

SPECIAL INITIATIVES

The following major initiatives presented here and detailed in this budget are related to the Governor's Education Reform Study Committee, Tobacco Settlement Funds, the Georgia Business Plan for the Uninsured, Children's Protective Services, Revenue Maximization, Intergovernmental Transfers, and the Governor's Blue Ribbon Task Force.

Education Reform

The Governor's Education Reform Study Commission (GERSC) began its second year of deliberation June 12, 2000. The commission worked diligently during the summer and fall of 2000 to study issues not fully addressed in the first year or by House Bill 1187 (The A+ Education Reform Act of 2000). Governor Barnes reconstituted the Commission into 4 new committees: Educational Facilities, Educational Programs, Educational Personnel, and Roles and Responsibilities.

EDUCATIONAL FACILITIES

One of the major impacts of HB 1187 is the need for additional classrooms due to the reduction in the teacher - pupil ratios at all grade levels. More than 6,000 additional classrooms may be needed to meet the smaller class size requirements. In addition to the impact of lower teacher-pupil ratios on facilities, net growth in student population in the state continues to drive the on-going need for additional facilities. Because of the urgent need for facilities, the GERSC Educational Facilities committee looked at ways to construct schools better, faster and for less expense.

The committee found that Georgia has one of the lowest costs of school construction in the nation. However, many systems do not have an adequate tax base or wealth to provide matching funds to state dollars as required. The committee reviewed alternatives to help local systems with school construction including increasing the state funding per square foot as well as raising the \$100,000,000 entitlement cap on capital outlay.

The committee also found that the current process of each local system developing a 5-year facilities plan to be effective. To qualify for state capital outlay funds, a local system is required to prepare a 5-year local facilities plan. The plan addresses the system's facility needs due to changes in population or programs. Based on the estimated student population projected forward 5 years, the local system determines the number of new schools, additions, renovations, and modifications needed as well as redistricting or closing schools if the population is decreasing. In reviewing the planning process, the committee found that the current program has no financial incentive for school systems to choose non-construction

alternatives such as leasing or alternative calendars like year around school.

Management of construction and expertise varies across the state. School systems that do not have an on-going construction program may need more assistance in the design and management of construction of school facilities. The committee proposed the development of a best practices informational program in planning, design, and construction that will be easily accessible to all local systems and provides technical assistance to systems that construct schools infrequently. To further assist local systems and control costs, the Facilities Committee proposed that the state develop educational specifications for facilities and base state funding on prototypical designs.

Timely and accurate data is needed to make good management and funding decisions regarding school facilities and improve local accountability for state funds. The committee found that the current data systems do not provide sufficient information for good analysis. The committee reviewed studies that show that the condition of facilities impacts student performance and morale. Many facilities in the state are in disrepair. The committee found that a good maintenance program could correct problems before the problem deteriorates and requires an expensive major repair. Regardless of the materials or age of a facility, regular maintenance can reduce the need for costly renovations.

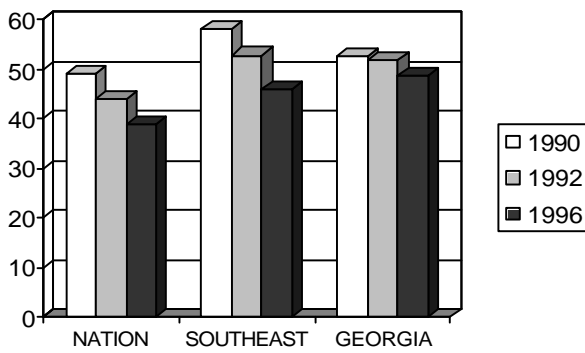
Governor Barnes recommends a special appropriation of \$468,000,000 in the FY 2001 Amended Budget to help local school systems construct needed additional classrooms based on lowered pupil/teacher ratios. To improve facilities information systems, the Governor recommends \$1,015,292 for a state computerized database to compile, monitor, and analyze all aspects of facilities planning, construction, and operations. Also related to facilities, the Governor recommends \$7,132,668 be provided to increase Maintenance and Operations funds by \$5 per FTE. Maintenance funds are intended for preventive and corrective maintenance.

SPECIAL INITIATIVES

EDUCATIONAL PROGRAMS

The Educational Programs Committee revisited the issues of students at risk and school failure. Georgia's dropout rate remains one of the highest in the nation. The committee found that about 20% of 9th grade students in Georgia do not go to the 10th grade the following year because they dropout or are retained. Additionally, student performance in math, science and reading still trails

NAEP Grade 8 Mathematics
Percent Below Basic



national averages. For example, the most recent data from the National Assessment of Educational Progress (NAEP) Grade 8 Mathematics test shows that 39% of the students in the nation are below the basic level. The percent of students in Georgia below basic is 49%. In science, 40% of students in the nation are below the basic level. In Georgia, 51% are below basic. Finally, the 1998 NAEP Grade 8 Reading Scores showed that nationally, 28% of students are below basic. The percent below basic in both the southeast and Georgia are the same at 32%.

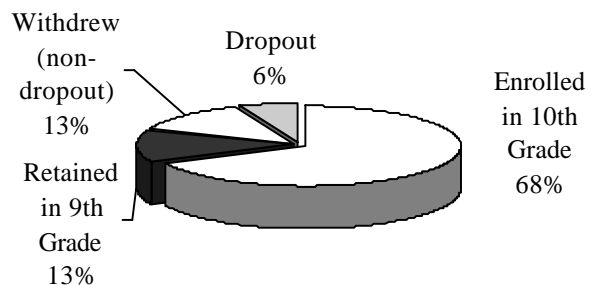
The emphasis of this committee was to focus resources on improving middle grade programs, expanding the Early Intervention Program (EIP) beyond the 3rd grade and strengthening school improvement teams for low performing schools as recommended by GERSC last year. The committee suggested that all students have a minimum of 5 hours of instruction in the academic core block each day. One alternative the committee suggested was to fund a small sample of demonstration schools (i.e., minimum of 5 schools) serving Grades 6-8 to implement an 8am-5pm school day. The Commission discussed various alternatives for extending the day including shifting from a 6 period day to a 7 period day. The Governor recommends \$3,500,000 to fund grants to middle schools that want to try alternative programs that extend the day.

Last year the Governor funded the Early Intervention Program (EIP) in K-3 to provide additional assistance to students performing below grade level. The Governor recognizes that need for more attention to students in the

critical early years of their public education. The Governor recommends \$68,522,643 for paraprofessionals for kindergarten at a ratio of 1:18 pupils to assist kindergarten teachers. It is in kindergarten that teachers need the most help in dealing with students, since a number of students may never have had previous experience in a formal classroom setting. Local systems still have the ability to fund additional paraprofessionals using the 20% variance between formula funding size for classes and the maximum class size.

