

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer

Natwar M. Gandhi
Chief Financial Officer



MEMORANDUM

TO: The Honorable Linda W. Cropp
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: August 28, 2002

SUBJECT: Fiscal Impact Statement: “Medicaid State Plan Amendments
Governing Services Provided by Personal Care Aides”

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2002 through FY 2005 budget and financial plan to implement the proposed state plan amendment because any costs would be absorbed with existing resources.

Background

The proposed state plan amendment would enhance the Medicaid Personal Care Aide benefit by eliminating the in-home requirement, increasing the maximum number of hours that may be obtained from 4 hours per day to 8 hours per day, and enable specific certified family members to provide personal care services (an activity currently prohibited).

Financial Plan Impact

The Medical Assistance Administration (MAA) initially estimated that the change in the state plan would result in a modest increase in utilization and expenditures. However, the increase in demand anticipated has not occurred as expected, therefore any costs associated with the proposed state plan amendment could be absorbed with existing, budgeted resources.