

MAR 15 2005  
Place On Calendar

HOUSE FILE 785  
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HSB 223)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to mental health, mental retardation,  
2 developmental disabilities, and brain injury service  
3 requirements and including an effective and applicability  
4 date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 785

1 Section 1. Section 225C.6A, subsection 2, paragraph d,  
2 Code 2005, is amended by striking the paragraph and inserting  
3 in lieu thereof the following:

4 d. During the fiscal year beginning July 1, 2005, develop  
5 uniform functional assessment tools and processes for adult  
6 persons receiving disability services funded by the state or  
7 counties.

8 Sec. 2. Section 331.439, Code 2005, is amended by adding  
9 the following new subsection:

10 NEW SUBSECTION. 9. The county management plan shall  
11 comply with the minimum standards for the services and other  
12 support required to be available to persons covered by the  
13 plan in accordance with administrative rules adopted by the  
14 state commission to implement this subsection. The rules  
15 shall address processes for managing utilization and access to  
16 services and other support, including but not limited to the  
17 usage of fiscal management practices if state or county  
18 funding is insufficient to pay the costs of the services and  
19 other support required to be available. The initial minimum  
20 standards shall require the provision of the following  
21 services and other support, based upon an individual having  
22 the specified primary diagnosis:

23 a. For persons with mental illness:

24 (1) Consultation.

25 (2) Payment of costs associated with commitment  
26 proceedings that are a county responsibility, including but  
27 not limited to costs for diagnostic evaluations,  
28 transportation by the sheriff, legal representation, and the  
29 patient advocate.

30 (3) Inpatient psychiatric evaluation and treatment in a  
31 county-designated hospital.

32 (4) Inpatient treatment provided at a state mental health  
33 institute.

34 (5) Outpatient treatment.

35 (6) Prescription medication.

- 1     b. For persons with chronic mental illness:
- 2     (1) Case management or service coordination.
- 3     (2) Consultation.
- 4     (3) Payment of costs associated with commitment
- 5 proceedings that are a county responsibility, including but
- 6 not limited to costs for diagnostic evaluations,
- 7 transportation by the sheriff, legal representation, and the
- 8 patient advocate.
- 9     (4) Employment-related services, including but not limited
- 10 to sheltered workshop, work activity, and supported
- 11 employment.
- 12     (5) Inpatient psychiatric evaluation and treatment in a
- 13 county-designated hospital.
- 14     (6) Inpatient treatment provided at a state mental health
- 15 institute.
- 16     (7) Outpatient treatment, including but not limited to
- 17 partial hospitalization and day treatment.
- 18     (8) Prescription medication.
- 19     (9) Residential services, including but not limited to
- 20 services provided by a residential care facility, a
- 21 residential care facility for persons with mental illness, and
- 22 a supported community living service.
- 23     (10) Transportation not related to commitment proceedings.
- 24     c. For persons with mental retardation:
- 25     (1) Case management or service coordination, whether
- 26 funded through the medical assistance program or entirely by
- 27 the county.
- 28     (2) Payment of costs associated with commitment
- 29 proceedings that are a county responsibility, including but
- 30 not limited to costs for diagnostic evaluations,
- 31 transportation by the sheriff, and legal representation.
- 32     (3) Daily living support services including but not
- 33 limited to adult day care, home and vehicle modification, and
- 34 respite care.
- 35     (4) Employment-related services, including but not limited

1 to adult day care, sheltered workshop, work activity, and  
2 supported employment.

3 (5) Inpatient psychiatric evaluation and treatment in a  
4 county-designated hospital.

5 (6) Inpatient treatment provided at a state resource  
6 center.

7 (7) Outpatient treatment, including but not limited to  
8 partial hospitalization and day treatment.

9 (8) Residential services, including but not limited to  
10 services provided by an enclave, a community-supported  
11 apartment living arrangement, intermediate care facility for  
12 persons with mental retardation, a residential care facility,  
13 a residential care facility for persons with mental  
14 retardation, and a supported community living service.

15 (9) Transportation not related to commitment proceedings.

16 d. For persons with a developmental disability other than  
17 mental retardation:

18 (1) Case management funded through the medical assistance  
19 program.

20 (2) Payment of costs associated with commitment  
21 proceedings that are a county responsibility, including but  
22 not limited to costs for diagnostic evaluations,  
23 transportation by the sheriff, and legal representation.

24 (3) Employment-related services, including but not limited  
25 to sheltered workshop, work activity, and supported  
26 employment.

27 (4) Inpatient treatment provided at a state resource  
28 center.

29 (5) Residential services, including but not limited to  
30 services provided by an enclave, a community-supported  
31 apartment living arrangement, an intermediate care facility  
32 for persons with mental retardation, a residential care  
33 facility, and a residential care facility for persons with  
34 mental retardation.