The Governor also recommends a net increase of \$18,928,644 to change the Grades 4-5 remedial program to an EIP program. The funding is based on a class size for Grade 4-5 EIP of 1 teacher for every 11 students. An estimated 8% of students in Grades 4-5 are eligible to be part of the EIP program because they are below their grade level and will need additional assistance. This change will provide systems help in preparing students for the middle grades, which is where most school systems have their greatest educational challenge.

Fall 1999 9th Grade Retention



EDUCATIONAL PERSONNEL

The Educational Personnel Committee found that the responsibilities of teachers have changed from covering material to student learning, however, teacher preparation programs have not yet implemented changes to meet these expectations. Additionally, the roles of the principal and superintendent have changed, with much greater responsibility for instructional leadership and for application of more current business practices. Preparation programs have not kept pace with the changing expectations for administrators either. Institutions that prepare teachers and administrators have focused on inputs (credit hours completed, number of hours of field experiences, etc.). These institutions have not yet been held accountable for the success of their graduates to increase student achievement. The committee concluded that professional development programs for teachers are inconsistent in their effectiveness. Approximately 75% of Georgia's teachers reported no professional development in

SPECIAL INITIATIVES

their content field. Neither teacher/administrator preparation programs nor professional development programs are focused sufficiently on the knowledge and skills educators need to increase student achievement or improve schools.

The committee suggested that partnering with universities and colleges is one alternative to strengthening student learning and on improving the preparation and development of teachers. Partnering is effective because it brings school and university resources together to strengthen student learning and teacher preparation. Partner schools also help college faculty continue their development in that they spend many more hours in the schools than in the past. The committee proposed expanding the Partner School Model between schools and universities to provide greater help to schools, mentor new teachers, increase P12 school involvement in preparing new teachers, and increase the amount of time college faculty spend in a P-12 classroom.

The Personnel Committee proposed induction/mentoring programs for all new teachers and administrators and experienced educators who are having difficulty. The current mentoring program is a 1-year voluntary program for teachers and there are a few voluntary programs for administrators. The committee found that mentoring programs reduce attrition of educators and school leadership is a key to successful schools.

The committee suggested that the Professional Standards Commission (PSC) be given responsibility to set standards for both the preparation and development of education professionals.

Education reform and improving student achievement will rely heavily on improving leadership at all levels. However, if improving schools and student achievement are goals for success, then improving administrative leadership at the school level is a critical issue. The committee found that there is a growing shortage of qualified principals and superintendents at all grade levels and in all communities. Additionally, many people certified to be principals never actually apply for positions. The committee proposed the creation of a training center or institute for the preparation and development of school principals and superintendents and for leadership development of teachers. This would combine statewide resources for leadership and professional development. The Governor recommends \$200,000 for an Education Leadership Training Institute for training principals, assistant principals, and superintendents.

The committee found that other states are beginning to recognize the need for creating advancement levels for classroom teachers based on: specific preparation, performance standards, evaluation trends, and requirements

of service within the school, across the district, and at the state level. The committee presented the concept of a career ladder for teachers and administrators. Possible career ladders were discussed including one version with four stages of (1) Beginning Teacher (induction period), (2) Teacher, (3) Mentor Teacher, and (4) Master Teacher. A similar version of this career track concept was discussed for principals and superintendents with three stages: (1) Beginning Principal (or Superintendent), (2) Principal (Superintendent), (3) Master Principal (Superintendent). The committee proposed that teacher promotions should be based upon explicit performance standards and assessments for each level, including evidence of accomplishment in promoting student learning.

The Governor recommends several programs to improve teacher development and training. To train master teachers, the Governor recommends \$1,000,000 for the Georgia Teacher Center at Kennesaw State University. The need for teacher mentoring is to be addressed by providing \$333,000 to the Georgia Systemic Teacher Education Program (GSTEP), a partnership with the University of Georgia, Valdosta State University, and Albany State University, to match a \$6.5 million grant for training and mentoring new teachers.

The current definition of out-of-field teaching allows teachers to be assigned to teach classes in which they have little or no background 2 out of 5 periods every day. The committee suggested as an alternative to enact a new policy that redefines and eliminates out-of-field teaching at the middle and high school levels so that a qualified teacher teaches every student. The commission suggested that school systems be required to submit a plan for meeting requirements of a new policy ending out-of-field teaching and limit all instances of out-of-field teaching to a single year. When schools fail to meet this new policy, then the state should publish credentials of teachers and their assignments (public's right to know). To help parents know the level of out-of-field teaching, the Office of Educational Accountability may monitor incidents of out-of-field teaching on the system's report card. The Governor recognizes the need to provide staff development to end out-of-field teaching and proposes \$500,000 for PSC to use distance learning to quickly train and certify teachers in fields in which they may be teaching.

The committee found that more assistance for teachers who wish to become National Board Certified (NBC) would be helpful. The National Board Certification (see www.nbpts.org for more information about the certification process) process costs approximately \$2,300. Teachers are currently required to pay the full \$2,300 unless they receive a portion from the Georgia Department of Education (federal funds), Georgia Association of Educators (GAE), or Professional Association of Georgia Educators (PAGE)

SPECIAL INITIATIVES

and limited funds are available. A recent public-private partnership has been initiated to dramatically reduce the cost to teachers. Through this partnership, teachers may be eligible to receive a \$1,000 grant from the state and then the Georgia Partnership for Excellence in Education (GPEE) or other non-profit and private companies may match the state with an additional \$1,000. Teachers are then responsible for \$300 of the total fees. The teacher is eligible for a 10% salary increase based on state salary and fringes at the time of certification. The Governor recommends \$290,000 in both the Amended FY 2001 Budget and the FY 2002 budget to initiate this matching program. To increase the certification rate of Georgia teachers, the Professional Standards Commission will be developing ways to mentor and advise teachers. The Governor recommends \$200,000 for the PSC to mentor and assist teachers seeking National Board Certification. Evidence suggests this assistance can increase the pass rate from around 40 - 45% to 70 - 75%.

To improve the pedagogy and content knowledge of math and science teachers across the state, the Governor is recommending \$500,000 to the Georgia Institute of Technology Center for Education Integrating Science, Mathematics, and Computing (CEISMC) to train math and science teachers (see www.ceismc.gatech.edu).

Georgia needs more teachers. Currently Georgia produces less than one-third of the teachers hired in the state each year and these teachers just meet the need created by teacher attrition and retirement. Georgia is not able to meet demand that results from growth in the number of students. For every 10 college graduates prepared to teach, only 6 actually enter the teaching force and only 4 are still teaching after 5 years. Additionally, there are too few teachers prepared to teach Mathematics, Science, Foreign language, and special education in hard-to-staff schools.

