

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



Jeff DeWitt
Chief Financial Officer

MEMORANDUM

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

FROM: Jeff DeWitt
Chief Financial Officer 

DATE: November 10, 2014

SUBJECT: Fiscal Impact Statement -Copper Intrauterine Device Access Act of 2014

REFERENCE: Draft Committee Print of Bill 20-822 shared with the Office of Revenue Analysis on November 3, 2014

Conclusion

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill and the bill is subject to appropriation.

Background

The bill requires the Mayor to write a report on the usage rates of copper intrauterine devices (CIDs) among Medicaid recipients and the Medicaid reimbursement rates for CIDs. The Mayor must submit the report to Council along with recommendations for coverage expansion by October 1, 2015.

The bill also allows¹:

- the District State Plan for Medicaid to provide for a supplemental, add-on payment for reimbursement of CIDs immediately post-partum; and
- the Mayor to develop and implement a reimbursement methodology for a supplemental add-on payment for reimbursement of CIDs immediately postpartum.

Since the Department of Health Care Finance (DHCF) oversees the District' Medicaid program, it would implement all aspects of this bill.

¹ By amending Section 1 of An Act To enable the District of Columbia to receive Federal financial assistance under title XIX of the Social Security Act for a medical assistance program and for other purposes, approved December 27, 1967 (81 Stat. 744; D.C. Official Code § 1-307.02).

The Honorable Phil Mendelson

FIS: "Copper Intrauterine Device Access Act of 2014," Draft Committee Print of Bill 20-822 shared with the Office of Revenue Analysis on November 3, 2014

Financial Plan Impact

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill.

DHCF has already examined the issue of CID usage and reimbursement rates for Medicaid recipients. Therefore, writing the report for Council will not cost the agency anything.

Giving the Mayor the option of creating a supplemental, add-on Medicaid payment for CIDs also has no cost, since the bill gives the Mayor the option of doing this but doesn't require him or her to do so. If the Mayor did decide to create supplemental CID payments, DHCF would have to include the cost of this in an approved budget and financial plan. However, in testimony before the Council,² DHCF said it does not support supplemental payments for CIDs. It believes the supplemental payments will not improve CID usage rates and would be difficult to create because of the way the Medicaid reimbursement system is structured.

² By Claudia Schlosberg, Acting Medicaid Director for the Department of Health Care Finance, on July 1, 2014.