

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:** February 1, 2010

**SUBJECT:** Fiscal Impact Statement: "Health Care Facilities Improvement Act of 2009"

**REFERENCE:** Bill 18-481, Amendment in the Nature of a Substitute Shared with OCFO on January 29, 2010

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*This revised Fiscal Impact Statement reflects the changes made in the Amendment in the Nature of a Substitute, dated January 29, 2010, and it replaces the Fiscal Impact Statement issued by the OCFO on January 13, 2010.*

**Conclusion**

Funds are sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation.

**Background**

The proposed legislation would establish new requirements regarding nursing homes and their administration. First, it would amend The Health Occupations Revision Act of 1985<sup>1</sup> to:

- include new continuing education requirements for individuals applying for a license to practice nursing home administration;
- add acting "in a manner inconsistent with the health and safety of the patients of the nursing facility of which the licensee is the administrator" to the list of behaviors that could result in disciplinary action for nursing home administrators; and

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<sup>1</sup> Approved March 25, 1986 (D.C. Law 6-99; D.C. Official Code § 3-1205.01 *et seq.*).

- add "participation in continuing education and professional mentoring" to the list of disciplinary actions that may be imposed by the Health Occupation Boards on applicants or persons permitted to practice a regulated health occupation in the District.

Second, it would amend the Health-Care and Community Residence Facility, Hospice and Home Care Licensure Act of 1983<sup>2</sup> to:

- amend the rules that the Mayor must promulgate for health care facilities regarding standards to include emergency and non-emergency transportation services, and regarding statements of patients' rights and responsibilities to include the creation of a Nursing Home Residents Bill of Rights for nursing homes that must contain specified rights;
- require the Mayor to issue rules regarding new requirements for nursing facilities for staffing, employee training, availability of on-site health care services (podiatry, rehabilitative services, wound care, mental health, dialysis, and substance abuse), developing policies and procedures governing the facility's management and operation, the provision of information, ensuring a resident is seen by a physician within 72 of admission, medical orders for 911 calls (when practicable), discharge assessments, and notifying patients of their rights;
- amend the hardship provision for health care facilities to require a *clear* showing of *substantial* hardship instead of the current "showing of undue hardship;"
- authorize the Department of Health (DOH) to appoint a temporary manager or monitor to a facility that has been issued a restricted or provisional license; and
- require the Mayor to issue rules for nursing facilities regarding the discharge, transfer and relocation of residents.

### **Financial Plan Impact**

Funds are sufficient in the FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. The majority of the new requirements fall on nursing home facilities and their administrators and thus any associated costs would be their responsibility, and not the D.C. Government's. The legislation also would require the Department of Health (or the Mayor) to issue new rules and would increase the number of requirements DOH would need to monitor. DOH could comply with these new requirements using existing resources.

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<sup>2</sup> Effective February 24, 1984 (D.C. Law 5-48; D.C. Official Code § 44-501 *et seq.*).