To help meet the teacher shortfall, the Governor recommends \$500,000 to develop an alternative certification program to certify teachers more quickly for critical shortage fields. These funds would provide means for retired professionals and persons with significant work experience in areas such as math and science to certify as a teacher. The Professional Standards Commission would administer this program. The work of teaching and

administering schools is not sufficiently attractive to recruit needed numbers of new college graduates and individuals seeking second careers, or to retain current teachers and administrators. The Governor recommends \$200,000 to develop a plan for marketing teaching and school administration. The committee suggested that the market for potential teachers may be high school sophomores who score well on PSAT, paraprofessionals, individuals in other fields ready to enter teaching, minority teachers, and part-time teachers.

ROLES AND RESPONSIBILITIES

The Roles and Responsibilities committee identified numerous stakeholders in education. The committee highlighted numerous overlaps in the areas of curriculum, staff decisions, final decisions, testing, and facilities. The committee and the Commission were very supportive of the Education Coordinating Council (ECC) created by HB 1187 and decided to forego significant organizational change proposals at this time. The Governor does recommend that the University System and the Professional Standards Commission provide more services related to teacher training and certification.

IMPLEMENTING HOUSE BILL 1187: THE A PLUS EDUCATION REFORM ACT OF 2000

As part of GERSC last year and HB 1187, school improvement teams are funded to help low performing schools. As part of the FY 2002 Budget, the Governor recommends an additional \$7,360,000 for a total of \$11,360,000 for school improvement teams and central office staff. This additional funding increases the number of teams from 7 to 20 and provides grants to help a local systems address problems and improve performance. The Governor recommends \$3,390,000 in sparsity grants for alternative education programs. Funding is recommended to guarantee a principal and counselor for an alternative education program that has less than 100 FTE. As mentioned previously, the Governor is also recommending \$468,000,000 for the construction of additional classrooms due to the reduction in teacher-pupil ratios in HB 1187.

A more detailed description of the results of the work of GERSC is available on the Internet at http://www.gagovernor.org/governor/edreform_2000/committees.html.

SPECIAL INITIATIVES

GOVERNOR'S EDUCATION REFORM STUDY COMMISSION
FY 2001 - FY 2002 Budget Summary

Use of State General Funds	Agency	FY 2001		FY2001	FY 2002
		Current	Proposed	Revised	Proposed
Educational Facilities					
- Construct additional classrooms due to reduction in teacher-pupil ratios (more than 6,000 classrooms needed). This is special supplementary appropriations bill.				468,000,000	
- Facilities planning and construction and management computer database.	DOE			1,015,292	
- Increase maintenance and operations funds by \$5 per FTE.	DOE				7,132,668
Subtotal - Educational Facilities				\$469,015,292	\$7,132,668
Educational Programs					
- Paraprofessionals in Kindergarten (1:18 ratio)	DOE				68,522,643
- Implement EIP in Grades 4-5.	DOE				18,928,644
- Pilot extended day in middle schools.	DOE				3,500,000
- Provide sparsity grants to alternative education programs with fewer than 100 FTE.					3,390,910
Subtotal Educational Programs					\$94,342,197
Educational Personnel					
- Create five alternative certification programs to address critical teacher shortages in certain fields.	PSC				500,000
- Use distance learning to train and certify teachers in fields in which they are not certified.	PSC				500,000
- Train math and science teachers through the Center for Education Integrating Science, Mathematics, and Computing (CEISMC) at the Georgia Institute of Technology.	Regents				500,000
- Master teacher training at the Georgia Teacher Center at Kennesaw State University.	Regents				1,000,000
- Match a \$6.5 million grant for training and mentoring new teachers through the Georgia Systemic Teacher Education Program (GSTEP).	Regents				333,000
- Education Leadership Training Institute.	PSC				200,000
- Assistance and mentoring of candidates for National Board Certification.					200,000
- Matching grants for National Board Certification.	PSC			290,000	290,000
- Develop plan to market teaching and school administration.	PSC				200,000
Subtotal Educational Personnel				\$290,000	\$3,723,000
Total State General Funds				\$469,305,292	\$105,197,865

SPECIAL INITIATIVES

Tobacco Settlement Funds

As a participating state in the master settlement agreement with five cigarette manufacturers, the State of Georgia is slated to receive over \$4.8 billion in payments throughout the next 25 years. Upon receipt of the state's first payment in December 1999, Governor Barnes committed that, over time, one-third of the funding would be dedicated to Rural Economic Development, while the remaining two-thirds would be committed to Healthcare. The Governor's recommendation for the use of the tobacco funds in FY 2001 and in FY 2002 honors that commitment as presented in the following graph.



The following describes the use of the tobacco settlement funds as recommended in the Governor's amended FY 2001 and FY 2002 appropriations.

RURAL ECONOMIC DEVELOPMENT – THE ONEGEORGIA AUTHORITY

The latest tool in Georgia's effort to support local and regional economic development efforts was rolled out in FY 2001 with the creation of the OneGeorgia Authority. The authority will utilize one third of the state's tobacco settlement to assist the state's most economically challenged areas. An estimated \$1.6 billion in funding for rural development is anticipated over the 25-year term of the settlement. OneGeorgia tobacco-funded investments will be targeted towards Georgia's poorest counties.

The two major types of assistance that the OneGeorgia Authority will provide to rural communities are in the areas of business development and infrastructure projects. Two funds have been set up to provide this aid: the EDGE (Economic Development, Growth and Expansion) fund and the Equity fund.

Recognizing the importance of recruiting companies to provide jobs in rural Georgia, Governor Barnes set up the EDGE fund within the OneGeorgia Authority to facilitate

the location and expansion of firms in rural Georgia. Eligible uses of EDGE funds are the development of public infrastructure, land acquisition and site development. Financial assistance is provided only in instances where a project would not come about in the absence of the assistance.

The Equity fund, which is the infrastructure and capacity building portion of the OneGeorgia Authority, is centered on the principle that Georgia's communities must be empowered to help themselves. Equity fund regulations were written to be very broad and flexible and can be used for a variety of activities to assist in preparation for economic development. Eligible projects include traditional economic development projects such as water and sewer projects, road, rail and airport improvements and industrial parks as well as workforce development projects, technology development or tourism development proposals, just to name a few.

The Governor's FY 2002 Budget includes \$34,131,677 for rural development through the OneGeorgia Authority. An additional \$17,871,416 is recommended in the Amended FY 2001 budget.

HEALTHCARE

POPULATION BASED HEALTHCARE

In FY 2001, Governor Barnes utilized the first receipts from the master agreement to enhance several population-based healthcare programs. These enhancements were funded to increase the number of Georgians receiving state-sponsored healthcare and to create new healthcare initiatives to support the general well being of Georgia's citizens.

Medicaid and PeachCare for Kids Eligibility Expansions -

As of July 1, 2000, pregnant women and children in families with incomes between 200% (\$34,100 for a family of four) and 235% (\$40,072) of the federal poverty level became eligible for Medicaid (pregnant women and infants up to age 1) or PeachCare for Kids (children ages 1 through 17). This expansion is expected to serve 3,400 pregnant women and 18,300 children in FY 2002.

