

MAR 24 2005
APPROPRIATIONS CALENDAR

HOUSE FILE 825
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 284)

Passed House, Date 4-5-05 Passed Senate, Date _____
Vote: Ayes 64 Nays 36 Vote: Ayes _____ Nays _____
Approved Item Veto 6/14/05

A BILL FOR

1 An Act relating to and making appropriations to the department of
2 human services, the department of elder affairs, the Iowa
3 department of public health, the commission of veterans
4 affairs and the Iowa veterans home, and the department of
5 inspections and appeals, providing for fee increases, and
6 including other related provisions and appropriations, and
7 providing effective dates.

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

9
10

HOUSE FILE 825

H-1201

- 1 Amend House File 825 as follows:
2 1. Page 15, by striking lines 8 through 13.
3 2. By renumbering as necessary.

By SMITH of Marshall

H-1201 FILED MARCH 29, 2005

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DIVISION I
GENERAL FUND AND BLOCK GRANT APPROPRIATIONS
ELDER AFFAIRS

Section 1. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department of elder affairs and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for the frail elderly, the retired and senior volunteer program, resident advocate committee coordination, employment, and other services which may include, but are not limited to, adult day services, respite care, chore services, telephone reassurance, information and assistance, and home repair services, and for the construction of entrance ramps which make residences accessible to the physically handicapped, and for salaries, support, administration, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions with the department of elder affairs:

.....	\$	2,730,522
.....	FTEs	26.75

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. If the Eighty-first General Assembly enacts legislation establishing the Iowa commission on volunteer service, then of

1 the funds appropriated in this section, \$174,198 shall be
2 transferred to the office of the governor for the Iowa
3 commission on volunteer service to be used for the retired and
4 senior volunteer program.

5 HEALTH

6 Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is
7 appropriated from the general fund of the state to the Iowa
8 department of public health for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, the following amounts, or
10 so much thereof as is necessary, to be used for the purposes
11 designated:

12 1. ADDICTIVE DISORDERS

13 For reducing the prevalence of use of tobacco, alcohol, and
14 other drugs, and treating individuals affected by addictive
15 behaviors, including gambling, and for not more than the
16 following full-time equivalent positions:

17	\$	1,258,710
18	FTEs	6.45

19 The department and any grantee or subgrantee of the
20 department shall not discriminate against a nongovernmental
21 organization that provides substance abuse treatment and
22 prevention services or applies for funding to provide those
23 services on the basis that the organization has a religious
24 character.

25 2. ADULT WELLNESS

26 For maintaining or improving the health status of adults,
27 with target populations between the ages of 18 through 60:

28	\$	304,067
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29 3. CHILD AND ADOLESCENT WELLNESS

30 For promoting the optimum health status for children and
31 adolescents from birth through 21 years of age, and for not
32 more than the following full-time equivalent positions:

33	\$	862,592
34	FTEs	6.65

35 4. CHRONIC CONDITIONS

1 For serving individuals identified as having chronic
2 conditions or special health care needs, and for not more than
3 the following full-time equivalent positions:

4 \$ 1,295,342
5 FTEs 1.35

6 Of the funds appropriated in this subsection, not more than
7 \$100,000 shall be used to leverage federal funding through the
8 federal Ryan White Care Act, Title II, AIDS drug assistance
9 program supplemental drug treatment grants.

10 5. COMMUNITY CAPACITY

11 For strengthening the health care delivery system at the
12 local level, and for not more than the following full-time
13 equivalent positions:

14 \$ 1,264,299
15 FTEs 9.90

16 Of the funds appropriated in this subsection, \$100,000 is
17 allocated for a child vision screening program implemented
18 through the university of Iowa hospitals and clinics in
19 collaboration with community empowerment areas.

20 6. ELDERLY WELLNESS

21 For optimizing the health of persons 60 years of age and
22 older:

23 \$ 9,233,985

24 7. ENVIRONMENTAL HAZARDS

25 For reducing the public's exposure to hazards in the
26 environment, primarily chemical hazards, and for not more than
27 the following full-time equivalent positions:

28 \$ 401,808
29 FTEs 1.50

30 8. INFECTIOUS DISEASES

31 For reducing the incidence and prevalence of communicable
32 diseases, and for not more than the following full-time
33 equivalent positions:

34 \$ 1,078,039
35 FTEs 5.25

1 9. INJURIES

2 For providing support and protection to victims of abuse or
3 injury, or programs that are designed to prevent abuse or
4 injury, and for not more than the following full-time
5 equivalent positions:

6	\$	1,044,151
7	FTEs	1.80

8 Of the funds appropriated in this subsection, not more than
9 \$335,107 shall be used for the healthy opportunities to
10 experience success (HOPES) - healthy families Iowa (HFI)
11 program established pursuant to section 135.106.

12 Of the funds appropriated in this subsection, \$643,500
13 shall be credited to the emergency medical services fund
14 created in section 135.25.

15 10. PUBLIC PROTECTION

16 For protecting the health and safety of the public through
17 establishing standards and enforcing regulations, and for not
18 more than the following full-time equivalent positions:

19	\$	6,820,423
20	FTEs	110.05

21 11. RESOURCE MANAGEMENT

22 For establishing and sustaining the overall ability of the
23 department to deliver services to the public, and for not more
24 than the following full-time equivalent positions:

25	\$	994,442
26	FTEs	3.00

27 12. The university of Iowa hospitals and clinics under the
28 control of the state board of regents shall not receive
29 indirect costs from the funds appropriated in this section.

30 13. A local health care provider or nonprofit health care
31 organization seeking grant moneys administered by the Iowa
32 department of public health shall provide documentation that
33 the provider or organization has coordinated its services with
34 other local entities providing similar services.

35 14. a. The department shall apply for available federal

1 funds for sexual abstinence education programs.

2 b. It is the intent of the general assembly to comply with
3 the United States Congress' intent to provide education that
4 promotes abstinence from sexual activity outside of marriage
5 and reduces pregnancies, by focusing efforts on those persons
6 most likely to father and bear children out of wedlock.

7 c. Any sexual abstinence education program awarded moneys
8 under the grant program shall meet the definition of
9 abstinence education in the federal law. Grantees shall be
10 evaluated based upon the extent to which the abstinence
11 program successfully communicates the goals set forth in the
12 federal law.

13 Sec. 3. GAMBLING TREATMENT FUND -- APPROPRIATION. In lieu
14 of the appropriation made in section 135.150, subsection 1,
15 there is appropriated from funds available in the gambling
16 treatment fund created in section 135.150 to the Iowa
17 department of public health for the fiscal year beginning July
18 1, 2005, and ending June 30, 2006, the following amount, or so
19 much thereof as is necessary, to be used for the purposes
20 designated:

21 1. ADDICTIVE DISORDERS

22 To be utilized for the benefit of persons with addictions:
23 \$ 1,690,000

24 2. GAMBLING TREATMENT PROGRAM

25 The funds in the gambling treatment fund after the
26 appropriation in subsection 1 is made are appropriated to the
27 department to be used for funding of administrative costs and
28 to provide programs which may include, but are not limited to,
29 outpatient and follow-up treatment for persons affected by
30 problem gambling, rehabilitation and residential treatment
31 programs, information and referral services, education and
32 preventive services, and financial management services.

33 COMMISSION OF VETERANS AFFAIRS

34 Sec. 4. COMMISSION OF VETERANS AFFAIRS. There is
35 appropriated from the general fund of the state to the

1 commission of veterans affairs for the fiscal year beginning
2 July 1, 2005, and ending June 30, 2006, the following amounts,
3 or so much thereof as is necessary, to be used for the
4 purposes designated:

5 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

6 For salaries, support, maintenance, miscellaneous purposes,
7 including the war orphans educational aid fund established
8 pursuant to chapter 35, and for not more than the following
9 full-time equivalent positions:

10	\$	295,717
11	FTEs	4.00

12 a. Of the funds appropriated in this subsection, \$75,000
13 shall be used by the commission to contract with the
14 department of elder affairs to utilize local veterans affairs
15 commissions and the retired and senior volunteers program to
16 increase the utilization by eligible individuals of benefits
17 available through the federal department of veterans affairs.

18 b. Of the funds appropriated in this subsection, \$25,000
19 shall be used for the commission's costs associated with the
20 contracts implemented under paragraph "a".

21 2. IOWA VETERANS HOME

22 For salaries, support, maintenance, miscellaneous purposes,
23 and for not more than the following full-time equivalent
24 positions:

25	\$	16,309,443
26	FTEs	855.22

27 HUMAN SERVICES

28 Sec. 5. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK

29 GRANT. There is appropriated from the fund created in section
30 8.41 to the department of human services for the fiscal year
31 beginning July 1, 2005, and ending June 30, 2006, from moneys
32 received under the federal temporary assistance for needy
33 families (TANF) block grant pursuant to the federal Personal
34 Responsibility and Work Opportunity Reconciliation Act of
35 1996, Pub. L. No. 104-193, and successor legislation, which

1 are federally appropriated for the federal fiscal years
2 beginning October 1, 2004, and ending September 30, 2005, and
3 beginning October 1, 2005, and ending September 30, 2006, the
4 following amounts, or so much thereof as is necessary, to be
5 used for the purposes designated:

6 1. To be credited to the family investment program account
7 and used for assistance under the family investment program
8 under chapter 239B:

9 \$ 44,277,569

10 2. To be credited to the family investment program account
11 and used for the job opportunities and basic skills (JOBS)
12 program, and implementing family investment agreements, in
13 accordance with chapter 239B:

14 \$ 13,412,794

15 3. For field operations:

16 \$ 16,702,033

17 4. For general administration:

18 \$ 3,730,547

19 5. For local administrative costs:

20 \$ 2,181,296

21 6. For state child care assistance:

22 \$ 14,556,560

23 a. Of the funds appropriated in this subsection, \$200,000
24 shall be used for provision of educational opportunities to
25 registered child care home providers in order to improve
26 services and programs offered by this category of providers
27 and to increase the number of providers. The department may
28 contract with institutions of higher education or child care
29 resource and referral centers to provide the educational
30 opportunities. Allowable administrative costs under the
31 contracts shall not exceed 5 percent. The application for a
32 grant shall not exceed two pages in length.

33 b. The funds appropriated in this subsection shall be
34 transferred to the child care and development block grant
35 appropriation.

1 7. For mental health and developmental disabilities
 2 community services:
 3 \$ 4,798,979

4 8. For child and family services:
 5 \$ 31,538,815

6 9. For child abuse prevention grants:
 7 \$ 250,000

8 10. For pregnancy prevention grants on the condition that
 9 family planning services are funded:
 10 \$ 2,520,037

11 a. If the department receives approval of a waiver from
 12 the centers for Medicare and Medicaid services of the United
 13 States department of health and human services to provide
 14 family planning services, of the amount appropriated in this
 15 subsection, \$533,580 shall be transferred to the appropriation
 16 in this Act for child and family services.

17 b. Pregnancy prevention grants shall be awarded to
 18 programs in existence on or before July 1, 2005, if the
 19 programs are comprehensive in scope and have demonstrated
 20 positive outcomes. Grants shall be awarded to pregnancy
 21 prevention programs which are developed after July 1, 2005, if
 22 the programs are comprehensive in scope and are based on
 23 existing models that have demonstrated positive outcomes.
 24 Grants shall comply with the requirements provided in 1997
 25 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
 26 including the requirement that grant programs must emphasize
 27 sexual abstinence. Priority in the awarding of grants shall
 28 be given to programs that serve areas of the state which
 29 demonstrate the highest percentage of unplanned pregnancies of
 30 females of childbearing age within the geographic area to be
 31 served by the grant.

32 11. For technology needs and other resources necessary to
 33 meet federal welfare reform reporting, tracking, and case
 34 management requirements:
 35 \$ 1,037,186

1 12. For the healthy opportunities for parents to
2 experience success (HOPES) program administered by the Iowa
3 department of public health to target child abuse prevention:
4 \$ 200,000

5 13. To be credited to the state child care assistance
6 appropriation made in this section to be used for funding of
7 community-based early childhood programs targeted to children
8 from birth through five years of age, developed by community
9 empowerment areas as provided in section 28.9, as amended by
10 this Act:
11 \$ 7,350,000

12 The department shall transfer TANF block grant funding
13 appropriated and allocated in this subsection to the child
14 care and development block grant appropriation in accordance
15 with federal law as necessary to comply with the provisions of
16 this subsection.

17 14. For a pilot program to be established in a judicial
18 district, selected by the department and the judicial council,
19 to provide employment and support services to delinquent child
20 support obligors as an alternative to commitment to jail as
21 punishment for contempt of court:
22 \$ 200,000

23 Of the amounts appropriated in this section, \$12,808,841
24 for the fiscal year beginning July 1, 2005, shall be
25 transferred to the appropriation of the federal social
26 services block grant for that fiscal year. If the federal
27 government revises requirements to reduce the amount that may
28 be transferred to the federal social services block grant, it
29 is the intent of the general assembly to act expeditiously
30 during the 2006 legislative session to adjust appropriations
31 or the transfer amount or take other actions to address the
32 reduced amount.

33 Sec. 6. FAMILY INVESTMENT PROGRAM ACCOUNT.

34 1. Moneys credited to the family investment program (FIP)
35 account for the fiscal year beginning July 1, 2005, and ending

1 June 30, 2006, shall be used to provide assistance in
2 accordance with chapter 239B.

3 2. The department may use a portion of the moneys credited
4 to the FIP account under this section as necessary for
5 salaries, support, maintenance, and miscellaneous purposes and
6 for not more than the following full-time equivalent positions
7 which are in addition to any other full-time equivalent
8 positions authorized in this division of this Act:

9 FTEs 17.33

10 3. Moneys appropriated in this division of this Act and
11 credited to the FIP account for the fiscal year beginning July
12 1, 2005, and ending June 30, 2006, are allocated as follows:

13 a. For the family development and self-sufficiency grant
14 program as provided under section 217.12:

15 \$ 5,133,042

16 (1) Of the funds allocated for the family development and
17 self-sufficiency grant program in this lettered paragraph, not
18 more than 5 percent of the funds shall be used for the
19 administration of the grant program.

20 (2) The department may continue to implement the family
21 development and self-sufficiency grant program statewide
22 during FY 2005-2006.

23 b. For the diversion subaccount of the FIP account:

24 \$ 2,814,000

25 (1) A portion of the moneys allocated for the subaccount
26 may be used for field operations salaries, data management
27 system development, and implementation costs and support
28 deemed necessary by the director of human services in order to
29 administer the FIP diversion program.

30 (2) Of the funds allocated in this lettered paragraph, not
31 more than \$250,000 shall be used to develop or continue
32 community-level parental obligation pilot projects. The
33 requirements established under 2001 Iowa Acts, chapter 191,
34 section 3, subsection 5, paragraph "c", subparagraph (3),
35 shall remain applicable to the parental obligation pilot

1 projects for fiscal year 2005-2006.

2 c. For the food stamp employment and training program:
3 \$ 64,278

4 5. Of the child support collections assigned under FIP, an
5 amount equal to the federal share of support collections shall
6 be credited to the child support recovery appropriation. Of
7 the remainder of the assigned child support collections
8 received by the child support recovery unit, a portion shall
9 be credited to the FIP account and a portion may be used to
10 increase recoveries.

11 6. The department may adopt emergency administrative rules
12 for the family investment, food stamp, and medical assistance
13 programs, if necessary, to comply with federal requirements.

14 Sec. 7. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is
15 appropriated from the general fund of the state to the
16 department of human services for the fiscal year beginning
17 July 1, 2005, and ending June 30, 2006, the following amount,
18 or so much thereof as is necessary, to be used for the purpose
19 designated:

20 To be credited to the family investment program (FIP)
21 account and used for family investment program assistance
22 under chapter 239B:

23 \$ 40,316,718

24 Of the funds appropriated in this section, \$9,274,134 is
25 allocated for the JOBS program.

26 Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated
27 from the general fund of the state to the department of human
28 services for the fiscal year beginning July 1, 2005, and
29 ending June 30, 2006, the following amount, or so much thereof
30 as is necessary, to be used for the purposes designated:

31 For child support recovery, including salaries, support,
32 maintenance, and miscellaneous purposes and for not more than
33 the following full-time equivalent positions:

34 \$ 7,829,317

35 FTEs 423.00

1 1. The department shall expend up to \$31,000, including
 2 federal financial participation, for the fiscal year beginning
 3 July 1, 2005, for a child support public awareness campaign.
 4 The department and the office of the attorney general shall
 5 cooperate in continuation of the campaign. The public
 6 awareness campaign shall emphasize, through a variety of media
 7 activities, the importance of maximum involvement of both
 8 parents in the lives of their children as well as the
 9 importance of payment of child support obligations.

10 2. Federal access and visitation grant moneys shall be
 11 issued directly to private not-for-profit agencies that
 12 provide services designed to increase compliance with the
 13 child access provisions of court orders, including but not
 14 limited to neutral visitation site and mediation services.

15 Sec. 9. MEDICAL ASSISTANCE. There is appropriated from
 16 the general fund of the state to the department of human
 17 services for the fiscal year beginning July 1, 2005, and
 18 ending June 30, 2006, the following amount, or so much thereof
 19 as is necessary, to be used for the purpose designated:

20 For medical assistance reimbursement and associated costs
 21 as specifically provided in the reimbursement methodologies in
 22 effect on June 30, 2005, except as otherwise expressly
 23 authorized by law, including reimbursement for abortion
 24 services, which shall be available under the medical
 25 assistance program only for those abortions which are
 26 medically necessary:

27 \$524,510,863

28 1. Medically necessary abortions are those performed under
 29 any of the following conditions:

30 a. The attending physician certifies that continuing the
 31 pregnancy would endanger the life of the pregnant woman.

32 b. The attending physician certifies that the fetus is
 33 physically deformed, mentally deficient, or afflicted with a
 34 congenital illness.

35 c. The pregnancy is the result of a rape which is reported

1 within 45 days of the incident to a law enforcement agency or
2 public or private health agency which may include a family
3 physician.

4 d. The pregnancy is the result of incest which is reported
5 within 150 days of the incident to a law enforcement agency or
6 public or private health agency which may include a family
7 physician.

8 e. Any spontaneous abortion, commonly known as a
9 miscarriage, if not all of the products of conception are
10 expelled.

11 2. The department shall utilize not more than \$60,000 of
12 the funds appropriated in this section to continue the
13 AIDS/HIV health insurance premium payment program as
14 established in 1992 Iowa Acts, Second Extraordinary Session,
15 chapter 1001, section 409, subsection 6. Of the funds
16 allocated in this subsection, not more than \$5,000 may be
17 expended for administrative purposes.

18 3. Of the funds appropriated to the Iowa department of
19 public health for addictive disorders, \$950,000 for the fiscal
20 year beginning July 1, 2005, shall be transferred to the
21 department of human services for an integrated substance abuse
22 managed care system.

23 4. If the federal centers for Medicare and Medicaid
24 services approves a waiver request from the department, the
25 department shall provide a period of 12 months of guaranteed
26 eligibility for medical assistance family planning services
27 only, regardless of the change in circumstances of a woman who
28 was a medical assistance recipient when a pregnancy ended.
29 The department shall also provide this guaranteed eligibility
30 to women of childbearing age with countable income at or below
31 200 percent of the federal poverty level.

32 5. a. The department shall aggressively pursue options
33 for providing medical assistance or other assistance to
34 individuals with special needs who become ineligible to
35 continue receiving services under the early and periodic

1 screening, diagnosis, and treatment program under the medical
2 assistance program due to becoming 21 years of age, who have
3 been approved for additional assistance through the
4 department's exception to policy provisions, but who have
5 health care needs in excess of the funding available through
6 the exception to policy process.

7 b. Of the funds appropriated in this section, \$100,000
8 shall be used for participation in one or more pilot projects
9 operated by a private provider to allow the individual or
10 individuals to receive service in the community in accordance
11 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
12 (1999), for the purpose of providing medical assistance or
13 other assistance to individuals with special needs who become
14 ineligible to continue receiving services under the early and
15 periodic screening, diagnosis, and treatment program under the
16 medical assistance program due to becoming 21 years of age,
17 who have been approved for additional assistance through the
18 department's exception to policy provisions, but who have
19 health care needs in excess of the funding available through
20 the exception to the policy provisions.

21 6. Of the funds available in this section, up to
22 \$3,270,082 may be transferred to the field operations or
23 general administration appropriations in this Act for
24 implementation and operational costs associated with Part D of
25 the federal Medicare Prescription Drug, Improvement, and
26 Modernization Act of 2003, Pub. L. No. 108-173.

27 7. The department shall expand the health insurance data
28 match program as directed pursuant to 2004 Iowa Acts, chapter
29 1175, section 119, subsection 1, paragraph "c", to also match
30 insureds against a listing of hawk-i program enrollees. The
31 information submitted under the expansion shall be used solely
32 to identify third-party payors for hawk-i program enrollees
33 and shall be kept confidential. The department, in
34 consultation with insurance carriers, shall adopt rules to
35 implement this subsection. The department may adopt emergency

1 rules to implement this subsection and insurance carriers
2 shall begin providing the information required upon adoption
3 of the rules.

4 8. The department shall modify the methodology in effect
5 as of June 30, 2005, for calculating the state maximum
6 allowable cost reimbursement rates by reducing the sample size
7 required for pricing.

8 9. The department shall establish a health care cost
9 commission to regularly evaluate reimbursement rates for all
10 services covered under the medical assistance program and
11 shall require all third-party payors and all providers to
12 report their reimbursement rates annually by December 31 to
13 the commission.

14 10. The department, consistent with applicable state and
15 federal law, shall issue one or more requests for proposals to
16 procure medical supplies, including durable medical equipment,
17 through statewide bulk purchasing or mail order under the
18 medical assistance program, if such procurement is projected
19 to reduce the costs of the items to the medical assistance
20 program while maintaining appropriate access and quality
21 standards.

22 11. The department shall provide educational opportunities
23 to providers under the medical assistance program to improve
24 payment accuracy by avoiding mistakes and overbilling.

25 12. The department shall enhance the methodologies used
26 for identifying and collecting payment from third-party payors
27 of pharmaceuticals provided to recipients of the medical
28 assistance program, prior to payment of pharmaceutical claims
29 by the medical assistance program.

30 13. The department shall modify billing practices to allow
31 for collection of rebates from prescription drug manufacturers
32 under the medical assistance program for purchase of
33 injectable drugs administered in physicians' offices.

34 14. The department shall adjust managed care capitation
35 payments from the payment structure in effect as of June 30,

1 2004, to optimize family planning claiming.

2 Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
3 is appropriated from the general fund of the state to the
4 department of human services for the fiscal year beginning
5 July 1, 2005, and ending June 30, 2006, the following amount,
6 or so much thereof as is necessary, to be used for the purpose
7 designated:

8 For administration of the health insurance premium payment
9 program, including salaries, support, maintenance, and
10 miscellaneous purposes, and for not more than the following
11 full-time equivalent positions:

12	\$	612,574
13	FTEs	20.95

14 Sec. 11. MEDICAL CONTRACTS. There is appropriated from
15 the general fund of the state to the department of human
16 services for the fiscal year beginning July 1, 2005, and
17 ending June 30, 2006, the following amount, or so much thereof
18 as is necessary, to be used for the purpose designated:

19 For medical contracts, including salaries, support,
20 maintenance, and miscellaneous purposes:
21 \$ 14,711,985

22 Sec. 12. STATE SUPPLEMENTARY ASSISTANCE.

23 1. There is appropriated from the general fund of the
24 state to the department of human services for the fiscal year
25 beginning July 1, 2005, and ending June 30, 2006, the
26 following amount, or so much thereof as is necessary, to be
27 used for the purposes designated:

28 For the state supplementary assistance program:
29 \$ 19,810,335

30 2. The department shall increase the personal needs
31 allowance for residents of residential care facilities by the
32 same percentage and at the same time as federal supplemental
33 security income and federal social security benefits are
34 increased due to a recognized increase in the cost of living.
35 The department may adopt emergency rules to implement this

1 subsection.

2 3. If during the fiscal year beginning July 1, 2005, the
3 department projects that state supplementary assistance
4 expenditures for a calendar year will not meet the federal
5 pass-along requirement specified in Title XVI of the federal
6 Social Security Act, section 1618, as codified in 42 U.S.C. §
7 1382g, the department may take actions including but not
8 limited to increasing the personal needs allowance for
9 residential care facility residents and making programmatic
10 adjustments or upward adjustments of the residential care
11 facility or in-home health-related care reimbursement rates
12 prescribed in this division of this Act to ensure that federal
13 requirements are met. In addition, the department may make
14 other programmatic and rate adjustments necessary to remain
15 within the amount appropriated in this section while ensuring
16 compliance with federal requirements. The department may
17 adopt emergency rules to implement the provisions of this
18 subsection.

19 Sec. 13. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
20 appropriated from the general fund of the state to the
21 department of human services for the fiscal year beginning
22 July 1, 2005, and ending June 30, 2006, the following amount,
23 or so much thereof as is necessary, to be used for the purpose
24 designated:

25 For maintenance of the healthy and well kids in Iowa (hawk-
26 i) program pursuant to chapter 514I for receipt of federal
27 financial participation under Title XXI of the federal Social
28 Security Act, which creates the state children's health
29 insurance program:

30 \$ 16,618,275

31 Sec. 14. CHILD CARE ASSISTANCE. There is appropriated
32 from the general fund of the state to the department of human
33 services for the fiscal year beginning July 1, 2005, and
34 ending June 30, 2006, the following amount, or so much thereof
35 as is necessary, to be used for the purpose designated:

1 For child care programs:

2 \$ 8,350,752

3 1. a. Of the funds appropriated in this section,
4 \$7,325,228 shall be used for state child care assistance in
5 accordance with section 237A.13.

6 b. The department shall adopt rules to increase the upper
7 income eligibility requirements under the state child care
8 assistance program for families from 140 percent of the
9 federal poverty level to 145 percent of the federal poverty
10 level and for families with a special needs child from 175
11 percent of the federal poverty level to 200 percent of the
12 federal poverty level. The department may adopt emergency
13 rules to implement this paragraph.

14 2. Of the funds appropriated in this section, \$500,000
15 shall be used for implementation of a quality rating system
16 for child care providers, in accordance with legislation
17 enacted to authorize implementation of the rating system.

18 3. Nothing in this section shall be construed or is
19 intended as, or shall imply, a grant of entitlement for
20 services to persons who are eligible for assistance due to an
21 income level consistent with the waiting list requirements of
22 section 237A.13. Any state obligation to provide services
23 pursuant to this section is limited to the extent of the funds
24 appropriated in this section.

25 4. Of the funds appropriated in this section, \$525,524 is
26 allocated for the statewide program for child care resource
27 and referral services under section 237A.26.

28 5. The department may use any of the funds appropriated in
29 this section as a match to obtain federal funds for use in
30 expanding child care assistance and related programs. For the
31 purpose of expenditures of state and federal child care
32 funding, funds shall be considered obligated at the time
33 expenditures are projected or are allocated to the
34 department's service areas. Projections shall be based on
35 current and projected caseload growth, current and projected

1 provider rates, staffing requirements for eligibility
2 determination and management of program requirements including
3 data systems management, staffing requirements for
4 administration of the program, contractual and grant
5 obligations and any transfers to other state agencies, and
6 obligations for decategorization or innovation projects.

7 6. A portion of the state match for the federal child care
8 and development block grant shall be provided through the
9 state general fund appropriation for child development grants
10 and other programs for at-risk children in section 279.51.

11 Sec. 15. JUVENILE INSTITUTIONS. There is appropriated
12 from the general fund of the state to the department of human
13 services for the fiscal year beginning July 1, 2005, and
14 ending June 30, 2006, the following amounts, or so much
15 thereof as is necessary, to be used for the purposes
16 designated:

17 1. For operation of the Iowa juvenile home at Toledo and
18 for salaries, support, maintenance, and for not more than the
19 following full-time equivalent positions:

20	\$	6,201,283
21	FTEs	130.54

22 2. For operation of the state training school at Eldora
23 and for salaries, support, maintenance, and for not more than
24 the following full-time equivalent positions:

25	\$	9,830,692
26	FTEs	218.53

27 3. A portion of the moneys appropriated in this section
28 shall be used by the state training school and by the Iowa
29 juvenile home for grants for adolescent pregnancy prevention
30 activities at the institutions in the fiscal year beginning
31 July 1, 2005.

32 Sec. 16. CHILD AND FAMILY SERVICES.

33 1. There is appropriated from the general fund of the
34 state to the department of human services for the fiscal year
35 beginning July 1, 2005, and ending June 30, 2006, the

1 following amount, or so much thereof as is necessary, to be
2 used for the purpose designated:

3 For child and family services:

4 \$ 76,508,683

5 In order to address a reduction of \$5,200,000 from the
6 amount allocated under this appropriation in prior years for
7 purposes of juvenile delinquent graduated sanction services,
8 up to \$5,200,000 of the amount of federal temporary assistance
9 for needy families block grant funding appropriated in this
10 division of this Act for child and family services, shall be
11 made available for purposes of juvenile delinquent graduated
12 sanction services.

13 2. The department may transfer funds appropriated in this
14 section as necessary to pay the nonfederal costs of services
15 reimbursed under the medical assistance program or the family
16 investment program which are provided to children who would
17 otherwise receive services paid under the appropriation in
18 this section. The department may transfer funds appropriated
19 in this section to the appropriations in this division of this
20 Act for general administration and for field operations for
21 resources necessary to implement and operate the services
22 funded in this section.

23 3. a. Of the funds appropriated in this section, up to
24 \$35,883,519 is allocated as the statewide expenditure target
25 under section 232.143 for group foster care maintenance and
26 services.

27 b. If at any time after September 30, 2005, annualization
28 of a service area's current expenditures indicates a service
29 area is at risk of exceeding its group foster care expenditure
30 target under section 232.143 by more than 5 percent, the
31 department and juvenile court services shall examine all group
32 foster care placements in that service area in order to
33 identify those which might be appropriate for termination. In
34 addition, any aftercare services believed to be needed for the
35 children whose placements may be terminated shall be

1 identified. The department and juvenile court services shall
2 initiate action to set dispositional review hearings for the
3 placements identified. In such a dispositional review
4 hearing, the juvenile court shall determine whether needed
5 aftercare services are available and whether termination of
6 the placement is in the best interest of the child and the
7 community.

8 c. Of the funds allocated in this subsection, \$1,465,009
9 is allocated as the state match funding for 50 highly
10 structured juvenile program beds. If the number of beds
11 provided for in this lettered paragraph is not utilized, the
12 remaining funds allocated may be used for group foster care.

13 d. If House File 538 or other legislation is enacted
14 during the 2005 session of the general assembly providing for
15 submission of an application for federal approval of a waiver
16 to provide coverage under the medical assistance program for
17 children who need behavioral health care services and qualify
18 for the care level provided by a psychiatric medical
19 institution for children licensed under chapter 135H and are
20 in need of treatment to cure or alleviate serious mental
21 illness or disorder, or emotional damage as evidenced by
22 severe anxiety, depression, withdrawal, or untoward aggressive
23 behavior toward self or others and whose parents, guardians,
24 or custodians are unable to provide such treatment, and the
25 waiver is approved, the department may transfer funds
26 appropriated in this section to the appropriation made in this
27 division of this Act for the medical assistance program in
28 order to pay the nonfederal share of the costs incurred under
29 the waiver.

30 4. In accordance with the provisions of section 232.188,
31 the department shall continue the program to decategorize
32 child welfare services funding. Of the funds appropriated in
33 this section, \$2,000,000 is allocated specifically for
34 expenditure through the decategorization of child welfare
35 funding pools and governance boards established pursuant to

1 section 232.188. In addition, up to \$1,000,000 of the amount
2 of federal temporary assistance for needy families block grant
3 funding appropriated in this division of this Act for child
4 and family services shall be made available for purposes of
5 decategorization of child welfare services as provided in this
6 subsection. Notwithstanding section 8.33, moneys allocated in
7 this subsection that remain unencumbered or unobligated at the
8 close of the fiscal year shall not revert but shall remain
9 available for expenditure for the purposes designated until
10 the close of the succeeding fiscal year.

11 5. A portion of the funding appropriated in this section
12 may be used for emergency family assistance to provide other
13 resources required for a family participating in a family
14 preservation or reunification project to stay together or to
15 be reunified.

16 6. Notwithstanding section 234.35, subsection 1, for the
17 fiscal year beginning July 1, 2005, state funding for shelter
18 care paid pursuant to section 234.35, subsection 1, paragraph
19 "h", shall be limited to \$7,252,955.

20 7. Federal funds received by the state during the fiscal
21 year beginning July 1, 2005, as the result of the expenditure
22 of state funds appropriated during a previous state fiscal
23 year for a service or activity funded under this section, are
24 appropriated to the department to be used as additional
25 funding for services and purposes provided for under this
26 section. Notwithstanding section 8.33, moneys received in
27 accordance with this subsection that remain unencumbered or
28 unobligated at the close of the fiscal year shall not revert
29 to any fund but shall remain available for the purposes
30 designated until the close of the succeeding fiscal year.

31 8. Of the moneys appropriated in this section, not more
32 than \$442,100 is allocated to provide clinical assessment
33 services as necessary to continue funding of children's
34 rehabilitation services under medical assistance in accordance
35 with federal law and requirements. The funding allocated is

1 the amount projected to be necessary for providing the
2 clinical assessment services.

3 9. Of the funding appropriated in this section, \$3,696,285
4 shall be used for protective child care assistance.

5 10. Of the moneys appropriated in this section, up to
6 \$2,859,851 is allocated for the payment of the expenses of
7 court-ordered services provided to juveniles which are a
8 charge upon the state pursuant to section 232.141, subsection

9 4. Of the amount allocated in this subsection, up to
10 \$1,431,597 shall be made available to provide school-based
11 supervision of children adjudicated under chapter 232, of
12 which not more than \$15,000 may be used for the purpose of
13 training. A portion of the cost of each school-based liaison
14 officer shall be paid by the school district or other funding
15 source as approved by the chief juvenile court officer.

16 a. Notwithstanding section 232.141 or any other provision
17 of law to the contrary, the amount allocated in this
18 subsection shall be distributed to the judicial districts as
19 determined by the state court administrator. The state court
20 administrator shall make the determination of the distribution
21 amounts on or before June 15, 2005.

22 b. Notwithstanding chapter 232 or any other provision of
23 law to the contrary, a district or juvenile court shall not
24 order any service which is a charge upon the state pursuant to
25 section 232.141 if there are insufficient court-ordered
26 services funds available in the district court distribution
27 amount to pay for the service. The chief juvenile court
28 officer shall encourage use of the funds allocated in this
29 subsection such that there are sufficient funds to pay for all
30 court-related services during the entire year. The chief
31 juvenile court officers shall attempt to anticipate potential
32 surpluses and shortfalls in the distribution amounts and shall
33 cooperatively request the state court administrator to
34 transfer funds between the districts' distribution amounts as
35 prudent.

1 c. Notwithstanding any provision of law to the contrary, a
2 district or juvenile court shall not order a county to pay for
3 any service provided to a juvenile pursuant to an order
4 entered under chapter 232 which is a charge upon the state
5 under section 232.141, subsection 4.

6 d. Of the funding allocated in this subsection, not more
7 than \$100,000 may be used by the judicial branch for
8 administration of the requirements under this subsection and
9 for travel associated with court-ordered placements which are
10 a charge upon the state pursuant to section 232.141,
11 subsection 4.

12 11. Notwithstanding 2000 Iowa Acts, chapter 1228, section
13 43, the department may operate a subsidized guardianship
14 program if the United States department of health and human
15 services approves a waiver under Title IV-E of the federal
16 Social Security Act or the federal Social Security Act is
17 amended to allow Title IV-E funding to be used for subsidized
18 guardianship, and the subsidized guardianship program can be
19 operated without loss of Title IV-E funds.

20 12. Of the amount appropriated in this section, \$300,000
21 shall be transferred to the Iowa department of public health
22 to be used for the child protection center grant program in
23 accordance with section 135.118.

24 13. Of the amount appropriated in this section, \$148,000
25 shall be used for funding of one or more child welfare
26 diversion and mediation pilot projects as provided in 2004
27 Iowa Acts, chapter 1130, section 1.

28 Sec. 17. ADOPTION SUBSIDY.

29 1. There is appropriated from the general fund of the
30 state to the department of human services for the fiscal year
31 beginning July 1, 2005, and ending June 30, 2006, the
32 following amount, or so much thereof as is necessary, to be
33 used for the purpose designated:

34 For adoption subsidy payments and services:
35 \$ 32,275,732

1 2. The department may transfer funds appropriated in this
2 section to the appropriations in this Act for child and family
3 services to be used for adoptive family recruitment and other
4 services to achieve adoption.

5 3. Federal funds received by the state during the fiscal
6 year beginning July 1, 2005, as the result of the expenditure
7 of state funds during a previous state fiscal year for a
8 service or activity funded under this section, are
9 appropriated to the department to be used as additional
10 funding for the services and activities funded under this
11 section. Notwithstanding section 8.33, moneys received in
12 accordance with this subsection that remain unencumbered or
13 unobligated at the close of the fiscal year shall not revert
14 to any fund but shall remain available for expenditure for the
15 purposes designated until the close of the succeeding fiscal
16 year.

17 Sec. 18. JUVENILE DETENTION HOME FUND. Moneys deposited
18 in the juvenile detention home fund created in section 232.142
19 during the fiscal year beginning July 1, 2005, and ending June
20 30, 2006, are appropriated to the department of human services
21 for the fiscal year beginning July 1, 2005, and ending June
22 30, 2006, for distribution as follows:

23 1. An amount equal to 10 percent of the costs of the
24 establishment, improvement, operation, and maintenance of
25 county or multicounty juvenile detention homes in the fiscal
26 year beginning July 1, 2004. Moneys appropriated for
27 distribution in accordance with this subsection shall be
28 allocated among eligible detention homes, prorated on the
29 basis of an eligible detention home's proportion of the costs
30 of all eligible detention homes in the fiscal year beginning
31 July 1, 2004. Notwithstanding section 232.142, subsection 3,
32 the financial aid payable by the state under that provision
33 for the fiscal year beginning July 1, 2005, shall be limited
34 to the amount appropriated for the purposes of this
35 subsection.

1 2. For renewal of a grant to a county with a population
2 between 189,000 and 196,000 for implementation of the county's
3 runaway treatment plan under section 232.195:

4 \$ 80,000

5 3. For continuation and expansion of the community
6 partnership for child protection sites:

7 \$ 318,000

8 4. For grants to counties implementing a runaway treatment
9 plan under section 232.195.

10 5. The remainder for additional allocations to county or
11 multicounty juvenile detention homes, in accordance with the
12 distribution requirements of subsection 1.

13 Sec. 19. FAMILY SUPPORT SUBSIDY PROGRAM. There is
14 appropriated from the general fund of the state to the
15 department of human services for the fiscal year beginning
16 July 1, 2005, and ending June 30, 2006, the following amount,
17 or so much thereof as is necessary, to be used for the purpose
18 designated:

19 For the family support subsidy program:

20 \$ 1,936,434

21 1. The department may use up to \$333,312 of the moneys
22 appropriated in this section to continue the children-at-home
23 program in current counties, of which not more than \$20,000
24 shall be used for administrative costs.

25 2. Notwithstanding section 225C.38, subsection 1, the
26 monthly family support payment amount for the fiscal year
27 beginning July 1, 2005, shall remain the same as the payment
28 amount in effect on June 30, 2005.

29 Sec. 20. CONNER DECREE. There is appropriated from the
30 general fund of the state to the department of human services
31 for the fiscal year beginning July 1, 2005, and ending June
32 30, 2006, the following amount, or so much thereof as is
33 necessary, to be used for the purpose designated:

34 For building community capacity through the coordination
35 and provision of training opportunities in accordance with the

1 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.
2 Iowa, July 14, 1994):

3 \$ 42,623

4 Sec. 21. MENTAL HEALTH INSTITUTES. There is appropriated
5 from the general fund of the state to the department of human
6 services for the fiscal year beginning July 1, 2005, and
7 ending June 30, 2006, the following amounts, or so much
8 thereof as is necessary, to be used for the purposes
9 designated:

10 1. For the state mental health institute at Cherokee for
11 salaries, support, maintenance, and miscellaneous purposes and
12 for not more than the following full-time equivalent
13 positions:

14 \$ 13,074,889

15 FTEs 228.00

16 2. For the state mental health institute at Clarinda for
17 salaries, support, maintenance, and miscellaneous purposes and
18 for not more than the following full-time equivalent
19 positions:

20 \$ 7,439,591

21 FTEs 113.15

22 3. For the state mental health institute at Independence
23 for salaries, support, maintenance, and miscellaneous purposes
24 and for not more than the following full-time equivalent
25 positions:

26 \$ 17,329,091

27 FTEs 317.80

28 4. For the state mental health institute at Mount Pleasant
29 for salaries, support, maintenance, and miscellaneous purposes
30 and for not more than the following full-time equivalent
31 positions:

32 \$ 6,131,181

33 FTEs 100.44

34 Sec. 22. STATE RESOURCE CENTERS. There is appropriated
35 from the general fund of the state to the department of human

1 services for the fiscal year beginning July 1, 2005, and
2 ending June 30, 2006, the following amounts, or so much
3 thereof as is necessary, to be used for the purposes
4 designated:

5 1. For the state resource center at Glenwood for salaries,
6 support, maintenance, and miscellaneous purposes:
7 \$ 12,650,344

8 2. For the state resource center at Woodward for salaries,
9 support, maintenance, and miscellaneous purposes:
10 \$ 7,073,088

11 3. The department may continue to bill for state resource
12 center services utilizing a scope of services approach used
13 for private providers of ICFMR services, in a manner which
14 does not shift costs between the medical assistance program,
15 counties, or other sources of funding for the state resource
16 centers.

17 4. The state resource centers may expand the time limited
18 assessment and respite services during the fiscal year.

19 5. If the department's administration and the department
20 of management concur with a finding by a state resource
21 center's superintendent that projected revenues can reasonably
22 be expected to pay the salary and support costs for a new
23 employee position, or that such costs for adding a particular
24 number of new positions for the fiscal year would be less than
25 the overtime costs if new positions would not be added, the
26 superintendent may add the new position or positions. If the
27 vacant positions available to a resource center do not include
28 the position classification desired to be filled, the state
29 resource center's superintendent may reclassify any vacant
30 position as necessary to fill the desired position. The
31 superintendents of the state resource centers may, by mutual
32 agreement, pool vacant positions and position classifications
33 during the course of the fiscal year in order to assist one
34 another in filling necessary positions.

35 6. If existing capacity limitations are reached in

1 operating units, a waiting list is in effect for a service or
2 a special need for which a payment source or other funding is
3 available for the service or to address the special need, and
4 facilities for the service or to address the special need can
5 be provided within the available payment source or other
6 funding, the superintendent of a state resource center may
7 authorize opening not more than two units or other facilities
8 and to begin implementing the service or addressing the
9 special need during fiscal year 2005-2006.

10 Sec. 23. MI/MR/DD STATE CASES.

11 1. There is appropriated from the general fund of the
12 state to the department of human services for the fiscal year
13 beginning July 1, 2005, and ending June 30, 2006, the
14 following amount, or so much thereof as is necessary, to be
15 used for the purpose designated:

16 For purchase of local services for persons with mental
17 illness, mental retardation, and developmental disabilities
18 where the client has no established county of legal
19 settlement:

20 \$ 10,514,619

21 2. For the fiscal year beginning July 1, 2005, and ending
22 June 30, 2006, \$500,000 is allocated for state cases from the
23 amounts appropriated from the fund created in section 8.41 to
24 the department of human services from the funds received from
25 the federal government under 42 U.S.C., chapter 6A, subchapter
26 XVII, relating to the community mental health center block
27 grant, for the federal fiscal years beginning October 1, 2003,
28 and ending September 30, 2004, beginning October 1, 2004, and
29 ending September 30, 2005, and beginning October 1, 2005, and
30 ending September 30, 2006. The allocation made in this
31 subsection shall be made prior to any other distribution
32 allocation of the appropriated federal funds.

33 Sec. 24. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
34 COMMUNITY SERVICES FUND. There is appropriated from the
35 general fund of the state to the mental health and

1 developmental disabilities community services fund created in
 2 section 225C.7 for the fiscal year beginning July 1, 2005, and
 3 ending June 30, 2006, the following amount, or so much thereof
 4 as is necessary, to be used for the purpose designated:

5 For mental health and developmental disabilities community
 6 services in accordance with this division of this Act:

7 \$ 17,757,890

8 1. Of the funds appropriated in this section, \$17,727,890
 9 shall be allocated to counties for funding of community-based
 10 mental health and developmental disabilities services. The
 11 moneys shall be allocated to a county as follows:

12 a. Fifty percent based upon the county's proportion of the
 13 state's population of persons with an annual income which is
 14 equal to or less than the poverty guideline established by the
 15 federal office of management and budget.

16 b. Fifty percent based upon the county's proportion of the
 17 state's general population.

18 2. a. A county shall utilize the funding the county
 19 receives pursuant to subsection 1 for services provided to
 20 persons with a disability, as defined in section 225C.2.
 21 However, no more than 50 percent of the funding shall be used
 22 for services provided to any one of the service populations.

23 b. A county shall use at least 50 percent of the funding
 24 the county receives under subsection 1 for contemporary
 25 services provided to persons with a disability, as described
 26 in rules adopted by the department.

27 3. Of the funds appropriated in this section, \$30,000
 28 shall be used to support the Iowa compass program providing
 29 computerized information and referral services for Iowans with
 30 disabilities and their families.

31 4. a. Funding appropriated for purposes of the federal
 32 social services block grant is allocated for distribution to
 33 counties for local purchase of services for persons with
 34 mental illness or mental retardation or other developmental
 35 disability.

1 b. The funds allocated in this subsection shall be
2 expended by counties in accordance with the county's approved
3 county management plan. A county without an approved county
4 management plan shall not receive allocated funds until the
5 county's management plan is approved.

6 c. The funds provided by this subsection shall be
7 allocated to each county as follows:

8 (1) Fifty percent based upon the county's proportion of
9 the state's population of persons with an annual income which
10 is equal to or less than the poverty guideline established by
11 the federal office of management and budget.

12 (2) Fifty percent based upon the amount provided to the
13 county for local purchase of services in the preceding fiscal
14 year.

15 5. A county is eligible for funds under this section if
16 the county qualifies for a state payment as described in
17 section 331.439.

18 Sec. 25. SEXUALLY VIOLENT PREDATORS.

19 1. There is appropriated from the general fund of the
20 state to the department of human services for the fiscal year
21 beginning July 1, 2005, and ending June 30, 2006, the
22 following amount, or so much thereof as is necessary, to be
23 used for the purpose designated:

24 For costs associated with the commitment and treatment of
25 sexually violent predators in the unit located at the state
26 mental health institute at Cherokee, including costs of legal
27 services and other associated costs, including salaries,
28 support, maintenance, miscellaneous purposes, and for not more
29 than the following full-time equivalent positions:
30 \$ 3,621,338
31 FTEs 65.00

32 2. Unless specifically prohibited by law, if the amount
33 charged provides for recoupment of at least the entire amount
34 of direct and indirect costs, the department of human services
35 may contract with other states to provide care and treatment

1 of persons placed by the other states at the unit for sexually
2 violent predators at Cherokee. The moneys received under such
3 a contract shall be considered to be repayment receipts and
4 used for the purposes of the appropriation made in this
5 section.

6 Sec. 26. FIELD OPERATIONS. There is appropriated from the
7 general fund of the state to the department of human services
8 for the fiscal year beginning July 1, 2005, and ending June
9 30, 2006, the following amount, or so much thereof as is
10 necessary, to be used for the purposes designated:

11 For field operations, including salaries, support,
12 maintenance, and miscellaneous purposes and for not more than
13 the following full-time equivalent positions:

14 \$ 53,519,372
15 FTEs 1,844.00

16 Priority in filling full-time equivalent positions shall be
17 given to those positions related to child protection services.

18 Sec. 27. GENERAL ADMINISTRATION. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2005, and
21 ending June 30, 2006, the following amount, or so much thereof
22 as is necessary, to be used for the purpose designated:

23 For general administration, including salaries, support,
24 maintenance, and miscellaneous purposes and for not more than
25 the following full-time equivalent positions:

26 \$ 13,312,196
27 FTEs 292.00

28 Of the funds appropriated in this section, \$57,000 is
29 allocated for the prevention of disabilities policy council
30 established in section 225B.3.

31 Sec. 28. VOLUNTEERS. There is appropriated from the
32 general fund of the state to the department of human services
33 for the fiscal year beginning July 1, 2005, and ending June
34 30, 2006, the following amount, or so much thereof as is
35 necessary, to be used for the purpose designated:

1 For development and coordination of volunteer services:
2 \$ 109,568

3 Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
4 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
5 DEPARTMENT OF HUMAN SERVICES.

6 1. a. (1) For the fiscal year beginning July 1, 2005,
7 nursing facilities shall be reimbursed at 100 percent of the
8 modified price-based case-mix reimbursement rate. Nursing
9 facilities reimbursed under the medical assistance program
10 shall submit annual cost reports and additional documentation
11 as required by rules adopted by the department.

12 (2) For the fiscal year beginning July 1, 2005, the total
13 state funding amount for the nursing facility budget shall not
14 exceed \$158,752,891. The department, in cooperation with
15 nursing facility representatives, shall review projections for
16 state funding expenditures for reimbursement of nursing
17 facilities on a quarterly basis and the department shall
18 determine if an adjustment to the medical assistance
19 reimbursement rate is necessary in order to provide
20 reimbursement within the state funding amount. Any temporary
21 enhanced federal financial participation that may become
22 available to the Iowa medical assistance program during the
23 fiscal year shall not be used in projecting the nursing
24 facility budget. Notwithstanding 2001 Iowa Acts, chapter 192,
25 section 4, subsection 2, paragraph "c", and subsection 3,
26 paragraph "a", subparagraph (2), if the state funding
27 expenditures for the nursing facility budget for the fiscal
28 year beginning July 1, 2005, are projected to exceed the
29 amount specified in this subparagraph, the department shall
30 adjust the inflation factor of the reimbursement rate
31 calculation for only the nursing facilities reimbursed under
32 the case-mix reimbursement system to maintain expenditures of
33 the nursing facility budget within the specified amount.

34 b. For the fiscal year beginning July 1, 2005, the
35 department shall reimburse pharmacy dispensing fees using a

1 single rate of \$4.39 per prescription, or the pharmacy's usual
2 and customary fee, whichever is lower.

3 c. For the fiscal year beginning July 1, 2005,
4 reimbursement rates for inpatient and outpatient hospital
5 services shall be increased by 3 percent over the rates in
6 effect on June 30, 2005. The department shall continue the
7 outpatient hospital reimbursement system based upon ambulatory
8 patient groups implemented pursuant to 1994 Iowa Acts, chapter
9 1186, section 25, subsection 1, paragraph "f". In addition,
10 the department shall continue the revised medical assistance
11 payment policy implemented pursuant to that paragraph to
12 provide reimbursement for costs of screening and treatment
13 provided in the hospital emergency room if made pursuant to
14 the prospective payment methodology developed by the
15 department for the payment of outpatient services provided
16 under the medical assistance program. Any rebasing of
17 hospital inpatient or outpatient rates shall not increase
18 total payments for inpatient and outpatient services beyond
19 the 3 percent increase provided in this paragraph.

20 d. For the fiscal year beginning July 1, 2005,
21 reimbursement rates for rural health clinics, hospices,
22 independent laboratories, and acute mental hospitals shall be
23 increased in accordance with increases under the federal
24 Medicare program or as supported by their Medicare audited
25 costs.

26 e. (1) For the fiscal year beginning July 1, 2005,
27 reimbursement rates for home health agencies shall be
28 increased by 3 percent over the rates in effect on June 30,
29 2005, not to exceed a home health agency's actual allowable
30 cost.

31 (2) The department shall establish a fixed-fee
32 reimbursement schedule for home health agencies under the
33 medical assistance program beginning July 1, 2006.

34 f. For the fiscal year beginning July 1, 2005, federally
35 qualified health centers shall receive cost-based

1 reimbursement for 100 percent of the reasonable costs for the
2 provision of services to recipients of medical assistance.

3 g. Beginning July 1, 2005, the reimbursement rates for
4 dental services shall be increased by 3 percent over the rates
5 in effect on June 30, 2005.

6 h. Beginning July 1, 2005, the reimbursement rates for
7 community mental health centers shall be increased by 3
8 percent over the rates in effect on June 30, 2005.

9 i. For the fiscal year beginning July 1, 2005, the maximum
10 reimbursement rate for psychiatric medical institutions for
11 children shall be increased by 3 percent over the rate in
12 effect on June 30, 2005.

13 j. For the fiscal year beginning July 1, 2005, unless
14 otherwise specified in this Act, all noninstitutional medical
15 assistance provider reimbursement rates shall be increased by
16 3 percent over the rates in effect on June 30, 2005, except
17 for area education agencies, local education agencies, infant
18 and toddler services providers, and those providers whose
19 rates are required to be determined pursuant to section
20 249A.20.

21 k. Notwithstanding section 249A.20, for the fiscal year
22 beginning July 1, 2005, the average reimbursement rate for
23 health care providers eligible for use of the federal Medicare
24 resource-based relative value scale reimbursement methodology
25 under that section shall be increased by 3 percent over the
26 rate in effect on June 30, 2005; however, this rate shall not
27 exceed the maximum level authorized by the federal government.

28 l. Beginning July 1, 2005, the department shall reimburse
29 physicians who administer injectable drugs in the physician's
30 office or other appropriate noninstitutional setting in an
31 amount that is equal to the invoiced cost paid by the
32 physician to the manufacturer, vendor, or other recognized
33 supplier from whom the drug was purchased under the medical
34 assistance program. A separate payment shall be made for
35 administration of the drug.

1 2. For the fiscal year beginning July 1, 2005, the
2 reimbursement rate for residential care facilities shall not
3 be less than the minimum payment level as established by the
4 federal government to meet the federally mandated maintenance
5 of effort requirement. The flat reimbursement rate for
6 facilities electing not to file semiannual cost reports shall
7 not be less than the minimum payment level as established by
8 the federal government to meet the federally mandated
9 maintenance of effort requirement.

10 3. For the fiscal year beginning July 1, 2005, the
11 reimbursement rate for providers reimbursed under the in-
12 home-related care program shall not be less than the minimum
13 payment level as established by the federal government to meet
14 the federally mandated maintenance of effort requirement.

15 4. Unless otherwise directed in this section, when the
16 department's reimbursement methodology for any provider
17 reimbursed in accordance with this section includes an
18 inflation factor, this factor shall not exceed the amount by
19 which the consumer price index for all urban consumers
20 increased during the calendar year ending December 31, 2002.

21 5. Notwithstanding section 234.38, in the fiscal year
22 beginning July 1, 2005, the foster family basic daily
23 maintenance rate and the maximum adoption subsidy rate for
24 children ages 0 through 5 years shall be \$14.91, the rate for
25 children ages 6 through 11 years shall be \$15.58, the rate for
26 children ages 12 through 15 years shall be \$17.18, and the
27 rate for children ages 16 and older shall be \$17.27.

28 6. For the fiscal year beginning July 1, 2005, the maximum
29 reimbursement rates for social service providers shall be
30 increased by 3 percent over the rates in effect on June 30,
31 2005, or to the provider's actual and allowable cost plus
32 inflation for each service, whichever is less. The rates may
33 also be adjusted under any of the following circumstances:

34 a. If a new service was added after June 30, 2005, the
35 initial reimbursement rate for the service shall be based upon

1 actual and allowable costs.

2 b. If a social service provider loses a source of income
3 used to determine the reimbursement rate for the provider, the
4 provider's reimbursement rate may be adjusted to reflect the
5 loss of income, provided that the lost income was used to
6 support actual and allowable costs of a service purchased
7 under a purchase of service contract.

8 7. The group foster care reimbursement rates paid for
9 placement of children out of state shall be calculated
10 according to the same rate-setting principles as those used
11 for in-state providers unless the director of human services
12 or the director's designee determines that appropriate care
13 cannot be provided within the state. The payment of the daily
14 rate shall be based on the number of days in the calendar
15 month in which service is provided.

16 8. For the fiscal year beginning July 1, 2005, the
17 reimbursement rates for rehabilitative treatment and support
18 services providers shall be increased by 3 percent over the
19 rates in effect on June 30, 2005.

20 9. a. For the fiscal year beginning July 1, 2005, the
21 combined service and maintenance components of the
22 reimbursement rate paid for shelter care services purchased
23 under a contract shall be based on the financial and
24 statistical report submitted to the department. The maximum
25 reimbursement rate shall be \$86.20 per day. The department
26 shall reimburse a shelter care provider at the provider's
27 actual and allowable unit cost, plus inflation, not to exceed
28 the maximum reimbursement rate.

29 b. Notwithstanding section 232.141, subsection 8, for the
30 fiscal year beginning July 1, 2005, the amount of the
31 statewide average of the actual and allowable rates for
32 reimbursement of juvenile shelter care homes that is utilized
33 for the limitation on recovery of unpaid costs shall be
34 increased by \$2.51 over the amount in effect for this purpose
35 in the preceding fiscal year.

1 c. Notwithstanding section 8A.311, commencing during the
2 fiscal year beginning July 1, 2005, the department may enter
3 into contracts with shelter care providers as necessary to
4 maintain the availability of shelter care services for
5 children in all areas of the state.

6 10. For the fiscal year beginning July 1, 2005, the
7 department shall calculate reimbursement rates for
8 intermediate care facilities for persons with mental
9 retardation at the 80th percentile.

10 11. For the fiscal year beginning July 1, 2005, for child
11 care providers reimbursed under the state child care
12 assistance program, the department shall set provider
13 reimbursement rates based on the rate reimbursement survey
14 completed in December 1998. However, if the federal
15 government provides additional funding for child care during
16 the fiscal year beginning July 1, 2005, which is in a
17 sufficient amount and is authorized by federal law to be used
18 for the purpose of fully funding an increase in provider rates
19 based on the December 2002 reimbursement survey, the
20 department shall set provider reimbursement rates based on the
21 2002 survey. The department shall set rates in a manner so as
22 to provide incentives for a nonregistered provider to become
23 registered.

24 12. For the fiscal year beginning July 1, 2005,
25 reimbursements for providers reimbursed by the department of
26 human services may be modified if appropriated funding is
27 allocated for that purpose from the senior living trust fund
28 created in section 249H.4, or as specified in appropriations
29 from the healthy Iowans tobacco trust created in section
30 12.65.

31 13. Any reimbursement increases provided under this
32 section for providers or services under the medical assistance
33 program are only applicable to reimbursements to providers or
34 for services under the medical assistance fee-for-service
35 system.

1 14. The department may adopt emergency rules to implement
2 this section.

3 Sec. 30. Section 249A.20, Code 2005, is amended to read as
4 follows:

5 249A.20 NONINSTITUTIONAL HEALTH PROVIDERS --
6 REIMBURSEMENT.

7 1. Beginning November 1, 2000, the department shall use
8 the federal Medicare resource-based relative value scale
9 methodology to reimburse all applicable noninstitutional
10 health providers, excluding anesthesia and dental services,
11 that on June 30, 2000, are reimbursed on a fee-for-service
12 basis for provision of services under the medical assistance
13 program. The department shall apply the federal Medicare
14 resource-based relative value scale methodology to such health
15 providers in the same manner as the methodology is applied
16 under the federal Medicare program and shall not utilize the
17 resource-based relative value scale methodology in a manner
18 that discriminates between such health providers. The
19 reimbursement schedule shall be adjusted annually on July 1,
20 and shall provide for reimbursement that is not less than the
21 reimbursement provided under the fee schedule established for
22 Iowa under the federal Medicare program in effect on January 1
23 of that calendar year.

24 2. Beginning July 1, 2005, the department shall reimburse
25 noninstitutional health providers of anesthesia services using
26 the conversion factor for anesthesia services applicable to
27 the federal Medicare program at the rate in effect on November
28 1, 2000, as adjusted to reflect the resource-based relative
29 value scale methodology applied from that date and thereafter
30 to noninstitutional health providers pursuant to subsection 1.

31 3. A provider reimbursed under section 249A.31 is not a
32 noninstitutional health provider.

33 Sec. 31. 2001 Iowa Acts, chapter 192, section 4,
34 subsection 3, paragraphs e and f, as amended by 2004 Iowa
35 Acts, chapter 1175, section 154, are amended to read as

1 follows:

2 e. The department shall calculate the rate ceiling for the
3 direct-care cost component at 120 percent of the median of
4 case-mix adjusted costs. Nursing facilities with case-mix
5 adjusted costs at 95 percent of the median or greater, shall
6 receive an amount equal to their costs not to exceed 120
7 percent of the median. Nursing facilities with case-mix
8 adjusted costs below 95 percent of the median shall receive an
9 excess payment allowance by having their payment rate for the
10 direct-care cost component calculated as their case-mix
11 adjusted cost plus 100 percent of the difference between 95
12 percent of the median and their case-mix adjusted cost, not to
13 exceed 10 percent of the median of case-mix adjusted costs.
14 Beginning July 1, ~~2004~~ 2005, nursing facilities with case-mix
15 adjusted costs below 95 percent of the median shall receive an
16 excess payment allowance by having their payment rate for the
17 direct-care cost component calculated as their case-mix
18 adjusted cost plus ~~50~~ 25 percent of the difference between 95
19 percent of the median and their case-mix adjusted cost, not to
20 exceed 10 percent of the median of case-mix adjusted costs.
21 Any excess payment allowance realized from the direct care
22 cost component of the modified price-based case-mix
23 reimbursement shall be expended to increase the compensation
24 of direct care workers or to increase the ratio of direct care
25 workers to residents. The department of human services shall
26 implement a new monitoring and reporting system to assess
27 compliance with the provisions of this paragraph.

28 f. The department shall calculate the rate ceiling for the
29 nondirect care cost component at 110 percent of the median of
30 non-case-mix adjusted costs. Nursing facilities with non-
31 case-mix adjusted costs at 96 percent of the median or greater
32 shall receive an amount equal to their costs not to exceed 110
33 percent of the median. Nursing facilities with non-case-mix
34 adjusted costs below 96 percent of the median shall receive an
35 excess payment allowance that is their costs plus 65 percent

1 of the difference between 96 percent of the median and their
2 non-case-mix adjusted costs, not to exceed 8 percent of the
3 median of non-case-mix adjusted costs. Beginning July 1, 2004
4 2005, nursing facilities with non-case-mix adjusted costs
5 below 96 percent of the median shall receive an excess payment
6 allowance that is their costs plus ~~32-5~~ 16.25 percent of the
7 difference between 96 percent of the median and their
8 non-case-mix adjusted costs, not to exceed 8 percent of the
9 median of non-case-mix adjusted costs. Any excess payment
10 allowance realized from the nondirect care cost component of
11 the modified price-based case-mix reimbursement shall be used
12 to fund quality of life improvements. The department of human
13 services shall implement a new monitoring and reporting system
14 to assess compliance with the provisions of this paragraph.

15 Sec. 32. 2004 Iowa Acts, chapter 1175, section 109,
16 subsection 2, paragraph g, is amended to read as follows:

17 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000
18 of the Iowa veterans home revenues that remain unencumbered or
19 unobligated at the close of the fiscal year shall not revert
20 but shall remain available to be used in the succeeding fiscal
21 year.

22 Sec. 33. 2004 Iowa Acts, chapter 1175, section 113, is
23 amended by adding the following new subsection:

24 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys
25 appropriated in this section that were allocated by the
26 department for the purpose of meeting federal food stamp
27 electronic benefit transfer requirements that remain
28 unencumbered or unobligated at the close of the fiscal year
29 shall not revert but shall remain available for expenditure
30 for the purpose designated until the close of the succeeding
31 fiscal year.

32 Sec. 34. 2004 Iowa Acts, chapter 1175, section 135, is
33 amended by adding the following new subsection:

34 NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys
35 appropriated in this section for field operations that remain

1 unencumbered or unobligated at the close of the fiscal year
2 shall not revert but shall remain available for expenditure
3 for the purposes designated with up to fifty percent to be
4 used for implementation and operational costs associated with
5 Part D of the federal Medicare Prescription Drug, Improvement,
6 and Modernization Act of 2003, Pub. L. No. 108-173, for the
7 purposes designated until the close of the succeeding fiscal
8 year.

9 Sec. 35. EMERGENCY RULES. If specifically authorized by a
10 provision of this division of this Act, the department of
11 human services or the mental health, mental retardation,
12 developmental disabilities, and brain injury commission may
13 adopt administrative rules under section 17A.4, subsection 2,
14 and section 17A.5, subsection 2, paragraph "b", to implement
15 the provisions and the rules shall become effective
16 immediately upon filing or on a later effective date specified
17 in the rules, unless the effective date is delayed by the
18 administrative rules review committee. Any rules adopted in
19 accordance with this section shall not take effect before the
20 rules are reviewed by the administrative rules review
21 committee. The delay authority provided to the administrative
22 rules review committee under section 17A.4, subsection 5, and
23 section 17A.8, subsection 9, shall be applicable to a delay
24 imposed under this section, notwithstanding a provision in
25 those sections making them inapplicable to section 17A.5,
26 subsection 2, paragraph "b". Any rules adopted in accordance
27 with the provisions of this section shall also be published as
28 notice of intended action as provided in section 17A.4.

29 Sec. 36. REPORTS. Any reports or information required to
30 be compiled and submitted under this division of this Act
31 shall be submitted to the chairpersons and ranking members of
32 the joint appropriations subcommittee on health and human
33 services, the legislative services agency, and the legislative
34 caucus staffs on or before the dates specified for submission
35 of the reports or information.

1 Sec. 37. EFFECTIVE DATES. The following provisions of
2 this division of this Act, being deemed of immediate
3 importance, take effect upon enactment:

4 1. The provision under the appropriation for child and
5 family services, relating to requirements of section 232.143
6 for representatives of the department of human services and
7 juvenile court services to establish a plan for continuing
8 group foster care expenditures for the 2005-2006 fiscal year.

9 2. The provision under the appropriation for child and
10 family services, relating to the state court administrator
11 determining allocation of court-ordered services funding by
12 June 15, 2005.

13 3. The provision amending 2004 Iowa Acts, chapter 1175,
14 section 109.

15 4. The provision amending 2004 Iowa Acts, chapter 1175,
16 section 113.

17 5. The provision amending 2004 Iowa Acts, chapter 1175,
18 section 135.

19 DIVISION II

20 SENIOR LIVING TRUST FUND, HOSPITAL TRUST
21 FUND, AND PHARMACEUTICAL SETTLEMENT ACCOUNT

22 Sec. 38. DEPARTMENT OF ELDER AFFAIRS. There is
23 appropriated from the senior living trust fund created in
24 section 249H.4 to the department of elder affairs for the
25 fiscal year beginning July 1, 2005, and ending June 30, 2006,
26 the following amount, or so much thereof as is necessary, to
27 be used for the purpose designated:

28 For the development and implementation of a comprehensive
29 senior living program, including program administration and
30 costs associated with implementation, salaries, support,
31 maintenance, and miscellaneous purposes and for not more than
32 the following full-time equivalent positions:

33	\$	8,289,368
34	FTEs	3.00

35 Notwithstanding section 249H.7, the department of elder

1 affairs shall distribute up to \$400,000 of the funds
2 appropriated in this section in a manner that will supplement
3 and maximize federal funds under the federal Older Americans
4 Act and shall not use the amount distributed for any
5 administrative purposes of either the department of elder
6 affairs or the area agencies on aging.

7 Sec. 39. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
8 appropriated from the senior living trust fund created in
9 section 249H.4 to the department of inspections and appeals
10 for the fiscal year beginning July 1, 2005, and ending June
11 30, 2006, the following amount, or so much thereof as is
12 necessary, to be used for the purpose designated:

13 For the inspection and certification of assisted living
14 facilities and adult day care services, including program
15 administration and costs associated with implementation,
16 salaries, support, maintenance, and miscellaneous purposes and
17 for not more than the following full-time equivalent
18 positions:

19	\$	732,750
20	FTEs	5.00

21 Sec. 40. DEPARTMENT OF HUMAN SERVICES. There is
22 appropriated from the senior living trust fund created in
23 section 249H.4 to the department of human services for the
24 fiscal year beginning July 1, 2005, and ending June 30, 2006,
25 the following amounts, or so much thereof as is necessary, to
26 be used for the purposes designated:

27 1. To supplement the medical assistance appropriation,
28 including program administration and costs associated with
29 implementation, salaries, support, maintenance, and
30 miscellaneous purposes:

31	\$	50,200,000
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32 2. To provide reimbursement for health care services to
33 eligible persons through the home and community-based services
34 waiver and the state supplementary assistance program,
35 including program administration and data system costs

1 associated with implementation, salaries, support,
2 maintenance, and miscellaneous purposes and for not more than
3 the following full-time equivalent positions:

4 \$ 1,033,406
5 FTEs 5.00

6 3. To implement nursing facility provider reimbursements
7 as provided in 2001 Iowa Acts, chapter 192, section 4,
8 subsection 2, paragraph "c":
9 \$ 29,950,000

10 In order to carry out the purposes of this section, the
11 department shall transfer funds appropriated in this section
12 to supplement other appropriations made to the department of
13 human services.

14 4. Notwithstanding sections 249H.4 and 249H.5, the
15 department of human services may use moneys from the senior
16 living trust fund for cash flow purposes to make payments
17 under the nursing facility or hospital upper payment limit
18 methodology. The amount of any moneys so used shall be
19 refunded to the senior living trust fund within the same
20 fiscal year and in a prompt manner.

21 Sec. 41. ASSISTED LIVING CONVERSION GRANTS --
22 NONREVERSION. Notwithstanding section 8.33, moneys committed
23 from the senior living trust fund to grantees under contract
24 to provide for conversion to assisted living programs or for
25 development of long-term care alternatives that remain
26 unexpended at the close of any fiscal year shall not revert to
27 any fund but shall remain available for expenditure for
28 purposes of the contract.

29 Sec. 42. IOWA FINANCE AUTHORITY. There is appropriated
30 from the senior living trust fund created in section 249H.4 to
31 the Iowa finance authority for the fiscal year beginning July
32 1, 2005, and ending June 30, 2006, the following amount, or so
33 much thereof as is necessary, to be used for the purposes
34 designated:

35 To provide reimbursement for rent expenses to eligible

1 persons:

2 \$ 700,000

3 Participation in the rent subsidy program shall be limited
4 to only those persons who are at risk for nursing facility
5 care.

6 Sec. 43. HOSPITAL TRUST FUND. There is appropriated from
7 the hospital trust fund created in section 249I.4 to the
8 department of human services for the fiscal year beginning
9 July 1, 2005, and ending June 30, 2006, the following amount,
10 or so much thereof as is necessary, to be used for the purpose
11 designated:

12 To supplement the appropriations made for the medical
13 assistance program for that fiscal year:

14 \$ 22,900,000

15 Sec. 44. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
16 appropriated from the pharmaceutical settlement account
17 created in section 249A.33 to the department of human services
18 for the fiscal year beginning July 1, 2005, and ending June
19 30, 2006, the following amount, or so much thereof as is
20 necessary, to be used for the purpose designated:

21 To supplement the appropriations made for medical contracts
22 under the medical assistance program:

23 \$ 85,000

24 Sec. 45. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO SENIOR
25 LIVING TRUST FUND FOR FY 2005-2006. Notwithstanding section
26 8.33, if moneys appropriated in this Act for purposes of the
27 medical assistance program for the fiscal year beginning July
28 1, 2005, and ending June 30, 2006, from the general fund of
29 the state, the senior living trust fund, the hospital trust
30 fund, or the healthy Iowans tobacco trust fund are in excess
31 of actual expenditures for the medical assistance program and
32 remain unencumbered or unobligated at the close of the fiscal
33 year, the excess moneys shall not revert but shall be
34 transferred to the senior living trust fund created in section
35 249H.4.

1 community services fund in accordance with the formula
2 provided in the appropriation made for the MH/DD community
3 services fund for the fiscal year beginning July 1, 2005:
4 \$ 17,727,890

5 NEW SUBSECTION. 4. After applying the applicable
6 statutory distribution formulas to the amounts indicated in
7 subsection 3 for purposes of producing preliminary
8 distribution totals, the department of human services shall
9 apply a withholding factor to adjust an eligible individual
10 county's preliminary distribution total. An ending balance
11 percentage for each county shall be determined by expressing
12 the county's ending balance on a modified accrual basis under
13 generally accepted accounting principles for the fiscal year
14 beginning July 1, 2004, in the county's mental health, mental
15 retardation, and developmental disabilities services fund
16 created under section 331.424A, as a percentage of the
17 county's gross expenditures from that fund for that fiscal
18 year. The withholding factor for a county shall be the
19 following applicable percent:

20 a. For an ending balance percentage of less than 10
21 percent, a withholding factor of 0 percent. In addition to
22 the county's adjusted distribution total, a county that is
23 subject to this paragraph "a" shall receive an inflation
24 adjustment equal to 2.6 percent of the gross expenditures
25 reported for the county's services fund for that fiscal year.

26 b. For an ending balance percentage of 10 through 24
27 percent, a withholding factor of 25 percent. However, the
28 amount withheld shall be limited to the amount by which the
29 county's ending balance was in excess of the ending balance
30 percentage of 10 percent.

31 c. For an ending balance percentage of 25 percent or more,
32 a withholding factor of 100 percent.

33 NEW SUBSECTION. 5. The total withholding amounts applied
34 pursuant to subsection 4 shall be equal to a withholding
35 target amount of \$4,659,749. If the department of human

1 services determines that the amount to be withheld in
2 accordance with subsection 4 is not equal to the target
3 withholding amount, the department shall adjust the
4 withholding factors listed in subsection 4 as necessary to
5 achieve the withholding target amount. However, in making
6 such adjustments to the withholding factors, the department
7 shall strive to minimize changes to the withholding factors
8 for those ending balance percentage ranges that are lower than
9 others and shall not adjust the zero withholding factor or the
10 inflation adjustment percentage specified in subsection 4,
11 paragraph "a".

