

**Government of the District of Columbia
Office of the Chief Financial Officer**

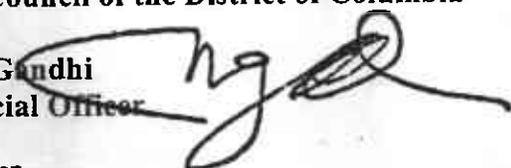


Natwar M. Gandhi
Chief Financial Officer

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MEMORANDUM

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

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: JUN -8 2005

SUBJECT: Fiscal Impact Statement: "Surrogate Decision-Making for Persons with Mental Retardation Medical Care Act of 2005"

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the proposed FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation. The proposed legislation would result in approximately \$204,000 budgeted expenditures in FY 2006 and \$830,000 over the four year period from FY 2006 through FY 2009. The expenditures are included in the proposed FY2006 agency budget¹ of the Mental Retardation and Developmental Disabilities Administration (MRDDA).

Background

The proposed legislation would allow the Mayor to establish an independent office to create a quasi-judicial, surrogate decision-making process for individuals who are: (1) recipients of services or support from the Department of Human Services Mental Retardation and Developmental Disabilities Administration (MRDDA), (2) subject to proposed major medical treatment, (3) lacking in capacity to refuse or consent to medical care, and (4) do not have a durable power of attorney assigned.

The office would recruit, appoint, and train volunteers to serve on a Surrogate Decision-Making Committee. The office would also be responsible for providing administrative support to the

¹ Department of Human Services (JA0) Program Budget for Mental Retardation and Developmental Disabilities (MRDD) Object Class 0040 – Other Services & Charges includes \$273,100 for FY2006 and proceeding years, which has been identified by both DHS and MRDDA as the funding source for this proposed legislation.

Committee, developing procedures for the appointment of a Surrogate Decision-Making Counsel, reviewing medical status certifications, and conducting hearings.

Financial Plan Impact

The proposed legislation would result in approximately \$203,520 budgeted expenditures in FY 2006 and \$828,531 over the four-year period of FY 2006 through FY 2009. The expenditures are included in MRDDA's proposed FY2006 budget, and in the baseline for the proceeding fiscal years.

The proposed legislation would require hiring two full time staff: an office coordinator/director and an administrative assistant (detailed in the table below). The personal services costs assume fringe benefits equal to twenty percent of base salary.

	Salary	Benefits	Total
Office Coordinator/Director	\$75,000	\$15,000	\$90,000
Administrative Assistant	\$38,000	\$7,600	\$45,600
Total	\$113,000	\$22,600	\$135,600

The proposed legislation would also require the agency to incur one time non-personal services costs in FY 2006 and recurring non-personal services costs in the proceeding fiscal years.

The cost summary for the period FY 2006 through FY 2009 is detailed in the table below. Both personal services and non-personal services costs assume four percent increase for inflation in each year beginning in FY 2007.

FY2006 – FY2009 Cost Summary					
	FY 2006	FY 2007	FY 2008	FY 2009	4-Year Total
Personal Services	\$135,600	\$141,024	\$146,665	\$152,532	\$575,821
Non-Personal Services	\$67,920	\$59,197	\$61,565	\$64,028	\$252,710
TOTAL	\$ 203,520	\$ 200,221	\$208,230	\$216,560	\$828,531