Home and Community-Based Waivers -

In FY 2001, tobacco settlement funds were used to help address the waiting lists for home and community based services. These services, provided through Medicaid waivers, seek to prevent hospitalization or institutionalization for persons with physical and/or mental disabilities. Funding was

SPECIAL INITIATIVES

appropriated to serve an additional 4,311 clients and reduced the waiting list at that time by 39%.

Rural Health - Tobacco settlement funding was appropriated in FY 2001 to support Federally Qualified Health Center (FQHC) expansion and rural health system development. The Department of Community Health utilized the funding to award grants to local collaboratives to identify and implement initiatives that ensure that citizens have access to affordable health care in rural areas.

School Nurses - An identified need by the Governor's Education Reform Study Committee, the Governor and General Assembly appropriated tobacco settlement funds to provide nursing services for each school system.

Newborn Hearing Screening - In FY 2001, the Newborn Hearing Screening Program utilized tobacco settlement funding to purchase hearing screening equipment for hospitals and to provide follow-up audiological evaluation and treatment for newborns identified with possible hearing problems. Additional funding has been recommended in FY 2002 to cover the costs of additional screening and treatment.

AIDS Drug Assistance Program - Funds appropriated for the ADAP program provide persons HIV positive or in the early stages of AIDS with the drug therapy necessary to prevent further progression of the AIDS virus. In FY 2001, tobacco settlement funds were appropriated to serve an additional 400 clients.

Early Intervention for At-Risk Families - Tobacco settlement funds were appropriated in FY 2001 to help reduce child abuse and to promote successful family functioning before abuse occurs. The program targets first time parents of newborns in economically disadvantaged counties, whose family profile indicates a high risk for child maltreatment.

GEORGIA CANCER COALITION

In May 2000, Governor Barnes announced his intent to make Georgia a leading contributor in the effort to eradicate cancer. As such, the Governor convened a group of state and national experts to develop a strategic plan to guide the state's effort to become a world-class leader in cancer prevention, research and treatment. Those planning efforts created the following vision for Georgia's cancer initiative:

"Georgia's population will have the lowest incidence, morbidity, and mortality rates for cancer in the nation. Georgians will know and practice cancer-preventing behaviors. We will know about and have access to early cancer detection and screening. Georgia will be a nationally recognized center for cancer research and will

have a network of unparalleled, state-of-the-art cancer treatment facilities."

To move toward the vision, the state is expected to commit \$300 - \$400 million over the next 7 years. The state's cancer initiative will be supported through tobacco settlement funds, state funds, and federal funds. The state expects to leverage as much as 60% with investments from foundations, private pharmaceutical and biotechnological firms, and venture capital firms.

To support the effort to eradicate cancer, the state will sponsor the creation of the Georgia Cancer Coalition (GCC) to provide a comprehensive, statewide consortium of all public and private sector cancer stakeholders. The vast statewide network of existing resources, as well as new and leveraged investments in cancer, will be linked together, and collectively will form Georgia's comprehensive cancer system. Initially, the GCC will operate under the guidance of the Georgia Research Alliance and its board of directors. During FY 2002, the Coalition will establish advisory committees and its own governance structure to promote and foster collaboration.

As a part of the state's commitment to the cancer initiative, the Governor is recommending the use of \$78 million in tobacco settlement funds in the amended FY 2001 budget and the FY 2002 appropriation. These funds will be added to \$17 million already appropriated in FY 2001 for items that support the GCC's mission, such as breast and cervical cancer screening for women, smoking prevention and cessation services, and the Georgia Cancer Registry. All uses of funding (both current and proposed) are directly tied to the following goals of the initiative:

Prevent cancer and detect existing cancer early – reduce the number of cancer deaths through a focused education and screening effort. (\$42.8 million)

Improve access to quality care for all Georgians with cancer – ensure that basic cancer care is available anywhere in the state. Provide more advanced treatment at regional medical centers and at three cancer centers of excellence where citizens can participate in clinical trials. (\$35.6 million)

Save more lives in the future – recruit 150 eminent scientists and clinicians to Georgia universities and medical centers and coordinate clinical research efforts. (\$4.8 million)

Train future cancer researchers and caregivers – develop curriculum standards for training future clinicians and continuing education for practicing clinicians. (\$2.1 million)

Realize economic benefits from eradicating cancer – build partnerships with pharmaceutical and biotechnology

SPECIAL INITIATIVES

companies to provide quality jobs to Georgians. (\$6.5 million)

An additional \$3.4 million will be appropriated to support the core staff of the Georgia Cancer Coalition as

well as fund an evaluation to determine information technology necessary to support the GCC infrastructure and the Cancer Registry.

TOBACCO SETTLEMENT FUNDS FY 2001 - FY 2002 Budget Summary

Use of Tobacco Settlement Funds	Agency	FY 2001		FY2001	FY 2002
		Current	Proposed	Revised	Proposed
Rural Economic Development					
OneGeorgia Authority	DITT	40,000,000		40,000,000	32,000,000
Appropriated to Reserves	DITT	22,082,213	17,871,416	39,953,629	2,131,677
Subtotal - Rural Economic Development		\$62,082,213	\$17,871,416	\$79,953,629	\$34,131,677
Healthcare					
POPULATION BASED HEALTHCARE:					
Medicaid Expansion for Pregnant Women and Infants	DCH	4,983,896		4,983,896	8,193,814
PeachCare for Kids Expansion for Children	DCH	2,756,037		2,756,037	4,539,084
Independent Care Waiver Program	DCH	2,143,025		2,143,025	2,143,025
Community Care Services Program	DHR	4,190,586		4,190,586	4,190,586
Home and Community Based Services for the Elderly	DHR	3,808,586		3,808,586	3,808,586
Mental Retardation Waiver Programs	DHR	10,251,882		10,251,882	10,251,882
Federal Financial Participation Reduction	DCH/DHR				220,650
Rural Health Infrastructure Development	DCH	3,500,000		3,500,000	3,500,000
School Nurses	DOE	30,000,000		30,000,000	30,000,000
Chronic Disease Prevention Program	DHR	1,350,000		1,350,000	1,350,000
Newborn Hearing Screening	DHR	2,000,000		2,000,000	2,840,000
AIDS Drug Assistance Program	DHR	1,226,667		1,226,667	1,226,667
Early Intervention for At-Risk Families	DHR	3,341,218		3,341,218	3,341,218
Subtotal Population-Based Healthcare		\$69,551,897	\$0	\$69,551,897	\$75,605,512
GEORGIA CANCER COALITION:					
Public Education Campaign	DHR				2,237,500
Smoking Prevention and Cessation	DHR	15,765,890		15,765,890	20,765,890
Cancer Screening	DHR	1,250,000		1,250,000	2,122,625
Cervical Cancer Detection Equipment	DHR		655,000	655,000	
Evaluation of Cancer Standards of Care	Regents		1,500,000	1,500,000	
Cancer Treatment for Low-Income Uninsured	DHR		1,000,000	1,000,000	5,000,000
GCC Cancer Center of Excellence at Grady Hospital	Regents		28,350,341	28,350,341	
Eminent Cancer Scientists and Clinicians	Regents		1,500,000	1,500,000	3,340,000
Training for Cancer Caregivers	DCH				2,125,000
Endowments for Eminent Cancer Scholars	Regents		4,000,000	4,000,000	2,400,000
Coalition Staff	Regents		249,554	249,554	921,821
Cancer Registry	DHR	350,000		350,000	350,000
Evaluation of GCC Information System requirements	Regents		1,500,000	1,500,000	
Subtotal Georgia Cancer Coalition		\$17,365,890	\$38,754,895	\$56,120,785	\$39,262,836
Subtotal Healthcare		\$86,917,787	\$38,754,895	\$125,672,682	\$114,868,348
Total Tobacco Settlement Funds		\$149,000,000	\$56,626,311	\$205,626,311	\$149,000,025