12 DIVISION IV
13 CODE CHANGES

14 Sec. 49. Section 28.9, subsection 3, Code 2005, is amended
15 to read as follows:

16 3. a. An early childhood programs grant account is
17 created in the Iowa empowerment fund under the authority of
18 the director of human services. Moneys credited to the
19 account are appropriated to and shall be distributed by the
20 department of human services in the form of grants to
21 community empowerment areas pursuant to criteria established
22 by the Iowa board in accordance with law. The criteria shall
23 include but are not limited to a requirement that a community
24 empowerment area must be designated by the Iowa board in
25 accordance with section 28.5, in order to be eligible to
26 receive an early childhood programs grant.

27 b. The maximum funding amount a community empowerment area
28 is eligible to receive from the early childhood programs grant
29 account for a fiscal year shall be determined by applying the
30 area's percentage of the state's average monthly family
31 investment program population in the preceding fiscal year to
32 the total amount credited to the account for the fiscal year.

33 c. A community empowerment area receiving funding from the
34 early childhood program grant account shall comply with any
35 federal reporting requirements associated with the use of that

1 funding and other results and reporting requirements
2 established by the Iowa empowerment board. The department of
3 human services shall provide technical assistance in
4 identifying and meeting the federal requirements. The
5 availability of funding provided from the account is subject
6 to changes in federal requirements and amendments to Iowa law.

7 d. The moneys distributed from the early childhood program
8 grant account shall be used by community empowerment areas for
9 the purposes of enhancing quality child care capacity in
10 support of parent capability to obtain or retain employment.
11 The moneys shall be used with a primary emphasis on low-income
12 families and children from birth to five years of age. Moneys
13 shall be provided in a flexible manner and shall be used to
14 implement strategies identified by the community empowerment
15 area to achieve such purposes. The department of human
16 services may use a portion of the funding appropriated to the
17 department under this subsection for provision of technical
18 assistance and other support to community empowerment areas
19 developing and implementing strategies with grant moneys
20 distributed from the account.

21 e. Moneys from a federal block grant that are credited to
22 the early childhood program grant account but are not
23 distributed to a community empowerment area or otherwise
24 remain unobligated or unexpended at the end of the fiscal year
25 shall revert to the fund created in section 8.41 to be
26 available for appropriation by the general assembly in a
27 subsequent fiscal year.

28 Sec. 50. NEW SECTION. 35D.18 NET GENERAL FUND
29 APPROPRIATION -- PURPOSE.

30 1. The Iowa veterans home shall operate on the basis of a
31 net appropriation from the general fund of the state. The
32 appropriation amount shall be the net amount of state moneys
33 projected to be needed for the Iowa veterans home for the
34 fiscal year of the appropriation. The purpose of utilizing a
35 net appropriation is to encourage the Iowa veterans home to

1 operate with increased self-sufficiency, to improve quality
2 and efficiency, and to support collaborative efforts among all
3 providers of funding for the services available from the Iowa
4 veterans home.

5 2. The net appropriation made to the Iowa veterans home
6 may be used throughout the fiscal year in the manner necessary
7 for purposes of cash flow management, and for cash flow
8 management, the Iowa veterans home may temporarily draw more
9 than the amount appropriated, provided the amount appropriated
10 is not exceeded at the close of the fiscal year.

11 3. Revenues received that are attributed to the Iowa
12 veterans home during a fiscal year shall be credited to the
13 Iowa veterans home account and shall be considered repayment
14 receipts as defined in section 8.2, including but not limited
15 to all of the following:

16 a. Federal veterans administration payments.

17 b. Medical assistance program revenue received under
18 chapter 249A.

19 c. Federal Medicare program payments.

20 d. Other revenues generated from current, new, or expanded
21 services that the Iowa veterans home is authorized to provide.

22 4. For purposes of allocating moneys to the Iowa veterans
23 home from the salary adjustment fund created in section 8.43,
24 the Iowa veterans home shall be considered to be funded
25 entirely with state moneys.

26 5. Notwithstanding section 8.33, up to five hundred
27 thousand dollars of the Iowa veterans home revenue that remain
28 unencumbered or unobligated at the close of the fiscal year
29 shall not revert but shall remain available for expenditure
30 for purposes of the Iowa veterans home until the close of the
31 succeeding fiscal year.

32 Sec. 51. Section 84A.6, subsection 2, Code 2005, is
33 amended to read as follows:

34 2. a. The director of the department of workforce
35 development, in cooperation with the department of human

1 services, shall provide job placement and training to persons
2 referred by the department of human services under the
3 promoting independence and self-sufficiency through employment
4 job opportunities and basic skills program established
5 pursuant to chapter 239B and the food stamp employment and
6 training program.

7 b. The department of workforce development, in
8 consultation with the department of human services, shall
9 develop and implement departmental recruitment and employment
10 practices that address the needs of former and current
11 participants in the family investment program under chapter
12 239B.

13 Sec. 52. Section 125.2, Code 2005, is amended by adding
14 the following new subsection:

15 NEW SUBSECTION. A1. "Board" means the state board of
16 health created pursuant to chapter 136.

17 Sec. 53. Section 125.2, subsection 6, Code 2005, is
18 amended by striking the subsection.

19 Sec. 54. Section 125.3, Code 2005, is amended to read as
20 follows:

21 125.3 SUBSTANCE ABUSE PROGRAM AND COMMISSION ESTABLISHED.

22 The Iowa department of public health shall ~~include a~~
23 ~~program which shall~~ develop, implement, and administer a
24 comprehensive substance abuse program pursuant to sections
25 125.1 to 125.43. ~~A commission on substance abuse is created~~
26 ~~to establish certain policies governing the performance of the~~
27 ~~department in the discharge of duties imposed on it by this~~
28 ~~chapter and advise the department on other policies. The~~
29 ~~commission shall consist of nine members appointed by the~~
30 ~~governor. Appointments shall be made on the basis of interest~~
31 ~~in and knowledge of substance abuse, however two of the~~
32 ~~members shall be persons who, in their regular work, have~~
33 ~~direct contact with substance abuse clients. Only eligible~~
34 ~~electors of the state of Iowa shall be appointed.~~

35 Sec. 55. Section 125.7, Code 2005, is amended to read as

1 follows:

2 125.7 DUTIES OF THE COMMISSION BOARD.

3 The commission board shall:

4 1. Approve the comprehensive substance abuse program,
5 developed by the department pursuant to sections 125.1 to
6 125.43.

7 2. Advise the department on policies governing the
8 performance of the department in the discharge of any duties
9 imposed on ~~it~~ the department by law.

10 3. Advise or make recommendations to the governor and the
11 general assembly relative to substance abuse treatment,
12 intervention, and education, and prevention programs in this
13 state.

14 4. ~~Promulgate~~ Adopt rules for subsections 1 and 6 and
15 review other rules necessary to carry out the provisions of
16 this chapter, subject to review in accordance with chapter
17 17A.

18 5. Investigate the work of the department relating to
19 substance abuse, and for this purpose ~~it~~ the board shall have
20 access at any time to all books, papers, documents, and
21 records of the department.

22 6. Consider and approve or disapprove all applications for
23 a license and all cases involving the renewal, denial,
24 suspension, or revocation of a license.

25 7. Act as the appeal board regarding funding decisions
26 made by the department.

27 Sec. 56. Section 125.9, subsection 1, Code 2005, is
28 amended to read as follows:

29 1. Plan, establish and maintain treatment, intervention,
30 and education, and prevention programs as necessary or
31 desirable in accordance with the comprehensive substance abuse
32 program.

33 Sec. 57. Section 125.10, subsections 1 and 11, Code 2005,
34 are amended to read as follows:

35 1. Prepare and submit a state plan subject to approval by

1 the commission board and in accordance with the provisions of
2 42 U.S.C. sec. 4573. The state plan shall designate the
3 department as the sole agency for supervising the
4 administration of the plan.

5 11. Develop and implement, with the counsel and approval
6 of the commission board, a the comprehensive plan for
7 treatment of substance abusers, chronic substance abusers, and
8 intoxicated persons in accordance with this chapter.

9 Sec. 58. Section 125.12, subsection 1, Code 2005, is
10 amended to read as follows:

11 1. The commission board shall review a the comprehensive
12 and-co-ordinated substance abuse program implemented by the
13 department for the treatment of substance abusers, chronic
14 substance abusers, intoxicated persons, and concerned family
15 members. Subject to the review of the commission board, the
16 director shall divide the state into appropriate regions for
17 the conduct of the program and establish standards for the
18 development of the program on the regional level. In
19 establishing the regions, consideration shall be given to city
20 and county lines, population concentrations, and existing
21 substance abuse treatment services. ~~In-determining-the~~
22 ~~regions,-the-director-is-not-required-to-follow-the-regional~~
23 ~~map-as-prepared-by-the-former-office-for-planning-and~~
24 ~~programming-~~

25 Sec. 59. Section 125.13, subsection 2, paragraphs a, b, i,
26 and j, Code 2005, are amended to read as follows:

27 a. A hospital providing care or treatment to substance
28 abusers or chronic substance abusers licensed under chapter
29 135B which is accredited by the joint commission on the
30 accreditation of health care organizations, the commission on
31 accreditation of rehabilitation facilities, the American
32 osteopathic association, or another recognized organization
33 approved by the commission board. All survey reports from the
34 accrediting or licensing body must be sent to the department.

35 b. Any practitioner of medicine and surgery or osteopathic

1 medicine and surgery, in the practitioner's private practice.
2 However, a program shall not be exempted from licensing by the
3 commission board by virtue of its utilization of the services
4 of a medical practitioner in its operation.

5 i. A substance abuse treatment program not funded by the
6 department which is accredited or licensed by the joint
7 commission on the accreditation of health care organizations,
8 the commission on the accreditation of rehabilitation
9 facilities, the American osteopathic association, or another
10 recognized organization approved by the commission board. All
11 survey reports from the accrediting or licensing body must be
12 sent to the department.

13 j. A hospital substance abuse treatment program that is
14 accredited or licensed by the joint commission on the
15 accreditation of health care organizations, the commission on
16 the accreditation of rehabilitation facilities, the American
17 osteopathic association, or another recognized organization
18 approved by the commission board. All survey reports for the
19 hospital substance abuse treatment program from the
20 accrediting or licensing body shall be sent to the department.

21 Sec. 60. Section 125.14, Code 2005, is amended to read as
22 follows:

23 125.14 LICENSES -- RENEWAL -- FEES.

24 The commission board shall ~~meet-to~~ consider all cases
25 involving initial issuance, and renewal, denial, suspension,
26 or revocation of a license. The department shall issue a
27 license to an applicant whom the commission board determines
28 meets the licensing requirements of this chapter. Licenses
29 shall expire no later than three years from the date of
30 issuance and shall be renewed upon timely application made in
31 the same manner as for initial issuance of a license unless
32 notice of nonrenewal is given to the licensee at least thirty
33 days prior to the expiration of the license. The department
34 shall not charge a fee for licensing or renewal of programs
35 contracting with the department for provision of treatment

1 services. A fee may be charged to other licensees.

2 Sec. 61. Section 125.15A, subsection 1, paragraph b, Code
3 2005, is amended to read as follows:

4 b. The commission board has suspended, revoked, or refused
5 to renew the existing license of the program.

6 Sec. 62. Section 125.16, Code 2005, is amended to read as
7 follows:

8 125.16 TRANSFER OF LICENSE OR CHANGE OF LOCATION
9 PROHIBITED.

10 A license issued under this chapter may not be transferred,
11 and the location of the physical facilities occupied or
12 utilized by any program licensed under this chapter shall not
13 be changed without the prior written consent of the commission
14 board.

15 Sec. 63. Section 125.17, Code 2005, is amended to read as
16 follows:

17 125.17 LICENSE SUSPENSION OR REVOCATION.

18 Violation of any of the requirements or restrictions of
19 this chapter or of any of the rules properly-established
20 adopted pursuant to this chapter is cause for suspension,
21 revocation, or refusal to renew a license. The director shall
22 at the earliest time feasible notify a licensee whose license
23 the commission board is considering suspending or revoking and
24 shall inform the licensee what changes must be made in the
25 licensee's operation to avoid such action. The licensee shall
26 be given a reasonable time for compliance, as determined by
27 the director, after receiving such notice or a notice that the
28 commission board does not intend to renew the license. When
29 the licensee believes compliance has been achieved, or if the
30 licensee considers the proposed suspension, revocation, or
31 refusal to renew unjustified, the licensee may submit
32 pertinent information to the commission-who board and the
33 board shall expeditiously make a decision in the matter and
34 notify the licensee of the decision.

35 Sec. 64. Section 125.18, Code 2005, is amended to read as

1 follows:

2 125.18 HEARING BEFORE COMMISSION.

3 If a licensee under this chapter makes a written request
4 for a hearing within thirty days of suspension, revocation, or
5 refusal to renew a license, a hearing before the commission
6 board shall be expeditiously arranged by the department of
7 inspections and appeals whose decision is subject to review by
8 the commission board. ~~If the role of a commission member is~~
9 ~~inconsistent with the member's job role or function, or if any~~
10 ~~commission member feels unable for any reason to~~
11 ~~disinterestedly weigh the merits of the case before the~~
12 ~~commission, the member shall not participate in the hearing~~
13 ~~and shall not be entitled to vote on the case.~~ The commission
14 board shall issue a written statement of ~~it's~~ the board's
15 findings within thirty days after conclusion of the hearing
16 upholding or reversing the proposed suspension, revocation, or
17 refusal to renew a license. Action involving suspension,
18 revocation or refusal to renew a license shall not be taken by
19 the commission board unless a quorum is present at the
20 meeting. A copy of the board's decision shall be promptly
21 transmitted to the affected licensee who may, if aggrieved by
22 the decision, seek judicial review of the actions of the
23 commission board in accordance with the terms of chapter 17A.

24 Sec. 65. Section 125.19, Code 2005, is amended to read as
25 follows:

26 125.19 REISSUANCE OR REINSTATEMENT.

27 After suspension, revocation, or refusal to renew a license
28 pursuant to this chapter, the affected licensee shall not have
29 the license reissued or reinstated within one year of the
30 effective date of the suspension, revocation, or expiration
31 upon refusal to renew, unless ~~by order of~~ the commission board
32 orders otherwise. After that time, proof of compliance with
33 the requirements and restrictions of this chapter and the
34 rules established adopted pursuant to this chapter must be
35 presented to the commission board prior to reinstatement or

1 reissuance of a license.

2 Sec. 66. Section 125.21, Code 2005, is amended to read as
3 follows:

4 125.21 CHEMICAL SUBSTITUTES AND ANTAGONISTS PROGRAMS.

5 1. The commission board has exclusive power in this state
6 to approve and license chemical substitutes and antagonists
7 programs, and to monitor chemical substitutes and antagonists
8 programs to ensure that the programs are operating within the
9 rules established adopted pursuant to this chapter. The
10 commission board shall grant approval and license if the
11 requirements of the rules are met and no state funding is not
12 requested. ~~This section requires approval of~~ The chemical
13 substitutes and antagonists programs conducted by persons
14 exempt from the licensing requirements of this chapter by
15 pursuant to section 125.13, subsection 2, are subject to
16 approval and licensure under this section.

17 2. The department may do any of the following:

18 ~~1-~~ a. Provide advice, consultation, and technical
19 assistance to chemical substitutes and antagonists programs.

20 ~~2-~~ b. ~~In its discretion, approve~~ Approve local agencies
21 or bodies to assist ~~it~~ the department in carrying out the
22 provisions of this chapter.

23 Sec. 67. Section 125.43A, Code 2005, is amended to read as
24 follows:

25 125.43A PRESCREENING -- EXCEPTION.

26 Except in cases of medical emergency or court ordered
27 admissions, a person shall be admitted to a state mental
28 health institute for substance abuse treatment only after a
29 preliminary intake and assessment by a department-licensed
30 treatment facility or a hospital providing care or treatment
31 for substance abusers licensed under chapter 135B and
32 accredited by the joint commission on the accreditation of
33 health care organizations, the commission on accreditation of
34 rehabilitation facilities, the American osteopathic
35 association, or another recognized organization approved by

1 the commission board, or by a designee of a department-
2 licensed treatment facility or a hospital other than a state
3 mental health institute, which confirms that the admission is
4 appropriate to the person's substance abuse service needs. A
5 county board of supervisors may seek an admission of a patient
6 to a state mental health institute who has not been confirmed
7 for appropriate admission and the county shall be responsible
8 for one hundred percent of the cost of treatment and services
9 of the patient.

10 Sec. 68. Section 125.58, subsection 1, Code 2005, is
11 amended to read as follows:

12 1. If the department has probable cause to believe that an
13 institution, place, building, or agency not licensed as a
14 substance abuse treatment and rehabilitation facility is in
15 fact a substance abuse treatment and rehabilitation facility
16 as defined by this chapter, and is not exempt from licensing
17 by section 125.13, subsection 2, the commission board may
18 order an inspection of the institution, place, building, or
19 agency. If the inspector upon presenting proper
20 identification is denied entry for the purpose of making the
21 inspection, the inspector may, with the assistance of the
22 county attorney of the county in which the premises are
23 located, apply to the district court for an order requiring
24 the owner or occupant to permit entry and inspection of the
25 premises to determine whether there have been violations of
26 this chapter. The investigation may include review of
27 records, reports, and documents maintained by the facility and
28 interviews with staff members consistent with the
29 confidentiality safeguards of state and federal law.

30 Sec. 69. NEW SECTION. 135.39C ELDERLY WELLNESS SERVICES
31 -- PAYOR OF LAST RESORT.

32 The department shall implement elderly wellness services in
33 a manner that ensures that the services provided are not
34 payable by a third-party source.

35 Sec. 70. Section 135.150, Code 2005, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 5. Persons with a dual diagnosis of
3 substance abuse and a gambling addiction shall be given
4 priority in treatment services funded by the gambling
5 treatment fund.

6 Sec. 71. Section 136.1, unnumbered paragraph 1, Code 2005,
7 is amended to read as follows:

8 The state board of health shall consist of the following
9 members: Five members learned in health-related disciplines,
10 two members who have direct experience with substance abuse
11 treatment or prevention, and four members representing the
12 general public.

13 Sec. 72. Section 136.3, subsection 7, Code 2005, is
14 amended to read as follows:

15 7. Adopt, promulgate, amend, and repeal rules and
16 regulations consistent with law for the protection of the
17 public health and prevention of substance abuse, and for the
18 guidance of the department. All rules ~~which-have-been-or-are~~
19 ~~hereafter~~ adopted by the department ~~shall-be~~ are subject to
20 approval by the board. ~~However, rules adopted by the~~
21 ~~commission on substance abuse for section 125.77, subsections 1~~
22 ~~and 77, and rules adopted by the department pursuant to section~~
23 ~~135.130 are not subject to approval by the state board of~~
24 ~~health.~~

25 Sec. 73. Section 136.3, Code 2005, is amended by adding
26 the following new subsection:

27 NEW SUBSECTION. 10. Perform those duties authorized
28 pursuant to chapter 125.

29 Sec. 74. Section 136C.10, subsection 1, Code 2005, is
30 amended to read as follows:

31 1. a. The department shall establish and collect fees for
32 the licensing and amendment of licenses for radioactive
33 materials, the registration of radiation machines, the
34 periodic inspection of radiation machines and radioactive
35 materials, and the implementation of section 136C.3,

1 subsection 2. Fees shall be in amounts sufficient to defray
2 the cost of administering this chapter. The license fee may
3 include the cost of environmental surveillance activities to
4 assess the radiological impact of activities conducted by
5 licensees.

6 b. Fees collected shall be remitted to the treasurer of
7 state who shall deposit the funds in the general fund of the
8 state. However, the fees collected from the licensing,
9 registration, authorization, accreditation, and inspection of
10 radiation machines used for mammographically guided breast
11 biopsy, screening, and diagnostic mammography shall be used to
12 support the department's administration of this chapter and
13 the fees collected shall be considered repayment receipts, as
14 defined in section 8.2.

15 c. When a registrant or licensee fails to pay the
16 applicable fee the department may suspend or revoke the
17 registration or license or may issue an appropriate order.
18 Fees for the license, amendment of a license, and inspection
19 of radioactive material shall not exceed the fees prescribed
20 by the United States nuclear regulatory commission.

21 Sec. 75. Section 144.13A, subsection 4, paragraph a,
22 unnumbered paragraph 2, Code 2005, is amended to read as
23 follows:

24 ~~Beginning-July-17-20057-ten~~ Ten dollars of each
25 registration fee is appropriated and shall be used for primary
26 and secondary child abuse prevention programs pursuant to
27 section 235A.1, and ten dollars of each registration fee is
28 appropriated and shall be used for the center for congenital
29 and inherited disorders central registry established pursuant
30 to section 136A.6. Notwithstanding section 8.33, moneys
31 appropriated in this unnumbered paragraph that remain
32 unencumbered or unobligated at the close of the fiscal year
33 shall not revert but shall remain available for expenditure
34 for the purposes designated until the close of the succeeding
35 fiscal year.

1 Sec. 76. NEW SECTION. 144.46A VITAL RECORDS FUND.

2 1. A vital records fund is created under the control of
3 the department. Moneys in the fund shall be used for purposes
4 of the purchase and maintenance of an electronic system for
5 vital records scanning, data capture, data reporting, storage,
6 and retrieval, and for all registration and issuance
7 activities. Moneys in the fund may also be used for other
8 related purposes including but not limited to the streamlining
9 of administrative procedures and electronically linking
10 offices of county registrars to state vital records so that
11 the records may be issued at the county level.

12 2. The department shall adopt rules providing for an
13 increase in the fees charged by the state registrar for vital
14 records services under section 144.46 in an amount necessary
15 to pay for the purposes designated in subsection 1.

16 3. Increased fees collected by the state registrar
17 pursuant to this section shall be credited to the vital
18 records fund. Moneys credited to the fund are appropriated to
19 the department to be used for the purposes designated in
20 subsection 1. Notwithstanding section 8.33, moneys credited
21 to the fund that remain unencumbered or unobligated at the
22 close of the fiscal year shall not revert to any fund but
23 shall remain available for expenditure for the purposes
24 designated.

25 Sec. 77. NEW SECTION. 147.28A SCOPE OF PRACTICE REVIEW
26 COMMITTEES -- FUTURE REPEAL.

27 1. The department shall utilize scope of practice review
28 committees to evaluate and make recommendations to the general
29 assembly and to the appropriate examining boards regarding all
30 of the following issues:

31 a. Requests from practitioners seeking to become newly
32 licensed health professionals or to establish their own
33 examining boards.

34 b. Requests from health professionals seeking to expand or
35 narrow the scope of practice of a health profession.

1 c. Unresolved administrative rulemaking disputes between
2 examining boards.

3 2. A scope of practice review committee established under
4 this section shall evaluate the issues specified in subsection
5 1 and make recommendations regarding proposed changes to the
6 general assembly based on the following standards and
7 guidelines:

8 a. The proposed change does not pose a significant new
9 danger to the public.

10 b. Enacting the proposed change will benefit the health,
11 safety, or welfare of the public.

12 c. The public cannot be effectively protected by other
13 more cost-effective means.

14 3. A scope of practice review committee shall be limited
15 to five members as follows:

16 a. One member representing the profession seeking
17 licensure, a new examining board, or a change in scope of
18 practice.

19 b. One member of the health profession directly impacted
20 by, or opposed to, the proposed change.

21 c. One impartial health professional who is not directly
22 or indirectly affected by the proposed change.

23 d. Two impartial members of the general public.

24 4. The department may contract with a school or college of
25 public health to assist in implementing this section.

26 5. The department shall submit an annual progress report
27 to the governor and the general assembly by January 15 and
28 shall include any recommendations for legislative action as a
29 result of review committee activities.

30 6. The department shall adopt rules in accordance with
31 chapter 17A to implement this section.

32 7. This section is repealed July 1, 2007.

33 Sec. 78. Section 147.80, Code 2005, is amended by adding
34 the following new unnumbered paragraph:

35 NEW UNNUMBERED PARAGRAPH. The board of medical examiners,

1 the board of pharmacy examiners, the board of dental
2 examiners, and the board of nursing shall retain individual
3 executive officers, but shall make every effort to share
4 administrative, clerical, and investigative staffs to the
5 greatest extent possible. The department shall annually
6 submit a status report to the general assembly in December
7 regarding the sharing of staff during the previous fiscal
8 year.

9 Sec. 79. Section 147.82, Code 2005, is amended to read as
10 follows:

11 147.82 FEES.

12 ~~All~~ Notwithstanding section 12.10, all fees shall be
13 collected under this chapter by an examining board or the
14 department and shall be paid to the treasurer of state and
15 deposited-in credited to the general fund of the state, except
16 as-provided-in-sections-147-94-and-147-102- for the following:

17 1. The department may retain and expend or encumber a
18 portion of fees collected under this chapter for an examining
19 board if the expenditure or encumbrance is directly the result
20 of an unanticipated litigation expense or an expense
21 associated with a scope of practice review committee created
22 pursuant to section 147.28A. Before the department retains,
23 expends, or encumbers funds for an unanticipated litigation
24 expense or a scope of practice review committee, the director
25 of the department of management shall approve the expenditure
26 or encumbrance. The amount of fees retained pursuant to this
27 subsection shall not exceed five percent of the average annual
28 fees generated by the affected examining board for the two
29 previous fiscal years. The amount of fees retained shall be
30 considered repayment receipts as defined in section 8.2.

31 2. The department may annually retain and expend not more
32 than two hundred ninety-seven thousand nine hundred sixty-one
33 dollars for lease and maintenance expenses from fees collected
34 pursuant to section 147.80 by the board of dental examiners,
35 the board of pharmacy examiners, the board of medical

1 examiners, and the board of nursing. Fees retained by the
2 department pursuant to this subsection shall be considered
3 repayment receipts as defined in section 8.2.

4 3. The department may annually retain and expend not more
5 than one hundred thousand dollars for reduction of the number
6 of days necessary to process medical license requests and for
7 reduction of the number of days needed for consideration of
8 malpractice cases from fees collected pursuant to section
9 147.80 by the board of medical examiners in the fiscal year
10 beginning July 1, 2005, and ending June 30, 2006. Fees
11 retained by the department pursuant to this subsection shall
12 be considered repayment receipts as defined in section 8.2 and
13 shall be used for the purposes described in this subsection.

14 4. The board of dental examiners may annually retain and
15 expend not more than one hundred forty-eight thousand sixty
16 dollars from revenues generated pursuant to section 147.80.
17 Fees retained by the board pursuant to this subsection shall
18 be considered repayment receipts as defined in section 8.2 and
19 shall be used for the purposes of regulating dental
20 assistants.

21 5. The board of nursing may annually retain and expend
22 ninety percent of the revenues generated from an increase in
23 license and renewal fees established pursuant to section
24 147.80 for the practice of nursing, above the license and
25 renewal fees in effect as of July 1, 2003. The moneys
26 retained shall be used for any of the board's duties,
27 including but not limited to the addition of full-time
28 equivalent positions for program services and investigations.
29 Revenues retained by the board pursuant to this subsection
30 shall be considered repayment receipts as defined in section
31 8.2, and shall be used for the purposes described in this
32 subsection.

33 6. The board of pharmacy examiners may annually retain and
34 expend ninety percent of the revenues generated from an
35 increase in license and renewal fees established pursuant to

1 sections 124.301 and 147.80, and chapter 155A, for the
2 practice of pharmacy, above the license and renewal fees in
3 effect as of July 1, 2004. The moneys retained shall be used
4 for any of the board's duties, including but not limited to
5 the addition of full-time equivalent positions for program
6 services and investigations. Revenues retained by the board
7 pursuant to this subsection shall be considered repayment
8 receipts as defined in section 8.2, and shall be used for the
9 purposes described in this subsection.

10 Sec. 80. Section 147.94, Code 2005, is amended to read as
11 follows:

12 147.94 PHARMACISTS.

13 The provisions of this chapter relative to the making of
14 application for a license, the issuance of a license, the
15 negotiation of reciprocal agreements for recognition of
16 foreign licenses, ~~the collection of license and renewal fees,~~
17 and the preservation of records shall not apply to the
18 licensing of persons to practice pharmacy, but such licensing
19 shall be governed by the following regulations:

20 1. Every application for a license to practice pharmacy
21 shall be made ~~direct~~ to the secretary of the board of pharmacy
22 examiners.

23 2. Such A license and all renewals thereof of a license
24 shall be issued by ~~said~~ the board of pharmacy examiners.

25 3. Every reciprocal agreement for the recognition of any
26 ~~such~~ license issued in another state shall be negotiated by
27 ~~said~~ the board of pharmacy examiners.

28 ~~4.--All license and renewal fees exacted from persons~~
29 ~~licensed to practice pharmacy shall be paid to and collected~~
30 ~~by the secretary of the pharmacy examiners.~~

31 ~~5-~~ 4. All records in connection with the licensing of
32 pharmacists shall be kept by ~~said~~ the secretary of the board
33 of pharmacy examiners.

34 Sec. 81. Section 147.102, Code 2005, is amended to read as
35 follows:

1 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.
2 Notwithstanding the provisions of this subtitle, every
3 application for a license to practice psychology,
4 chiropractic, or dentistry shall be made directly to the
5 chairperson, executive director, or secretary of the examining
6 board of such profession, and every reciprocal agreement for
7 the recognition of any such license issued in another state
8 shall be negotiated by the examining board for such
9 profession. All examination, license, and renewal fees
10 received from persons licensed to practice any of such
11 professions shall be paid to and collected by the chairperson,
12 executive director, or secretary of the examining board of
13 such profession, ~~who shall transmit the fees to the treasurer~~
14 ~~of state for deposit into the general fund of the state.~~ The
15 salary of the secretary shall be established by the governor
16 with the approval of the executive council pursuant to section
17 8A.413, subsection 2, under the pay plan for exempt positions
18 in the executive branch of government.

19 Sec. 82. Section 217.13, subsection 1, Code 2005, is
20 amended to read as follows:

21 1. The department of human services shall establish
22 volunteer programs designed to enhance the services provided
23 by the department. Roles for volunteers may include but shall
24 not be limited to parent aides, friendly visitors, commodity
25 distributors, clerical assistants, and medical transporters,
26 and other functions to complement and supplement the
27 department's work with clients. Roles for volunteers shall
28 include conservators and guardians. The department shall
29 adopt rules for programs which are established.

30 Sec. 83. NEW SECTION. 217.35 FRAUD AND RECOUPMENT
31 ACTIVITIES.

32 Notwithstanding the requirement for deposit of recovered
33 moneys under section 239B.14, recovered moneys generated
34 through fraud and recoupment activities are appropriated to
35 the department of human services to be used for additional

1 fraud and recoupment activities performed by the department of
2 human services or the department of inspections and appeals.
3 The department of human services may use the recovered moneys
4 appropriated to add not more than five full-time equivalent
5 positions, in addition to those funded by annual
6 appropriations. The appropriation of the recovered moneys is
7 subject to both of the following conditions:

8 1. The director of human services determines that the
9 investment can reasonably be expected to increase recovery of
10 assistance paid in error, due to fraudulent or nonfraudulent
11 actions, in excess of the amount recovered in the previous
12 fiscal year.

13 2. The amount expended for the additional fraud and
14 recoupment activities shall not exceed the amount of the
15 projected increase in assistance recovered.

16 Sec. 84. NEW SECTION. 218.6 TRANSFER OF APPROPRIATIONS
17 MADE TO INSTITUTIONS.

18 Notwithstanding section 8.39, subsection 1, without the
19 prior written consent and approval of the governor and the
20 director of the department of management, the director of
21 human services may transfer funds between the appropriations
22 made for the same type of institution, listed as follows:

23 1. The state resource centers.

24 2. The state mental health institutes.

25 3. The state juvenile institutions consisting of the state
26 training school and the Iowa juvenile home.

27 Sec. 85. NEW SECTION. 222.92 NET GENERAL FUND
28 APPROPRIATION -- STATE RESOURCE CENTERS.

29 1. The department shall operate the state resource centers
30 on the basis of net appropriations from the general fund of
31 the state. The appropriation amounts shall be the net amounts
32 of state moneys projected to be needed for the state resource
33 centers for the fiscal year of the appropriations. The
34 purpose of utilizing net appropriations is to encourage the
35 state resource centers to operate with increased self-

1 sufficiency, to improve quality and efficiency, and to support
2 collaborative efforts between the state resource centers and
3 counties and other providers of funding for the services
4 available from the state resource centers. The state resource
5 centers shall not be operated under the net appropriations in
6 a manner that results in a cost increase to the state or in
7 cost shifting between the state, the medical assistance
8 program, counties, or other sources of funding for the state
9 resource centers.

10 2. The net appropriation made for a state resource center
11 may be used throughout the fiscal year in the manner necessary
12 for purposes of cash flow management, and for purposes of cash
13 flow management, a state resource center may temporarily draw
14 more than the amount appropriated, provided the amount
15 appropriated is not exceeded at the close of the fiscal year.

16 3. Subject to the approval of the department, except for
17 revenues segregated as provided in section 249A.11, revenues
18 received that are attributed to a state resource center for a
19 fiscal year shall be credited to the state resource center's
20 account and shall be considered repayment receipts as defined
21 in section 8.2, including but not limited to all of the
22 following:

23 a. Moneys received by the state from billings to counties
24 under section 222.73.

25 b. The federal share of medical assistance program revenue
26 received under chapter 249A.

27 c. Federal Medicare program payments.

28 d. Moneys received from client financial participation.

29 e. Other revenues generated from current, new, or expanded
30 services that the state resource center is authorized to
31 provide.

32 4. For purposes of allocating moneys to the state resource
33 centers from the salary adjustment fund created in section
34 8.43, the state resource centers shall be considered to be
35 funded entirely with state moneys.

1 5. Notwithstanding section 8.33, up to five hundred
2 thousand dollars of a state resource center's revenue that
3 remains unencumbered or unobligated at the close of the fiscal
4 year shall not revert but shall remain available for
5 expenditure for purposes of the state resource center until
6 the close of the succeeding fiscal year.

7 Sec. 86. NEW SECTION. 226.9B NET GENERAL FUND

8 APPROPRIATION -- PSYCHIATRIC MEDICAL INSTITUTION FOR CHILDREN.

9 1. The psychiatric medical institution for children beds
10 operated by the state at the state mental health institute at
11 Independence, as authorized in section 135H.6, shall operate
12 on the basis of a net appropriation from the general fund of
13 the state. The allocation made by the department from the
14 annual appropriation to the state mental health institute at
15 Independence for the purposes of the beds shall be the net
16 amount of state moneys projected to be needed for the beds for
17 the fiscal year of the appropriation.

18 2. Revenues received that are attributed to the
19 psychiatric medical institution for children beds during a
20 fiscal year shall be credited to the mental health institute's
21 account and shall be considered repayment receipts as defined
22 in section 8.2, including but not limited to all of the
23 following:

24 a. The federal share of medical assistance program revenue
25 received under chapter 249A.

26 b. Moneys received through client financial participation.

27 c. Other revenues directly attributable to the psychiatric
28 medical institution for children beds.

29 Sec. 87. NEW SECTION. 226.9C NET GENERAL FUND

30 APPROPRIATION -- DUAL DIAGNOSIS PROGRAM.

31 1. The state mental health institute at Mount Pleasant
32 shall operate the dual diagnosis mental health and substance
33 abuse program on a net budgeting basis in which 50 percent of
34 the actual per diem and ancillary services costs are
35 chargeable to the patient's county of legal settlement or as a

1 state case, as appropriate. Subject to the approval of the
2 department, revenues attributable to the dual diagnosis
3 program for each fiscal year, shall be deposited in the mental
4 health institute's account and are appropriated to the
5 department for the dual diagnosis program, including but not
6 limited to all of the following revenues:

7 a. Moneys received by the state from billings to counties
8 under section 230.20.

9 b. Moneys received from billings to the Medicare program.

10 c. Moneys received from a managed care contractor
11 providing services under contract with the department or any
12 private third-party payor.

13 d. Moneys received through client participation.

14 e. Any other revenues directly attributable to the dual
15 diagnosis program.

16 2. The following additional provisions are applicable in
17 regard to the dual diagnosis program:

18 a. A county may split the charges between the county's
19 mental health, mental retardation, and developmental
20 disabilities services fund created pursuant to section
21 331.424A and the county's budget for substance abuse
22 expenditures.

23 b. If an individual is committed to the custody of the
24 department of corrections at the time the individual is
25 referred for dual diagnosis treatment, the department of
26 corrections shall be charged for the costs of treatment.

27 c. Prior to an individual's admission for dual diagnosis
28 treatment, the individual shall have been screened through a
29 county's central point of coordination process implemented
30 pursuant to section 331.440 to determine the appropriateness
31 of the treatment.

32 d. A county shall not be chargeable for the costs of
33 treatment for an individual enrolled in and authorized by or
34 decertified by a managed behavioral care plan under the
35 medical assistance program.

1 e. Notwithstanding section 8.33, state mental health
2 institute revenues related to the dual diagnosis program that
3 remain unencumbered or unobligated at the close of the fiscal
4 year shall not revert but shall remain available up to the
5 amount which would allow the state mental health institute to
6 meet credit obligations owed to counties as a result of year-
7 end per diem adjustments for the dual diagnosis program.

8 Sec. 88. Section 226.19, Code 2005, is amended to read as
9 follows:

10 226.19 DISCHARGE -- CERTIFICATE.

11 1. All patients shall be discharged, by in accordance with
12 the procedure prescribed in section 229.3 or section 229.16,
13 whichever is applicable, immediately on regaining ~~their~~ the
14 patient's good mental health.

15 2. If a patient's care is the financial responsibility of
16 the state or a county, as part of the patient's discharge
17 planning the state mental health institute shall provide
18 assistance to the patient in obtaining eligibility for the
19 federal state supplemental security income program.

20 Sec. 89. Section 229A.12, Code 2005, is amended to read as
21 follows:

22 229A.12 DIRECTOR OF HUMAN SERVICES -- RESPONSIBILITY FOR
23 COSTS -- REIMBURSEMENT.

24 The director of human services shall be responsible for all
25 costs relating to the evaluation, treatment, and services
26 provided to a person that are incurred after the person is
27 committed to the director's custody after the court or jury
28 determines that the respondent is a sexually violent predator
29 and pursuant to commitment under any provision of this
30 chapter. If placement in a transitional release program or
31 supervision is ordered, the director shall also be responsible
32 for all costs related to the transitional release program or
33 to the supervision and treatment of any person. Reimbursement
34 may be obtained by the director from the patient and any
35 person legally liable or bound by contract for the support of

1 the patient for the cost of confinement or of care and
2 treatment provided. Any benefit payments received by the
3 person pursuant to the federal Social Security Act shall be
4 used for the costs incurred. As used in this section, "any
5 person legally liable" does not include a political
6 subdivision.

7 Sec. 90. NEW SECTION. 231.34 LIMITATION OF FUNDS USED
8 FOR ADMINISTRATIVE PURPOSES.

9 Of the state funds appropriated or allocated to the
10 department for programs of the area agencies on aging, not
11 more than seven and one-half percent of the total amount shall
12 be used for area agencies on aging administrative purposes.

13 Sec. 91. NEW SECTION. 232.1A FOSTER CARE PLACEMENT --
14 ANNUAL GOAL.

15 The annual state goal for children placed in foster care
16 that is funded under the federal Social Security Act, Title
17 IV-E, is that not more than fifteen percent of the children
18 will be in a foster care placement for a period of more than
19 twenty-four months.

20 Sec. 92. Section 233A.1, Code 2005, is amended by adding
21 the following new subsection:

22 NEW SUBSECTION. 3. The number of children present at any
23 one time at the state training school at Eldora shall not
24 exceed the population guidelines established under 1990 Iowa
25 Acts, chapter 1239, section 21, as adjusted for subsequent
26 changes in the capacity at the training school.

27 Sec. 93. Section 233B.1, Code 2005, is amended to read as
28 follows:

29 233B.1 DEFINITIONS ---~~OBJECTS~~ PURPOSE -- POPULATION LIMIT.

30 1. For the purpose of this chapter, unless the context
31 otherwise requires:

32 1- a. "Administrator" or "director" means the director of
33 the department of human services.

34 2- b. "Home" means the Iowa juvenile home.

35 3- c. "Superintendent" means the superintendent of the

1 Iowa juvenile home.

2 2. The Iowa juvenile home shall be maintained for the
3 purpose of providing care, custody and education of ~~such~~ the
4 children ~~as~~ are committed to the home. ~~Such~~ The children
5 shall be wards of the state. ~~Their~~ The children's education
6 shall embrace instruction in the common school branches and in
7 such other higher branches as may be practical and will enable
8 the children to gain useful and self-sustaining employment.
9 The administrator and the superintendent of the home shall
10 assist all discharged children in securing suitable homes and
11 proper employment.

12 3. The number of children present at any one time at the
13 Iowa juvenile home shall not exceed the population guidelines
14 established under 1990 Iowa Acts, chapter 1239, section 21, as
15 adjusted for subsequent changes in the capacity at the home.

16 Sec. 94. Section 234.12A, subsection 1, unnumbered
17 paragraph 1, Code 2005, is amended to read as follows:

18 The department of human services ~~may-establish~~ shall
19 maintain an electronic benefits transfer program utilizing
20 electronic funds transfer systems. The program ~~if~~
21 ~~established~~, shall at a minimum provide for all of the
22 following:

23 Sec. 95. Section 237A.28, Code 2005, is amended to read as
24 follows:

25 237A.28 CHILD CARE CREDIT FUND.

26 A child care credit fund is created in the state treasury
27 under the authority of the department of human services. The
28 moneys in the fund shall consist of moneys deposited pursuant
29 to section 422.100 and ~~shall-be-used-for-child-care-services~~
30 ~~as-annually~~ are appropriated by ~~the-general-assembly~~ to the
31 department to be used for the state child care assistance
32 program in accordance with section 237A.13.

33 Sec. 96. Section 239B.4, Code 2005, is amended by adding
34 the following new subsections:

35 NEW SUBSECTION. 3A. The department shall continue to work

1 with the department of workforce development and local
2 community collaborative efforts to provide support services
3 for participants. The support services shall be directed to
4 those participant families who would benefit from the support
5 services and are likely to have success in achieving economic
6 independence.

7 NEW SUBSECTION. 3B. The department shall continue to work
8 with religious organizations and other charitable institutions
9 to increase the availability of host homes, referred to as
10 second chance homes, or other living arrangements under the
11 federal Personal Responsibility and Work Opportunity
12 Reconciliation Act of 1996, Pub. L. No. 104-193, § 103, and
13 any successor legislation. The purpose of the homes or
14 arrangements is to provide a supportive and supervised living
15 arrangement for minor parents receiving assistance who may
16 receive assistance while living in an alternative setting
17 other than with their parent or legal guardian.

18 Sec. 97. Section 239B.11, Code 2005, is amended to read as
19 follows:

20 239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT -- DIVERSION
21 PROGRAM SUBACCOUNT -- DIVERSION PROGRAM.

22 1. An account is established in the state treasury to be
23 known as the family investment program account under control
24 of the department to which shall be credited all funds
25 appropriated by the state for the payment of assistance and
26 JOBS program expenditures. All other moneys received at any
27 time for these purposes, including child support revenues,
28 shall be deposited into the account as provided by law. All
29 assistance and JOBS program expenditures under this chapter
30 shall be paid from the account.

31 2. a. A diversion program subaccount is created within
32 the family investment program account. The subaccount may be
33 used to provide incentives to divert applicants⁺ a family's
34 participation in the family investment program if the
35 applicants-meet family meets the department's income

1 eligibility requirements for assistance the diversion program.
2 Incentives may be provided in the form of payment or services
3 with-a-focus-on-helping-applicants to help a family to obtain
4 or retain employment. The diversion program subaccount may
5 also be used for payments to participants as necessary to
6 cover the expenses of removing barriers to employment and to
7 assist in stabilizing employment. In addition, the diversion
8 program subaccount may be used for funding of services and
9 payments for persons whose family investment program
10 eligibility has ended, in order to help the persons to
11 stabilize or improve their employment status.

12 b. The diversion program shall be implemented statewide in
13 a manner that preserves local flexibility in program design.
14 The department shall assess and screen individuals who would
15 most likely benefit from diversion program assistance. The
16 department may adopt additional eligibility criteria for the
17 diversion program as necessary for compliance with federal law
18 and for screening those families who would be most likely to
19 become eligible for the family investment program if diversion
20 program incentives would not be provided to the families.

21 Sec. 98. Section 249.3, subsection 4, paragraphs e and g,
22 Code 2005, are amended to read as follows:

23 e. Receive full medical assistance benefits under chapter
24 249A and are not required to meet a spend-down or pay a
25 premium to be eligible for such benefits.

26 g. Have income exceeding of at least one hundred thirty-
27 five twenty percent of the federal poverty level but not
28 exceeding the medical assistance income limit for the
29 eligibility group for the individual person's living
30 arrangement.

31 Sec. 99. Section 249A.12, subsection 6, paragraph c, Code
32 2005, is amended to read as follows:

33 c. The person's county of legal settlement shall pay for
34 the nonfederal share of the cost of services provided under
35 the waiver, and the state shall pay for the nonfederal share

1 of such costs if the person does not have ~~a county of~~ legal
2 settlement in this state or the legal settlement is unknown.

3 Sec. 100. Section 249A.12, subsection 6, Code 2005, is
4 amended by adding the following new paragraph:

5 NEW PARAGRAPH. d. The county of legal settlement shall
6 pay for one hundred percent of the nonfederal share of the
7 costs of care provided for adults which is reimbursed under a
8 home and community-based services waiver that would otherwise
9 be approved for provision in an intermediate care facility for
10 persons with mental retardation provided under the medical
11 assistance program.

12 Sec. 101. Section 249A.12, Code 2005, is amended by adding
13 the following new subsection:

14 NEW SUBSECTION. 7. When paying the necessary and legal
15 expenses for intermediate care facility for persons with
16 mental retardation services, the cost requirements of section
17 222.60 shall be considered fulfilled when payment is made in
18 accordance with the medical assistance payment rates
19 established by the department for intermediate care facilities
20 for persons with mental retardation, and the state or a county
21 of legal settlement shall not be obligated for any amount in
22 excess of the rates.

23 Sec. 102. Section 249A.24, Code 2005, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 3. The commission shall submit an annual
26 review, including facts and findings, of the drugs on the
27 department's prior authorization list to the department and to
28 the members of the general assembly's joint appropriations
29 subcommittee on health and human services.

30 Sec. 103. Section 249A.26, Code 2005, is amended to read
31 as follows:

32 249A.26 STATE AND COUNTY PARTICIPATION IN FUNDING FOR
33 SERVICES TO PERSONS WITH DISABILITIES -- CASE MANAGEMENT.

34 1. The state shall pay for one hundred percent of the
35 nonfederal share of the services paid for under any prepaid

1 mental health services plan for medical assistance implemented
2 by the department as authorized by law.

3 2. a. The Except as provided for disallowed costs in
4 section 249A.27, the county of legal settlement shall pay for
5 fifty percent of the nonfederal share of the cost and the
6 state shall have responsibility for the remaining fifty
7 percent of the nonfederal share of the cost of case management
8 provided to adults, day treatment, and partial hospitalization
9 provided under the medical assistance program for persons with
10 mental retardation, a developmental disability, or chronic
11 mental illness. For purposes of this section, persons with
12 mental disorders resulting from Alzheimer's disease or
13 substance abuse shall not be considered chronically mentally
14 ill. To the maximum extent allowed under federal law and
15 regulations, the department shall consult with and inform a
16 county of legal settlement's central point of coordination
17 process, as defined in section 331.440, regarding the
18 necessity for and the provision of any service for which the
19 county is required to provide reimbursement under this
20 subsection.

21 b. The state shall pay for one hundred percent of the
22 nonfederal share of the costs of case management provided for
23 adults, day treatment, partial hospitalization, and the home
24 and community-based services waiver services for persons who
25 do not have legal settlement in this state or the legal
26 settlement is unknown.

27 c. The case management services specified in this
28 subsection shall be paid for by a county only if the services
29 are provided outside of a managed care contract.

30 3. To the maximum extent allowed under federal law and
31 regulations, a person with mental illness or mental
32 retardation shall not be eligible for any service which is
33 funded in whole or in part by a county share of the nonfederal
34 portion of medical assistance funds unless the person is
35 referred through the central point of coordination process, as

1 defined in section 331.440. However, to the extent federal
2 law allows referral of a medical assistance recipient to a
3 service without approval of the central point of coordination
4 process, the county of legal settlement shall be billed for
5 the nonfederal share of costs for any adult person for whom
6 the county would otherwise be responsible.

7 4. The county of legal settlement shall pay for one
8 hundred percent of the nonfederal share of the cost of
9 services provided to persons with chronic mental illness
10 implemented under the adult rehabilitation option of the state
11 medical assistance plan. The state shall pay for one hundred
12 percent of the nonfederal share of the cost of such services
13 provided to such persons ~~without-a-county-of~~ who do not have
14 legal settlement in this state or the legal settlement is
15 unknown.

16 5. The state shall pay for the entire nonfederal share of
17 the costs for case management services provided to persons
18 seventeen years of age or younger who are served in a home and
19 community-based services waiver program under the medical
20 assistance program for persons with mental retardation.

21 6. Funding under the medical assistance program shall be
22 provided for case management services for eligible persons
23 seventeen years of age or younger residing in counties with
24 child welfare decategorization projects implemented in
25 accordance with section 232.188, provided these projects have
26 included these persons in the service plan and the
27 decategorization project county is willing to provide the
28 nonfederal share of the costs.

29 7. Unless a county has paid or is paying for the
30 nonfederal share of the costs of a person's home and
31 community-based waiver services or placement in an
32 intermediate care facility for persons with mental retardation
33 under the county's mental health, mental retardation, and
34 developmental disabilities services fund, or unless a county
35 of legal settlement would become liable for the costs of

1 services for a person at the level of care provided in an
2 intermediate care facility for persons with mental retardation
3 due to the person reaching the age of majority, the state
4 shall pay for the nonfederal share of the costs of an eligible
5 person's services under the home and community-based services
6 waiver for persons with brain injury.

7 5- 8. If a dispute arises between different counties or
8 between the department and a county as to the legal settlement
9 of a person who receives medical assistance for which the
10 nonfederal share is payable in whole or in part by a county of
11 legal settlement, and cannot be resolved by the parties, the
12 dispute shall be resolved as provided in section 225C.8.

13 9. Notwithstanding section 8.39, the department may
14 transfer funds appropriated for the medical assistance program
15 to a separate account established in the department's case
16 management unit in an amount necessary to pay for expenditures
17 required to provide case management for mental health, mental
18 retardation, and developmental disabilities services under the
19 medical assistance program which are jointly funded by the
20 state and county, pending final settlement of the
21 expenditures. Funds received by the case management unit in
22 settlement of the expenditures shall be used to replace the
23 transferred funds and are available for the purposes for which
24 the funds were originally appropriated.

25 Sec. 104. Section 249A.26A, Code 2005, is amended to read
26 as follows:

27 249A.26A STATE AND COUNTY PARTICIPATION IN FUNDING FOR
28 REHABILITATION SERVICES FOR PERSONS WITH CHRONIC MENTAL
29 ILLNESS.

30 The county of legal settlement shall pay for the nonfederal
31 share of the cost of rehabilitation services provided under
32 the medical assistance program for persons with chronic mental
33 illness, except that the state shall pay for the nonfederal
34 share of such costs if the person does not have ~~a county of~~
35 legal settlement in this state or the legal settlement is

1 unknown.

2 Sec. 105. NEW SECTION. 249A.32A HOME AND COMMUNITY-BASED
3 SERVICES WAIVERS -- LIMITATIONS.

4 In administering a home and community-based services
5 waiver, the total number of openings at any one time shall be
6 limited to the number approved for the waiver by the secretary
7 of the United States department of health and human services.
8 The openings shall be available on a first-come, first-served
9 basis.

10 Sec. 106. NEW SECTION. 249A.32B EARLY AND PERIODIC
11 SCREENING, DIAGNOSIS, AND TREATMENT FUNDING.

12 The department of human services, in consultation with the
13 Iowa department of public health and the department of
14 education, shall continue the program to utilize the early and
15 periodic screening, diagnosis, and treatment program funding
16 under the medical assistance program, to the extent possible,
17 to implement the screening component of the early and periodic
18 screening, diagnosis, and treatment program through the
19 schools. The department may enter into contracts to utilize
20 maternal and child health centers, the public health nursing
21 program, or school nurses in implementing this section.

22 Sec. 107. Section 252B.4, subsection 3, Code 2005, is
23 amended to read as follows:

24 3. Fees collected pursuant to this section shall be
25 ~~retained-by-the-department-for-use-by~~ considered repayment
26 receipts, as defined in section 8.2, and shall be used for the
27 purposes of the unit. The director or a designee shall keep
28 an accurate record of ~~funds-so-retained~~ the fees collected and
29 expended.

30 Sec. 108. Section 252B.23, subsection 11, Code 2005, is
31 amended to read as follows:

32 11. All surcharge payments shall be received and disbursed
33 by the collection services center. The surcharge payments
34 received by the collection services center shall be considered
35 repayment receipts as defined in section 8.2 and shall be used

1 to pay the costs of any contracts with a collection entity.

2 Sec. 109. NEW SECTION. 252B.25 USE OF FUNDING FOR
3 ADDITIONAL POSITIONS.

4 1. The director, within the limitations of the amount
5 appropriated for the unit, or moneys transferred for this
6 purpose from the family investment program account created in
7 section 239B.11, may establish new positions and add employees
8 to the unit if the director determines that both the current
9 and additional employees together can reasonably be expected
10 to maintain or increase net state revenue at or beyond the
11 budgeted level for the fiscal year.

12 2. a. The director may establish new positions and add
13 state employees to the unit or contract for delivery of
14 services if the director determines the employees are
15 necessary to replace county-funded positions eliminated due to
16 termination, reduction, or nonrenewal of a chapter 28E
17 contract. However, the director must also determine that the
18 resulting increase in the state share of child support
19 recovery incentives exceeds the cost of the positions or
20 contract, the positions or contract are necessary to ensure
21 continued federal funding of the unit, or the new positions or
22 contract can reasonably be expected to recover at least twice
23 the amount of money necessary to pay the salaries and support
24 for the new positions or the contract will generate at least
25 two hundred percent of the cost of the contract.

26 b. Employees in full-time positions that transition from
27 county government to state government employment under this
28 subsection are exempt from testing, selection, and appointment
29 provisions of chapter 19A and from the provisions of
30 collective bargaining agreements relating to the filling of
31 vacant positions.

32 Sec. 110. Section 321J.25, subsection 1, paragraph b, Code
33 2005, is amended to read as follows:

34 b. "Program" means a substance abuse awareness program
35 provided under a contract entered into between the provider

1 and the ~~commission-on-substance-abuse-of-the~~ Iowa department
2 of public health under chapter 125.

3 Sec. 111. Section 321J.25, subsection 2, unnumbered
4 paragraph 1, Code 2005, is amended to read as follows:

5 A substance abuse awareness program is established in each
6 of the regions established by the ~~commission-on-substance~~
7 ~~abuse~~ director of public health pursuant to section 125.12.

8 The program shall consist of an insight class and a substance
9 abuse evaluation, which shall be attended by the participant,
10 to discuss issues related to the potential consequences of
11 substance abuse. The parent or parents of the participant
12 shall also be encouraged to participate in the program. The
13 program provider shall consult with the participant or the
14 parents of the participant in the program to determine the
15 timing and appropriate level of participation for the
16 participant and any participation by the participant's
17 parents. The program may also include a supervised
18 educational tour by the participant to any or all of the
19 following:

20 Sec. 112. Section 505.25, Code 2005, is amended to read as
21 follows:

22 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE PROGRAM
23 AND HAWK-I PROGRAMS.

24 A carrier, as defined in section 514C.13, shall enter into
25 a health insurance data match program with the department of
26 human services for the sole purpose of comparing the names of
27 the carrier's insureds with the names of recipients of the
28 medical assistance program under chapter 249A or enrollees of
29 the hawk-i program under chapter 514I.

30 Sec. 113. Section 514I.11, subsection 2, Code 2005, is
31 amended to read as follows:

32 2. The trust fund shall be separate from the general fund
33 of the state and shall not be considered part of the general
34 fund of the state. The moneys in the trust fund are not
35 subject to section 8.33 and shall not be transferred, used,

1 obligated, appropriated, or otherwise encumbered, except to
2 provide for the purposes of this chapter and except as
3 provided in subsection 4. Notwithstanding section 12C.7,
4 subsection 2, interest or earnings on moneys deposited in the
5 trust fund shall be credited to the trust fund.

6 Sec. 114. Section 514I.11, Code 2005, is amended by adding
7 the following new subsections:

8 NEW SUBSECTION. 3. Moneys in the fund are appropriated to
9 the department and shall be used to offset any program costs.

10 NEW SUBSECTION. 4. The department may transfer moneys
11 appropriated from the fund to be used for the purpose of
12 expanding health care coverage to children under the medical
13 assistance program.

14 NEW SUBSECTION. 5. The department shall provide periodic
15 updates to the general assembly regarding expenditures from
16 the fund.

17 Sec. 115. Section 600.17, Code 2005, is amended by adding
18 the following new subsection:

19 NEW SUBSECTION. 3. The department of human services shall
20 make adoption presubsidy and adoption subsidy payments to
21 adoptive parents at the beginning of the month for the current
22 month.

23 Sec. 116. COMMISSION ON SUBSTANCE ABUSE -- RULES. The
24 administrative rules adopted by the commission on substance
25 abuse that are in effect as of June 30, 2005, shall remain in
26 effect until modified or rescinded by the state board of
27 health.

28 Sec. 117. Sections 125.4, 125.5, and 125.6, Code 2005, are
29 repealed.

30 Sec. 118. EFFECTIVE DATE. The amendment in this Act to
31 section 144A.13A, being deemed of immediate importance, takes
32 effect upon enactment.

33

EXPLANATION

34 This bill relates to and makes appropriations for health
35 and human services for fiscal year 2005-2006 to the state

1 commission of veterans affairs, the Iowa veterans home, the
2 department of elder affairs, the Iowa department of public
3 health, and the department of human services.

4 GENERAL FUND AND BLOCK GRANT APPROPRIATIONS. This division
5 appropriates funding from the general fund of the state for
6 the department of elder affairs, the Iowa department of public
7 health, and the commission of veterans affairs.

8 The division appropriates funds from the gambling treatment
9 fund in lieu of the standing appropriation in Code section
10 135.150 for addictive disorders and provides for use of the
11 funds remaining in the fund.

12 The division appropriates funding from the general fund of
13 the state and the federal temporary assistance for needy
14 families block grant to the department of human services.

15 Code section 249A.20, relating to reimbursement of
16 noninstitutional providers under the medical assistance
17 (Medicaid) program, is amended to provide that beginning July
18 1, 2005, noninstitutional health providers of anesthesia
19 services will be reimbursed using a conversion factor
20 applicable to the federal Medicare program for those services
21 in effect on November 1, 2000, as adjusted to reflect the
22 Medicare resource-based relative value scale methodology as
23 applied to other noninstitutional health providers from
24 November 1, 2000.

25 Session law relating to reimbursement of nursing facilities
26 using a case-mix methodology is amended to revise the excess
27 amount applied for those facilities with direct-care and
28 indirect-care costs at certain percentages below the median.

29 Provisions in this division related to issuance of funding
30 plans by representatives of the department of human services
31 and the judicial branch, for carryforward of funding allocated
32 for FY 2004-2005 for purposes of electronic benefit transfer
33 activities, for field operations, and for the Iowa veterans
34 home take effect upon enactment.

35 SENIOR TRUST FUND, HOSPITAL TRUST FUND, AND PHARMACEUTICAL

1 SETTLEMENT ACCOUNT. This division makes appropriations for
2 the 2005-2006 fiscal year from the senior living trust fund to
3 the department of elder affairs, the department of human
4 services, the department of inspections and appeals, and the
5 Iowa finance authority.

6 The division makes an appropriation from the hospital trust
7 fund and the pharmaceutical settlement account to the
8 department of human services to supplement the medical
9 assistance appropriation and the medical contracts
10 appropriation.

11 The division provides for nonreversion of assisted living
12 conversion grant funding that remains unexpended at the close
13 of FY 2004-2005 or FY 2005-2006. This section takes effect
14 upon enactment.

15 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL
16 DISABILITIES, AND BRAIN INJURY SERVICES. This division
17 relates to mental health, mental retardation and other
18 developmental disabilities, and brain injury (MH/MR/DD/BI)
19 services funding.

20 The division provides for distribution of the services
21 funding previously appropriated for FY 2005-2006 and shifts an
22 allocation made from that funding to the risk pool fund to
23 instead be used for the Medicaid program.

24 CODE CHANGES -- This division makes Code changes involving
25 older Iowans, health, human services, and veterans programs.

26 Code section 28.9, creating the Iowa empowerment fund, is
27 amended to provide for distribution to community empowerment
28 areas of moneys credited to the early childhood programs grant
29 account by the department of human services.

30 New Code section 35D.18 provides for operation of the Iowa
31 veterans home through the use of a net appropriation from the
32 general fund of the state.

33 Code section 84A.26, relating to employment and training
34 programs operated by the department of workforce development,
35 is amended to require the department of workforce development

1 to consult with the department of human services in developing
2 and implementing departmental recruitment and training
3 practices that address the needs of former and current family
4 investment program participants.

5 Code chapter 125 is amended to eliminate the commission on
6 substance abuse and to transfer the commission's duties to the
7 state board of health. The state board of health membership
8 is expanded to include two members with a background in
9 substance abuse prevention and treatment. Conforming changes
10 are made in other Code sections.

11 New Code section 135.39C requires the Iowa department of
12 public health to implement elderly wellness services in a
13 manner that makes the department the payor of last resort.

14 Code section 136C.10, relating to fees collected by the
15 Iowa department of public health from regulation of radiation
16 machines and radioactive materials, is amended. The bill
17 authorizes the department to retain the fees collected for
18 licensing, registration, authorization, accreditation, and
19 inspection of radiation machines used for mammographically
20 guided breast biopsy, screening, and diagnostic mammography to
21 support the department's regulation of radiation machines and
22 radioactive materials.

23 Code section 144.13A, providing for appropriation of a
24 portion of certificate of birth fees for child abuse
25 prevention and the center for congenital and inherited
26 disorders central registry, is amended to provide that the
27 appropriation does not revert at the close of the fiscal year.
28 This section takes effect upon enactment.

29 New Code section 144.46A creates a new vital records fund,
30 incorporating the vital records modernization project as a
31 permanent authority of the Iowa department of public health.
32 The department is authorized to increase fees for vital
33 records services. The fee increase proceeds are credited to
34 the new vital records fund and the proceeds are appropriated
35 for the technology used for vital records and for other vital

1 records activities. The project was originally authorized in
2 1993 and has been annually reauthorized in appropriations
3 legislation.

4 New Code section 147.28A directs the Iowa department of
5 public health to utilize scope of practice review committees
6 to evaluate and make recommendations concerning health
7 professional licensing requests, scope of practice requests,
8 and unresolved disputes between health professionals
9 concerning rulemaking authority. The department is authorized
10 to retain a portion of licensing fees for the costs of scope
11 of practice review committees. This section is repealed July
12 1, 2005.

13 Code section 147.82, relating to examination, licensing,
14 and other fees for regulation of health professions, requires
15 the fees to be credited to the general fund of the state. The
16 bill amends Code section 147.82 to list exceptions to the
17 requirement that have been annually included in appropriations
18 legislation for a number of years by allowing the Iowa
19 department of public health to retain certain fee amounts for
20 certain purposes. The purposes include expenses associated
21 with a scope of practice review committee or unanticipated
22 litigation; a specified amount for lease and maintenance
23 expenses for the boards of dental examiners, pharmacy
24 examiners, medical examiners, and nursing; a specified amount
25 for processing medical license requests and consideration of
26 malpractice cases by the board of medical examiners; and a
27 specified amount for the board of dental examiners regulation
28 of dental assistants. In addition, the board of nursing and
29 the board of pharmacy examiners are authorized to retain and
30 expend 90 percent of the increase in fees above the amounts in
31 effect as of a base date. Conforming changes are made to Code
32 section 147.94, relating to pharmacists, and to Code section
33 147.102, relating to psychologists, chiropractors, and
34 dentists.

35 Code section 217.13, relating to the requirement for the

1 department of human services to implement volunteer programs,
2 is amended to provide that volunteers can be used for any
3 functions that complement and supplement the department's work
4 with clients.

5 New Code section 217.35 makes a contingent appropriation to
6 the department of human services of recovered moneys generated
7 through fraud and recoupment activities to be used for
8 additional recovery activities of the departments of human
9 services and inspections and appeals. The director of human
10 services must make a determination that there will be an
11 increase in recoveries exceeding the amount recovered in the
12 previous fiscal year and the amount expended for additional
13 fraud and recoupment activities cannot exceed the additional
14 amount recovered. If the appropriation is utilized, a
15 requirement in Code section 239B.14 for deposit of recovered
16 family investment program moneys in that program's account is
17 superseded.

18 New Code section 218.6 authorizes the department of human
19 services to transfer between the institutional appropriations
20 made for the same type of institution without the prior
21 approval of the governor and the department of management.

22 New Code sections 222.92, 226.9B, and 226.9C provide for
23 operation of the state resource centers, a psychiatric medical
24 institution for children located at the state mental health
25 institute at Independence, and a dual diagnosis mental health
26 and substance abuse treatment program located at the state
27 mental health institute at Mount Pleasant through the use of a
28 net appropriation from the general fund of the state.

29 Code section 226.19, relating to discharge of patients from
30 a state mental health institute, is amended to require the
31 discharge planning for a patient whose care is paid for by the
32 state or a county to include assistance to the patient in
33 obtaining eligibility for the federal supplemental security
34 income program.

35 Code section 229A.12, relating to the responsibility of the

1 director of human services for the costs incurred on behalf of
2 a person committed to the unit for sexually violent predators,
3 is amended to provide that benefits received by the person
4 under the federal Social Security Act shall be applied against
5 the costs.

6 New Code section 231.34 limits the percentage amount of the
7 moneys allocated to the area agencies on aging that may be
8 used for administrative purposes.

9 New Code section 232.1A provides that the annual goal for
10 the percentage of children placed in foster care for more than
11 24 months is 15 percent or less.

12 Code sections 233A.1 and 233B.1 are amended to provide that
13 the number of children present at any one time at the state
14 training school at Eldora or the Iowa juvenile home cannot
15 exceed the populations guidelines established pursuant to a
16 1990 enactment, as adjusted for subsequent changes in
17 capacity.

18 Code section 234.12A, relating to the electronic benefits
19 transfer program administered by the department of human
20 services, is amended. The bill requires the department to
21 maintain the program. Under current law, operation of the
22 program is authorized but not mandated.

23 Code section 237A.28, establishing the child care credit
24 fund, is amended to make a standing appropriation of the
25 proceeds in the fund to the department for the state child
26 care assistance program for low-income families.

27 Code section 239B.4, relating to the duties of the
28 department of human services involving the family investment
29 program (FIP), is amended to require the department to work
30 with the department of workforce development and local
31 collaborative efforts in providing support services to FIP
32 participants. In addition, the department of human services
33 is required to increase the availability of host homes to
34 provide a supportive living arrangement for minor parents
35 participating in FIP.

1 Code section 239B.11 provisions relating to the diversion
2 subaccount of the family investment program account are
3 amended to provide additional purposes for which the funding
4 may be used and to require the program to be operated
5 statewide while allowing for local flexibility.

6 Code section 249.3, relating to persons who may be eligible
7 for the state supplementary assistance program at the option
8 of the department of human services, is amended to decrease
9 the upper income eligibility limitation and to change the
10 requirement relative to receiving benefits under the Medicaid
11 program.

12 Code sections 249A.12, 249A.26, and 249A.26A are amended to
13 address state and county participation in funding for persons
14 with mental retardation and disabilities, including case
15 management services.

16 Code section 249A.24, relating to the Medicaid program drug
17 utilization review commission, is amended to require the
18 commission to submit an annual review of the drugs on the
19 department of human services' prescription drug prior
20 authorization list.

21 New Code section 249A.32A establishes various procedural
22 and funding requirements for home and community-based services
23 waivers implemented under the Medicaid program.

24 New Code section 249A.32B requires the department of human
25 services to continue the early and periodic screening,
26 diagnosis, and treatment services program under the medical
27 assistance program and to involve other departments.

28 Code section 252B.4 is amended to authorize the department
29 of human services to retain and expend the fees collected for
30 providing child support collection services.

31 Code section 252B.23 authorizes the department to retain
32 and expend child support collection surcharges for the costs
33 of contracts with a collection entity.

34 New Code section 252B.25 authorizes the department of human
35 services to add new positions to the child support recovery

1 unit if the new positions along with the current positions can
2 reasonably be expected to maintain or increase net state
3 revenue beyond the level budgeted for the fiscal year. In
4 addition, the department is authorized to add state employees
5 to the child support recovery unit or contract for services if
6 necessary to replace county-funded positions eliminated due to
7 a termination, reduction, or nonrenewal of a chapter 28E
8 contract.

9 Code section 505.25, requiring health insurance carriers to
10 enter into a data match program with the department of human
11 services to compare the names of the carrier's insureds with
12 recipients of the Medicaid program, is amended to also compare
13 the names with enrollees of the hawk-i program.

14 Code section 514I.11 is amended to appropriate moneys in
15 the hawk-i trust fund to the department of human services and
16 to allow for transfer of the moneys in the trust fund to
17 expand health care coverage to children under the medical
18 assistance program.

19 Code section 600.17 is amended to require the department of
20 human services to make subsidized adoption payments at the
21 beginning of the month.

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HOUSE FILE 825

H-1192

1 Amend House File 825 as follows:

2 1. By striking page 63, line 33 through page 64,
3 line 8.

4 2. By striking page 64, line 17, through page 66,
5 line 9, and inserting the following:

6 "An examining board may annually retain and expend
7 ninety percent of the revenue generated from license
8 and renewal fees established pursuant to section
9 147.80 for the practice of the licensed profession for
10 which the examining board conducts examinations. The
11 moneys retained shall be used for any of the board's
12 duties, including but not limited to addition of full-
13 time equivalent positions for program services and
14 investigations. Revenues retained by the board
15 pursuant to this subsection shall be considered
16 repayment receipts as defined in section 8.2."

17 3. By renumbering as necessary.

By SMITH of Marshall

H-1192 FILED MARCH 28, 2005

HOUSE FILE 825

H-1225

1 Amend House File 825 as follows:

2 1. Page 65, by striking lines 21 through 32.

3 2. Page 66, by inserting after line 9 the
4 following:

5 " . The examining boards listed in section
6 147.80, other than the board of dental examiners, the
7 board of medical examiners, and the board of pharmacy
8 examiners that are otherwise addressed in this
9 section, may retain and expend ninety percent of the
10 revenue generated from license and renewal fees
11 established pursuant to section 147.80 for the
12 practice of the licensed profession for which an
13 examining board conducts examinations. The moneys
14 retained by an examining board shall be used for any
15 of the board's duties, including but not limited to
16 addition of full-time equivalent positions for program
17 services and investigations. Revenues retained by an
18 examining board pursuant to this subsection shall be
19 considered repayment receipts as defined in section
20 8.2."

21 3. By renumbering as necessary.

By SMITH of Marshall

H-1225 FILED MARCH 30, 2005

HOUSE FILE 825

H-1266

1 Amend House File 825 as follows:

2 1. Page 37, line 19, by inserting after the
3 figure "2005." the following: "It is the intent of
4 the general assembly that the increase in
5 reimbursement rates authorized in this subsection
6 shall be used for the provision of direct care with an
7 emphasis on increasing the compensation for direct
8 care workers."

By HEATON of Henry
FOEGE of Linn
KURTENBACH of Story
WILDERDYKE of Harrison
GRANZOW of Hardin

SMITH of Marshall
MASCHER of Johnson
BERRY of Black Hawk
UPMEYER of Hancock

H-1266 FILED MARCH 31, 2005

HOUSE FILE 825

H-1274

1 Amend House File 825 as follows:

2 1. Page 38, line 21, by inserting after the word
3 "survey." the following: "Otherwise, if additional
4 federal funding is provided but not in a sufficient
5 amount to set provider reimbursement rates based on
6 the 2002 survey, the additional funding shall be used
7 to pay provider bonuses, to enhance provider
8 professional development opportunities, or for a
9 combination of measures to support child care
10 providers."

By PETERSEN of Polk

H-1274 FILED MARCH 31, 2005

HOUSE FILE 825

H-1276

1 Amend House File 825 as follows:
2 1. Page 32, line 14, by striking the figure
3 "53,519,372" and inserting the following:
4 "54,469,372".
5 2. Page 32, line 15, by striking the figure
6 "1,844.00" and inserting the following: "1,859.00".
7 3. Page 32, by inserting after line 15 the
8 following:
9 "The amount appropriated in this section includes
10 funding for the department to add 15 additional child
11 protective service social work supervisors."
By FOEGE of Linn

H-1276 FILED MARCH 31, 2005

HOUSE FILE 825

H-1277

1 Amend House File 825 as follows:
2 1. Page 1, line 23, by striking the figure
3 "2,730,522" and inserting the following: "2,791,522".
4 2. Page 2, by inserting after line 4 the
5 following:
6 "Of the amount appropriated in this section,
7 \$61,000 is allocated as additional funding for
8 nutrition programs."
By FOEGE of Linn

H-1277 FILED MARCH 31, 2005

HOUSE FILE 825

H-1278

1 Amend House File 825 as follows:
2 1. Page 20, line 4, by striking the figure
3 "76,508,683" and inserting the following:
4 "77,208,683".
5 2. Page 37, line 18, by striking the figure "3"
6 and inserting the following: "4".
By SMITH of Marshall

H-1278 FILED MARCH 31, 2005

HOUSE FILE 825

H-1279

1 Amend House File 825 as follows:
2 1. Page 1, line 23, by striking the figure
3 "2,730,522" and inserting the following: "3,230,522".
4 2. Page 2, by inserting after line 4 the
5 following:
6 "Of the amount appropriated in this section,
7 \$500,000 is allocated for the department's case
8 management activities."

