

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Chief Financial Officer**

**Natwar M. Gandhi**  
Chief Financial Officer



**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** February 3, 2003

**SUBJECT:** Fiscal Impact Statement: "Medicare Supplement Insurance  
Minimum Standards Regulations"

**REFERENCE:** Draft Proposed Rulemaking

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**Conclusion**

Funds are sufficient in the FY 2003 to FY 2006 budget and financial plan to enact the proposed regulations.

**Background**

The proposed regulations detail the minimum standards required of Medicare supplement insurance policies. Issues addressed include standards for minimum benefits, eligibility and claims payment; permitted compensation arrangements; and required disclosure provisions. Also included are explanations of 10 standard Medicare supplement benefit plans that may be offered for sale in the District. The rulemaking is necessary to ensure that the District's regulations regarding minimum standards for Medicare supplement insurance conform to the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000. Emergency rules were adopted on December 12, 2002.

**Financial Plan Impact**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the Medicare Supplement Insurance Minimum Standards Regulations. The proposed regulations apply to issuers of Medicare supplement insurance policies and certificates and do not require additional District staff or resources.