SPECIAL INITIATIVES

Business Plan for the Uninsured

Legislation created and passed by Governor Barnes and the General Assembly charged the Department of Community Health (DCH) to investigate solutions to the problem of 1.2 million Georgians who lack health insurance. As part of the preliminary research necessary to make policy and fiscal recommendations to the Governor, the Department had to first develop a profile of the uninsured population...Who are they? Where do they live? Where do they work? Here's what they found.

The uninsured:

- Earn less than 200% of the federal poverty level, or for a family of four, less than \$34,100 per year.
- Live in families where the main wage earner works for a business with less than 100 employees.
- Work in agriculture, construction, or service industries.
- Live in a rural county.
- Are adults over 25 years of age.
- Are more than likely minorities, especially Latino.

The Department determined that most of Georgia's uninsured use the emergency room for primary care and are significantly less likely to obtain routine, preventive care through a primary care physician. Children of the uninsured are 4½ times more likely to miss school as compared to their insured counterparts.

Subsequent to their base research, the Department convened groups of advocates, providers, and business/insurance communities to seek input on how to address the uninsured problem. Additionally, the Department held hearings around the state to solicit ideas and comments from the public. The outcome of this public input helped to shape the Department's "Business Plan for the Uninsured," a plan designed to increase access to health insurance for Georgians, to capitalize on the efficiencies of the public and private sectors, to maximize federal funds, and to enhance the safety net infrastructure.

The plan reflects three primary areas of focus: Private Sector, Public Sector, and Community-based initiatives. The plan suggests that private sector initiatives should concentrate on tax credits for employers and insurers to encourage the provision of affordable health insurances, particularly to employees in small businesses and the self-employed. Public sector initiatives should target improvements to Medicaid and PeachCare for Kids and support health services provided by local governments. Community-based initiatives should support the existing health care safety net and promote rural health system development.

To begin to assist Georgia's uninsured citizens, the Governor is recommending several items in the amended FY 2001 and FY 2002 budgets that follow the recommendations made by DCH in their Business Plan for the Uninsured. Beginning in April 2000, the Governor's recommendations will fund mainly public sector initiatives. Although a few community-based and private sector initiatives are also recommended, the bulk of those initiatives will remain under consideration and will be addressed in subsequent years.

The public sector initiatives recommended by the Governor can be categorized in four areas: access, special populations, children, and indigent providers.

- Access initiatives will add additional staff to the Governor's Office of Consumers' Insurance Advocate to ensure citizens receive the healthcare coverage they purchase from insurance companies. The access initiatives also include funding for language assistance services to citizens applying for state medical assistance.
- Initiatives related to special populations will allow the working disabled to maintain their Medicaid coverage by contributing toward the cost of their care. Related funding will also serve additional citizens HIV-positive or diagnosed with AIDS through the AIDS Drug Assistance Program. The initiatives will additionally support two new programs that will help adults with Sickle Cell Anemia or Cystic Fibrosis get the specialized medical services necessary to treat those chronic diseases.
- Children's initiatives will expand Medicaid to cover children in families with incomes up to 150% of the federal poverty level and will change PeachCare for Kids eligibility to the first day of the month of application, rather than the month subsequent to the application date. The children's initiative also covers additional funding to public health clinics to provide prenatal care and well-baby care to pregnant women not eligible for Medicaid and their infants.
- Indigent Provider initiatives will increase Medicaid reimbursement to hospitals and Home Health agencies providing a certain level of indigent care. They will also create a mechanism that would allow counties to utilize available federal Medicaid funding to support their local EMS systems.

The community initiative recommendations will include matching grants to communities to support homeless programs and will bolster the healthcare safety net by providing additional resources to community health,

SPECIAL INITIATIVES

rural health, and migrant health centers. The recommended private sector initiative will pay COBRA premiums of individuals with incomes up to 150% of the federal poverty level and will take advantage of federally sponsored health insurance for persons between jobs.

BUSINESS PLAN FOR THE UNINSURED FY 2001 Amended - FY 2002 Budget Summary

Use of State General Funds	Agency	FY2001 Proposed	FY 2002 Proposed
PUBLIC SECTOR INITIATIVES			
<i>Access</i>			
Governor's Office of Consumers' Insurance Advocate	OPB	22,500	90,000
Language services for clients accessing medical assistance	DHR	37,500	150,000
<i>Special Populations</i>			
Medicaid Buy-In for working people with disabilities	DCH	125,000	500,000
AIDS Drug Assistance Program	DHR	1,075,000	4,300,000
Sickle Cell Medicaid Waiver for individuals with incomes up to 150% FPL	DCH		1,949,760
Cystic Fibrosis Medicaid Waiver for individuals with incomes up to 150% FPL	DCH		1,631,476
<i>Children</i>			
Medicaid coverage for children in families with incomes up to 150% FPL	DCH		3,009,097
PeachCare for Kids eligibility to first day of application month	DCH	320,655	1,282,621
Babies Born Healthy	DHR	634,250	2,537,000
<i>Indigent Providers</i>			
Reimbursement rates for EMS ambulance services*	DCH	Yes	Yes
Reimbursement at 100% cost for outpatient services provided by indigent hospitals	DCH	297,160	1,188,639
Reimbursement rates for indigent Home Health providers	DCH	11,207	44,829
COMMUNITY INITIATIVES			
Matching grants to communities to support homeless services	DCH	200,000	800,000
Community health, rural health, migrant health centers	DCH	375,000	1,500,000
PRIVATE SECTOR INITIATIVES			
Pay COBRA premiums of individuals with incomes up to 150% FPL**	DCH	Yes	Yes
Total State General Funds		3,098,272	18,983,422

* Federal matching funds to be provided by local governments supporting county EMS systems.

** State funds to be redirected from current Medicaid fee-for-service payments to purchase health insurance sponsored through COBRA

SPECIAL INITIATIVES

Children's Protective Services

The Division of Family and Children Services in the Department of Human Resources (DHR) investigated nearly 47,000 allegations of child abuse and neglect in calendar year 1999. Of these allegations, approximately 26,000 incidents were confirmed as cases of child abuse and neglect. In addition, almost 13,000 children were in the custody of the department at the end of June 2000.