By FOEGE of Linn
WHITAKER of Van Buren

H-1279 FILED MARCH 31, 2005

HOUSE FILE 825

H-1280

1 Amend House File 825 as follows:

2 1. Page 12, line 27, by striking the figure
3 "524,510,863" and inserting the following:
4 "525,529,082".

5 2. Page 16, by inserting after line 1, the
6 following:

7 "_____. The department shall extend coverage under
8 the medical assistance program for youth aging out of
9 the foster care system up to the age of 21."

10 3. Page 20, line 4, by striking the figure
11 "76,508,683" and inserting the following:
12 "77,400,191".

13 4. Page 24, by inserting after line 27, the
14 following:

15 "_____. Notwithstanding section 234.1, subsection 2,
16 the department may continue to pay for foster care for
17 youth age 18 and older who have received a high school
18 diploma or a high school equivalency diploma."

19 5. By renumbering as necessary.

By FOEGE of Linn

H-1280 FILED MARCH 31, 2005

HOUSE FILE 825

H-1281

1 Amend House File 825 as follows:

2 1. Page 4, line 6, by striking the figure
3 "1,044,151" and inserting the following: "1,379,044".

4 2. Page 4, line 9, by striking the figure
5 "335,107" and inserting the following: "670,000".

By FOEGE of Linn

H-1281 FILED MARCH 31, 2005

HOUSE FILE 825

H-1285

1 Amend House File 825 as follows:

2 1. Page 65, by striking lines 22 through 25 and
3 inserting the following: "one hundred percent of the
4 revenues generated from license and renewal fees
5 established pursuant to section 147.80 for the
6 practice of nursing. The moneys".

By PETERSEN of Polk

REICHERT of Muscatine

H-1285 FILED MARCH 31, 2005

HOUSE FILE 825

H-1288

1 Amend House File 825 as follows:
2 1. Page 84, by inserting after line 32 the
3 following:

4 "DIVISION

5 SUPPLEMENTAL APPROPRIATIONS

6 Sec. _____. 2004 Iowa Acts, chapter 1175, section
7 116, unnumbered paragraph 2, is amended to read as
8 follows:

9 For medical assistance reimbursement and associated
10 costs as specifically provided in the reimbursement
11 methodologies in effect on June 30, 2004, except as
12 otherwise expressly authorized by law, including
13 reimbursement for abortion services, which shall be
14 available under the medical assistance program only
15 for those abortions which are medically necessary:

16 \$352,794,101
17 422,794,101

18 Sec. _____. 2004 Iowa Acts, chapter 1175, section
19 118, unnumbered paragraph 2, is amended to read as
20 follows:

21 For medical contracts, including salaries, support,
22 maintenance, and miscellaneous purposes, and for not
23 more than the following full-time equivalent position:

24 \$ 9,725,035
25 10,725,035
26 FTEs 1.00

27 Of the amount appropriated in this section,
28 \$1,000,000 is allocated for implementation costs for
29 the Iowa Medicaid enterprise initiative.

30 Sec. _____. 2004 Iowa Acts, chapter 1175, section
31 130, subsections 1 and 2, are amended to read as
32 follows:

33 1. For the state resource center at Glenwood for
34 salaries, support, maintenance, and miscellaneous
35 purposes:

36 \$ 8,550,280
37 9,550,280

38 2. For the state resource center at Woodward for
39 salaries, support, maintenance, and miscellaneous
40 purposes:

41 \$ 4,520,459
42 5,520,459

43 Sec. _____. 2004 Iowa Acts, chapter 1175, section
44 131, is amended to read as follows:

45 SEC. 131. MI/MR/DD STATE CASES. There is
46 appropriated from the general fund of the state to the
47 department of human services for the fiscal year
48 beginning July 1, 2004, and ending June 30, 2005, the
49 following amount, or so much thereof as is necessary,
50 to be used for the purpose designated:

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1 For purchase of local services for persons with
2 mental illness, mental retardation, and developmental
3 disabilities where the client has no established
4 county of legal settlement:

5 \$ ~~11,014,619~~
6 11,264,619

7 The general assembly encourages the department to
8 continue discussions with the Iowa state association
9 of counties and administrators of county central point
10 of coordination offices regarding proposals for moving
11 state cases to county budgets.

12 Sec. _____. 2004 Iowa Acts, chapter 1175, section
13 134, subsection 1, unnumbered paragraph 2, is amended
14 to read as follows:

15 For costs associated with the commitment and
16 treatment of sexually violent predators in the unit
17 located at the state mental health institute at
18 Cherokee, including costs of legal services and other
19 associated costs, including salaries, support,
20 maintenance, and miscellaneous purposes:

21 \$ ~~2,833,646~~
22 3,608,646

23 Sec. _____. EFFECTIVE DATE. This division of this
24 Act, being deemed of immediate importance, takes
25 effect upon enactment."

26 2. By renumbering as necessary.

By DIX of Butler
HEATON of Henry

H-1288 FILED MARCH 31, 2005

HOUSE FILE 825

H-1287

1 Amend House File 825 as follows:

- 2 1. Page 29, line 11, by striking the figure "1."
- 3 2. Page 29, by striking lines 21 through 32.

By SMITH of Marshall
FOEGE of Linn
MASCHER of Johnson

H-1287 FILED MARCH 31, 2005

HOUSE FILE 825

H-1290

1 Amend House File 825 as follows:

2 1. Page 74, by inserting after line 32 the
3 following:

4 "Sec. ____ . Section 237A.30, Code 2005, is amended
5 by striking the section and inserting in lieu thereof
6 the following:

7 237A.30 CHILD CARE QUALITY RATING SYSTEM.

8 1. The department shall work with the community
9 empowerment office of the department of management
10 established in section 28.3 and the state child care
11 advisory council in designing and implementing a
12 quality rating system for each provider type of child
13 care facility.

14 2. The quality rating system shall be voluntary
15 and composed of multiple ratings based upon the rating
16 criteria adopted for the system. The initial system
17 shall provide for five levels; however, the department
18 may periodically revise the system to change the
19 number of levels and make other changes to improve the
20 system. The department shall identify the period for
21 which a rating is awarded and the means by which a
22 rating may be withdrawn or modified.

23 3. The criteria utilized for the rating system may
24 include but are not limited to any of the following:
25 facility type; provider staff experience, education,
26 training, and credentials; facility director education
27 and training; an environmental rating score or other
28 direct assessment environmental methodology; national
29 accreditation; facility history of compliance with law
30 and rules; child-to-staff ratio; curriculum; business
31 practices; staff retention rates; evaluation of staff
32 members and program practices; staff compensation and
33 benefit practices; provider and staff membership in
34 professional early childhood organizations; and
35 parental involvement with the facility.

36 4. The department may directly administer or
37 contract for the administration of the quality rating
38 system. A facility's quality rating may be included
39 on the internet page and in the consumer information
40 provided by the department pursuant to section 237A.25
41 and shall be identified in the child care provider
42 referrals made by child care resource and referral
43 service grantees under section 237A.26.

44 5. For reimbursement paid under the state child
45 care assistance program established in section
46 237A.13, the department may implement a reimbursement
47 rate methodology applicable to child care facilities
48 participating in the rating system in which the
49 reimbursement rate varies based upon the rating of a
50 facility. In addition, as part of the quality rating

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Page 2

1 system, the department may pay an achievement bonus to
2 providers that are awarded a quality rating."

3 2. Page 84, by inserting after line 29 the
4 following:

5 "Sec. ____ . PHASED IMPLEMENTATION OF CHILD CARE
6 QUALITY RATING SYSTEM.

7 1. Effective July 1, 2005, the department of human
8 services shall no longer accept applications for the
9 gold seal quality designation for child care providers
10 under section 237A.30, Code 2005. However, if a child
11 care provider has been awarded the designation prior
12 to July 1, 2005, the designation may continue to be
13 utilized for that provider until the designated period
14 of nationally recognized accreditation for which the
15 gold seal designation was awarded has ended.

16 2. The department of human services shall commence
17 implementation of the child care quality rating system
18 under section 237A.30, as amended by this division of
19 this Act, by awarding ratings beginning on or after
20 January 1, 2006. The department may modify
21 implementation of the rating system and the rating
22 system itself as necessary to conform to the funding
23 made available for the rating system for the fiscal
24 year beginning July 1, 2005."

25 3. By renumbering as necessary.

By MASCHER of Johnson
FOEGE of Linn

H-1290 FILED APRIL 4, 2005

HOUSE FILE 825

H-1292

1 Amend the amendment, H-1288, to House File 825 as
2 follows:

3 1. Page 2, by inserting after line 11 the
4 following:

5 "Notwithstanding section 8.33, moneys appropriated
6 in this section that remain unencumbered or
7 unobligated at the close of the fiscal year shall not
8 revert but shall remain available for expenditure for
9 the purposes designated until the close of the
10 succeeding fiscal year."

By HEATON of Henry

H-1292 FILED APRIL 4, 2005

HOUSE FILE 825

H-1295

- 1 Amend House File 825 as follows:
- 2 1. Page 18, line 2, by striking the figure
- 3 "8,350,752" and inserting the following: "17,350,752".
- 4 2. Page 18, line 4, by striking the figure
- 5 "7,325,228" and inserting the following: "16,325,228".
- 6 3. Page 38, by striking lines 14 through 21 and
- 7 inserting the following: "completed in December 2002.
- 8 The department shall set rates in a manner so as".

By PETERSEN of Polk

H-1295 FILED APRIL 4, 2005

HOUSE FILE 825

H-1296

1 Amend House File 825 as follows:

2 1. Page 50, by inserting after line 27 the
3 following:

4 "Sec. ____ . NEW SECTION. 35A.14 VETERANS SERVICE
5 FUND.

6 1. A veterans service fund is created in the state
7 treasury under the control of the commission.

8 2. The veterans service fund shall consist of all
9 of the following:

10 a. Moneys in the form of a devise, gift, bequest,
11 donation, federal or other grant, reimbursement,
12 repayment, judgment, transfer, payment, or
13 appropriation from any source intended to be used for
14 the purposes of the service fund. Notwithstanding
15 section 8.33, moneys credited to the service fund
16 shall not revert to any other fund.

17 b. Interest attributable to investment of moneys
18 in the fund or an account of the service fund.
19 Notwithstanding section 12C.7, subsection 2, interest
20 or earnings on moneys in the service fund shall be
21 credited to the service fund.

22 c. For each fiscal year, the department of
23 management shall annually identify an amount of state
24 savings in human services programs achieved during
25 that fiscal year due to efforts funded under this
26 section that assisted veterans in obtaining federal
27 veterans benefits. An amount equal to twenty percent
28 of the identified amount shall be transferred to the
29 service fund from the appropriations to which the
30 state savings are attributed. However, if the balance
31 of the service fund reaches one million dollars or
32 more, the transfers otherwise required by this
33 paragraph are suspended.

34 3. Moneys credited to the veterans service fund
35 shall not be transferred, used, obligated,
36 appropriated, or otherwise encumbered, except as
37 provided in this section. Moneys in the service fund
38 may be used for cash flow purposes during a fiscal
39 year provided that any moneys so allocated are
40 returned to the service fund by the end of that fiscal
41 year.

42 4. Moneys credited to the veterans service fund
43 are appropriated to the commission to be used for the
44 benefit of veterans and the spouses and dependents of
45 veterans, technical assistance, matching other funds,
46 other purposes of the commission, and associated
47 administrative costs."

48 2. By renumbering as necessary.

By THOMAS of Clayton

H-1296 FILED APRIL 4, 2005

HOUSE FILE 825

H-1297

1 Amend House File 825 as follows:

2 1. Page 59, by inserting after line 34, the
3 following:

4 "Sec. _____. Section 135.63, subsection 2, paragraph
5 o, Code 2005, is amended to read as follows:

6 o. The change in ownership, licensure,
7 organizational structure, operational structure, or
8 designation of the type of institutional health
9 facility if the health services offered by the
10 successor institutional health facility are unchanged.
11 For the purposes of this paragraph, change in
12 ownership, licensure, organizational structure,
13 operational structure, or designation of the type of
14 institutional health facility shall include any such
15 change, whether voluntary or involuntary, in which the
16 successor institutional health facility offers health
17 services unchanged from the predecessor institutional
18 health facility without a significant interruption in
19 services whether or not the predecessor institutional
20 health facility consents to the continuation of
21 services. An interruption in services is not
22 significant if the successor institutional health
23 facility offers the same health services as the
24 predecessor institutional health facility within one
25 year of the change in ownership, licensure,
26 organizational structure, operational structure, or
27 designation of the type of institutional health
28 facility."

29 2. Page 84, by inserting after line 32, the
30 following:

31 "Sec. _____. EFFECTIVE DATE AND RETROACTIVE
32 APPLICABILITY. The amendment in this division of this
33 Act to section 135.63, subsection 2, paragraph "o",
34 being deemed of immediate importance, takes effect
35 upon enactment and is retroactively applicable to
36 December 1, 2004."

37 3. Title page, line 7, by inserting after the
38 word "dates" the following: "and providing for
39 retroactive applicability".

40 4. By renumbering as necessary.

By FOEGE of Linn
HEATON of Henry

H-1297 FILED APRIL 4, 2005

HOUSE FILE 825

H-1298

1 Amend House File 825 as follows:

2 1. Page 24, by inserting after line 27 the
3 following:

4 "____. The governor and the legislative council are
5 requested to create a child welfare system improvement
6 committee consisting of legislators, child welfare
7 agency board members, child welfare agency staff,
8 department of human services staff, juvenile court
9 officers, and child advocacy board representatives.

10 The committee should commence deliberations during the
11 2005 legislative interim and consider all of the
12 following in making recommendations to the governor
13 and the general assembly in regard to the child
14 welfare and juvenile justice systems:

15 a. System changes to provide better results for
16 children.

17 b. System streamlining to improve services through
18 increased flexibility.

19 c. Increasing the degree of partnership by
20 strengthening the role of the state and the state's
21 community-based partners.

22 d. Increasing innovative service development.

23 e. Identifying the amount of resources necessary
24 for achieving better results.

25 f. Identifying the barriers to obtaining better
26 results and eliminating those barriers.

27 g. Developing a strategy to reduce the discrepancy
28 between state and private agency staff salaries.

29 h. Identifying the effects of low salaries and
30 inadequate system funding.

31 i. Developing a means for service providers to
32 keep pace with the inflationary cost increases in
33 order to maintain the quality level in child welfare
34 services.

35 j. Identifying the effects on children of
36 implementing an option for a managed care provider to
37 manage all or a portion of child welfare services
38 funding, including but not limited to all of the
39 following:

40 (1) The effects of coordinating this option with
41 the redesign of the children's mental health system.

42 (2) The interaction between the child welfare,
43 juvenile justice, and children's mental health
44 systems.

45 (3) The effects of providing wraparound services
46 under this option.

47 The department shall not implement an option for a
48 managed care provider to manage all or a portion of
49 child welfare services funding until recommendations
50 regarding this option have been received from a

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1 committee created pursuant to this subsection."

2 2. By renumbering as necessary.

By SMITH of Marshall

H-1298 FILED APRIL 4, 2005

HOUSE FILE 825

H-1299

1 Amend House File 825 as follows:

2 1. Page 18, line 14, by striking the figure
3 "500,000" and inserting the following: "676,492".

4 2. Page 47, by inserting after line 8 the
5 following:

6 "Sec. _____. Section 8.59, Code 2005, is amended to
7 read as follows:

8 8.59 APPROPRIATIONS FREEZE.

9 Notwithstanding contrary provisions of the Code,
10 the amounts appropriated under the applicable sections
11 of the Code for fiscal years commencing on or after
12 July 1, 1993, are limited to those amounts expended
13 under those sections for the fiscal year commencing
14 July 1, 1992. If an applicable section appropriates
15 moneys to be distributed to different recipients and
16 the operation of this section reduces the total amount
17 to be distributed under the applicable section, the
18 moneys shall be prorated among the recipients. As
19 used in this section, "applicable sections" means
20 sections 53.50, ~~229.35, 230.8, 230.11~~, 411.20, and
21 663.44.

22 Sec. _____. Section 229.35, Code 2005, is amended to
23 read as follows:

24 229.35 COMPENSATION -- PAYMENT.

25 ~~Said~~ The commissioners shall be are entitled to
26 reimbursement of their necessary expenses and payment
27 of a reasonable compensation, to be allowed by the
28 judge, who shall certify the same to the director of
29 the department of administrative services who shall
30 thereupon draw the proper warrants on any funds in the
31 state treasury not otherwise appropriated amounts to
32 the central point of coordination of the person's
33 county of residence. The amounts shall be paid from
34 the county's services fund created in section
35 331.424A. The applicant shall pay ~~said~~ the costs and
36 expenses if ordered by the judge ~~shall so order~~ on a
37 finding that the complaint was filed without probable
38 cause.

39 Sec. _____. Section 230.8, Code 2005, is amended to
40 read as follows:

41 230.8 TRANSFERS OF PERSONS WITH MENTAL ILLNESS --
42 EXPENSES.

43 The transfer to state hospitals or to the places of
44 their legal settlement of persons with mental illness
45 who have no legal settlement in this state or whose
46 legal settlement is unknown, shall be made according
47 to the directions of the administrator, and when
48 practicable by employees of state hospitals, and the
49 actual and necessary expenses of ~~such~~ the transfers
50 shall be paid ~~on itemized vouchers sworn to by the~~

H-1299

H-1299

Page 2

~~1 claimants and approved by the administrator, from any
2 funds in the state treasury not otherwise appropriated
3 by the person's county of residence from the county's
4 services fund created in section 331.424A.~~

5 Sec. ____ . Section 230.11, Code 2005, is amended to
6 read as follows:

7 230.11 ~~RECOVERY OF COSTS FROM STATE PAYMENT OF~~
8 ~~COSTS AND EXPENSES.~~

9 Costs and expenses attending the taking into
10 custody, care, and investigation of a person who has
11 been admitted or committed to a state hospital,
12 veterans administration hospital, or other agency of
13 the United States government, for persons with mental
14 illness and who has no legal settlement in this state
15 or whose legal settlement is unknown, including cost
16 of commitment, if any, shall be paid ~~out of any money~~
17 ~~in the state treasury not otherwise appropriated, on~~
18 ~~itemized vouchers executed by the auditor of the~~
19 ~~county which has paid them, and approved by the~~
20 ~~administrator by the person's county of residence from~~
21 ~~the county's services fund created in section~~
22 ~~331.424A."~~

23 3. By renumbering as necessary.

By FOEGE of Linn

H-1299 FILED APRIL 4, 2005

HOUSE FILE 825

H-1300

1 Amend House File 825 as follows:

2 1. Page 20, line 22, by inserting after the word
3 "section." the following: "The department shall pay
4 the nonfederal share of the costs of rehabilitative
5 treatment and support services provided to youth who
6 have committed a delinquent act and are subject to an
7 informal adjustment agreement under section 232.29."

By FOEGE of Linn

H-1300 FILED APRIL 4, 2005

HOUSE FILE 825

H-1301

1 Amend House File 825 as follows:

2 1. Page 3, by inserting after line 29 the
3 following:

4 "The amount appropriated in this subsection
5 includes \$150,000 in additional funding for childhood
6 lead poisoning prevention activities, and of this
7 amount, \$100,000 is allocated for counties not
8 receiving federal funding for this purpose and \$50,000
9 is allocated for a pilot project involving a
10 multicounty effort to address lead poisoning
11 prevention and remediation activities."

By HEATON of Henry
FOEGE of Linn

H-1301 FILED APRIL 4, 2005

HOUSE FILE 825

H-1302

1 Amend House File 825 as follows:

2 1. Page 65, line 22, by striking the word
3 "ninety" and inserting the following: "one hundred".

4 2. Page 65, by striking lines 29 through 32, and
5 inserting the following: "Revenues retained by the
6 board pursuant to this subsection shall be credited to
7 a nursing licensure fund created in the state treasury
8 under the authority of the board. Moneys credited to
9 the fund are appropriated to the board to be used for
10 the purposes of this subsection. Notwithstanding
11 section 8.33, moneys credited to the fund shall not
12 revert to the general fund of the state or to any
13 other fund but shall remain available in the fund to
14 be used for expenditure for the purposes designated."

15 3. Page 65, line 34, by striking the word
16 "ninety" and inserting the following: "one hundred".

17 4. Page 66, by striking lines 6 through 9, and
18 inserting the following: "services and
19 investigations. Revenues retained by the board
20 pursuant to this subsection shall be credited to a
21 pharmacy licensure fund created in the state treasury
22 under the authority of the board. Moneys credited to
23 the fund are appropriated to the board to be used for
24 the purposes of this subsection. Notwithstanding
25 section 8.33, moneys credited to the fund shall not
26 revert to the general fund of the state or to any
27 other fund but shall remain available in the fund to
28 be used for expenditure for the purposes designated."

29 5. Page 66, by inserting before line 10 the
30 following:

31 "7. The board of medical examiners may annually
32 retain and expend one hundred percent of the revenues
33 generated from an increase in licensing and renewal
34 fees established pursuant to section 147.80 for the
35 practice of medicine and surgery, osteopathic medicine
36 and surgery, or osteopathy, above the license and
37 renewal fees in effect as of June 30, 2005. The
38 moneys retained may be used for any of the board's
39 duties, including but not limited to the addition of
40 full-time equivalent positions for program services
41 and investigations. Revenues retained by the board
42 pursuant to this subsection shall be credited to a
43 medical examiners licensure fund created in the state
44 treasury under the authority of the board. Moneys
45 credited to the fund are appropriated to the board to
46 be used for the purposes of this subsection.
47 Notwithstanding section 8.33, moneys credited to the
48 fund shall not revert to the general fund of the state
49 or to any other fund but shall remain available in the
50 fund to be used for expenditure for the purposes

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1 designated.
2 8. The board of dental examiners may annually
3 retain and expend one hundred percent of the revenues
4 generated from an increase in licensing and renewal
5 fees established pursuant to section 147.80 for the
6 practice of dentistry, above the license and renewal
7 fees in effect as of June 30, 2005. The moneys
8 retained may be used for any of the board's duties,
9 including but not limited to the addition of full-time
10 equivalent positions for program services and
11 investigations. Revenues retained by the board
12 pursuant to this subsection shall be credited to a
13 dental licensure fund created in the state treasury
14 under the authority of the board. Moneys credited to
15 the fund are appropriated to the board to be used for
16 the purposes of this subsection. Notwithstanding
17 section 8.33, moneys credited to the fund shall not
18 revert to the general fund of the state or to any
19 other fund but shall remain available in the fund to
20 be used for expenditure for the purposes designated.
21 9. The department may annually retain and expend
22 one hundred percent of the revenues generated from an
23 increase in licensing and renewal fees established by
24 an examining board pursuant to section 147.80 for the
25 practice of a profession that is not specifically
26 authorized under this section to retain and expend
27 revenues from a fee increase, above the license and
28 renewal fees in effect as of June 30, 2005. The
29 moneys retained may be used for any of the
30 department's duties in regard to professional
31 licensing, including but not limited to the addition
32 of full-time equivalent positions for program services
33 and investigations. Revenues retained by the
34 department pursuant to this subsection shall be
35 credited to a professional licensure fund created in
36 the state treasury under the authority of the
37 department. Moneys credited to the fund are
38 appropriated to the department to be used for the
39 purposes of this subsection. Notwithstanding section
40 8.33, moneys credited to the fund shall not revert to
41 the general fund of the state or to any other fund but
42 shall remain available in the fund to be used for
43 expenditure for the purposes designated."
44 6. By renumbering as necessary.

By FOEGE of Linn

HOUSE FILE 825

H-1303

- 1 Amend House File 825 as follows:
2 1. Page 81, by inserting after line 1 the
3 following:
4 "Sec. ____ . NEW SECTION. 249A.30A MEDICAL
5 ASSISTANCE -- PERSONAL NEEDS ALLOWANCE.
6 The personal needs allowance under the medical
7 assistance program, which may be retained by a
8 resident of a nursing facility as defined in section
9 135C.1, shall be fifty dollars per month."
10 2. By renumbering as necessary.

By ZIRKELBACH of Jones
KRESSIG of Black Hawk

H-1303 FILED APRIL 4, 2005

HOUSE FILE 825

H-1307

- 1 Amend House File 825 as follows:
2 1. Page 2, line 33, by striking the figure
3 "862,592" and inserting the following: "1,698,592".
4 2. Page 2, by inserting after line 34 the
5 following:
6 "Of the amount appropriated in this subsection,
7 \$836,000 is allocated for funding of mobile dental
8 clinics."

By HEDDENS of Story

H-1307 FILED APRIL 4, 2005

HOUSE FILE 825

H-1308

- 1 Amend House File 825 as follows:
- 2 1. Page 1, line 23, by striking the figure
3 "2,730,522" and inserting the following: "2,791,522".
- 4 2. Page 1, line 24, by striking the figure
5 "26.75" and inserting the following: "27.75".
- 6 3. Page 2, line 18, by striking the figure "6.45"
7 and inserting the following: "7.45".
- 8 4. Page 2, line 33, by striking the figure
9 "862,592" and inserting the following: "915,761".
- 10 5. Page 3, line 4, by striking the figure
11 "1,295,342" and inserting the following: "1,265,342".
- 12 6. Page 5, line 32, by inserting after the word
13 "services." the following: "Of the amount
14 appropriated in subsection 1, up to \$100,000 may be
15 used for the licensing of gambling treatment programs
16 as provided in section 135.150."
- 17 7. Page 6, line 10, by striking the figure
18 "295,717" and inserting the following: "320,717".
- 19 8. Page 6, line 12, by striking the figure
20 "75,000" and inserting the following: "50,000".
- 21 9. Page 6, line 18, by striking the figure
22 "25,000" and inserting the following: "75,000".
- 23 10. Page 11, line 23, by striking the figure
24 "40,316,718" and inserting the following:
25 "40,250,000".
- 26 11. Page 12, line 27, by striking the figure
27 "524,510,863" and inserting the following:
28 "524,800,000".
- 29 12. Page 15, by striking lines 25 through 29.
- 30 13. Page 16, by inserting after line 1, the
31 following:
32 " ____ . The medical assistance pharmaceutical and
33 therapeutics committee established pursuant to section
34 249A.20A shall develop options for increasing the
35 savings relative to psychotropic drugs, while
36 maintaining patient care quality."
- 37 14. Page 20, line 4, by striking the figure
38 "76,508,683" and inserting the following:
39 "76,400,000".
- 40 15. Page 24, by inserting after line 27 the
41 following:
42 " ____ . If the department receives federal approval
43 to implement a waiver under Title IV-E of the federal
44 Social Security Act to enable providers to serve
45 children who remain in the children's families and
46 communities, for purposes of eligibility under the
47 medical assistance program children who participate in
48 the waiver shall be considered to be placed in foster
49 care."
- 50 16. Page 24, line 35, by striking the figure

H-1308

- 1 "32,275,732" and inserting the following:
- 2 "32,250,000".
- 3 17. Page 28, line 7, by striking the figure
- 4 "12,650,344" and inserting the following:
- 5 "12,600,000".
- 6 18. Page 28, line 10, by striking the figure
- 7 "7,073,088" and inserting the following: "7,050,000".
- 8 19. Page 32, line 14, by striking the figure
- 9 "53,519,372" and inserting the following:
- 10 "53,505,000".
- 11 20. Page 33, line 14, by striking the figure
- 12 "158,752,891" and inserting the following:
- 13 "161,600,000".
- 14 21. Page 33, by inserting after line 33, the
- 15 following:
- 16 "(3) For recalculation of the per diem cost and
- 17 the patient-day-weighted medians used in rate setting
- 18 for nursing facilities effective July 1, 2005, the
- 19 inflation factor applied from the midpoint of the cost
- 20 report period to the first day of the state fiscal
- 21 year rate period shall be zero percent."
- 22 22. Page 38, by striking lines 14 through 23 and
- 23 inserting the following: "completed in December 1998.
- 24 The department shall set rates in a manner so as to
- 25 provide incentives for a nonregistered provider to
- 26 become registered. If the federal government provides
- 27 additional funding for child care during the fiscal
- 28 year beginning July 1, 2005, the additional funding
- 29 shall be used to develop and implement an electronic
- 30 billing and payment system for child care providers."
- 31 23. Page 39, by striking lines 3 through 32.
- 32 24. By striking page 39, line 33, through page
- 33 41, line 14, and inserting the following:
- 34 "Sec. _____. 2001 Iowa Acts, chapter 192, section 4,
- 35 subsection 3, paragraphs e and f, as amended by 2004
- 36 Iowa Acts, chapter 1175, section 154, are amended to
- 37 read as follows:
- 38 e. The department shall calculate the rate ceiling
- 39 for the direct-care cost component at 120 percent of
- 40 the median of case-mix adjusted costs. Nursing
- 41 facilities with case-mix adjusted costs at 95 percent
- 42 of the median or greater, shall receive an amount
- 43 equal to their costs not to exceed 120 percent of the
- 44 median. ~~Nursing facilities with case-mix adjusted~~
- 45 ~~costs below 95 percent of the median shall receive an~~
- 46 ~~excess payment allowance by having their payment rate~~
- 47 ~~for the direct-care cost component calculated as their~~
- 48 ~~case-mix adjusted cost plus 100 percent of the~~
- 49 ~~difference between 95 percent of the median and their~~
- 50 ~~case-mix adjusted cost, not to exceed 10 percent of~~

~~1 the median of case-mix adjusted costs. Beginning July
2 1, 2004, nursing facilities with case-mix adjusted
3 costs below 95 percent of the median shall receive an
4 excess payment allowance by having their payment rate
5 for the direct care cost component calculated as their
6 case-mix adjusted cost plus 50 percent of the
7 difference between 95 percent of the median and their
8 case-mix adjusted cost, not to exceed 10 percent of
9 the median of case-mix adjusted costs. Any excess
10 payment allowance realized from the direct care cost
11 component of the modified price-based case-mix
12 reimbursement shall be expended to increase the
13 compensation of direct care workers or to increase the
14 ratio of direct care workers to residents. The
15 department of human services shall implement a new
16 monitoring and reporting system to assess compliance
17 with the provisions of this paragraph.~~

18 f. The department shall calculate the rate ceiling
19 for the nondirect care cost component at 110 percent
20 of the median of non-case-mix adjusted costs. Nursing
21 facilities with non-case-mix adjusted costs at 96
22 percent of the median or greater shall receive an
23 amount equal to their costs not to exceed 110 percent
24 of the median. ~~Nursing facilities with non-case-mix
25 adjusted costs below 96 percent of the median shall
26 receive an excess payment allowance that is their
27 costs plus 65 percent of the difference between 96
28 percent of the median and their non-case-mix adjusted
29 costs, not to exceed 8 percent of the median of non-
30 case-mix adjusted costs. Beginning July 1, 2004,
31 nursing facilities with non-case-mix adjusted costs
32 below 96 percent of the median shall receive an excess
33 payment allowance that is their costs plus 32.5
34 percent of the difference between 96 percent of the
35 median and their non-case-mix adjusted costs, not to
36 exceed 8 percent of the median of non-case-mix
37 adjusted costs. Any excess payment allowance realized
38 from the nondirect care cost component of the modified
39 price-based case-mix reimbursement shall be used to
40 fund quality of life improvements. The department of
41 human services shall implement a new monitoring and
42 reporting system to assess compliance with the
43 provisions of this paragraph."~~

44 25. Page 41, by inserting after line 31, the
45 following:

46 "Sec. ____ . 2004 Iowa Acts, chapter 1175, section
47 134, is amended by adding the following new
48 subsection:

49 NEW SUBSECTION. 3. Notwithstanding section 8.33,
50 moneys appropriated in this section that remain

1 unencumbered or unobligated at the close of the fiscal
2 year shall not revert but shall remain available for
3 expenditure for the purposes designated until the
4 close of the succeeding fiscal year."

5 26. Page 42, lines 6 and 7, by striking the words
6 "for the purposes designated".

7 27. Page 43, by inserting after line 16, the
8 following:

9 "____. The provision amending 2004 Iowa Acts,
10 chapter 1175, section 134."

11 28. Page 57, line 2, by striking the word
12 "COMMISSION" and inserting the following: "~~COMMISSION~~
13 BOARD".

14 29. Page 59, by inserting after line 34 the
15 following:

16 "Sec. ____ . Section 135.150, subsection 2, Code
17 2005, is amended to read as follows:

18 2. a. Moneys appropriated to the department under
19 this section shall be for the purpose of operating a
20 gambling treatment program and shall be used for
21 funding of administrative costs and to provide
22 programs which may include, but are not limited to,
23 outpatient and follow-up treatment for persons
24 affected by problem gambling, rehabilitation and
25 residential treatment programs, information and
26 referral services, crisis call access, education and
27 preventive services, and financial management and
28 credit counseling services.

29 b. A person shall not maintain or conduct a
30 gambling treatment program funded under this section
31 unless the person has obtained a license for the
32 program from the department. The department shall
33 adopt rules to establish standards for the licensing
34 and operation of gambling treatment programs under
35 this section. The rules shall specify, but are not
36 limited to specifying, the qualifications for persons
37 providing gambling treatment services, standards for
38 the organization and administration of gambling
39 treatment programs, and a mechanism to monitor
40 compliance with this section and the rules adopted
41 under this section."

42 30. Page 66, by inserting after line 9 the
43 following:

44 "____. In addition to the amounts authorized in
45 subsections 1 through 6, the examining boards listed
46 in section 147.80 may retain and expend ninety percent
47 of the revenue generated from an increase in license
48 and renewal fees established pursuant to section
49 147.80 for the practice of the licensed profession for
50 which an examining board conducts examinations above

1 the license and renewal fees in effect as of June 30,
2 2005. The moneys retained by an examining board shall
3 be used for any of the board's duties, including but
4 not limited to addition of full-time equivalent
5 positions for program services and investigations.
6 Revenues retained by an examining board pursuant to
7 this subsection shall be considered repayment receipts
8 as defined in section 8.2."

9 31. Page 73, line 2, by striking the word "Any"
10 and inserting the following: "To the extent allowed
11 by the United States social security administration,
12 any".

13 32. Page 77, by striking lines 1 and 2, and
14 inserting the following: "of such costs if the person
15 does not have a county of has no legal settlement or
16 the legal settlement is unknown so that the person is
17 deemed to be a state case."

18 33. Page 78, by striking lines 25 and 26, and
19 inserting the following: "have no legal settlement or
20 the legal settlement is unknown so that the persons
21 are deemed to be state cases."

22 34. Page 79, by striking lines 13 through 15 and
23 inserting the following: "provided to such persons
24 without a county of who have no legal settlement or
25 the legal settlement is unknown so that the persons
26 are deemed to be state cases."

27 35. By striking page 80, line 34 through page 81,
28 line 1 and inserting the following: "share of such
29 costs if the person does not have a county of has no
30 legal settlement or the legal settlement is unknown so
31 that the person is deemed to be a state case."

32 36. By renumbering as necessary.

By HEATON of Henry

HOUSE FILE 825

H-1309

- 1 Amend the amendment, H-1308, to House File 825 as
- 2 follows:
- 3 1. Page 1, by inserting after line 22 the
- 4 following:
- 5 "____". Page 10, line 15, by striking the figure
- 6 "5,133,042" and inserting the following: "5,811,782".
- 7 2. By renumbering as necessary.

By SMITH of Marshall

H-1309 FILED APRIL 5, 2005
LOST

HOUSE FILE 825

H-1310

- 1 Amend the amendment, H-1308, to House File 825 as
- 2 follows:
- 3 1. Page 1, line 11, by striking the figure
- 4 "1,265,342" and inserting the following: "2,192,342".
- 5 2. Page 1, by inserting after line 11, the
- 6 following:
- 7 "____". Page 3, line 5, by striking the figure
- 8 "1.35" and inserting the following: "5.35".
- 9 _____. Page 3, by inserting after line 9 the
- 10 following:
- 11 "Of the amount appropriated in this subsection,
- 12 \$927,000 is allocated for efforts to address
- 13 obesity."

By HEDDENS of Story
GASKILL of Wapello

H-1310 FILED APRIL 5, 2005
LOST

HOUSE FILE 825

H-1311

1 Amend the amendment, H-1308, to House File 825 as
2 follows:

3 1. Page 4, by inserting after line 10 the
4 following:

5 "____. Page 47, by inserting after line 8 the
6 following:

7 "Sec. ____ CHILDREN'S REDESIGN. There is
8 appropriated from the general fund of the state to the
9 department of human services for the fiscal year
10 beginning July 1, 2005, and ending June 30, 2006, the
11 following amounts, or so much thereof as is necessary,
12 to be used for redesign of the children's mental
13 health, mental retardation, developmental
14 disabilities, and brain injury services system:

15 1. For the children's portion of the system of
16 care waiver:

17 \$ 225,000

18 2. For home and community-based services waiver
19 costs under the medical assistance program for
20 children's services:

21 \$ 500,000"

22 2. By renumbering as necessary.

By HEDDENS of Story

H-1311 FILED APRIL 5, 2005

LOST

HOUSE FILE 825

H-1314

1 Amend the amendment, H-1308, to House File 825 as
2 follows:

3 1. Page 1, by inserting after line 11 the
4 following:

5 "____. Page 5, by inserting after line 23, the
6 following:

7 "It is the intent of the general assembly that from
8 the moneys appropriated in this subsection, persons
9 with a dual diagnosis of substance abuse and gambling
10 addictions shall be given priority in treatment
11 services.""

12 2. Page 4, by inserting after line 41 the
13 following:

14 "____. By striking page 59, line 35, through page
15 60, line 5."

16 3. By renumbering as necessary.

By RAECKER of Polk

H-1314 FILED APRIL 5, 2005

ADOPTED

HOUSE FILE 825

H-1315

- 1 Amend the amendment, H-1308, to House File 825 as
2 follows:
3 1. Page 1, line 11, by striking the figure
4 "1,265,342" and inserting the following: "1,565,342".
5 2. Page 1, by inserting after line 11 the
6 following:
7 "____". Page 3, by inserting after line 9 the
8 following:
9 "Of the amount appropriated in this subsection,
10 \$300,000 is allocated as additional funding for child
11 health specialty clinics."
12 3. By renumbering as necessary.

By COHOON of Des Moines
WENDT of Woodbury

H-1315 FILED APRIL 5, 2005
LOST

HOUSE FILE 825

H-1316

- 1 Amend the amendment, H-1308, to House File 825 as
2 follows:
3 1. Page 1, line 39, by striking the figure
4 "76,400,000" and inserting the following:
5 "76,700,000".
6 2. Page 1, by inserting after line 49 the
7 following:
8 "____. Of the amount appropriated in this section,
9 \$300,000 shall be used for distribution of competitive
10 grants for the provision of public education and
11 outreach to reduce the incidence of sexual abuse and
12 exploitation of children and sexual crimes against
13 children. To receive a grant under this subsection, a
14 grantee must demonstrate successful collaboration with
15 a child abuse prevention council or a community
16 partnership for protecting children."
17 3. By renumbering as necessary.

By HOGG of Linn

H-1316 FILED APRIL 5, 2005
LOST

HOUSE FILE 825

H-1317

1 Amend the amendment, H-1288, to House File 825 as
2 follows:

3 1. Page 2, line 22, by striking the figure
4 "3,608,646" and inserting the following: "4,233,646".

5 2. Page 2, by inserting before line 23 the
6 following:

7 "Notwithstanding section 8.33, moneys appropriated
8 in this section that remain unencumbered or
9 unobligated at the close of the fiscal year shall not
10 revert but shall remain available for expenditure for
11 the purposes designated until the close of the
12 succeeding fiscal year."

By MURPHY of Dubuque

HOGG of Linn

BELL of Jasper

BERRY of Black Hawk

BUKTA of Clinton

COHOON of Des Moines

DANDEKAR of Linn

DAVITT of Warren

FOEGE of Linn

FORD of Polk

FREVERT of Palo Alto

GASKILL of Wapello

HEDDENS of Story

HUNTER of Polk

JACOBY of Johnson

JOCHUM of Dubuque

KRESSIG of Black Hawk

KUHN of Floyd

LENSING of Johnson

LYKAM of Scott

MASCHER of Johnson

McCARTHY of Polk

MERTZ of Kossuth

MILLER of Webster

OLDSON of Polk

D. OLSON of Boone

PETERSEN of Polk

PETTENGILL of Benton

QUIRK of Chickasaw

REASONER of Union

SCHUELLER of Jackson

SHOMSHOR of Pottawattamie

SMITH of Marshall

SWAIM of Davis

T. TAYLOR of Linn

THOMAS of Clayton

WENDT of Woodbury

WESSEL-KROESCHELL of Story

WHITAKER of Van Buren

WHITEAD of Woodbury

WINCKLER of Scott

ZIRKELBACH of Jones

H-1317 FILED APRIL 5, 2005

LOST

HOUSE FILE 825

H-1320

1 Amend the amendment, H-1308, to House File 825 as
 2 follows:
 3 1. Page 2, by striking lines 22 through 30, and
 4 inserting the following:
 5 "____. Page 38, line 21, by inserting after the
 6 word "survey." the following: "Otherwise, if
 7 additional federal funding is provided but not in a
 8 sufficient amount to set provider reimbursement rates
 9 based on the 2002 survey, the additional funding shall
 10 be used to pay provider bonuses, to enhance provider
 11 professional development opportunities, or for a
 12 combination of measures to support child care
 13 providers.""

By PETERSEN of Polk

H-1320 FILED APRIL 5, 2005

LOST

HOUSE FILE 825

H-1321

1 Amend the amendment, H-1308, to House File 825 as
 2 follows:
 3 1. Page 1, by inserting after line 22 the
 4 following:
 5 "____. Page 11, by inserting after line 3 the
 6 following:
 7 "d. For reinstating and operating the emergency
 8 assistance program:
 9 \$ 500,000"

By FALLON of Polk

H-1321 FILED APRIL 5, 2005

LOST

HOUSE FILE 825

H-1322

1 Amend the amendment, H-1308, to House File 825 as
 2 follows:
 3 1. Page 1, line 36, by inserting after the word
 4 "quality." the following: "This subsection shall not
 5 be construed to amend, modify, or repeal the exception
 6 provided pursuant to section 249A.20A relating to
 7 drugs prescribed for mental illness. The committee
 8 shall submit a report of any options the committee
 9 recommends to the general assembly by January 1, 2006.
 10 Any options developed or recommended shall not be
 11 implemented without an affirmative action enacted by
 12 the general assembly."

By HEATON of Henry

H-1322 FILED APRIL 5, 2005

ADOPTED

HOUSE FILE 825

H-1325

1 Amend the amendment, H-1201, to House File 825 as
2 follows:

3 1. Page 1, line 2, by striking the figure "13."
4 and inserting the following: "13 and inserting the
5 following:

6 "____. It is the intent of the general assembly
7 that the department annually collect data on the
8 reimbursement rates paid to the providers and by the
9 third-party payors participating in the medical
10 assistance program. The department shall consult with
11 the division of insurance in adopting administrative
12 rules specifying the reporting format and guaranteeing
13 the confidentiality of the information provided by the
14 providers and third-party payors. The department
15 shall annually review the reimbursement rate data and
16 make recommendations for reimbursement rate changes to
17 the governor and the general assembly annually by
18 January 1. The department may adopt emergency rules
19 to implement the provisions of this subsection."

By HOFFMAN of Crawford

H-1325 FILED APRIL 5, 2005

ADOPTED

HOUSE FILE 825
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HSB 284)

(As Amended and Passed by the House April 5, 2005)

Re-Passed House, Date 5-20-05 Passed Senate, Date 5-4-05
Vote: Ayes 95 Nays 1 Vote: Ayes 42 Nays 8
Approved _____ *Re-passed 5-20-05*
42-6

A BILL FOR

1 An Act relating to and making appropriations to the department of
2 human services, the department of elder affairs, the Iowa
3 department of public health, the commission of veterans
4 affairs and the Iowa veterans home, and the department of
5 inspections and appeals, providing for fee increases, and
6 including other related provisions and appropriations, and
7 providing effective dates.

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

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House Amendments _____ []

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Deleted Language *

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DIVISION I
GENERAL FUND AND BLOCK GRANT APPROPRIATIONS
ELDER AFFAIRS

Section 1. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department of elder affairs and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for the frail elderly, the retired and senior volunteer program, resident advocate committee coordination, employment, and other services which may include, but are not limited to, adult day services, respite care, chore services, telephone reassurance, information and assistance, and home repair services, and for the construction of entrance ramps which make residences accessible to the physically handicapped, and for salaries, support, administration, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions with the department of elder affairs:

.....	\$	<u>2,791,522</u>
.....	FTEs	<u>27.75</u>

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. If the Eighty-first General Assembly enacts legislation establishing the Iowa commission on volunteer service, then of

1 the funds appropriated in this section, \$174,198 shall be
2 transferred to the office of the governor for the Iowa
3 commission on volunteer service to be used for the retired and
4 senior volunteer program.

5 HEALTH

6 Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is
7 appropriated from the general fund of the state to the Iowa
8 department of public health for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, the following amounts, or
10 so much thereof as is necessary, to be used for the purposes
11 designated:

12 1. ADDICTIVE DISORDERS

13 For reducing the prevalence of use of tobacco, alcohol, and
14 other drugs, and treating individuals affected by addictive
15 behaviors, including gambling, and for not more than the
16 following full-time equivalent positions:

17	\$	1,258,710
18	FTEs	<u>7.45</u>

19 The department and any grantee or subgrantee of the
20 department shall not discriminate against a nongovernmental
21 organization that provides substance abuse treatment and
22 prevention services or applies for funding to provide those
23 services on the basis that the organization has a religious
24 character.

25 2. ADULT WELLNESS

26 For maintaining or improving the health status of adults,
27 with target populations between the ages of 18 through 60:

28	\$	304,067
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29 3. CHILD AND ADOLESCENT WELLNESS

30 For promoting the optimum health status for children and
31 adolescents from birth through 21 years of age, and for not
32 more than the following full-time equivalent positions:

33	\$	<u>915,761</u>
34	FTEs	6.65

35 4. CHRONIC CONDITIONS

1 For serving individuals identified as having chronic
2 conditions or special health care needs, and for not more than
3 the following full-time equivalent positions:

4 \$ 1,265,342
5 FTEs 1.35

6 Of the funds appropriated in this subsection, not more than
7 \$100,000 shall be used to leverage federal funding through the
8 federal Ryan White Care Act, Title II, AIDS drug assistance
9 program supplemental drug treatment grants.

10 5. COMMUNITY CAPACITY

11 For strengthening the health care delivery system at the
12 local level, and for not more than the following full-time
13 equivalent positions:

14 \$ 1,264,299
15 FTEs 9.90

16 Of the funds appropriated in this subsection, \$100,000 is
17 allocated for a child vision screening program implemented
18 through the university of Iowa hospitals and clinics in
19 collaboration with community empowerment areas.

20 6. ELDERLY WELLNESS

21 For optimizing the health of persons 60 years of age and
22 older:

23 \$ 9,233,985

24 7. ENVIRONMENTAL HAZARDS

25 For reducing the public's exposure to hazards in the
26 environment, primarily chemical hazards, and for not more than
27 the following full-time equivalent positions:

28 \$ 401,808
29 FTEs 1.50

30 The amount appropriated in this subsection includes
31 \$150,000 in additional funding for childhood lead poisoning
32 prevention activities, and of this amount, \$100,000 is
33 allocated for counties not receiving federal funding for this
34 purpose and \$50,000 is allocated for a pilot project involving
35 a multicounty effort to address lead poisoning prevention and

1 remediation activities.

2 8. INFECTIOUS DISEASES

3 For reducing the incidence and prevalence of communicable
4 diseases, and for not more than the following full-time
5 equivalent positions:

6	\$	1,078,039
7	FTEs	5.25

8 9. INJURIES

9 For providing support and protection to victims of abuse or
10 injury, or programs that are designed to prevent abuse or
11 injury, and for not more than the following full-time
12 equivalent positions:

13	\$	1,044,151
14	FTEs	1.80

15 Of the funds appropriated in this subsection, not more than
16 \$335,107 shall be used for the healthy opportunities to
17 experience success (HOPES) - healthy families Iowa (HFI)
18 program established pursuant to section 135.106.

19 Of the funds appropriated in this subsection, \$643,500
20 shall be credited to the emergency medical services fund
21 created in section 135.25.

22 10. PUBLIC PROTECTION

23 For protecting the health and safety of the public through
24 establishing standards and enforcing regulations, and for not
25 more than the following full-time equivalent positions:

26	\$	6,820,423
27	FTEs	110.05

28 11. RESOURCE MANAGEMENT

29 For establishing and sustaining the overall ability of the
30 department to deliver services to the public, and for not more
31 than the following full-time equivalent positions:

32	\$	994,442
33	FTEs	3.00

34 12. The university of Iowa hospitals and clinics under the
35 control of the state board of regents shall not receive

1 indirect costs from the funds appropriated in this section.

2 13. A local health care provider or nonprofit health care
3 organization seeking grant moneys administered by the Iowa
4 department of public health shall provide documentation that
5 the provider or organization has coordinated its services with
6 other local entities providing similar services.

7 14. a. The department shall apply for available federal
8 funds for sexual abstinence education programs.

9 b. It is the intent of the general assembly to comply with
10 the United States Congress' intent to provide education that
11 promotes abstinence from sexual activity outside of marriage
12 and reduces pregnancies, by focusing efforts on those persons
13 most likely to father and bear children out of wedlock.

14 c. Any sexual abstinence education program awarded moneys
15 under the grant program shall meet the definition of
16 abstinence education in the federal law. Grantees shall be
17 evaluated based upon the extent to which the abstinence
18 program successfully communicates the goals set forth in the
19 federal law.

20 Sec. 3. GAMBLING TREATMENT FUND -- APPROPRIATION. In lieu
21 of the appropriation made in section 135.150, subsection 1,
22 there is appropriated from funds available in the gambling
23 treatment fund created in section 135.150 to the Iowa
24 department of public health for the fiscal year beginning July
25 1, 2005, and ending June 30, 2006, the following amount, or so
26 much thereof as is necessary, to be used for the purposes
27 designated:

28 1. ADDICTIVE DISORDERS

29 To be utilized for the benefit of persons with addictions:

30 \$ 1,690,000

31 It is the intent of the general assembly that from the
32 moneys appropriated in this subsection, persons with a dual
33 diagnosis of substance abuse and gambling addictions shall be
34 given priority in treatment services.

35 2. GAMBLING TREATMENT PROGRAM

1 The funds in the gambling treatment fund after the
2 appropriation in subsection 1 is made are appropriated to the
3 department to be used for funding of administrative costs and
4 to provide programs which may include, but are not limited to,
5 outpatient and follow-up treatment for persons affected by
6 problem gambling, rehabilitation and residential treatment
7 programs, information and referral services, education and
8 preventive services, and financial management services. Of
9 the amount appropriated in subsection 1, up to \$100,000 may be
10 used for the licensing of gambling treatment programs as
11 provided in section 135.150.

12 COMMISSION OF VETERANS AFFAIRS

13 Sec. 4. COMMISSION OF VETERANS AFFAIRS. There is
14 appropriated from the general fund of the state to the
15 commission of veterans affairs for the fiscal year beginning
16 July 1, 2005, and ending June 30, 2006, the following amounts,
17 or so much thereof as is necessary, to be used for the
18 purposes designated:

19 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

20 For salaries, support, maintenance, miscellaneous purposes,
21 including the war orphans educational aid fund established
22 pursuant to chapter 35, and for not more than the following
23 full-time equivalent positions:

24	\$	<u>320,717</u>
25	FTEs	4.00

26 a. Of the funds appropriated in this subsection, \$50,000
27 shall be used by the commission to contract with the
28 department of elder affairs to utilize local veterans affairs
29 commissions and the retired and senior volunteers program to
30 increase the utilization by eligible individuals of benefits
31 available through the federal department of veterans affairs.

32 b. Of the funds appropriated in this subsection, \$75,000
33 shall be used for the commission's costs associated with the
34 contracts implemented under paragraph "a".

35 2. IOWA VETERANS HOME

1 For salaries, support, maintenance, miscellaneous purposes,
2 and for not more than the following full-time equivalent
3 positions:

4 \$ 16,309,443
5 FTEs 855.22

6 HUMAN SERVICES

7 Sec. 5. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
8 GRANT. There is appropriated from the fund created in section
9 8.41 to the department of human services for the fiscal year
10 beginning July 1, 2005, and ending June 30, 2006, from moneys
11 received under the federal temporary assistance for needy
12 families (TANF) block grant pursuant to the federal Personal
13 Responsibility and Work Opportunity Reconciliation Act of
14 1996, Pub. L. No. 104-193, and successor legislation, which
15 are federally appropriated for the federal fiscal years
16 beginning October 1, 2004, and ending September 30, 2005, and
17 beginning October 1, 2005, and ending September 30, 2006, the
18 following amounts, or so much thereof as is necessary, to be
19 used for the purposes designated:

- 20 1. To be credited to the family investment program account
21 and used for assistance under the family investment program
22 under chapter 239B:
23 \$ 44,277,569
- 24 2. To be credited to the family investment program account
25 and used for the job opportunities and basic skills (JOBS)
26 program, and implementing family investment agreements, in
27 accordance with chapter 239B:
28 \$ 13,412,794
- 29 3. For field operations:
30 \$ 16,702,033
- 31 4. For general administration:
32 \$ 3,730,547
- 33 5. For local administrative costs:
34 \$ 2,181,296
- 35 6. For state child care assistance:

1 \$ 14,556,560

2 a. Of the funds appropriated in this subsection, \$200,000
3 shall be used for provision of educational opportunities to
4 registered child care home providers in order to improve
5 services and programs offered by this category of providers
6 and to increase the number of providers. The department may
7 contract with institutions of higher education or child care
8 resource and referral centers to provide the educational
9 opportunities. Allowable administrative costs under the
10 contracts shall not exceed 5 percent. The application for a
11 grant shall not exceed two pages in length.

12 b. The funds appropriated in this subsection shall be
13 transferred to the child care and development block grant
14 appropriation.

15 7. For mental health and developmental disabilities
16 community services:

17 \$ 4,798,979

18 8. For child and family services:

19 \$ 31,538,815

20 9. For child abuse prevention grants:

21 \$ 250,000

22 10. For pregnancy prevention grants on the condition that
23 family planning services are funded:

24 \$ 2,520,037

25 a. If the department receives approval of a waiver from
26 the centers for Medicare and Medicaid services of the United
27 States department of health and human services to provide
28 family planning services, of the amount appropriated in this
29 subsection, \$533,580 shall be transferred to the appropriation
30 in this Act for child and family services.

31 b. Pregnancy prevention grants shall be awarded to
32 programs in existence on or before July 1, 2005, if the
33 programs are comprehensive in scope and have demonstrated
34 positive outcomes. Grants shall be awarded to pregnancy
35 prevention programs which are developed after July 1, 2005, if

1 the programs are comprehensive in scope and are based on
2 existing models that have demonstrated positive outcomes.
3 Grants shall comply with the requirements provided in 1997
4 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
5 including the requirement that grant programs must emphasize
6 sexual abstinence. Priority in the awarding of grants shall
7 be given to programs that serve areas of the state which
8 demonstrate the highest percentage of unplanned pregnancies of
9 females of childbearing age within the geographic area to be
10 served by the grant.

11 11. For technology needs and other resources necessary to
12 meet federal welfare reform reporting, tracking, and case
13 management requirements:

14 \$ 1,037,186

15 12. For the healthy opportunities for parents to
16 experience success (HOPES) program administered by the Iowa
17 department of public health to target child abuse prevention:

18 \$ 200,000

19 13. To be credited to the state child care assistance
20 appropriation made in this section to be used for funding of
21 community-based early childhood programs targeted to children
22 from birth through five years of age, developed by community
23 empowerment areas as provided in section 28.9, as amended by
24 this Act:

25 \$ 7,350,000

26 The department shall transfer TANF block grant funding
27 appropriated and allocated in this subsection to the child
28 care and development block grant appropriation in accordance
29 with federal law as necessary to comply with the provisions of
30 this subsection.

31 14. For a pilot program to be established in a judicial
32 district, selected by the department and the judicial council,
33 to provide employment and support services to delinquent child
34 support obligors as an alternative to commitment to jail as
35 punishment for contempt of court:

1 \$ 200,000

2 Of the amounts appropriated in this section, \$12,808,841
3 for the fiscal year beginning July 1, 2005, shall be
4 transferred to the appropriation of the federal social
5 services block grant for that fiscal year. If the federal
6 government revises requirements to reduce the amount that may
7 be transferred to the federal social services block grant, it
8 is the intent of the general assembly to act expeditiously
9 during the 2006 legislative session to adjust appropriations
10 or the transfer amount or take other actions to address the
11 reduced amount.

12 Sec. 6. FAMILY INVESTMENT PROGRAM ACCOUNT.

13 1. Moneys credited to the family investment program (FIP)
14 account for the fiscal year beginning July 1, 2005, and ending
15 June 30, 2006, shall be used to provide assistance in
16 accordance with chapter 239B.

17 2. The department may use a portion of the moneys credited
18 to the FIP account under this section as necessary for
19 salaries, support, maintenance, and miscellaneous purposes and
20 for not more than the following full-time equivalent positions
21 which are in addition to any other full-time equivalent
22 positions authorized in this division of this Act:

23 FTEs 17.33

24 3. Moneys appropriated in this division of this Act and
25 credited to the FIP account for the fiscal year beginning July
26 1, 2005, and ending June 30, 2006, are allocated as follows:

27 a. For the family development and self-sufficiency grant
28 program as provided under section 217.12:

29 \$ 5,133,042

30 (1) Of the funds allocated for the family development and
31 self-sufficiency grant program in this lettered paragraph, not
32 more than 5 percent of the funds shall be used for the
33 administration of the grant program.

34 (2) The department may continue to implement the family
35 development and self-sufficiency grant program statewide

1 during FY 2005-2006.

2 b. For the diversion subaccount of the FIP account:

3 \$ 2,814,000

4 (1) A portion of the moneys allocated for the subaccount
5 may be used for field operations salaries, data management
6 system development, and implementation costs and support
7 deemed necessary by the director of human services in order to
8 administer the FIP diversion program.

9 (2) Of the funds allocated in this lettered paragraph, not
10 more than \$250,000 shall be used to develop or continue
11 community-level parental obligation pilot projects. The
12 requirements established under 2001 Iowa Acts, chapter 191,
13 section 3, subsection 5, paragraph "c", subparagraph (3),
14 shall remain applicable to the parental obligation pilot
15 projects for fiscal year 2005-2006.

16 c. For the food stamp employment and training program:

17 \$ 64,278

18 5. Of the child support collections assigned under FIP, an
19 amount equal to the federal share of support collections shall
20 be credited to the child support recovery appropriation. Of
21 the remainder of the assigned child support collections
22 received by the child support recovery unit, a portion shall
23 be credited to the FIP account and a portion may be used to
24 increase recoveries.

25 6. The department may adopt emergency administrative rules
26 for the family investment, food stamp, and medical assistance
27 programs, if necessary, to comply with federal requirements.

28 Sec. 7. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is
29 appropriated from the general fund of the state to the
30 department of human services for the fiscal year beginning
31 July 1, 2005, and ending June 30, 2006, the following amount,
32 or so much thereof as is necessary, to be used for the purpose
33 designated:

34 To be credited to the family investment program (FIP)
35 account and used for family investment program assistance

1 under chapter 239B:

2 \$ 40,250,000

3 Of the funds appropriated in this section, \$9,274,134 is
4 allocated for the JOBS program.

5 Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated
6 from the general fund of the state to the department of human
7 services for the fiscal year beginning July 1, 2005, and
8 ending June 30, 2006, the following amount, or so much thereof
9 as is necessary, to be used for the purposes designated:

10 For child support recovery, including salaries, support,
11 maintenance, and miscellaneous purposes and for not more than
12 the following full-time equivalent positions:

13 \$ 7,829,317
14 FTEs 423.00

15 1. The department shall expend up to \$31,000, including
16 federal financial participation, for the fiscal year beginning
17 July 1, 2005, for a child support public awareness campaign.
18 The department and the office of the attorney general shall
19 cooperate in continuation of the campaign. The public
20 awareness campaign shall emphasize, through a variety of media
21 activities, the importance of maximum involvement of both
22 parents in the lives of their children as well as the
23 importance of payment of child support obligations.

24 2. Federal access and visitation grant moneys shall be
25 issued directly to private not-for-profit agencies that
26 provide services designed to increase compliance with the
27 child access provisions of court orders, including but not
28 limited to neutral visitation site and mediation services.

29 Sec. 9. MEDICAL ASSISTANCE. There is appropriated from
30 the general fund of the state to the department of human
31 services for the fiscal year beginning July 1, 2005, and
32 ending June 30, 2006, the following amount, or so much thereof
33 as is necessary, to be used for the purpose designated:

34 For medical assistance reimbursement and associated costs
35 as specifically provided in the reimbursement methodologies in

1 effect on June 30, 2005, except as otherwise expressly
2 authorized by law, including reimbursement for abortion
3 services, which shall be available under the medical
4 assistance program only for those abortions which are
5 medically necessary:

6 \$524,800,000

7 1. Medically necessary abortions are those performed under
8 any of the following conditions:

9 a. The attending physician certifies that continuing the
10 pregnancy would endanger the life of the pregnant woman.

11 b. The attending physician certifies that the fetus is
12 physically deformed, mentally deficient, or afflicted with a
13 congenital illness.

14 c. The pregnancy is the result of a rape which is reported
15 within 45 days of the incident to a law enforcement agency or
16 public or private health agency which may include a family
17 physician.

18 d. The pregnancy is the result of incest which is reported
19 within 150 days of the incident to a law enforcement agency or
20 public or private health agency which may include a family
21 physician.

22 e. Any spontaneous abortion, commonly known as a
23 miscarriage, if not all of the products of conception are
24 expelled.

25 2. The department shall utilize not more than \$60,000 of
26 the funds appropriated in this section to continue the
27 AIDS/HIV health insurance premium payment program as
28 established in 1992 Iowa Acts, Second Extraordinary Session,
29 chapter 1001, section 409, subsection 6. Of the funds
30 allocated in this subsection, not more than \$5,000 may be
31 expended for administrative purposes.

32 3. Of the funds appropriated to the Iowa department of
33 public health for addictive disorders, \$950,000 for the fiscal
34 year beginning July 1, 2005, shall be transferred to the
35 department of human services for an integrated substance abuse

1 managed care system.

2 4. If the federal centers for Medicare and Medicaid
3 services approves a waiver request from the department, the
4 department shall provide a period of 12 months of guaranteed
5 eligibility for medical assistance family planning services
6 only, regardless of the change in circumstances of a woman who
7 was a medical assistance recipient when a pregnancy ended.
8 The department shall also provide this guaranteed eligibility
9 to women of childbearing age with countable income at or below
10 200 percent of the federal poverty level.

11 5. a. The department shall aggressively pursue options
12 for providing medical assistance or other assistance to
13 individuals with special needs who become ineligible to
14 continue receiving services under the early and periodic
15 screening, diagnosis, and treatment program under the medical
16 assistance program due to becoming 21 years of age, who have
17 been approved for additional assistance through the
18 department's exception to policy provisions, but who have
19 health care needs in excess of the funding available through
20 the exception to policy process.

21 b. Of the funds appropriated in this section, \$100,000
22 shall be used for participation in one or more pilot projects
23 operated by a private provider to allow the individual or
24 individuals to receive service in the community in accordance
25 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
26 (1999), for the purpose of providing medical assistance or
27 other assistance to individuals with special needs who become
28 ineligible to continue receiving services under the early and
29 periodic screening, diagnosis, and treatment program under the
30 medical assistance program due to becoming 21 years of age,
31 who have been approved for additional assistance through the
32 department's exception to policy provisions, but who have
33 health care needs in excess of the funding available through
34 the exception to the policy provisions.

35 6. Of the funds available in this section, up to

1 \$3,270,082 may be transferred to the field operations or
2 general administration appropriations in this Act for
3 implementation and operational costs associated with Part D of
4 the federal Medicare Prescription Drug, Improvement, and
5 Modernization Act of 2003, Pub. L. No. 108-173.

6 7. The department shall expand the health insurance data
7 match program as directed pursuant to 2004 Iowa Acts, chapter
8 1175, section 119, subsection 1, paragraph "c", to also match
9 insureds against a listing of hawk-i program enrollees. The
10 information submitted under the expansion shall be used solely
11 to identify third-party payors for hawk-i program enrollees
12 and shall be kept confidential. The department, in
13 consultation with insurance carriers, shall adopt rules to
14 implement this subsection. The department may adopt emergency
15 rules to implement this subsection and insurance carriers
16 shall begin providing the information required upon adoption
17 of the rules.

18 8. The department shall modify the methodology in effect
19 as of June 30, 2005, for calculating the state maximum
20 allowable cost reimbursement rates by reducing the sample size
21 required for pricing.

22 9. It is the intent of the general assembly that the
23 department annually collect data on the reimbursement rates
24 paid to the providers and by the third-party payors
25 participating in the medical assistance program. The
26 department shall consult with the division of insurance in
27 adopting administrative rules specifying the reporting format
28 and guaranteeing the confidentiality of the information
29 provided by the providers and third-party payors. The
30 department shall annually review the reimbursement rate data
31 and make recommendations for reimbursement rate changes to the
32 governor and the general assembly annually by January 1. The
33 department may adopt emergency rules to implement the
34 provisions of this subsection.

35 10. The department, consistent with applicable state and

1 federal law, shall issue one or more requests for proposals to
2 procure medical supplies, including durable medical equipment,
3 through statewide bulk purchasing or mail order under the
4 medical assistance program, if such procurement is projected
5 to reduce the costs of the items to the medical assistance
6 program while maintaining appropriate access and quality
7 standards.

8 11. The department shall provide educational opportunities
9 to providers under the medical assistance program to improve
10 payment accuracy by avoiding mistakes and overbilling.

* 11 12. The department shall modify billing practices to allow
12 for collection of rebates from prescription drug manufacturers
13 under the medical assistance program for purchase of
14 injectable drugs administered in physicians' offices.

15 13. The department shall adjust managed care capitation
16 payments from the payment structure in effect as of June 30,
17 2004, to optimize family planning claiming.

18 14. The medical assistance pharmaceutical and therapeutics
19 committee established pursuant to section 249A.20A shall
20 develop options for increasing the savings relative to
21 psychotropic drugs, while maintaining patient care quality.
22 This subsection shall not be construed to amend, modify, or
23 repeal the exception provided pursuant to section 249A.20A
24 relating to drugs prescribed for mental illness. The
25 committee shall submit a report of any options the committee
26 recommends to the general assembly by January 1, 2006. Any
27 options developed or recommended shall not be implemented
28 without an affirmative action enacted by the general assembly.

29 Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
30 is appropriated from the general fund of the state to the
31 department of human services for the fiscal year beginning
32 July 1, 2005, and ending June 30, 2006, the following amount,
33 or so much thereof as is necessary, to be used for the purpose
34 designated:

35 For administration of the health insurance premium payment

1 program, including salaries, support, maintenance, and
2 miscellaneous purposes, and for not more than the following
3 full-time equivalent positions:

4 \$ 612,574
5 FTEs 20.95

6 Sec. 11. MEDICAL CONTRACTS. There is appropriated from
7 the general fund of the state to the department of human
8 services for the fiscal year beginning July 1, 2005, and
9 ending June 30, 2006, the following amount, or so much thereof
10 as is necessary, to be used for the purpose designated:

11 For medical contracts, including salaries, support,
12 maintenance, and miscellaneous purposes:
13 \$ 14,711,985

14 Sec. 12. STATE SUPPLEMENTARY ASSISTANCE.

15 1. There is appropriated from the general fund of the
16 state to the department of human services for the fiscal year
17 beginning July 1, 2005, and ending June 30, 2006, the
18 following amount, or so much thereof as is necessary, to be
19 used for the purposes designated:

20 For the state supplementary assistance program:
21 \$ 19,810,335

22 2. The department shall increase the personal needs
23 allowance for residents of residential care facilities by the
24 same percentage and at the same time as federal supplemental
25 security income and federal social security benefits are
26 increased due to a recognized increase in the cost of living.
27 The department may adopt emergency rules to implement this
28 subsection.

29 3. If during the fiscal year beginning July 1, 2005, the
30 department projects that state supplementary assistance
31 expenditures for a calendar year will not meet the federal
32 pass-along requirement specified in Title XVI of the federal
33 Social Security Act, section 1618, as codified in 42 U.S.C. §
34 1382g, the department may take actions including but not
35 limited to increasing the personal needs allowance for

1 residential care facility residents and making programmatic
2 adjustments or upward adjustments of the residential care
3 facility or in-home health-related care reimbursement rates
4 prescribed in this division of this Act to ensure that federal
5 requirements are met. In addition, the department may make
6 other programmatic and rate adjustments necessary to remain
7 within the amount appropriated in this section while ensuring
8 compliance with federal requirements. The department may
9 adopt emergency rules to implement the provisions of this
10 subsection.

11 Sec. 13. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
12 appropriated from the general fund of the state to the
13 department of human services for the fiscal year beginning
14 July 1, 2005, and ending June 30, 2006, the following amount,
15 or so much thereof as is necessary, to be used for the purpose
16 designated:

17 For maintenance of the healthy and well kids in Iowa (hawk-
18 i) program pursuant to chapter 514I for receipt of federal
19 financial participation under Title XXI of the federal Social
20 Security Act, which creates the state children's health
21 insurance program:
22 \$ 16,618,275

23 Sec. 14. CHILD CARE ASSISTANCE. There is appropriated
24 from the general fund of the state to the department of human
25 services for the fiscal year beginning July 1, 2005, and
26 ending June 30, 2006, the following amount, or so much thereof
27 as is necessary, to be used for the purpose designated:

28 For child care programs:
29 \$ 8,350,752

30 1. a. Of the funds appropriated in this section,
31 \$7,325,228 shall be used for state child care assistance in
32 accordance with section 237A.13.

33 b. The department shall adopt rules to increase the upper
34 income eligibility requirements under the state child care
35 assistance program for families from 140 percent of the

1 federal poverty level to 145 percent of the federal poverty
2 level and for families with a special needs child from 175
3 percent of the federal poverty level to 200 percent of the
4 federal poverty level. The department may adopt emergency
5 rules to implement this paragraph.

6 2. Of the funds appropriated in this section, \$500,000
7 shall be used for implementation of a quality rating system
8 for child care providers, in accordance with legislation
9 enacted to authorize implementation of the rating system.

10 3. Nothing in this section shall be construed or is
11 intended as, or shall imply, a grant of entitlement for
12 services to persons who are eligible for assistance due to an
13 income level consistent with the waiting list requirements of
14 section 237A.13. Any state obligation to provide services
15 pursuant to this section is limited to the extent of the funds
16 appropriated in this section.

17 4. Of the funds appropriated in this section, \$525,524 is
18 allocated for the statewide program for child care resource
19 and referral services under section 237A.26.

20 5. The department may use any of the funds appropriated in
21 this section as a match to obtain federal funds for use in
22 expanding child care assistance and related programs. For the
23 purpose of expenditures of state and federal child care
24 funding, funds shall be considered obligated at the time
25 expenditures are projected or are allocated to the
26 department's service areas. Projections shall be based on
27 current and projected caseload growth, current and projected
28 provider rates, staffing requirements for eligibility
29 determination and management of program requirements including
30 data systems management, staffing requirements for
31 administration of the program, contractual and grant
32 obligations and any transfers to other state agencies, and
33 obligations for decategorization or innovation projects.

34 6. A portion of the state match for the federal child care
35 and development block grant shall be provided through the

1 state general fund appropriation for child development grants
2 and other programs for at-risk children in section 279.51.

3 Sec. 15. JUVENILE INSTITUTIONS. There is appropriated
4 from the general fund of the state to the department of human
5 services for the fiscal year beginning July 1, 2005, and
6 ending June 30, 2006, the following amounts, or so much
7 thereof as is necessary, to be used for the purposes
8 designated:

9 1. For operation of the Iowa juvenile home at Toledo and
10 for salaries, support, maintenance, and for not more than the
11 following full-time equivalent positions:

12 \$ 6,201,283
13 FTEs 130.54

14 2. For operation of the state training school at Eldora
15 and for salaries, support, maintenance, and for not more than
16 the following full-time equivalent positions:

17 \$ 9,830,692
18 FTEs 218.53

19 3. A portion of the moneys appropriated in this section
20 shall be used by the state training school and by the Iowa
21 juvenile home for grants for adolescent pregnancy prevention
22 activities at the institutions in the fiscal year beginning
23 July 1, 2005.

24 Sec. 16. CHILD AND FAMILY SERVICES.

25 1. There is appropriated from the general fund of the
26 state to the department of human services for the fiscal year
27 beginning July 1, 2005, and ending June 30, 2006, the
28 following amount, or so much thereof as is necessary, to be
29 used for the purpose designated:

30 For child and family services:

31 \$ 76,400,000

32 In order to address a reduction of \$5,200,000 from the
33 amount allocated under this appropriation in prior years for
34 purposes of juvenile delinquent graduated sanction services,
35 up to \$5,200,000 of the amount of federal temporary assistance

1 for needy families block grant funding appropriated in this
2 division of this Act for child and family services, shall be
3 made available for purposes of juvenile delinquent graduated
4 sanction services.

5 2. The department may transfer funds appropriated in this
6 section as necessary to pay the nonfederal costs of services
7 reimbursed under the medical assistance program or the family
8 investment program which are provided to children who would
9 otherwise receive services paid under the appropriation in
10 this section. The department may transfer funds appropriated
11 in this section to the appropriations in this division of this
12 Act for general administration and for field operations for
13 resources necessary to implement and operate the services
14 funded in this section.

15 3. a. Of the funds appropriated in this section, up to
16 \$35,883,519 is allocated as the statewide expenditure target
17 under section 232.143 for group foster care maintenance and
18 services.

