


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: December 3, 2010

SUBJECT: Fiscal Impact Statement – “Not-for-Profit Hospital Corporation
Personnel Administration Emergency Amendment Act of 2010”

REFERENCE: Draft Legislation—No Bill Number Available

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed legislation would amend the Not-for-Profit Hospital Corporation Establishment Congressional Review Emergency Amendment Act of 2010¹ and the Not-for-Profit Hospital Corporation Establishment Temporary Amendment Act of 2010² to authorize the Not-for-Profit Hospital Corporation (“Corporation”)³ that operates United Medical Center to retain independent contractors who deliver hospital services to manage government hospital employees. After a written determination of this necessity, the contractor would be authorized to manage, supervise, evaluate, and propose disciplinary action for government hospital employees subject to the certain limitations, including that the hospital would not be responsible for the contractor’s negligence or misconduct related to managing or supervising hospital employees.

¹ Enacted October 4, 2010 (D.C. Bill 18-994; 57 DCR 9615)

² Enacted August 3, 2010 (D.C. Bill 18-878; 57 DCR 8069),

³ As established in D.C. Bill 18-994, the Corporation has a separate legal existence within the District government and its purpose is to: 1) Receive the land, improvements on the land, equipment, and other assets of the United Medical Center; 2) Operate and take all actions to ensure the continued operation of the hospital; and 3) Sell or otherwise transfer all or part of the hospital and site, if a qualified buyer is identified.

The proposed legislation also would exempt the hospital from District personnel law, which otherwise requires all District employees to be supervised by other District employees. The District's personnel laws are intended to protect the District interests in all direction of staff, and limit decision-making authority to government employees who do not have an outside interest.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the provisions of the proposed legislation. The proposed legislation does not have an impact on the District's budget and financial plan. This bill would codify current practices at the hospital as contractors already carry out management and supervisory roles there. In addition, there would be no fiscal impact to exempting the hospital from District personnel law.