

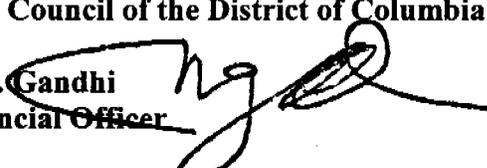
GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



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: MAR -6 2006

SUBJECT: Fiscal Impact Statement: "Medicaid State Plan Amendment for Managed Care Compliance with the Medicare Modernization Act Emergency Approval Resolution of 2006."

REFERENCE: Draft Legislation – Bill Number Not Available

Conclusion

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation.

Background

In 2003, the United States Congress enacted the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) which added a new prescription drug benefit known as Medicare Part D for all Medicare beneficiaries currently eligible for Part A and/or enrolled in Part B. Under MMA, states are required to terminate prescription drug coverage for those beneficiaries who have dual eligibility under the managed care programs of both Medicaid and Medicare. The proposed State Plan Amendment (SPA) will amend the §1932(a) managed care program and allow the District to be in compliance with the MMA by the required CMS compliance date of March 31, 2006.

Financial Plan Impact

Funds are sufficient in the FY 2006 through FY 2009 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required.