19 b. If at any time after September 30, 2005, annualization
20 of a service area's current expenditures indicates a service
21 area is at risk of exceeding its group foster care expenditure
22 target under section 232.143 by more than 5 percent, the
23 department and juvenile court services shall examine all group
24 foster care placements in that service area in order to
25 identify those which might be appropriate for termination. In
26 addition, any aftercare services believed to be needed for the
27 children whose placements may be terminated shall be
28 identified. The department and juvenile court services shall
29 initiate action to set dispositional review hearings for the
30 placements identified. In such a dispositional review
31 hearing, the juvenile court shall determine whether needed
32 aftercare services are available and whether termination of
33 the placement is in the best interest of the child and the
34 community.

35 c. Of the funds allocated in this subsection, \$1,465,009

1 is allocated as the state match funding for 50 highly
2 structured juvenile program beds. If the number of beds
3 provided for in this lettered paragraph is not utilized, the
4 remaining funds allocated may be used for group foster care.

5 d. If House File 538 or other legislation is enacted
6 during the 2005 session of the general assembly providing for
7 submission of an application for federal approval of a waiver
8 to provide coverage under the medical assistance program for
9 children who need behavioral health care services and qualify
10 for the care level provided by a psychiatric medical
11 institution for children licensed under chapter 135H and are
12 in need of treatment to cure or alleviate serious mental
13 illness or disorder, or emotional damage as evidenced by
14 severe anxiety, depression, withdrawal, or untoward aggressive
15 behavior toward self or others and whose parents, guardians,
16 or custodians are unable to provide such treatment, and the
17 waiver is approved, the department may transfer funds
18 appropriated in this section to the appropriation made in this
19 division of this Act for the medical assistance program in
20 order to pay the nonfederal share of the costs incurred under
21 the waiver.

22 4. In accordance with the provisions of section 232.188,
23 the department shall continue the program to decategorize
24 child welfare services funding. Of the funds appropriated in
25 this section, \$2,000,000 is allocated specifically for
26 expenditure through the decategorization of child welfare
27 funding pools and governance boards established pursuant to
28 section 232.188. In addition, up to \$1,000,000 of the amount
29 of federal temporary assistance for needy families block grant
30 funding appropriated in this division of this Act for child
31 and family services shall be made available for purposes of
32 decategorization of child welfare services as provided in this
33 subsection. Notwithstanding section 8.33, moneys allocated in
34 this subsection that remain unencumbered or unobligated at the
35 close of the fiscal year shall not revert but shall remain

1 available for expenditure for the purposes designated until
2 the close of the succeeding fiscal year.

3 5. A portion of the funding appropriated in this section
4 may be used for emergency family assistance to provide other
5 resources required for a family participating in a family
6 preservation or reunification project to stay together or to
7 be reunified.

8 6. Notwithstanding section 234.35, subsection 1, for the
9 fiscal year beginning July 1, 2005, state funding for shelter
10 care paid pursuant to section 234.35, subsection 1, paragraph
11 "h", shall be limited to \$7,252,955.

12 7. Federal funds received by the state during the fiscal
13 year beginning July 1, 2005, as the result of the expenditure
14 of state funds appropriated during a previous state fiscal
15 year for a service or activity funded under this section, are
16 appropriated to the department to be used as additional
17 funding for services and purposes provided for under this
18 section. Notwithstanding section 8.33, moneys received in
19 accordance with this subsection that remain unencumbered or
20 unobligated at the close of the fiscal year shall not revert
21 to any fund but shall remain available for the purposes
22 designated until the close of the succeeding fiscal year.

23 8. Of the moneys appropriated in this section, not more
24 than \$442,100 is allocated to provide clinical assessment
25 services as necessary to continue funding of children's
26 rehabilitation services under medical assistance in accordance
27 with federal law and requirements. The funding allocated is
28 the amount projected to be necessary for providing the
29 clinical assessment services.

30 9. Of the funding appropriated in this section, \$3,696,285
31 shall be used for protective child care assistance.

32 10. Of the moneys appropriated in this section, up to
33 \$2,859,851 is allocated for the payment of the expenses of
34 court-ordered services provided to juveniles which are a
35 charge upon the state pursuant to section 232.141, subsection

1 4. Of the amount allocated in this subsection, up to
2 \$1,431,597 shall be made available to provide school-based
3 supervision of children adjudicated under chapter 232, of
4 which not more than \$15,000 may be used for the purpose of
5 training. A portion of the cost of each school-based liaison
6 officer shall be paid by the school district or other funding
7 source as approved by the chief juvenile court officer.

8 a. Notwithstanding section 232.141 or any other provision
9 of law to the contrary, the amount allocated in this
10 subsection shall be distributed to the judicial districts as
11 determined by the state court administrator. The state court
12 administrator shall make the determination of the distribution
13 amounts on or before June 15, 2005.

14 b. Notwithstanding chapter 232 or any other provision of
15 law to the contrary, a district or juvenile court shall not
16 order any service which is a charge upon the state pursuant to
17 section 232.141 if there are insufficient court-ordered
18 services funds available in the district court distribution
19 amount to pay for the service. The chief juvenile court
20 officer shall encourage use of the funds allocated in this
21 subsection such that there are sufficient funds to pay for all
22 court-related services during the entire year. The chief
23 juvenile court officers shall attempt to anticipate potential
24 surpluses and shortfalls in the distribution amounts and shall
25 cooperatively request the state court administrator to
26 transfer funds between the districts' distribution amounts as
27 prudent.

28 c. Notwithstanding any provision of law to the contrary, a
29 district or juvenile court shall not order a county to pay for
30 any service provided to a juvenile pursuant to an order
31 entered under chapter 232 which is a charge upon the state
32 under section 232.141, subsection 4.

33 d. Of the funding allocated in this subsection, not more
34 than \$100,000 may be used by the judicial branch for
35 administration of the requirements under this subsection and

1 for travel associated with court-ordered placements which are
2 a charge upon the state pursuant to section 232.141,
3 subsection 4.

4 11. Notwithstanding 2000 Iowa Acts, chapter 1228, section
5 43, the department may operate a subsidized guardianship
6 program if the United States department of health and human
7 services approves a waiver under Title IV-E of the federal
8 Social Security Act or the federal Social Security Act is
9 amended to allow Title IV-E funding to be used for subsidized
10 guardianship, and the subsidized guardianship program can be
11 operated without loss of Title IV-E funds.

12 12. Of the amount appropriated in this section, \$300,000
13 shall be transferred to the Iowa department of public health
14 to be used for the child protection center grant program in
15 accordance with section 135.118.

16 13. Of the amount appropriated in this section, \$148,000
17 shall be used for funding of one or more child welfare
18 diversion and mediation pilot projects as provided in 2004
19 Iowa Acts, chapter 1130, section 1.

20 14. If the department receives federal approval to
21 implement a waiver under Title IV-E of the federal Social
22 Security Act to enable providers to serve children who remain
23 in the children's families and communities, for purposes of
24 eligibility under the medical assistance program children who
25 participate in the waiver shall be considered to be placed in
26 foster care.

27 Sec. 17. ADOPTION SUBSIDY.

28 1. There is appropriated from the general fund of the
29 state to the department of human services for the fiscal year
30 beginning July 1, 2005, and ending June 30, 2006, the
31 following amount, or so much thereof as is necessary, to be
32 used for the purpose designated:

33 For adoption subsidy payments and services:

34 \$ 32,250,000

35 2. The department may transfer funds appropriated in this

1 section to the appropriations in this Act for child and family
2 services to be used for adoptive family recruitment and other
3 services to achieve adoption.

4 3. Federal funds received by the state during the fiscal
5 year beginning July 1, 2005, as the result of the expenditure
6 of state funds during a previous state fiscal year for a
7 service or activity funded under this section, are
8 appropriated to the department to be used as additional
9 funding for the services and activities funded under this
10 section. Notwithstanding section 8.33, moneys received in
11 accordance with this subsection that remain unencumbered or
12 unobligated at the close of the fiscal year shall not revert
13 to any fund but shall remain available for expenditure for the
14 purposes designated until the close of the succeeding fiscal
15 year.

16 Sec. 18. JUVENILE DETENTION HOME FUND. Moneys deposited
17 in the juvenile detention home fund created in section 232.142
18 during the fiscal year beginning July 1, 2005, and ending June
19 30, 2006, are appropriated to the department of human services
20 for the fiscal year beginning July 1, 2005, and ending June
21 30, 2006, for distribution as follows:

22 1. An amount equal to 10 percent of the costs of the
23 establishment, improvement, operation, and maintenance of
24 county or multicounty juvenile detention homes in the fiscal
25 year beginning July 1, 2004. Moneys appropriated for
26 distribution in accordance with this subsection shall be
27 allocated among eligible detention homes, prorated on the
28 basis of an eligible detention home's proportion of the costs
29 of all eligible detention homes in the fiscal year beginning
30 July 1, 2004. Notwithstanding section 232.142, subsection 3,
31 the financial aid payable by the state under that provision
32 for the fiscal year beginning July 1, 2005, shall be limited
33 to the amount appropriated for the purposes of this
34 subsection.

35 2. For renewal of a grant to a county with a population

1 between 189,000 and 196,000 for implementation of the county's
2 runaway treatment plan under section 232.195:

3 \$ 80,000

4 3. For continuation and expansion of the community
5 partnership for child protection sites:

6 \$ 318,000

7 4. For grants to counties implementing a runaway treatment
8 plan under section 232.195.

9 5. The remainder for additional allocations to county or
10 multicounty juvenile detention homes, in accordance with the
11 distribution requirements of subsection 1.

12 Sec. 19. FAMILY SUPPORT SUBSIDY PROGRAM. There is
13 appropriated from the general fund of the state to the
14 department of human services for the fiscal year beginning
15 July 1, 2005, and ending June 30, 2006, the following amount,
16 or so much thereof as is necessary, to be used for the purpose
17 designated:

18 For the family support subsidy program:

19 \$ 1,936,434

20 1. The department may use up to \$333,312 of the moneys
21 appropriated in this section to continue the children-at-home
22 program in current counties, of which not more than \$20,000
23 shall be used for administrative costs.

24 2. Notwithstanding section 225C.38, subsection 1, the
25 monthly family support payment amount for the fiscal year
26 beginning July 1, 2005, shall remain the same as the payment
27 amount in effect on June 30, 2005.

28 Sec. 20. CONNER DECREE. There is appropriated from the
29 general fund of the state to the department of human services
30 for the fiscal year beginning July 1, 2005, and ending June
31 30, 2006, the following amount, or so much thereof as is
32 necessary, to be used for the purpose designated:

33 For building community capacity through the coordination
34 and provision of training opportunities in accordance with the
35 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.

1 Iowa, July 14, 1994):

2 \$ 42,623

3 Sec. 21. MENTAL HEALTH INSTITUTES. There is appropriated
4 from the general fund of the state to the department of human
5 services for the fiscal year beginning July 1, 2005, and
6 ending June 30, 2006, the following amounts, or so much
7 thereof as is necessary, to be used for the purposes
8 designated:

9 1. For the state mental health institute at Cherokee for
10 salaries, support, maintenance, and miscellaneous purposes and
11 for not more than the following full-time equivalent
12 positions:

13 \$ 13,074,889

14 FTEs 228.00

15 2. For the state mental health institute at Clarinda for
16 salaries, support, maintenance, and miscellaneous purposes and
17 for not more than the following full-time equivalent
18 positions:

19 \$ 7,439,591

20 FTEs 113.15

21 3. For the state mental health institute at Independence
22 for salaries, support, maintenance, and miscellaneous purposes
23 and for not more than the following full-time equivalent
24 positions:

25 \$ 17,329,091

26 FTEs 317.80

27 4. For the state mental health institute at Mount Pleasant
28 for salaries, support, maintenance, and miscellaneous purposes
29 and for not more than the following full-time equivalent
30 positions:

31 \$ 6,131,181

32 FTEs 100.44

33 Sec. 22. STATE RESOURCE CENTERS. There is appropriated
34 from the general fund of the state to the department of human
35 services for the fiscal year beginning July 1, 2005, and

1 ending June 30, 2006, the following amounts, or so much
2 thereof as is necessary, to be used for the purposes
3 designated:

4 1. For the state resource center at Glenwood for salaries,
5 support, maintenance, and miscellaneous purposes:
6 \$ 12,600,000

7 2. For the state resource center at Woodward for salaries,
8 support, maintenance, and miscellaneous purposes:
9 \$ 7,050,000

10 3. The department may continue to bill for state resource
11 center services utilizing a scope of services approach used
12 for private providers of ICFMR services, in a manner which
13 does not shift costs between the medical assistance program,
14 counties, or other sources of funding for the state resource
15 centers.

16 4. The state resource centers may expand the time limited
17 assessment and respite services during the fiscal year.

18 5. If the department's administration and the department
19 of management concur with a finding by a state resource
20 center's superintendent that projected revenues can reasonably
21 be expected to pay the salary and support costs for a new
22 employee position, or that such costs for adding a particular
23 number of new positions for the fiscal year would be less than
24 the overtime costs if new positions would not be added, the
25 superintendent may add the new position or positions. If the
26 vacant positions available to a resource center do not include
27 the position classification desired to be filled, the state
28 resource center's superintendent may reclassify any vacant
29 position as necessary to fill the desired position. The
30 superintendents of the state resource centers may, by mutual
31 agreement, pool vacant positions and position classifications
32 during the course of the fiscal year in order to assist one
33 another in filling necessary positions.

34 6. If existing capacity limitations are reached in
35 operating units, a waiting list is in effect for a service or

1 a special need for which a payment source or other funding is
2 available for the service or to address the special need, and
3 facilities for the service or to address the special need can
4 be provided within the available payment source or other
5 funding, the superintendent of a state resource center may
6 authorize opening not more than two units or other facilities
7 and to begin implementing the service or addressing the
8 special need during fiscal year 2005-2006.

9 Sec. 23. MI/MR/DD STATE CASES.

10 1. There is appropriated from the general fund of the
11 state to the department of human services for the fiscal year
12 beginning July 1, 2005, and ending June 30, 2006, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purpose designated:

15 For purchase of local services for persons with mental
16 illness, mental retardation, and developmental disabilities
17 where the client has no established county of legal
18 settlement:

19 \$ 10,514,619

20 2. For the fiscal year beginning July 1, 2005, and ending
21 June 30, 2006, \$500,000 is allocated for state cases from the
22 amounts appropriated from the fund created in section 8.41 to
23 the department of human services from the funds received from
24 the federal government under 42 U.S.C., chapter 6A, subchapter
25 XVII, relating to the community mental health center block
26 grant, for the federal fiscal years beginning October 1, 2003,
27 and ending September 30, 2004, beginning October 1, 2004, and
28 ending September 30, 2005, and beginning October 1, 2005, and
29 ending September 30, 2006. The allocation made in this
30 subsection shall be made prior to any other distribution
31 allocation of the appropriated federal funds.

32 Sec. 24. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
33 COMMUNITY SERVICES FUND. There is appropriated from the
34 general fund of the state to the mental health and
35 developmental disabilities community services fund created in

1 section 225C.7 for the fiscal year beginning July 1, 2005, and
2 ending June 30, 2006, the following amount, or so much thereof
3 as is necessary, to be used for the purpose designated:

4 For mental health and developmental disabilities community
5 services in accordance with this division of this Act:

6 \$ 17,757,890

7 1. Of the funds appropriated in this section, \$17,727,890
8 shall be allocated to counties for funding of community-based
9 mental health and developmental disabilities services. The
10 moneys shall be allocated to a county as follows:

11 a. Fifty percent based upon the county's proportion of the
12 state's population of persons with an annual income which is
13 equal to or less than the poverty guideline established by the
14 federal office of management and budget.

15 b. Fifty percent based upon the county's proportion of the
16 state's general population.

17 2. a. A county shall utilize the funding the county
18 receives pursuant to subsection 1 for services provided to
19 persons with a disability, as defined in section 225C.2.
20 However, no more than 50 percent of the funding shall be used
21 for services provided to any one of the service populations.

22 b. A county shall use at least 50 percent of the funding
23 the county receives under subsection 1 for contemporary
24 services provided to persons with a disability, as described
25 in rules adopted by the department.

26 3. Of the funds appropriated in this section, \$30,000
27 shall be used to support the Iowa compass program providing
28 computerized information and referral services for Iowans with
29 disabilities and their families.

30 4. a. Funding appropriated for purposes of the federal
31 social services block grant is allocated for distribution to
32 counties for local purchase of services for persons with
33 mental illness or mental retardation or other developmental
34 disability.

35 b. The funds allocated in this subsection shall be

1 expended by counties in accordance with the county's approved
2 county management plan. A county without an approved county
3 management plan shall not receive allocated funds until the
4 county's management plan is approved.

5 c. The funds provided by this subsection shall be
6 allocated to each county as follows:

7 (1) Fifty percent based upon the county's proportion of
8 the state's population of persons with an annual income which
9 is equal to or less than the poverty guideline established by
10 the federal office of management and budget.

11 (2) Fifty percent based upon the amount provided to the
12 county for local purchase of services in the preceding fiscal
13 year.

14 5. A county is eligible for funds under this section if
15 the county qualifies for a state payment as described in
16 section 331.439.

17 Sec. 25. SEXUALLY VIOLENT PREDATORS.

18 1. There is appropriated from the general fund of the
19 state to the department of human services for the fiscal year
20 beginning July 1, 2005, and ending June 30, 2006, the
21 following amount, or so much thereof as is necessary, to be
22 used for the purpose designated:

23	For costs associated with the commitment and treatment of	
24	sexually violent predators in the unit located at the state	
25	mental health institute at Cherokee, including costs of legal	
26	services and other associated costs, including salaries,	
27	support, maintenance, miscellaneous purposes, and for not more	
28	than the following full-time equivalent positions:	
29	\$ 3,621,338
30 FTEs	65.00

31 2. Unless specifically prohibited by law, if the amount
32 charged provides for recoupment of at least the entire amount
33 of direct and indirect costs, the department of human services
34 may contract with other states to provide care and treatment
35 of persons placed by the other states at the unit for sexually

1 violent predators at Cherokee. The moneys received under such
2 a contract shall be considered to be repayment receipts and
3 used for the purposes of the appropriation made in this
4 section.

5 Sec. 26. FIELD OPERATIONS. There is appropriated from the
6 general fund of the state to the department of human services
7 for the fiscal year beginning July 1, 2005, and ending June
8 30, 2006, the following amount, or so much thereof as is
9 necessary, to be used for the purposes designated:

10 For field operations, including salaries, support,
11 maintenance, and miscellaneous purposes and for not more than
12 the following full-time equivalent positions:

13	\$ <u>53,505,000</u>
14	FTEs 1,844.00

15 Priority in filling full-time equivalent positions shall be
16 given to those positions related to child protection services.

17 Sec. 27. GENERAL ADMINISTRATION. There is appropriated
18 from the general fund of the state to the department of human
19 services for the fiscal year beginning July 1, 2005, and
20 ending June 30, 2006, the following amount, or so much thereof
21 as is necessary, to be used for the purpose designated:

22 For general administration, including salaries, support,
23 maintenance, and miscellaneous purposes and for not more than
24 the following full-time equivalent positions:

25	\$ 13,312,196
26	FTEs 292.00

27 Of the funds appropriated in this section, \$57,000 is
28 allocated for the prevention of disabilities policy council
29 established in section 225B.3.

30 Sec. 28. VOLUNTEERS. There is appropriated from the
31 general fund of the state to the department of human services
32 for the fiscal year beginning July 1, 2005, and ending June
33 30, 2006, the following amount, or so much thereof as is
34 necessary, to be used for the purpose designated:

35 For development and coordination of volunteer services:

1 \$ 109,568

2 Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
3 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
4 DEPARTMENT OF HUMAN SERVICES.

5 1. a. (1) For the fiscal year beginning July 1, 2005,
6 nursing facilities shall be reimbursed at 100 percent of the
7 modified price-based case-mix reimbursement rate. Nursing
8 facilities reimbursed under the medical assistance program
9 shall submit annual cost reports and additional documentation
10 as required by rules adopted by the department.

11 (2) For the fiscal year beginning July 1, 2005, the total
12 state funding amount for the nursing facility budget shall not
13 exceed \$161,600,000. The department, in cooperation with
14 nursing facility representatives, shall review projections for
15 state funding expenditures for reimbursement of nursing
16 facilities on a quarterly basis and the department shall
17 determine if an adjustment to the medical assistance
18 reimbursement rate is necessary in order to provide
19 reimbursement within the state funding amount. Any temporary
20 enhanced federal financial participation that may become
21 available to the Iowa medical assistance program during the
22 fiscal year shall not be used in projecting the nursing
23 facility budget. Notwithstanding 2001 Iowa Acts, chapter 192,
24 section 4, subsection 2, paragraph "c", and subsection 3,
25 paragraph "a", subparagraph (2), if the state funding
26 expenditures for the nursing facility budget for the fiscal
27 year beginning July 1, 2005, are projected to exceed the
28 amount specified in this subparagraph, the department shall
29 adjust the inflation factor of the reimbursement rate
30 calculation for only the nursing facilities reimbursed under
31 the case-mix reimbursement system to maintain expenditures of
32 the nursing facility budget within the specified amount.

33 (3) For recalculation of the per diem cost and the
34 patient-day-weighted medians used in rate setting for nursing
35 facilities effective July 1, 2005, the inflation factor

1 [applied from the midpoint of the cost report period to the
2 first day of the state fiscal year rate period shall be zero
3 percent.]

4 b. For the fiscal year beginning July 1, 2005, the
5 department shall reimburse pharmacy dispensing fees using a
6 single rate of \$4.39 per prescription, or the pharmacy's usual
7 and customary fee, whichever is lower.

8 c. For the fiscal year beginning July 1, 2005,
9 reimbursement rates for inpatient and outpatient hospital
10 services shall be increased by 3 percent over the rates in
11 effect on June 30, 2005. The department shall continue the
12 outpatient hospital reimbursement system based upon ambulatory
13 patient groups implemented pursuant to 1994 Iowa Acts, chapter
14 1186, section 25, subsection 1, paragraph "f". In addition,
15 the department shall continue the revised medical assistance
16 payment policy implemented pursuant to that paragraph to
17 provide reimbursement for costs of screening and treatment
18 provided in the hospital emergency room if made pursuant to
19 the prospective payment methodology developed by the
20 department for the payment of outpatient services provided
21 under the medical assistance program. Any rebasing of
22 hospital inpatient or outpatient rates shall not increase
23 total payments for inpatient and outpatient services beyond
24 the 3 percent increase provided in this paragraph.

25 d. For the fiscal year beginning July 1, 2005,
26 reimbursement rates for rural health clinics, hospices,
27 independent laboratories, and acute mental hospitals shall be
28 increased in accordance with increases under the federal
29 Medicare program or as supported by their Medicare audited
30 costs.

31 e. (1) For the fiscal year beginning July 1, 2005,
32 reimbursement rates for home health agencies shall be
33 increased by 3 percent over the rates in effect on June 30,
34 2005, not to exceed a home health agency's actual allowable
35 cost.

1 (2) The department shall establish a fixed-fee
2 reimbursement schedule for home health agencies under the
3 medical assistance program beginning July 1, 2006.

4 f. For the fiscal year beginning July 1, 2005, federally
5 qualified health centers shall receive cost-based
6 reimbursement for 100 percent of the reasonable costs for the
7 provision of services to recipients of medical assistance.

8 g. Beginning July 1, 2005, the reimbursement rates for
9 dental services shall be increased by 3 percent over the rates
10 in effect on June 30, 2005.

11 h. Beginning July 1, 2005, the reimbursement rates for
12 community mental health centers shall be increased by 3
13 percent over the rates in effect on June 30, 2005.

14 i. For the fiscal year beginning July 1, 2005, the maximum
15 reimbursement rate for psychiatric medical institutions for
16 children shall be increased by 3 percent over the rate in
17 effect on June 30, 2005.

18 j. For the fiscal year beginning July 1, 2005, unless
19 otherwise specified in this Act, all noninstitutional medical
20 assistance provider reimbursement rates shall be increased by
21 3 percent over the rates in effect on June 30, 2005, except
22 for area education agencies, local education agencies, infant
23 and toddler services providers, and those providers whose
24 rates are required to be determined pursuant to section
25 249A.20.

26 k. Notwithstanding section 249A.20, for the fiscal year
27 beginning July 1, 2005, the average reimbursement rate for
28 health care providers eligible for use of the federal Medicare
29 resource-based relative value scale reimbursement methodology
30 under that section shall be increased by 3 percent over the
31 rate in effect on June 30, 2005; however, this rate shall not
32 exceed the maximum level authorized by the federal government.

33 l. Beginning July 1, 2005, the department shall reimburse
34 physicians who administer injectable drugs in the physician's
35 office or other appropriate noninstitutional setting in an

1 amount that is equal to the invoiced cost paid by the
2 physician to the manufacturer, vendor, or other recognized
3 supplier from whom the drug was purchased under the medical
4 assistance program. A separate payment shall be made for
5 administration of the drug.

6 2. For the fiscal year beginning July 1, 2005, the
7 reimbursement rate for residential care facilities shall not
8 be less than the minimum payment level as established by the
9 federal government to meet the federally mandated maintenance
10 of effort requirement. The flat reimbursement rate for
11 facilities electing not to file semiannual cost reports shall
12 not be less than the minimum payment level as established by
13 the federal government to meet the federally mandated
14 maintenance of effort requirement.

15 3. For the fiscal year beginning July 1, 2005, the
16 reimbursement rate for providers reimbursed under the in-
17 home-related care program shall not be less than the minimum
18 payment level as established by the federal government to meet
19 the federally mandated maintenance of effort requirement.

20 4. Unless otherwise directed in this section, when the
21 department's reimbursement methodology for any provider
22 reimbursed in accordance with this section includes an
23 inflation factor, this factor shall not exceed the amount by
24 which the consumer price index for all urban consumers
25 increased during the calendar year ending December 31, 2002.

26 5. Notwithstanding section 234.38, in the fiscal year
27 beginning July 1, 2005, the foster family basic daily
28 maintenance rate and the maximum adoption subsidy rate for
29 children ages 0 through 5 years shall be \$14.91, the rate for
30 children ages 6 through 11 years shall be \$15.58, the rate for
31 children ages 12 through 15 years shall be \$17.18, and the
32 rate for children ages 16 and older shall be \$17.27.

33 6. For the fiscal year beginning July 1, 2005, the maximum
34 reimbursement rates for social service providers shall be
35 increased by 3 percent over the rates in effect on June 30,

1 2005, or to the provider's actual and allowable cost plus
2 inflation for each service, whichever is less. The rates may
3 also be adjusted under any of the following circumstances:

4 a. If a new service was added after June 30, 2005, the
5 initial reimbursement rate for the service shall be based upon
6 actual and allowable costs.

7 b. If a social service provider loses a source of income
8 used to determine the reimbursement rate for the provider, the
9 provider's reimbursement rate may be adjusted to reflect the
10 loss of income, provided that the lost income was used to
11 support actual and allowable costs of a service purchased
12 under a purchase of service contract.

13 7. The group foster care reimbursement rates paid for
14 placement of children out of state shall be calculated
15 according to the same rate-setting principles as those used
16 for in-state providers unless the director of human services
17 or the director's designee determines that appropriate care
18 cannot be provided within the state. The payment of the daily
19 rate shall be based on the number of days in the calendar
20 month in which service is provided.

21 8. For the fiscal year beginning July 1, 2005, the
22 reimbursement rates for rehabilitative treatment and support
23 services providers shall be increased by 3 percent over the
24 rates in effect on June 30, 2005. It is the intent of the
25 general assembly that the increase in reimbursement rates
26 authorized in this subsection shall be used for the provision
27 of direct care with an emphasis on increasing the compensation
28 for direct care workers.

29 9. a. For the fiscal year beginning July 1, 2005, the
30 combined service and maintenance components of the
31 reimbursement rate paid for shelter care services purchased
32 under a contract shall be based on the financial and
33 statistical report submitted to the department. The maximum
34 reimbursement rate shall be \$86.20 per day. The department
35 shall reimburse a shelter care provider at the provider's

1 actual and allowable unit cost, plus inflation, not to exceed
2 the maximum reimbursement rate.

3 b. Notwithstanding section 232.141, subsection 8, for the
4 fiscal year beginning July 1, 2005, the amount of the
5 statewide average of the actual and allowable rates for
6 reimbursement of juvenile shelter care homes that is utilized
7 for the limitation on recovery of unpaid costs shall be
8 increased by \$2.51 over the amount in effect for this purpose
9 in the preceding fiscal year.

10 c. Notwithstanding section 8A.311, commencing during the
11 fiscal year beginning July 1, 2005, the department may enter
12 into contracts with shelter care providers as necessary to
13 maintain the availability of shelter care services for
14 children in all areas of the state.

15 10. For the fiscal year beginning July 1, 2005, the
16 department shall calculate reimbursement rates for
17 intermediate care facilities for persons with mental
18 retardation at the 80th percentile.

19 11. For the fiscal year beginning July 1, 2005, for child
20 care providers reimbursed under the state child care
21 assistance program, the department shall set provider
22 reimbursement rates based on the rate reimbursement survey
23 completed in December 1998. The department shall set rates in
24 a manner so as to provide incentives for a nonregistered
25 provider to become registered. If the federal government
26 provides additional funding for child care during the fiscal
27 year beginning July 1, 2005, the additional funding shall be
28 used to develop and implement an electronic billing and
29 payment system for child care providers.

30 12. For the fiscal year beginning July 1, 2005,
31 reimbursements for providers reimbursed by the department of
32 human services may be modified if appropriated funding is
33 allocated for that purpose from the senior living trust fund
34 created in section 249H.4, or as specified in appropriations
35 from the healthy Iowans tobacco trust created in section

1 12.65.

2 13. Any reimbursement increases provided under this
3 section for providers or services under the medical assistance
4 program are only applicable to reimbursements to providers or
5 for services under the medical assistance fee-for-service
6 system.

7 14. The department may adopt emergency rules to implement
8 this section.

9 **Sec.** 30. 2001 Iowa Acts, chapter 192, section 4,
10 subsection 3, paragraphs e and f, as amended by 2004 Iowa
11 Acts, chapter 1175, section 154, are amended to read as
12 follows:

13 e. The department shall calculate the rate ceiling for the
14 direct-care cost component at 120 percent of the median of
15 case-mix adjusted costs. Nursing facilities with case-mix
16 adjusted costs at 95 percent of the median or greater, shall
17 receive an amount equal to their costs not to exceed 120
18 percent of the median. ~~Nursing-facilities-with-case-mix
19 adjusted-costs-below-95-percent-of-the-median-shall-receive-an
20 excess-payment-allowance-by-having-their-payment-rate-for-the
21 direct-care-cost-component-calculated-as-their-case-mix
22 adjusted-cost-plus-100-percent-of-the-difference-between-95
23 percent-of-the-median-and-their-case-mix-adjusted-cost, not to
24 exceed-10-percent-of-the-median-of-case-mix-adjusted-costs.
25 Beginning-July-17-2004, nursing-facilities-with-case-mix
26 adjusted-costs-below-95-percent-of-the-median-shall-receive-an
27 excess-payment-allowance-by-having-their-payment-rate-for-the
28 direct-care-cost-component-calculated-as-their-case-mix
29 adjusted-cost-plus-50-percent-of-the-difference-between-95
30 percent-of-the-median-and-their-case-mix-adjusted-cost, not to
31 exceed-10-percent-of-the-median-of-case-mix-adjusted-costs.
32 Any-excess-payment-allowance-realized-from-the-direct-care
33 cost-component-of-the-modified-price-based-case-mix
34 reimbursement-shall-be-expended-to-increase-the-compensation
35 of-direct-care-workers-or-to-increase-the-ratio-of-direct-care~~

1 **Workers-to-residents.--The department of human services shall**
2 **implement a new monitoring and reporting system to assess**
3 **compliance with the provisions of this paragraph.**

4 f. The department shall calculate the rate ceiling for the
5 nondirect care cost component at 110 percent of the median of
6 non-case-mix adjusted costs. Nursing facilities with non-
7 case-mix adjusted costs at 96 percent of the median or greater
8 shall receive an amount equal to their costs not to exceed 110
9 percent of the median. ~~Nursing facilities with non-case-mix
10 adjusted costs below 96 percent of the median shall receive an
11 excess payment allowance that is their costs plus 65 percent
12 of the difference between 96 percent of the median and their
13 non-case-mix adjusted costs, not to exceed 8 percent of the
14 median of non-case-mix adjusted costs.--Beginning July 1,
15 2004, nursing facilities with non-case-mix adjusted costs
16 below 96 percent of the median shall receive an excess payment
17 allowance that is their costs plus 32.5 percent of the
18 difference between 96 percent of the median and their
19 non-case-mix adjusted costs, not to exceed 8 percent of the
20 median of non-case-mix adjusted costs.--Any excess payment
21 allowance realized from the nondirect care cost component of
22 the modified price-based case-mix reimbursement shall be used
23 to fund quality of life improvements.--The department of human
24 services shall implement a new monitoring and reporting system
25 to assess compliance with the provisions of this paragraph.~~

26 Sec. 31. 2004 Iowa Acts, chapter 1175, section 109,
27 subsection 2, paragraph g, is amended to read as follows:
28 g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000
29 of the Iowa veterans home revenues that remain unencumbered or
30 unobligated at the close of the fiscal year shall not revert
31 but shall remain available to be used in the succeeding fiscal
32 year.

33 Sec. 32. 2004 Iowa Acts, chapter 1175, section 113, is
34 amended by adding the following new subsection:

35 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys

1 appropriated in this section that were allocated by the
2 department for the purpose of meeting federal food stamp
3 electronic benefit transfer requirements that remain
4 unencumbered or unobligated at the close of the fiscal year
5 shall not revert but shall remain available for expenditure
6 for the purpose designated until the close of the succeeding
7 fiscal year.

8 **Sec. 33.** 2004 Iowa Acts, chapter 1175, section 134, is
9 amended by adding the following new subsection:

10 NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys
11 appropriated in this section that remain unencumbered or
12 unobligated at the close of the fiscal year shall not revert
13 but shall remain available for expenditure for the purposes
14 designated until the close of the succeeding fiscal year.

15 **Sec. 34.** 2004 Iowa Acts, chapter 1175, section 135, is
16 amended by adding the following new subsection:

17 NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys
18 appropriated in this section for field operations that remain
19 unencumbered or unobligated at the close of the fiscal year
20 shall not revert but shall remain available for expenditure
21 for the purposes designated with up to fifty percent to be
22 used for implementation and operational costs associated with
* 23 Part D of the federal Medicare Prescription Drug, Improvement,
24 and Modernization Act of 2003, Pub. L. No. 108-173, until the
25 close of the succeeding fiscal year.

26 **Sec. 35. EMERGENCY RULES.** If specifically authorized by a
27 provision of this division of this Act, the department of
28 human services or the mental health, mental retardation,
29 developmental disabilities, and brain injury commission may
30 adopt administrative rules under section 17A.4, subsection 2,
31 and section 17A.5, subsection 2, paragraph "b", to implement
32 the provisions and the rules shall become effective
33 immediately upon filing or on a later effective date specified
34 in the rules, unless the effective date is delayed by the
35 administrative rules review committee. Any rules adopted in

1 accordance with this section shall not take effect before the
2 rules are reviewed by the administrative rules review
3 committee. The delay authority provided to the administrative
4 rules review committee under section 17A.4, subsection 5, and
5 section 17A.8, subsection 9, shall be applicable to a delay
6 imposed under this section, notwithstanding a provision in
7 those sections making them inapplicable to section 17A.5,
8 subsection 2, paragraph "b". Any rules adopted in accordance
9 with the provisions of this section shall also be published as
10 notice of intended action as provided in section 17A.4.

11 Sec. 36. REPORTS. Any reports or information required to
12 be compiled and submitted under this division of this Act
13 shall be submitted to the chairpersons and ranking members of
14 the joint appropriations subcommittee on health and human
15 services, the legislative services agency, and the legislative
16 caucus staffs on or before the dates specified for submission
17 of the reports or information.

18 Sec. 37. EFFECTIVE DATES. The following provisions of
19 this division of this Act, being deemed of immediate
20 importance, take effect upon enactment:

21 1. The provision under the appropriation for child and
22 family services, relating to requirements of section 232.143
23 for representatives of the department of human services and
24 juvenile court services to establish a plan for continuing
25 group foster care expenditures for the 2005-2006 fiscal year.

26 2. The provision under the appropriation for child and
27 family services, relating to the state court administrator
28 determining allocation of court-ordered services funding by
29 June 15, 2005.

30 3. The provision amending 2004 Iowa Acts, chapter 1175,
31 section 109.

32 4. The provision amending 2004 Iowa Acts, chapter 1175,
33 section 113.

34 5. The provision amending 2004 Iowa Acts, chapter 1175,
35 section 134.

1 6. The provision amending 2004 Iowa Acts, chapter 1175,
2 section 135.

3 DIVISION II

4 SENIOR LIVING TRUST FUND, HOSPITAL TRUST
5 FUND, AND PHARMACEUTICAL SETTLEMENT ACCOUNT

6 Sec. 38. DEPARTMENT OF ELDER AFFAIRS. There is
7 appropriated from the senior living trust fund created in
8 section 249H.4 to the department of elder affairs for the
9 fiscal year beginning July 1, 2005, and ending June 30, 2006,
10 the following amount, or so much thereof as is necessary, to
11 be used for the purpose designated:

12 For the development and implementation of a comprehensive
13 senior living program, including program administration and
14 costs associated with implementation, salaries, support,
15 maintenance, and miscellaneous purposes and for not more than
16 the following full-time equivalent positions:

17	\$	8,289,368
18	FTEs	3.00

19 Notwithstanding section 249H.7, the department of elder
20 affairs shall distribute up to \$400,000 of the funds
21 appropriated in this section in a manner that will supplement
22 and maximize federal funds under the federal Older Americans
23 Act and shall not use the amount distributed for any
24 administrative purposes of either the department of elder
25 affairs or the area agencies on aging.

26 Sec. 39. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
27 appropriated from the senior living trust fund created in
28 section 249H.4 to the department of inspections and appeals
29 for the fiscal year beginning July 1, 2005, and ending June
30 30, 2006, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For the inspection and certification of assisted living
33 facilities and adult day care services, including program
34 administration and costs associated with implementation,
35 salaries, support, maintenance, and miscellaneous purposes and

1 for not more than the following full-time equivalent
2 positions:

3 \$ 732,750
4 FTEs 5.00

5 Sec. 40. DEPARTMENT OF HUMAN SERVICES. There is
6 appropriated from the senior living trust fund created in
7 section 249H.4 to the department of human services for the
8 fiscal year beginning July 1, 2005, and ending June 30, 2006,
9 the following amounts, or so much thereof as is necessary, to
10 be used for the purposes designated:

11 1. To supplement the medical assistance appropriation,
12 including program administration and costs associated with
13 implementation, salaries, support, maintenance, and
14 miscellaneous purposes:

15 \$ 50,200,000

16 2. To provide reimbursement for health care services to
17 eligible persons through the home and community-based services
18 waiver and the state supplementary assistance program,
19 including program administration and data system costs
20 associated with implementation, salaries, support,
21 maintenance, and miscellaneous purposes and for not more than
22 the following full-time equivalent positions:

23 \$ 1,033,406
24 FTEs 5.00

25 3. To implement nursing facility provider reimbursements
26 as provided in 2001 Iowa Acts, chapter 192, section 4,
27 subsection 2, paragraph "c":

28 \$ 29,950,000

29 In order to carry out the purposes of this section, the
30 department shall transfer funds appropriated in this section
31 to supplement other appropriations made to the department of
32 human services.

33 4. Notwithstanding sections 249H.4 and 249H.5, the
34 department of human services may use moneys from the senior
35 living trust fund for cash flow purposes to make payments

1 under the nursing facility or hospital upper payment limit
2 methodology. The amount of any moneys so used shall be
3 refunded to the senior living trust fund within the same
4 fiscal year and in a prompt manner.

5 Sec. 41. ASSISTED LIVING CONVERSION GRANTS --

6 NONREVERSION. Notwithstanding section 8.33, moneys committed
7 from the senior living trust fund to grantees under contract
8 to provide for conversion to assisted living programs or for
9 development of long-term care alternatives that remain
10 unexpended at the close of any fiscal year shall not revert to
11 any fund but shall remain available for expenditure for
12 purposes of the contract.

13 Sec. 42. IOWA FINANCE AUTHORITY. There is appropriated
14 from the senior living trust fund created in section 249H.4 to
15 the Iowa finance authority for the fiscal year beginning July
16 1, 2005, and ending June 30, 2006, the following amount, or so
17 much thereof as is necessary, to be used for the purposes
18 designated:

19 To provide reimbursement for rent expenses to eligible
20 persons:

21 \$ 700,000

22 Participation in the rent subsidy program shall be limited
23 to only those persons who are at risk for nursing facility
24 care.

25 Sec. 43. HOSPITAL TRUST FUND. There is appropriated from
26 the hospital trust fund created in section 249I.4 to the
27 department of human services for the fiscal year beginning
28 July 1, 2005, and ending June 30, 2006, the following amount,
29 or so much thereof as is necessary, to be used for the purpose
30 designated:

31 To supplement the appropriations made for the medical
32 assistance program for that fiscal year:

33 \$ 22,900,000

34 Sec. 44. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
35 appropriated from the pharmaceutical settlement account

1 created in section 249A.33 to the department of human services
2 for the fiscal year beginning July 1, 2005, and ending June
3 30, 2006, the following amount, or so much thereof as is
4 necessary, to be used for the purpose designated:

5 To supplement the appropriations made for medical contracts
6 under the medical assistance program:

7 \$ 85,000

8 Sec. 45. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO SENIOR
9 LIVING TRUST FUND FOR FY 2005-2006. Notwithstanding section
10 8.33, if moneys appropriated in this Act for purposes of the
11 medical assistance program for the fiscal year beginning July
12 1, 2005, and ending June 30, 2006, from the general fund of
13 the state, the senior living trust fund, the hospital trust
14 fund, or the healthy Iowans tobacco trust fund are in excess
15 of actual expenditures for the medical assistance program and
16 remain unencumbered or unobligated at the close of the fiscal
17 year, the excess moneys shall not revert but shall be
18 transferred to the senior living trust fund created in section
19 249H.4.

20 Sec. 46. EFFECTIVE DATE. The section of this division of
21 this Act relating to nonreversion of assisted living
22 conversion grant moneys, being deemed of immediate importance,
23 takes effect upon enactment.

24 DIVISION III
25 MENTAL HEALTH, MENTAL RETARDATION,
26 DEVELOPMENTAL DISABILITIES,
27 AND BRAIN INJURY SERVICES

28 Sec. 47. 2004 Iowa Acts, chapter 1175, section 173,
29 subsection 2, paragraph c, is amended to read as follows:

30 ~~c. For-deposit-in-the-risk-pool-created-in-the-property~~
31 ~~tax-relief-fund-and-for-distribution-in-accordance-with~~
32 ~~section-426B-5,-subsection-2~~ To the department of human
33 services for supplementation of the appropriations made for
34 the medical assistance program for the fiscal year beginning
35 July 1, 2005, and ending June 30, 2006:

1 \$ 2,000,000

2 Sec. 48. 2004 Iowa Acts, chapter 1175, section 173, is
3 amended by adding the following new subsections:

4 NEW SUBSECTION. 3. The following formula amounts shall be
5 utilized only to calculate preliminary distribution amounts
6 for fiscal year 2005-2006 under this section by applying the
7 indicated formula provisions to the formula amounts and
8 producing a preliminary distribution total for each county:

9 a. For calculation of an allowed growth factor adjustment
10 amount for each county in accordance with the formula in
11 section 331.438, subsection 2, paragraph "b":

12 \$ 12,000,000

13 b. For calculation of a distribution amount for eligible
14 counties from the per capita expenditure target pool created
15 in the property tax relief fund in accordance with the
16 requirements in section 426B.5, subsection 1:

17 \$ 14,507,362

18 c. For calculation of a distribution amount for counties
19 from the mental health and developmental disabilities (MH/DD)
20 community services fund in accordance with the formula
21 provided in the appropriation made for the MH/DD community
22 services fund for the fiscal year beginning July 1, 2005:

23 \$ 17,727,890

24 NEW SUBSECTION. 4. After applying the applicable
25 statutory distribution formulas to the amounts indicated in
26 subsection 3 for purposes of producing preliminary
27 distribution totals, the department of human services shall
28 apply a withholding factor to adjust an eligible individual
29 county's preliminary distribution total. An ending balance
30 percentage for each county shall be determined by expressing
31 the county's ending balance on a modified accrual basis under
32 generally accepted accounting principles for the fiscal year
33 beginning July 1, 2004, in the county's mental health, mental
34 retardation, and developmental disabilities services fund
35 created under section 331.424A, as a percentage of the

1 county's gross expenditures from that fund for that fiscal
2 year. The withholding factor for a county shall be the
3 following applicable percent:

4 a. For an ending balance percentage of less than 10
5 percent, a withholding factor of 0 percent. In addition to
6 the county's adjusted distribution total, a county that is
7 subject to this paragraph "a" shall receive an inflation
8 adjustment equal to 2.6 percent of the gross expenditures
9 reported for the county's services fund for that fiscal year.

10 b. For an ending balance percentage of 10 through 24
11 percent, a withholding factor of 25 percent. However, the
12 amount withheld shall be limited to the amount by which the
13 county's ending balance was in excess of the ending balance
14 percentage of 10 percent.

15 c. For an ending balance percentage of 25 percent or more,
16 a withholding factor of 100 percent.

17 NEW SUBSECTION. 5. The total withholding amounts applied
18 pursuant to subsection 4 shall be equal to a withholding
19 target amount of \$4,659,749. If the department of human
20 services determines that the amount to be withheld in
21 accordance with subsection 4 is not equal to the target
22 withholding amount, the department shall adjust the
23 withholding factors listed in subsection 4 as necessary to
24 achieve the withholding target amount. However, in making
25 such adjustments to the withholding factors, the department
26 shall strive to minimize changes to the withholding factors
27 for those ending balance percentage ranges that are lower than
28 others and shall not adjust the zero withholding factor or the
29 inflation adjustment percentage specified in subsection 4,
30 paragraph "a".

31 DIVISION IV
32 CODE CHANGES

33 Sec. 49. Section 28.9, subsection 3, Code 2005, is amended
34 to read as follows:

35 3. a. An early childhood programs grant account is

1 created in the Iowa empowerment fund under the authority of
2 the director of human services. Moneys credited to the
3 account are appropriated to and shall be distributed by the
4 department of human services in the form of grants to
5 community empowerment areas pursuant to criteria established
6 by the Iowa board in accordance with law. The criteria shall
7 include but are not limited to a requirement that a community
8 empowerment area must be designated by the Iowa board in
9 accordance with section 28.5, in order to be eligible to
10 receive an early childhood programs grant.

11 b. The maximum funding amount a community empowerment area
12 is eligible to receive from the early childhood programs grant
13 account for a fiscal year shall be determined by applying the
14 area's percentage of the state's average monthly family
15 investment program population in the preceding fiscal year to
16 the total amount credited to the account for the fiscal year.

17 c. A community empowerment area receiving funding from the
18 early childhood program grant account shall comply with any
19 federal reporting requirements associated with the use of that
20 funding and other results and reporting requirements
21 established by the Iowa empowerment board. The department of
22 human services shall provide technical assistance in
23 identifying and meeting the federal requirements. The
24 availability of funding provided from the account is subject
25 to changes in federal requirements and amendments to Iowa law.

26 d. The moneys distributed from the early childhood program
27 grant account shall be used by community empowerment areas for
28 the purposes of enhancing quality child care capacity in
29 support of parent capability to obtain or retain employment.
30 The moneys shall be used with a primary emphasis on low-income
31 families and children from birth to five years of age. Moneys
32 shall be provided in a flexible manner and shall be used to
33 implement strategies identified by the community empowerment
34 area to achieve such purposes. The department of human
35 services may use a portion of the funding appropriated to the

1 department under this subsection for provision of technical
2 assistance and other support to community empowerment areas
3 developing and implementing strategies with grant moneys
4 distributed from the account.

5 e. Moneys from a federal block grant that are credited to
6 the early childhood program grant account but are not
7 distributed to a community empowerment area or otherwise
8 remain unobligated or unexpended at the end of the fiscal year
9 shall revert to the fund created in section 8.41 to be
10 available for appropriation by the general assembly in a
11 subsequent fiscal year.

12 Sec. 50. NEW SECTION. 35D.18 NET GENERAL FUND
13 APPROPRIATION -- PURPOSE.

14 1. The Iowa veterans home shall operate on the basis of a
15 net appropriation from the general fund of the state. The
16 appropriation amount shall be the net amount of state moneys
17 projected to be needed for the Iowa veterans home for the
18 fiscal year of the appropriation. The purpose of utilizing a
19 net appropriation is to encourage the Iowa veterans home to
20 operate with increased self-sufficiency, to improve quality
21 and efficiency, and to support collaborative efforts among all
22 providers of funding for the services available from the Iowa
23 veterans home.

24 2. The net appropriation made to the Iowa veterans home
25 may be used throughout the fiscal year in the manner necessary
26 for purposes of cash flow management, and for cash flow
27 management, the Iowa veterans home may temporarily draw more
28 than the amount appropriated, provided the amount appropriated
29 is not exceeded at the close of the fiscal year.

30 3. Revenues received that are attributed to the Iowa
31 veterans home during a fiscal year shall be credited to the
32 Iowa veterans home account and shall be considered repayment
33 receipts as defined in section 8.2, including but not limited
34 to all of the following:

35 a. Federal veterans administration payments.

1 b. Medical assistance program revenue received under
2 chapter 249A.

3 c. Federal Medicare program payments.

4 d. Other revenues generated from current, new, or expanded
5 services that the Iowa veterans home is authorized to provide.

6 4. For purposes of allocating moneys to the Iowa veterans
7 home from the salary adjustment fund created in section 8.43,
8 the Iowa veterans home shall be considered to be funded
9 entirely with state moneys.

10 5. Notwithstanding section 8.33, up to five hundred
11 thousand dollars of the Iowa veterans home revenue that remain
12 unencumbered or unobligated at the close of the fiscal year
13 shall not revert but shall remain available for expenditure
14 for purposes of the Iowa veterans home until the close of the
15 succeeding fiscal year.

16 Sec. 51. Section 84A.6, subsection 2, Code 2005, is
17 amended to read as follows:

18 2. a. The director of the department of workforce
19 development, in cooperation with the department of human
20 services, shall provide job placement and training to persons
21 referred by the department of human services under the
22 promoting independence and self-sufficiency through employment
23 job opportunities and basic skills program established
24 pursuant to chapter 239B and the food stamp employment and
25 training program.

26 b. The department of workforce development, in
27 consultation with the department of human services, shall
28 develop and implement departmental recruitment and employment
29 practices that address the needs of former and current
30 participants in the family investment program under chapter
31 239B.

32 Sec. 52. Section 125.2, Code 2005, is amended by adding
33 the following new subsection:

34 NEW SUBSECTION. Al. "Board" means the state board of
35 health created pursuant to chapter 136.

1 Sec. 53. Section 125.2, subsection 6, Code 2005, is
2 amended by striking the subsection.

3 Sec. 54. Section 125.3, Code 2005, is amended to read as
4 follows:

5 125.3 SUBSTANCE ABUSE PROGRAM ~~AND COMMISSION~~ ESTABLISHED.

6 The Iowa department of public health shall ~~include a~~
7 ~~program which shall~~ develop, implement, and administer a
8 comprehensive substance abuse program pursuant to sections
9 125.1 to 125.43. ~~A commission on substance abuse is created~~
10 ~~to establish certain policies governing the performance of the~~
11 ~~department in the discharge of duties imposed on it by this~~
12 ~~chapter and advise the department on other policies. The~~
13 ~~commission shall consist of nine members appointed by the~~
14 ~~governor. Appointments shall be made on the basis of interest~~
15 ~~in and knowledge of substance abuse, however two of the~~
16 ~~members shall be persons who, in their regular work, have~~
17 ~~direct contact with substance abuse clients. Only eligible~~
18 ~~electors of the state of Iowa shall be appointed.~~

19 Sec. 55. Section 125.7, Code 2005, is amended to read as
20 follows:

21 125.7 DUTIES OF THE ~~COMMISSION~~ BOARD.

22 The commission board shall:

23 1. Approve the comprehensive substance abuse program,
24 developed by the department pursuant to sections 125.1 to
25 125.43.

26 2. Advise the department on policies governing the
27 performance of the department in the discharge of any duties
28 imposed on ~~it~~ the department by law.

29 3. Advise or make recommendations to the governor and the
30 general assembly relative to substance abuse treatment,
31 intervention, and education, and prevention programs in this
32 state.

33 4. ~~Promulgate~~ Adopt rules for subsections 1 and 6 and
34 review other rules necessary to carry out the provisions of
35 this chapter, subject to review in accordance with chapter

1 17A.

2 5. Investigate the work of the department relating to
3 substance abuse, and for this purpose ~~it~~ the board shall have
4 access at any time to all books, papers, documents, and
5 records of the department.

6 6. Consider and approve or disapprove all applications for
7 a license and all cases involving the renewal, denial,
8 suspension, or revocation of a license.

9 7. Act as the appeal board regarding funding decisions
10 made by the department.

11 Sec. 56. Section 125.9, subsection 1, Code 2005, is
12 amended to read as follows:

13 1. Plan, establish and maintain treatment, intervention,
14 ~~and~~ education, and prevention programs as necessary or
15 desirable in accordance with the comprehensive substance abuse
16 program.

17 Sec. 57. Section 125.10, subsections 1 and 11, Code 2005,
18 are amended to read as follows:

19 1. Prepare and submit a state plan subject to approval by
20 the ~~commission~~ board and in accordance with the provisions of
21 42 U.S.C. sec. 4573. The state plan shall designate the
22 department as the sole agency for supervising the
23 administration of the plan.

24 11. Develop and implement, with the counsel and approval
25 of the ~~commission~~ board, a the comprehensive plan for
26 treatment of substance abusers, chronic substance abusers, and
27 intoxicated persons in accordance with this chapter.

28 Sec. 58. Section 125.12, subsection 1, Code 2005, is
29 amended to read as follows:

30 1. The ~~commission~~ board shall review a the comprehensive
31 ~~and-co-ordinated~~ substance abuse program implemented by the
32 department for the treatment of substance abusers, chronic
33 substance abusers, intoxicated persons, and concerned family
34 members. Subject to the review of the ~~commission~~ board, the
35 director shall divide the state into appropriate regions for

1 the conduct of the program and establish standards for the
2 development of the program on the regional level. In
3 establishing the regions, consideration shall be given to city
4 and county lines, population concentrations, and existing
5 substance abuse treatment services. ~~In-determining-the~~
6 ~~regions,-the-director-is-not-required-to-follow-the-regional~~
7 ~~map-as-prepared-by-the-former-office-for-planning-and~~
8 ~~programming.~~

9 Sec. 59. Section 125.13, subsection 2, paragraphs a, b, i,
10 and j, Code 2005, are amended to read as follows:

11 a. A hospital providing care or treatment to substance
12 abusers or chronic substance abusers licensed under chapter
13 135B which is accredited by the joint commission on the
14 accreditation of health care organizations, the commission on
15 accreditation of rehabilitation facilities, the American
16 osteopathic association, or another recognized organization
17 approved by the commission board. All survey reports from the
18 accrediting or licensing body must be sent to the department.

19 b. Any practitioner of medicine and surgery or osteopathic
20 medicine and surgery, in the practitioner's private practice.
21 However, a program shall not be exempted from licensing by the
22 commission board by virtue of its utilization of the services
23 of a medical practitioner in its operation.

24 i. A substance abuse treatment program not funded by the
25 department which is accredited or licensed by the joint
26 commission on the accreditation of health care organizations,
27 the commission on the accreditation of rehabilitation
28 facilities, the American osteopathic association, or another
29 recognized organization approved by the commission board. All
30 survey reports from the accrediting or licensing body must be
31 sent to the department.

32 j. A hospital substance abuse treatment program that is
33 accredited or licensed by the joint commission on the
34 accreditation of health care organizations, the commission on
35 the accreditation of rehabilitation facilities, the American

1 osteopathic association, or another recognized organization
2 approved by the commission board. All survey reports for the
3 hospital substance abuse treatment program from the
4 accrediting or licensing body shall be sent to the department.

5 Sec. 60. Section 125.14, Code 2005, is amended to read as
6 follows:

7 125.14 LICENSES -- RENEWAL -- FEES.

8 The commission board shall ~~meet to~~ consider all cases
9 involving initial issuance, and renewal, denial, suspension,
10 or revocation of a license. The department shall issue a
11 license to an applicant whom the commission board determines
12 meets the licensing requirements of this chapter. Licenses
13 shall expire no later than three years from the date of
14 issuance and shall be renewed upon timely application made in
15 the same manner as for initial issuance of a license unless
16 notice of nonrenewal is given to the licensee at least thirty
17 days prior to the expiration of the license. The department
18 shall not charge a fee for licensing or renewal of programs
19 contracting with the department for provision of treatment
20 services. A fee may be charged to other licensees.

21 Sec. 61. Section 125.15A, subsection 1, paragraph b, Code
22 2005, is amended to read as follows:

23 b. The commission board has suspended, revoked, or refused
24 to renew the existing license of the program.

25 Sec. 62. Section 125.16, Code 2005, is amended to read as
26 follows:

27 125.16 TRANSFER OF LICENSE OR CHANGE OF LOCATION
28 PROHIBITED.

29 A license issued under this chapter may not be transferred,
30 and the location of the physical facilities occupied or
31 utilized by any program licensed under this chapter shall not
32 be changed without the prior written consent of the commission
33 board.

34 Sec. 63. Section 125.17, Code 2005, is amended to read as
35 follows:

1 125.17 LICENSE SUSPENSION OR REVOCATION.

2 Violation of any of the requirements or restrictions of
3 this chapter or of any of the rules ~~properly-established~~
4 adopted pursuant to this chapter is cause for suspension,
5 revocation, or refusal to renew a license. The director shall
6 at the earliest time feasible notify a licensee whose license
7 the commission board is considering suspending or revoking and
8 shall inform the licensee what changes must be made in the
9 licensee's operation to avoid such action. The licensee shall
10 be given a reasonable time for compliance, as determined by
11 the director, after receiving such notice or a notice that the
12 commission board does not intend to renew the license. When
13 the licensee believes compliance has been achieved, or if the
14 licensee considers the proposed suspension, revocation, or
15 refusal to renew unjustified, the licensee may submit
16 pertinent information to the ~~commission-who~~ board and the
17 board shall expeditiously make a decision in the matter and
18 notify the licensee of the decision.

19 Sec. 64. Section 125.18, Code 2005, is amended to read as
20 follows:

21 125.18 HEARING BEFORE COMMISSION BOARD.

22 If a licensee under this chapter makes a written request
23 for a hearing within thirty days of suspension, revocation, or
24 refusal to renew a license, a hearing before the commission
25 board shall be expeditiously arranged by the department of
26 inspections and appeals whose decision is subject to review by
27 the commission board. ~~if-the-role-of-a-commission-member-is~~
28 ~~inconsistent-with-the-member's-job-role-or-function, or-if-any~~
29 ~~commission-member-feels-unable-for-any-reason-to~~
30 ~~disinterestedly-weigh-the-merits-of-the-case-before-the~~
31 ~~commission, the-member-shall-not-participate-in-the-hearing~~
32 ~~and-shall-not-be-entitled-to-vote-on-the-case.~~ The commission
33 board shall issue a written statement of ~~it's~~ the board's
34 findings within thirty days after conclusion of the hearing
35 upholding or reversing the proposed suspension, revocation, or

1 refusal to renew a license. Action involving suspension,
2 revocation or refusal to renew a license shall not be taken by
3 the commission board unless a quorum is present at the
4 meeting. A copy of the board's decision shall be promptly
5 transmitted to the affected licensee who may, if aggrieved by
6 the decision, seek judicial review of the actions of the
7 commission board in accordance with the terms of chapter 17A.

8 Sec. 65. Section 125.19, Code 2005, is amended to read as
9 follows:

10 125.19 REISSUANCE OR REINSTATEMENT.

11 After suspension, revocation, or refusal to renew a license
12 pursuant to this chapter, the affected licensee shall not have
13 the license reissued or reinstated within one year of the
14 effective date of the suspension, revocation, or expiration
15 upon refusal to renew, unless ~~by order of~~ the commission board
16 orders otherwise. After that time, proof of compliance with
17 the requirements and restrictions of this chapter and the
18 rules established adopted pursuant to this chapter must be
19 presented to the commission board prior to reinstatement or
20 reissuance of a license.

21 Sec. 66. Section 125.21, Code 2005, is amended to read as
22 follows:

23 125.21 CHEMICAL SUBSTITUTES AND ANTAGONISTS PROGRAMS.

24 1. The commission board has exclusive power in this state
25 to approve and license chemical substitutes and antagonists
26 programs, and to monitor chemical substitutes and antagonists
27 programs to ensure that the programs are operating within the
28 rules established adopted pursuant to this chapter. The
29 commission board shall grant approval and license if the
30 requirements of the rules are met and no state funding is not
31 requested. ~~This section requires approval of~~ The chemical
32 substitutes and antagonists programs conducted by persons
33 exempt from the licensing requirements of this chapter by
34 pursuant to section 125.13, subsection 2, are subject to
35 approval and licensure under this section.

1 2. The department may do any of the following:

2 ~~1-~~ a. Provide advice, consultation, and technical
3 assistance to chemical substitutes and antagonists programs.

4 ~~2-~~ b. ~~In-its-discretion,-approve~~ Approve local agencies
5 or bodies to assist ~~it~~ the department in carrying out the
6 provisions of this chapter.

7 Sec. 67. Section 125.43A, Code 2005, is amended to read as
8 follows:

9 125.43A PRESCREENING -- EXCEPTION.

10 Except in cases of medical emergency or court ordered
11 admissions, a person shall be admitted to a state mental
12 health institute for substance abuse treatment only after a
13 preliminary intake and assessment by a department-licensed
14 treatment facility or a hospital providing care or treatment
15 for substance abusers licensed under chapter 135B and
16 accredited by the joint commission on the accreditation of
17 health care organizations, the commission on accreditation of
18 rehabilitation facilities, the American osteopathic
19 association, or another recognized organization approved by
20 the ~~commission~~ board, or by a designee of a department-
21 licensed treatment facility or a hospital other than a state
22 mental health institute, which confirms that the admission is
23 appropriate to the person's substance abuse service needs. A
24 county board of supervisors may seek an admission of a patient
25 to a state mental health institute who has not been confirmed
26 for appropriate admission and the county shall be responsible
27 for one hundred percent of the cost of treatment and services
28 of the patient.

29 Sec. 68. Section 125.58, subsection 1, Code 2005, is
30 amended to read as follows:

31 1. If the department has probable cause to believe that an
32 institution, place, building, or agency not licensed as a
33 substance abuse treatment and rehabilitation facility is in
34 fact a substance abuse treatment and rehabilitation facility
35 as defined by this chapter, and is not exempt from licensing

1 by section 125.13, subsection 2, the commission board may
2 order an inspection of the institution, place, building, or
3 agency. If the inspector upon presenting proper
4 identification is denied entry for the purpose of making the
5 inspection, the inspector may, with the assistance of the
6 county attorney of the county in which the premises are
7 located, apply to the district court for an order requiring
8 the owner or occupant to permit entry and inspection of the
9 premises to determine whether there have been violations of
10 this chapter. The investigation may include review of
11 records, reports, and documents maintained by the facility and
12 interviews with staff members consistent with the
13 confidentiality safeguards of state and federal law.

14 Sec. 69. NEW SECTION. 135.39C ELDERLY WELLNESS SERVICES
15 -- PAYOR OF LAST RESORT.

16 The department shall implement elderly wellness services in
17 a manner that ensures that the services provided are not
18 payable by a third-party source.

* 19 Sec. 70. Section 135.150, subsection 2, Code 2005, is
20 amended to read as follows:

21 2. a. Moneys appropriated to the department under this
22 section shall be for the purpose of operating a gambling
23 treatment program and shall be used for funding of
24 administrative costs and to provide programs which may
25 include, but are not limited to, outpatient and follow-up
26 treatment for persons affected by problem gambling,
27 rehabilitation and residential treatment programs, information
28 and referral services, crisis call access, education and
29 preventive services, and financial management and credit
30 counseling services.

31 b. A person shall not maintain or conduct a gambling
32 treatment program funded under this section unless the person
33 has obtained a license for the program from the department.
34 The department shall adopt rules to establish standards for
35 the licensing and operation of gambling treatment programs

1 under this section. The rules shall specify, but are not
2 limited to specifying, the qualifications for persons
3 providing gambling treatment services, standards for the
4 organization and administration of gambling treatment
5 programs, and a mechanism to monitor compliance with this
6 section and the rules adopted under this section.

7 Sec. 71. Section 136.1, unnumbered paragraph 1, Code 2005,
8 is amended to read as follows:

9 The state board of health shall consist of the following
10 members: Five members learned in health-related disciplines,
11 two members who have direct experience with substance abuse
12 treatment or prevention, and four members representing the
13 general public.

14 Sec. 72. Section 136.3, subsection 7, Code 2005, is
15 amended to read as follows:

16 7. Adopt, promulgate, amend, and repeal rules and
17 regulations consistent with law for the protection of the
18 public health and prevention of substance abuse, and for the
19 guidance of the department. All rules ~~which have been or are~~
20 ~~hereafter~~ adopted by the department ~~shall be~~ are subject to
21 approval by the board. ~~However, rules adopted by the~~
22 ~~commission on substance abuse for section 125.7, subsections 1~~
23 ~~and 7, and rules adopted by the department pursuant to section~~
24 ~~135.130 are not subject to approval by the state board of~~
25 ~~health.~~

26 Sec. 73. Section 136.3, Code 2005, is amended by adding
27 the following new subsection:

28 NEW SUBSECTION. 10. Perform those duties authorized
29 pursuant to chapter 125.

30 Sec. 74. Section 136C.10, subsection 1, Code 2005, is
31 amended to read as follows:

32 1. a. The department shall establish and collect fees for
33 the licensing and amendment of licenses for radioactive
34 materials, the registration of radiation machines, the
35 periodic inspection of radiation machines and radioactive

1 materials, and the implementation of section 136C.3,
2 subsection 2. Fees shall be in amounts sufficient to defray
3 the cost of administering this chapter. The license fee may
4 include the cost of environmental surveillance activities to
5 assess the radiological impact of activities conducted by
6 licensees.

7 b. Fees collected shall be remitted to the treasurer of
8 state who shall deposit the funds in the general fund of the
9 state. However, the fees collected from the licensing,
10 registration, authorization, accreditation, and inspection of
11 radiation machines used for mammographically guided breast
12 biopsy, screening, and diagnostic mammography shall be used to
13 support the department's administration of this chapter and
14 the fees collected shall be considered repayment receipts, as
15 defined in section 8.2.

16 c. When a registrant or licensee fails to pay the
17 applicable fee the department may suspend or revoke the
18 registration or license or may issue an appropriate order.
19 Fees for the license, amendment of a license, and inspection
20 of radioactive material shall not exceed the fees prescribed
21 by the United States nuclear regulatory commission.

22 Sec. 75. Section 144.13A, subsection 4, paragraph a,
23 unnumbered paragraph 2, Code 2005, is amended to read as
24 follows:

25 ~~Beginning July 17, 2005, ten~~ Ten dollars of each
26 registration fee is appropriated and shall be used for primary
27 and secondary child abuse prevention programs pursuant to
28 section 235A.1, and ten dollars of each registration fee is
29 appropriated and shall be used for the center for congenital
30 and inherited disorders central registry established pursuant
31 to section 136A.6. Notwithstanding section 8.33, moneys
32 appropriated in this unnumbered paragraph that remain
33 unencumbered or unobligated at the close of the fiscal year
34 shall not revert but shall remain available for expenditure
35 for the purposes designated until the close of the succeeding

1 fiscal year.

2 Sec. 76. NEW SECTION. 144.46A VITAL RECORDS FUND.

3 1. A vital records fund is created under the control of
4 the department. Moneys in the fund shall be used for purposes
5 of the purchase and maintenance of an electronic system for
6 vital records scanning, data capture, data reporting, storage,
7 and retrieval, and for all registration and issuance
8 activities. Moneys in the fund may also be used for other
9 related purposes including but not limited to the streamlining
10 of administrative procedures and electronically linking
11 offices of county registrars to state vital records so that
12 the records may be issued at the county level.

13 2. The department shall adopt rules providing for an
14 increase in the fees charged by the state registrar for vital
15 records services under section 144.46 in an amount necessary
16 to pay for the purposes designated in subsection 1.

17 3. Increased fees collected by the state registrar
18 pursuant to this section shall be credited to the vital
19 records fund. Moneys credited to the fund are appropriated to
20 the department to be used for the purposes designated in
21 subsection 1. Notwithstanding section 8.33, moneys credited
22 to the fund that remain unencumbered or unobligated at the
23 close of the fiscal year shall not revert to any fund but
24 shall remain available for expenditure for the purposes
25 designated.

26 Sec. 77. NEW SECTION. 147.28A SCOPE OF PRACTICE REVIEW
27 COMMITTEES -- FUTURE REPEAL.

28 1. The department shall utilize scope of practice review
29 committees to evaluate and make recommendations to the general
30 assembly and to the appropriate examining boards regarding all
31 of the following issues:

32 a. Requests from practitioners seeking to become newly
33 licensed health professionals or to establish their own
34 examining boards.

35 b. Requests from health professionals seeking to expand or

1 narrow the scope of practice of a health profession.

2 c. Unresolved administrative rulemaking disputes between
3 examining boards.

4 2. A scope of practice review committee established under
5 this section shall evaluate the issues specified in subsection
6 1 and make recommendations regarding proposed changes to the
7 general assembly based on the following standards and
8 guidelines:

9 a. The proposed change does not pose a significant new
10 danger to the public.

11 b. Enacting the proposed change will benefit the health,
12 safety, or welfare of the public.

13 c. The public cannot be effectively protected by other
14 more cost-effective means.

15 3. A scope of practice review committee shall be limited
16 to five members as follows:

17 a. One member representing the profession seeking
18 licensure, a new examining board, or a change in scope of
19 practice.

20 b. One member of the health profession directly impacted
21 by, or opposed to, the proposed change.

22 c. One impartial health professional who is not directly
23 or indirectly affected by the proposed change.

24 d. Two impartial members of the general public.

25 4. The department may contract with a school or college of
26 public health to assist in implementing this section.

27 5. The department shall submit an annual progress report
28 to the governor and the general assembly by January 15 and
29 shall include any recommendations for legislative action as a
30 result of review committee activities.

31 6. The department shall adopt rules in accordance with
32 chapter 17A to implement this section.

33 7. This section is repealed July 1, 2007.

34 Sec. 78. Section 147.80, Code 2005, is amended by adding
35 the following new unnumbered paragraph:

1 NEW UNNUMBERED PARAGRAPH. The board of medical examiners,
2 the board of pharmacy examiners, the board of dental
3 examiners, and the board of nursing shall retain individual
4 executive officers, but shall make every effort to share
5 administrative, clerical, and investigative staffs to the
6 greatest extent possible. The department shall annually
7 submit a status report to the general assembly in December
8 regarding the sharing of staff during the previous fiscal
9 year.

10 Sec. 79. Section 147.82, Code 2005, is amended to read as
11 follows:

12 147.82 FEES.

13 ~~All~~ Notwithstanding section 12.10, all fees shall be
14 collected under this chapter by an examining board or the
15 department and shall be paid to the treasurer of state and
16 deposited-in credited to the general fund of the state, except
17 as-provided-in-sections-147.94-and-147.102. for the following:

18 1. The department may retain and expend or encumber a
19 portion of fees collected under this chapter for an examining
20 board if the expenditure or encumbrance is directly the result
21 of an unanticipated litigation expense or an expense
22 associated with a scope of practice review committee created
23 pursuant to section 147.28A. Before the department retains,
24 expends, or encumbers funds for an unanticipated litigation
25 expense or a scope of practice review committee, the director
26 of the department of management shall approve the expenditure
27 or encumbrance. The amount of fees retained pursuant to this
28 subsection shall not exceed five percent of the average annual
29 fees generated by the affected examining board for the two
30 previous fiscal years. The amount of fees retained shall be
31 considered repayment receipts as defined in section 8.2.

32 2. The department may annually retain and expend not more
33 than two hundred ninety-seven thousand nine hundred sixty-one
34 dollars for lease and maintenance expenses from fees collected
35 pursuant to section 147.80 by the board of dental examiners,

1 the board of pharmacy examiners, the board of medical
2 examiners, and the board of nursing. Fees retained by the
3 department pursuant to this subsection shall be considered
4 repayment receipts as defined in section 8.2.

5 3. The department may annually retain and expend not more
6 than one hundred thousand dollars for reduction of the number
7 of days necessary to process medical license requests and for
8 reduction of the number of days needed for consideration of
9 malpractice cases from fees collected pursuant to section
10 147.80 by the board of medical examiners in the fiscal year
11 beginning July 1, 2005, and ending June 30, 2006. Fees
12 retained by the department pursuant to this subsection shall
13 be considered repayment receipts as defined in section 8.2 and
14 shall be used for the purposes described in this subsection.

15 4. The board of dental examiners may annually retain and
16 expend not more than one hundred forty-eight thousand sixty
17 dollars from revenues generated pursuant to section 147.80.
18 Fees retained by the board pursuant to this subsection shall
19 be considered repayment receipts as defined in section 8.2 and
20 shall be used for the purposes of regulating dental
21 assistants.

22 5. The board of nursing may annually retain and expend
23 ninety percent of the revenues generated from an increase in
24 license and renewal fees established pursuant to section
25 147.80 for the practice of nursing, above the license and
26 renewal fees in effect as of July 1, 2003. The moneys
27 retained shall be used for any of the board's duties,
28 including but not limited to the addition of full-time
29 equivalent positions for program services and investigations.
30 Revenues retained by the board pursuant to this subsection
31 shall be considered repayment receipts as defined in section
32 8.2, and shall be used for the purposes described in this
33 subsection.

