

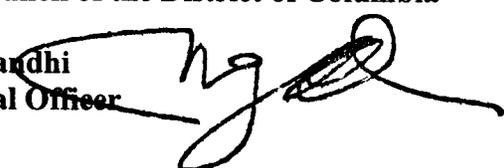
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: MAY 21 2008

SUBJECT: Fiscal Impact Statement: "Medicaid Deficit Reduction Act Extension of Look-back Period State Plan Amendment Approval Resolution of 2008"

REFERENCE: Draft Resolution – Number Not Available

Conclusion

Funds are sufficient in the FY 2008 budget and FY 2009 through FY 2012 budget and financial plan to implement the proposed resolution.

Background

The proposed resolution would extend the Look-back period whereby states review a potential Medicaid applicant's assets to determine if attempts were made to inappropriately transfer assets in order to qualify for Medicaid. The Deficit Reduction Act, Section 6011, extends the Look-back period from thirty-six (36) months prior to the month of application to sixty (60) months prior to the month of application. The intent of the proposed SPA is to reduce the ability of potential applicants to inappropriately transfer assets in order to qualify for Medicaid.

Financial Plan Impact

Funds are sufficient in the FY 2008 budget and FY 2009 through FY 2012 budget and financial plan to implement the proposed resolution. District agencies could absorb the cost of implementing the proposed SPA with existing resources. The proposed SPA may reduce future

Medicaid-related expenditures for the District. However, this amount, if any, cannot be quantified at this time as it would depend on the number of individuals who are not admitted into the Medicaid program due solely to the extension of the Look-back period.