

**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:** March 1, 2004

**SUBJECT:** Fiscal Impact Statement: “Procedures for the Voluntary  
Withdrawal from the District of Columbia by Carriers  
Licensed to Sell Health Benefit Plans Act of 2003”

**REFERENCE:** Draft – No Bill Number

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**Conclusion**

Funds are sufficient in the FY 2004 budget and the FY 2004 through FY 2007 financial plan to implement the “Procedures for the Voluntary Withdrawal from the District of Columbia by Carriers Licensed to Sell Health Benefit Plans Act of 2003.” The proposed legislation has no fiscal impact because implementation can be accomplished with existing staff and resources.

**Background**

The “Procedures for the Voluntary Withdrawal from the District of Columbia by Carriers Licensed to Sell Health Benefit Plans Act of 2003” requires carriers that wish to withdraw from the District to provide the Commissioner of the Department of Insurance and Securities Regulation (DISR) with written notice. The carrier would have to obtain approval of its application from the Commissioner before it can begin to withdraw, and the Commissioner would have to complete this review within 60 days. The proposed legislation authorizes the Commissioner to allocate group and non-group contracts of the withdrawing carrier among other District carriers. The proposed legislation also specifies judicial review actions an aggrieved carrier can take. In addition, the proposed legislation authorizes the Commissioner to promulgate rules and regulations necessary to implement the provisions in the legislation.

### **Financial Plan Impact**

DISR has indicated that the responsibilities laid out in the proposed legislation can be managed by the agency with existing staff and resources.