34 6. The board of pharmacy examiners may annually retain and
35 expend ninety percent of the revenues generated from an

1 increase in license and renewal fees established pursuant to
2 sections 124.301 and 147.80, and chapter 155A, for the
3 practice of pharmacy, above the license and renewal fees in
4 effect as of July 1, 2004. The moneys retained shall be used
5 for any of the board's duties, including but not limited to
6 the addition of full-time equivalent positions for program
7 services and investigations. Revenues retained by the board
8 pursuant to this subsection shall be considered repayment
9 receipts as defined in section 8.2, and shall be used for the
10 purposes described in this subsection.

11 7. In addition to the amounts authorized in subsections 1
12 through 6, the examining boards listed in section 147.80 may
13 retain and expend ninety percent of the revenue generated from
14 an increase in license and renewal fees established pursuant
15 to section 147.80 for the practice of the licensed profession
16 for which an examining board conducts examinations above the
17 license and renewal fees in effect as of June 30, 2005. The
18 moneys retained by an examining board shall be used for any of
19 the board's duties, including but not limited to addition of
20 full-time equivalent positions for program services and
21 investigations. Revenues retained by an examining board
22 pursuant to this subsection shall be considered repayment
23 receipts as defined in section 8.2.

24 Sec. 80. Section 147.94, Code 2005, is amended to read as
25 follows:

26 147.94 PHARMACISTS.

27 The provisions of this chapter relative to the making of
28 application for a license, the issuance of a license, the
29 negotiation of reciprocal agreements for recognition of
30 foreign licenses, ~~the collection of license and renewal fees,~~
31 and the preservation of records shall not apply to the
32 licensing of persons to practice pharmacy, but such licensing
33 shall be governed by the following regulations:

34 1. Every application for a license to practice pharmacy
35 shall be made ~~direct~~ to the secretary of the board of pharmacy

1 examiners.

2 2. Such A license and all renewals thereof of a license
3 shall be issued by ~~said~~ the board of pharmacy examiners.

4 3. Every reciprocal agreement for the recognition of any
5 such license issued in another state shall be negotiated by
6 ~~said~~ the board of pharmacy examiners.

7 ~~4. All license and renewal fees exacted from persons~~
8 ~~licensed to practice pharmacy shall be paid to and collected~~
9 ~~by the secretary of the pharmacy examiners.~~

10 5. 4. All records in connection with the licensing of
11 pharmacists shall be kept by ~~said~~ the secretary of the board
12 of pharmacy examiners.

13 Sec. 81. Section 147.102, Code 2005, is amended to read as
14 follows:

15 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.

16 Notwithstanding the provisions of this subtitle, every
17 application for a license to practice psychology,
18 chiropractic, or dentistry shall be made directly to the
19 chairperson, executive director, or secretary of the examining
20 board of such profession, and every reciprocal agreement for
21 the recognition of any such license issued in another state
22 shall be negotiated by the examining board for such
23 profession. All examination, license, and renewal fees
24 received from persons licensed to practice any of such
25 professions shall be paid to and collected by the chairperson,
26 executive director, or secretary of the examining board of
27 such profession, ~~who shall transmit the fees to the treasurer~~
28 ~~of state for deposit into the general fund of the state.~~ The
29 salary of the secretary shall be established by the governor
30 with the approval of the executive council pursuant to section
31 8A.413, subsection 2, under the pay plan for exempt positions
32 in the executive branch of government.

33 Sec. 82. Section 217.13, subsection 1, Code 2005, is
34 amended to read as follows:

35 1. The department of human services shall establish

1 volunteer programs designed to enhance the services provided
2 by the department. Roles for volunteers may include but shall
3 not be limited to parent aides, friendly visitors, commodity
4 distributors, clerical assistants, and medical transporters,
5 and other functions to complement and supplement the
6 department's work with clients. Roles for volunteers shall
7 include conservators and guardians. The department shall
8 adopt rules for programs which are established.

9 Sec. 83. NEW SECTION. 217.35 FRAUD AND RECOUPMENT
10 ACTIVITIES.

11 Notwithstanding the requirement for deposit of recovered
12 moneys under section 239B.14, recovered moneys generated
13 through fraud and recoupment activities are appropriated to
14 the department of human services to be used for additional
15 fraud and recoupment activities performed by the department of
16 human services or the department of inspections and appeals.
17 The department of human services may use the recovered moneys
18 appropriated to add not more than five full-time equivalent
19 positions, in addition to those funded by annual
20 appropriations. The appropriation of the recovered moneys is
21 subject to both of the following conditions:

22 1. The director of human services determines that the
23 investment can reasonably be expected to increase recovery of
24 assistance paid in error, due to fraudulent or nonfraudulent
25 actions, in excess of the amount recovered in the previous
26 fiscal year.

27 2. The amount expended for the additional fraud and
28 recoupment activities shall not exceed the amount of the
29 projected increase in assistance recovered.

30 Sec. 84. NEW SECTION. 218.6 TRANSFER OF APPROPRIATIONS
31 MADE TO INSTITUTIONS.

32 Notwithstanding section 8.39, subsection 1, without the
33 prior written consent and approval of the governor and the
34 director of the department of management, the director of
35 human services may transfer funds between the appropriations

1 made for the same type of institution, listed as follows:

- 2 1. The state resource centers.
- 3 2. The state mental health institutes.
- 4 3. The state juvenile institutions consisting of the state
5 training school and the Iowa juvenile home.

6 Sec. 85. NEW SECTION. 222.92 NET GENERAL FUND
7 APPROPRIATION -- STATE RESOURCE CENTERS.

8 1. The department shall operate the state resource centers
9 on the basis of net appropriations from the general fund of
10 the state. The appropriation amounts shall be the net amounts
11 of state moneys projected to be needed for the state resource
12 centers for the fiscal year of the appropriations. The
13 purpose of utilizing net appropriations is to encourage the
14 state resource centers to operate with increased self-
15 sufficiency, to improve quality and efficiency, and to support
16 collaborative efforts between the state resource centers and
17 counties and other providers of funding for the services
18 available from the state resource centers. The state resource
19 centers shall not be operated under the net appropriations in
20 a manner that results in a cost increase to the state or in
21 cost shifting between the state, the medical assistance
22 program, counties, or other sources of funding for the state
23 resource centers.

24 2. The net appropriation made for a state resource center
25 may be used throughout the fiscal year in the manner necessary
26 for purposes of cash flow management, and for purposes of cash
27 flow management, a state resource center may temporarily draw
28 more than the amount appropriated, provided the amount
29 appropriated is not exceeded at the close of the fiscal year.

30 3. Subject to the approval of the department, except for
31 revenues segregated as provided in section 249A.11, revenues
32 received that are attributed to a state resource center for a
33 fiscal year shall be credited to the state resource center's
34 account and shall be considered repayment receipts as defined
35 in section 8.2, including but not limited to all of the

1 following:

2 a. Moneys received by the state from billings to counties
3 under section 222.73.

4 b. The federal share of medical assistance program revenue
5 received under chapter 249A.

6 c. Federal Medicare program payments.

7 d. Moneys received from client financial participation.

8 e. Other revenues generated from current, new, or expanded
9 services that the state resource center is authorized to
10 provide.

11 4. For purposes of allocating moneys to the state resource
12 centers from the salary adjustment fund created in section
13 8.43, the state resource centers shall be considered to be
14 funded entirely with state moneys.

15 5. Notwithstanding section 8.33, up to five hundred
16 thousand dollars of a state resource center's revenue that
17 remains unencumbered or unobligated at the close of the fiscal
18 year shall not revert but shall remain available for
19 expenditure for purposes of the state resource center until
20 the close of the succeeding fiscal year.

21 Sec. 86. NEW SECTION. 226.9B NET GENERAL FUND
22 APPROPRIATION -- PSYCHIATRIC MEDICAL INSTITUTION FOR CHILDREN.

23 1. The psychiatric medical institution for children beds
24 operated by the state at the state mental health institute at
25 Independence, as authorized in section 135H.6, shall operate
26 on the basis of a net appropriation from the general fund of
27 the state. The allocation made by the department from the
28 annual appropriation to the state mental health institute at
29 Independence for the purposes of the beds shall be the net
30 amount of state moneys projected to be needed for the beds for
31 the fiscal year of the appropriation.

32 2. Revenues received that are attributed to the
33 psychiatric medical institution for children beds during a
34 fiscal year shall be credited to the mental health institute's
35 account and shall be considered repayment receipts as defined

1 in section 8.2, including but not limited to all of the
2 following:

3 a. The federal share of medical assistance program revenue
4 received under chapter 249A.

5 b. Moneys received through client financial participation.

6 c. Other revenues directly attributable to the psychiatric
7 medical institution for children beds.

8 Sec. 87. NEW SECTION. 226.9C NET GENERAL FUND
9 APPROPRIATION -- DUAL DIAGNOSIS PROGRAM.

10 1. The state mental health institute at Mount Pleasant
11 shall operate the dual diagnosis mental health and substance
12 abuse program on a net budgeting basis in which 50 percent of
13 the actual per diem and ancillary services costs are
14 chargeable to the patient's county of legal settlement or as a
15 state case, as appropriate. Subject to the approval of the
16 department, revenues attributable to the dual diagnosis
17 program for each fiscal year, shall be deposited in the mental
18 health institute's account and are appropriated to the
19 department for the dual diagnosis program, including but not
20 limited to all of the following revenues:

21 a. Moneys received by the state from billings to counties
22 under section 230.20.

23 b. Moneys received from billings to the Medicare program.

24 c. Moneys received from a managed care contractor
25 providing services under contract with the department or any
26 private third-party payor.

27 d. Moneys received through client participation.

28 e. Any other revenues directly attributable to the dual
29 diagnosis program.

30 2. The following additional provisions are applicable in
31 regard to the dual diagnosis program:

32 a. A county may split the charges between the county's
33 mental health, mental retardation, and developmental
34 disabilities services fund created pursuant to section
35 331.424A and the county's budget for substance abuse

1 expenditures.

2 b. If an individual is committed to the custody of the
3 department of corrections at the time the individual is
4 referred for dual diagnosis treatment, the department of
5 corrections shall be charged for the costs of treatment.

6 c. Prior to an individual's admission for dual diagnosis
7 treatment, the individual shall have been screened through a
8 county's central point of coordination process implemented
9 pursuant to section 331.440 to determine the appropriateness
10 of the treatment.

11 d. A county shall not be chargeable for the costs of
12 treatment for an individual enrolled in and authorized by or
13 decertified by a managed behavioral care plan under the
14 medical assistance program.

15 e. Notwithstanding section 8.33, state mental health
16 institute revenues related to the dual diagnosis program that
17 remain unencumbered or unobligated at the close of the fiscal
18 year shall not revert but shall remain available up to the
19 amount which would allow the state mental health institute to
20 meet credit obligations owed to counties as a result of year-
21 end per diem adjustments for the dual diagnosis program.

22 Sec. 88. Section 226.19, Code 2005, is amended to read as
23 follows:

24 226.19 DISCHARGE -- CERTIFICATE.

25 1. All patients shall be discharged, by in accordance with
26 the procedure prescribed in section 229.3 or section 229.16,
27 whichever is applicable, immediately on regaining their the
28 patient's good mental health.

29 2. If a patient's care is the financial responsibility of
30 the state or a county, as part of the patient's discharge
31 planning the state mental health institute shall provide
32 assistance to the patient in obtaining eligibility for the
33 federal state supplemental security income program.

34 Sec. 89. Section 229A.12, Code 2005, is amended to read as
35 follows:

1 229A.12 DIRECTOR OF HUMAN SERVICES -- RESPONSIBILITY FOR
2 COSTS -- REIMBURSEMENT.

3 The director of human services shall be responsible for all
4 costs relating to the evaluation, treatment, and services
5 provided to a person that are incurred after the person is
6 committed to the director's custody after the court or jury
7 determines that the respondent is a sexually violent predator
8 and pursuant to commitment under any provision of this
9 chapter. If placement in a transitional release program or
10 supervision is ordered, the director shall also be responsible
11 for all costs related to the transitional release program or
12 to the supervision and treatment of any person. Reimbursement
13 may be obtained by the director from the patient and any
14 person legally liable or bound by contract for the support of
15 the patient for the cost of confinement or of care and
16 treatment provided. To the extent allowed by the United
17 States social security administration, any benefit payments
18 received by the person pursuant to the federal Social Security
19 Act shall be used for the costs incurred. As used in this
20 section, "any person legally liable" does not include a
21 political subdivision.

22 Sec. 90. NEW SECTION. 231.34 LIMITATION OF FUNDS USED
23 FOR ADMINISTRATIVE PURPOSES.

24 Of the state funds appropriated or allocated to the
25 department for programs of the area agencies on aging, not
26 more than seven and one-half percent of the total amount shall
27 be used for area agencies on aging administrative purposes.

28 Sec. 91. NEW SECTION. 232.1A FOSTER CARE PLACEMENT --
29 ANNUAL GOAL.

30 The annual state goal for children placed in foster care
31 that is funded under the federal Social Security Act, Title
32 IV-E, is that not more than fifteen percent of the children
33 will be in a foster care placement for a period of more than
34 twenty-four months.

35 Sec. 92. Section 233A.1, Code 2005, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 3. The number of children present at any
3 one time at the state training school at Eldora shall not
4 exceed the population guidelines established under 1990 Iowa
5 Acts, chapter 1239, section 21, as adjusted for subsequent
6 changes in the capacity at the training school.

7 Sec. 93. Section 233B.1, Code 2005, is amended to read as
8 follows:

9 233B.1 DEFINITIONS ---~~OBJECTS~~ PURPOSE -- POPULATION LIMIT.

10 1. For the purpose of this chapter, unless the context
11 otherwise requires:

12 ~~1-~~ a. "Administrator" or "director" means the director of
13 the department of human services.

14 ~~2-~~ b. "Home" means the Iowa juvenile home.

15 ~~3-~~ c. "Superintendent" means the superintendent of the
16 Iowa juvenile home.

17 2. The Iowa juvenile home shall be maintained for the
18 purpose of providing care, custody and education of ~~such~~ the
19 children ~~as~~ are committed to the home. ~~Such~~ The children
20 shall be wards of the state. ~~Their~~ The children's education
21 shall embrace instruction in the common school branches and in
22 such other higher branches as may be practical and will enable
23 the children to gain useful and self-sustaining employment.
24 The administrator and the superintendent of the home shall
25 assist all discharged children in securing suitable homes and
26 proper employment.

27 3. The number of children present at any one time at the
28 Iowa juvenile home shall not exceed the population guidelines
29 established under 1990 Iowa Acts, chapter 1239, section 21, as
30 adjusted for subsequent changes in the capacity at the home.

31 Sec. 94. Section 234.12A, subsection 1, unnumbered
32 paragraph 1, Code 2005, is amended to read as follows:

33 The department of human services ~~may-establish~~ shall
34 maintain an electronic benefits transfer program utilizing
35 electronic funds transfer systems. The program ~~-if~~

1 ~~established~~, shall at a minimum provide for all of the
2 following:

3 Sec. 95. Section 237A.28, Code 2005, is amended to read as
4 follows:

5 237A.28 CHILD CARE CREDIT FUND.

6 A child care credit fund is created in the state treasury
7 under the authority of the department of human services. The
8 moneys in the fund shall consist of moneys deposited pursuant
9 to section 422.100 and ~~shall be used for child care services~~
10 as annually are appropriated by the general assembly to the
11 department to be used for the state child care assistance
12 program in accordance with section 237A.13.

13 Sec. 96. Section 239B.4, Code 2005, is amended by adding
14 the following new subsections:

15 NEW SUBSECTION. 3A. The department shall continue to work
16 with the department of workforce development and local
17 community collaborative efforts to provide support services
18 for participants. The support services shall be directed to
19 those participant families who would benefit from the support
20 services and are likely to have success in achieving economic
21 independence.

22 NEW SUBSECTION. 3B. The department shall continue to work
23 with religious organizations and other charitable institutions
24 to increase the availability of host homes, referred to as
25 second chance homes, or other living arrangements under the
26 federal Personal Responsibility and Work Opportunity
27 Reconciliation Act of 1996, Pub. L. No. 104-193, § 103, and
28 any successor legislation. The purpose of the homes or
29 arrangements is to provide a supportive and supervised living
30 arrangement for minor parents receiving assistance who may
31 receive assistance while living in an alternative setting
32 other than with their parent or legal guardian.

33 Sec. 97. Section 239B.11, Code 2005, is amended to read as
34 follows:

35 239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT -- DIVERSION

1 PROGRAM SUBACCOUNT -- DIVERSION PROGRAM.

2 1. An account is established in the state treasury to be
3 known as the family investment program account under control
4 of the department to which shall be credited all funds
5 appropriated by the state for the payment of assistance and
6 JOBS program expenditures. All other moneys received at any
7 time for these purposes, including child support revenues,
8 shall be deposited into the account as provided by law. All
9 assistance and JOBS program expenditures under this chapter
10 shall be paid from the account.

11 2. a. A diversion program subaccount is created within
12 the family investment program account. The subaccount may be
13 used to provide incentives to divert applicants' a family's
14 participation in the family investment program if the
15 applicants-meet family meets the department's income
16 eligibility requirements for assistance the diversion program.
17 Incentives may be provided in the form of payment or services
18 with-a-focus-on-helping-applicants to help a family to obtain
19 or retain employment. The diversion program subaccount may
20 also be used for payments to participants as necessary to
21 cover the expenses of removing barriers to employment and to
22 assist in stabilizing employment. In addition, the diversion
23 program subaccount may be used for funding of services and
24 payments for persons whose family investment program
25 eligibility has ended, in order to help the persons to
26 stabilize or improve their employment status.

27 b. The diversion program shall be implemented statewide in
28 a manner that preserves local flexibility in program design.
29 The department shall assess and screen individuals who would
30 most likely benefit from diversion program assistance. The
31 department may adopt additional eligibility criteria for the
32 diversion program as necessary for compliance with federal law
33 and for screening those families who would be most likely to
34 become eligible for the family investment program if diversion
35 program incentives would not be provided to the families.

1 Sec. 98. Section 249.3, subsection 4, paragraphs e and g,
2 Code 2005, are amended to read as follows:

3 e. Receive full medical assistance benefits under chapter
4 249A and are not required to meet a spend-down or pay a
5 premium to be eligible for such benefits.

6 g. Have income exceeding of at least one hundred thirty-
7 five twenty percent of the federal poverty level but not
8 exceeding the medical assistance income limit for the
9 eligibility group for the individual person's living
10 arrangement.

11 Sec. 99. Section 249A.12, subsection 6, paragraph c, Code
12 2005, is amended to read as follows:

13 c. The person's county of legal settlement shall pay for
14 the nonfederal share of the cost of services provided under
15 the waiver, and the state shall pay for the nonfederal share
16 of such costs if the person does-not-have-a-county-of has no
17 legal settlement or the legal settlement is unknown so that
18 the person is deemed to be a state case.

19 Sec. 100. Section 249A.12, subsection 6, Code 2005, is
20 amended by adding the following new paragraph:

21 NEW PARAGRAPH. d. The county of legal settlement shall
22 pay for one hundred percent of the nonfederal share of the
23 costs of care provided for adults which is reimbursed under a
24 home and community-based services waiver that would otherwise
25 be approved for provision in an intermediate care facility for
26 persons with mental retardation provided under the medical
27 assistance program.

28 Sec. 101. Section 249A.12, Code 2005, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 7. When paying the necessary and legal
31 expenses for intermediate care facility for persons with
32 mental retardation services, the cost requirements of section
33 222.60 shall be considered fulfilled when payment is made in
34 accordance with the medical assistance payment rates
35 established by the department for intermediate care facilities

1 for persons with mental retardation, and the state or a county
2 of legal settlement shall not be obligated for any amount in
3 excess of the rates.

4 Sec. 102. Section 249A.24, Code 2005, is amended by adding
5 the following new subsection:

6 NEW SUBSECTION. 3. The commission shall submit an annual
7 review, including facts and findings, of the drugs on the
8 department's prior authorization list to the department and to
9 the members of the general assembly's joint appropriations
10 subcommittee on health and human services.

11 Sec. 103. Section 249A.26, Code 2005, is amended to read
12 as follows:

13 249A.26 STATE AND COUNTY PARTICIPATION IN FUNDING FOR
14 SERVICES TO PERSONS WITH DISABILITIES -- CASE MANAGEMENT.

15 1. The state shall pay for one hundred percent of the
16 nonfederal share of the services paid for under any prepaid
17 mental health services plan for medical assistance implemented
18 by the department as authorized by law.

19 2. a. The Except as provided for disallowed costs in
20 section 249A.27, the county of legal settlement shall pay for
21 fifty percent of the nonfederal share of the cost and the
22 state shall have responsibility for the remaining fifty
23 percent of the nonfederal share of the cost of case management
24 provided to adults, day treatment, and partial hospitalization
25 provided under the medical assistance program for persons with
26 mental retardation, a developmental disability, or chronic
27 mental illness. For purposes of this section, persons with
28 mental disorders resulting from Alzheimer's disease or
29 substance abuse shall not be considered chronically mentally
30 ill. To the maximum extent allowed under federal law and
31 regulations, the department shall consult with and inform a
32 county of legal settlement's central point of coordination
33 process, as defined in section 331.440, regarding the
34 necessity for and the provision of any service for which the
35 county is required to provide reimbursement under this

1 subsection.

2 b. The state shall pay for one hundred percent of the
3 nonfederal share of the costs of case management provided for
4 adults, day treatment, partial hospitalization, and the home
5 and community-based services waiver services for persons who
6 have no legal settlement or the legal settlement is unknown so
7 that the persons are deemed to be state cases.

8 c. The case management services specified in this
9 subsection shall be paid for by a county only if the services
10 are provided outside of a managed care contract.

11 3. To the maximum extent allowed under federal law and
12 regulations, a person with mental illness or mental
13 retardation shall not be eligible for any service which is
14 funded in whole or in part by a county share of the nonfederal
15 portion of medical assistance funds unless the person is
16 referred through the central point of coordination process, as
17 defined in section 331.440. However, to the extent federal
18 law allows referral of a medical assistance recipient to a
19 service without approval of the central point of coordination
20 process, the county of legal settlement shall be billed for
21 the nonfederal share of costs for any adult person for whom
22 the county would otherwise be responsible.

23 4. The county of legal settlement shall pay for one
24 hundred percent of the nonfederal share of the cost of
25 services provided to persons with chronic mental illness
26 implemented under the adult rehabilitation option of the state
27 medical assistance plan. The state shall pay for one hundred
28 percent of the nonfederal share of the cost of such services
29 provided to such persons without-a-county-of who have no legal
30 settlement or the legal settlement is unknown so that the
31 persons are deemed to be state cases.

32 5. The state shall pay for the entire nonfederal share of
33 the costs for case management services provided to persons
34 seventeen years of age or younger who are served in a home and
35 community-based services waiver program under the medical

1 assistance program for persons with mental retardation.

2 6. Funding under the medical assistance program shall be
3 provided for case management services for eligible persons
4 seventeen years of age or younger residing in counties with
5 child welfare decategorization projects implemented in
6 accordance with section 232.188, provided these projects have
7 included these persons in the service plan and the
8 decategorization project county is willing to provide the
9 nonfederal share of the costs.

10 7. Unless a county has paid or is paying for the
11 nonfederal share of the costs of a person's home and
12 community-based waiver services or placement in an
13 intermediate care facility for persons with mental retardation
14 under the county's mental health, mental retardation, and
15 developmental disabilities services fund, or unless a county
16 of legal settlement would become liable for the costs of
17 services for a person at the level of care provided in an
18 intermediate care facility for persons with mental retardation
19 due to the person reaching the age of majority, the state
20 shall pay for the nonfederal share of the costs of an eligible
21 person's services under the home and community-based services
22 waiver for persons with brain injury.

23 5- 8. If a dispute arises between different counties or
24 between the department and a county as to the legal settlement
25 of a person who receives medical assistance for which the
26 nonfederal share is payable in whole or in part by a county of
27 legal settlement, and cannot be resolved by the parties, the
28 dispute shall be resolved as provided in section 225C.8.

29 9. Notwithstanding section 8.39, the department may
30 transfer funds appropriated for the medical assistance program
31 to a separate account established in the department's case
32 management unit in an amount necessary to pay for expenditures
33 required to provide case management for mental health, mental
34 retardation, and developmental disabilities services under the
35 medical assistance program which are jointly funded by the

1 state and county, pending final settlement of the
2 expenditures. Funds received by the case management unit in
3 settlement of the expenditures shall be used to replace the
4 transferred funds and are available for the purposes for which
5 the funds were originally appropriated.

6 Sec. 104. Section 249A.26A, Code 2005, is amended to read
7 as follows:

8 249A.26A STATE AND COUNTY PARTICIPATION IN FUNDING FOR
9 REHABILITATION SERVICES FOR PERSONS WITH CHRONIC MENTAL
10 ILLNESS.

11 The county of legal settlement shall pay for the nonfederal
12 share of the cost of rehabilitation services provided under
13 the medical assistance program for persons with chronic mental
14 illness, except that the state shall pay for the nonfederal
15 share of such costs if the person does-not-have-a-county-of
16 has no legal settlement or the legal settlement is unknown so
17 that the person is deemed to be a state case.

18 Sec. 105. NEW SECTION. 249A.32A HOME AND COMMUNITY-BASED
19 SERVICES WAIVERS -- LIMITATIONS.

20 In administering a home and community-based services
21 waiver, the total number of openings at any one time shall be
22 limited to the number approved for the waiver by the secretary
23 of the United States department of health and human services.
24 The openings shall be available on a first-come, first-served
25 basis.

26 Sec. 106. NEW SECTION. 249A.32B EARLY AND PERIODIC
27 SCREENING, DIAGNOSIS, AND TREATMENT FUNDING.

28 The department of human services, in consultation with the
29 Iowa department of public health and the department of
30 education, shall continue the program to utilize the early and
31 periodic screening, diagnosis, and treatment program funding
32 under the medical assistance program, to the extent possible,
33 to implement the screening component of the early and periodic
34 screening, diagnosis, and treatment program through the
35 schools. The department may enter into contracts to utilize

1 maternal and child health centers, the public health nursing
2 program, or school nurses in implementing this section.

3 Sec. 107. Section 252B.4, subsection 3, Code 2005, is
4 amended to read as follows:

5 3. Fees collected pursuant to this section shall be
6 ~~retained-by-the-department-for-use-by~~ considered repayment
7 receipts, as defined in section 8.2, and shall be used for the
8 purposes of the unit. The director or a designee shall keep
9 an accurate record of ~~funds-so-retained~~ the fees collected and
10 expended.

11 Sec. 108. Section 252B.23, subsection 11, Code 2005, is
12 amended to read as follows:

13 11. All surcharge payments shall be received and disbursed
14 by the collection services center. The surcharge payments
15 received by the collection services center shall be considered
16 repayment receipts as defined in section 8.2 and shall be used
17 to pay the costs of any contracts with a collection entity.

18 Sec. 109. NEW SECTION. 252B.25 USE OF FUNDING FOR
19 ADDITIONAL POSITIONS.

20 1. The director, within the limitations of the amount
21 appropriated for the unit, or moneys transferred for this
22 purpose from the family investment program account created in
23 section 239B.11, may establish new positions and add employees
24 to the unit if the director determines that both the current
25 and additional employees together can reasonably be expected
26 to maintain or increase net state revenue at or beyond the
27 budgeted level for the fiscal year.

28 2. a. The director may establish new positions and add
29 state employees to the unit or contract for delivery of
30 services if the director determines the employees are
31 necessary to replace county-funded positions eliminated due to
32 termination, reduction, or nonrenewal of a chapter 28E
33 contract. However, the director must also determine that the
34 resulting increase in the state share of child support
35 recovery incentives exceeds the cost of the positions or

1 contract, the positions or contract are necessary to ensure
2 continued federal funding of the unit, or the new positions or
3 contract can reasonably be expected to recover at least twice
4 the amount of money necessary to pay the salaries and support
5 for the new positions or the contract will generate at least
6 two hundred percent of the cost of the contract.

7 b. Employees in full-time positions that transition from
8 county government to state government employment under this
9 subsection are exempt from testing, selection, and appointment
10 provisions of chapter 19A and from the provisions of
11 collective bargaining agreements relating to the filling of
12 vacant positions.

13 Sec. 110. Section 321J.25, subsection 1, paragraph b, Code
14 2005, is amended to read as follows:

15 b. "Program" means a substance abuse awareness program
16 provided under a contract entered into between the provider
17 and the ~~commission-on-substance-abuse-of-the~~ Iowa department
18 of public health under chapter 125.

19 Sec. 111. Section 321J.25, subsection 2, unnumbered
20 paragraph 1, Code 2005, is amended to read as follows:

21 A substance abuse awareness program is established in each
22 of the regions established by the ~~commission-on-substance~~
23 ~~abuse~~ director of public health pursuant to section 125.12.

24 The program shall consist of an insight class and a substance
25 abuse evaluation, which shall be attended by the participant,
26 to discuss issues related to the potential consequences of
27 substance abuse. The parent or parents of the participant
28 shall also be encouraged to participate in the program. The
29 program provider shall consult with the participant or the
30 parents of the participant in the program to determine the
31 timing and appropriate level of participation for the
32 participant and any participation by the participant's
33 parents. The program may also include a supervised
34 educational tour by the participant to any or all of the
35 following:

1 Sec. 112. Section 505.25, Code 2005, is amended to read as
2 follows:

3 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE PROGRAM
4 AND HAWK-I PROGRAMS.

5 A carrier, as defined in section 514C.13, shall enter into
6 a health insurance data match program with the department of
7 human services for the sole purpose of comparing the names of
8 the carrier's insureds with the names of recipients of the
9 medical assistance program under chapter 249A or enrollees of
10 the hawk-i program under chapter 514I.

11 Sec. 113. Section 514I.11, subsection 2, Code 2005, is
12 amended to read as follows:

13 2. The trust fund shall be separate from the general fund
14 of the state and shall not be considered part of the general
15 fund of the state. The moneys in the trust fund are not
16 subject to section 8.33 and shall not be transferred, used,
17 obligated, appropriated, or otherwise encumbered, except to
18 provide for the purposes of this chapter and except as
19 provided in subsection 4. Notwithstanding section 12C.7,
20 subsection 2, interest or earnings on moneys deposited in the
21 trust fund shall be credited to the trust fund.

22 Sec. 114. Section 514I.11, Code 2005, is amended by adding
23 the following new subsections:

24 NEW SUBSECTION. 3. Moneys in the fund are appropriated to
25 the department and shall be used to offset any program costs.

26 NEW SUBSECTION. 4. The department may transfer moneys
27 appropriated from the fund to be used for the purpose of
28 expanding health care coverage to children under the medical
29 assistance program.

30 NEW SUBSECTION. 5. The department shall provide periodic
31 updates to the general assembly regarding expenditures from
32 the fund.

33 Sec. 115. Section 600.17, Code 2005, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 3. The department of human services shall

1 make adoption presubsidy and adoption subsidy payments to
2 adoptive parents at the beginning of the month for the current
3 month.

4 Sec. 116. COMMISSION ON SUBSTANCE ABUSE -- RULES. The
5 administrative rules adopted by the commission on substance
6 abuse that are in effect as of June 30, 2005, shall remain in
7 effect until modified or rescinded by the state board of
8 health.

9 Sec. 117. Sections 125.4, 125.5, and 125.6, Code 2005, are
10 repealed.

11 Sec. 118. EFFECTIVE DATE. The amendment in this Act to
12 section 144A.13A, being deemed of immediate importance, takes
13 effect upon enactment.

14 DIVISION V

15 SUPPLEMENTAL APPROPRIATIONS

16 Sec. 119. 2004 Iowa Acts, chapter 1175, section 116,
17 unnumbered paragraph 2, is amended to read as follows:

18 For medical assistance reimbursement and associated costs
19 as specifically provided in the reimbursement methodologies in
20 effect on June 30, 2004, except as otherwise expressly
21 authorized by law, including reimbursement for abortion
22 services, which shall be available under the medical
23 assistance program only for those abortions which are
24 medically necessary:

25 \$352,794,101
26 422,794,101

27 Sec. 120. 2004 Iowa Acts, chapter 1175, section 118,
28 unnumbered paragraph 2, is amended to read as follows:

29 For medical contracts, including salaries, support,
30 maintenance, and miscellaneous purposes, and for not more than
31 the following full-time equivalent position:

32 \$ 9,725,035
33 10,725,035
34 FTEs 1.00

35 Of the amount appropriated in this section, \$1,000,000 is

1 allocated for implementation costs for the Iowa Medicaid
2 enterprise initiative.

3 Sec. 121. 2004 Iowa Acts, chapter 1175, section 130,
4 subsections 1 and 2, are amended to read as follows:

5 1. For the state resource center at Glenwood for salaries,
6 support, maintenance, and miscellaneous purposes:

7 \$ 8,550,280
8 9,550,280

9 2. For the state resource center at Woodward for salaries,
10 support, maintenance, and miscellaneous purposes:

11 \$ 4,520,459
12 5,520,459

13 Sec. 122. 2004 Iowa Acts, chapter 1175, section 131, is
14 amended to read as follows:

15 SEC. 131. MI/MR/DD STATE CASES. There is appropriated
16 from the general fund of the state to the department of human
17 services for the fiscal year beginning July 1, 2004, and
18 ending June 30, 2005, the following amount, or so much thereof
19 as is necessary, to be used for the purpose designated:

20 For purchase of local services for persons with mental
21 illness, mental retardation, and developmental disabilities
22 where the client has no established county of legal
23 settlement:

24 \$ 11,701,476.19
25 11,264,619

26 The general assembly encourages the department to continue
27 discussions with the Iowa state association of counties and
28 administrators of county central point of coordination offices
29 regarding proposals for moving state cases to county budgets.

30 Notwithstanding section 8.33, moneys appropriated in this
31 section that remain unencumbered or unobligated at the close
32 of the fiscal year shall not revert but shall remain available
33 for expenditure for the purposes designated until the close of
34 the succeeding fiscal year.

35 Sec. 123. 2004 Iowa Acts, chapter 1175, section 134,]

1 subsection 1, unnumbered paragraph 2, is amended to read as
2 follows:

3 For costs associated with the commitment and treatment of
4 sexually violent predators in the unit located at the state
5 mental health institute at Cherokee, including costs of legal
6 services and other associated costs, including salaries,
7 support, maintenance, and miscellaneous purposes:

8 \$ 2,833,646
9 3,608,646

10 Sec. 124. EFFECTIVE DATE. This division of this Act,
11 being deemed of immediate importance, takes effect upon
12 enactment.

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HOUSE FILE 825

S-3244

- 1 Amend House File 825, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. By striking page 15, line 35, through page 16,
- 4 line 7.
- 5 2. By renumbering as necessary.

By JOHN PUTNEY

S-3244 FILED MAY 4, 2005

ADOPTED

HOUSE FILE 825

S-3245

- 1 Amend House File 825, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 25, by inserting after line 26, the
- 4 following:
- 5 "____. The general assembly finds that it is
- 6 important for adequate, comprehensive mental health
- 7 services to be available to the children of this
- 8 state; that Iowa is seeking to develop a coordinated
- 9 system of mental health care for children through a
- 10 redesign of the children's mental health system; that
- 11 Iowa is one of only two states that have not
- 12 participated in the comprehensive community mental
- 13 health services program for children and their
- 14 families grant offered by the substance abuse and
- 15 mental health services administration (SAMHSA) of the
- 16 United States department of health and human services;
- 17 and that implementing such an initiative requires
- 18 long-term sustainability and support. The general
- 19 assembly expresses appreciation to the department for
- 20 applying to SAMHSA for the comprehensive services
- 21 program grant to implement a six-year project located
- 22 in northeast Iowa. The purpose of the project is to
- 23 create a family-driven, coordinated system of care for
- 24 children with mental illness to serve as a model for
- 25 developing a statewide approach based on family-
- 26 provider partnerships and long-term sustainability.
- 27 The general assembly strongly supports the grant
- 28 application and implementation of the project as vital
- 29 steps in redesigning the children's mental health
- 30 system."
- 31 2. By renumbering as necessary.

By MIKE CONNOLLY

S-3245 FILED MAY 4, 2005

ADOPTED

S-3259

1 Amend House File 825, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, line 23, by striking the figure
4 "2,791,522" and inserting the following: "2,792,116".

5 2. By striking page 1, line 34, through page 2,
6 line 1, and inserting the following:

7 "2. Of the funds appropriated in this section,
8 \$174,198 shall be".

9 3. Page 2, by inserting after line 4, the
10 following:

11 " . Of the funds appropriated in this section,
12 \$61,594 shall be used by the department of elder
13 affairs for a statewide coordinator for the program of
14 all-inclusive care for the elderly as defined in
15 section 249H.3. The coordinator shall work in
16 collaboration with the department of human services in
17 carrying out the coordinator's duties."

18 4. Page 2, line 17, by striking the figure
19 "1,258,710" and inserting the following: "2,259,020".

20 5. Page 2, by inserting after line 24, the
21 following:

22 "Of the moneys appropriated in this subsection,
23 \$30,310 shall be used to continue to provide funding
24 to local communities that have previously received
25 funding from the centers for disease control and
26 prevention of the United States department of health
27 and human services for secondhand smoke education
28 initiatives."

29 6. Page 3, line 14, by striking the figure
30 "1,264,299" and inserting the following: "1,274,299".

31 7. Page 3, by inserting after line 19, the
32 following:

33 "Of the funds appropriated in this subsection,
34 \$10,000 shall be used to continue the grant to a free
35 clinic, as defined in section 135.24, operating in one
36 county to continue the partnership and test program
37 for a buying cooperative approach for purchasing
38 prescription drugs at a price less than retail. The
39 prescription drugs purchased through the approach
40 shall be provided to patients of the free clinic who
41 are uninsured or underinsured."

42 8. By striking page 3, line 30, through page 4,
43 line 1, and inserting the following:

44 "The amount appropriated in this subsection
45 includes \$150,000 in additional funding for childhood
46 lead poisoning prevention activities for counties not
47 receiving federal funding for this purpose, and of
48 this amount, \$50,000 is allocated for a pilot project
49 to address lead poisoning prevention and remediation
50 activities in a three-county program in north central

S-3259

1 Iowa with a combined population of at least 50,000."

2 9. Page 4, line 13, by striking the figure
3 "1,044,151" and inserting the following: "1,379,258".

4 10. Page 4, line 16, by striking the figure
5 "335,107" and inserting the following: "670,214".

6 11. Page 4, line 18, by inserting after the
7 figure "135.106." the following: "The department
8 shall transfer the funding allocated for the HOPES-HFI
9 program to the Iowa empowerment board for distribution
10 and shall assist the board in managing the contracting
11 for the funding. The funding shall be distributed to
12 renew the grants that were provided to the grantees
13 that operated the program during the fiscal year
14 ending June 30, 2005."

15 12. Page 4, line 26, by striking the figure
16 "6,820,423" and inserting the following: "6,964,033".

17 13. Page 4, by inserting after line 27 the
18 following:
19 "The office of the state medical examiner and the
20 commissioner of public safety shall give consideration
21 to a proposal offered by Polk county for the state
22 criminalistics laboratory to share facilities with
23 Polk county."

24 14. Page 4, line 32, by striking the figure
25 "994,442" and inserting the following: "1,124,684".

26 15. Page 4, by inserting after line 33, the
27 following:

28 "11B. SAFETY NET PROVIDERS

29 The purpose of this subsection is to create a
30 formal network of providers to preserve and expand the
31 health care safety net for vulnerable Iowans, to
32 recognize that safety net providers are the means of
33 access to health care for the uninsured in this state,
34 and to provide a mechanism to identify the extent to
35 which the uninsured in the state access health care
36 safety net providers. Of the amount appropriated in
37 this division of this Act for the medical assistance
38 program, \$1,100,000 is transferred to the
39 appropriation made in this subsection.

40 a. For provision of developmental support services
41 to safety net providers as provided in this
42 subsection:

43 \$ 450,000

44 The Iowa department of public health shall contract
45 with the Iowa/Nebraska primary care association to
46 administer a network of community health centers
47 (CHCs), rural health clinics (RHCs), and free clinics,
48 with use of the free clinics as sources of referral to
49 the CHCs and RHCs, to provide developmental support
50 services including all of the following:

1 (1) Promotion of the concept of quality, primary,
2 preventive, and ameliorative health care through a
3 comprehensive primary health care delivery system.

4 (2) Provision of a forum to allow primary care
5 practitioners, health care center and clinic
6 administrators, health department professionals, and
7 political and community leaders to interact and share
8 information.

9 (3) Partnering with existing relevant
10 organizations and associations to monitor federal and
11 state legislation to assure that the primary care
12 needs of Iowans are adequately reflected in public
13 policy.

14 (4) Partnering with existing relevant
15 organizations and associations to sponsor conferences,
16 training opportunities, and workshops on topics of
17 interest.

18 (5) Provision of a linkage between the safety net
19 providers and the expansion population under chapter
20 249J, if enacted by 2005 Iowa Acts, House File 841.

21 b. For incubation grants to community health
22 centers that receive a total score of 85 based on the
23 evaluation criteria of the federal health resources
24 and services administration:

25 \$ 650,000

26 A recipient of an incubation grant under this
27 paragraph "b" shall provide a local match of twenty-
28 five percent of the grant funds received."

29 16. Page 6, by striking line 28, and inserting
30 the following: "Iowa commission on volunteer service
31 created pursuant to chapter 15H to utilize local
32 veterans affairs".

33 17. Page 12, line 2, by striking the figure
34 "40,250,000" and inserting the following:
35 "40,222,720".

36 18. Page 13, line 6, by striking the figure
37 "524,800,000" and inserting the following:
38 "507,250,212".

39 19. Page 15, by striking lines 22 through 34.

40 20. Page 16, by inserting after line 28, the
41 following:

42 "____. The department shall expand coverage under
43 the medical assistance program to cover smoking
44 cessation drugs.

45 _____. The department shall expand coverage under
46 the medical assistance program to cover weight
47 reduction treatments and drugs.

48 _____. The department shall adopt rules to require
49 that if a product is to be considered by the
50 pharmaceutical and therapeutics committee established

1 pursuant to section 249A.20A for inclusion on the
 2 preferred drug list, the pharmaceutical and
 3 therapeutics committee shall respond to all inquiries
 4 regarding the process at least 72 hours prior to a
 5 meeting of the committee to consider inclusion of the
 6 product. Additionally, the rules shall require that
 7 the committee provide a pharmaceutical manufacturer of
 8 a product with 20 days' prior written notice of
 9 consideration of the manufacturer's product for
 10 inclusion on the preferred drug list to allow adequate
 11 time for preparation of appropriate materials to be
 12 submitted to the committee for review. The rules
 13 shall also require that adequate time be provided for
 14 each interested individual to address the committee
 15 regarding a product to be considered for inclusion on
 16 the preferred drug list by the committee. A final
 17 decision regarding inclusion of a product on the
 18 preferred drug list shall not be made in an executive
 19 session of the committee."

20 21. Page 18, line 29, by striking the figure
 21 "8,350,752" and inserting the following: "17,750,752".

22 22. Page 18, line 31, by striking the figure
 23 "7,325,228" and inserting the following: "16,325,228".

24 23. Page 19, line 6, by striking the figure
 25 "500,000" and inserting the following: "900,000".

26 24. Page 20, line 31, by striking the figure
 27 "76,400,000" and inserting the following:
 28 "81,908,683".

29 25. Page 22, line 25, by striking the figure
 30 "2,000,000" and inserting the following: "3,000,000".

31 26. Page 25, line 12, by striking the figure
 32 "300,000" and inserting the following: "1,000,000".

33 27. Page 25, by inserting after line 26 the
 34 following:

35 "_____. Of the amount appropriated in this section,
 36 the following amounts are allocated for the indicated
 37 child welfare system improvements:

- 38 a. For family team meetings and other family
 39 engagement efforts:
 40 \$ 900,000
- 41 b. For recruiting, training, and development of
 42 additional resource families, including but not
 43 limited to families providing kinship, foster, and
 44 adoptive care:
 45 \$ 325,000
- 46 c. For field staff working with families to have
 47 flexible funding to purchase services and other
 48 support and to fill urgent family needs:
 49 \$ 750,000
- 50 d. For funding of shelter care so that 15

1 emergency beds are available statewide for the fiscal
2 year within the statewide average of 288 beds
3 addressed in the department's shelter care plan:

4 \$ 200,000

5 e. For expansion of community partnerships to
6 prevent child abuse:

7 \$ 100,000"

8 28. Page 25, line 34, by striking the figure
9 "32,250,000" and inserting the following:

10 "32,275,732".

11 29. Page 27, by inserting after line 6 the
12 following:

13 "____". For continuation of the department's
14 minority youth and family projects under the redesign
15 of the child welfare system:

16 \$ 375,000"

17 30. Page 29, line 6, by striking the figure
18 "12,600,000" and inserting the following:

19 "12,650,344".

20 31. Page 29, line 9, by striking the figure
21 "7,050,000" and inserting the following: "7,073,088".

22 32. Page 30, line 10, by striking the figure "1."

23 33. Page 30, line 19, by striking the figure
24 "10,514,619" and inserting the following:

25 "11,014,619".

26 34. Page 30, by striking lines 20 through 31.

27 35. Page 32, by inserting after line 16 the
28 following:

29 "____". If the department has data indicating that a
30 geographic area has a substantial number of persons
31 with mental illness who are homeless and are not being
32 served by an existing grantee for that area under the
33 formula grant from the federal alcohol, drug abuse,
34 and mental health administration to provide mental
35 health services for the homeless and the existing
36 grantee has expressed a desire to no longer provide
37 services or the grantee's contract was terminated by
38 the department for nonperformance, the department
39 shall issue a request for proposals to replace the
40 grantee. Otherwise, the department shall maximize
41 available funding by continuing to contract to the
42 extent possible with those persons who are grantees as
43 of October 1, 2005. The department shall issue a
44 request for proposals if additional funding becomes
45 available for expansion to persons who are not being
46 served and it is not possible to utilize existing
47 grantees."

48 36. Page 33, line 13, by striking the figure
49 "53,505,000" and inserting the following:

50 "53,924,358".

1 37. Page 33, line 25, by striking the figure
2 "13,312,196" and inserting the following:
3 "13,342,196".

4 38. Page 33, line 26, by striking the figure
5 "292.00" and inserting the following: "293.00".

6 39. Page 33, by inserting after line 29, the
7 following:

8 "Of the funds appropriated in this section, \$30,000
9 is allocated to the department of human services for a
10 statewide coordinator for the program of all-inclusive
11 care for the elderly as defined in section 249H.3.
12 The coordinator shall work in collaboration with the
13 department of elder affairs in carrying out the
14 coordinator's duties."

15 40. Page 35, line 2, by striking the word "be"
16 and inserting the following: "not be less than".

17 41. Page 36, line 16, by striking the figure "3"
18 and inserting the following: "6".

19 42. Page 39, line 23, by striking the figure
20 "1998" and inserting the following: "2002".

21 43. Page 40, by striking lines 2 through 6.

22 44. Page 40, by inserting after line 8, the
23 following:

24 "Sec. _____. SHELTER CARE REQUEST FOR PROPOSALS.
25 The department of human services shall amend the
26 request for proposals issued on April 15, 2005, for a
27 program to provide for the statewide availability of
28 emergency juvenile shelter care during the fiscal year
29 beginning July 1, 2005, to increase the statewide
30 daily average number of beds covered under the request
31 to 288 beds in order to include 15 unallocated beds
32 statewide for emergency placements. However, if the
33 date of enactment of this Act does not allow
34 sufficient time for the department to amend the
35 request for proposals as otherwise required by this
36 section, the department shall apply the requirement in
37 the negotiations with the program awarded the contract
38 and shall include the requirement in the final
39 contract."

40 45. Page 41, by inserting after line 25, the
41 following:

42 "Sec. _____. 2003 Iowa Acts, chapter 178, section
43 45, unnumbered paragraph 3, as enacted by 2004 Iowa
44 Acts, chapter 1175, section 160, is amended to read as
45 follows:

46 Notwithstanding section 8.33, moneys appropriated
47 in this section that remain unencumbered or
48 unobligated at the close of the fiscal year shall not
49 revert but shall remain available for expenditure for
50 the child and family services until the close of the

1 ~~succeeding~~ fiscal year beginning July 1, 2005."

2 46. Page 43, by inserting after line 29, the
3 following:

4 "____. The provision directing the department of
5 human services to amend the request for proposals
6 issued on April 15, 2005, to provide for statewide
7 emergency juvenile shelter care.

8 _____. The provision amending 2003 Iowa Acts,
9 chapter 178, section 45, unnumbered paragraph 3, as
10 enacted by 2004 Iowa Acts, chapter 1175, section 160."

11 47. Page 45, line 15, by striking the figure
12 "50,200,000" and inserting the following:
13 "77,753,926".

14 48. Page 46, by striking lines 23 and 24, and
15 inserting the following: "to only those persons who
16 meet the nursing facility level of care for home and
17 community-based services waiver services as
18 established on or after July 1, 2005."

19 49. Page 48, line 17, by striking the figure
20 "14,507,362" and inserting the following:
21 "19,167,111".

22 50. Page 49, by inserting after line 32, the
23 following:

24 "Sec. _____. NEW SECTION. 16.184 TRANSITIONAL
25 HOUSING REVOLVING LOAN PROGRAM FUND.

26 1. A transitional housing revolving loan program
27 fund is created within the authority to further the
28 availability of affordable housing for parents that
29 are reuniting with their children while completing or
30 participating in substance abuse treatment. The
31 moneys in the fund are annually appropriated to the
32 authority to be used for the development and operation
33 of a revolving loan program to provide financing to
34 construct affordable transitional housing, including
35 through new construction or acquisition and
36 rehabilitation of existing housing. The housing
37 provided shall be geographically located in close
38 proximity to licensed substance abuse treatment
39 programs. Preference in funding shall be given to
40 projects that reunite mothers with the mothers'
41 children.

42 2. Moneys transferred by the authority for deposit
43 in the transitional housing revolving loan program
44 fund, moneys appropriated to the transitional housing
45 revolving loan program, and any other moneys available
46 to and obtained or accepted by the authority for
47 placement in the fund shall be deposited in the fund.
48 Additionally, payment of interest, recaptures of
49 awards, and other repayments to the transitional
50 housing revolving loan program fund shall be credited

1 to the fund. Notwithstanding section 12C.7,
2 subsection 2, interest or earnings on moneys in the
3 transitional housing revolving loan program fund shall
4 be credited to the fund. Notwithstanding section
5 8.33, moneys that remain unencumbered or unobligated
6 at the close of the fiscal year shall not revert but
7 shall remain available for the same purpose in the
8 succeeding fiscal year.

9 3. The authority shall annually allocate moneys
10 available in the transitional housing revolving loan
11 program fund for the development of affordable
12 transitional housing for parents that are reuniting
13 with the parents' children while completing or
14 participating in substance abuse treatment. The
15 authority shall develop a joint application process
16 for the allocation of federal low-income housing tax
17 credits and the funds available under this section.
18 Moneys allocated to such projects may be in the form
19 of loans, grants, or a combination of loans and
20 grants.

21 4. The authority shall adopt rules pursuant to
22 chapter 17A to administer this section."

23 51. Page 68, by inserting after line 32 the
24 following:

25 "Sec. _____. Section 154A.22, Code 2005, is amended
26 to read as follows:

27 154A.22 ~~DEPOSIT~~ RECEIPT OF FEES.

28 1. The Except as otherwise provided in subsection
29 2, the department shall deposit all fees collected
30 under the provisions of this chapter in the general
31 fund of the state. Compensation and travel expenses
32 of members and employees of the board, and other
33 expenses necessary for the board to administer and
34 carry out the provisions of this chapter shall be paid
35 from funds appropriated from the general fund of the
36 state.

37 2. The department may retain ninety percent of the
38 revenue generated from an increase in licensure and
39 permit fees established pursuant to section 154A.17
40 above the licensure and permit fees in effect as of
41 June 30, 2005. The moneys retained by the department
42 shall be used for any of the board's duties, including
43 but not limited to addition of full-time equivalent
44 positions for program services and investigations.
45 Revenues retained by the department pursuant to this
46 subsection shall be considered repayment receipts as
47 defined in section 8.2.

48 Sec. _____. Section 155.6, Code 2005, is amended to
49 read as follows:

50 155.6 ~~FUND-CREATED~~ RECEIPT OF FEES.

1 1. All Except as otherwise provided in subsection
2 2, all fees collected under the provisions of this
3 chapter shall be paid to the treasurer of state who
4 shall deposit the fees in the general fund of the
5 state. Funds shall be appropriated to the board to be
6 used and expended by the board to pay the compensation
7 and travel expenses of members and employees of the
8 board, and other expenses necessary for the board to
9 administer and carry out the provisions of this
10 chapter.

11 2. The board may retain ninety percent of the
12 revenue generated from an increase in examination,
13 licensure, and renewal of licensure fees established
14 pursuant to section 155.15 above the examination,
15 licensure, and renewal of licensure fees in effect as
16 of June 30, 2005. The moneys retained by the board
17 shall be used for any of the board's duties, including
18 but not limited to addition of full-time equivalent
19 positions for program services and investigations.
20 Revenues retained by the department pursuant to this
21 subsection shall be considered repayment receipts as
22 defined in section 8.2."

23 52. Page 73, by inserting after line 33 the
24 following:

25 "Sec. ____ . Section 227.4, Code 2005, is amended to
26 read as follows:

27 227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL
28 ILLNESS OR ~~DEVELOPMENTAL DISABILITIES~~ MENTAL
29 RETARDATION IN COUNTY CARE FACILITIES.

30 The administrator, in cooperation with the
31 department of inspections and appeals, shall recommend
32 and the mental health, mental retardation,
33 developmental disabilities, and brain injury
34 commission created in section 225C.5 shall adopt
35 standards for the care of and services to persons with
36 mental illness or ~~developmental disabilities~~ mental
37 retardation residing in county care facilities. The
38 standards shall be enforced by the department of
39 inspections and appeals as a part of the licensure
40 inspection conducted pursuant to chapter 135C. The
41 objective of the standards is to ensure that persons
42 with mental illness or ~~developmental disabilities~~
43 mental retardation who are residents of county care
44 facilities are not only adequately fed, clothed, and
45 housed, but are also offered reasonable opportunities
46 for productive work and recreational activities suited
47 to their physical and mental abilities and offering
48 both a constructive outlet for their energies and, if
49 possible, therapeutic benefit. When recommending
50 standards under this section, the administrator shall

1 designate an advisory committee representing
2 administrators of county care facilities, county
3 mental health and developmental disabilities regional
4 planning councils, and county care facility resident
5 advocate committees to assist in the establishment of
6 standards."

7 53. Page 74, by inserting after line 27 the
8 following:

9 "Sec. _____. NEW SECTION. 231E.1 TITLE.

10 This chapter shall be known and may be cited as the
11 "Iowa Substitute Decision Maker Act".

12 Sec. _____. NEW SECTION. 231E.2 OFFICE OF
13 SUBSTITUTE DECISION MAKER -- FINDINGS AND INTENT.

14 1. a. The general assembly finds that many adults
15 in this state are unable to meet essential
16 requirements to maintain their physical health or to
17 manage essential aspects of their financial resources
18 and are in need of substitute decision-making
19 services. However, a willing and responsible person
20 may not be available to serve as a private substitute
21 decision maker or the adult may not have adequate
22 income or resources to compensate a private substitute
23 decision maker.

24 b. The general assembly further finds that a
25 process should exist to assist individuals in finding
26 alternatives to substitute decision-making services
27 and less intrusive means of assistance before an
28 individual's independence or rights are limited.

29 c. The general assembly further finds that a
30 substitute decision maker may be necessary to finalize
31 a person's affairs after death when there is no
32 willing and appropriate person available to serve as
33 the person's personal representative.

34 2. a. It is, therefore, the intent of the general
35 assembly to establish a state office of substitute
36 decision maker and authorize the establishment of
37 local offices of substitute decision maker to provide
38 substitute decision-making services to adults and
39 their estates after their deaths, when no private
40 substitute decision maker is available.

41 b. It is also the intent of the general assembly
42 that the office of substitute decision maker provide
43 assistance to both public and private substitute
44 decision makers throughout the state in securing
45 necessary services for their wards, principals,
46 clients, and decedents and to assist substitute
47 decision makers, wards, principals, clients, courts,
48 and attorneys in the orderly and expeditious handling
49 of substitute decision-making proceedings.

50 Sec. _____. NEW SECTION. 231E.3 DEFINITIONS.

- 1 As used in this chapter, unless the context
- 2 otherwise requires:
- 3 1. "Client" means an individual for whom a
- 4 representative payee is appointed.
- 5 2. "Commission" means the commission of elder
- 6 affairs.
- 7 3. "Conservator" means conservator as defined in
- 8 section 633.3.
- 9 4. "Court" means court as defined in section
- 10 633.3.
- 11 5. "Decedent" means the individual for whom an
- 12 estate is administered or executed.
- 13 6. "Department" means the department of elder
- 14 affairs established in section 231.21.
- 15 7. "Director" means the director of the department
- 16 of elder affairs.
- 17 8. "Estate" means estate as defined in section
- 18 633.3.
- 19 9. "Guardian" means guardian as defined in section
- 20 633.3.
- 21 10. "Incompetent" means incompetent as defined in
- 22 section 633.3.
- 23 11. "Local office" means a local office of
- 24 substitute decision maker.
- 25 12. "Local substitute decision maker" means an
- 26 individual under contract with the department to act
- 27 as a substitute decision maker.
- 28 13. "Personal representative" means personal
- 29 representative as defined in section 633.3.
- 30 14. "Planning and service area" means a geographic
- 31 area of the state designated by the commission for the
- 32 purpose of planning, developing, delivering, and
- 33 administering services for elders.
- 34 15. "Power of attorney" means a durable power of
- 35 attorney for health care as defined in section 144B.1
- 36 or a power of attorney that becomes effective upon the
- 37 disability of the principal as described in section
- 38 633.705.
- 39 16. "Principal" means an individual for whom a
- 40 power of attorney is established.
- 41 17. "Representative payee" means an individual
- 42 appointed by a government entity to receive funds on
- 43 behalf of a client pursuant to federal regulation.
- 44 18. "State agency" means any executive department,
- 45 commission, board, institution, division, bureau,
- 46 office, agency, or other executive entity of state
- 47 government.
- 48 19. "State office" means the state office of
- 49 substitute decision maker.
- 50 20. "State substitute decision maker" means the

1 administrator of the state office of substitute
2 decision maker.

3 21. "Substitute decision maker" means a guardian,
4 conservator, representative payee, attorney in fact
5 under a power of attorney, or personal representative.

6 22. "Substitute decision making" or "substitute
7 decision-making services" means the provision of
8 services of a guardian, conservator, representative
9 payee, attorney in fact under a power of attorney, or
10 personal representative.

11 23. "Ward" means the individual for whom a
12 guardianship or conservatorship is established.

13 Sec. ____ . NEW SECTION. 231E.4 STATE OFFICE OF
14 SUBSTITUTE DECISION MAKER -- ESTABLISHED -- DUTIES --
15 DEPARTMENT RULES.

16 1. A state office of substitute decision maker is
17 established within the department to create and
18 administer a statewide network of substitute decision
19 makers who provide substitute decision-making services
20 if other substitute decision makers are not available
21 to provide the services.

22 2. The director shall appoint an administrator of
23 the state office who shall serve as the state
24 substitute decision maker. The state substitute
25 decision maker shall be qualified for the position by
26 training and expertise in substitute decision-making
27 law. The state substitute decision maker shall also
28 have knowledge of social services available to meet
29 the needs of persons adjudicated incompetent or in
30 need of substitute decision making.

31 3. The state office shall do all of the following:

32 a. Select persons through a request for proposals
33 process to establish local offices of substitute
34 decision maker in each of the planning and service
35 areas. Local offices shall be established statewide
36 on or before July 1, 2015.

37 b. Monitor and terminate contracts with local
38 offices based on criteria established by rule of the
39 department.

40 c. Retain oversight responsibilities for all local
41 substitute decision makers.

42 d. Act as substitute decision maker if a local
43 office is not available to so act.

44 e. Work with the department of human services, the
45 Iowa department of public health, the governor's
46 developmental disabilities council, and other agencies
47 to establish a referral system for the provision of
48 substitute decision-making services.

49 f. Develop and maintain a current listing of
50 public and private services and programs available to

- 1 assist wards, principals, clients, personal
- 2 representatives, and their families and establish and
- 3 maintain relationships with public and private
- 4 entities to assure the availability of effective
- 5 substitute decision-making services for wards,
- 6 principals, clients, and estates.
- 7 g. Provide information and referrals to the public
- 8 regarding substitute decision-making services.
- 9 h. Provide personal representatives for estates
- 10 where a person is not available for that purpose.
- 11 i. Maintain statistical data on the local offices
- 12 including various methods of funding, the types of
- 13 services provided, and the demographics of the wards,
- 14 principals, clients, and decedents and report to the
- 15 general assembly on or before November 1, annually,
- 16 regarding the local offices and recommend any
- 17 appropriate legislative action.
- 18 j. Develop, in cooperation with the judicial
- 19 council as established in section 602.1202, a
- 20 substitute decision-maker education and training
- 21 program. The program may be offered to both public
- 22 and private substitute decision makers. The state
- 23 office shall establish a curriculum committee, which
- 24 includes but is not limited to probate judges, to
- 25 develop the education and training program.
- 26 4. The state office may do any of the following:
- 27 a. Accept and receive gifts, grants, or donations
- 28 from any public or private entity in support of the
- 29 state office.
- 30 b. Accept the services of individual volunteers
- 31 and volunteer organizations.
- 32 c. Employ staff necessary to administer the state
- 33 office and enter into contracts as necessary.
- 34 5. The department shall provide administrative
- 35 support to the state office.
- 36 6. The department shall adopt rules in accordance
- 37 with chapter 17A necessary to create and administer
- 38 the state and local offices, relating to but not
- 39 limited to all of the following:
- 40 a. An application and intake process and standards
- 41 for receipt of substitute decision-making services
- 42 from the state or a local office.
- 43 b. A process for the removal or termination of the
- 44 state or a local substitute decision maker.
- 45 c. An ideal range of staff-to-client ratios for
- 46 the state and local substitute decision makers.
- 47 d. Minimum training and experience requirements
- 48 for professional staff and volunteers.
- 49 e. A fee schedule. The department may establish
- 50 by rule a schedule of reasonable fees for the costs of

1 substitute decision-making services provided under
2 this chapter. The fee schedule established may be
3 based upon the ability of the ward, principal, client,
4 or estate to pay for the services but shall not exceed
5 the actual cost of providing the services. The state
6 office or a local office may waive collection of a fee
7 upon a finding that collection is not economically
8 feasible. The rules may provide that the state office
9 or a local office may investigate the financial status
10 of a ward, principal, or client who, or an estate that
11 requests substitute decision-making services or for
12 whom or which the state or a local substitute decision
13 maker has been appointed for the purpose of
14 determining the fee to be charged by requiring the
15 ward, principal, client, or estate to provide any
16 written authorizations necessary to provide access to
17 records of public or private sources, otherwise
18 confidential, needed to evaluate the individual's or
19 estate's financial eligibility. The rules may also
20 provide that the state or a local substitute decision
21 maker may, upon request and without payment of fees
22 otherwise required by law, obtain information
23 necessary to evaluate the individual's or estate's
24 financial eligibility from any office of the state or
25 of a political subdivision or agency of the state that
26 possesses public records. In estate proceedings, the
27 state or local decision maker shall be compensated
28 pursuant to chapter 633, division III, part 8.

29 f. Standards and performance measures for
30 evaluation of local offices.

31 g. Recordkeeping and accounting procedures to
32 ensure that the state office and local offices
33 maintain confidential, accurate, and up-to-date
34 financial, case, and statistical records. The rules
35 shall require each local office to file with the state
36 office, on an annual basis, an account of all public
37 and private funds received and a report regarding the
38 operations of the local office for the preceding
39 fiscal year.

40 h. Procedures for the sharing of records held by
41 the court or a state agency with the state office,
42 which are necessary to evaluate the state office or
43 local offices, to assess the need for additional
44 substitute decision makers, or to develop required
45 reports.

46 Sec. ____ . NEW SECTION. 231E.5 LOCAL OFFICE OF
47 SUBSTITUTE DECISION MAKER.

48 1. The state substitute decision maker shall
49 select persons to provide local substitute decision-
50 making services in each of the planning and service

1 areas, based upon a request for proposals process
2 developed by the department.

3 2. The local office shall comply with all
4 requirements established for the local office by the
5 department and shall do all of the following:

6 a. Maintain a staff of professionally qualified
7 individuals to carry out the substitute decision-
8 making functions.

9 b. Identify client needs and local resources to
10 provide necessary support services to recipients of
11 substitute decision-making services.

12 c. Collect program data as required by the state
13 office.

14 d. Meet standards established for the local
15 office.

16 e. Comply with minimum staffing requirements and
17 caseload restrictions.

18 f. Conduct background checks on employees and
19 volunteers.

20 g. With regard to a proposed ward, the local
21 office shall do all of the following:

22 (1) Determine the most appropriate form of
23 substitute decision making needed, if any, giving
24 preference to the least restrictive alternative.

25 (2) Determine whether the needs of the proposed
26 ward require the appointment of guardian or
27 conservator.

28 (3) Assess the financial resources of the proposed
29 ward based on the information supplied to the local
30 office at the time of the determination.

31 (4) Inquire and, if appropriate, search to
32 determine whether any other person may be willing and
33 able to serve as the proposed ward's guardian or
34 conservator.

35 (5) Determine the form of guardianship or
36 conservatorship to request of a court, if any, giving
37 preference to the least restrictive form.

38 (6) If determined necessary, file a petition for
39 the appointment of a guardian or conservator pursuant
40 to chapter 633.

41 h. With regard to an estate, the local office may
42 appoint a personal representative to file a petition
43 to open an estate who shall do all of the following:

44 (1) Retain legal counsel as described in section
45 231E.12 to be compensated from the proceeds of the
46 estate pursuant to chapter 633, division III, part 8.

47 (2) Liquidate all assets of the estate.

48 (3) Distribute the assets of the estate pursuant
49 to chapter 633, division VII, parts 7 and 8, and other
50 applicable provisions of law.

- 1 3. A local office may do any of the following:
2 a. Contract for or arrange for provision of
3 services necessary to carry out the duties of a local
4 substitute decision maker.
5 b. Accept the services of volunteers or
6 consultants and reimburse them for necessary expenses.
7 c. Employ staff and delegate to members of the
8 staff the powers and duties of the local substitute
9 decision maker. However, the local office shall
10 retain responsibility for the proper performance of
11 the delegated powers and duties. All delegations
12 shall be to persons who meet the eligibility
13 requirements of the specific type of substitute
14 decision maker.
- 15 4. An individual acting as the state or a local
16 substitute decision maker shall comply with applicable
17 requirements for guardians, conservators, or personal
18 representatives pursuant to chapter 633, attorneys in
19 fact under a power of attorney pursuant to chapter 633
20 or a durable power of attorney for health care
21 pursuant to chapter 144B, or representative payees
22 pursuant to federal law and regulations.
- 23 5. Notwithstanding any provision to the contrary,
24 an individual acting as the state or a local
25 substitute decision maker shall not be subject to the
26 posting of a bond pursuant to chapter 633. An
27 individual acting as the state or a local substitute
28 decision maker shall complete at least eight hours of
29 training annually as certified by the department.
- 30 Sec. ____ . NEW SECTION. 231E.6 COURT-INITIATED OR
31 PETITION-INITIATED APPOINTMENT OF STATE OR LOCAL
32 SUBSTITUTE DECISION MAKER -- GUARDIANSHIP OR
33 CONSERVATORSHIP -- DISCHARGE.
- 34 The court may appoint on its own motion or upon
35 petition of any person, the state office or local
36 office of substitute decision maker, to serve as
37 guardian or conservator for any proposed ward in cases
38 in which the court determines that the proceeding will
39 establish the least restrictive form of substitute
40 decision making suitable for the proposed ward and if
41 the proposed ward meets all of the following criteria:
- 42 1. Is a resident of the planning and service area
43 in which the local office is located from which
44 services would be provided or is a resident of the
45 state, if the state office would provide the services.
46 2. Is eighteen years of age or older.
47 3. Does not have suitable family or another
48 appropriate entity willing and able to serve as
49 guardian or conservator.
50 4. Is incompetent.

1 5. Is an individual for whom guardianship or
2 conservatorship services are the least restrictive
3 means of meeting the individual's needs.

4 Sec. ____ . NEW SECTION. 231E.7 SUBSTITUTE
5 DECISION MAKER-INITIATED APPOINTMENT.

6 The state office or local office may on its own
7 motion or at the request of the court intervene in a
8 guardianship or conservatorship proceeding if the
9 state office or local office or the court considers
10 the intervention to be justified because of any of the
11 following:

12 1. An appointed guardian or conservator is not
13 fulfilling prescribed duties or is subject to removal
14 under section 633.65.

15 2. A willing and qualified guardian or conservator
16 is not available.

17 3. The best interests of the ward require the
18 intervention.

19 Sec. ____ . NEW SECTION. 231E.8 PROVISIONS
20 APPLICABLE TO ALL APPOINTMENTS AND DESIGNATIONS --
21 DISCHARGE.

22 1. The court shall only appoint or intervene on
23 its own motion or act upon the petition of any person
24 under section 231E.6 or 231E.7 if such appointment or
25 intervention would comply with staffing ratios
26 established by the department and if sufficient
27 resources are available to the state office or local
28 office. Notice of the proposed appointment shall be
29 provided to the state office or local office prior to
30 the granting of such appointment.

31 2. The state office or local office shall maintain
32 reasonable personal contact with each ward, principal,
33 or client for whom the state office or local office is
34 appointed or designated in order to monitor the
35 ward's, principal's, or client's care and progress.
36 For any estates in which the state office or local
37 office is involved, the state office or local office
38 shall move estate proceedings forward in a reasonable
39 and expeditious manner and shall monitor the progress
40 of any legal counsel retained on a regular basis.

41 3. Notwithstanding any provision of law to the
42 contrary, the state office or local office appointed
43 by the court or designated under a power of attorney
44 document may access all confidential records
45 concerning the ward or principal for whom the state
46 office or local office is appointed or designated,
47 including medical records and abuse reports.

48 4. In any proceeding in which the state or local
49 office is appointed or is acting as guardian or
50 conservator, the court shall waive court costs or

1 filing fees, if the state office or local office
2 certifies to the court that the state office or local
3 office has waived its fees in their entirety based
4 upon the ability of the ward to pay for the services
5 of the state office or local office. In any estate
6 proceeding, the court costs shall be paid in
7 accordance with chapter 633, division VII, part 7.

8 5. The state or a local substitute decision maker
9 shall be subject to discharge or removal, by the
10 court, on the grounds and in the manner in which other
11 guardians, conservators, or personal representatives
12 are discharged or removed pursuant to chapter 633.

13 Sec. ____ . NEW SECTION. 231E.9 FEES --
14 APPROPRIATED.

15 Fees received by the state office and by local
16 offices for services provided as state or local
17 substitute decision maker shall be deposited in the
18 general fund of the state and the amounts received are
19 appropriated to the department for the purposes of
20 administering this chapter.

21 Sec. ____ . NEW SECTION. 231E.10 CONFLICTS OF
22 INTEREST -- LIMITATIONS.

23 Notwithstanding section 633.63 or any other
24 provision to the contrary, a local substitute decision
25 maker shall not provide direct services to or have an
26 actual or the appearance of any conflict of interest
27 relating to any individual for whom the local
28 substitute decision maker acts in a substitute
29 decision-making capacity unless such provision of
30 direct services or the appearance of a conflict of
31 interest is approved and monitored by the state office
32 in accordance with rules adopted by the department.

33 Sec. ____ . NEW SECTION. 231E.11 DUTY OF ATTORNEY
34 GENERAL, COUNTY ATTORNEY, OR OTHER COUNSEL.

35 1. The attorney general shall advise the state
36 office on legal matters and represent the state office
37 in legal proceedings.

38 2. Upon the request of the attorney general, a
39 county attorney may represent the state office or a
40 local office in connection with the filing of a
41 petition for appointment as guardian or conservator
42 and with routine, subsequent appearances.

43 3. A local attorney experienced in probate matters
44 may represent the personal representative for all
45 routine matters associated with probating an estate.

46 Sec. ____ . NEW SECTION. 231E.12 LIABILITY.

47 All employees and volunteers of the state office
48 and local offices operating under this chapter and
49 other applicable chapters and pursuant to rules
50 adopted under this and other applicable chapters are

1 considered employees of the state and state volunteers
 2 for the purposes of chapter 669 and shall be afforded
 3 protection under section 669.21 or 669.24, as
 4 applicable. This section does not relieve a guardian
 5 or conservator from performing duties prescribed under
 6 chapter 633.

7 Sec. ____ . NEW SECTION. 231E.13 IMPLEMENTATION.

8 Implementation of this chapter is subject to
 9 availability of funding as determined by the
 10 department. The department shall notify the Code
 11 editor upon implementation of this chapter."

12 54. Page 74, by inserting after line 34 the
 13 following:

14 "Sec. ____ . Section 232.107, Code 2005, is amended
 15 by adding the following new unnumbered paragraph:

16 NEW UNNUMBERED PARAGRAPH. If a breastfeeding
 17 infant is removed from the child's home in accordance
 18 with an order entered under this division, unless the
 19 court finds that substantial evidence exists to
 20 believe that reasonable visitation or supervised
 21 visitation would cause an imminent risk to the
 22 infant's life or health, the order shall allow the
 23 infant's mother reasonable visitation or supervised
 24 visitation for purposes of breastfeeding the infant.
 25 The department or other person with custody of the
 26 infant shall make every reasonable effort to comply
 27 with the order."

28 55. By striking page 75, line 31, through page
 29 76, line 2, and inserting the following:

30 "Sec. ____ . Section 234.12A, subsection 1, Code
 31 2005, is amended to read as follows:

32 1. The department of human services ~~may establish~~
 33 shall maintain an electronic benefits transfer program
 34 utilizing electronic funds transfer systems. The
 35 program, ~~if established,~~ shall at a minimum provide
 36 ~~for all of the following:~~

37 a. ~~A that a~~ retailer shall not be required ~~to make~~
 38 ~~cash disbursements or~~ to provide, purchase, or upgrade
 39 electronic funds transfer system equipment as a
 40 condition of participation in the program.