35 e. For persons with brain injury, services under the

1 medical assistance program home and community-based services  
2 brain injury waiver that are received while utilizing an  
3 approved waiver opening.

4 Sec. 3. Section 331.440, subsection 3, Code 2005, is  
5 amended to read as follows:

6 3. a. An application for services ~~may~~ shall be made  
7 through the central point of coordination process of a  
8 person's county of residence. ~~However,--if~~ If a person who is  
9 subject to a central point of coordination process has legal  
10 settlement in another county or the costs of services or other  
11 support provided to the person are the financial  
12 responsibility of the state, except for services or other  
13 support that are subject to the minimum standards adopted  
14 pursuant to section 331.439, subsection 9, an authorization  
15 for services or other support through the central point of  
16 coordination process shall be coordinated with the person's  
17 county of legal settlement or with the state, as applicable.  
18 ~~The county of residence and county of legal settlement of a~~  
19 ~~person subject to a central point of coordination process may~~  
20 ~~mutually agree that the central point of coordination process~~  
21 ~~functions shall be performed by the central point of~~  
22 ~~coordination process of the person's county of legal~~  
23 ~~settlement.~~

24 b. The person's eligibility and the authorization for  
25 services or other support that are subject to the minimum  
26 standards adopted pursuant to section 331.439, subsection 9,  
27 shall be determined by the person's county of residence in  
28 accordance with the county's management plan approved under  
29 section 331.439 and the person's county of legal settlement or  
30 the state, as applicable, is responsible for the cost of the  
31 services or other support authorized. The amount and duration  
32 of such services and other support that are paid for under a  
33 medical assistance program managed care contract shall be  
34 determined in accordance with the contract.

35 Sec. 4. PSYCHOTROPIC MEDICATION PILOT PROJECT. The

1 department of human services shall issue a request for  
2 proposals during the fiscal year beginning July 1, 2005, for a  
3 pilot project based out of a community mental health center  
4 for providing no or low cost psychotropic medications to low  
5 income persons who are in need of treatment with the  
6 medications.

7 Sec. 5. EFFECTIVE AND APPLICABILITY DATE. The amendments  
8 to sections 331.439 and 331.440, enacted by this Act take  
9 effect July 1, 2006. The mental health, mental retardation,  
10 developmental disabilities, and brain injury commission shall  
11 act in advance of that effective date by adopting rules to  
12 implement the provisions that take effect July 1, 2006.

13 EXPLANATION

14 This bill relates to mental health, mental retardation,  
15 developmental disabilities, and brain injury (MH/MR/DD/BI)  
16 service requirements.

17 Code section 225C.6A, relating to implementation of a  
18 redesign of the MH/MR/DD/BI service system, is amended by  
19 striking and replacing a provision for the MH/MR/DD/BI  
20 commission to identify and propose standardized functional  
21 assessment tools and processes for use in the eligibility  
22 determination process. Instead the commission is directed to  
23 develop during fiscal year 2005-2006 uniform functional  
24 assessment tools and processes for adult persons receiving  
25 MH/MR/DD/BI services funded by the state or counties.

26 Code section 331.439, relating to county management plans  
27 implemented by counties for MH/MR/DD/BI services, is amended  
28 to require the plans to comply with the minimum standards for  
29 the services and other support required to be available to the  
30 persons covered by the plan. The bill provides a list of  
31 services and other support that are required to be provided  
32 under the initial minimum standards. There is a separate list  
33 of minimum services provided for each of the following primary  
34 diagnoses: mental illness, chronic mental illness, mental  
35 retardation, developmental disability other than mental

1 retardation, and brain injury.

2 Code section 331.440, relating to the county central point  
3 of coordination (CPC) for MH/MR/DD services, is amended.

4 Under current law a person's application for the services may  
5 be made through the person's county of residence and  
6 coordinated with the person's county of legal settlement. The  
7 bill requires applications to be submitted through the county  
8 of residence for the services and other support that are  
9 subject to the minimum standards required by the bill. The  
10 county of legal settlement or the state, as applicable, is  
11 responsible for the costs of the services or other support  
12 provided.

13 The bill directs the department of human services to issue  
14 a request for proposals during fiscal year 2005-2006 for a  
15 pilot project based out of a community mental health center  
16 for providing no or low cost psychotropic medications to low  
17 income persons who are in need of treatment with the  
18 medications.

19 The amendments to Code sections 331.439 and 331.440 take  
20 effect July 1, 2006, but the MH/MR/DD/BI commission is  
21 directed to act prior to that date in order to adopt  
22 administrative rules for implementation of the provisions that  
23 take effect July 1, 2006.

