

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: June 16, 2004

SUBJECT: Fiscal Impact Statement: “Medicaid State Plan Amendment to
Modify Nursing Facilities Appeals Process”

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2005 through FY 2008 budget and financial plan to implement the proposed state plan amendment because there would be no fiscal impact associated with the provisions of the proposal.

Background

The proposed legislation would modify the nursing facility appeals process to make it consistent with the Medical Assistance Administration’s (MAA) current payment system.

Currently, the state plan provides for the opportunity to appeal notices of program reimbursement; however, on October 1, 1996 MAA implemented a prospective payment system. Under this system, a provider may appeal the number of patient days and audit disallowances shown in the final rate letter, rather than reimbursement.

Financial Plan Impact

There would be no fiscal impact as a result of the implementation of the proposed state plan amendment. Therefore, funds are sufficient in the FY 2005 through FY 2008 budget and financial plan to implement the legislation.