41 b. ~~A retailer providing electronic funds transfer~~
 42 ~~system equipment for transactions pursuant to the~~
 43 ~~program shall be reimbursed seven cents for each~~
 44 ~~approved transaction pursuant to the program utilizing~~
 45 ~~the retailer's equipment.~~

46 e. ~~A retailer that provides electronic funds~~
 47 ~~transfer system equipment for transactions pursuant to~~
 48 ~~the program and who makes cash disbursements pursuant~~
 49 ~~to the program utilizing the retailer's equipment~~
 50 ~~shall be paid a fee of seven cents by the department~~

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1 ~~for each cash disbursement transaction by the~~
2 ~~retailer."~~

3 56. Page 76, by inserting before line 3 the
4 following:

5 "Sec. _____. Section 235B.6, subsection 2, paragraph
6 e, Code 2005, is amended by adding the following new
7 subparagraph:

8 NEW SUBPARAGRAPH. (11) The state office or a
9 local office of substitute decision maker as defined
10 in section 231E.3, appointed by the court as a
11 guardian or conservator of the adult named in a report
12 as the victim of abuse or the person designated to be
13 responsible for performing or obtaining protective
14 services on behalf of a dependent adult pursuant to
15 section 235B.18."

16 57. Page 86, by inserting after line 3 the
17 following:

18 "Sec. _____. Section 633.63, subsection 3, Code
19 2005, is amended to read as follows:

20 3. A private nonprofit corporation organized under
21 chapter 504, Code 1989, or current chapter 504 or 504A
22 is qualified to act as a guardian, as defined in
23 section 633.3, ~~subsection 20,~~ or a conservator, as
24 defined in section 633.3, ~~subsection 7, where the~~
25 ~~assets subject to the conservatorship at the time when~~
26 ~~such corporation is appointed conservator are less~~
27 ~~than or equal to seventy-five thousand dollars and if~~
28 the corporation does not possess a proprietary or
29 legal interest in an organization which provides
30 direct services to the individual.

31 Sec. _____. Section 633.63, Code 2005, is amended by
32 adding the following new subsection:

33 NEW SUBSECTION. 4. The state or a local
34 substitute decision maker as defined in section 231E.3
35 is authorized to act in a fiduciary capacity in this
36 state in accordance with chapter 231E."

By JACK HATCH
MAGGIE TINSMAN

S-3259 FILED MAY 4, 2005

ADOPTED

HOUSE FILE 825

S-3262

1 Amend the amendment, S-3259, to House File 825, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, by inserting after line 38, the
5 following:

6 "_____. Page 15, by striking lines 18 through 21."

By JACK HATCH

S-3262 FILED MAY 4, 2005

ADOPTED

HOUSE FILE 825

S-3263

1 Amend the amendment, S-3259, to House File 825, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 3, line 35, by striking the figure
5 "40,222,720" and inserting the following:
6 "40,556,413".

7 2. Page 3, line 38, by striking the figure
8 "507,250,212" and inserting the following:
9 "506,916,519".

10 3. By striking page 19, line 30, through page 20,
11 line 4.

By JEFF ANGELO

S-3263 FILED MAY 4, 2005
ADOPTED

SENATE AMENDMENT TO
HOUSE FILE 825

H-1702

1 Amend House File 825, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, line 23, by striking the figure
4 "2,791,522" and inserting the following: "2,792,116".

5 2. By striking page 1, line 34, through page 2,
6 line 1, and inserting the following:

7 "2. Of the funds appropriated in this section,
8 \$174,198 shall be".

9 3. Page 2, by inserting after line 4, the
10 following:

11 "____. Of the funds appropriated in this section,
12 \$61,594 shall be used by the department of elder
13 affairs for a statewide coordinator for the program of
14 all-inclusive care for the elderly as defined in
15 section 249H.3. The coordinator shall work in
16 collaboration with the department of human services in
17 carrying out the coordinator's duties."

18 4. Page 2, line 17, by striking the figure
19 "1,258,710" and inserting the following: "2,259,020".

20 5. Page 2, by inserting after line 24, the
21 following:

22 "Of the moneys appropriated in this subsection,
23 \$30,310 shall be used to continue to provide funding
24 to local communities that have previously received
25 funding from the centers for disease control and
26 prevention of the United States department of health
27 and human services for secondhand smoke education
28 initiatives."

29 6. Page 3, line 14, by striking the figure
30 "1,264,299" and inserting the following: "1,274,299".

31 7. Page 3, by inserting after line 19, the
32 following:

33 "Of the funds appropriated in this subsection,
34 \$10,000 shall be used to continue the grant to a free
35 clinic, as defined in section 135.24, operating in one
36 county to continue the partnership and test program
37 for a buying cooperative approach for purchasing
38 prescription drugs at a price less than retail. The
39 prescription drugs purchased through the approach
40 shall be provided to patients of the free clinic who
41 are uninsured or underinsured."

42 8. By striking page 3, line 30, through page 4,
43 line 1, and inserting the following:

44 "The amount appropriated in this subsection
45 includes \$150,000 in additional funding for childhood
46 lead poisoning prevention activities for counties not
47 receiving federal funding for this purpose, and of
48 this amount, \$50,000 is allocated for a pilot project
49 to address lead poisoning prevention and remediation
50 activities in a three-county program in north central

H-1702

1 Iowa with a combined population of at least 50,000."
 2 9. Page 4, line 13, by striking the figure
 3 "1,044,151" and inserting the following: "1,379,258".
 4 10. Page 4, line 16, by striking the figure
 5 "335,107" and inserting the following: "670,214".
 6 11. Page 4, line 18, by inserting after the
 7 figure "135.106." the following: "The department
 8 shall transfer the funding allocated for the HOPES-HFI
 9 program to the Iowa empowerment board for distribution
 10 and shall assist the board in managing the contracting
 11 for the funding. The funding shall be distributed to
 12 renew the grants that were provided to the grantees
 13 that operated the program during the fiscal year
 14 ending June 30, 2005."

15 12. Page 4, line 26, by striking the figure
 16 "6,820,423" and inserting the following: "6,964,033".

17 13. Page 4, by inserting after line 27 the
 18 following:
 19 "The office of the state medical examiner and the
 20 commissioner of public safety shall give consideration
 21 to a proposal offered by Polk county for the state
 22 criminalistics laboratory to share facilities with
 23 Polk county."

24 14. Page 4, line 32, by striking the figure
 25 "994,442" and inserting the following: "1,124,684".

26 15. Page 4, by inserting after line 33, the
 27 following:
 28 "11B. SAFETY NET PROVIDERS
 29 The purpose of this subsection is to create a
 30 formal network of providers to preserve and expand the
 31 health care safety net for vulnerable Iowans, to
 32 recognize that safety net providers are the means of
 33 access to health care for the uninsured in this state,
 34 and to provide a mechanism to identify the extent to
 35 which the uninsured in the state access health care
 36 safety net providers. Of the amount appropriated in
 37 this division of this Act for the medical assistance
 38 program, \$1,100,000 is transferred to the
 39 appropriation made in this subsection.

40 a. For provision of developmental support services
 41 to safety net providers as provided in this
 42 subsection:

43 \$ 450,000

44 The Iowa department of public health shall contract
 45 with the Iowa/Nebraska primary care association to
 46 administer a network of community health centers
 47 (CHCs), rural health clinics (RHCs), and free clinics,
 48 with use of the free clinics as sources of referral to
 49 the CHCs and RHCs, to provide developmental support
 50 services including all of the following:

1 (1) Promotion of the concept of quality, primary,
2 preventive, and ameliorative health care through a
3 comprehensive primary health care delivery system.

4 (2) Provision of a forum to allow primary care
5 practitioners, health care center and clinic
6 administrators, health department professionals, and
7 political and community leaders to interact and share
8 information.

9 (3) Partnering with existing relevant
10 organizations and associations to monitor federal and
11 state legislation to assure that the primary care
12 needs of Iowans are adequately reflected in public
13 policy.

14 (4) Partnering with existing relevant
15 organizations and associations to sponsor conferences,
16 training opportunities, and workshops on topics of
17 interest.

18 (5) Provision of a linkage between the safety net
19 providers and the expansion population under chapter
20 249J, if enacted by 2005 Iowa Acts, House File 841.

21 b. For incubation grants to community health
22 centers that receive a total score of 85 based on the
23 evaluation criteria of the federal health resources
24 and services administration:

25 \$ 650,000

26 A recipient of an incubation grant under this
27 paragraph "b" shall provide a local match of twenty-
28 five percent of the grant funds received."

29 16. Page 6, by striking line 28, and inserting
30 the following: "Iowa commission on volunteer service
31 created pursuant to chapter 15H to utilize local
32 veterans affairs".

33 17. Page 12, line 2, by striking the figure
34 "40,250,000" and inserting the following:
35 "40,556,413".

36 18. Page 13, line 6, by striking the figure
37 "524,800,000" and inserting the following:
38 "506,916,519".

39 19. Page 15, by striking lines 18 through 21.

40 20. Page 15, by striking lines 22 through 34.

41 21. By striking page 15, line 35, through page
42 16, line 7.

43 22. Page 16, by inserting after line 28, the
44 following:

45 "____. The department shall expand coverage under
46 the medical assistance program to cover smoking
47 cessation drugs.

48 _____. The department shall expand coverage under
49 the medical assistance program to cover weight
50 reduction treatments and drugs.

1 . The department shall adopt rules to require
2 that if a product is to be considered by the
3 pharmaceutical and therapeutics committee established
4 pursuant to section 249A.20A for inclusion on the
5 preferred drug list, the pharmaceutical and
6 therapeutics committee shall respond to all inquiries
7 regarding the process at least 72 hours prior to a
8 meeting of the committee to consider inclusion of the
9 product. Additionally, the rules shall require that
10 the committee provide a pharmaceutical manufacturer of
11 a product with 20 days' prior written notice of
12 consideration of the manufacturer's product for
13 inclusion on the preferred drug list to allow adequate
14 time for preparation of appropriate materials to be
15 submitted to the committee for review. The rules
16 shall also require that adequate time be provided for
17 each interested individual to address the committee
18 regarding a product to be considered for inclusion on
19 the preferred drug list by the committee. A final
20 decision regarding inclusion of a product on the
21 preferred drug list shall not be made in an executive
22 session of the committee."

23 23. Page 18, line 29, by striking the figure
24 "8,350,752" and inserting the following: "17,750,752".

25 24. Page 18, line 31, by striking the figure
26 "7,325,228" and inserting the following: "16,325,228".

27 25. Page 19, line 6, by striking the figure
28 "500,000" and inserting the following: "900,000".

29 26. Page 20, line 31, by striking the figure
30 "76,400,000" and inserting the following:
31 "81,908,683".

32 27. Page 22, line 25, by striking the figure
33 "2,000,000" and inserting the following: "3,000,000".

34 28. Page 25, line 12, by striking the figure
35 "300,000" and inserting the following: "1,000,000".

36 29. Page 25, by inserting after line 26 the
37 following:

38 "_____. Of the amount appropriated in this section,
39 the following amounts are allocated for the indicated
40 child welfare system improvements:

- 41 a. For family team meetings and other family
42 engagement efforts:
43 \$ 900,000
- 44 b. For recruiting, training, and development of
45 additional resource families, including but not
46 limited to families providing kinship, foster, and
47 adoptive care:
48 \$ 325,000
- 49 c. For field staff working with families to have
50 flexible funding to purchase services and other

1 support and to fill urgent family needs:
 2 \$ 750,000
 3 d. For funding of shelter care so that 15
 4 emergency beds are available statewide for the fiscal
 5 year within the statewide average of 288 beds
 6 addressed in the department's shelter care plan:
 7 \$ 200,000
 8 e. For expansion of community partnerships to
 9 prevent child abuse:
 10 \$ 100,000"

11 30. Page 25, by inserting after line 26, the
 12 following:

13 "____. The general assembly finds that it is
 14 important for adequate, comprehensive mental health
 15 services to be available to the children of this
 16 state; that Iowa is seeking to develop a coordinated
 17 system of mental health care for children through a
 18 redesign of the children's mental health system; that
 19 Iowa is one of only two states that have not
 20 participated in the comprehensive community mental
 21 health services program for children and their
 22 families grant offered by the substance abuse and
 23 mental health services administration (SAMHSA) of the
 24 United States department of health and human services;
 25 and that implementing such an initiative requires
 26 long-term sustainability and support. The general
 27 assembly expresses appreciation to the department for
 28 applying to SAMHSA for the comprehensive services
 29 program grant to implement a six-year project located
 30 in northeast Iowa. The purpose of the project is to
 31 create a family-driven, coordinated system of care for
 32 children with mental illness to serve as a model for
 33 developing a statewide approach based on family-
 34 provider partnerships and long-term sustainability.
 35 The general assembly strongly supports the grant
 36 application and implementation of the project as vital
 37 steps in redesigning the children's mental health
 38 system."

39 31. Page 25, line 34, by striking the figure
 40 "32,250,000" and inserting the following:
 41 "32,275,732".

42 32. Page 27, by inserting after line 6 the
 43 following:

44 "____. For continuation of the department's
 45 minority youth and family projects under the redesign
 46 of the child welfare system:
 47 \$ 375,000"

48 33. Page 29, line 6, by striking the figure
 49 "12,600,000" and inserting the following:
 50 "12,650,344".

- 1 34. Page 29, line 9, by striking the figure
- 2 "7,050,000" and inserting the following: "7,073,088".
- 3 35. Page 30, line 10, by striking the figure "1."
- 4 36. Page 30, line 19, by striking the figure
- 5 "10,514,619" and inserting the following:
- 6 "11,014,619".
- 7 37. Page 30, by striking lines 20 through 31.
- 8 38. Page 32, by inserting after line 16 the
- 9 following:
- 10 " _____. If the department has data indicating that a
- 11 geographic area has a substantial number of persons
- 12 with mental illness who are homeless and are not being
- 13 served by an existing grantee for that area under the
- 14 formula grant from the federal alcohol, drug abuse,
- 15 and mental health administration to provide mental
- 16 health services for the homeless and the existing
- 17 grantee has expressed a desire to no longer provide
- 18 services or the grantee's contract was terminated by
- 19 the department for nonperformance, the department
- 20 shall issue a request for proposals to replace the
- 21 grantee. Otherwise, the department shall maximize
- 22 available funding by continuing to contract to the
- 23 extent possible with those persons who are grantees as
- 24 of October 1, 2005. The department shall issue a
- 25 request for proposals if additional funding becomes
- 26 available for expansion to persons who are not being
- 27 served and it is not possible to utilize existing
- 28 grantees."
- 29 39. Page 33, line 13, by striking the figure
- 30 "53,505,000" and inserting the following:
- 31 "53,924,358".
- 32 40. Page 33, line 25, by striking the figure
- 33 "13,312,196" and inserting the following:
- 34 "13,342,196".
- 35 41. Page 33, line 26, by striking the figure
- 36 "292.00" and inserting the following: "293.00".
- 37 42. Page 33, by inserting after line 29, the
- 38 following:
- 39 "Of the funds appropriated in this section, \$30,000
- 40 is allocated to the department of human services for a
- 41 statewide coordinator for the program of all-inclusive
- 42 care for the elderly as defined in section 249H.3.
- 43 The coordinator shall work in collaboration with the
- 44 department of elder affairs in carrying out the
- 45 coordinator's duties."
- 46 43. Page 35, line 2, by striking the word "be"
- 47 and inserting the following: "not be less than".
- 48 44. Page 36, line 16, by striking the figure "3"
- 49 and inserting the following: "6".
- 50 45. Page 39, line 23, by striking the figure

1 "1998" and inserting the following: "2002".

2 46. Page 40, by striking lines 2 through 6.

3 47. Page 40, by inserting after line 8, the
4 following:

5 "Sec. ____ . SHELTER CARE REQUEST FOR PROPOSALS.

6 The department of human services shall amend the
7 request for proposals issued on April 15, 2005, for a
8 program to provide for the statewide availability of
9 emergency juvenile shelter care during the fiscal year
10 beginning July 1, 2005, to increase the statewide
11 daily average number of beds covered under the request
12 to 288 beds in order to include 15 unallocated beds
13 statewide for emergency placements. However, if the
14 date of enactment of this Act does not allow
15 sufficient time for the department to amend the
16 request for proposals as otherwise required by this
17 section, the department shall apply the requirement in
18 the negotiations with the program awarded the contract
19 and shall include the requirement in the final
20 contract."

21 48. Page 41, by inserting after line 25, the
22 following:

23 "Sec. ____ . 2003 Iowa Acts, chapter 178, section
24 45, unnumbered paragraph 3, as enacted by 2004 Iowa
25 Acts, chapter 1175, section 160, is amended to read as
26 follows:

27 Notwithstanding section 8.33, moneys appropriated
28 in this section that remain unencumbered or
29 unobligated at the close of the fiscal year shall not
30 revert but shall remain available for expenditure for
31 the child and family services until the close of the
32 succeeding fiscal year beginning July 1, 2005."

33 49. Page 43, by inserting after line 29, the
34 following:

35 " ____ . The provision directing the department of
36 human services to amend the request for proposals
37 issued on April 15, 2005, to provide for statewide
38 emergency juvenile shelter care.

39 ____ . The provision amending 2003 Iowa Acts,
40 chapter 178, section 45, unnumbered paragraph 3, as
41 enacted by 2004 Iowa Acts, chapter 1175, section 160."

42 50. Page 45, line 15, by striking the figure
43 "50,200,000" and inserting the following:
44 "77,753,926".

45 51. Page 46, by striking lines 23 and 24, and
46 inserting the following: "to only those persons who
47 meet the nursing facility level of care for home and
48 community-based services waiver services as
49 established on or after July 1, 2005."

50 52. Page 48, line 17, by striking the figure

1 "14,507,362" and inserting the following:

2 "19,167,111".

3 53. Page 49, by inserting after line 32, the
4 following:

5 "Sec. ____ . NEW SECTION. 16.184 TRANSITIONAL
6 HOUSING REVOLVING LOAN PROGRAM FUND.

7 1. A transitional housing revolving loan program
8 fund is created within the authority to further the
9 availability of affordable housing for parents that
10 are reuniting with their children while completing or
11 participating in substance abuse treatment. The
12 moneys in the fund are annually appropriated to the
13 authority to be used for the development and operation
14 of a revolving loan program to provide financing to
15 construct affordable transitional housing, including
16 through new construction or acquisition and
17 rehabilitation of existing housing. The housing
18 provided shall be geographically located in close
19 proximity to licensed substance abuse treatment
20 programs. Preference in funding shall be given to
21 projects that reunite mothers with the mothers'
22 children.

23 2. Moneys transferred by the authority for deposit
24 in the transitional housing revolving loan program
25 fund, moneys appropriated to the transitional housing
26 revolving loan program, and any other moneys available
27 to and obtained or accepted by the authority for
28 placement in the fund shall be deposited in the fund.
29 Additionally, payment of interest, recaptures of
30 awards, and other repayments to the transitional
31 housing revolving loan program fund shall be credited
32 to the fund. Notwithstanding section 12C.7,
33 subsection 2, interest or earnings on moneys in the
34 transitional housing revolving loan program fund shall
35 be credited to the fund. Notwithstanding section
36 8.33, moneys that remain unencumbered or unobligated
37 at the close of the fiscal year shall not revert but
38 shall remain available for the same purpose in the
39 succeeding fiscal year.

40 3. The authority shall annually allocate moneys
41 available in the transitional housing revolving loan
42 program fund for the development of affordable
43 transitional housing for parents that are reuniting
44 with the parents' children while completing or
45 participating in substance abuse treatment. The
46 authority shall develop a joint application process
47 for the allocation of federal low-income housing tax
48 credits and the funds available under this section.
49 Moneys allocated to such projects may be in the form
50 of loans, grants, or a combination of loans and

1 grants.

2 4. The authority shall adopt rules pursuant to
3 chapter 17A to administer this section."

4 54. Page 68, by inserting after line 32 the
5 following:

6 "Sec. _____. Section 154A.22, Code 2005, is amended
7 to read as follows:

8 154A.22 ~~DEPOSIT~~ RECEIPT OF FEES.

9 1. The Except as otherwise provided in subsection
10 2, the department shall deposit all fees collected
11 under the provisions of this chapter in the general
12 fund of the state. Compensation and travel expenses
13 of members and employees of the board, and other
14 expenses necessary for the board to administer and
15 carry out the provisions of this chapter shall be paid
16 from funds appropriated from the general fund of the
17 state.

18 2. The department may retain ninety percent of the
19 revenue generated from an increase in licensure and
20 permit fees established pursuant to section 154A.17
21 above the licensure and permit fees in effect as of
22 June 30, 2005. The moneys retained by the department
23 shall be used for any of the board's duties, including
24 but not limited to addition of full-time equivalent
25 positions for program services and investigations.
26 Revenues retained by the department pursuant to this
27 subsection shall be considered repayment receipts as
28 defined in section 8.2.

29 Sec. _____. Section 155.6, Code 2005, is amended to
30 read as follows:

31 155.6 ~~FUND-CREATED~~ RECEIPT OF FEES.

32 1. All Except as otherwise provided in subsection
33 2, all fees collected under the provisions of this
34 chapter shall be paid to the treasurer of state who
35 shall deposit the fees in the general fund of the
36 state. Funds shall be appropriated to the board to be
37 used and expended by the board to pay the compensation
38 and travel expenses of members and employees of the
39 board, and other expenses necessary for the board to
40 administer and carry out the provisions of this
41 chapter.

42 2. The board may retain ninety percent of the
43 revenue generated from an increase in examination,
44 licensure, and renewal of licensure fees established
45 pursuant to section 155.15 above the examination,
46 licensure, and renewal of licensure fees in effect as
47 of June 30, 2005. The moneys retained by the board
48 shall be used for any of the board's duties, including
49 but not limited to addition of full-time equivalent
50 positions for program services and investigations.

1 Revenues retained by the department pursuant to this
2 subsection shall be considered repayment receipts as
3 defined in section 8.2."

4 55. Page 73, by inserting after line 33 the
5 following:

6 "Sec. _____. Section 227.4, Code 2005, is amended to
7 read as follows:

8 227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL
9 ILLNESS OR ~~DEVELOPMENTAL DISABILITIES~~ MENTAL
10 RETARDATION IN COUNTY CARE FACILITIES.

11 The administrator, in cooperation with the
12 department of inspections and appeals, shall recommend
13 and the mental health, mental retardation,
14 developmental disabilities, and brain injury
15 commission created in section 225C.5 shall adopt
16 standards for the care of and services to persons with
17 mental illness or ~~developmental disabilities~~ mental
18 retardation residing in county care facilities. The
19 standards shall be enforced by the department of
20 inspections and appeals as a part of the licensure
21 inspection conducted pursuant to chapter 135C. The
22 objective of the standards is to ensure that persons
23 with mental illness or ~~developmental disabilities~~
24 mental retardation who are residents of county care
25 facilities are not only adequately fed, clothed, and
26 housed, but are also offered reasonable opportunities
27 for productive work and recreational activities suited
28 to their physical and mental abilities and offering
29 both a constructive outlet for their energies and, if
30 possible, therapeutic benefit. When recommending
31 standards under this section, the administrator shall
32 designate an advisory committee representing
33 administrators of county care facilities, county
34 mental health and developmental disabilities regional
35 planning councils, and county care facility resident
36 advocate committees to assist in the establishment of
37 standards."

38 56. Page 74, by inserting after line 27 the
39 following:

40 "Sec. _____. NEW SECTION. 231E.1 TITLE.

41 This chapter shall be known and may be cited as the
42 "Iowa Substitute Decision Maker Act".

43 Sec. _____. NEW SECTION. 231E.2 OFFICE OF
44 SUBSTITUTE DECISION MAKER -- FINDINGS AND INTENT.

45 1. a. The general assembly finds that many adults
46 in this state are unable to meet essential
47 requirements to maintain their physical health or to
48 manage essential aspects of their financial resources
49 and are in need of substitute decision-making
50 services. However, a willing and responsible person

1 may not be available to serve as a private substitute
2 decision maker or the adult may not have adequate
3 income or resources to compensate a private substitute
4 decision maker.

5 b. The general assembly further finds that a
6 process should exist to assist individuals in finding
7 alternatives to substitute decision-making services
8 and less intrusive means of assistance before an
9 individual's independence or rights are limited.

10 c. The general assembly further finds that a
11 substitute decision maker may be necessary to finalize
12 a person's affairs after death when there is no
13 willing and appropriate person available to serve as
14 the person's personal representative.

15 2. a. It is, therefore, the intent of the general
16 assembly to establish a state office of substitute
17 decision maker and authorize the establishment of
18 local offices of substitute decision maker to provide
19 substitute decision-making services to adults and
20 their estates after their deaths, when no private
21 substitute decision maker is available.

22 b. It is also the intent of the general assembly
23 that the office of substitute decision maker provide
24 assistance to both public and private substitute
25 decision makers throughout the state in securing
26 necessary services for their wards, principals,
27 clients, and decedents and to assist substitute
28 decision makers, wards, principals, clients, courts,
29 and attorneys in the orderly and expeditious handling
30 of substitute decision-making proceedings.

31 Sec. ____ . NEW SECTION. 231E.3 DEFINITIONS.

32 As used in this chapter, unless the context
33 otherwise requires:

34 1. "Client" means an individual for whom a
35 representative payee is appointed.

36 2. "Commission" means the commission of elder
37 affairs.

38 3. "Conservator" means conservator as defined in
39 section 633.3.

40 4. "Court" means court as defined in section
41 633.3.

42 5. "Decedent" means the individual for whom an
43 estate is administered or executed.

44 6. "Department" means the department of elder
45 affairs established in section 231.21.

46 7. "Director" means the director of the department
47 of elder affairs.

48 8. "Estate" means estate as defined in section
49 633.3.

50 9. "Guardian" means guardian as defined in section

- 1 633.3.
2 10. "Incompetent" means incompetent as defined in
3 section 633.3.
4 11. "Local office" means a local office of
5 substitute decision maker.
6 12. "Local substitute decision maker" means an
7 individual under contract with the department to act
8 as a substitute decision maker.
9 13. "Personal representative" means personal
10 representative as defined in section 633.3.
11 14. "Planning and service area" means a geographic
12 area of the state designated by the commission for the
13 purpose of planning, developing, delivering, and
14 administering services for elders.
15 15. "Power of attorney" means a durable power of
16 attorney for health care as defined in section 144B.1
17 or a power of attorney that becomes effective upon the
18 disability of the principal as described in section
19 633.705.
20 16. "Principal" means an individual for whom a
21 power of attorney is established.
22 17. "Representative payee" means an individual
23 appointed by a government entity to receive funds on
24 behalf of a client pursuant to federal regulation.
25 18. "State agency" means any executive department,
26 commission, board, institution, division, bureau,
27 office, agency, or other executive entity of state
28 government.
29 19. "State office" means the state office of
30 substitute decision maker.
31 20. "State substitute decision maker" means the
32 administrator of the state office of substitute
33 decision maker.
34 21. "Substitute decision maker" means a guardian,
35 conservator, representative payee, attorney in fact
36 under a power of attorney, or personal representative.
37 22. "Substitute decision making" or "substitute
38 decision-making services" means the provision of
39 services of a guardian, conservator, representative
40 payee, attorney in fact under a power of attorney, or
41 personal representative.
42 23. "Ward" means the individual for whom a
43 guardianship or conservatorship is established.
44 Sec. ____ . NEW SECTION. 231E.4 STATE OFFICE OF
45 SUBSTITUTE DECISION MAKER -- ESTABLISHED -- DUTIES --
46 DEPARTMENT RULES.
47 1. A state office of substitute decision maker is
48 established within the department to create and
49 administer a statewide network of substitute decision
50 makers who provide substitute decision-making services

1 if other substitute decision makers are not available
2 to provide the services.

3 2. The director shall appoint an administrator of
4 the state office who shall serve as the state
5 substitute decision maker. The state substitute
6 decision maker shall be qualified for the position by
7 training and expertise in substitute decision-making
8 law. The state substitute decision maker shall also
9 have knowledge of social services available to meet
10 the needs of persons adjudicated incompetent or in
11 need of substitute decision making.

12 3. The state office shall do all of the following:

13 a. Select persons through a request for proposals
14 process to establish local offices of substitute
15 decision maker in each of the planning and service
16 areas. Local offices shall be established statewide
17 on or before July 1, 2015.

18 b. Monitor and terminate contracts with local
19 offices based on criteria established by rule of the
20 department.

21 c. Retain oversight responsibilities for all local
22 substitute decision makers.

23 d. Act as substitute decision maker if a local
24 office is not available to so act.

25 e. Work with the department of human services, the
26 Iowa department of public health, the governor's
27 developmental disabilities council, and other agencies
28 to establish a referral system for the provision of
29 substitute decision-making services.

30 f. Develop and maintain a current listing of
31 public and private services and programs available to
32 assist wards, principals, clients, personal
33 representatives, and their families and establish and
34 maintain relationships with public and private
35 entities to assure the availability of effective
36 substitute decision-making services for wards,
37 principals, clients, and estates.

38 g. Provide information and referrals to the public
39 regarding substitute decision-making services.

40 h. Provide personal representatives for estates
41 where a person is not available for that purpose.

42 i. Maintain statistical data on the local offices
43 including various methods of funding, the types of
44 services provided, and the demographics of the wards,
45 principals, clients, and decedents and report to the
46 general assembly on or before November 1, annually,
47 regarding the local offices and recommend any
48 appropriate legislative action.

49 j. Develop, in cooperation with the judicial
50 council as established in section 602.1202, a

1 substitute decision-maker education and training
2 program. The program may be offered to both public
3 and private substitute decision makers. The state
4 office shall establish a curriculum committee, which
5 includes but is not limited to probate judges, to
6 develop the education and training program.

7 4. The state office may do any of the following:

8 a. Accept and receive gifts, grants, or donations
9 from any public or private entity in support of the
10 state office.

11 b. Accept the services of individual volunteers
12 and volunteer organizations.

13 c. Employ staff necessary to administer the state
14 office and enter into contracts as necessary.

15 5. The department shall provide administrative
16 support to the state office.

17 6. The department shall adopt rules in accordance
18 with chapter 17A necessary to create and administer
19 the state and local offices, relating to but not
20 limited to all of the following:

21 a. An application and intake process and standards
22 for receipt of substitute decision-making services
23 from the state or a local office.

24 b. A process for the removal or termination of the
25 state or a local substitute decision maker.

26 c. An ideal range of staff-to-client ratios for
27 the state and local substitute decision makers.

28 d. Minimum training and experience requirements
29 for professional staff and volunteers.

30 e. A fee schedule. The department may establish
31 by rule a schedule of reasonable fees for the costs of
32 substitute decision-making services provided under
33 this chapter. The fee schedule established may be
34 based upon the ability of the ward, principal, client,
35 or estate to pay for the services but shall not exceed
36 the actual cost of providing the services. The state
37 office or a local office may waive collection of a fee
38 upon a finding that collection is not economically
39 feasible. The rules may provide that the state office
40 or a local office may investigate the financial status
41 of a ward, principal, or client who, or an estate that
42 requests substitute decision-making services or for
43 whom or which the state or a local substitute decision
44 maker has been appointed for the purpose of
45 determining the fee to be charged by requiring the
46 ward, principal, client, or estate to provide any
47 written authorizations necessary to provide access to
48 records of public or private sources, otherwise
49 confidential, needed to evaluate the individual's or
50 estate's financial eligibility. The rules may also

1 provide that the state or a local substitute decision
2 maker may, upon request and without payment of fees
3 otherwise required by law, obtain information
4 necessary to evaluate the individual's or estate's
5 financial eligibility from any office of the state or
6 of a political subdivision or agency of the state that
7 possesses public records. In estate proceedings, the
8 state or local decision maker shall be compensated
9 pursuant to chapter 633, division III, part 8.

10 f. Standards and performance measures for
11 evaluation of local offices.

12 g. Recordkeeping and accounting procedures to
13 ensure that the state office and local offices
14 maintain confidential, accurate, and up-to-date
15 financial, case, and statistical records. The rules
16 shall require each local office to file with the state
17 office, on an annual basis, an account of all public
18 and private funds received and a report regarding the
19 operations of the local office for the preceding
20 fiscal year.

21 h. Procedures for the sharing of records held by
22 the court or a state agency with the state office,
23 which are necessary to evaluate the state office or
24 local offices, to assess the need for additional
25 substitute decision makers, or to develop required
26 reports.

27 Sec. ____ . NEW SECTION. 231E.5 LOCAL OFFICE OF
28 SUBSTITUTE DECISION MAKER.

29 1. The state substitute decision maker shall
30 select persons to provide local substitute decision-
31 making services in each of the planning and service
32 areas, based upon a request for proposals process
33 developed by the department.

34 2. The local office shall comply with all
35 requirements established for the local office by the
36 department and shall do all of the following:

37 a. Maintain a staff of professionally qualified
38 individuals to carry out the substitute decision-
39 making functions.

40 b. Identify client needs and local resources to
41 provide necessary support services to recipients of
42 substitute decision-making services.

43 c. Collect program data as required by the state
44 office.

45 d. Meet standards established for the local
46 office.

47 e. Comply with minimum staffing requirements and
48 caseload restrictions.

49 f. Conduct background checks on employees and
50 volunteers.

- 1 g. With regard to a proposed ward, the local
2 office shall do all of the following:
- 3 (1) Determine the most appropriate form of
4 substitute decision making needed, if any, giving
5 preference to the least restrictive alternative.
6 (2) Determine whether the needs of the proposed
7 ward require the appointment of guardian or
8 conservator.
9 (3) Assess the financial resources of the proposed
10 ward based on the information supplied to the local
11 office at the time of the determination.
12 (4) Inquire and, if appropriate, search to
13 determine whether any other person may be willing and
14 able to serve as the proposed ward's guardian or
15 conservator.
16 (5) Determine the form of guardianship or
17 conservatorship to request of a court, if any, giving
18 preference to the least restrictive form.
19 (6) If determined necessary, file a petition for
20 the appointment of a guardian or conservator pursuant
21 to chapter 633.
- 22 h. With regard to an estate, the local office may
23 appoint a personal representative to file a petition
24 to open an estate who shall do all of the following:
- 25 (1) Retain legal counsel as described in section
26 231E.12 to be compensated from the proceeds of the
27 estate pursuant to chapter 633, division III, part 8.
28 (2) Liquidate all assets of the estate.
29 (3) Distribute the assets of the estate pursuant
30 to chapter 633, division VII, parts 7 and 8, and other
31 applicable provisions of law.
- 32 3. A local office may do any of the following:
- 33 a. Contract for or arrange for provision of
34 services necessary to carry out the duties of a local
35 substitute decision maker.
36 b. Accept the services of volunteers or
37 consultants and reimburse them for necessary expenses.
38 c. Employ staff and delegate to members of the
39 staff the powers and duties of the local substitute
40 decision maker. However, the local office shall
41 retain responsibility for the proper performance of
42 the delegated powers and duties. All delegations
43 shall be to persons who meet the eligibility
44 requirements of the specific type of substitute
45 decision maker.
- 46 4. An individual acting as the state or a local
47 substitute decision maker shall comply with applicable
48 requirements for guardians, conservators, or personal
49 representatives pursuant to chapter 633, attorneys in
50 fact under a power of attorney pursuant to chapter 633

1 or a durable power of attorney for health care
 2 pursuant to chapter 144B, or representative payees
 3 pursuant to federal law and regulations.
 4 5. Notwithstanding any provision to the contrary,
 5 an individual acting as the state or a local
 6 substitute decision maker shall not be subject to the
 7 posting of a bond pursuant to chapter 633. An
 8 individual acting as the state or a local substitute
 9 decision maker shall complete at least eight hours of
 10 training annually as certified by the department.

11 Sec. ____ . NEW SECTION. 231E.6 COURT-INITIATED OR
 12 PETITION-INITIATED APPOINTMENT OF STATE OR LOCAL
 13 SUBSTITUTE DECISION MAKER -- GUARDIANSHIP OR
 14 CONSERVATORSHIP -- DISCHARGE.

15 The court may appoint on its own motion or upon
 16 petition of any person, the state office or local
 17 office of substitute decision maker, to serve as
 18 guardian or conservator for any proposed ward in cases
 19 in which the court determines that the proceeding will
 20 establish the least restrictive form of substitute
 21 decision making suitable for the proposed ward and if
 22 the proposed ward meets all of the following criteria:

- 23 1. Is a resident of the planning and service area
- 24 in which the local office is located from which
- 25 services would be provided or is a resident of the
- 26 state, if the state office would provide the services.
- 27 2. Is eighteen years of age or older.
- 28 3. Does not have suitable family or another
- 29 appropriate entity willing and able to serve as
- 30 guardian or conservator.
- 31 4. Is incompetent.
- 32 5. Is an individual for whom guardianship or
- 33 conservatorship services are the least restrictive
- 34 means of meeting the individual's needs.

35 Sec. ____ . NEW SECTION. 231E.7 SUBSTITUTE
 36 DECISION MAKER-INITIATED APPOINTMENT.

37 The state office or local office may on its own
 38 motion or at the request of the court intervene in a
 39 guardianship or conservatorship proceeding if the
 40 state office or local office or the court considers
 41 the intervention to be justified because of any of the
 42 following:

- 43 1. An appointed guardian or conservator is not
- 44 fulfilling prescribed duties or is subject to removal
- 45 under section 633.65.
- 46 2. A willing and qualified guardian or conservator
- 47 is not available.
- 48 3. The best interests of the ward require the
- 49 intervention.

50 Sec. ____ . NEW SECTION. 231E.8 PROVISIONS

1 APPLICABLE TO ALL APPOINTMENTS AND DESIGNATIONS --

2 DISCHARGE.

3 1. The court shall only appoint or intervene on
4 its own motion or act upon the petition of any person
5 under section 231E.6 or 231E.7 if such appointment or
6 intervention would comply with staffing ratios
7 established by the department and if sufficient
8 resources are available to the state office or local
9 office. Notice of the proposed appointment shall be
10 provided to the state office or local office prior to
11 the granting of such appointment.

12 2. The state office or local office shall maintain
13 reasonable personal contact with each ward, principal,
14 or client for whom the state office or local office is
15 appointed or designated in order to monitor the
16 ward's, principal's, or client's care and progress.
17 For any estates in which the state office or local
18 office is involved, the state office or local office
19 shall move estate proceedings forward in a reasonable
20 and expeditious manner and shall monitor the progress
21 of any legal counsel retained on a regular basis.

22 3. Notwithstanding any provision of law to the
23 contrary, the state office or local office appointed
24 by the court or designated under a power of attorney
25 document may access all confidential records
26 concerning the ward or principal for whom the state
27 office or local office is appointed or designated,
28 including medical records and abuse reports.

29 4. In any proceeding in which the state or local
30 office is appointed or is acting as guardian or
31 conservator, the court shall waive court costs or
32 filing fees, if the state office or local office
33 certifies to the court that the state office or local
34 office has waived its fees in their entirety based
35 upon the ability of the ward to pay for the services
36 of the state office or local office. In any estate
37 proceeding, the court costs shall be paid in
38 accordance with chapter 633, division VII, part 7.

39 5. The state or a local substitute decision maker
40 shall be subject to discharge or removal, by the
41 court, on the grounds and in the manner in which other
42 guardians, conservators, or personal representatives
43 are discharged or removed pursuant to chapter 633.

44 Sec. ____ . NEW SECTION. 231E.9 FEES --
45 APPROPRIATED.

46 Fees received by the state office and by local
47 offices for services provided as state or local
48 substitute decision maker shall be deposited in the
49 general fund of the state and the amounts received are
50 appropriated to the department for the purposes of

1 administering this chapter.

2 Sec. _____. NEW SECTION. 231E.10 CONFLICTS OF
3 INTEREST -- LIMITATIONS.

4 Notwithstanding section 633.63 or any other
5 provision to the contrary, a local substitute decision
6 maker shall not provide direct services to or have an
7 actual or the appearance of any conflict of interest
8 relating to any individual for whom the local
9 substitute decision maker acts in a substitute
10 decision-making capacity unless such provision of
11 direct services or the appearance of a conflict of
12 interest is approved and monitored by the state office
13 in accordance with rules adopted by the department.

14 Sec. _____. NEW SECTION. 231E.11 DUTY OF ATTORNEY
15 GENERAL, COUNTY ATTORNEY, OR OTHER COUNSEL.

16 1. The attorney general shall advise the state
17 office on legal matters and represent the state office
18 in legal proceedings.

19 2. Upon the request of the attorney general, a
20 county attorney may represent the state office or a
21 local office in connection with the filing of a
22 petition for appointment as guardian or conservator
23 and with routine, subsequent appearances.

24 3. A local attorney experienced in probate matters
25 may represent the personal representative for all
26 routine matters associated with probating an estate.

27 Sec. _____. NEW SECTION. 231E.12 LIABILITY.

28 All employees and volunteers of the state office
29 and local offices operating under this chapter and
30 other applicable chapters and pursuant to rules
31 adopted under this and other applicable chapters are
32 considered employees of the state and state volunteers
33 for the purposes of chapter 669 and shall be afforded
34 protection under section 669.21 or 669.24, as
35 applicable. This section does not relieve a guardian
36 or conservator from performing duties prescribed under
37 chapter 633.

38 Sec. _____. NEW SECTION. 231E.13 IMPLEMENTATION.

39 Implementation of this chapter is subject to
40 availability of funding as determined by the
41 department. The department shall notify the Code
42 editor upon implementation of this chapter."

43 57. Page 74, by inserting after line 34 the
44 following:

45 "Sec. _____. Section 232.107, Code 2005, is amended
46 by adding the following new unnumbered paragraph:

47 NEW UNNUMBERED PARAGRAPH. If a breastfeeding
48 infant is removed from the child's home in accordance
49 with an order entered under this division, unless the
50 court finds that substantial evidence exists to

1 believe that reasonable visitation or supervised
2 visitation would cause an imminent risk to the
3 infant's life or health, the order shall allow the
4 infant's mother reasonable visitation or supervised
5 visitation for purposes of breastfeeding the infant.
6 The department or other person with custody of the
7 infant shall make every reasonable effort to comply
8 with the order."

9 58. Page 76, by inserting before line 3 the
10 following:

11 "Sec. _____. Section 235B.6, subsection 2, paragraph
12 e, Code 2005, is amended by adding the following new
13 subparagraph:

14 NEW SUBPARAGRAPH. (11) The state office or a
15 local office of substitute decision maker as defined
16 in section 231E.3, appointed by the court as a
17 guardian or conservator of the adult named in a report
18 as the victim of abuse or the person designated to be
19 responsible for performing or obtaining protective
20 services on behalf of a dependent adult pursuant to
21 section 235B.18."

22 59. Page 86, by inserting after line 3 the
23 following:

24 "Sec. _____. Section 633.63, subsection 3, Code
25 2005, is amended to read as follows:

26 3. A private nonprofit corporation organized under
27 chapter 504, Code 1989, or current chapter 504 or 504A
28 is qualified to act as a guardian, as defined in
29 section 633.3, ~~subsection 20,~~ or a conservator, as
30 defined in section 633.3, ~~subsection 7, where the~~
31 ~~assets subject to the conservatorship at the time when~~
32 ~~such corporation is appointed conservator are less~~
33 ~~than or equal to seventy five thousand dollars and if~~
34 the corporation does not possess a proprietary or
35 legal interest in an organization which provides
36 direct services to the individual.

37 Sec. _____. Section 633.63, Code 2005, is amended by
38 adding the following new subsection:

39 NEW SUBSECTION. 4. The state or a local
40 substitute decision maker as defined in section 231E.3
41 is authorized to act in a fiduciary capacity in this
42 state in accordance with chapter 231E."

43 60. By renumbering, relettering, or redesignating
44 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

HOUSE FILE 825

H-1704

1 Amend the Senate amendment, H-1702, to House File
2 825, as amended, passed, and reprinted by the House,
3 as follows:
4 1. By striking page 1, line 3, through page 20,
5 line 44, and inserting the following:
6 "_____. Page 1, line 23, by striking the figure
7 "2,791,522" and inserting the following: "2,792,116".
8 _____. By striking page 1, line 34, through page 2,
9 line 1, and inserting the following:
10 "2. Of the funds appropriated in this section,
11 \$174,198 shall be".
12 _____. Page 2, line 17, by striking the figure
13 "1,258,710" and inserting the following: "1,759,020".
14 _____. Page 2, by inserting after line 24, the
15 following:
16 "Of the moneys appropriated in this subsection,
17 \$30,310 shall be used to continue to provide funding
18 to local communities that have previously received
19 funding from the centers for disease control and
20 prevention of the United States department of health
21 and human services for secondhand smoke education
22 initiatives."
23 _____. By striking page 3, line 30, through page 4,
24 line 1, and inserting the following:
25 "The amount appropriated in this subsection
26 includes \$150,000 in additional funding for childhood
27 lead poisoning prevention activities for counties not
28 receiving federal funding for this purpose, and of
29 this amount, \$50,000 is allocated for a pilot project
30 to address lead poisoning prevention and remediation
31 activities in a three-county program in north central
32 Iowa with a combined population of at least 50,000."
33 _____. Page 4, line 13, by striking the figure
34 "1,044,151" and inserting the following: "1,379,258".
35 _____. Page 4, line 16, by striking the figure
36 "335,107" and inserting the following: "670,214".
37 _____. Page 4, line 18, by inserting after the
38 figure "135.106." the following: "The department
39 shall transfer the funding allocated for the HOPES-HFI
40 program to the Iowa empowerment board for distribution
41 and shall assist the board in managing the contracting
42 for the funding. The funding shall be distributed to
43 renew the grants that were provided to the grantees
44 that operated the program during the fiscal year
45 ending June 30, 2005."
46 _____. Page 4, line 26, by striking the figure
47 "6,820,423" and inserting the following: "6,964,033".
48 _____. Page 4, by inserting after line 27, the
49 following:
50 "The office of the state medical examiner and the

H-1704

1 commissioner of public safety shall give consideration
2 to a proposal offered by Polk county for the state
3 criminalistics laboratory to share facilities with
4 Polk county."

5 _____. Page 4, line 32, by striking the figure
6 "994,442" and inserting the following: "1,073,884".

7 _____. Page 4, by inserting after line 33, the
8 following:

9 "11B. IOWA COLLABORATIVE SAFETY NET PROVIDER
10 NETWORK

11 The purpose of this subsection is to create a
12 formal network of safety net providers to do all of
13 the following: preserve and expand the health care
14 safety net for vulnerable Iowans; emphasize preventive
15 services and disease management, reduction of errors,
16 continuity of care, and the medical home concept;
17 recognize that safety net providers are the primary
18 means of access to health care for the uninsured in
19 this state; and provide a mechanism to identify the
20 extent to which the uninsured in this state access
21 health care safety net providers. Of the amount
22 appropriated in this division of this Act for the
23 medical assistance program, \$1,100,000 is transferred
24 to the appropriations made in this subsection. The
25 amount transferred is allocated as follows:

26 a. To contract for a program to develop an Iowa
27 collaborative safety net provider network:

28 \$ 450,000

29 (1) The Iowa department of public health shall
30 issue a request for proposals to select the most
31 qualified applicant to develop and administer an Iowa
32 collaborative safety net provider network that
33 includes community health centers, rural health
34 clinics, free clinics, and other safety net providers.
35 The department shall coordinate conditions of the
36 request for proposals with the data and information
37 requirements of the task force on indigent care
38 created pursuant to section 249J.14A, as enacted by
39 2005 Iowa Acts, House File 841, section 16. The
40 request for proposals shall also require the person
41 awarded the contract to enroll as a member of the task
42 force on indigent care. The person awarded the
43 contract shall do all of the following:

44 (a) Establish an Iowa safety net provider advisory
45 group consisting of representatives of community
46 health centers, rural health clinics, free clinics,
47 other safety net providers, patients, and other
48 interested parties.

49 (b) Develop a planning process to logically and
50 systematically implement the Iowa collaborative safety

1 net provider network.

2 (c) In cooperation with the free clinics of Iowa
3 and individual free clinics, the Iowa association of
4 rural health clinics, and the Iowa/Nebraska primary
5 care association, develop a database of all community
6 health centers, rural health clinics, free clinics,
7 and other safety net providers. The data collected
8 shall include the demographics and needs of the
9 vulnerable populations served, current provider
10 capacity, and the resources and needs of the
11 participating safety net providers.

12 (d) Develop network initiatives for collaboration
13 between community health centers, rural health
14 clinics, free clinics, other safety net providers, and
15 other health care providers to, at a minimum, improve
16 quality, improve efficiency, reduce errors, and
17 provide clinical communication between providers. The
18 network initiatives shall include, but are not limited
19 to, activities that address all of the following:

- 20 (i) Training.
- 21 (ii) Information technology.
- 22 (iii) Financial resource development.
- 23 (iv) A referral system for ambulatory care.
- 24 (v) A referral system for specialty care.
- 25 (vi) Pharmaceuticals.
- 26 (vii) Recruitment of health professionals.

27 (2) The Iowa department of public health shall
28 issue a request for proposals to provide for an
29 evaluation of the performance of the Iowa
30 collaborative safety net provider network and its
31 impact on the medically underserved.

32 b. For an incubation grant program to community
33 health centers that receive a total score of 85 based
34 on the evaluation criteria of the health resources and
35 services administration of the United States
36 department of health and human services:

37 \$ 650,000

38 The Iowa department of public health shall select
39 qualified applicants eligible under this lettered
40 paragraph, and shall approve grants in prorated
41 amounts to all such selected qualified applicants
42 based on the total amount of funding appropriated. A
43 grantee shall meet all federal requirements for a
44 federally qualified health center, including
45 demonstrating a commitment to serve all populations in
46 the grantee's respective medically underserved
47 community and satisfying the administrative,
48 management, governance, service-related, utilization
49 of funding, and audit requirements unique to federally
50 qualified health centers as provided under section 330

1 of the federal Public Health Service Act, as amended,
2 and as codified at 42 U.S.C. § 254(b). A grant may be
3 approved for a two-year period. However, if a grantee
4 is approved as a federally qualified health center
5 during the grant period, the grant and accompanying
6 funding shall be terminated for the remainder of the
7 grant period. If a grantee is not approved as a
8 federally qualified health center during the grant
9 period, the grantee may apply for a subsequent grant
10 under this lettered paragraph on a competitive basis.
11 A recipient of a grant under this lettered paragraph
12 shall provide a local match of 25 percent of the grant
13 funds received."

14 _____. Page 6, by striking line 28, and inserting
15 the following: "Iowa commission on volunteer service
16 created pursuant to chapter 15H to utilize local
17 veterans affairs".

18 _____. Page 12, line 2, by striking the figure
19 "40,250,000" and inserting the following:
20 "40,439,695".

21 _____. Page 12, line 3, by inserting before the
22 word "Of" the following: "1."

23 _____. Page 12, by inserting after line 4 the
24 following:

25 "2. Of the funds appropriated in this section,
26 \$100,000 shall be used to provide a grant to an Iowa-
27 based nonprofit organization with a history of
28 providing tax preparation assistance to low-income
29 Iowans in order to expand the usage of the earned
30 income tax credit. The purpose of the grant is to
31 supply this assistance to underserved areas of the
32 state. The grant shall be provided to an organization
33 that has existing national foundation support for
34 supplying such assistance that can also secure local
35 charitable match funding."

36 _____. Page 13, line 6, by striking the figure
37 "524,800,000" and inserting the following:
38 "519,040,317".

39 _____. Page 15, line 1, by striking the figure
40 "3,270,082" and inserting the following: "3,050,082".

41 _____. Page 15, by striking lines 18 through 21.

42 _____. Page 15, by striking lines 22 through 34.

43 _____. By striking page 15, line 35, through page
44 16, line 7.

45 _____. Page 16, by inserting after line 28, the
46 following:

47 "_____. The department shall expand coverage under
48 the medical assistance program to cover smoking
49 cessation drugs.

50 _____. The department shall expand coverage under

1 the medical assistance program to cover weight
 2 reduction treatments and drugs.
 3 _____. The department shall adopt rules to require
 4 that if a product is to be considered by the
 5 pharmaceutical and therapeutics committee established
 6 pursuant to section 249A.20A for inclusion on the
 7 preferred drug list, the pharmaceutical and
 8 therapeutics committee shall respond to all inquiries
 9 regarding the process at least 72 hours prior to a
 10 meeting of the committee to consider inclusion of the
 11 product. Additionally, the rules shall require that
 12 the committee provide a pharmaceutical manufacturer of
 13 a product with 20 days' prior written notice of
 14 consideration of the manufacturer's product for
 15 inclusion on the preferred drug list to allow adequate
 16 time for preparation of appropriate materials to be
 17 submitted to the committee for review. The rules
 18 shall also require that adequate time be provided for
 19 each interested individual to address the committee
 20 regarding a product to be considered for inclusion on
 21 the preferred drug list by the committee. A final
 22 decision regarding inclusion of a product on the
 23 preferred drug list shall not be made in an executive
 24 session of the committee."

25 _____. Page 18, line 29, by striking the figure
 26 "8,350,752" and inserting the following:
 27 "15,800,752".

28 _____. Page 18, line 31, by striking the figure
 29 "7,325,228" and inserting the following:
 30 "14,375,228".

31 _____. Page 19, line 4, by inserting after the word
 32 "level." the following: "The poverty level changes
 33 shall take effect September 1, 2005."

34 _____. Page 19, line 6, by striking the figure
 35 "500,000" and inserting the following: "900,000".

36 _____. Page 20, line 12, by striking the figure
 37 "6,201,283" and inserting the following: "6,226,283".

38 _____. Page 20, line 31, by striking the figure
 39 "76,400,000" and inserting the following:
 40 "75,200,000".

41 _____. Page 22, line 25, by striking the figure
 42 "2,000,000" and inserting the following: "2,500,000".

43 _____. Page 25, line 12, by striking the figure
 44 "300,000" and inserting the following: "1,000,000".

45 _____. Page 25, by inserting after line 26, the
 46 following:

47 "_____. Of the amount appropriated in this section,
 48 the following amounts are allocated for the indicated
 49 child welfare system improvements:

50 a. For family team meetings and other family

1 engagement efforts:		
2	\$	900,000
3 b. For recruiting, training, and development of		
4 additional resource families, including but not		
5 limited to families providing kinship, foster, and		
6 adoptive care:		
7	\$	325,000
8 c. For field staff working with families to have		
9 flexible funding to purchase services and other		
10 support and to fill urgent family needs:		
11	\$	250,000
12 d. For funding of shelter care so that 15		
13 emergency beds are available statewide for the fiscal		
14 year within the statewide average of 288 beds		
15 addressed in the department's shelter care plan:		
16	\$	200,000
17 e. For expansion of community partnerships to		
18 prevent child abuse:		
19	\$	100,000"

20 _____. Page 25, by inserting after line 26, the
21 following:

22 "_____. The general assembly finds that it is
23 important for adequate, comprehensive mental health
24 services to be available to the children of this
25 state; that Iowa is seeking to develop a coordinated
26 system of mental health care for children through a
27 redesign of the children's mental health system; that
28 Iowa is one of only two states that have not
29 participated in the comprehensive community mental
30 health services program for children and their
31 families grant offered by the substance abuse and
32 mental health services administration (SAMHSA) of the
33 United States department of health and human services;
34 and that implementing such an initiative requires
35 long-term sustainability and support. The general
36 assembly expresses appreciation to the department for
37 applying to SAMHSA for the comprehensive services
38 program grant to implement a six-year project located
39 in northeast Iowa. The purpose of the project is to
40 create a family-driven, coordinated system of care for
41 children with mental illness to serve as a model for
42 developing a statewide approach based on family-
43 provider partnerships and long-term sustainability.
44 The general assembly strongly supports the grant
45 application and implementation of the project as vital
46 steps in redesigning the children's mental health
47 system.

48 _____. The department shall revise policies or
49 administrative rules applicable when a breastfeeding
50 infant is removed from the infant's home in accordance

1 with chapter 232, to allow the infant's mother to
2 continue to breastfeed the infant when such contact
3 with the mother is in the best interest of the
4 infant."

5 _____. Page 27, by inserting after line 6, the
6 following:

7 "_____. For continuation of the department's
8 minority youth and family projects under the redesign
9 of the child welfare system:

10 \$ 375,000"

11 _____. Page 28, line 13, by striking the figure
12 "13,074,889" and inserting the following:

13 "13,079,889".

14 _____. Page 28, line 25, by striking the figure
15 "17,329,091" and inserting the following:

16 "17,334,091".

17 _____. Page 30, line 19, by striking the figure
18 "10,514,619" and inserting the following:

19 "10,914,619".

20 _____. Page 30, line 21, by striking the figure
21 "500,000" and inserting the following: "100,000".

22 _____. Page 32, by inserting after line 16, the
23 following:

24 "_____. If the department has data indicating that a
25 geographic area has a substantial number of persons
26 with mental illness who are homeless and are not being
27 served by an existing grantee for that area under the
28 formula grant from the federal alcohol, drug abuse,
29 and mental health administration to provide mental
30 health services for the homeless and the existing
31 grantee has expressed a desire to no longer provide
32 services or the grantee's contract was terminated by
33 the department for nonperformance, the department
34 shall issue a request for proposals to replace the
35 grantee. Otherwise, the department shall maximize
36 available funding by continuing to contract to the
37 extent possible with those persons who are grantees as
38 of October 1, 2005. The department shall issue a
39 request for proposals if additional funding becomes
40 available for expansion to persons who are not being
41 served and it is not possible to utilize existing
42 grantees."

43 _____. Page 33, line 13, by striking the figure
44 "53,505,000" and inserting the following:

45 "53,790,628".

46 _____. Page 33, line 25, by striking the figure
47 "13,312,196" and inserting the following:

48 "13,342,196".

49 _____. Page 33, line 26, by striking the figure
50 "292.00" and inserting the following: "293.00".

1 _____. Page 33, by inserting after line 29, the
2 following:

3 "Of the funds appropriated in this section, \$30,000
4 is allocated to the department of human services for a
5 statewide coordinator for the program of all-inclusive
6 care for the elderly as defined in section 249H.3.
7 The coordinator shall work in collaboration with the
8 department of elder affairs in carrying out the
9 coordinator's duties."

10 _____. Page 35, line 2, by striking the word "be"
11 and inserting the following: "not be less than".

12 _____. Page 36, by striking lines 16 and 17, and
13 inserting the following: "children shall be \$156.03
14 per day."

15 _____. By striking page 36, line 33, through page
16 37, line 5.

17 _____. Page 39, by striking line 19, and inserting
18 the following:

19 "11. Beginning on September 1, 2005, for child".

20 _____. Page 39, line 23, by striking the figure
21 "1998" and inserting the following: "2002".

22 _____. Page 40, by striking lines 2 through 6.

23 _____. Page 40, by inserting after line 8, the
24 following:

25 "Sec. _____. SHELTER CARE REQUEST FOR PROPOSALS.

26 The department of human services shall amend the
27 request for proposals issued on April 15, 2005, for a
28 program to provide for the statewide availability of
29 emergency juvenile shelter care during the fiscal year
30 beginning July 1, 2005, to increase the statewide
31 daily average number of beds covered under the request
32 to 288 beds in order to include 15 unallocated beds
33 statewide for emergency placements. However, if the
34 date of enactment of this Act does not allow
35 sufficient time for the department to amend the
36 request for proposals as otherwise required by this
37 section, the department shall apply the requirement in
38 the negotiations with the program awarded the contract
39 and shall include the requirement in the final
40 contract."

41 _____. Page 41, by inserting after line 25, the
42 following:

43 "Sec. _____. 2003 Iowa Acts, chapter 178, section
44 45, unnumbered paragraph 3, as enacted by 2004 Iowa
45 Acts, chapter 1175, section 160, is amended to read as
46 follows:

47 Notwithstanding section 8.33, moneys appropriated
48 in this section that remain unencumbered or
49 unobligated at the close of the fiscal year shall not
50 revert but shall remain available for expenditure for

1 the child and family services until the close of the
2 ~~succeeding~~ fiscal year beginning July 1, 2005."

3 _____. Page 43, by inserting after line 17 the
4 following:

5 "Sec. _____. INDIGENT PATIENT PROGRAM. If the
6 Eighty-first General Assembly, 2005 Regular Session,
7 enacts legislation subsequent to the enactment of 2005
8 Iowa Acts, House File 841, relating to the medical and
9 surgical treatment of indigent patients as provided in
10 chapter 255 that is in conflict with the provisions of
11 2005 Iowa Acts, House File 841, including provisions
12 relating to the quota under chapter 255, the
13 provisions of 2005 Iowa Acts, House File 841, shall
14 prevail."

15 _____. Page 43, by inserting after line 29, the
16 following:

17 "_____. The provision directing the department of
18 human services to amend the request for proposals
19 issued on April 15, 2005, to provide for statewide
20 emergency juvenile shelter care.

21 _____. The provision amending 2003 Iowa Acts,
22 chapter 178, section 45, unnumbered paragraph 3, as
23 enacted by 2004 Iowa Acts, chapter 1175, section 160."

24 _____. Page 45, line 15, by striking the figure
25 "50,200,000" and inserting the following:
26 "59,647,109".

27 _____. Page 46, by striking lines 23 and 24, and
28 inserting the following: "to only those persons who
29 meet the nursing facility level of care for home and
30 community-based services waiver services as
31 established on or after July 1, 2005."

32 _____. Page 47, by inserting after line 27, the
33 following:

34 "Sec. _____. 2004 Iowa Acts, chapter 1175, section
35 173, subsection 1, is amended by adding the following
36 new unnumbered paragraph:

37 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
38 8.33 and section 426B.5, subsection 1, paragraph "d",
39 moneys appropriated in this subsection that remain
40 unencumbered or unobligated at the close of the fiscal
41 year shall not revert but shall remain available for
42 expenditure for the purposes designated until the
43 close of the succeeding fiscal year."

44 _____. Page 48, line 17, by striking the figure
45 "14,507,362" and inserting the following:
46 "23,925,724".

47 _____. Page 49, by striking lines 4 through 16, and
48 inserting the following:

49 "a. For an ending balance percentage of less than
50 5 percent, a withholding factor of 0 percent. In

1 addition, a county that is subject to this lettered
2 paragraph shall receive an inflation adjustment equal
3 to 3 percent of the gross expenditures reported for
4 the county's services fund for the fiscal year.

5 b. For an ending balance percentage of 5 or more
6 but less than 10 percent, a withholding factor of 0
7 percent. In addition, a county that is subject to this
8 lettered paragraph shall receive an inflation
9 adjustment equal to 2 percent of the gross
10 expenditures reported for the county's services fund
11 for the fiscal year.

12 c. For an ending balance percentage of 10 or more
13 but less than 25 percent, a withholding factor of 25
14 percent.

15 d. For an ending balance percentage of 25 percent
16 or more, a withholding percentage of 100 percent."

17 _____. Page 49, line 19, by striking the figure
18 "4,659,749" and inserting the following: "9,418,362".

19 _____. Page 49, by inserting after line 30, the
20 following:

21 "NEW SUBSECTION. 6. a. In addition to the amount
22 to be distributed under subsection 4, for the fiscal
23 year beginning July 1, 2005, a county with an ending
24 balance percentage under subsection 4 of less than
25 zero shall receive a distribution from the sum of the
26 following:

27 (1) The amounts appropriated in 2004 Iowa Acts,
28 chapter 1175, section 132 and section 173, subsection
29 1, that were not distributed and did not revert at the
30 close of the fiscal year beginning July 1, 2004.

31 (2) The amounts appropriated for the fiscal year
32 beginning July 1, 2005, for the mental health and
33 developmental disabilities community services fund and
34 in this section that were not distributed in
35 accordance with subsections 3, 4, and 5.

36 b. The amount of a county's distribution under
37 paragraph "a" shall be equal to the county's
38 proportion of the general population of the counties
39 eligible to receive a distribution under this
40 subsection.

41 c. The distribution amount determined under this
42 subsection shall be included in the county's allowed
43 growth payment determined in accordance with
44 subsections 3, 4, and 5.

45 Sec. _____. EFFECTIVE DATE. The section of this
46 division of this Act amending 2004 Iowa Acts, chapter
47 1175, section 173, subsection 1, being deemed of
48 immediate importance, takes effect upon enactment."

49 _____. Page 49, by inserting after line 32, the
50 following:

1 "Sec. _____. Section 15H.3, subsection 5, as enacted
2 by 2005 Iowa Acts, House File 478, section 3, is
3 amended to read as follows:

4 5. Members shall serve staggered terms of three
5 years beginning ~~and ending as provided by section~~
6 ~~69.19~~ July 1. Members of the commission shall serve
7 no more than two three-year terms. Any vacancy shall
8 be filled in the same manner as the original
9 appointment.

10 Sec. _____. NEW SECTION. 16.184 TRANSITIONAL
11 HOUSING REVOLVING LOAN PROGRAM FUND.

12 1. A transitional housing revolving loan program
13 fund is created within the authority to further the
14 availability of affordable housing for parents that
15 are reuniting with their children while completing or
16 participating in substance abuse treatment. The
17 moneys in the fund are annually appropriated to the
18 authority to be used for the development and operation
19 of a revolving loan program to provide financing to
20 construct affordable transitional housing, including
21 through new construction or acquisition and
22 rehabilitation of existing housing. The housing
23 provided shall be geographically located in close
24 proximity to licensed substance abuse treatment
25 programs. Preference in funding shall be given to
26 projects that reunite mothers with the mothers'
27 children.

28 2. Moneys transferred by the authority for deposit
29 in the transitional housing revolving loan program
30 fund, moneys appropriated to the transitional housing
31 revolving loan program, and any other moneys available
32 to and obtained or accepted by the authority for
33 placement in the fund shall be deposited in the fund.
34 Additionally, payment of interest, recaptures of
35 awards, and other repayments to the transitional
36 housing revolving loan program fund shall be credited
37 to the fund. Notwithstanding section 12C.7,
38 subsection 2, interest or earnings on moneys in the
39 transitional housing revolving loan program fund shall
40 be credited to the fund. Notwithstanding section
41 8.33, moneys that remain unencumbered or unobligated
42 at the close of the fiscal year shall not revert but
43 shall remain available for the same purpose in the
44 succeeding fiscal year.

45 3. The authority shall annually allocate moneys
46 available in the transitional housing revolving loan
47 program fund for the development of affordable
48 transitional housing for parents that are reuniting
49 with the parents' children while completing or
50 participating in substance abuse treatment. The

1 authority shall develop a joint application process
2 for the allocation of federal low-income housing tax
3 credits and the funds available under this section.
4 Moneys allocated to such projects may be in the form
5 of loans, grants, or a combination of loans and
6 grants.

7 4. The authority shall adopt rules pursuant to
8 chapter 17A to administer this section."

9 _____. Page 68, by inserting after line 32, the
10 following:

11 "Sec. _____. Section 154A.22, Code 2005, is amended
12 to read as follows:

13 154A.22 DEPOSIT RECEIPT OF FEES.

14 1. The Except as otherwise provided in subsection
15 2, the department shall deposit all fees collected
16 under the provisions of this chapter in the general
17 fund of the state. Compensation and travel expenses
18 of members and employees of the board, and other
19 expenses necessary for the board to administer and
20 carry out the provisions of this chapter shall be paid
21 from funds appropriated from the general fund of the
22 state.

23 2. The department may retain ninety percent of the
24 revenue generated from an increase in licensure and
25 permit fees established pursuant to section 154A.17
26 above the licensure and permit fees in effect as of
27 June 30, 2005. The moneys retained by the department
28 shall be used for any of the board's duties, including
29 but not limited to addition of full-time equivalent
30 positions for program services and investigations.
31 Revenues retained by the department pursuant to this
32 subsection shall be considered repayment receipts as
33 defined in section 8.2.

34 Sec. _____. Section 155.6, Code 2005, is amended to
35 read as follows:

36 155.6 FUND-CREATED RECEIPT OF FEES.

37 1. All Except as otherwise provided in subsection
38 2, all fees collected under the provisions of this
39 chapter shall be paid to the treasurer of state who
40 shall deposit the fees in the general fund of the
41 state. Funds shall be appropriated to the board to be
42 used and expended by the board to pay the compensation
43 and travel expenses of members and employees of the
44 board, and other expenses necessary for the board to
45 administer and carry out the provisions of this
46 chapter.

47 2. The board may retain ninety percent of the
48 revenue generated from an increase in examination,
49 licensure, and renewal of licensure fees established
50 pursuant to section 155.15 above the examination,

1 licensure, and renewal of licensure fees in effect as
 2 of June 30, 2005. The moneys retained by the board
 3 shall be used for any of the board's duties, including
 4 but not limited to addition of full-time equivalent
 5 positions for program services and investigations.
 6 Revenues retained by the department pursuant to this
 7 subsection shall be considered repayment receipts as
 8 defined in section 8.2."

9 _____. Page 73, by inserting after line 33, the
 10 following:

11 "Sec. _____. Section 227.4, Code 2005, is amended to
 12 read as follows:

13 227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL
 14 ILLNESS OR ~~DEVELOPMENTAL DISABILITIES~~ MENTAL
 15 RETARDATION IN COUNTY CARE FACILITIES.

16 The administrator, in cooperation with the
 17 department of inspections and appeals, shall recommend
 18 and the mental health, mental retardation,
 19 developmental disabilities, and brain injury
 20 commission created in section 225C.5 shall adopt
 21 standards for the care of and services to persons with
 22 mental illness or ~~developmental disabilities~~ mental
 23 retardation residing in county care facilities. The
 24 standards shall be enforced by the department of
 25 inspections and appeals as a part of the licensure
 26 inspection conducted pursuant to chapter 135C. The
 27 objective of the standards is to ensure that persons
 28 with mental illness or ~~developmental disabilities~~
 29 mental retardation who are residents of county care
 30 facilities are not only adequately fed, clothed, and
 31 housed, but are also offered reasonable opportunities
 32 for productive work and recreational activities suited
 33 to their physical and mental abilities and offering
 34 both a constructive outlet for their energies and, if
 35 possible, therapeutic benefit. When recommending
 36 standards under this section, the administrator shall
 37 designate an advisory committee representing
 38 administrators of county care facilities, county
 39 mental health and developmental disabilities regional
 40 planning councils, and county care facility resident
 41 advocate committees to assist in the establishment of
 42 standards."

43 _____. Page 83, by inserting after line 2, the
 44 following:

45 "Sec. _____. Section 249J.8, subsection 4, as
 46 enacted by 2005 Iowa Acts, House File 841, section 8,
 47 is amended to read as follows:

48 4. The department shall track the impact of the
 49 out-of-pocket expenditures on patient expansion
 50 population enrollment and shall report the findings on

1 at least a quarterly basis to the medical assistance
 2 projections and assessment council established
 3 pursuant to section 249J.19. The findings shall
 4 include estimates of the number of expansion
 5 population members complying with payment of required
 6 out-of-pocket expenditures, the number of expansion
 7 population members not complying with payment of
 8 required out-of-pocket expenditures and the reasons
 9 for noncompliance, any impact as a result of the out-
 10 of-pocket requirements on the provision of services to
 11 the populations previously served, the administrative
 12 time and cost associated with administering the
 13 out-of-pocket requirements, and the benefit to the
 14 state resulting from the out-of-pocket expenditures.
 15 To the extent possible, the department shall track the
 16 income level of the member, the health condition of
 17 the member, and the family status of the member
 18 relative to the out-of-pocket information."

19 _____. Page 86, by striking lines 11 and 12, and
 20 inserting the following:

21 "Sec. _____. EFFECTIVE DATES.

22 1. The amendment in this division of this Act to".

23 _____. Page 86, by inserting after line 13, the
 24 following:

25 "2. The amendment in this division of this Act to
 26 section 15H.3, subsection 5, being deemed of immediate
 27 importance, takes effect upon enactment and is
 28 retroactively applicable to April 19, 2005."

29 _____. Page 86, by inserting after line 13, the
 30 following:

31 "DIVISION

32 SUBSTITUTE DECISION MAKER ACT

33 Sec. _____. NEW SECTION. 231E.1 TITLE.

34 This chapter shall be known and may be cited as the
 35 "Iowa Substitute Decision Maker Act".

36 Sec. _____. NEW SECTION. 231E.2 OFFICE OF

37 SUBSTITUTE DECISION MAKER -- FINDINGS AND INTENT.

38 1. a. The general assembly finds that many adults
 39 in this state are unable to meet essential
 40 requirements to maintain their physical health or to
 41 manage essential aspects of their financial resources
 42 and are in need of substitute decision-making
 43 services. However, a willing and responsible person
 44 may not be available to serve as a private substitute
 45 decision maker or the adult may not have adequate
 46 income or resources to compensate a private substitute
 47 decision maker.

48 b. The general assembly further finds that a
 49 process should exist to assist individuals in finding
 50 alternatives to substitute decision-making services

1 and less intrusive means of assistance before an
 2 individual's independence or rights are limited.
 3 c. The general assembly further finds that a
 4 substitute decision maker may be necessary to finalize
 5 a person's affairs after death when there is no
 6 willing and appropriate person available to serve as
 7 the person's personal representative.

8 2. a. It is, therefore, the intent of the general
 9 assembly to establish a state office of substitute
 10 decision maker and authorize the establishment of
 11 local offices of substitute decision maker to provide
 12 substitute decision-making services to adults and
 13 their estates after their deaths, when no private
 14 substitute decision maker is available.

15 b. It is also the intent of the general assembly
 16 that the office of substitute decision maker provide
 17 assistance to both public and private substitute
 18 decision makers throughout the state in securing
 19 necessary services for their wards, principals,
 20 clients, and decedents and to assist substitute
 21 decision makers, wards, principals, clients, courts,
 22 and attorneys in the orderly and expeditious handling
 23 of substitute decision-making proceedings.

