

**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: June 30, 2008

SUBJECT: Fiscal Impact Statement: "Health-Care Decisions for Persons with Developmental Disabilities Amendment Act of 2008"

REFERENCE: Bill 17-432, Committee Print dated June 12, 2008

Conclusion

Funds are not sufficient in the FY 2008 budget and the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation.

Background

The proposed legislation would establish a process for qualified individuals to make decisions on behalf, and in the best interest, of mentally incapacitated individuals; would create and implement a process through which the Superior Court of the District of Columbia may appoint a health-care guardian; and would establish a process to require informed consent for psychotropic medications. The legislation would require the administration of such medications only when accompanied by a behavioral plan and after receiving approval from an independent panel appointed by the Department on Disability Services (DDS). The proposed legislation also would require DDS to initiate and complete a psychotropic medication review for all DDS customers by no later than April 18, 2009.

In addition, the proposed legislation stipulates that it shall be the policy of the District government to ensure that all persons who become incapable of making or communicating health-care decisions themselves have available health-care decision-makers, and requires the DDS to issue by November 1 of each year an annual plan describing how the agency will comply

with this policy. The legislation requires quarterly reports on substituted consent activities beginning October 15, 2008 until October 2010.

Fiscal Plan Impact

Funds are not sufficient in the proposed FY 2009 through FY 2012 budget and financial plan to implement the proposed legislation.

Implementation of the proposed legislation would result in unbudgeted expenditures of approximately \$250,000 in FY 2009 and \$1,160,250 over the FY 2009 through FY 2012 period. The proposed legislation would require the DDS to perform clinical reviews for each DDS consumer's psychotropic medications, and develop written procedures for implementing the recommendations identified in the review. The services of a psychiatrist would be needed to assist in the fulfillment of this requirement, which would result in unbudgeted costs as outlined in the table below.

Section 2 of the proposed legislation applies to court-appointed health care decision guardians and may have an impact on the Guardianship Fund,¹ which is a fund administered by the Superior Court of DC. However, the Office of the Chief Financial Officer has received confirmation from the Superior Court that the impact on the Guardianship Fund would likely be minimal and could be absorbed.

Local Fund Expenditure Impact to the Financial Plan				
FY 2009	FY 2010	FY 2011	FY 2012	4-Year Total
\$250,000	\$275,000	\$302,500	\$332,750	\$1,160,250

¹ See D.C. Official Code § 21-2060(b)