive due to Medicaid's Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit, but vary for adult members. The full range of behavioral health services covered under Medicaid is not easily quantifiable, but recent trends include a particular focus on enhancing crisis services and expanding the availability of other services at home and in the community.[6.8] Crisis services have generally been the category with the lowest coverage rate across states; however, more recently, higher coverage rates are being seen, likely in part due to ARPA's provision of a new option and enhanced federal funding for states to provide community-based mobile crisis intervention services. The CCBHC Medicaid Demonstration Program expansion has additionally been a notable trend, with the Department of Health and Human Services having the ability to add 10 states to the program every two years to further increase access to crisis and behavioral health care in the community, including providing reimbursement through Medicaid for the full cost of services that CCBHCs provide, at higher, more competitive rates than community mental health centers previously received for Medicaid eligible individuals.	Approved Mobile Crisis SPAs: AL, AZ, CA, CO, IN, KY, MA, MT, NC, NY, OR, WA, WI, WV Participating in CCBHC Medicaid Demonstration Program: AL, IA, IL, IN, MI, MO, KS, KY, ME, NH, NJ, NM, NV, NY, OK, OR, RI, VT

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6.3 CMS. (May 2024). 2024 Medicaid & CHIP Beneficiaries at a Glance: Maternal Health. https://www.medicaid.gov/medicaid/benefits/downloads/2024-maternal-health-at-a-glance.pdf.

6.4 KFF. (n.d.). Births Financed by Medicaid. https://www.kff.org/medicaid/state-indicator/births-financed-by-medicaid/?activeTab=map&currentTimeframe=0&selectedDistributions=percent-of-births-financed-by-medicaid&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D.

6.5 National Academy for State Health Policy. (2024, April 16). State Medicaid Approaches to Doula Service Benefits. https://nashp.org/state-tracker/state-medicaid-approaches-to-doula-service-benefits/.

6.6 KFF. (2024, December 2). Medicaid Postpartum Coverage Extension Tracker. https://www.kff.org/medicaid/issue-brief/medicaid-postpartum-coverage-extension-tracker/.

6.7 KFF. (2023, March 17). Medicaid Coverage of Behavioral Health Services in 2022: Findings from a Survey of State Medicaid Programs. https://www.kff.org/mental-health/issue-brief/medicaid-coverage-of-behavioral-health-services-in-2022-findings-from-a-survey-of-state-medicaid-programs/.

6.8 KFF. (2024, October 23). Annual Medicaid Budget Survey for State Fiscal Years 2024 and 2025. https://www.kff.org/report-section/50-state-medicaid-budget-survey-fy-2024-2025-benefits/.

National Trends - Benefits *(continued)*

Trend	Description	States
Services to Address HRSN	In both 2021 and 2023, CMS released guidance on better addressing HRSN, acknowledging many Medicaid and CHIP members may face challenges related to affordable and accessible housing, efficient transportation, safe neighborhoods, strong social connections, access to nutritious food, and opportunities for meaningful employment.[6.9] The guidance includes a framework of services and supports to address HRSN that CMS considers allowable, which has bolstered HRSN 1115 initiatives in many states.	21 states approved:[6.10] AZ, AR, CA, DE, DC, FL, HI, IL, MD, MA, MT, NJ, NM, NY, NC, OR, RI, TN, UT, VT, VA, WA 15 states with provisions pending with CMS:[6.11] AR, CA, CT, DC, HI, KY, ME, NC, OR, PA, RI, UT, VT, WA, WV
Pre-Release Services	In early 2023, CMS released guidance encouraging states to apply for a new section 1115 demonstration opportunity to test transition-related strategies to support re-entry and care transitions for incarcerated individuals. This newly announced opportunity allows states to partially waive the statutory policy that prohibits Medicaid from paying for services provided during incarceration except for inpatient services. Under this new opportunity, states may offer coverage of pre-release services 30 to 90 days before the expected date of release from an incarceration setting.	11 states approved:[6.12] CA, IL, KY, MA, MT, NH, NM, OR, UT, VT, WA 15 states with provisions pending with CMS:[6.13] AZ, AR, CT, CO, DC, HI, LA, MD, MI, NC, NJ, NY, PA, RI, WV
Dental Benefits	States are required to provide comprehensive dental services for children under the EPSDT benefit. Despite dental services for adults being considered an optional benefit, states are increasingly expanding coverage from limited dental services (e.g., emergency services) to more comprehensive dental services for adults.	States already providing adult dental beyond emergency services: 40 plus DC[6.14] States recently beginning or expanding adult dental benefits: GA, HI, KY, MD, MI, NH, TN[6.15,6.16]

6.9 CMS. (2021, January 7). Opportunities in Medicaid and CHIP to Address Social Determinants of Health (SDOH). https://www.medicaid.gov/federal-policy-guidance/downloads/sho21001.pdf.

6.10 KFF. Medicaid Waiver Tracker: Approved and Pending Section 1115 Waivers by State. https://www.kff.org/medicaid/issue-brief/medicaid-waiver-tracker-approved-and-pending-section-1115-waivers-by-state/.

6.11 *Id.*

6.12 KFF. Medicaid Waiver Tracker: Approved and Pending Section 1115 Waivers by State. https://www.kff.org/medicaid/issue-brief/medicaid-waiver-tracker-approved-and-pending-section-1115-waivers-by-state/.

6.13 *Id.*

6.14 KFF. (2024, May 29). Variation in Use of Dental Services by Children and Adults Enrolled in Medicaid or CHIP. https://www.kff.org/medicaid/issue-brief/variation-in-use-of-dental-services-by-children-and-adults-enrolled-in-medicaid-or-chip/.

6.15 Medicaid. (2024, August 8). Georgia State Plan Amendment 24-0005. https://www.medicaid.gov/medicaid/spa/downloads/GA-24-0005.pdf.

6.16 NBC News. (2023, September 24). Many states are expanding their Medicaid programs to provide dental care to their poorest residents. https://www.nbcnews.com/health/health-news/many-states-are-expanding-medicaid-programs-provide-dental-care-poores-rcna117077.

Q&A

- **Please use the Q&A function** to submit questions
- **Please include your email address** in case we're not able to answer your question today

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