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HOUSE FILE 785

H-1146

1 Amend House File 785 as follows:

2 1. Page 1, line 9, by striking the word  
3 "subsection" and inserting the following:

4 "subsections".

5 2. Page 4, by inserting before line 4 the  
6 following:

7 "NEW SUBSECTION. 10. The county management plan  
8 shall designate at least one hospital licensed under  
9 chapter 135B that the county has contracted with to  
10 provide services covered under the plan. If the  
11 designated hospital does not have a bed available to  
12 provide the services, the county is responsible for  
13 the cost of covered services provided at an alternate  
14 hospital licensed under chapter 135B."

By CARROLL of Poweshiek

H-1146 FILED MARCH 22, 2005

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HOUSE FILE 785

H-1118

1 Amend House File 785 as follows:

2 1. Page 1, by striking line 24.

3 2. Page 1, line 30, by striking the words

4 "evaluation and".

5 3. Page 1, by striking line 35.

6 4. Page 2, line 2, by striking the words "or  
7 service coordination" and inserting the following:

8 "funded under the medical assistance program".

9 5. Page 2, by striking line 3.

10 6. Page 2, line 12, by striking the words

11 "evaluation and".

12 7. Page 2, by striking line 18.

13 8. Page 2, by striking lines 20 through 22 and  
14 inserting the following: "services provided by a  
15 residential care facility with six or more beds and a  
16 community supported apartment living arrangement with  
17 five or fewer beds."

18 9. Page 2, by striking lines 25 through 27 and  
19 inserting the following:

20 "(1) Case management funded through the medical  
21 assistance program."

22 10. Page 2, by striking lines 30 and 31 and  
23 inserting the following: "not limited to costs for  
24 diagnostic evaluations and transportation by the  
25 sheriff."

26 11. Page 2, by striking lines 32 through 34 and  
27 inserting the following:

28 "(3) Respite care."

29 12. Page 3, line 1, by striking the words "adult  
30 day care,".

31 13. Page 3, by striking lines 3 and 4.

32 14. Page 3, by striking lines 7 and 8.

33 15. Page 3, by striking lines 9 through 14 and  
34 inserting the following:

35 "( ) Residential services, including but not  
36 limited to a community supported apartment living  
37 arrangement with five or fewer beds, an intermediate  
38 care facility for persons with mental retardation with  
39 five or fewer beds, a residential care facility with  
40 six or more beds, and a residential care facility for  
41 persons with mental retardation with six or more  
42 beds."

43 16. Page 3, by striking lines 20 through 34 and  
44 inserting the following:

45 "(2) Care provided in an intermediate care  
46 facility for persons with mental retardation."

47 17. By renumbering as necessary.

By CARROLL of Poweshiek

H-1118 FILED MARCH 21, 2005

*Carroll  
Heaton  
Joey*

SUC  
SF 0785 BY

HSB 223  
HUMAN RESOURCES

SENATE/HOUSE FILE \_\_\_\_\_  
BY (PROPOSED GOVERNOR'S BILL)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to mental health, mental retardation,  
2 developmental disabilities, and brain injury services and the  
3 services fund administered by counties by revising levy  
4 provisions applicable to that fund and providing for county  
5 administration of services on behalf of the state, and  
6 including an effective and applicability date.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 331.424A, subsection 4, Code 2005, is  
2 amended to read as follows:

3 4. a. For the fiscal year beginning July 1, ~~1996~~ 2006,  
4 and for each subsequent fiscal year, the county shall certify  
5 a levy for payment of services. For each fiscal year, county  
6 revenues from taxes imposed by the county credited to the  
7 services fund shall ~~not exceed an amount equal to the amount~~  
8 ~~of base year expenditures for services as defined in section~~  
9 ~~331.438, less the amount of property tax relief to be received~~  
10 ~~pursuant to section 426B:27, in the fiscal year for which the~~  
11 ~~budget is certified~~ be determined by applying the county's  
12 authorized levy rate to the assessed value of taxable property  
13 for that county. The county auditor and the board of  
14 ~~supervisors shall reduce the amount of the levy certified for~~  
15 ~~the services fund by the amount of property tax relief to be~~  
16 ~~received.~~ For each fiscal year, the state commission shall  
17 adopt rules identifying, for county services funds, a  
18 statewide minimum levy rate per thousand dollars of assessed  
19 value of taxable property. In identifying the minimum levy  
20 rate, the commission shall consider the levy rates in effect  
21 for all counties. The statewide maximum levy rate shall be  
22 equal to double the statewide minimum levy rate for the fiscal  
23 year. A county's authorized levy rate for a fiscal year shall  
24 be an amount certified by the board of supervisors that is not  
25 less than the statewide minimum levy rate or more than the  
26 statewide maximum levy rate applicable to that fiscal year. A  
27 levy certified under this section is not subject to the appeal  
28 provisions of section 331.426 or to any other provision in law  
29 authorizing a county to exceed, increase, or appeal a property  
30 tax levy limit.