The Department of Human Resources, with Governor Barnes' approval, appointed the Georgia Child Protective Services Task Force in January 2000 to examine and make recommendations regarding issues within and outside DHR that would improve the state's ability to protect Georgia's children. The task force made a number of recommendations that were forwarded to the Governor for his consideration. Recognizing the need for a strong child protection system that should safeguard Georgia's most vulnerable citizens, Governor Barnes agreed with and is recommending a number of improvements for FY 2002.

Recruitment and Retention of CPS Caseworkers – Funding is recommended to increase salaries of existing Child Protective Services (CPS) caseworkers as well as to increase starting salaries for vacant positions. For example, the average entry-level salary for a CPS worker, regardless of degree or specialty is \$26,646. Under the new salary plan, a new CPS worker with a Master of Social Work (MSW) would receive an average starting salary of \$31,500, an 18% increase. CPS workers with Bachelor degrees out of field would start at an average of \$28,350, or a 6% increase. Existing workers with a Master of Social Work are slated to receive at least a 15% increase in their current salaries in FY 2002, while the remaining CPS workers will receive a 5% increase in FY 2002.

The Governor additionally recommends 70 new CPS staff and 30 new supervisors to help reduce the average caseload per worker. All CPS workers will have additional training opportunities, as the Governor has recommended funding trainers specifically dedicated to CPS training as well as a review of the CPS training curriculum.

Prevention – The Governor supports the prevention of abuse before it occurs. In addition to an Early Intervention Program funded in the FY 2001 budget with tobacco funds, the Governor recommends new funding to evaluate strategies that would prevent child abuse through the use of in-home visits to at-risk families. The Governor also supports the implementation of a pilot program designed to target adult males in active CPS cases who have substance abuse problems.

Advocacy/Legal Support – Since children are one of the more vulnerable groups of citizens in Georgia, the Governor recommends funding to start 10 additional child advocacy centers around the state and to provide additional funding to expand services offered by the Court Appointed Special Advocate (CASA) program. Additionally, Governor Barnes recommends an increase in the hourly rate paid to Special Assistant Attorneys General (SAAG) to represent the department in cases of child abuse and neglect.

Capacity for Out-of-Home Services – When CPS caseworkers have determined that a child resides in a dangerous home setting, they must have resources available to place the child in a safe and protected place. The Governor recommends funding for several items that will provide capacity in out-of-home programs for children.

- 50 emergency beds for children entering foster care
- 5% increase in foster care placements
- 135 institutional foster care placements
- 134 MATCH program placements for severely emotional disturbed (SED) children
- 10% increase in adoptions

Foster Care/Adoption Support – When Georgia families graciously agree to provide shelter for abused and neglected children, either through foster care or adoption, the financial cost to these parents is supplemented by the state. The Governor recommends increasing foster care and adoption assistance from \$12.00 per day and moving to a graduated scale, so that the per diem is higher for older children. The new per diems would be (by age group):

- Infants through age 5: \$12.75
- Ages 6 through 12: \$13.50
- Ages 13 through 17: \$14.25

The Governor also recommends an additional one-time reimbursement of \$200 for graduation expenses for children in foster care or adoption. The Governor also supports respite care for foster families to prevent disruptions in foster placements and recommends funding emergency respite services for 350 foster families and standard respite services for 1,600 foster families.

Fatality Review – In the extremely unfortunate incident of a child's death, the state has an obligation to thoroughly investigate the case to identify the cause of death and, if appropriate, to legally build a case for prosecution of the person(s) allegedly responsible. To make certain that fatality investigations are handled correctly, the Governor recommends adding 12 specially trained staff to help

SPECIAL INITIATIVES

investigate child fatalities and funding an additional 3 positions for the Office of Child Fatality Review.

Provider Compensation – The Governor’s recommendation includes 4% rate increases for institutional foster care and

MATCH providers. These rate increases are expected to support the provider network and maintain out-of-home placement capacity.

DEPARTMENT OF HUMAN RESOURCES CHILDREN'S PROTECTIVE SERVICES FY 2002 Budget Summary

Use of Funds	FY 2002 Total Funds	FY 2002 State Funds
RECRUITMENT AND RETENTION OF CPS CASEWORKERS		
Salary increases for CPS investigation and placement staff	8,414,503	7,063,124
70 new child protection caseworkers and 30 new supervisors	4,186,637	3,567,015
Staff Training (4 trainers, curriculum development, training sessions)	1,574,798	845,098
Computers and equipment for new staff	853,516	853,516
PREVENTION		
Substance abuse pilot program for adult males in an active CPS case	144,000	144,000
Evaluation of strategies to prevent child abuse through in-home visitor services	250,000	250,000
ADVOCACY/LEGAL SUPPORT		
Increase funding for Court Appointed Special Advocate (CASA) program	100,000	100,000
Support for Child Advocacy Centers	100,000	100,000
Special Assistant Attorney General (SAAG) hourly rate increase to \$60	1,255,852	751,000
CAPACITY FOR OUT-OF-HOME SERVICES		
5% caseload increase for family foster care	1,816,975	1,417,240
10% caseload increase for adoption assistance	3,573,445	2,608,615
50 emergency beds for children entering foster care	360,000	223,129
135 institutionally supervised family foster care placements	364,500	225,917
134 slots in Multiple Agency Team for Children (MATCH) Program	6,944,445	5,000,000
FOSTER CARE/ADOPTION SUPPORT		
Increased foster care and adoption assistance per diems	7,018,441	5,241,723
Emergency In-Home respite services for 350 foster families	504,000	312,379
Respite care for 1,600 foster families	403,356	250,000
\$200 reimbursement for graduation expenses for foster care and adoption assistance	90,600	56,154
FATALITY REVIEW		
12 specially trained staff to investigate child fatalities and alleged abuse in foster care	749,748	638,786
3 New positions for Office of Child Fatality Review	151,238	151,238
PROVIDER COMPENSATION		
4% Rate increase for institutional foster care providers	810,537	566,957
4% Rate increase for MATCH providers	2,412,288	1,736,847
Total Funds	42,078,879	32,102,738

SPECIAL INITIATIVES

Revenue Maximization

To provide the increased services and program reforms needed in the state's human services agencies, Governor Barnes has sponsored a major effort to ensure that all federal reimbursement programs, for which Georgia citizens are entitled to, are utilized to the fullest extent possible. While some funding initiatives have been previously implemented to increase federal funding for the state, Georgia, for the most part, has not taken full advantage of all available federal funds for programs and services needed by state-funded clients.

