

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: November 14, 2018

SUBJECT: Fiscal Impact Statement – Women, Infants, and Children Program
Expansion Act of 2018

REFERENCE: Bill 22-666, Committee Print as shared with the Office of Revenue
Analysis on October 16, 2018

Conclusion

Funds are not sufficient in the fiscal year 2019 through 2022 budget and financial plan to implement the bill. The bill will cost \$80,000 in fiscal year 2019 and \$532,000 over the four-year financial plan.

Background

The bill prohibits the Mayor from placing restrictions on vendors of the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) beyond what is required by the U.S. Department of Agriculture, including restrictions pertaining to minimum square footage, number of cashiers, or stocking of organic products. The Mayor must issue a report on WIC spending over the past five years and provide recommendations to increase the number of small store WIC vendors.

The bill requires the Department of Health (DOH) to coordinate with the Department of Health Care Finance (DHCF) and Department of Human Services (DHS) to identify children ages 0-5 who are enrolled in Medicaid or the Supplemental Nutrition Assistance Program (SNAP) but not WIC and conduct targeted outreach to the caregivers of these children, providing guidance on how to apply for WIC.

The bill requires DOH to convene a WIC Outreach Advisory Board that will meet at least quarterly and include, but not be limited to, representatives from supermarkets, healthy corner stores, non-profit organizations, healthcare providers, and early childcare providers to help the agency develop strategies to increase WIC participation and improve participant experience.

The Honorable Phil Mendelson

FIS: "Women, Infants, and Children Program Expansion Act of 2018," Bill 22-666, Committee Print as shared with the Office of Revenue Analysis on October 16, 2018

Financial Plan Impact

Funds are not sufficient in the fiscal year 2019 through 2022 budget and financial plan to implement the bill. The bill will cost \$80,000 in fiscal year 2019 and \$532,000 over the four-year financial plan.

WIC will not authorize new vendors in fiscal year 2019 as the program transitions from a manual check distribution to an electronic benefits transfer system. Beginning in fiscal year 2020, eliminating square footage restrictions will increase the number of vendors accepting WIC. This increase in authorized vendors would exceed the number that the current WIC staff can effectively monitor for compliance. DOH estimates that 340 new vendors would be eligible to become authorized vendors as a result of the bill. DOH will need to hire additional employees to conduct on-site inspections, compliance buys, invoice audits, and recipient investigations. The cost of this staff is \$146,000 in fiscal year 2020 and \$452,000 over the four-year financial plan.

Identifying children who are enrolled in Medicaid or SNAP but not in WIC involves matching data sets with the Department of Health Care Finance and Department of Human Services and requires the services of an Application Developer to design and build a shared boundary across the WIC, Medicaid and SNAP computer systems. DOH estimates that this system will cost \$80,000 in fiscal year 2019 to develop.

DOH can convene a WIC Outreach Advisory Board without additional resources.

Bill 22-666 - Women, Infants, and Children Program Expansion Act of 2018					
Total Cost					
	FY 2019	FY 2020	FY 2021	FY 22	Total
Salary and Fringe ^(a)	\$0	\$146,000	\$151,000	\$155,000	\$452,000
IT Application Developer	\$80,000	\$0	\$0	\$0	\$80,000
Total Cost	\$80,000	\$146,000	\$151,000	\$155,000	\$532,000

Table Notes

- a) One Vendor Compliance Coordinator, One WIC Compliance Analyst, and a fringe benefit rate of 21.7 percent. Assumes three percent salary step increase each fiscal year.