


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



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: October 5, 2017

SUBJECT: Fiscal Impact Statement – Health Literacy Council Establishment Act of 2017

REFERENCE: Bill 22-62, Committee Print as shared with the Office of Revenue Analysis on October 5, 2017

Conclusion

Funds are not sufficient in the fiscal year 2018 through 2021 budget and financial plan to implement the bill. The bill is estimated to cost \$82,000 in fiscal year 2018 and \$346,000 over the four-year financial plan.

Background

The bill establishes a Health Literacy Council (HLC) in the District of Columbia to assist and advise the Mayor and the Council in promoting the health literacy¹ of residents. The HLC will be comprised of eleven members from various District agencies, including:

- One member appointed by the Council Committee on Health;
- The President or designee of the University of the District of Columbia;
- The President or designee of the Community College of the District of Columbia;

¹ Health literacy is defined as the ability to make informed decisions about one's personal health and to prevent or treat illness based on an understanding of the principles of obtaining, processing, and comprehending basic health information, products, and services. Health literacy shall include: educating residents on how the Patient Protection and Affordable Care Act impacts them; helping residents develop their health knowledge into a set of positive attitudes and behaviors; learning how to apply for and access health care through DC Health Link, the federal health care exchange, or private health care providers; and teaching residents to: communicate their health needs with health care providers; evaluate information for credibility and quality; calculate dosages of medicines and treatments; understand the components of health plans; read a health insurance card; internalize health care terminology; become aware of the beneficial effects of good health practices; and make good health a personal priority.

The Honorable Phil Mendelson

FIS: Bill 22-62, "Health Literacy Council Establishment Act of 2017," Committee Print as shared with the Office of Revenue Analysis on October 5, 2017.

- The Executive Director or the designee of the Health Benefit Exchange Authority;
- The Director or a designee of the Department of Behavioral Health;
- The Director or a designee of the Department of Health Care Finance;
- One member representing the Workforce Investment Council;
- Four District residents with extensive knowledge of health resources and services, health education, and in the field of health literacy programs; and
- One member from the DC Youth Advisory Council.

The HLC must submit to the Mayor and Council an annual report and recommendations on the health literacy status of the District. The report must address:

- Matters related to District residents' health care consumer rights;
- Access to health care education, health literacy levels²;
- An evaluation of District-wide health literacy level improvement;
- An assessment on how to reduce health disparities through health literacy; and
- Plans to meet the health literacy needs of older adults, residents with disabilities, residents with English as a second language, residents with minimal internet access, and residents applying for health care for the first time.

The bill requires the Mayor to submit a plan for the implementation of a health literacy education curriculum that will complement adult literacy programs for District agency workforce development training programs. The Mayor must develop the curriculum in partnership with the DC Workforce Investment Council (WIC), the Department of Health Care Finance, the University of the District of Columbia (UDC), the Community College of the District of Columbia (CCDC), the DC Youth Advisory Council, and the District of Columbia Health Benefit Exchange.

Financial Plan Impact

Funds are not sufficient in the fiscal year 2018 through 2021 budget and financial plan to implement the bill. The bill is estimated to cost \$82,000 in fiscal year 2018 and \$346,000 over the four-year financial plan.

The bill requires the Mayor to submit a plan for the implementation of a health literacy education curriculum that will complement adult literacy programs for District agency workforce development training programs. The Mayor will need one-full time employee in the Workforce Investment Council to complete this curriculum and assist the HLC in preparing its annual reports. The employee's salary and benefits are estimated to cost \$82,000 in fiscal year 2018 and \$346,000 over the four-year financial plan period. The Workforce Investment Council does not have sufficient staff to absorb these duties.

Health Literacy Council Establishment Act of 2017					
Implementation Costs					
Fiscal Year 2018 – Fiscal Year 2021					
	FY 2018	FY 2019	FY 2020	FY 2021	Total
Program Manager	\$82,000	\$85,000	\$88,000	\$91,000	\$346,000

² Health literacy level is defined as a person's ability to apply health literacy skills to everyday situations and tasks.