For illustrative purposes, the following table demonstrates how revenue maximization works. If the current funding level of a program eligible for federal funding is \$100 and federal funding will pay 60% of the program cost, then the amount of state funds necessary to maintain a \$100 spending level can be reduced to \$40, while \$60 of federal funding is added. This releases \$60 in state funds that can be reinvested in other programs.

<u>Fund Use</u>	<u>State Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
Current:	\$100	\$0	\$100
<u>Proposed:</u>	<u>\$40</u>	<u>\$60</u>	<u>\$100</u>
Change:	-\$60	+\$60	\$0

The Governor has recommended the following revenue maximization initiatives to target areas where federal funding is available for services currently 100% state-funded. These federal funds, provided through the Social Security Act, include Title IV-E (child welfare), which supports the program needs of children in the custody of the departments of Juvenile Justice (DJJ) and Human Resources (DHR), and Title XIX (Medicaid) which supports mental and physical health services provided through the departments of Community Health (DCH), Human Resources, Juvenile Justice, and Education (DOE). The effort to maximize federal revenue is estimated to net an additional \$100 million in federal funds in FY 2002 as shown in the table on the following page.

State Nursing Facilities – This revenue maximization initiative will increase federal Medicaid reimbursement to 100% of cost for state-owned nursing facilities and will include review and amendment of cost reports completed by DHR and submitted to DCH for rate-setting purposes.

Local Health Departments – This initiative seeks to increase federal Medicaid income generated locally by county health departments. County health departments will require less state grant-in-aid funding to support local health department operations because they will get increased federal Medicaid funding for health services they are currently providing.

Community Service Boards – The state can maximize federal Medicaid funding by increasing the scope and availability of services for children and adults with mental illness, mental retardation, and/or substance abuse provided through Community Service Boards and private providers of community services. These service expansions are proposed under the optional Rehabilitation Services Medicaid program. This initiative will also explore the implementation of the optional Personal Care Medicaid program, as recommended by the Blue Ribbon Task Force. Additionally, this initiative includes fiscal and programmatic redesign to give DHR and DJJ greater control and program direction over community programs.

Foster Care/Out-of-Home Placements – Increased federal funds will be realized as both child welfare (Title IV-E) and Medicaid funding are used to support and expand services to children and youth in the custody of DJJ and DHR. This initiative will ensure that all children placed in out-of-home settings have federally funded treatment programs to meet their needs.

Targeted Case Management – Improved eligibility determination for Medicaid will increase the number of adults and children eligible for federally funded case management services.

State Agency Administration – With the increase in the scope of services billable to Medicaid and child welfare (Title IV-E), additional staff time spent on eligible services is subject to federal administrative claiming. This initiative will evaluate the current methodology for identifying eligible administrative costs as well as claim the amount of extra time staff spend administering federal programs.

School Systems – Therapy services provided by local school systems for Medicaid eligible children are reimbursable by Medicaid through the Children's Intervention School Services program (CISS). Although many school systems are currently participating in CISS, this initiative seeks to have all school systems participate in the program and will evaluate the program's scope of services and reimbursement to ensure that systems are collecting the appropriate federal reimbursement.

While the receipt of federal funds maintains spending in federally maximized programs at current spending levels, the state funds released by these initiatives can be reinvested in needed health and human services for Georgia citizens. The Governor's FY 2002 budget recommendations utilize these newly available state funds to invest in the

SPECIAL INITIATIVES

state's child welfare system and to implement recommendations made by the Governor's Blue Ribbon Task Force on Community-Based Programs. The Governor also recommends these funds be used to pay for many of

the budget priorities identified by the human services agencies and submitted as part of their annual budget requests.

REVENUE MAXIMIZATION Amended FY 2001 - FY 2002 Budget Summary

Source of Funds	Agency	FY2001 State Funds*	Recommended		
			FY2001 Amended Total Funds	FY 2001 Amended Federal Funds	FY 2001 Amended State Funds
TITLE XIX - MEDICAID					
State-Owned Nursing Facilities**	DHR	9,550,000	9,550,000	5,730,000	(5,730,000)
Out-of-Home Placements for Children in DHR Custody	DHR	2,854,563	2,854,563	1,712,738	(1,712,738)
Targeted Case Management for DHR clients	DHR	990,465	990,465	594,279	(594,279)
Targeted Case Management for children in DJJ Custody	DJJ	333,333	333,333	200,000	(200,000)
Total Recommended Amended Fund Sources		13,728,362	13,728,362	8,237,017	(8,237,017)

Source of Funds	Agency	FY2001 State Funds*	Recommended		
			FY2002 Total Funds	FY 2002 Federal Funds	FY 2002 State Funds
TITLE XIX - MEDICAID					
State-Owned Nursing Facilities**	DHR	24,552,500	24,552,500	14,731,500	(14,731,500)
Local Health Departments	DHR	5,411,260	5,411,260	3,246,756	(3,246,756)
Community Service Boards	DHR	39,299,908	39,299,908	23,579,945	(23,579,945)
DHR Agency Administration	DHR	13,992,882	13,992,882	6,996,441	(6,996,441)
Out-of-Home Placements for Children in DHR Custody	DHR	55,225,162	55,225,162	33,135,097	(33,135,097)
Out-of-Home Placements for Children in DJJ Custody	DJJ	8,895,312	8,895,312	5,337,187	(5,337,187)
Targeted Case Management	DHR	1,665,020	1,665,020	999,012	(999,012)
TITLE IV-E - CHILD WELFARE					
Out-of-Home Placements for Children in DHR Custody	DHR	12,886,250	12,886,250	7,731,750	(7,731,750)
Out-of-Home Placements for Children in DJJ Custody	DJJ	7,070,520	7,070,520	4,242,312	(4,242,312)
Total Recommended Fund Sources		168,998,814	168,998,814	100,000,000	(100,000,000)

* reflects state funds subject to revenue maximization

** includes \$5,230,000 in new federal funding already reflected in the FY 2001 Appropriation

SPECIAL INITIATIVES

Upper Payment Limit Credits and Intergovernmental Transfers

In the amended FY 2001 and FY 2002 appropriation recommendations, the Governor plans to increase contributions from governmental entities participating in the Medicaid program by utilizing upper payment limit credits to obtain federal matching funds. The following are questions and answers that explain this revenue maximization initiative.

What is an upper payment limit credit?

As a condition of the receipt of federal Medicaid funds, the state must demonstrate a Medicaid service has been provided to an eligible recipient. The state has latitude in terms of the reimbursement paid to providers of care; however, the receipt of federal matching funds is capped at the upper payment limit (UPL), or the amount equal to what Medicare would have paid for the same service. The difference between what the state pays and the amount of the UPL is known as the UPL credit.

Why can the state do this?

Historically, Medicaid payments to certain providers such as hospitals and nursing homes have been lower than the UPL, thus creating UPL credits. The Health Care Financing Administration (HCFA) allows Georgia to use state funds or intergovernmental transfers (IGTs) to obtain the UPL credits.

What is an intergovernmental transfer (IGT)?