31 b. Notwithstanding paragraph "a", for fiscal years  
32 beginning July 1, 2006, July 1, 2007, and July 1, 2008, if a  
33 county's certified services fund levy rate per thousand  
34 dollars of assessed value of taxable property as of March 15,  
35 2004, is less than the statewide minimum levy rate, the county

1 board of supervisors may annually certify an incremental  
2 increase in the county's services fund levy rate as necessary  
3 to fully implement at least the statewide minimum levy rate  
4 effective for the fiscal year beginning July 1, 2009, and  
5 subsequent fiscal years.

6 Sec. 2. NEW SECTION. 331.440B STATE CASES.

7 1. For the purposes of this section, unless the context  
8 otherwise requires:

9 a. "County resident" means an individual who is described  
10 by all of the following:

11 (1) The person is at least age eighteen.

12 (2) The person is a citizen of the United States or a  
13 qualified alien as defined in 8 U.S.C. § 1641.

14 (3) The person has established an ongoing presence in a  
15 county in this state, and not in any other county or state,  
16 with the declared, good faith intention of living in that  
17 county for a permanent or indefinite period of time. An  
18 individual who meets the definition of homeless person in  
19 section 48A.2 also shall be deemed to be described by this  
20 subparagraph.

21 b. "State case" means an individual who has no county of  
22 legal settlement or the individual's legal settlement is  
23 unknown, who is eligible for mental illness, mental  
24 retardation, or developmental disability services or other  
25 support that are not covered by the medical assistance program  
26 and are provided outside of a state institution, and the  
27 services or other support have traditionally been managed and  
28 paid for by the state.

29 2. Beginning during the fiscal year that commences July 1,  
30 2005, the department of human services and counties shall  
31 implement a process for counties to manage the services and  
32 other support provided to county residents with chronic mental  
33 illness, mental illness, mental retardation, developmental  
34 disabilities, or brain injury who are eligible as a state  
35 case. A county shall manage the state case services and other

1 support provided in accordance with the county's management  
2 plan for mental health, mental retardation, and developmental  
3 disabilities services implemented under section 331.439 and  
4 the state payment for the services and other support managed  
5 by the county shall utilize the county's reimbursement rates.

6 3. This section is repealed July 1, 2007.

7 Sec. 3. EFFECTIVE AND APPLICABILITY DATE. The section of  
8 this Act amending section 331.424A takes effect January 1,  
9 2006, and is applicable to taxes payable in the fiscal year  
10 beginning July 1, 2006, and subsequent fiscal years.

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EXPLANATION

12 This bill relates to mental health, mental retardation,  
13 developmental disabilities, and brain injury (MH/MR/DD/BI)  
14 services and the services fund administered by counties by  
15 revising levy provisions applicable to that fund and providing  
16 for county administration of services on behalf of the state.

17 Code section 331.424A, relating to the county MH/MR/DD  
18 services fund, is amended by revising the property tax levy  
19 authority requirements for that fund. Current law limits the  
20 dollar amount that may be raised for a county's services fund  
21 from property taxes to a base year expenditures amount  
22 identified by the county, as reduced by property tax relief  
23 funding provided to the county by the state. Effective  
24 commencing with the fiscal year beginning July 1, 2006, the  
25 absolute dollar limit on services fund levies would be  
26 replaced with a limitation on the levy rate per \$1,000 of  
27 property value, within minimum and maximum levy rates  
28 established by the state MH/MR/DD/BI commission. If a  
29 county's levy rate for the services fund in effect as of March  
30 15, 2004, is less than the minimum levy rate established by  
31 the state commission, the county may incrementally increase  
32 the levy over the next three years in order to fully implement  
33 at least the minimum levy rate by the fiscal year beginning  
34 July 1, 2009. This section takes effect January 1, 2006, and  
35 is applicable to taxes payable in the fiscal year beginning

1 July 1, 2006, and subsequent fiscal years.

2 New Code section 331.440B provides for counties to assume  
3 responsibility for managing state case MH/MR/DD/BI services or  
4 other support provided to adult persons who are county  
5 residents and eligible as a state case. The bill provides  
6 definitions of "county resident" and "state case". Counties  
7 would begin assuming this responsibility during the fiscal  
8 year beginning July 1, 2005. The new Code section is repealed  
9 July 1, 2007.

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