PUBLIC NOTICE (REVISED)

Waiver of Uniform Tax Requirement

The Georgia Department of Community Health (DCH) proposes to submit a request to the Centers for Medicare & Medicaid Services (CMS) for a waiver of the broad-based and uniformity requirements under 42 C.F.R. § 433.68, effective July 1, 2025. This waiver is necessary to finance proposed updates in the States' hospital-directed payment programs.

Under the current structure, the assessment is based on inpatient net patient revenue and applied at a uniform rate across all eligible providers. Hospitals subject to the current assessment include private hospitals, excluding critical access hospitals, general cancer hospitals, rehabilitative hospitals, psychiatric hospitals, long-term acute care hospitals, rural emergency hospitals, and free-standing children's hospitals. The current waiver operates under the "broad-based" test (P1/P2) as outlined in federal regulations.

Under the proposed change, the assessment base would shift from inpatient net patient revenue to non-Medicare inpatient bed days. In addition, the rate structure would move from a uniform rate to a non-uniform structure consisting of multiple rates that vary based on provider type. Specifically, distinct rates would be established for children's hospitals, rural providers, teaching hospitals, and private prospective payment system (PPS) hospitals. Notably, children's freestanding hospitals, which were previously excluded, would now be included in the assessment structure and under a distinct rate category. The list of excluded providers would be revised slightly to also exclude geriatric psychiatric hospitals, in addition to those categories excluded under the current structure. The proposed changes would be evaluated under the broad-based and uniformity test (B1/B2), consistent with federal waiver criteria.

DCH affirms that total collections under the revised assessment will remain within the limits prescribed by federal law.

Rationale for the Waiver:
This change is necessary to support targeted state-directed payment initiatives under Medicaid managed care, as authorized under 42 C.F.R. § 438.6(c). The proposed non-uniform assessment structure aligns provider contributions with the benefits received through specific payment enhancements.

In particular, the differentiated rates are intended to:

- Advance the State's Quality Strategy, with targeted improvements in maternal, pediatric, behavioral health, and chronic disease outcomes;
- Expand workforce development initiatives, including the creation of new residency slots, recruitment of providers in shortage areas, and retention of GME-trained physicians at safety net facilities;
- Strengthen safety net hospitals that serve a high proportion of Medicaid beneficiaries and meet critical service obligations, such as emergency behavioral health access and OB/GYN services beyond emergent care; and

- Ensure fair and sustainable financing of Medicaid hospital payment enhancements without exceeding federal limitations.

DCH affirms that total collections under the revised assessment will remain within the limits prescribed by federal law. Each participating Non-Governmental Hospital shall be assessed a Provider Payment not to exceed the amount necessary to obtain federal financial participation for medical assistance payments allowable under 42 C.F.R. § 447.272 and 42 C.F.R. § 447.321.

This public notice is available for review at each county Division of Family and Children Services office. An opportunity for public comment will be held on **July 2, 2025, at 11:30 a.m., via Zoom audio**. There will be **no in-person** attendance at the Department of Community Health (DCH).

Individuals who are disabled and need assistance to participate during this meeting should call (404) 656-4479 at least three (3) business days before the scheduled public hearing to ensure any necessary accommodations can be provided.

Join Zoom Meeting
https://us02web.zoom.us/j/86331548939?pwd=mcWAE3GN3cZuB4btaaf7FZbGw8vyU4.1

Meeting ID: 863 3154 8939
Passcode: 803904

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Meeting ID: 863 3154 8939
Passcode: 803904

Individuals wishing to comment in writing on any of the proposed changes should do so on or before **July 9, 2025**, to Danisha Williams c/o the Board of Community Health, Post Office Box 1966, Atlanta, Georgia 30301-1966. You may also email comments to Danisha Williams, danwilliams@dch.ga.gov or fax to 404-651-6880.

Comments submitted will be available for review by submitting a request via email to openrecordsrequest@dch.ga.gov. ***Please note that any comments submitted are subject to open records.***

If the proposed changes are presented to the Board for final action, relevant comments from written and public testimony will be provided to the Board. The Board expects to vote on the proposed changes at the Board meeting to be held on **August 14, 2025,** at 10:30 a.m. at the Department of Community Health unless withdrawn or withheld by the Department for further review.

NOTICE IS HEREBY GIVEN THIS 27th DAY OF JUNE 2025
Russel Carlson, Commissioner