24 Sec. ____ . NEW SECTION. 231E.3 DEFINITIONS.

25 As used in this chapter, unless the context
 26 otherwise requires:

- 27 1. "Client" means an individual for whom a
 28 representative payee is appointed.
- 29 2. "Commission" means the commission of elder
 30 affairs.
- 31 3. "Conservator" means conservator as defined in
 32 section 633.3.
- 33 4. "Court" means court as defined in section
 34 633.3.
- 35 5. "Decedent" means the individual for whom an
 36 estate is administered or executed.
- 37 6. "Department" means the department of elder
 38 affairs established in section 231.21.
- 39 7. "Director" means the director of the department
 40 of elder affairs.
- 41 8. "Estate" means estate as defined in section
 42 633.3.
- 43 9. "Guardian" means guardian as defined in section
 44 633.3.
- 45 10. "Incompetent" means incompetent as defined in
 46 section 633.3.
- 47 11. "Local office" means a local office of
 48 substitute decision maker.
- 49 12. "Local substitute decision maker" means an
 50 individual under contract with the department to act

1 as a substitute decision maker.

2 13. "Personal representative" means personal
3 representative as defined in section 633.3.

4 14. "Planning and service area" means a geographic
5 area of the state designated by the commission for the
6 purpose of planning, developing, delivering, and
7 administering services for elders.

8 15. "Power of attorney" means a durable power of
9 attorney for health care as defined in section 144B.1
10 or a power of attorney that becomes effective upon the
11 disability of the principal as described in section
12 633.705.

13 16. "Principal" means an individual for whom a
14 power of attorney is established.

15 17. "Representative payee" means an individual
16 appointed by a government entity to receive funds on
17 behalf of a client pursuant to federal regulation.

18 18. "State agency" means any executive department,
19 commission, board, institution, division, bureau,
20 office, agency, or other executive entity of state
21 government.

22 19. "State office" means the state office of
23 substitute decision maker.

24 20. "State substitute decision maker" means the
25 administrator of the state office of substitute
26 decision maker.

27 21. "Substitute decision maker" means a guardian,
28 conservator, representative payee, attorney in fact
29 under a power of attorney, or personal representative.

30 22. "Substitute decision making" or "substitute
31 decision-making services" means the provision of
32 services of a guardian, conservator, representative
33 payee, attorney in fact under a power of attorney, or
34 personal representative.

35 23. "Ward" means the individual for whom a
36 guardianship or conservatorship is established.

37 Sec. ____ . NEW SECTION. 231E.4 STATE OFFICE OF
38 SUBSTITUTE DECISION MAKER -- ESTABLISHED -- DUTIES --
39 DEPARTMENT RULES.

40 1. A state office of substitute decision maker is
41 established within the department to create and
42 administer a statewide network of substitute decision
43 makers who provide substitute decision-making services
44 if other substitute decision makers are not available
45 to provide the services.

46 2. The director shall appoint an administrator of
47 the state office who shall serve as the state
48 substitute decision maker. The state substitute
49 decision maker shall be qualified for the position by
50 training and expertise in substitute decision-making

1 law. The state substitute decision maker shall also
2 have knowledge of social services available to meet
3 the needs of persons adjudicated incompetent or in
4 need of substitute decision making.

5 3. The state office shall do all of the following:

6 a. Select persons through a request for proposals
7 process to establish local offices of substitute
8 decision maker in each of the planning and service
9 areas. Local offices shall be established statewide
10 on or before July 1, 2015.

11 b. Monitor and terminate contracts with local
12 offices based on criteria established by rule of the
13 department.

14 c. Retain oversight responsibilities for all local
15 substitute decision makers.

16 d. Act as substitute decision maker if a local
17 office is not available to so act.

18 e. Work with the department of human services, the
19 Iowa department of public health, the governor's
20 developmental disabilities council, and other agencies
21 to establish a referral system for the provision of
22 substitute decision-making services.

23 f. Develop and maintain a current listing of
24 public and private services and programs available to
25 assist wards, principals, clients, personal
26 representatives, and their families and establish and
27 maintain relationships with public and private
28 entities to assure the availability of effective
29 substitute decision-making services for wards,
30 principals, clients, and estates.

31 g. Provide information and referrals to the public
32 regarding substitute decision-making services.

33 h. Provide personal representatives for estates
34 where a person is not available for that purpose.

35 i. Maintain statistical data on the local offices
36 including various methods of funding, the types of
37 services provided, and the demographics of the wards,
38 principals, clients, and decedents and report to the
39 general assembly on or before November 1, annually,
40 regarding the local offices and recommend any
41 appropriate legislative action.

42 j. Develop, in cooperation with the judicial
43 council as established in section 602.1202, a
44 substitute decision-maker education and training
45 program. The program may be offered to both public
46 and private substitute decision makers. The state
47 office shall establish a curriculum committee, which
48 includes but is not limited to probate judges, to
49 develop the education and training program.

50 4. The state office may do any of the following:

- 1 a. Accept and receive gifts, grants, or donations
- 2 from any public or private entity in support of the
- 3 state office.
- 4 b. Accept the services of individual volunteers
- 5 and volunteer organizations.
- 6 c. Employ staff necessary to administer the state
- 7 office and enter into contracts as necessary.
- 8 5. The department shall provide administrative
- 9 support to the state office.
- 10 6. The department shall adopt rules in accordance
- 11 with chapter 17A necessary to create and administer
- 12 the state and local offices, relating to but not
- 13 limited to all of the following:
- 14 a. An application and intake process and standards
- 15 for receipt of substitute decision-making services
- 16 from the state or a local office.
- 17 b. A process for the removal or termination of the
- 18 state or a local substitute decision maker.
- 19 c. An ideal range of staff-to-client ratios for
- 20 the state and local substitute decision makers.
- 21 d. Minimum training and experience requirements
- 22 for professional staff and volunteers.
- 23 e. A fee schedule. The department may establish
- 24 by rule a schedule of reasonable fees for the costs of
- 25 substitute decision-making services provided under
- 26 this chapter. The fee schedule established may be
- 27 based upon the ability of the ward, principal, client,
- 28 or estate to pay for the services but shall not exceed
- 29 the actual cost of providing the services. The state
- 30 office or a local office may waive collection of a fee
- 31 upon a finding that collection is not economically
- 32 feasible. The rules may provide that the state office
- 33 or a local office may investigate the financial status
- 34 of a ward, principal, or client who, or an estate that
- 35 requests substitute decision-making services or for
- 36 whom or which the state or a local substitute decision
- 37 maker has been appointed for the purpose of
- 38 determining the fee to be charged by requiring the
- 39 ward, principal, client, or estate to provide any
- 40 written authorizations necessary to provide access to
- 41 records of public or private sources, otherwise
- 42 confidential, needed to evaluate the individual's or
- 43 estate's financial eligibility. The rules may also
- 44 provide that the state or a local substitute decision
- 45 maker may, upon request and without payment of fees
- 46 otherwise required by law, obtain information
- 47 necessary to evaluate the individual's or estate's
- 48 financial eligibility from any office of the state or
- 49 of a political subdivision or agency of the state that
- 50 possesses public records. In estate proceedings, the

1 state or local decision maker shall be compensated
2 pursuant to chapter 633, division III, part 8.
3 f. Standards and performance measures for
4 evaluation of local offices.
5 g. Recordkeeping and accounting procedures to
6 ensure that the state office and local offices
7 maintain confidential, accurate, and up-to-date
8 financial, case, and statistical records. The rules
9 shall require each local office to file with the state
10 office, on an annual basis, an account of all public
11 and private funds received and a report regarding the
12 operations of the local office for the preceding
13 fiscal year.

14 h. Procedures for the sharing of records held by
15 the court or a state agency with the state office,
16 which are necessary to evaluate the state office or
17 local offices, to assess the need for additional
18 substitute decision makers, or to develop required
19 reports.

20 Sec. ____ . NEW SECTION. 231E.5 LOCAL OFFICE OF
21 SUBSTITUTE DECISION MAKER.

22 1. The state substitute decision maker shall
23 select persons to provide local substitute decision-
24 making services in each of the planning and service
25 areas, based upon a request for proposals process
26 developed by the department.

27 2. The local office shall comply with all
28 requirements established for the local office by the
29 department and shall do all of the following:

30 a. Maintain a staff of professionally qualified
31 individuals to carry out the substitute decision-
32 making functions.

33 b. Identify client needs and local resources to
34 provide necessary support services to recipients of
35 substitute decision-making services.

36 c. Collect program data as required by the state
37 office.

38 d. Meet standards established for the local
39 office.

40 e. Comply with minimum staffing requirements and
41 caseload restrictions.

42 f. Conduct background checks on employees and
43 volunteers.

44 g. With regard to a proposed ward, the local
45 office shall do all of the following:

46 (1) Determine the most appropriate form of
47 substitute decision making needed, if any, giving
48 preference to the least restrictive alternative.

49 (2) Determine whether the needs of the proposed
50 ward require the appointment of guardian or

1 conservator.

2 (3) Assess the financial resources of the proposed
3 ward based on the information supplied to the local
4 office at the time of the determination.

5 (4) Inquire and, if appropriate, search to
6 determine whether any other person may be willing and
7 able to serve as the proposed ward's guardian or
8 conservator.

9 (5) Determine the form of guardianship or
10 conservatorship to request of a court, if any, giving
11 preference to the least restrictive form.

12 (6) If determined necessary, file a petition for
13 the appointment of a guardian or conservator pursuant
14 to chapter 633.

15 h. With regard to an estate, the local office may
16 appoint a personal representative to file a petition
17 to open an estate who shall do all of the following:

18 (1) Retain legal counsel as described in section
19 231E.11 to be compensated from the proceeds of the
20 estate pursuant to chapter 633, division III, part 8.

21 (2) Liquidate all assets of the estate.

22 (3) Distribute the assets of the estate pursuant
23 to chapter 633, division VII, parts 7 and 8, and other
24 applicable provisions of law.

25 3. A local office may do any of the following:

26 a. Contract for or arrange for provision of
27 services necessary to carry out the duties of a local
28 substitute decision maker.

29 b. Accept the services of volunteers or
30 consultants and reimburse them for necessary expenses.

31 c. Employ staff and delegate to members of the
32 staff the powers and duties of the local substitute
33 decision maker. However, the local office shall
34 retain responsibility for the proper performance of
35 the delegated powers and duties. All delegations
36 shall be to persons who meet the eligibility
37 requirements of the specific type of substitute
38 decision maker.

39 4. An individual acting as the state or a local
40 substitute decision maker shall comply with applicable
41 requirements for guardians, conservators, or personal
42 representatives pursuant to chapter 633, attorneys in
43 fact under a power of attorney pursuant to chapter 633
44 or a durable power of attorney for health care
45 pursuant to chapter 144B, or representative payees
46 pursuant to federal law and regulations.

47 5. Notwithstanding any provision to the contrary,
48 an individual acting as the state or a local
49 substitute decision maker shall not be subject to the
50 posting of a bond pursuant to chapter 633. An

1 individual acting as the state or a local substitute
2 decision maker shall complete at least eight hours of
3 training annually as certified by the department.
4 Sec. ____ . NEW SECTION. 231E.6 COURT-INITIATED OR
5 PETITION-INITIATED APPOINTMENT OF STATE OR LOCAL
6 SUBSTITUTE DECISION MAKER -- GUARDIANSHIP OR
7 CONSERVATORSHIP -- DISCHARGE.

8 The court may appoint on its own motion or upon
9 petition of any person, the state office or local
10 office of substitute decision maker, to serve as
11 guardian or conservator for any proposed ward in cases
12 in which the court determines that the proceeding will
13 establish the least restrictive form of substitute
14 decision making suitable for the proposed ward and if
15 the proposed ward meets all of the following criteria:

- 16 1. Is a resident of the planning and service area
17 in which the local office is located from which
18 services would be provided or is a resident of the
19 state, if the state office would provide the services.
- 20 2. Is eighteen years of age or older.
- 21 3. Does not have suitable family or another
22 appropriate entity willing and able to serve as
23 guardian or conservator.
- 24 4. Is incompetent.
- 25 5. Is an individual for whom guardianship or
26 conservatorship services are the least restrictive
27 means of meeting the individual's needs.

28 Sec. ____ . NEW SECTION. 231E.7 SUBSTITUTE
29 DECISION MAKER-INITIATED APPOINTMENT.

30 The state office or local office may on its own
31 motion or at the request of the court intervene in a
32 guardianship or conservatorship proceeding if the
33 state office or local office or the court considers
34 the intervention to be justified because of any of the
35 following:

- 36 1. An appointed guardian or conservator is not
37 fulfilling prescribed duties or is subject to removal
38 under section 633.65.
- 39 2. A willing and qualified guardian or conservator
40 is not available.
- 41 3. The best interests of the ward require the
42 intervention.

43 Sec. ____ . NEW SECTION. 231E.8 PROVISIONS
44 APPLICABLE TO ALL APPOINTMENTS AND DESIGNATIONS --
45 DISCHARGE.

46 1. The court shall only appoint or intervene on
47 its own motion or act upon the petition of any person
48 under section 231E.6 or 231E.7 if such appointment or
49 intervention would comply with staffing ratios
50 established by the department and if sufficient

1 resources are available to the state office or local
2 office. Notice of the proposed appointment shall be
3 provided to the state office or local office prior to
4 the granting of such appointment.

5 2. The state office or local office shall maintain
6 reasonable personal contact with each ward, principal,
7 or client for whom the state office or local office is
8 appointed or designated in order to monitor the
9 ward's, principal's, or client's care and progress.
10 For any estates in which the state office or local
11 office is involved, the state office or local office
12 shall move estate proceedings forward in a reasonable
13 and expeditious manner and shall monitor the progress
14 of any legal counsel retained on a regular basis.

15 3. Notwithstanding any provision of law to the
16 contrary, the state office or local office appointed
17 by the court or designated under a power of attorney
18 document may access all confidential records
19 concerning the ward or principal for whom the state
20 office or local office is appointed or designated,
21 including medical records and abuse reports.

22 4. In any proceeding in which the state or local
23 office is appointed or is acting as guardian or
24 conservator, the court shall waive court costs or
25 filing fees, if the state office or local office
26 certifies to the court that the state office or local
27 office has waived its fees in their entirety based
28 upon the ability of the ward to pay for the services
29 of the state office or local office. In any estate
30 proceeding, the court costs shall be paid in
31 accordance with chapter 633, division VII, part 7.

32 5. The state or a local substitute decision maker
33 shall be subject to discharge or removal, by the
34 court, on the grounds and in the manner in which other
35 guardians, conservators, or personal representatives
36 are discharged or removed pursuant to chapter 633.

37 Sec. ____ . NEW SECTION. 231E.9 FEES --
38 APPROPRIATED.

39 Fees received by the state office and by local
40 offices for services provided as state or local
41 substitute decision maker shall be deposited in the
42 general fund of the state and the amounts received are
43 appropriated to the department for the purposes of
44 administering this chapter.

45 Sec. ____ . NEW SECTION. 231E.10 CONFLICTS OF
46 INTEREST -- LIMITATIONS.

47 Notwithstanding section 633.63 or any other
48 provision to the contrary, a local substitute decision
49 maker shall not provide direct services to or have an
50 actual or the appearance of any conflict of interest

1 relating to any individual for whom the local
2 substitute decision maker acts in a substitute
3 decision-making capacity unless such provision of
4 direct services or the appearance of a conflict of
5 interest is approved and monitored by the state office
6 in accordance with rules adopted by the department.

7 Sec. ____ . NEW SECTION. 231E.11 DUTY OF ATTORNEY
8 GENERAL, COUNTY ATTORNEY, OR OTHER COUNSEL.

9 1. The attorney general shall advise the state
10 office on legal matters and represent the state office
11 in legal proceedings.

12 2. Upon the request of the attorney general, a
13 county attorney may represent the state office or a
14 local office in connection with the filing of a
15 petition for appointment as guardian or conservator
16 and with routine, subsequent appearances.

17 3. A local attorney experienced in probate matters
18 may represent the personal representative for all
19 routine matters associated with probating an estate.

20 Sec. ____ . NEW SECTION. 231E.12 LIABILITY.

21 All employees and volunteers of the state office
22 and local offices operating under this chapter and
23 other applicable chapters and pursuant to rules
24 adopted under this and other applicable chapters are
25 considered employees of the state and state volunteers
26 for the purposes of chapter 669 and shall be afforded
27 protection under section 669.21 or 669.24, as
28 applicable. This section does not relieve a guardian
29 or conservator from performing duties prescribed under
30 chapter 633.

31 Sec. ____ . NEW SECTION. 231E.13 IMPLEMENTATION.

32 Implementation of this chapter is subject to
33 availability of funding as determined by the
34 department. The department shall notify the Code
35 editor upon implementation of this chapter.

36 Sec. ____ . Section 235B.6, subsection 2, paragraph
37 e, Code 2005, is amended by adding the following new
38 subparagraph:

39 NEW SUBPARAGRAPH. (11) The state office or a
40 local office of substitute decision maker as defined
41 in section 231E.3, appointed by the court as a
42 guardian or conservator of the adult named in a report
43 as the victim of abuse or the person designated to be
44 responsible for performing or obtaining protective
45 services on behalf of a dependent adult pursuant to
46 section 235B.18.

47 Sec. ____ . Section 633.63, subsection 3, Code 2005,
48 is amended to read as follows:

49 3. A private nonprofit corporation organized under
50 chapter 504, Code 1989, or current chapter 504 or 504A

1 is qualified to act as a guardian, as defined in
2 section 633.3, ~~subsection 20,~~ or a conservator, as
3 defined in section 633.3, ~~subsection 7,~~ where the
4 ~~assets subject to the conservatorship at the time when~~
5 ~~such corporation is appointed conservator are less~~
6 ~~than or equal to seventy five thousand dollars and if~~
7 the corporation does not possess a proprietary or
8 legal interest in an organization which provides
9 direct services to the individual.

10 Sec. _____. Section 633.63, Code 2005, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 4. The state or a local
13 substitute decision maker as defined in section 231E.3
14 is authorized to act in a fiduciary capacity in this
15 state in accordance with chapter 231E."

16 _____. Page 86, by inserting before line 14, the
17 following:

18 "DIVISION

19 LONG-TERM LIVING SYSTEM

20 Sec. _____. NEW SECTION. 231F.1 INTENT FOR IOWA'S
21 LONG-TERM LIVING SYSTEM.

22 1. The general assembly finds and declares that
23 the intent for Iowa's long-term living system is to
24 ensure all Iowans access to an extensive range of
25 high-quality, affordable, and cost-effective long-
26 term living options that maximize independence,
27 choice, and dignity for consumers.

28 2. The long-term living system should be
29 comprehensive, offering multiple services and support
30 in home, community-based, and facility-based settings;
31 should utilize a uniform assessment process to ensure
32 that such services and support are delivered in the
33 most integrated and life-enhancing setting; and should
34 ensure that such services and support are provided by
35 a well-trained, motivated workforce.

36 3. The long-term living system should exist in a
37 regulatory climate that appropriately ensures the
38 health, safety, and welfare of consumers, while not
39 being overly restrictive or inflexible.

40 4. The long-term living system should sustain
41 existing informal care systems including family,
42 friends, volunteers, and community resources; should
43 encourage innovation through the use of technology and
44 new delivery and financing models, including housing;
45 should provide incentives to consumers for private
46 financing of long-term living services and support;
47 and should allow Iowans to live independently as long
48 as they desire.

49 5. Information regarding all components of the
50 long-term living system should be effectively

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1 communicated to all persons potentially impacted by
2 the need for long-term living services and support in
3 order to empower consumers to plan, evaluate, and make
4 decisions about how best to meet their own long-term
5 living needs."

6 _____. By striking page 86, line 14, through page
7 88, line 12."

8 2. By renumbering, relettering, or redesignating
9 and correcting internal references as necessary.

By HEATON of Henry

SMITH of Marshall

FOEGE of Linn

UPMEYER of Hancock

H-1704 FILED MAY 20, 2005

ADOPTED

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 825

S-3324

1 Amend the Senate amendment, H-1702, to House File
2 825, as amended, passed, and reprinted by the House,
3 as follows:

4 1. By striking page 1, line 3, through page 20,
5 line 44, and inserting the following:

6 "_____. Page 1, line 23, by striking the figure
7 "2,791,522" and inserting the following: "2,792,116".

8 _____. By striking page 1, line 34, through page 2,
9 line 1, and inserting the following:

10 "2. Of the funds appropriated in this section,
11 \$174,198 shall be".

12 _____. Page 2, line 17, by striking the figure
13 "1,258,710" and inserting the following: "1,759,020".

14 _____. Page 2, by inserting after line 24, the
15 following:

16 "Of the moneys appropriated in this subsection,
17 \$30,310 shall be used to continue to provide funding
18 to local communities that have previously received
19 funding from the centers for disease control and
20 prevention of the United States department of health
21 and human services for secondhand smoke education
22 initiatives."

23 _____. By striking page 3, line 30, through page 4,
24 line 1, and inserting the following:

25 "The amount appropriated in this subsection
26 includes \$150,000 in additional funding for childhood
27 lead poisoning prevention activities for counties not
28 receiving federal funding for this purpose, and of
29 this amount, \$50,000 is allocated for a pilot project
30 to address lead poisoning prevention and remediation
31 activities in a three-county program in north central
32 Iowa with a combined population of at least 50,000."

33 _____. Page 4, line 13, by striking the figure
34 "1,044,151" and inserting the following: "1,379,258".

35 _____. Page 4, line 16, by striking the figure
36 "335,107" and inserting the following: "670,214".

37 _____. Page 4, line 18, by inserting after the
38 figure "135.106." the following: "The department
39 shall transfer the funding allocated for the HOPES-HFI
40 program to the Iowa empowerment board for distribution
41 and shall assist the board in managing the contracting
42 for the funding. The funding shall be distributed to
43 renew the grants that were provided to the grantees
44 that operated the program during the fiscal year
45 ending June 30, 2005."

46 _____. Page 4, line 26, by striking the figure
47 "6,820,423" and inserting the following: "6,964,033".

48 _____. Page 4, by inserting after line 27, the
49 following:

50 "The office of the state medical examiner and the

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1 commissioner of public safety shall give consideration
2 to a proposal offered by Polk county for the state
3 criminalistics laboratory to share facilities with
4 Polk county."

5 _____. Page 4, line 32, by striking the figure
6 "994,442" and inserting the following: "1,073,884".

7 _____. Page 4, by inserting after line 33, the
8 following:

9 "11B. IOWA COLLABORATIVE SAFETY NET PROVIDER
10 NETWORK

11 The purpose of this subsection is to create a
12 formal network of safety net providers to do all of
13 the following: preserve and expand the health care
14 safety net for vulnerable Iowans; emphasize preventive
15 services and disease management, reduction of errors,
16 continuity of care, and the medical home concept;
17 recognize that safety net providers are the primary
18 means of access to health care for the uninsured in
19 this state; and provide a mechanism to identify the
20 extent to which the uninsured in this state access
21 health care safety net providers. Of the amount
22 appropriated in this division of this Act for the
23 medical assistance program, \$1,100,000 is transferred
24 to the appropriations made in this subsection. The
25 amount transferred is allocated as follows:

26 a. To contract for a program to develop an Iowa
27 collaborative safety net provider network:
28 \$ 450,000

29 (1) The Iowa department of public health shall
30 issue a request for proposals to select the most
31 qualified applicant to develop and administer an Iowa
32 collaborative safety net provider network that
33 includes community health centers, rural health
34 clinics, free clinics, and other safety net providers.
35 The department shall coordinate conditions of the
36 request for proposals with the data and information
37 requirements of the task force on indigent care
38 created pursuant to section 249J.14A, as enacted by
39 2005 Iowa Acts, House File 841, section 16. The
40 request for proposals shall also require the person
41 awarded the contract to enroll as a member of the task
42 force on indigent care. The person awarded the
43 contract shall do all of the following:

44 (a) Establish an Iowa safety net provider advisory
45 group consisting of representatives of community
46 health centers, rural health clinics, free clinics,
47 other safety net providers, patients, and other
48 interested parties.

49 (b) Develop a planning process to logically and
50 systematically implement the Iowa collaborative safety

1 net provider network.

2 (c) In cooperation with the free clinics of Iowa
3 and individual free clinics, the Iowa association of
4 rural health clinics, and the Iowa/Nebraska primary
5 care association, develop a database of all community
6 health centers, rural health clinics, free clinics,
7 and other safety net providers. The data collected
8 shall include the demographics and needs of the
9 vulnerable populations served, current provider
10 capacity, and the resources and needs of the
11 participating safety net providers.

12 (d) Develop network initiatives for collaboration
13 between community health centers, rural health
14 clinics, free clinics, other safety net providers, and
15 other health care providers to, at a minimum, improve
16 quality, improve efficiency, reduce errors, and
17 provide clinical communication between providers. The
18 network initiatives shall include, but are not limited
19 to, activities that address all of the following:

- 20 (i) Training.
- 21 (ii) Information technology.
- 22 (iii) Financial resource development.
- 23 (iv) A referral system for ambulatory care.
- 24 (v) A referral system for specialty care.
- 25 (vi) Pharmaceuticals.
- 26 (vii) Recruitment of health professionals.

27 (2) The Iowa department of public health shall
28 issue a request for proposals to provide for an
29 evaluation of the performance of the Iowa
30 collaborative safety net provider network and its
31 impact on the medically underserved.

32 b. For an incubation grant program to community
33 health centers that receive a total score of 85 based
34 on the evaluation criteria of the health resources and
35 services administration of the United States
36 department of health and human services:

37 \$ 650,000

38 The Iowa department of public health shall select
39 qualified applicants eligible under this lettered
40 paragraph, and shall approve grants in prorated
41 amounts to all such selected qualified applicants
42 based on the total amount of funding appropriated. A
43 grantee shall meet all federal requirements for a
44 federally qualified health center, including
45 demonstrating a commitment to serve all populations in
46 the grantee's respective medically underserved
47 community and satisfying the administrative,
48 management, governance, service-related, utilization
49 of funding, and audit requirements unique to federally
50 qualified health centers as provided under section 330

1 of the federal Public Health Service Act, as amended,
2 and as codified at 42 U.S.C. § 254(b). A grant may be
3 approved for a two-year period. However, if a grantee
4 is approved as a federally qualified health center
5 during the grant period, the grant and accompanying
6 funding shall be terminated for the remainder of the
7 grant period. If a grantee is not approved as a
8 federally qualified health center during the grant
9 period, the grantee may apply for a subsequent grant
10 under this lettered paragraph on a competitive basis.
11 A recipient of a grant under this lettered paragraph
12 shall provide a local match of 25 percent of the grant
13 funds received."

14 _____. Page 6, by striking line 28, and inserting
15 the following: "Iowa commission on volunteer service
16 created pursuant to chapter 15H to utilize local
17 veterans affairs".

18 _____. Page 12, line 2, by striking the figure
19 "40,250,000" and inserting the following:
20 "40,439,695".

21 _____. Page 12, line 3, by inserting before the
22 word "Of" the following: "1."

23 _____. Page 12, by inserting after line 4 the
24 following:

25 "2. Of the funds appropriated in this section,
26 \$100,000 shall be used to provide a grant to an Iowa-
27 based nonprofit organization with a history of
28 providing tax preparation assistance to low-income
29 Iowans in order to expand the usage of the earned
30 income tax credit. The purpose of the grant is to
31 supply this assistance to underserved areas of the
32 state. The grant shall be provided to an organization
33 that has existing national foundation support for
34 supplying such assistance that can also secure local
35 charitable match funding."

36 _____. Page 13, line 6, by striking the figure
37 "524,800,000" and inserting the following:
38 "519,040,317".

39 _____. Page 15, line 1, by striking the figure
40 "3,270,082" and inserting the following: "3,050,082".

41 _____. Page 15, by striking lines 18 through 21.

42 _____. Page 15, by striking lines 22 through 34.

43 _____. By striking page 15, line 35, through page
44 16, line 7.

45 _____. Page 16, by inserting after line 28, the
46 following:

47 "_____. The department shall expand coverage under
48 the medical assistance program to cover smoking
49 cessation drugs.

50 _____. The department shall expand coverage under

1 the medical assistance program to cover weight
 2 reduction treatments and drugs.
 3 _____. The department shall adopt rules to require
 4 that if a product is to be considered by the
 5 pharmaceutical and therapeutics committee established
 6 pursuant to section 249A.20A for inclusion on the
 7 preferred drug list, the pharmaceutical and
 8 therapeutics committee shall respond to all inquiries
 9 regarding the process at least 72 hours prior to a
 10 meeting of the committee to consider inclusion of the
 11 product. Additionally, the rules shall require that
 12 the committee provide a pharmaceutical manufacturer of
 13 a product with 20 days' prior written notice of
 14 consideration of the manufacturer's product for
 15 inclusion on the preferred drug list to allow adequate
 16 time for preparation of appropriate materials to be
 17 submitted to the committee for review. The rules
 18 shall also require that adequate time be provided for
 19 each interested individual to address the committee
 20 regarding a product to be considered for inclusion on
 21 the preferred drug list by the committee. A final
 22 decision regarding inclusion of a product on the
 23 preferred drug list shall not be made in an executive
 24 session of the committee."

25 _____. Page 18, line 29, by striking the figure
 26 "8,350,752" and inserting the following: "15,800,752".

27 _____. Page 18, line 31, by striking the figure
 28 "7,325,228" and inserting the following: "14,375,228".

29 _____. Page 19, line 4, by inserting after the word
 30 "level." the following: "The poverty level changes
 31 shall take effect September 1, 2005."

32 _____. Page 19, line 6, by striking the figure
 33 "500,000" and inserting the following: "900,000".

34 _____. Page 20, line 12, by striking the figure
 35 "6,201,283" and inserting the following: "6,226,283".

36 _____. Page 20, line 31, by striking the figure
 37 "76,400,000" and inserting the following:
 38 "75,200,000".

39 _____. Page 22, line 25, by striking the figure
 40 "2,000,000" and inserting the following: "2,500,000".

41 _____. Page 25, line 12, by striking the figure
 42 "300,000" and inserting the following: "1,000,000".

43 _____. Page 25, by inserting after line 26, the
 44 following:

45 "_____. Of the amount appropriated in this section,
 46 the following amounts are allocated for the indicated
 47 child welfare system improvements:

48 a. For family team meetings and other family
 49 engagement efforts:

50 \$ 900,000

1 b. For recruiting, training, and development of
 2 additional resource families, including but not
 3 limited to families providing kinship, foster, and
 4 adoptive care:

5 \$ 325,000

6 c. For field staff working with families to have
 7 flexible funding to purchase services and other
 8 support and to fill urgent family needs:

9 \$ 250,000

10 d. For funding of shelter care so that 15
 11 emergency beds are available statewide for the fiscal
 12 year within the statewide average of 288 beds
 13 addressed in the department's shelter care plan:

14 \$ 200,000

15 e. For expansion of community partnerships to
 16 prevent child abuse:

17 \$ 100,000"

18 _____. Page 25, by inserting after line 26, the
 19 following:

20 "_____. The general assembly finds that it is
 21 important for adequate, comprehensive mental health
 22 services to be available to the children of this
 23 state; that Iowa is seeking to develop a coordinated
 24 system of mental health care for children through a
 25 redesign of the children's mental health system; that
 26 Iowa is one of only two states that have not
 27 participated in the comprehensive community mental
 28 health services program for children and their
 29 families grant offered by the substance abuse and
 30 mental health services administration (SAMHSA) of the
 31 United States department of health and human services;
 32 and that implementing such an initiative requires
 33 long-term sustainability and support. The general
 34 assembly expresses appreciation to the department for
 35 applying to SAMHSA for the comprehensive services
 36 program grant to implement a six-year project located
 37 in northeast Iowa. The purpose of the project is to
 38 create a family-driven, coordinated system of care for
 39 children with mental illness to serve as a model for
 40 developing a statewide approach based on family-
 41 provider partnerships and long-term sustainability.
 42 The general assembly strongly supports the grant
 43 application and implementation of the project as vital
 44 steps in redesigning the children's mental health
 45 system.

46 _____. The department shall revise policies or
 47 administrative rules applicable when a breastfeeding
 48 infant is removed from the infant's home in accordance
 49 with chapter 232, to allow the infant's mother to
 50 continue to breastfeed the infant when such contact

1 with the mother is in the best interest of the
2 infant."

3 _____. Page 27, by inserting after line 6, the
4 following:

5 "_____. For continuation of the department's
6 minority youth and family projects under the redesign
7 of the child welfare system:

8 \$ 375,000"

9 _____. Page 28, line 13, by striking the figure
10 "13,074,889" and inserting the following:

11 "13,079,889".

12 _____. Page 28, line 25, by striking the figure
13 "17,329,091" and inserting the following:

14 "17,334,091".

15 _____. Page 30, line 19, by striking the figure
16 "10,514,619" and inserting the following:

17 "10,914,619".

18 _____. Page 30, line 21, by striking the figure
19 "500,000" and inserting the following: "100,000".

20 _____. Page 32, by inserting after line 16, the
21 following:

22 "_____. If the department has data indicating that a
23 geographic area has a substantial number of persons
24 with mental illness who are homeless and are not being
25 served by an existing grantee for that area under the
26 formula grant from the federal alcohol, drug abuse,
27 and mental health administration to provide mental
28 health services for the homeless and the existing
29 grantee has expressed a desire to no longer provide
30 services or the grantee's contract was terminated by
31 the department for nonperformance, the department
32 shall issue a request for proposals to replace the
33 grantee. Otherwise, the department shall maximize
34 available funding by continuing to contract to the
35 extent possible with those persons who are grantees as
36 of October 1, 2005. The department shall issue a
37 request for proposals if additional funding becomes
38 available for expansion to persons who are not being
39 served and it is not possible to utilize existing
40 grantees."

41 _____. Page 33, line 13, by striking the figure
42 "53,505,000" and inserting the following:

43 "53,790,628".

44 _____. Page 33, line 25, by striking the figure
45 "13,312,196" and inserting the following:

46 "13,342,196".

47 _____. Page 33, line 26, by striking the figure
48 "292.00" and inserting the following: "293.00".

49 _____. Page 33, by inserting after line 29, the
50 following:

1 "Of the funds appropriated in this section, \$30,000
2 is allocated to the department of human services for a
3 statewide coordinator for the program of all-inclusive
4 care for the elderly as defined in section 249H.3.
5 The coordinator shall work in collaboration with the
6 department of elder affairs in carrying out the
7 coordinator's duties."

8 _____. Page 35, line 2, by striking the word "be"
9 and inserting the following: "not be less than".

10 _____. Page 36, by striking lines 16 and 17, and
11 inserting the following: "children shall be \$156.03
12 per day."

13 _____. By striking page 36, line 33, through page
14 37, line 5.

15 _____. Page 39, by striking line 19, and inserting
16 the following:

17 "11. Beginning on September 1, 2005, for child".

18 _____. Page 39, line 23, by striking the figure
19 "1998" and inserting the following: "2002".

20 _____. Page 40, by striking lines 2 through 6.

21 _____. Page 40, by inserting after line 8, the
22 following:

23 "Sec. _____. SHELTER CARE REQUEST FOR PROPOSALS.
24 The department of human services shall amend the
25 request for proposals issued on April 15, 2005, for a
26 program to provide for the statewide availability of
27 emergency juvenile shelter care during the fiscal year
28 beginning July 1, 2005, to increase the statewide
29 daily average number of beds covered under the request
30 to 288 beds in order to include 15 unallocated beds
31 statewide for emergency placements. However, if the
32 date of enactment of this Act does not allow
33 sufficient time for the department to amend the
34 request for proposals as otherwise required by this
35 section, the department shall apply the requirement in
36 the negotiations with the program awarded the contract
37 and shall include the requirement in the final
38 contract."

39 _____. Page 41, by inserting after line 25, the
40 following:

41 "Sec. _____. 2003 Iowa Acts, chapter 178, section
42 45, unnumbered paragraph 3, as enacted by 2004 Iowa
43 Acts, chapter 1175, section 160, is amended to read as
44 follows:

45 Notwithstanding section 8.33, moneys appropriated
46 in this section that remain unencumbered or
47 unobligated at the close of the fiscal year shall not
48 revert but shall remain available for expenditure for
49 the child and family services until the close of the
50 ~~succeeding~~ fiscal year beginning July 1, 2005."

1 _____. Page 43, by inserting after line 17 the
2 following:
3 "Sec. _____. INDIGENT PATIENT PROGRAM. If the
4 Eighty-first General Assembly, 2005 Regular Session,
5 enacts legislation subsequent to the enactment of 2005
6 Iowa Acts, House File 841, relating to the medical and
7 surgical treatment of indigent patients as provided in
8 chapter 255 that is in conflict with the provisions of
9 2005 Iowa Acts, House File 841, including provisions
10 relating to the quota under chapter 255, the
11 provisions of 2005 Iowa Acts, House File 841, shall
12 prevail."

13 _____. Page 43, by inserting after line 29, the
14 following:

15 "_____. The provision directing the department of
16 human services to amend the request for proposals
17 issued on April 15, 2005, to provide for statewide
18 emergency juvenile shelter care.

19 _____. The provision amending 2003 Iowa Acts,
20 chapter 178, section 45, unnumbered paragraph 3, as
21 enacted by 2004 Iowa Acts, chapter 1175, section 160."

22 _____. Page 45, line 15, by striking the figure
23 "50,200,000" and inserting the following:
24 "59,647,109".

25 _____. Page 46, by striking lines 23 and 24, and
26 inserting the following: "to only those persons who
27 meet the nursing facility level of care for home and
28 community-based services waiver services as
29 established on or after July 1, 2005."

30 _____. Page 47, by inserting after line 27, the
31 following:

32 "Sec. _____. 2004 Iowa Acts, chapter 1175, section
33 173, subsection 1, is amended by adding the following
34 new unnumbered paragraph:

35 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
36 8.33 and section 426B.5, subsection 1, paragraph "d",
37 moneys appropriated in this subsection that remain
38 unencumbered or unobligated at the close of the fiscal
39 year shall not revert but shall remain available for
40 expenditure for the purposes designated until the
41 close of the succeeding fiscal year."

42 _____. Page 48, line 17, by striking the figure
43 "14,507,362" and inserting the following:
44 "23,925,724".

45 _____. Page 49, by striking lines 4 through 16, and
46 inserting the following:

47 "a. For an ending balance percentage of less than
48 5 percent, a withholding factor of 0 percent. In
49 addition, a county that is subject to this lettered
50 paragraph shall receive an inflation adjustment equal

1 to 3 percent of the gross expenditures reported for
2 the county's services fund for the fiscal year.

3 b. For an ending balance percentage of 5 or more
4 but less than 10 percent, a withholding factor of 0
5 percent. In addition, a county that is subject to this
6 lettered paragraph shall receive an inflation
7 adjustment equal to 2 percent of the gross
8 expenditures reported for the county's services fund
9 for the fiscal year.

10 c. For an ending balance percentage of 10 or more
11 but less than 25 percent, a withholding factor of 25
12 percent.

13 d. For an ending balance percentage of 25 percent
14 or more, a withholding percentage of 100 percent."

15 _____. Page 49, line 19, by striking the figure
16 "4,659,749" and inserting the following: "9,418,362".

17 _____. Page 49, by inserting after line 30, the
18 following:

19 "NEW SUBSECTION. 6. a. In addition to the amount
20 to be distributed under subsection 4, for the fiscal
21 year beginning July 1, 2005, a county with an ending
22 balance percentage under subsection 4 of less than
23 zero shall receive a distribution from the sum of the
24 following:

25 (1) The amounts appropriated in 2004 Iowa Acts,
26 chapter 1175, section 132 and section 173, subsection
27 1, that were not distributed and did not revert at the
28 close of the fiscal year beginning July 1, 2004.

29 (2) The amounts appropriated for the fiscal year
30 beginning July 1, 2005, for the mental health and
31 developmental disabilities community services fund and
32 in this section that were not distributed in
33 accordance with subsections 3, 4, and 5.

34 b. The amount of a county's distribution under
35 paragraph "a" shall be equal to the county's
36 proportion of the general population of the counties
37 eligible to receive a distribution under this
38 subsection.

39 c. The distribution amount determined under this
40 subsection shall be included in the county's allowed
41 growth payment determined in accordance with
42 subsections 3, 4, and 5.

43 Sec. _____. EFFECTIVE DATE. The section of this
44 division of this Act amending 2004 Iowa Acts, chapter
45 1175, section 173, subsection 1, being deemed of
46 immediate importance, takes effect upon enactment."

47 _____. Page 49, by inserting after line 32, the
48 following:

49 "Sec. _____. Section 15H.3, subsection 5, as enacted
50 by 2005 Iowa Acts, House File 478, section 3, is

1 amended to read as follows:

2 5. Members shall serve staggered terms of three
3 years beginning ~~and ending as provided by section~~
4 ~~69.19~~ July 1. Members of the commission shall serve
5 no more than two three-year terms. Any vacancy shall
6 be filled in the same manner as the original
7 appointment.

8 Sec. ____ . NEW SECTION. 16.184 TRANSITIONAL
9 HOUSING REVOLVING LOAN PROGRAM FUND.

10 1. A transitional housing revolving loan program
11 fund is created within the authority to further the
12 availability of affordable housing for parents that
13 are reuniting with their children while completing or
14 participating in substance abuse treatment. The
15 moneys in the fund are annually appropriated to the
16 authority to be used for the development and operation
17 of a revolving loan program to provide financing to
18 construct affordable transitional housing, including
19 through new construction or acquisition and
20 rehabilitation of existing housing. The housing
21 provided shall be geographically located in close
22 proximity to licensed substance abuse treatment
23 programs. Preference in funding shall be given to
24 projects that reunite mothers with the mothers'
25 children.

26 2. Moneys transferred by the authority for deposit
27 in the transitional housing revolving loan program
28 fund, moneys appropriated to the transitional housing
29 revolving loan program, and any other moneys available
30 to and obtained or accepted by the authority for
31 placement in the fund shall be deposited in the fund.
32 Additionally, payment of interest, recaptures of
33 awards, and other repayments to the transitional
34 housing revolving loan program fund shall be credited
35 to the fund. Notwithstanding section 12C.7,
36 subsection 2, interest or earnings on moneys in the
37 transitional housing revolving loan program fund shall
38 be credited to the fund. Notwithstanding section
39 8.33, moneys that remain unencumbered or unobligated
40 at the close of the fiscal year shall not revert but
41 shall remain available for the same purpose in the
42 succeeding fiscal year.

43 3. The authority shall annually allocate moneys
44 available in the transitional housing revolving loan
45 program fund for the development of affordable
46 transitional housing for parents that are reuniting
47 with the parents' children while completing or
48 participating in substance abuse treatment. The
49 authority shall develop a joint application process
50 for the allocation of federal low-income housing tax

1 credits and the funds available under this section.
2 Moneys allocated to such projects may be in the form
3 of loans, grants, or a combination of loans and
4 grants.

5 4. The authority shall adopt rules pursuant to
6 chapter 17A to administer this section."

7 _____. Page 68, by inserting after line 32, the
8 following:

9 "Sec. _____. Section 154A.22, Code 2005, is amended
10 to read as follows:

11 154A.22 ~~DEPOSIT~~ RECEIPT OF FEES.

12 1. The Except as otherwise provided in subsection
13 2, the department shall deposit all fees collected
14 under the provisions of this chapter in the general
15 fund of the state. Compensation and travel expenses
16 of members and employees of the board, and other
17 expenses necessary for the board to administer and
18 carry out the provisions of this chapter shall be paid
19 from funds appropriated from the general fund of the
20 state.

21 2. The department may retain ninety percent of the
22 revenue generated from an increase in licensure and
23 permit fees established pursuant to section 154A.17
24 above the licensure and permit fees in effect as of
25 June 30, 2005. The moneys retained by the department
26 shall be used for any of the board's duties, including
27 but not limited to addition of full-time equivalent
28 positions for program services and investigations.
29 Revenues retained by the department pursuant to this
30 subsection shall be considered repayment receipts as
31 defined in section 8.2.

32 Sec. _____. Section 155.6, Code 2005, is amended to
33 read as follows:

34 155.6 ~~FUND CREATED~~ RECEIPT OF FEES.

35 1. All Except as otherwise provided in subsection
36 2, all fees collected under the provisions of this
37 chapter shall be paid to the treasurer of state who
38 shall deposit the fees in the general fund of the
39 state. Funds shall be appropriated to the board to be
40 used and expended by the board to pay the compensation
41 and travel expenses of members and employees of the
42 board, and other expenses necessary for the board to
43 administer and carry out the provisions of this
44 chapter.

45 2. The board may retain ninety percent of the
46 revenue generated from an increase in examination,
47 licensure, and renewal of licensure fees established
48 pursuant to section 155.15 above the examination,
49 licensure, and renewal of licensure fees in effect as
50 of June 30, 2005. The moneys retained by the board

1 shall be used for any of the board's duties, including
 2 but not limited to addition of full-time equivalent
 3 positions for program services and investigations.
 4 Revenues retained by the department pursuant to this
 5 subsection shall be considered repayment receipts as
 6 defined in section 8.2."

7 _____. Page 73, by inserting after line 33, the
 8 following:

9 "Sec. _____. Section 227.4, Code 2005, is amended to
 10 read as follows:

11 227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL
 12 ILLNESS OR ~~DEVELOPMENTAL DISABILITIES~~ MENTAL
 13 RETARDATION IN COUNTY CARE FACILITIES.

14 The administrator, in cooperation with the
 15 department of inspections and appeals, shall recommend
 16 and the mental health, mental retardation,
 17 developmental disabilities, and brain injury
 18 commission created in section 225C.5 shall adopt
 19 standards for the care of and services to persons with
 20 mental illness or ~~developmental disabilities~~ mental
 21 retardation residing in county care facilities. The
 22 standards shall be enforced by the department of
 23 inspections and appeals as a part of the licensure
 24 inspection conducted pursuant to chapter 135C. The
 25 objective of the standards is to ensure that persons
 26 with mental illness or ~~developmental disabilities~~
 27 mental retardation who are residents of county care
 28 facilities are not only adequately fed, clothed, and
 29 housed, but are also offered reasonable opportunities
 30 for productive work and recreational activities suited
 31 to their physical and mental abilities and offering
 32 both a constructive outlet for their energies and, if
 33 possible, therapeutic benefit. When recommending
 34 standards under this section, the administrator shall
 35 designate an advisory committee representing
 36 administrators of county care facilities, county
 37 mental health and developmental disabilities regional
 38 planning councils, and county care facility resident
 39 advocate committees to assist in the establishment of
 40 standards."

41 _____. Page 83, by inserting after line 2, the
 42 following:

43 "Sec. _____. Section 249J.8, subsection 4, as
 44 enacted by 2005 Iowa Acts, House File 841, section 8,
 45 is amended to read as follows:

46 4. The department shall track the impact of the
 47 out-of-pocket expenditures on patient expansion
 48 population enrollment and shall report the findings on
 49 at least a quarterly basis to the medical assistance
 50 projections and assessment council established

1 pursuant to section 249J.19. The findings shall
 2 include estimates of the number of expansion
 3 population members complying with payment of required
 4 out-of-pocket expenditures, the number of expansion
 5 population members not complying with payment of
 6 required out-of-pocket expenditures and the reasons
 7 for noncompliance, any impact as a result of the out-
 8 of-pocket requirements on the provision of services to
 9 the populations previously served, the administrative
 10 time and cost associated with administering the
 11 out-of-pocket requirements, and the benefit to the
 12 state resulting from the out-of-pocket expenditures.
 13 To the extent possible, the department shall track the
 14 income level of the member, the health condition of
 15 the member, and the family status of the member
 16 relative to the out-of-pocket information."

17 _____. Page 86, by striking lines 11 and 12, and
 18 inserting the following:

19 "Sec. _____. EFFECTIVE DATES.

20 1. The amendment in this division of this Act to".

21 _____. Page 86, by inserting after line 13, the
 22 following:

23 "2. The amendment in this division of this Act to
 24 section 15H.3, subsection 5, being deemed of immediate
 25 importance, takes effect upon enactment and is
 26 retroactively applicable to April 19, 2005."

27 _____. Page 86, by inserting after line 13, the
 28 following:

29 "DIVISION
 30 SUBSTITUTE DECISION MAKER ACT

31 Sec. _____. NEW SECTION. 231E.1 TITLE.

32 This chapter shall be known and may be cited as the
 33 "Iowa Substitute Decision Maker Act".

34 Sec. _____. NEW SECTION. 231E.2 OFFICE OF
 35 SUBSTITUTE DECISION MAKER -- FINDINGS AND INTENT.

36 1. a. The general assembly finds that many adults
 37 in this state are unable to meet essential
 38 requirements to maintain their physical health or to
 39 manage essential aspects of their financial resources
 40 and are in need of substitute decision-making
 41 services. However, a willing and responsible person
 42 may not be available to serve as a private substitute
 43 decision maker or the adult may not have adequate
 44 income or resources to compensate a private substitute
 45 decision maker.

46 b. The general assembly further finds that a
 47 process should exist to assist individuals in finding
 48 alternatives to substitute decision-making services
 49 and less intrusive means of assistance before an
 50 individual's independence or rights are limited.

1 c. The general assembly further finds that a
2 substitute decision maker may be necessary to finalize
3 a person's affairs after death when there is no
4 willing and appropriate person available to serve as
5 the person's personal representative.

6 2. a. It is, therefore, the intent of the general
7 assembly to establish a state office of substitute
8 decision maker and authorize the establishment of
9 local offices of substitute decision maker to provide
10 substitute decision-making services to adults and
11 their estates after their deaths, when no private
12 substitute decision maker is available.

13 b. It is also the intent of the general assembly
14 that the office of substitute decision maker provide
15 assistance to both public and private substitute
16 decision makers throughout the state in securing
17 necessary services for their wards, principals,
18 clients, and decedents and to assist substitute
19 decision makers, wards, principals, clients, courts,
20 and attorneys in the orderly and expeditious handling
21 of substitute decision-making proceedings.

22 Sec. ____ . NEW SECTION. 231E.3 DEFINITIONS.

23 As used in this chapter, unless the context
24 otherwise requires:

25 1. "Client" means an individual for whom a
26 representative payee is appointed.

27 2. "Commission" means the commission of elder
28 affairs.

29 3. "Conservator" means conservator as defined in
30 section 633.3.

31 4. "Court" means court as defined in section
32 633.3.

33 5. "Decedent" means the individual for whom an
34 estate is administered or executed.

35 6. "Department" means the department of elder
36 affairs established in section 231.21.

37 7. "Director" means the director of the department
38 of elder affairs.

39 8. "Estate" means estate as defined in section
40 633.3.

41 9. "Guardian" means guardian as defined in section
42 633.3.

43 10. "Incompetent" means incompetent as defined in
44 section 633.3.

45 11. "Local office" means a local office of
46 substitute decision maker.

47 12. "Local substitute decision maker" means an
48 individual under contract with the department to act
49 as a substitute decision maker.

50 13. "Personal representative" means personal

- 1 representative as defined in section 633.3.
2 14. "Planning and service area" means a geographic
3 area of the state designated by the commission for the
4 purpose of planning, developing, delivering, and
5 administering services for elders.
6 15. "Power of attorney" means a durable power of
7 attorney for health care as defined in section 144B.1
8 or a power of attorney that becomes effective upon the
9 disability of the principal as described in section
10 633.705.
11 16. "Principal" means an individual for whom a
12 power of attorney is established.
13 17. "Representative payee" means an individual
14 appointed by a government entity to receive funds on
15 behalf of a client pursuant to federal regulation.
16 18. "State agency" means any executive department,
17 commission, board, institution, division, bureau,
18 office, agency, or other executive entity of state
19 government.
20 19. "State office" means the state office of
21 substitute decision maker.
22 20. "State substitute decision maker" means the
23 administrator of the state office of substitute
24 decision maker.
25 21. "Substitute decision maker" means a guardian,
26 conservator, representative payee, attorney in fact
27 under a power of attorney, or personal representative.
28 22. "Substitute decision making" or "substitute
29 decision-making services" means the provision of
30 services of a guardian, conservator, representative
31 payee, attorney in fact under a power of attorney, or
32 personal representative.
33 23. "Ward" means the individual for whom a
34 guardianship or conservatorship is established.
35 Sec. ____ . NEW SECTION. 231E.4 STATE OFFICE OF
36 SUBSTITUTE DECISION MAKER -- ESTABLISHED -- DUTIES --
37 DEPARTMENT RULES.
38 1. A state office of substitute decision maker is
39 established within the department to create and
40 administer a statewide network of substitute decision
41 makers who provide substitute decision-making services
42 if other substitute decision makers are not available
43 to provide the services.
44 2. The director shall appoint an administrator of
45 the state office who shall serve as the state
46 substitute decision maker. The state substitute
47 decision maker shall be qualified for the position by
48 training and expertise in substitute decision-making
49 law. The state substitute decision maker shall also
50 have knowledge of social services available to meet

1 the needs of persons adjudicated incompetent or in
2 need of substitute decision making.

3 3. The state office shall do all of the following:

4 a. Select persons through a request for proposals
5 process to establish local offices of substitute
6 decision maker in each of the planning and service
7 areas. Local offices shall be established statewide
8 on or before July 1, 2015.

9 b. Monitor and terminate contracts with local
10 offices based on criteria established by rule of the
11 department.

12 c. Retain oversight responsibilities for all local
13 substitute decision makers.

14 d. Act as substitute decision maker if a local
15 office is not available to so act.

16 e. Work with the department of human services, the
17 Iowa department of public health, the governor's
18 developmental disabilities council, and other agencies
19 to establish a referral system for the provision of
20 substitute decision-making services.

21 f. Develop and maintain a current listing of
22 public and private services and programs available to
23 assist wards, principals, clients, personal
24 representatives, and their families and establish and
25 maintain relationships with public and private
26 entities to assure the availability of effective
27 substitute decision-making services for wards,
28 principals, clients, and estates.

29 g. Provide information and referrals to the public
30 regarding substitute decision-making services.

31 h. Provide personal representatives for estates
32 where a person is not available for that purpose.

33 i. Maintain statistical data on the local offices
34 including various methods of funding, the types of
35 services provided, and the demographics of the wards,
36 principals, clients, and decedents and report to the
37 general assembly on or before November 1, annually,
38 regarding the local offices and recommend any
39 appropriate legislative action.

40 j. Develop, in cooperation with the judicial
41 council as established in section 602.1202, a
42 substitute decision-maker education and training
43 program. The program may be offered to both public
44 and private substitute decision makers. The state
45 office shall establish a curriculum committee, which
46 includes but is not limited to probate judges, to
47 develop the education and training program.

48 4. The state office may do any of the following:

49 a. Accept and receive gifts, grants, or donations
50 from any public or private entity in support of the

1 state office.
2 b. Accept the services of individual volunteers
3 and volunteer organizations.
4 c. Employ staff necessary to administer the state
5 office and enter into contracts as necessary.
6 5. The department shall provide administrative
7 support to the state office.
8 6. The department shall adopt rules in accordance
9 with chapter 17A necessary to create and administer
10 the state and local offices, relating to but not
11 limited to all of the following:
12 a. An application and intake process and standards
13 for receipt of substitute decision-making services
14 from the state or a local office.
15 b. A process for the removal or termination of the
16 state or a local substitute decision maker.
17 c. An ideal range of staff-to-client ratios for
18 the state and local substitute decision makers.
19 d. Minimum training and experience requirements
20 for professional staff and volunteers.
21 e. A fee schedule. The department may establish
22 by rule a schedule of reasonable fees for the costs of
23 substitute decision-making services provided under
24 this chapter. The fee schedule established may be
25 based upon the ability of the ward, principal, client,
26 or estate to pay for the services but shall not exceed
27 the actual cost of providing the services. The state
28 office or a local office may waive collection of a fee
29 upon a finding that collection is not economically
30 feasible. The rules may provide that the state office
31 or a local office may investigate the financial status
32 of a ward, principal, or client who, or an estate that
33 requests substitute decision-making services or for
34 whom or which the state or a local substitute decision
35 maker has been appointed for the purpose of
36 determining the fee to be charged by requiring the
37 ward, principal, client, or estate to provide any
38 written authorizations necessary to provide access to
39 records of public or private sources, otherwise
40 confidential, needed to evaluate the individual's or
41 estate's financial eligibility. The rules may also
42 provide that the state or a local substitute decision
43 maker may, upon request and without payment of fees
44 otherwise required by law, obtain information
45 necessary to evaluate the individual's or estate's
46 financial eligibility from any office of the state or
47 of a political subdivision or agency of the state that
48 possesses public records. In estate proceedings, the
49 state or local decision maker shall be compensated
50 pursuant to chapter 633, division III, part 8.

1 f. Standards and performance measures for
2 evaluation of local offices.
3 g. Recordkeeping and accounting procedures to
4 ensure that the state office and local offices
5 maintain confidential, accurate, and up-to-date
6 financial, case, and statistical records. The rules
7 shall require each local office to file with the state
8 office, on an annual basis, an account of all public
9 and private funds received and a report regarding the
10 operations of the local office for the preceding
11 fiscal year.

12 h. Procedures for the sharing of records held by
13 the court or a state agency with the state office,
14 which are necessary to evaluate the state office or
15 local offices, to assess the need for additional
16 substitute decision makers, or to develop required
17 reports.

18 Sec. ____ . NEW SECTION. 231E.5 LOCAL OFFICE OF
19 SUBSTITUTE DECISION MAKER.

20 1. The state substitute decision maker shall
21 select persons to provide local substitute decision-
22 making services in each of the planning and service
23 areas, based upon a request for proposals process
24 developed by the department.

25 2. The local office shall comply with all
26 requirements established for the local office by the
27 department and shall do all of the following:

28 a. Maintain a staff of professionally qualified
29 individuals to carry out the substitute decision-
30 making functions.

31 b. Identify client needs and local resources to
32 provide necessary support services to recipients of
33 substitute decision-making services.

34 c. Collect program data as required by the state
35 office.

36 d. Meet standards established for the local
37 office.

38 e. Comply with minimum staffing requirements and
39 caseload restrictions.

40 f. Conduct background checks on employees and
41 volunteers.

42 g. With regard to a proposed ward, the local
43 office shall do all of the following:

44 (1) Determine the most appropriate form of
45 substitute decision making needed, if any, giving
46 preference to the least restrictive alternative.

47 (2) Determine whether the needs of the proposed
48 ward require the appointment of guardian or
49 conservator.

50 (3) Assess the financial resources of the proposed

1 ward based on the information supplied to the local
2 office at the time of the determination.

3 (4) Inquire and, if appropriate, search to
4 determine whether any other person may be willing and
5 able to serve as the proposed ward's guardian or
6 conservator.

7 (5) Determine the form of guardianship or
8 conservatorship to request of a court, if any, giving
9 preference to the least restrictive form.

10 (6) If determined necessary, file a petition for
11 the appointment of a guardian or conservator pursuant
12 to chapter 633.

13 h. With regard to an estate, the local office may
14 appoint a personal representative to file a petition
15 to open an estate who shall do all of the following:

16 (1) Retain legal counsel as described in section
17 231E.11 to be compensated from the proceeds of the
18 estate pursuant to chapter 633, division III, part 8.

19 (2) Liquidate all assets of the estate.

20 (3) Distribute the assets of the estate pursuant
21 to chapter 633, division VII, parts 7 and 8, and other
22 applicable provisions of law.

23 3. A local office may do any of the following:

24 a. Contract for or arrange for provision of
25 services necessary to carry out the duties of a local
26 substitute decision maker.

27 b. Accept the services of volunteers or
28 consultants and reimburse them for necessary expenses.

29 c. Employ staff and delegate to members of the
30 staff the powers and duties of the local substitute
31 decision maker. However, the local office shall
32 retain responsibility for the proper performance of
33 the delegated powers and duties. All delegations
34 shall be to persons who meet the eligibility
35 requirements of the specific type of substitute
36 decision maker.

37 4. An individual acting as the state or a local
38 substitute decision maker shall comply with applicable
39 requirements for guardians, conservators, or personal
40 representatives pursuant to chapter 633, attorneys in
41 fact under a power of attorney pursuant to chapter 633
42 or a durable power of attorney for health care
43 pursuant to chapter 144B, or representative payees
44 pursuant to federal law and regulations.

45 5. Notwithstanding any provision to the contrary,
46 an individual acting as the state or a local
47 substitute decision maker shall not be subject to the
48 posting of a bond pursuant to chapter 633. An
49 individual acting as the state or a local substitute
50 decision maker shall complete at least eight hours of

1 training annually as certified by the department.

2 Sec. ____ . NEW SECTION. 231E.6 COURT-INITIATED OR
3 PETITION-INITIATED APPOINTMENT OF STATE OR LOCAL
4 SUBSTITUTE DECISION MAKER -- GUARDIANSHIP OR
5 CONSERVATORSHIP -- DISCHARGE.

6 The court may appoint on its own motion or upon
7 petition of any person, the state office or local
8 office of substitute decision maker, to serve as
9 guardian or conservator for any proposed ward in cases
10 in which the court determines that the proceeding will
11 establish the least restrictive form of substitute
12 decision making suitable for the proposed ward and if
13 the proposed ward meets all of the following criteria:

14 1. Is a resident of the planning and service area
15 in which the local office is located from which
16 services would be provided or is a resident of the
17 state, if the state office would provide the services.

18 2. Is eighteen years of age or older.

19 3. Does not have suitable family or another
20 appropriate entity willing and able to serve as
21 guardian or conservator.

22 4. Is incompetent.

23 5. Is an individual for whom guardianship or
24 conservatorship services are the least restrictive
25 means of meeting the individual's needs.

26 Sec. ____ . NEW SECTION. 231E.7 SUBSTITUTE
27 DECISION MAKER-INITIATED APPOINTMENT.

28 The state office or local office may on its own
29 motion or at the request of the court intervene in a
30 guardianship or conservatorship proceeding if the
31 state office or local office or the court considers
32 the intervention to be justified because of any of the
33 following:

34 1. An appointed guardian or conservator is not
35 fulfilling prescribed duties or is subject to removal
36 under section 633.65.

37 2. A willing and qualified guardian or conservator
38 is not available.

39 3. The best interests of the ward require the
40 intervention.

41 Sec. ____ . NEW SECTION. 231E.8 PROVISIONS
42 APPLICABLE TO ALL APPOINTMENTS AND DESIGNATIONS --
43 DISCHARGE.

44 1. The court shall only appoint or intervene on
45 its own motion or act upon the petition of any person
46 under section 231E.6 or 231E.7 if such appointment or
47 intervention would comply with staffing ratios
48 established by the department and if sufficient
49 resources are available to the state office or local
50 office. Notice of the proposed appointment shall be

1 provided to the state office or local office prior to
2 the granting of such appointment.

3 2. The state office or local office shall maintain
4 reasonable personal contact with each ward, principal,
5 or client for whom the state office or local office is
6 appointed or designated in order to monitor the
7 ward's, principal's, or client's care and progress.
8 For any estates in which the state office or local
9 office is involved, the state office or local office
10 shall move estate proceedings forward in a reasonable
11 and expeditious manner and shall monitor the progress
12 of any legal counsel retained on a regular basis.

13 3. Notwithstanding any provision of law to the
14 contrary, the state office or local office appointed
15 by the court or designated under a power of attorney
16 document may access all confidential records
17 concerning the ward or principal for whom the state
18 office or local office is appointed or designated,
19 including medical records and abuse reports.

20 4. In any proceeding in which the state or local
21 office is appointed or is acting as guardian or
22 conservator, the court shall waive court costs or
23 filing fees, if the state office or local office
24 certifies to the court that the state office or local
25 office has waived its fees in their entirety based
26 upon the ability of the ward to pay for the services
27 of the state office or local office. In any estate
28 proceeding, the court costs shall be paid in
29 accordance with chapter 633, division VII, part 7.

30 5. The state or a local substitute decision maker
31 shall be subject to discharge or removal, by the
32 court, on the grounds and in the manner in which other
33 guardians, conservators, or personal representatives
34 are discharged or removed pursuant to chapter 633.

35 Sec. ____ . NEW SECTION. 231E.9 FEES --
36 APPROPRIATED.

37 Fees received by the state office and by local
38 offices for services provided as state or local
39 substitute decision maker shall be deposited in the
40 general fund of the state and the amounts received are
41 appropriated to the department for the purposes of
42 administering this chapter.

43 Sec. ____ . NEW SECTION. 231E.10 CONFLICTS OF
44 INTEREST -- LIMITATIONS.

45 Notwithstanding section 633.63 or any other
46 provision to the contrary, a local substitute decision
47 maker shall not provide direct services to or have an
48 actual or the appearance of any conflict of interest
49 relating to any individual for whom the local
50 substitute decision maker acts in a substitute

1 decision-making capacity unless such provision of
2 direct services or the appearance of a conflict of
3 interest is approved and monitored by the state office
4 in accordance with rules adopted by the department.

5 Sec. ____ . NEW SECTION. 231E.11 DUTY OF ATTORNEY
6 GENERAL, COUNTY ATTORNEY, OR OTHER COUNSEL.

7 1. The attorney general shall advise the state
8 office on legal matters and represent the state office
9 in legal proceedings.

10 2. Upon the request of the attorney general, a
11 county attorney may represent the state office or a
12 local office in connection with the filing of a
13 petition for appointment as guardian or conservator
14 and with routine, subsequent appearances.

15 3. A local attorney experienced in probate matters
16 may represent the personal representative for all
17 routine matters associated with probating an estate.

18 Sec. ____ . NEW SECTION. 231E.12 LIABILITY.

19 All employees and volunteers of the state office
20 and local offices operating under this chapter and
21 other applicable chapters and pursuant to rules
22 adopted under this and other applicable chapters are
23 considered employees of the state and state volunteers
24 for the purposes of chapter 669 and shall be afforded
25 protection under section 669.21 or 669.24, as
26 applicable. This section does not relieve a guardian
27 or conservator from performing duties prescribed under
28 chapter 633.

29 Sec. ____ . NEW SECTION. 231E.13 IMPLEMENTATION.

30 Implementation of this chapter is subject to
31 availability of funding as determined by the
32 department. The department shall notify the Code
33 editor upon implementation of this chapter.

34 Sec. ____ . Section 235B.6, subsection 2, paragraph
35 e, Code 2005, is amended by adding the following new
36 subparagraph:

37 NEW SUBPARAGRAPH. (11) The state office or a
38 local office of substitute decision maker as defined
39 in section 231E.3, appointed by the court as a
40 guardian or conservator of the adult named in a report
41 as the victim of abuse or the person designated to be
42 responsible for performing or obtaining protective
43 services on behalf of a dependent adult pursuant to
44 section 235B.18.

45 Sec. ____ . Section 633.63, subsection 3, Code 2005,
46 is amended to read as follows:

47 3. A private nonprofit corporation organized under
48 chapter 504, Code 1989, or current chapter 504 or 504A
49 is qualified to act as a guardian, as defined in
50 section 633.3, ~~subsection 20,~~ or a conservator, as

1 defined in section 633.3, ~~subsection 7, where the~~
2 ~~assets subject to the conservatorship at the time when~~
3 ~~such corporation is appointed conservator are less~~
4 ~~than or equal to seventy-five thousand dollars and if~~
5 the corporation does not possess a proprietary or
6 legal interest in an organization which provides
7 direct services to the individual.

8 Sec. _____. Section 633.63, Code 2005, is amended by
9 adding the following new subsection:

10 NEW SUBSECTION. 4. The state or a local
11 substitute decision maker as defined in section 231E.3
12 is authorized to act in a fiduciary capacity in this
13 state in accordance with chapter 231E."

14 _____. Page 86, by inserting before line 14, the
15 following:

"DIVISION

LONG-TERM LIVING SYSTEM

18 Sec. _____. NEW SECTION. 231F.1 INTENT FOR IOWA'S
19 LONG-TERM LIVING SYSTEM.

20 1. The general assembly finds and declares that
21 the intent for Iowa's long-term living system is to
22 ensure all Iowans access to an extensive range of
23 high-quality, affordable, and cost-effective long-
24 term living options that maximize independence,
25 choice, and dignity for consumers.

26 2. The long-term living system should be
27 comprehensive, offering multiple services and support
28 in home, community-based, and facility-based settings;
29 should utilize a uniform assessment process to ensure
30 that such services and support are delivered in the
31 most integrated and life-enhancing setting; and should
32 ensure that such services and support are provided by
33 a well-trained, motivated workforce.

34 3. The long-term living system should exist in a
35 regulatory climate that appropriately ensures the
36 health, safety, and welfare of consumers, while not
37 being overly restrictive or inflexible.

38 4. The long-term living system should sustain
39 existing informal care systems including family,
40 friends, volunteers, and community resources; should
41 encourage innovation through the use of technology and
42 new delivery and financing models, including housing;
43 should provide incentives to consumers for private
44 financing of long-term living services and support;
45 and should allow Iowans to live independently as long
46 as they desire.

47 5. Information regarding all components of the
48 long-term living system should be effectively
49 communicated to all persons potentially impacted by
50 the need for long-term living services and support in

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1 order to empower consumers to plan, evaluate, and make
2 decisions about how best to meet their own long-term
3 living needs."

4 _____. By striking page 86, line 14, through page
5 88, line 12.""

6 2. By renumbering, relettering, or redesignating
7 and correcting internal references as necessary.

RECEIVED FROM THE HOUSE

S-3324 FILED MAY 20, 2005

CONCURRED

Heaton-Ch
Watts
Smith

Succeeded By
SF 825

HSB 284
APPROPRIATIONS

HOUSE FILE _____

BY (PROPOSED HOUSE APPROPRIATIONS
SUBCOMMITTEE ON HEALTH AND
HUMAN SERVICES BILL)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to and making appropriations to the department of
2 human services, the department of elder affairs, the Iowa
3 department of public health, the commission of veterans
4 affairs and the Iowa veterans home, and the department of
5 inspections and appeals, providing for fee increases, and
6 including other related provisions and appropriations, and
7 providing effective dates.

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

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DIVISION I

GENERAL FUND AND BLOCK GRANT APPROPRIATIONS

ELDER AFFAIRS

1 Section 1. DEPARTMENT OF ELDER AFFAIRS. There is
2 appropriated from the general fund of the state to the
3 department of elder affairs for the fiscal year beginning July
4 1, 2005, and ending June 30, 2006, the following amount, or so
5 much thereof as is necessary, to be used for the purposes
6 designated:

7 For aging programs for the department of elder affairs and
8 area agencies on aging to provide citizens of Iowa who are 60
9 years of age and older with case management for the frail
10 elderly, the retired and senior volunteer program, resident
11 advocate committee coordination, employment, and other
12 services which may include, but are not limited to, adult day
13 services, respite care, chore services, telephone reassurance,
14 information and assistance, and home repair services, and for
15 the construction of entrance ramps which make residences
16 accessible to the physically handicapped, and for salaries,
17 support, administration, maintenance, miscellaneous purposes,
18 and for not more than the following full-time equivalent
19 positions with the department of elder affairs:

20	\$	2,730,522
21	FTEs	26.75

22 1. Funds appropriated in this section may be used to
23 supplement federal funds under federal regulations. To
24 receive funds appropriated in this section, a local area
25 agency on aging shall match the funds with moneys from other
26 sources according to rules adopted by the department. Funds
27 appropriated in this section may be used for elderly services
28 not specifically enumerated in this section only if approved
29 by an area agency on aging for provision of the service within
30 the area.

31 2. If the Eighty-first General Assembly enacts legislation
32 establishing the Iowa commission on volunteer service, then of
33

1 the funds appropriated in this section, \$174,198 shall be
2 transferred to the office of the governor for the Iowa
3 commission on volunteer service to be used for the retired and
4 senior volunteer program.

5 **HEALTH**

6 **Sec. 2. DEPARTMENT OF PUBLIC HEALTH.** There is
7 appropriated from the general fund of the state to the Iowa
8 department of public health for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, the following amounts, or
10 so much thereof as is necessary, to be used for the purposes
11 designated:

12 **1. ADDICTIVE DISORDERS**

13 For reducing the prevalence of use of tobacco, alcohol, and
14 other drugs, and treating individuals affected by addictive
15 behaviors, including gambling, and for not more than the
16 following full-time equivalent positions:

17	\$	1,258,710
18	FTEs	6.45

19 The department and any grantee or subgrantee of the
20 department shall not discriminate against a nongovernmental
21 organization that provides substance abuse treatment and
22 prevention services or applies for funding to provide those
23 services on the basis that the organization has a religious
24 character.

25 **2. ADULT WELLNESS**

26 For maintaining or improving the health status of adults,
27 with target populations between the ages of 18 through 60:

28	\$	304,067
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29 **3. CHILD AND ADOLESCENT WELLNESS**

30 For promoting the optimum health status for children and
31 adolescents from birth through 21 years of age, and for not
32 more than the following full-time equivalent positions:

33	\$	862,592
34	FTEs	6.65

35 **4. CHRONIC CONDITIONS**

1 For serving individuals identified as having chronic
2 conditions or special health care needs, and for not more than
3 the following full-time equivalent positions:

4 \$ 1,295,342
5 FTEs 0.85

6 Of the funds appropriated in this subsection, not more than
7 \$100,000 shall be used to leverage federal funding through the
8 federal Ryan White Care Act, Title II, AIDS drug assistance
9 program supplemental drug treatment grants.

10 5. COMMUNITY CAPACITY

11 For strengthening the health care delivery system at the
12 local level, and for not more than the following full-time
13 equivalent positions:

14 \$ 1,264,299
15 FTEs 9.90

16 Of the funds appropriated in this subsection, \$100,000 is
17 allocated for a child vision screening program implemented
18 through the university of Iowa hospitals and clinics in
19 collaboration with community empowerment areas.

20 6. ELDERLY WELLNESS

21 For optimizing the health of persons 60 years of age and
22 older:

23 \$ 9,233,985

24 7. ENVIRONMENTAL HAZARDS

25 For reducing the public's exposure to hazards in the
26 environment, primarily chemical hazards, and for not more than
27 the following full-time equivalent positions:

28 \$ 401,808
29 FTEs 1.50

30 8. INFECTIOUS DISEASES

31 For reducing the incidence and prevalence of communicable
32 diseases, and for not more than the following full-time
33 equivalent positions:

34 \$ 1,078,039
35 FTEs 5.25

1 9. INJURIES

2 For providing support and protection to victims of abuse or
3 injury, or programs that are designed to prevent abuse or
4 injury, and for not more than the following full-time
5 equivalent positions:

6	\$	1,044,151
7	FTEs	1.80

8 Of the funds appropriated in this subsection, not more than
9 \$335,107 shall be used for the healthy opportunities to
10 experience success (HOPES) - healthy families Iowa (HFI)
11 program established pursuant to section 135.106.