To receive federal Title XIX (Medicaid) funds, the state must provide state matching funds. In FY 2002, the state

must contribute about \$0.40 of every dollar spent or 40% of the cost of a Medicaid service. The state can generate the matching funds by either directly appropriating the funds from state general revenues or by soliciting intergovernmental transfers (IGTs) from public Medicaid providers (e.g., public hospitals, nursing homes, etc.). Upon agreement by the providers to contribute an IGT, the intergovernmental transfer can be used in a manner similar to state general funds.

What happens to the UPL credits?

With receipt of the UPL credit, the state must reimburse any IGT contributor the amount of their contribution in a combination of state and federal funds. After reimbursement to the contributor, the state may use the remaining amount to reinvest in new healthcare initiatives. If the initiative is related to Medicaid-eligible services, the state may receive federal matching funds.

Where do the remaining UPL credits go?

In the amended FY 2001 and FY 2002 budgets, the Governor recommends the use of \$57.5 million and \$69.7 million in intergovernmental transfers, respectively. These transfers will fund many of the Department of Community Health's budget priorities as submitted in their amended FY 2001 and FY 2002 annual budget requests, and will implement Georgia's Business Plan for the Uninsured, the department's plan to help make affordable healthcare accessible to 1.3 million uninsured Georgians.

Blue Ribbon Task Force on Community-Based Services

Because the provision of health and human services has changed in recent years, the concept of care for the physically and mentally disabled has evolved toward services and programs designed to prevent early and unnecessary institutionalization and to allow persons with widely varying needs to receive the support necessary to live independent and productive lives in the community, when appropriate.

As recognition of this change in long-term care philosophy, Governor Barnes created the Governor's Blue Ribbon Task Force on Community-Based Services (BRTF) to advise his administration and the General Assembly on the state of Georgia's community-based programs. A seventeen-member panel of consumers, parents, advocates

and providers, the BRTF was required to evaluate and make recommendations concerning the following:

- Current status of and future need for community-based services;
- Barriers that prevent access to existing community-based services;
- General funding recommendations based on current actual funding and limited new funding; and
- Prioritization of services and possible criteria for waiting lists with fixed or limited additional funding.

In response to their charge, the BRTF created three committees to make general recommendations to the full Task Force on particular aspects of community-based

SPECIAL INITIATIVES

services. The Values and Principles Committee recommended the rights and responsibilities of consumers, providers, and the state in establishing an accountable and effective system. The Structures Committee reviewed the current administration and oversight of community-based services. The Previous Studies Committee examined ten years of prior studies to identify prior recommendations related to home and community-based services and to evaluate the status of their implementation.

In addition to 10 public meetings, the BRTF held several public hearings throughout the state and conducted a statewide survey of concerned individuals and groups. The BRTF received an overwhelming number of concerns, ideas, and suggestions to improve Georgia's community-based services. Based on this input, the BRTF members presented recommendations in three categories:

- Accountability - There is a need for quality improvement, monitoring standardization, and complaint resolution.

- Services and Supports - Stakeholders desire consumer-directed care, an expanded scope of service, presumptive eligibility, and service parity among disability types and age groups.

- Funding - The state should invest new resources to eliminate planning lists, support provider reimbursement, maximize federal funds, and supplement SSI payments.

The Task Force made other recommendations with a specific age and/or disability focus that were presented separately for older adults, people with disabilities, and people with mental illness.

In response to the BRTF final report, the Governor is proposing a significant investment in state funds related to the recommendations of the Task Force. In FY 2002, the Governor's budget reflects new funding of \$36.7 million in state funds to address community-based service planning lists and to support provider infrastructure. Since many of the services recommended for funding are eligible for

federal Medicaid reimbursement, the total new investment in Georgia's home and community-based services exceeds \$67 million.

Specifically, the Governor recommends:

- \$49.1 million in additional funds to create new capacity of over 5,300 slots in community-based programs, representing the largest cumulative effort in history to address the planning lists for services for the mentally retarded, frail elderly, and physically disabled.

- \$13.6 million in provider rate increases to support provider infrastructure and expand network capacity to serve additional clients;

- \$2.8 million for community-based crisis services for severely emotionally disturbed children;

- \$1.2 million in new funding to support families with members with developmental disabilities;

- \$700,000 to create pilot programs in Chatham and Fulton counties to provide services to the homeless with mental illness or co-occurring disorders;

- \$261,013 in relocation funding for adults in abusive or neglectful home settings;

- Support for the use of the Medicaid rehabilitation option to provide mental health, mental retardation, and substance abuse services in all types of community settings; and

- Direction to DHR and DCH to evaluate the policy and fiscal impact of providing personal care services outside of waiver programs, as part of the Medicaid state plan.

Although the Governor has addressed many of the BRTF recommendations in his FY 2002 budget recommendations, remaining Task Force suggestions will be evaluated and addressed in the coming year by a steering committee appointed by the Governor and comprised of representatives from the BRTF as well as state agency staff.

SPECIAL INITIATIVES

BLUE RIBBON TASK FORCE ON COMMUNITY-BASED SERVICES
FY 2002 Budget Summary

Use of Funds	Agency	Recommended	
		FY 2002 Total Funds	FY 2002 State Funds
Mental Retardation/Developmental Disabilities			
Mental Retardation Waiver Program Slots (Total slots = 1,232)	DHR	25,510,252	11,248,661
- Residential Care (366 slots)			
- Family Support (324 slots)			
- Supported Employment/Day Habilitation (542 slots)			
- CET Assessments for waiver program placement			
4% Rate increase for MRWP Providers	DHR	5,702,662	2,316,421
Family Support services for families with a member developmentally disabled	DHR	1,224,595	1,224,595
Aging Services			
Home and Community Based Services for clients not Medicaid eligible (2,000 slots)	DHR	4,000,000	4,000,000
Community Care Services Program (2,000 slots)	DHR	14,436,351	6,502,923
4% Rate increase for Aging Services Providers	DHR	3,187,092	1,294,597
Single Point-of-entry to community-based services	DHR	Yes	Yes
Adult Protective Services relocation funds	DHR	261,013	261,013
Mental Health/Mental Illness			
4% Rate increase in MH/MR/SA Grants to Counties	DHR	3,862,609	3,862,609
Crisis services in community-settings for severely emotionally disturbed (SED) children	DHR	2,816,064	2,816,064
Assertive Community Treatment (ACT) teams for homeless with mental illness	DHR	700,000	700,000
Explore use of rehabilitation option for MH/MR/SA services in Medicaid state plan	DCH/DHR	Yes	Yes
Physically Disabled			
Independent Care Waiver Program Slots (Total slots = 85)	DCH	5,250,741	2,132,851
4% Rate increase for ICWP Providers	DCH	870,687	353,673
Explore feasibility of personal care services as part of the Medicaid state plan	DCH/DHR	Yes	Yes
Total Funds		\$67,822,066	\$36,713,407