

**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 [signature]  
Chief Financial Officer

**DATE:** January 7, 2004

**SUBJECT:** Fiscal Impact Statement: "Medical Assistance Administration  
Confidentiality of Information Act of 2003"

**REFERENCE:** Draft Legislation – Bill Number Not Available

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**Conclusion**

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required.

**Background**

The proposed legislation would implement a federal requirement that the Medical Assistance Administration have a confidentiality provision with enforceable sanctions. The bill specifies the requirements for recipient records and information as well as the sanctions for violating the confidentiality requirements. Disclosure of confidential records to another person without authority to receive the records is a misdemeanor punishable by a \$1,000 fine, 30 days in jail, or both. A person who willfully discloses confidential recipient information is guilty of a felony subject to a \$50,000 fine and/or one year in jail.

**Financial Plan Impact**

Funds are sufficient in the FY 2004 through FY 2007 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required. The proposed legislation could generate a minimal amount of revenue to the extent that individuals violate the confidentiality provisions and are subject to criminal penalties of \$1,000 or \$50,000 depending upon the violation. However, these revenues could be offset to the extent violators are sent to jail, increasing local corrections costs. The amount of such revenue or costs cannot be reliably predicted and is expected to be minimal.