

## Legislative Report #1, January 22, 2013

The General Assembly convened on January 14<sup>th</sup> at 10:00 am for the 2013 Session. For a list of the Committee Chairs and Assignments in the House of Representatives click [here](#) and for a list in the Senate click [here](#).

**State of the State address** - On Thursday, January 17<sup>th</sup> Governor Nathan Deal came before a joint session of the General Assembly in the House of Representatives Chamber to give his annual State of the State address. He spoke of his opposition to Medicaid Expansion under the new federal healthcare law and support for the Department of Community Health to apply a provider fee for hospitals to draw down federal matching funds addressing what would otherwise be a \$700 million shortfall. At the Eggs and Issues Breakfast sponsored by the Georgia Chamber of Commerce he said, "I have been informed that between 10 to 14 hospitals will be faced with possible closure if the provider fee does not continue. These are hospitals that serve a large number of Medicaid Patients."

He also voiced support to add \$2 million to the budget to expand residency programs and increase the number of healthcare professionals practicing in Georgia.

Click [here](#) to read the text version of the speech and to watch the archived version click [here](#).

**Governor's budget** – Governor Deal has proposed a budget of \$19.8 billion for fiscal year 2014 which begins July 1<sup>st</sup> of this year. This is an increase of \$500 million over the current year's budget that ends June 30<sup>th</sup>. So far during fiscal year 2013, December 2012 was Georgia's strongest month for revenue growth, showing an increase of nearly \$151 million, or 9.8 percent, over collections for December 2011. Georgia's revenues are up by 4.9 percent over last year through the first half of the current fiscal year.

The Governor's Office of Planning and Budget can be accessed by clicking [here](#).

**Provider Fee** – On Thursday, January 17<sup>th</sup> the Senate passed SB 24 by a vote of 46-9. The legislation authorizes the Department of Community Health to assess a provider fee on hospitals to draw down federal matching dollars filling a hole in the states Medicaid budget shortfall. The state needs approximately \$700 million in Medicaid dollars. If the provider fee is not signed into law the only way to keep Medicaid solvent is to reduce reimbursements by 20 percent which could force the closure of 10 to 14 hospitals in Georgia. The current provider fee expires at the end of June 2013. SB 24 now goes to the House of Representatives for its consideration.

**Budget Hearings** - Joint budget hearings with the House and Senate Appropriations Committees will be held Jan. 22-24 as the first step in the budget process for this year. This is where the heads of various state departments and agencies will outline specific requests for funding their programs.

The full General Assembly will reconvene Jan. 28.