12 Of the funds appropriated in this subsection, \$643,500
13 shall be credited to the emergency medical services fund
14 created in section 135.25.

15 10. PUBLIC PROTECTION

16 For protecting the health and safety of the public through
17 establishing standards and enforcing regulations, and for not
18 more than the following full-time equivalent positions:

19	\$	6,820,423
20	FTEs	110.05

21 11. RESOURCE MANAGEMENT

22 For establishing and sustaining the overall ability of the
23 department to deliver services to the public, and for not more
24 than the following full-time equivalent positions:

25	\$	994,442
26	FTEs	3.00

27 12. The university of Iowa hospitals and clinics under the
28 control of the state board of regents shall not receive
29 indirect costs from the funds appropriated in this section.

30 13. A local health care provider or nonprofit health care
31 organization seeking grant moneys administered by the Iowa
32 department of public health shall provide documentation that
33 the provider or organization has coordinated its services with
34 other local entities providing similar services.

35 14. a. The department shall apply for available federal

1 funds for sexual abstinence education programs.

2 b. It is the intent of the general assembly to comply with
3 the United States Congress' intent to provide education that
4 promotes abstinence from sexual activity outside of marriage
5 and reduces pregnancies, by focusing efforts on those persons
6 most likely to father and bear children out of wedlock.

7 c. Any sexual abstinence education program awarded moneys
8 under the grant program shall meet the definition of
9 abstinence education in the federal law. Grantees shall be
10 evaluated based upon the extent to which the abstinence
11 program successfully communicates the goals set forth in the
12 federal law.

13 Sec. 3. GAMBLING TREATMENT FUND -- APPROPRIATION. In lieu
14 of the appropriation made in section 135.150, subsection 1,
15 there is appropriated from funds available in the gambling
16 treatment fund created in section 135.150 to the Iowa
17 department of public health for the fiscal year beginning July
18 1, 2005, and ending June 30, 2006, the following amount, or so
19 much thereof as is necessary, to be used for the purposes
20 designated:

21 1. ADDICTIVE DISORDERS

22 To be utilized for the benefit of persons with addictions:

23 \$ 1,690,000

24 2. GAMBLING TREATMENT PROGRAM

25 The funds in the gambling treatment fund after the
26 appropriation in subsection 1, is made are appropriated to the
27 department to be used for funding of administrative costs and
28 to provide programs which may include, but are not limited to,
29 outpatient and follow-up treatment for persons affected by
30 problem gambling, rehabilitation and residential treatment
31 programs, information and referral services, education and
32 preventive services, and financial management services.

33 COMMISSION OF VETERANS AFFAIRS

34 Sec. 4. COMMISSION OF VETERANS AFFAIRS. There is
35 appropriated from the general fund of the state to the

1 commission of veterans affairs for the fiscal year beginning
2 July 1, 2005, and ending June 30, 2006, the following amounts,
3 or so much thereof as is necessary, to be used for the
4 purposes designated:

5 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

6 For salaries, support, maintenance, miscellaneous purposes,
7 including the war orphans educational aid fund established
8 pursuant to chapter 35, and for not more than the following
9 full-time equivalent positions:

10	\$	295,717
11	FTEs	4.00

12 a. Of the funds appropriated in this subsection, \$75,000
13 shall be used by the commission to contract with the
14 department of elder affairs to utilize local veterans affairs
15 commissions and the retired and senior volunteers program to
16 increase the utilization by eligible individuals of benefits
17 available through the federal department of veterans affairs.

18 b. Of the funds appropriated in this subsection, \$25,000
19 shall be used for the commission's costs associated with the
20 contracts implemented under paragraph "a".

21 2. IOWA VETERANS HOME

22 For salaries, support, maintenance, miscellaneous purposes,
23 and for not more than the following full-time equivalent
24 positions:

25	\$	16,309,443
26	FTEs	855.22

27 HUMAN SERVICES

28 Sec. 5. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK

29 GRANT. There is appropriated from the fund created in section
30 8.41 to the department of human services for the fiscal year
31 beginning July 1, 2005, and ending June 30, 2006, from moneys
32 received under the federal temporary assistance for needy
33 families (TANF) block grant pursuant to the federal Personal
34 Responsibility and Work Opportunity Reconciliation Act of
35 1996, Pub. L. No. 104-193, and successor legislation, which

1 are federally appropriated for the federal fiscal years
2 beginning October 1, 2004, and ending September 30, 2005, and
3 beginning October 1, 2005, and ending September 30, 2006, the
4 following amounts, or so much thereof as is necessary, to be
5 used for the purposes designated:

6 1. To be credited to the family investment program account
7 and used for assistance under the family investment program
8 under chapter 239B:

9 \$ 44,277,569

10 2. To be credited to the family investment program account
11 and used for the job opportunities and basic skills (JOBS)
12 program, and implementing family investment agreements, in
13 accordance with chapter 239B:

14 \$ 13,412,794

15 3. For field operations:

16 \$ 16,702,033

17 4. For general administration:

18 \$ 3,730,547

19 5. For local administrative costs:

20 \$ 2,181,296

21 6. For state child care assistance:

22 \$ 14,556,560

23 a. Of the funds appropriated in this subsection, \$200,000
24 shall be used for provision of educational opportunities to
25 registered child care home providers in order to improve
26 services and programs offered by this category of providers
27 and to increase the number of providers. The department may
28 contract with institutions of higher education or child care
29 resource and referral centers to provide the educational
30 opportunities. Allowable administrative costs under the
31 contracts shall not exceed 5 percent. The application for a
32 grant shall not exceed two pages in length.

33 b. Funds appropriated in this subsection that remain
34 following the allocation made in paragraph "a" shall be
35 transferred to the child care and development block grant

1 appropriation.

2 7. For mental health and developmental disabilities
3 community services:

4 \$ 4,798,979

5 8. For child and family services:

6 \$ 31,475,728

7 9. For child abuse prevention grants:

8 \$ 250,000

9 10. For pregnancy prevention grants on the condition that
10 family planning services are funded:

11 \$ 2,520,037

12 a. If the department receives approval of a waiver from
13 the centers for Medicare and Medicaid services of the United
14 States department of health and human services to provide
15 family planning services, of the amount appropriated in this
16 subsection, \$533,580 shall be transferred to the appropriation
17 in this Act for child and family services.

18 b. Pregnancy prevention grants shall be awarded to
19 programs in existence on or before July 1, 2005, if the
20 programs are comprehensive in scope and have demonstrated
21 positive outcomes. Grants shall be awarded to pregnancy
22 prevention programs which are developed after July 1, 2005, if
23 the programs are comprehensive in scope and are based on
24 existing models that have demonstrated positive outcomes.
25 Grants shall comply with the requirements provided in 1997
26 Iowa Acts, chapter 208, section 14, subsections 1 and 2,
27 including the requirement that grant programs must emphasize
28 sexual abstinence. Priority in the awarding of grants shall
29 be given to programs that serve areas of the state which
30 demonstrate the highest percentage of unplanned pregnancies of
31 females of childbearing age within the geographic area to be
32 served by the grant.

33 11. For technology needs and other resources necessary to
34 meet federal welfare reform reporting, tracking, and case
35 management requirements:

1 \$ 1,037,186

2 12. For the healthy opportunities for parents to
3 experience success (HOPES) program administered by the Iowa
4 department of public health to target child abuse prevention:

5 \$ 200,000

6 13. To be credited to the state child care assistance
7 appropriation made in this section to be used for funding of
8 community-based early childhood programs targeted to children
9 from birth through five years of age, developed by community
10 empowerment areas as provided in section 28.9, as amended by
11 this Act:

12 \$ 7,350,000

13 The department shall transfer TANF block grant funding
14 appropriated and allocated in this subsection to the child
15 care and development block grant appropriation in accordance
16 with federal law as necessary to comply with the provisions of
17 this subsection.

18 14. For a pilot program to be established in a judicial
19 district, selected by the department and the judicial council,
20 to provide employment and support services to delinquent child
21 support obligors as an alternative to commitment to jail as
22 punishment for contempt of court:

23 \$ 200,000

24 Of the amounts appropriated in this section, \$12,808,841
25 for the fiscal year beginning July 1, 2005, shall be
26 transferred to the appropriation of the federal social
27 services block grant for that fiscal year. If the federal
28 government revises requirements to reduce the amount that may
29 be transferred to the federal social services block grant, it
30 is the intent of the general assembly to act expeditiously
31 during the 2006 legislative session to adjust appropriations
32 or the transfer amount or take other actions to address the
33 reduced amount.

34 Sec. 6. FAMILY INVESTMENT PROGRAM ACCOUNT.

35 1. Moneys credited to the family investment program (FIP)

1 account for the fiscal year beginning July 1, 2005, and ending
2 June 30, 2006, shall be used to provide assistance in
3 accordance with chapter 239B.

4 2. The department may use a portion of the moneys credited
5 to the FIP account under this section, as necessary for
6 salaries, support, maintenance, and miscellaneous purposes.

7 3. Moneys appropriated in this division of this Act and
8 credited to the FIP account for the fiscal year beginning July
9 1, 2005, and ending June 30, 2006, are allocated as follows:

10 a. For the family development and self-sufficiency grant
11 program as provided under section 217.12:

12 \$ 5,133,042

13 (1) Of the funds allocated for the family development and
14 self-sufficiency grant program in this lettered paragraph, not
15 more than 5 percent of the funds shall be used for the
16 administration of the grant program.

17 (2) The department may continue to implement the family
18 development and self-sufficiency grant program statewide
19 during FY 2005-2006.

20 b. For the diversion subaccount of the FIP account:

21 \$ 2,814,000

22 (1) A portion of the moneys allocated for the subaccount
23 may be used for field operations salaries, data management
24 system development, and implementation costs and support
25 deemed necessary by the director of human services in order to
26 administer the FIP diversion program.

27 (2) Of the funds allocated in this lettered paragraph, not
28 more than \$250,000 shall be used to develop or continue
29 community-level parental obligation pilot projects. The
30 requirements established under 2001 Iowa Acts, chapter 191,
31 section 3, subsection 5, paragraph "c", subparagraph (3),
32 shall remain applicable to the parental obligation pilot
33 projects for fiscal year 2005-2006.

34 c. For the food stamp employment and training program:

35 \$ 64,278

1 5. Of the child support collections assigned under FIP, an
2 amount equal to the federal share of support collections shall
3 be credited to the child support recovery appropriation. Of
4 the remainder of the assigned child support collections
5 received by the child support recovery unit, a portion shall
6 be credited to the FIP account and a portion may be used to
7 increase recoveries.

8 6. The department may adopt emergency administrative rules
9 for the family investment, food stamp, and medical assistance
10 programs, if necessary, to comply with federal requirements.

11 Sec. 7. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is
12 appropriated from the general fund of the state to the
13 department of human services for the fiscal year beginning
14 July 1, 2005, and ending June 30, 2006, the following amount,
15 or so much thereof as is necessary, to be used for the purpose
16 designated:

17 To be credited to the family investment program (FIP)
18 account and used for family investment program assistance
19 under chapter 239B:

20 \$ 40,316,718

21 Of the funds appropriated in this section, \$9,274,134 is
22 allocated for the JOBS program.

23 Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated
24 from the general fund of the state to the department of human
25 services for the fiscal year beginning July 1, 2005, and
26 ending June 30, 2006, the following amount, or so much thereof
27 as is necessary, to be used for the purposes designated:

28 For child support recovery, including salaries, support,
29 maintenance, and miscellaneous purposes and for not more than
30 the following full-time equivalent positions:

31 \$ 7,829,317

32 FTEs 407.00

33 1. The department shall expend up to \$31,000, including
34 federal financial participation, for the fiscal year beginning
35 July 1, 2005, for a child support public awareness campaign.

1 The department and the office of the attorney general shall
2 cooperate in continuation of the campaign. The public
3 awareness campaign shall emphasize, through a variety of media
4 activities, the importance of maximum involvement of both
5 parents in the lives of their children as well as the
6 importance of payment of child support obligations.

7 2. Federal access and visitation grant moneys shall be
8 issued directly to private not-for-profit agencies that
9 provide services designed to increase compliance with the
10 child access provisions of court orders, including but not
11 limited to neutral visitation site and mediation services.

12 Sec. 9. MEDICAL ASSISTANCE. There is appropriated from
13 the general fund of the state to the department of human
14 services for the fiscal year beginning July 1, 2005, and
15 ending June 30, 2006, the following amount, or so much thereof
16 as is necessary, to be used for the purpose designated:

17 For medical assistance reimbursement and associated costs
18 as specifically provided in the reimbursement methodologies in
19 effect on June 30, 2005, except as otherwise expressly
20 authorized by law, including reimbursement for abortion
21 services, which shall be available under the medical
22 assistance program only for those abortions which are
23 medically necessary:

24 \$524,510,863

25 1. Medically necessary abortions are those performed under
26 any of the following conditions:

27 a. The attending physician certifies that continuing the
28 pregnancy would endanger the life of the pregnant woman.

29 b. The attending physician certifies that the fetus is
30 physically deformed, mentally deficient, or afflicted with a
31 congenital illness.

32 c. The pregnancy is the result of a rape which is reported
33 within 45 days of the incident to a law enforcement agency or
34 public or private health agency which may include a family
35 physician.

1 d. The pregnancy is the result of incest which is reported
2 within 150 days of the incident to a law enforcement agency or
3 public or private health agency which may include a family
4 physician.

5 e. Any spontaneous abortion, commonly known as a
6 miscarriage, if not all of the products of conception are
7 expelled.

8 2. The department shall utilize not more than \$60,000 of
9 the funds appropriated in this section to continue the
10 AIDS/HIV health insurance premium payment program as
11 established in 1992 Iowa Acts, Second Extraordinary Session,
12 chapter 1001, section 409, subsection 6. Of the funds
13 allocated in this subsection, not more than \$5,000 may be
14 expended for administrative purposes.

15 3. Of the funds appropriated to the Iowa department of
16 public health for addictive disorders, \$950,000 for the fiscal
17 year beginning July 1, 2005, shall be transferred to the
18 department of human services for an integrated substance abuse
19 managed care system.

20 4. If the federal centers for Medicare and Medicaid
21 services approves a waiver request from the department, the
22 department shall provide a period of 12 months of guaranteed
23 eligibility for medical assistance family planning services
24 only, regardless of the change in circumstances of a woman who
25 was a medical assistance recipient when a pregnancy ended.
26 The department shall also provide this guaranteed eligibility
27 to women of childbearing age with countable income at or below
28 200 percent of the federal poverty level.

29 5. a. The department shall aggressively pursue options
30 for providing medical assistance or other assistance to
31 individuals with special needs who become ineligible to
32 continue receiving services under the early and periodic
33 screening, diagnosis, and treatment program under the medical
34 assistance program due to becoming 21 years of age, who have
35 been approved for additional assistance through the

1 department's exception to policy provisions, but who have
2 health care needs in excess of the funding available through
3 the exception to policy process.

4 b. Of the funds appropriated in this section, \$100,000
5 shall be used for participation in one or more pilot projects
6 operated by a private provider to allow the individual or
7 individuals to receive service in the community in accordance
8 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
9 (1999), for the purpose of providing medical assistance or
10 other assistance to individuals with special needs who become
11 ineligible to continue receiving services under the early and
12 periodic screening, diagnosis, and treatment program under the
13 medical assistance program due to becoming 21 years of age,
14 who have been approved for additional assistance through the
15 department's exception to policy provisions, but who have
16 health care needs in excess of the funding available through
17 the exception to the policy provisions.

18 6. Of the funds available in this section, up to
19 \$3,270,082 may be transferred to the field operations or
20 general administration appropriations in this Act for
21 implementation and operational costs associated with Part D of
22 the federal Medicare Prescription Drug, Improvement, and
23 Modernization Act of 2003, Pub. L. No. 108-173.

24 7. The department shall expand the health insurance data
25 match program as directed pursuant to 2004 Iowa Acts, chapter
26 1175, section 119, subsection 1, paragraph "c", to also match
27 insureds against a listing of hawk-i program enrollees. The
28 information submitted under the expansion shall be used solely
29 to identify third-party payors for hawk-i program enrollees
30 and shall be kept confidential. The department, in
31 consultation with insurance carriers, shall adopt rules to
32 implement this subsection. The department may adopt emergency
33 rules to implement this subsection and insurance carriers
34 shall begin providing the information required upon adoption
35 of the rules.

1 8. The department shall modify the methodology in effect
2 as of June 30, 2005, for calculating the state maximum
3 allowable cost reimbursement rates by reducing the sample size
4 required for pricing.

5 9. The department shall establish a health care cost
6 commission to regularly evaluate reimbursement rates for all
7 services covered under the medical assistance program and
8 shall require all third-party payors and all providers to
9 report their reimbursement rates annually by December 31 to
10 the commission.

11 10. The department, consistent with applicable state and
12 federal law, shall issue one or more requests for proposals to
13 procure medical supplies, including durable medical equipment,
14 through statewide bulk purchasing or mail order under the
15 medical assistance program, if such procurement is projected
16 to reduce the costs of the items to the medical assistance
17 program while maintaining appropriate access and quality
18 standards.

19 11. The department shall provide educational opportunities
20 to providers under the medical assistance program to improve
21 payment accuracy by avoiding mistakes and overbilling.

22 12. The department shall enhance the methodologies used
23 for identifying and collecting payment from third-party payors
24 of pharmaceuticals provided to recipients of the medical
25 assistance program, prior to payment of pharmaceutical claims
26 by the medical assistance program.

27 13. The department shall modify billing practices to allow
28 for collection of rebates from prescription drug manufacturers
29 under the medical assistance program for purchase of
30 injectable drugs administered in physicians' offices.

31 14. The department shall adjust managed care capitation
32 payments from the payment structure in effect as of June 30,
33 2004, to optimize family planning claiming.

34 Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There
35 is appropriated from the general fund of the state to the

1 department of human services for the fiscal year beginning
2 July 1, 2005, and ending June 30, 2006, the following amount,
3 or so much thereof as is necessary, to be used for the purpose
4 designated:

5 For administration of the health insurance premium payment
6 program, including salaries, support, maintenance, and
7 miscellaneous purposes, and for not more than the following
8 full-time equivalent positions:

9	\$	612,574
10	FTEs	20.95

11 Sec. 11. MEDICAL CONTRACTS. There is appropriated from
12 the general fund of the state to the department of human
13 services for the fiscal year beginning July 1, 2005, and
14 ending June 30, 2006, the following amount, or so much thereof
15 as is necessary, to be used for the purpose designated:

16 For medical contracts, including salaries, support,
17 maintenance, and miscellaneous purposes:
18 \$ 14,711,985

19 Sec. 12. STATE SUPPLEMENTARY ASSISTANCE.

20 1. There is appropriated from the general fund of the
21 state to the department of human services for the fiscal year
22 beginning July 1, 2005, and ending June 30, 2006, the
23 following amount, or so much thereof as is necessary, to be
24 used for the purposes designated:

25 For the state supplementary assistance program:
26 \$ 19,810,335

27 2. The department shall increase the personal needs
28 allowance for residents of residential care facilities by the
29 same percentage and at the same time as federal supplemental
30 security income and federal social security benefits are
31 increased due to a recognized increase in the cost of living.
32 The department may adopt emergency rules to implement this
33 subsection.

34 3. If during the fiscal year beginning July 1, 2005, the
35 department projects that state supplementary assistance

1 expenditures for a calendar year will not meet the federal
2 pass-along requirement specified in Title XVI of the federal
3 Social Security Act, section 1618, as codified in 42 U.S.C. §
4 1382g, the department may take actions including but not
5 limited to increasing the personal needs allowance for
6 residential care facility residents and making programmatic
7 adjustments or upward adjustments of the residential care
8 facility or in-home health-related care reimbursement rates
9 prescribed in this division of this Act to ensure that federal
10 requirements are met. In addition, the department may make
11 other programmatic and rate adjustments necessary to remain
12 within the amount appropriated in this section while ensuring
13 compliance with federal requirements. The department may
14 adopt emergency rules to implement the provisions of this
15 subsection.

16 Sec. 13. CHILDREN'S HEALTH INSURANCE PROGRAM. There is
17 appropriated from the general fund of the state to the
18 department of human services for the fiscal year beginning
19 July 1, 2005, and ending June 30, 2006, the following amount,
20 or so much thereof as is necessary, to be used for the purpose
21 designated:

22 For maintenance of the healthy and well kids in Iowa (hawk-
23 i) program pursuant to chapter 514I for receipt of federal
24 financial participation under Title XXI of the federal Social
25 Security Act, which creates the state children's health
26 insurance program:

27 \$ 16,618,275

28 Sec. 14. CHILD CARE ASSISTANCE. There is appropriated
29 from the general fund of the state to the department of human
30 services for the fiscal year beginning July 1, 2005, and
31 ending June 30, 2006, the following amount, or so much thereof
32 as is necessary, to be used for the purpose designated:

33 For child care programs:

34 \$ 8,350,752

35 1. a. Of the funds appropriated in this section,

1 \$7,325,228 shall be used for state child care assistance in
2 accordance with section 237A.13.

3 b. The department shall adopt rules to increase the upper
4 income eligibility requirements under the state child care
5 assistance program for employed families from 140 percent of
6 the federal poverty level to 145 percent of the federal
7 poverty level and for employed families with a special needs
8 child from 175 percent of the federal poverty level to 200
9 percent of the federal poverty level. The department may
10 adopt emergency rules to implement this paragraph.

11 2. Of the funds appropriated in this section, \$500,000
12 shall be used for implementation of a quality rating system
13 for child care providers, in accordance with legislation
14 enacted to authorize implementation of the rating system.

15 3. Nothing in this section shall be construed or is
16 intended as, or shall imply, a grant of entitlement for
17 services to persons who are eligible for assistance due to an
18 income level consistent with the waiting list requirements of
19 section 237A.13. Any state obligation to provide services
20 pursuant to this section is limited to the extent of the funds
21 appropriated in this section.

22 4. Of the funds appropriated in this section, \$525,524 is
23 allocated for the statewide program for child care resource
24 and referral services under section 237A.26.

25 5. The department may use any of the funds appropriated in
26 this section as a match to obtain federal funds for use in
27 expanding child care assistance and related programs. For the
28 purpose of expenditures of state and federal child care
29 funding, funds shall be considered obligated at the time
30 expenditures are projected or are allocated to the
31 department's service areas. Projections shall be based on
32 current and projected caseload growth, current and projected
33 provider rates, staffing requirements for eligibility
34 determination and management of program requirements including
35 data systems management, staffing requirements for

1 administration of the program, contractual and grant
2 obligations and any transfers to other state agencies, and
3 obligations for decategorization or innovation projects.

4 6. A portion of the state match for the federal child care
5 and development block grant shall be provided through the
6 state general fund appropriation for child development grants
7 and other programs for at-risk children in section 279.51.

8 Sec. 15. JUVENILE INSTITUTIONS. There is appropriated
9 from the general fund of the state to the department of human
10 services for the fiscal year beginning July 1, 2005, and
11 ending June 30, 2006, the following amounts, or so much
12 thereof as is necessary, to be used for the purposes
13 designated:

14 1. For operation of the Iowa juvenile home at Toledo and
15 for salaries, support, maintenance, and for not more than the
16 following full-time equivalent positions:

17	\$	6,201,283
18	FTEs	130.54

19 2. For operation of the state training school at Eldora
20 and for salaries, support, maintenance, and for not more than
21 the following full-time equivalent positions:

22	\$	9,830,692
23	FTEs	218.53

24 3. A portion of the moneys appropriated in this section
25 shall be used by the state training school and by the Iowa
26 juvenile home for grants for adolescent pregnancy prevention
27 activities at the institutions in the fiscal year beginning
28 July 1, 2005.

29 Sec. 16. CHILD AND FAMILY SERVICES.

30 1. There is appropriated from the general fund of the
31 state to the department of human services for the fiscal year
32 beginning July 1, 2005, and ending June 30, 2006, the
33 following amount, or so much thereof as is necessary, to be
34 used for the purpose designated:

35 For child and family services:

1 \$ 76,508,683

2 In order to address a reduction of \$4,000,000 from the
3 amount allocated under this appropriation in prior years for
4 purposes of juvenile delinquent graduated sanction services,
5 up to \$4,000,000 of the amount of federal temporary assistance
6 for needy families block grant funding appropriated in this
7 division of this Act for child and family services, shall be
8 made available for purposes of juvenile delinquent graduated
9 sanction services.

10 2. The department may transfer funds appropriated in this
11 section as necessary to pay the nonfederal costs of services
12 reimbursed under the medical assistance program or the family
13 investment program which are provided to children who would
14 otherwise receive services paid under the appropriation in
15 this section. The department may transfer funds appropriated
16 in this section to the appropriations in this division of this
17 Act for general administration and for field operations for
18 resources necessary to implement and operate the services
19 funded in this section.

20 3. a. Of the funds appropriated in this section, up to
21 \$35,883,519 is allocated as the statewide expenditure target
22 under section 232.143 for group foster care maintenance and
23 services.

24 b. If at any time after September 30, 2005, annualization
25 of a service area's current expenditures indicates a service
26 area is at risk of exceeding its group foster care expenditure
27 target under section 232.143 by more than 5 percent, the
28 department and juvenile court services shall examine all group
29 foster care placements in that service area in order to
30 identify those which might be appropriate for termination. In
31 addition, any aftercare services believed to be needed for the
32 children whose placements may be terminated shall be
33 identified. The department and juvenile court services shall
34 initiate action to set dispositional review hearings for the
35 placements identified. In such a dispositional review

1 hearing, the juvenile court shall determine whether needed
2 aftercare services are available and whether termination of
3 the placement is in the best interest of the child and the
4 community.

5 c. Of the funds allocated in this subsection, \$1,465,009
6 is allocated as the state match funding for 50 highly
7 structured juvenile program beds. If the number of beds
8 provided for in this lettered paragraph is not utilized, the
9 remaining funds allocated may be used for group foster care.

10 4. In accordance with the provisions of section 232.188,
11 the department shall continue the program to decategorize
12 child welfare services funding. Of the funds appropriated in
13 this section, \$2,000,000 is allocated specifically for
14 expenditure through the decategorization of child welfare
15 funding pools and governance boards established pursuant to
16 section 232.188. In addition, up to \$2,200,000 of the amount
17 of federal temporary assistance for needy families block grant
18 funding appropriated in this division of this Act for child
19 and family services shall be made available for purposes of
20 decategorization of child welfare services as provided in this
21 subsection.

22 5. A portion of the funding appropriated in this section
23 may be used for emergency family assistance to provide other
24 resources required for a family participating in a family
25 preservation or reunification project to stay together or to
26 be reunified.

27 6. Notwithstanding section 234.35, subsection 1, for the
28 fiscal year beginning July 1, 2005, state funding for shelter
29 care paid pursuant to section 234.35, subsection 1, paragraph
30 "h", shall be limited to \$7,252,955. Notwithstanding section
31 8A.311, the department may enter into contracts with shelter
32 care providers as necessary to maintain the availability of
33 shelter care services for children in all areas of the state.

34 7. Federal funds received by the state during the fiscal
35 year beginning July 1, 2005, as the result of the expenditure

1 of state funds appropriated during a previous state fiscal
2 year for a service or activity funded under this section, are
3 appropriated to the department to be used as additional
4 funding for services and purposes provided for under this
5 section. Notwithstanding section 8.33, moneys received in
6 accordance with this subsection that remain unencumbered or
7 unobligated at the close of the fiscal year shall not revert
8 to any fund but shall remain available for the purposes
9 designated until the close of the succeeding fiscal year.

10 8. Of the moneys appropriated in this section, not more
11 than \$442,100 is allocated to provide clinical assessment
12 services as necessary to continue funding of children's
13 rehabilitation services under medical assistance in accordance
14 with federal law and requirements. The funding allocated is
15 the amount projected to be necessary for providing the
16 clinical assessment services.

17 9. Of the funding appropriated in this section, \$3,696,285
18 shall be used for protective child care assistance.

19 10. Of the moneys appropriated in this section, up to
20 \$2,859,851 is allocated for the payment of the expenses of
21 court-ordered services provided to juveniles which are a
22 charge upon the state pursuant to section 232.141, subsection
23 4. Of the amount allocated in this subsection, up to

24 \$1,431,597 shall be made available to provide school-based
25 supervision of children adjudicated under chapter 232, of
26 which not more than \$15,000 may be used for the purpose of
27 training. A portion of the cost of each school-based liaison
28 officer shall be paid by the school district or other funding
29 source as approved by the chief juvenile court officer.

30 a. Notwithstanding section 232.141 or any other provision
31 of law to the contrary, the amount allocated in this
32 subsection shall be distributed to the judicial districts as
33 determined by the state court administrator. The state court
34 administrator shall make the determination of the distribution
35 amounts on or before June 15, 2005.

1 b. Notwithstanding chapter 232 or any other provision of
2 law to the contrary, a district or juvenile court shall not
3 order any service which is a charge upon the state pursuant to
4 section 232.141 if there are insufficient court-ordered
5 services funds available in the district court distribution
6 amount to pay for the service. The chief juvenile court
7 officer shall encourage use of the funds allocated in this
8 subsection such that there are sufficient funds to pay for all
9 court-related services during the entire year. The chief
10 juvenile court officers shall attempt to anticipate potential
11 surpluses and shortfalls in the distribution amounts and shall
12 cooperatively request the state court administrator to
13 transfer funds between the districts' distribution amounts as
14 prudent.

15 c. Notwithstanding any provision of law to the contrary, a
16 district or juvenile court shall not order a county to pay for
17 any service provided to a juvenile pursuant to an order
18 entered under chapter 232 which is a charge upon the state
19 under section 232.141, subsection 4.

20 d. Of the funding allocated in this subsection, not more
21 than \$100,000 may be used by the judicial branch for
22 administration of the requirements under this subsection and
23 for travel associated with court-ordered placements which are
24 a charge upon the state pursuant to section 232.141,
25 subsection 4.

26 11. Notwithstanding 2000 Iowa Acts, chapter 1228, section
27 43, the department may operate a subsidized guardianship
28 program if the United States department of health and human
29 services approves a waiver under Title IV-E of the federal
30 Social Security Act or the federal Social Security Act is
31 amended to allow Title IV-E funding to be used for subsidized
32 guardianship, and the subsidized guardianship program can be
33 operated without loss of Title IV-E funds.

34 12. Of the amount appropriated in this section, \$300,000
35 shall be transferred to the Iowa department of public health

1 to be used for the child protection center grant program in
2 accordance with section 135.118.

3 13. Of the amount appropriated in this section, \$148,000
4 shall be used for funding of one or more child welfare
5 diversion and mediation pilot projects as provided in 2004
6 Iowa Acts, chapter 1130, section 1.

7 Sec. 17. ADOPTION SUBSIDY.

8 1. There is appropriated from the general fund of the
9 state to the department of human services for the fiscal year
10 beginning July 1, 2005, and ending June 30, 2006, the
11 following amount, or so much thereof as is necessary, to be
12 used for the purpose designated:

13 For adoption subsidy payments and services:

14 \$ 32,275,732

15 2. The department may transfer funds appropriated in this
16 section to the appropriations in this Act for child and family
17 services to be used for adoptive family recruitment and other
18 services to achieve adoption.

19 3. Federal funds received by the state during the fiscal
20 year beginning July 1, 2005, as the result of the expenditure
21 of state funds during a previous state fiscal year for a
22 service or activity funded under this section, are
23 appropriated to the department to be used as additional
24 funding for the services and activities funded under this
25 section. Notwithstanding section 8.33, moneys received in
26 accordance with this subsection that remain unencumbered or
27 unobligated at the close of the fiscal year shall not revert
28 to any fund but shall remain available for expenditure for the
29 purposes designated until the close of the succeeding fiscal
30 year.

31 Sec. 18. JUVENILE DETENTION HOME FUND. Moneys deposited
32 in the juvenile detention home fund created in section 232.142
33 during the fiscal year beginning July 1, 2005, and ending June
34 30, 2006, are appropriated to the department of human services
35 for the fiscal year beginning July 1, 2005, and ending June

1 30, 2006, for distribution as follows:

2 1. An amount equal to 10 percent of the costs of the
3 establishment, improvement, operation, and maintenance of
4 county or multicounty juvenile detention homes in the fiscal
5 year beginning July 1, 2004. Moneys appropriated for
6 distribution in accordance with this subsection shall be
7 allocated among eligible detention homes, prorated on the
8 basis of an eligible detention home's proportion of the costs
9 of all eligible detention homes in the fiscal year beginning
10 July 1, 2004. Notwithstanding section 232.142, subsection 3,
11 the financial aid payable by the state under that provision
12 for the fiscal year beginning July 1, 2005, shall be limited
13 to the amount appropriated for the purposes of this
14 subsection.

15 2. For renewal of a grant to a county with a population
16 between 189,000 and 196,000 for implementation of the county's
17 runaway treatment plan under section 232.195:

18 \$ 80,000

19 3. For continuation and expansion of the community
20 partnership for child protection sites:

21 \$ 318,000

22 4. For grants to counties implementing a runaway treatment
23 plan under section 232.195.

24 5. The remainder for additional allocations to county or
25 multicounty juvenile detention homes, in accordance with the
26 distribution requirements of subsection 1.

27 Sec. 19. FAMILY SUPPORT SUBSIDY PROGRAM. There is
28 appropriated from the general fund of the state to the
29 department of human services for the fiscal year beginning
30 July 1, 2005, and ending June 30, 2006, the following amount,
31 or so much thereof as is necessary, to be used for the purpose
32 designated:

33 For the family support subsidy program:

34 \$ 1,936,434

35 1. The department may use up to \$333,312 of the moneys

1 appropriated in this section to continue the children-at-home
2 program in current counties, of which not more than \$20,000
3 shall be used for administrative costs.

4 2. Notwithstanding section 225C.38, subsection 1, the
5 monthly family support payment amount for the fiscal year
6 beginning July 1, 2005, shall remain the same as the payment
7 amount in effect on June 30, 2005.

8 Sec. 20. CONNER DECREE. There is appropriated from the
9 general fund of the state to the department of human services
10 for the fiscal year beginning July 1, 2005, and ending June
11 30, 2006, the following amount, or so much thereof as is
12 necessary, to be used for the purpose designated:

13 For building community capacity through the coordination
14 and provision of training opportunities in accordance with the
15 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.
16 Iowa, July 14, 1994):

17 \$ 42,623

18 Sec. 21. MENTAL HEALTH INSTITUTES. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2005, and
21 ending June 30, 2006, the following amounts, or so much
22 thereof as is necessary, to be used for the purposes
23 designated:

24 1. For the state mental health institute at Cherokee for
25 salaries, support, maintenance, and miscellaneous purposes and
26 for not more than the following full-time equivalent
27 positions:

28 \$ 13,074,889

29 FTEs 228.00

30 2. For the state mental health institute at Clarinda for
31 salaries, support, maintenance, and miscellaneous purposes and
32 for not more than the following full-time equivalent
33 positions:

34 \$ 7,439,591

35 FTEs 106.40

1 3. For the state mental health institute at Independence
2 for salaries, support, maintenance, and miscellaneous purposes
3 and for not more than the following full-time equivalent
4 positions:

5 \$ 17,329,091
6 FTEs 317.80

7 4. For the state mental health institute at Mount Pleasant
8 for salaries, support, maintenance, and miscellaneous purposes
9 and for not more than the following full-time equivalent
10 positions:

11 \$ 6,131,181
12 FTEs 100.44

13 Sec. 22. STATE RESOURCE CENTERS. There is appropriated
14 from the general fund of the state to the department of human
15 services for the fiscal year beginning July 1, 2005, and
16 ending June 30, 2006, the following amounts, or so much
17 thereof as is necessary, to be used for the purposes
18 designated:

19 1. For the state resource center at Glenwood for salaries,
20 support, maintenance, and miscellaneous purposes:
21 \$ 12,650,344

22 2. For the state resource center at Woodward for salaries,
23 support, maintenance, and miscellaneous purposes:
24 \$ 7,073,088

25 3. The department may continue to bill for state resource
26 center services utilizing a scope of services approach used
27 for private providers of ICFMR services, in a manner which
28 does not shift costs between the medical assistance program,
29 counties, or other sources of funding for the state resource
30 centers.

31 4. The state resource centers may expand the time limited
32 assessment and respite services during the fiscal year.

33 5. If the department's administration and the department
34 of management concur with a finding by a state resource
35 center's superintendent that projected revenues can reasonably

1 be expected to pay the salary and support costs for a new
2 employee position, or that such costs for adding a particular
3 number of new positions for the fiscal year would be less than
4 the overtime costs if new positions would not be added, the
5 superintendent may add the new position or positions. If the
6 vacant positions available to a resource center do not include
7 the position classification desired to be filled, the state
8 resource center's superintendent may reclassify any vacant
9 position as necessary to fill the desired position. The
10 superintendents of the state resource centers may, by mutual
11 agreement, pool vacant positions and position classifications
12 during the course of the fiscal year in order to assist one
13 another in filling necessary positions.

14 6. If existing capacity limitations are reached in
15 operating units, a waiting list is in effect for a service or
16 a special need for which a payment source or other funding is
17 available for the service or to address the special need, and
18 facilities for the service or to address the special need can
19 be provided within the available payment source or other
20 funding, the superintendent of a state resource center may
21 authorize opening not more than two units or other facilities
22 and to begin implementing the service or addressing the
23 special need during fiscal year 2005-2006.

24 Sec. 23. MI/MR/DD STATE CASES.

25 1. There is appropriated from the general fund of the
26 state to the department of human services for the fiscal year
27 beginning July 1, 2005, and ending June 30, 2006, the
28 following amount, or so much thereof as is necessary, to be
29 used for the purpose designated:

30 For purchase of local services for persons with mental
31 illness, mental retardation, and developmental disabilities
32 where the client has no established county of legal
33 settlement:

34 \$ 10,514,619

35 2. For the fiscal year beginning July 1, 2005, and ending

1 June 30, 2006, \$500,000 is allocated for state cases from the
2 amounts appropriated from the fund created in section 8.41 to
3 the department of human services from the funds received from
4 the federal government under 42 U.S.C., chapter 6A, subchapter
5 XVII, relating to the community mental health center block
6 grant, for the federal fiscal years beginning October 1, 2003,
7 and ending September 30, 2004, beginning October 1, 2004, and
8 ending September 30, 2005, and beginning October 1, 2005, and
9 ending September 30, 2006. The allocation made in this
10 subsection shall be made prior to any other distribution
11 allocation of the appropriated federal funds.

12 Sec. 24. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --
13 COMMUNITY SERVICES FUND. There is appropriated from the
14 general fund of the state to the mental health and
15 developmental disabilities community services fund created in
16 section 225C.7 for the fiscal year beginning July 1, 2005, and
17 ending June 30, 2006, the following amount, or so much thereof
18 as is necessary, to be used for the purpose designated:

19 For mental health and developmental disabilities community
20 services in accordance with this division of this Act:

21 \$ 17,757,890

22 1. Of the funds appropriated in this section, \$17,727,890
23 shall be allocated to counties for funding of community-based
24 mental health and developmental disabilities services. The
25 moneys shall be allocated to a county as follows:

26 a. Fifty percent based upon the county's proportion of the
27 state's population of persons with an annual income which is
28 equal to or less than the poverty guideline established by the
29 federal office of management and budget.

30 b. Fifty percent based upon the county's proportion of the
31 state's general population.

32 2. a. A county shall utilize the funding the county
33 receives pursuant to subsection 1 for services provided to
34 persons with a disability, as defined in section 225C.2.

35 However, no more than 50 percent of the funding shall be used

1 for services provided to any one of the service populations.

2 b. A county shall use at least 50 percent of the funding
3 the county receives under subsection 1 for contemporary
4 services provided to persons with a disability, as described
5 in rules adopted by the department.

6 3. Of the funds appropriated in this section, \$30,000
7 shall be used to support the Iowa compass program providing
8 computerized information and referral services for Iowans with
9 disabilities and their families.

10 4. a. Funding appropriated for purposes of the federal
11 social services block grant is allocated for distribution to
12 counties for local purchase of services for persons with
13 mental illness or mental retardation or other developmental
14 disability.

15 b. The funds allocated in this subsection shall be
16 expended by counties in accordance with the county's approved
17 county management plan. A county without an approved county
18 management plan shall not receive allocated funds until the
19 county's management plan is approved.

20 c. The funds provided by this subsection shall be
21 allocated to each county as follows:

22 (1) Fifty percent based upon the county's proportion of
23 the state's population of persons with an annual income which
24 is equal to or less than the poverty guideline established by
25 the federal office of management and budget.

26 (2) Fifty percent based upon the amount provided to the
27 county for local purchase of services in the preceding fiscal
28 year.

29 5. A county is eligible for funds under this section if
30 the county qualifies for a state payment as described in
31 section 331.439.

32 Sec. 25. SEXUALLY VIOLENT PREDATORS.

33 1. There is appropriated from the general fund of the
34 state to the department of human services for the fiscal year
35 beginning July 1, 2005, and ending June 30, 2006, the

1 following amount, or so much thereof as is necessary, to be
2 used for the purpose designated:

3 For costs associated with the commitment and treatment of
4 sexually violent predators in the unit located at the state
5 mental health institute at Cherokee, including costs of legal
6 services and other associated costs, including salaries,
7 support, maintenance, miscellaneous purposes, and for not more
8 than the following full-time equivalent positions:

9	\$	3,621,338
10	FTEs	65.00

11 2. Unless specifically prohibited by law, if the amount
12 charged provides for recoupment of at least the entire amount
13 of direct and indirect costs, the department of human services
14 may contract with other states to provide care and treatment
15 of persons placed by the other states at the unit for sexually
16 violent predators at Cherokee. The moneys received under such
17 a contract shall be considered to be repayment receipts and
18 used for the purposes of the appropriation made in this
19 section.

20 Sec. 26. FIELD OPERATIONS. There is appropriated from the
21 general fund of the state to the department of human services
22 for the fiscal year beginning July 1, 2005, and ending June
23 30, 2006, the following amount, or so much thereof as is
24 necessary, to be used for the purposes designated:

25 For field operations, including salaries, support,
26 maintenance, and miscellaneous purposes and for not more than
27 the following full-time equivalent positions:

28	\$	53,519,372
29	FTEs	1,844.00

30 Priority in filling full-time equivalent positions shall be
31 given to those positions related to child protection services.

32 Sec. 27. GENERAL ADMINISTRATION. There is appropriated
33 from the general fund of the state to the department of human
34 services for the fiscal year beginning July 1, 2005, and
35 ending June 30, 2006, the following amount, or so much thereof

1 as is necessary, to be used for the purpose designated:

2 For general administration, including salaries, support,
3 maintenance, and miscellaneous purposes and for not more than
4 the following full-time equivalent positions:

5	\$ 13,312,196
6	FTEs 292.00

7 Of the funds appropriated in this section, \$57,000 is
8 allocated for the prevention of disabilities policy council
9 established in section 225B.3.

10 Sec. 28. VOLUNTEERS. There is appropriated from the
11 general fund of the state to the department of human services
12 for the fiscal year beginning July 1, 2005, and ending June
13 30, 2006, the following amount, or so much thereof as is
14 necessary, to be used for the purpose designated:

15 For development and coordination of volunteer services:

16 \$ 109,568

17 Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
18 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
19 DEPARTMENT OF HUMAN SERVICES.

20 1. a. (1) For the fiscal year beginning July 1, 2005,
21 nursing facilities shall be reimbursed at 100 percent of the
22 modified price-based case-mix reimbursement rate. Nursing
23 facilities reimbursed under the medical assistance program
24 shall submit annual cost reports and additional documentation
25 as required by rules adopted by the department.

26 (2) For the fiscal year beginning July 1, 2005, the total
27 state funding amount for the nursing facility budget shall not
28 exceed \$160,002,891. For the fiscal year beginning July 1,
29 2005, and ending June 30, 2006, nursing facilities reimbursed
30 under the case-mix reimbursement system shall have their
31 allowable cost calculations adjusted by applying the most
32 recently published HCFA/SNF index. For the purpose of this
33 subparagraph, the HCFA/SNF index means the HCFA total skilled
34 nursing facility market basket index published by data
35 resources, inc. The department, in cooperation with nursing

1 facility representatives, shall review projections for state
2 funding expenditures for reimbursement of nursing facilities
3 on a quarterly basis and the department shall determine if an
4 adjustment to the medical assistance reimbursement rate is
5 necessary in order to provide reimbursement within the state
6 funding amount. Any temporary enhanced federal financial
7 participation that may become available to the Iowa medical
8 assistance program during the fiscal year shall not be used in
9 projecting the nursing facility budget. Notwithstanding 2001
10 Iowa Acts, chapter 192, section 4, subsection 2, paragraph
11 "c", and subsection 3, paragraph "a", subparagraph (2), if the
12 state funding expenditures for the nursing facility budget for
13 the fiscal year beginning July 1, 2005, is projected to exceed
14 the amount specified in this subparagraph, the department
15 shall adjust the inflation factor of the reimbursement rate
16 calculation for only the nursing facilities reimbursed under
17 the case-mix reimbursement system to maintain expenditures of
18 the nursing facility budget within the specified amount.

19 b. For the fiscal year beginning July 1, 2005, the
20 department shall reimburse pharmacy dispensing fees using a
21 single rate of \$4.39 per prescription, or the pharmacy's usual
22 and customary fee, whichever is lower.

23 c. For the fiscal year beginning July 1, 2005,
24 reimbursement rates for inpatient and outpatient hospital
25 services shall be increased by 3 percent over the rates in
26 effect on June 30, 2005. The department shall continue the
27 outpatient hospital reimbursement system based upon ambulatory
28 patient groups implemented pursuant to 1994 Iowa Acts, chapter
29 1186, section 25, subsection 1, paragraph "f". In addition,
30 the department shall continue the revised medical assistance
31 payment policy implemented pursuant to that paragraph to
32 provide reimbursement for costs of screening and treatment
33 provided in the hospital emergency room if made pursuant to
34 the prospective payment methodology developed by the
35 department for the payment of outpatient services provided

1 under the medical assistance program. Any rebasing of
2 hospital inpatient or outpatient rates shall not increase
3 total payments for inpatient and outpatient services beyond
4 the 3 percent increase provided in this paragraph.

5 d. For the fiscal year beginning July 1, 2005,
6 reimbursement rates for rural health clinics, hospices,
7 independent laboratories, and acute mental hospitals shall be
8 increased in accordance with increases under the federal
9 Medicare program or as supported by their Medicare audited
10 costs.

11 e. (1) For the fiscal year beginning July 1, 2005,
12 reimbursement rates for home health agencies shall be
13 increased by 3 percent over the rates in effect on June 30,
14 2005.

15 (2) The department shall establish a fixed-fee
16 reimbursement schedule for home health agencies under the
17 medical assistance program beginning July 1, 2006.

18 f. For the fiscal year beginning July 1, 2005, federally
19 qualified health centers shall receive cost-based
20 reimbursement for 100 percent of the reasonable costs for the
21 provision of services to recipients of medical assistance.

22 g. Beginning July 1, 2005, the reimbursement rates for
23 dental services shall be increased by 3 percent over the rates
24 in effect on June 30, 2005.

25 h. Beginning July 1, 2005, the reimbursement rates for
26 community mental health centers shall be increased by 3
27 percent over the rates in effect on June 30, 2005.

28 i. For the fiscal year beginning July 1, 2005, the maximum
29 reimbursement rate for psychiatric medical institutions for
30 children shall be increased by 3 percent over the rate in
31 effect on June 30, 2005, based on per day rates for actual
32 costs.

33 j. For the fiscal year beginning July 1, 2005, unless
34 otherwise specified in this Act, all noninstitutional medical
35 assistance provider reimbursement rates shall be increased by

1 3 percent over the rates in effect on June 30, 2005, except
2 for area education agencies, local education agencies, infant
3 and toddler services providers, and those providers whose
4 rates are required to be determined pursuant to section
5 249A.20.

6 k. Notwithstanding section 249A.20, for the fiscal year
7 beginning July 1, 2005, the average reimbursement rate for
8 health care providers eligible for use of the federal Medicare
9 resource-based relative value scale reimbursement methodology
10 under that section shall be increased by 3 percent over the
11 rate in effect on June 30, 2005; however, this rate shall not
12 exceed the maximum level authorized by the federal government.

13 1. Beginning July 1, 2005, the department shall reimburse
14 physicians who administer injectable drugs in the physician's
15 office or other appropriate noninstitutional setting in an
16 amount that is equal to the invoiced cost paid by the
17 physician to the manufacturer, vendor, or other recognized
18 supplier from whom the drug was purchased under the medical
19 assistance program. A separate payment shall be made for
20 administration of the drug.

21 2. For the fiscal year beginning July 1, 2005, the
22 reimbursement rate for residential care facilities shall not
23 be less than the minimum payment level as established by the
24 federal government to meet the federally mandated maintenance
25 of effort requirement. The flat reimbursement rate for
26 facilities electing not to file semiannual cost reports shall
27 not be less than the minimum payment level as established by
28 the federal government to meet the federally mandated
29 maintenance of effort requirement.

30 3. For the fiscal year beginning July 1, 2005, the
31 reimbursement rate for providers reimbursed under the in-
32 home-related care program shall not be less than the minimum
33 payment level as established by the federal government to meet
34 the federally mandated maintenance of effort requirement.

35 4. Unless otherwise directed in this section, when the

1 department's reimbursement methodology for any provider
2 reimbursed in accordance with this section includes an
3 inflation factor, this factor shall not exceed the amount by
4 which the consumer price index for all urban consumers
5 increased during the calendar year ending December 31, 2002.

6 5. Notwithstanding section 234.38, in the fiscal year
7 beginning July 1, 2005, the foster family basic daily
8 maintenance rate and the maximum adoption subsidy rate for
9 children ages 0 through 5 years shall be \$14.91, the rate for
10 children ages 6 through 11 years shall be \$15.58, the rate for
11 children ages 12 through 15 years shall be \$17.18, and the
12 rate for children ages 16 and older shall be \$17.27

13 6. For the fiscal year beginning July 1, 2005, the maximum
14 reimbursement rates for social service providers shall be
15 increased by 3 percent over the rates in effect on June 30,
16 2005, or to the provider's actual and allowable cost plus
17 inflation for each service, whichever is less. The rates may
18 also be adjusted under any of the following circumstances:

19 a. If a new service was added after June 30, 2005, the
20 initial reimbursement rate for the service shall be based upon
21 actual and allowable costs.

22 b. If a social service provider loses a source of income
23 used to determine the reimbursement rate for the provider, the
24 provider's reimbursement rate may be adjusted to reflect the
25 loss of income, provided that the lost income was used to
26 support actual and allowable costs of a service purchased
27 under a purchase of service contract.

28 7. The group foster care reimbursement rates paid for
29 placement of children out of state shall be calculated
30 according to the same rate-setting principles as those used
31 for in-state providers unless the director of human services
32 or the director's designee determines that appropriate care
33 cannot be provided within the state. The payment of the daily
34 rate shall be based on the number of days in the calendar
35 month in which service is provided.

1 8. For the fiscal year beginning July 1, 2005, the
2 reimbursement rates for rehabilitative treatment and support
3 services providers shall be increased by 3 percent over the
4 rates in effect on June 30, 2005.

5 9. a. For the fiscal year beginning July 1, 2005, the
6 combined service and maintenance components of the
7 reimbursement rate paid for shelter care services purchased
8 under a contract shall be based on the financial and
9 statistical report submitted to the department. The maximum
10 reimbursement rate shall be \$86.20 per day. The department
11 shall reimburse a shelter care provider at the provider's
12 actual and allowable unit cost, plus inflation, not to exceed
13 the maximum reimbursement rate.

14 b. Notwithstanding section 232.141, subsection 8, for the
15 fiscal year beginning July 1, 2005, the amount of the
16 statewide average of the actual and allowable rates for
17 reimbursement of juvenile shelter care homes that is utilized
18 for the limitation on recovery of unpaid costs shall be
19 increased by \$2.51 over the amount in effect for this purpose
20 in the preceding fiscal year.

21 c. Notwithstanding section 8A.311, commencing during the
22 fiscal year beginning July 1, 2005, the department may enter
23 into contracts with shelter care providers as necessary to
24 maintain the availability of shelter care services for
25 children in all areas of the state.

26 10. For the fiscal year beginning July 1, 2005, the
27 department shall calculate reimbursement rates for
28 intermediate care facilities for persons with mental
29 retardation at the 80th percentile.

30 11. For the fiscal year beginning July 1, 2005, for child
31 care providers reimbursed under the state child care
32 assistance program, the department shall set provider
33 reimbursement rates based on the rate reimbursement survey
34 completed in December 1998. However, if the federal
35 government provides additional funding for child care during

1 the fiscal year beginning July 1, 2005, the department shall
2 set provider reimbursement rates based on the rate
3 reimbursement survey completed in December 2002, to the extent
4 made possible by the additional funding. The department shall
5 set rates in a manner so as to provide incentives for a
6 nonregistered provider to become registered.

7 12. For the fiscal year beginning July 1, 2005,
8 reimbursements for providers reimbursed by the department of
9 human services may be modified if appropriated funding is
10 allocated for that purpose from the senior living trust fund
11 created in section 249H.4, or as specified in appropriations
12 from the healthy Iowans tobacco trust created in section
13 12.65.

14 13. The department may adopt emergency rules to implement
15 this section.

16 Sec. 30. EMERGENCY RULES. If specifically authorized by a
17 provision of this division of this Act, the department of
18 human services or the mental health, mental retardation,
19 developmental disabilities, and brain injury commission may
20 adopt administrative rules under section 17A.4, subsection 2,
21 and section 17A.5, subsection 2, paragraph "b", to implement
22 the provisions and the rules shall become effective
23 immediately upon filing or on a later effective date specified
24 in the rules, unless the effective date is delayed by the
25 administrative rules review committee. Any rules adopted in
26 accordance with this section shall not take effect before the
27 rules are reviewed by the administrative rules review
28 committee. The delay authority provided to the administrative
29 rules review committee under section 17A.4, subsection 5, and
30 section 17A.8, subsection 9, shall be applicable to a delay
31 imposed under this section, notwithstanding a provision in
32 those sections making them inapplicable to section 17A.5,
33 subsection 2, paragraph "b". Any rules adopted in accordance
34 with the provisions of this section shall also be published as
35 notice of intended action as provided in section 17A.4.

1 Sec. 31. REPORTS.

2 Any reports or information required to be compiled and
3 submitted under this division of this Act shall be submitted
4 to the chairpersons and ranking members of the joint
5 appropriations subcommittee on health and human services, the
6 legislative services agency, and the legislative caucus staffs
7 on or before the dates specified for submission of the reports
8 or information.

9 Sec. 32. Section 249A.20, Code 2005, is amended to read as
10 follows:

11 249A.20 NONINSTITUTIONAL HEALTH PROVIDERS --
12 REIMBURSEMENT.

13 1. Beginning November 1, 2000, the department shall use
14 the federal Medicare resource-based relative value scale
15 methodology to reimburse all applicable noninstitutional
16 health providers, excluding anesthesia and dental services,
17 that on June 30, 2000, are reimbursed on a fee-for-service
18 basis for provision of services under the medical assistance
19 program. The department shall apply the federal Medicare
20 resource-based relative value scale methodology to such health
21 providers in the same manner as the methodology is applied
22 under the federal Medicare program and shall not utilize the
23 resource-based relative value scale methodology in a manner
24 that discriminates between such health providers. The
25 reimbursement schedule shall be adjusted annually on July 1,
26 and shall provide for reimbursement that is not less than the
27 reimbursement provided under the fee schedule established for
28 Iowa under the federal Medicare program in effect on January 1
29 of that calendar year.

30 2. Beginning July 1, 2005, the department shall reimburse
31 noninstitutional health providers of anesthesia services using
32 the conversion factor for anesthesia services applicable to
33 the federal Medicare program.

34 3. A provider reimbursed under section 249A.31 is not a
35 noninstitutional health provider.

1 Sec. 33. 2004 Iowa Acts, chapter 1175, section 113, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys
4 appropriated in this section that were allocated by the
5 department for the purpose of meeting federal food stamp
6 electronic benefit transfer requirements that remain
7 unencumbered or unobligated at the close of the fiscal year
8 shall not revert but shall remain available for expenditure
9 for the purpose designated until the close of the succeeding
10 fiscal year.

11 Sec. 34. 2004 Iowa Acts, chapter 1175, section 135, is
12 amended by adding the following new subsection:

13 NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys
14 appropriated in this section for field operations that remain
15 unencumbered or unobligated at the close of the fiscal year
16 shall not revert but shall remain available for expenditure
17 for the purposes designated with up to fifty percent to be
18 used for implementation and operational costs associated with
19 Part D of the federal Medicare Prescription Drug, Improvement,
20 and Modernization Act of 2003, Pub. L. No. 108-173, for the
21 purposes designated until the close of the succeeding fiscal
22 year.

23 Sec. 35. **EFFECTIVE DATES.** The following provisions of
24 this division of this Act, being deemed of immediate
25 importance, take effect upon enactment:

26 1. The provision under the appropriation for child and
27 family services, relating to requirements of section 232.143
28 for representatives of the department of human services and
29 juvenile court services to establish a plan for continuing
30 group foster care expenditures for the 2005-2006 fiscal year.

31 2. The provision under the appropriation for child and
32 family services, relating to the state court administrator
33 determining allocation of court-ordered services funding by
34 June 15, 2005.

35 3. The provision amending 2004 Iowa Acts, chapter 1175,

1 section 113.

2 4. The provision amending 2004 Iowa Acts, chapter 1175,
3 section 135.

4 DIVISION II

5 SENIOR LIVING AND HOSPITAL TRUST FUNDS

6 Sec. 36. DEPARTMENT OF ELDER AFFAIRS. There is
7 appropriated from the senior living trust fund created in
8 section 249H.4 to the department of elder affairs for the
9 fiscal year beginning July 1, 2005, and ending June 30, 2006,
10 the following amount, or so much thereof as is necessary, to
11 be used for the purpose designated:

12 For the development and implementation of a comprehensive
13 senior living program, including program administration and
14 costs associated with implementation, salaries, support,
15 maintenance, and miscellaneous purposes and for not more than
16 the following full-time equivalent positions:

17	\$	8,289,368
18	FTEs	3.00

19 Notwithstanding section 249H.7, the department of elder
20 affairs shall distribute up to \$400,000 of the funds
21 appropriated in this section in a manner that will supplement
22 and maximize federal funds under the federal Older Americans
23 Act and shall not use the amount distributed for any
24 administrative purposes of either the department of elder
25 affairs or the area agencies on aging.

26 Sec. 37. DEPARTMENT OF INSPECTIONS AND APPEALS. There is
27 appropriated from the senior living trust fund created in
28 section 249H.4 to the department of inspections and appeals
29 for the fiscal year beginning July 1, 2005, and ending June
30 30, 2006, the following amount, or so much thereof as is
31 necessary, to be used for the purpose designated:

32 For the inspection and certification of assisted living
33 facilities and adult day care services, including program
34 administration and costs associated with implementation,
35 salaries, support, maintenance, and miscellaneous purposes and

1 for not more than the following full-time equivalent
2 positions:

3 \$ 732,750
4 FTEs 5.00

5 Sec. 38. DEPARTMENT OF HUMAN SERVICES. There is
6 appropriated from the senior living trust fund created in
7 section 249H.4 to the department of human services for the
8 fiscal year beginning July 1, 2005, and ending June 30, 2006,
9 the following amounts, or so much thereof as is necessary, to
10 be used for the purposes designated:

11 1. To supplement the medical assistance appropriation,
12 including program administration and costs associated with
13 implementation, salaries, support, maintenance, and
14 miscellaneous purposes:

15 \$ 43,700,000

16 2. To provide reimbursement for health care services to
17 eligible persons through the home and community-based services
18 waiver and the state supplementary assistance program,
19 including program administration and data system costs
20 associated with implementation, salaries, support,
21 maintenance, and miscellaneous purposes and for not more than
22 the following full-time equivalent positions:

23 \$ 1,033,406
24 FTEs 5.00

25 3. To implement nursing facility provider reimbursements
26 as provided in 2001 Iowa Acts, chapter 192, section 4,
27 subsection 2, paragraph "c":

28 \$ 29,950,000

29 In order to carry out the purposes of this section, the
30 department shall transfer funds appropriated in this section
31 to supplement other appropriations made to the department of
32 human services.

33 4. Notwithstanding sections 249H.4 and 249H.5, the
34 department of human services may use moneys from the senior
35 living trust fund for cash flow purposes to make payments

1 under the nursing facility or hospital upper payment limit
2 methodology. The amount of any moneys so used shall be
3 refunded to the senior living trust fund within the same
4 fiscal year and in a prompt manner.

5 Sec. 39. ASSISTED LIVING CONVERSION GRANTS --

6 NONREVERSION. Notwithstanding section 8.33, moneys committed
7 from the senior living trust fund to grantees under contract
8 to provide for conversion to assisted living programs or for
9 development of long-term care alternatives that remain
10 unexpended at the close of any fiscal year shall not revert to
11 any fund but shall remain available for expenditure for
12 purposes of the contract.

13 Sec. 40. IOWA FINANCE AUTHORITY. There is appropriated
14 from the senior living trust fund created in section 249H.4 to
15 the Iowa finance authority for the fiscal year beginning July
16 1, 2005, and ending June 30, 2006, the following amount, or so
17 much thereof as is necessary, to be used for the purposes
18 designated:

19 To provide reimbursement for rent expenses to eligible
20 persons:

21 \$ 700,000

22 Participation in the rent subsidy program shall be limited
23 to only those persons who are at risk for nursing facility
24 care.

25 Sec. 41. HOSPITAL TRUST FUND. There is appropriated from
26 the hospital trust fund created in section 249I.4 to the
27 department of human services for the fiscal year beginning
28 July 1, 2005, and ending June 30, 2006, the following amount,
29 or so much thereof as is necessary, to be used for the purpose
30 designated:

31 To supplement the appropriations made for the medical
32 assistance program for that fiscal year:

33 \$ 22,900,000

34 Sec. 42. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO SENIOR
35 LIVING TRUST FUND FOR FY 2005-2006. Notwithstanding section

1 8.33, if moneys appropriated in this Act for purposes of the
2 medical assistance program for the fiscal year beginning July
3 1, 2005, and ending June 30, 2006, from the general fund of
4 the state, the senior living trust fund, the hospital trust
5 fund, or the healthy Iowans tobacco trust fund are in excess
6 of actual expenditures for the medical assistance program and
7 remain unencumbered or unobligated at the close of the fiscal
8 year, the excess moneys shall not revert but shall be
9 transferred to the senior living trust fund created in section
10 249H.4.

11 Sec. 43. EFFECTIVE DATE. The section of this division of
12 this Act relating to nonreversion of assisted living
13 conversion grant moneys, being deemed of immediate importance,
14 takes effect upon enactment.

15 DIVISION III
16 MENTAL HEALTH, MENTAL RETARDATION,
17 DEVELOPMENTAL DISABILITIES,
18 AND BRAIN INJURY SERVICES

19 Sec. 44. 2004 Iowa Acts, chapter 1175, section 173,
20 subsection 2, paragraph c, is amended to read as follows:

21 ~~c. For-deposit-in-the-risk-pool-created-in-the-property~~
22 ~~tax-relief-fund-and-for-distribution-in-accordance-with~~
23 ~~section-426B:57-subsection-2~~ To the department of human
24 services for supplementation of the appropriations made for
25 the medical assistance program for the fiscal year beginning
26 July 1, 2005, and ending June 30, 2006:

27 \$ 2,000,000

28 Sec. 45. 2004 Iowa Acts, chapter 1175, section 173, is
29 amended by adding the following new subsections:

30 NEW SUBSECTION. 3. The following formula amounts shall be
31 utilized only to calculate preliminary distribution amounts
32 for fiscal year 2005-2006 under this section by applying the
33 indicated formula provisions to the formula amounts and
34 producing a preliminary distribution total for each county:

35 a. For calculation of an allowed growth factor adjustment

1 amount for each county in accordance with the formula in
2 section 331.438, subsection 2, paragraph "b":

3 \$ 12,000,000

4 b. For calculation of a distribution amount for eligible
5 counties from the per capita expenditure target pool created
6 in the property tax relief fund in accordance with the
7 requirements in section 426B.5, subsection 1:

8 \$ 14,507,362

9 c. For calculation of a distribution amount for counties
10 from the mental health and developmental disabilities (MH/DD)
11 community services fund in accordance with the formula
12 provided in the appropriation made for the MH/DD community
13 services fund for the fiscal year beginning July 1, 2005:

14 \$ 17,727,890

15 NEW SUBSECTION. 4. After applying the applicable
16 statutory distribution formulas to the amounts indicated in
17 subsection 3 for purposes of producing preliminary
18 distribution totals, the department of human services shall
19 apply a withholding factor to adjust an eligible individual
20 county's preliminary distribution total. An ending balance
21 percentage for each county shall be determined by expressing
22 the county's ending balance on a modified accrual basis under
23 generally accepted accounting principles for the fiscal year
24 beginning July 1, 2004, in the county's mental health, mental
25 retardation, and developmental disabilities services fund
26 created under section 331.424A, as a percentage of the
27 county's gross expenditures from that fund for that fiscal
28 year. The withholding factor for a county shall be the
29 following applicable percent:

30 a. For an ending balance percentage of less than 10
31 percent, a withholding factor of 0 percent. In addition to
32 the county's adjusted distribution total, a county that is
33 subject to this paragraph "a" shall receive an inflation
34 adjustment equal to 2.6 percent of the gross expenditures
35 reported for the county's services fund for that fiscal year.

1 b. For an ending balance percentage of 10 through 24
2 percent, a withholding factor of 25 percent. However, the
3 amount withheld shall be limited to the amount by which the
4 county's ending balance was in excess of the ending balance
5 percentage of 10 percent.

6 c. For an ending balance percentage of 25 percent or more,
7 a withholding factor of 100 percent.

8 NEW SUBSECTION. 5. The total withholding amounts applied
9 pursuant to subsection 4 shall be equal to a withholding
10 target amount of \$4,659,749. If the department of human
11 services determines that the amount to be withheld in
12 accordance with subsection 4 is not equal to the target
13 withholding amount, the department shall adjust the
14 withholding factors listed in subsection 4 as necessary to
15 achieve the withholding target amount. However, in making
16 such adjustments to the withholding factors, the department
17 shall strive to minimize changes to the withholding factors
18 for those ending balance percentage ranges that are lower than
19 others and shall not adjust the zero withholding factor or the
20 inflation adjustment percentage specified in subsection 4,
21 paragraph "a".

22 DIVISION IV

23 CODE CHANGES

24 Sec. 46. Section 28.9, subsection 3, Code 2005, is amended
25 to read as follows:

26 3. a. An early childhood programs grant account is
27 created in the Iowa empowerment fund under the authority of
28 the director of human services. Moneys credited to the
29 account are appropriated to and shall be distributed by the
30 department of human services in the form of grants to
31 community empowerment areas pursuant to criteria established
32 by the Iowa board in accordance with law. The criteria shall
33 include but are not limited to a requirement that a community
34 empowerment area must be designated by the Iowa board in
35 accordance with section 28.5, in order to be eligible to

1 receive an early childhood programs grant.

2 b. The maximum funding amount a community empowerment area
3 is eligible to receive from the early childhood programs grant
4 account for a fiscal year shall be determined by applying the
5 area's percentage of the state's average monthly family
6 investment program population in the preceding fiscal year to
7 the total amount credited to the account for the fiscal year.

8 c. A community empowerment area receiving funding from the
9 early childhood program grant account shall comply with any
10 federal reporting requirements associated with the use of that
11 funding and other results and reporting requirements
12 established by the Iowa empowerment board. The department of
13 human services shall provide technical assistance in
14 identifying and meeting the federal requirements. The
15 availability of funding provided from the account is subject
16 to changes in federal requirements and amendments to Iowa law.

17 d. The moneys distributed from the early childhood program
18 grant account shall be used by community empowerment areas for
19 the purposes of enhancing quality child care capacity in
20 support of parent capability to obtain or retain employment.
21 The moneys shall be used with a primary emphasis on low-income
22 families and children from birth to five years of age. Moneys
23 shall be provided in a flexible manner and shall be used to
24 implement strategies identified by the community empowerment
25 area to achieve such purposes. The department of human
26 services may use a portion of the funding appropriated to the
27 department under this subsection for provision of technical
28 assistance and other support to community empowerment areas
29 developing and implementing strategies with grant moneys
30 distributed from the account.

31 e. Moneys from a federal block grant that are credited to
32 the early childhood program grant account but are not
33 distributed to a community empowerment area or otherwise
34 remain unobligated or unexpended at the end of the fiscal year
35 shall revert to the fund created in section 8.41 to be

1 available for appropriation by the general assembly in a
2 subsequent fiscal year.

3 Sec. 47. NEW SECTION. 35D.18 NET GENERAL FUND

4 APPROPRIATION -- PURPOSE.

5 1. The Iowa veterans home shall operate on the basis of a
6 net appropriation from the general fund of the state. The
7 appropriation amount shall be the net amount of state moneys
8 projected to be needed for the Iowa veterans home for the
9 fiscal year of the appropriation. The purpose of utilizing a
10 net appropriation is to encourage the Iowa veterans home to
11 operate with increased self-sufficiency, to improve quality
12 and efficiency, and to support collaborative efforts among all
13 providers of funding for the services available from the Iowa
14 veterans home.

15 2. The net appropriation made to the Iowa veterans home
16 may be used throughout the fiscal year in the manner necessary
17 for purposes of cash flow management, and for cash flow
18 management, the Iowa veterans home may temporarily draw more
19 than the amount appropriated, provided the amount appropriated
20 is not exceeded at the close of the fiscal year.

21 3. Revenues received that are attributed to the Iowa
22 veterans home during a fiscal year shall be credited to the
23 Iowa veterans home account and shall be considered repayment
24 receipts as defined in section 8.2, including but not limited
25 to all of the following:

26 a. Federal veterans administration payments.

27 b. Medical assistance program revenue received under
28 chapter 249A.

29 c. Federal Medicare program payments.

30 d. Other revenues generated from current, new, or expanded
31 services that the Iowa veterans home is authorized to provide.

32 4. For purposes of allocating moneys to the Iowa veterans
33 home from the salary adjustment fund created in section 8.43,
34 the Iowa veterans home shall be considered to be funded
35 entirely with state moneys.

1 5. Notwithstanding section 8.33, up to five hundred
2 thousand dollars of the Iowa veterans home revenue that remain
3 unencumbered or unobligated at the close of the fiscal year
4 shall not revert but shall remain available for expenditure
5 for purposes of the Iowa veterans home until the close of the
6 succeeding fiscal year.

7 Sec. 48. Section 84A.6, subsection 2, Code 2005, is
8 amended to read as follows:

9 2. a. The director of the department of workforce
10 development, in cooperation with the department of human
11 services, shall provide job placement and training to persons
12 referred by the department of human services under the
13 promoting independence and self-sufficiency through employment
14 job opportunities and basic skills program established
15 pursuant to chapter 239B and the food stamp employment and
16 training program.

17 b. The department of workforce development, in
18 consultation with the department of human services, shall
19 develop and implement departmental recruitment and employment
20 practices that address the needs of former and current
21 participants in the family investment program under chapter
22 239B.

23 Sec. 49. NEW SECTION. 135.39C ELDERLY WELLNESS SERVICES
24 -- PAYOR OF LAST RESORT.

25 The department shall implement elderly wellness services in
26 a manner that ensures that the services provided are not
27 payable by a third-party source.

28 Sec. 50. Section 135.150, Code 2005, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 5. Persons with a dual diagnosis of
31 substance abuse and a gambling addiction shall be given
32 priority in treatment services funded by the gambling
33 treatment fund.

34 Sec. 51. Section 136C.10, subsection 1, Code 2005, is
35 amended to read as follows:

1 1. a. The department shall establish and collect fees for
2 the licensing and amendment of licenses for radioactive
3 materials, the registration of radiation machines, the
4 periodic inspection of radiation machines and radioactive
5 materials, and the implementation of section 136C.3,
6 subsection 2. Fees shall be in amounts sufficient to defray
7 the cost of administering this chapter. The license fee may
8 include the cost of environmental surveillance activities to
9 assess the radiological impact of activities conducted by
10 licensees.

11 b. Fees collected shall be remitted to the treasurer of
12 state who shall deposit the funds in the general fund of the
13 state. However, the fees collected from the licensing,
14 registration, authorization, accreditation, and inspection of
15 radiation machines used for mammographically guided breast
16 biopsy, screening, and diagnostic mammography shall be used to
17 support the department's administration of this chapter and
18 the fees collected shall be considered repayment receipts, as
19 defined in section 8.2.

20 c. When a registrant or licensee fails to pay the
21 applicable fee the department may suspend or revoke the
22 registration or license or may issue an appropriate order.
23 Fees for the license, amendment of a license, and inspection
24 of radioactive material shall not exceed the fees prescribed
25 by the United States nuclear regulatory commission.

26 Sec. 52. Section 144.13A, subsection 4, paragraph a,
27 unnumbered paragraph 2, Code 2005, is amended to read as
28 follows:

29 ~~Beginning July 17, 2005, ten~~ Ten dollars of each
30 registration fee is appropriated and shall be used for primary
31 and secondary child abuse prevention programs pursuant to
32 section 235A.1, and ten dollars of each registration fee is
33 appropriated and shall be used for the center for congenital
34 and inherited disorders central registry established pursuant
35 to section 136A.6. Notwithstanding section 8.33, moneys

1 appropriated in this unnumbered paragraph that remain
2 unencumbered or unobligated at the close of the fiscal year
3 shall not revert but shall remain available for expenditure
4 for the purposes designated until the close of the succeeding
5 fiscal year.

6 Sec. 53. NEW SECTION. 144.46A VITAL RECORDS
7 MODERNIZATION -- INCREASE IN FEES.

8 1. The department shall establish a vital records
9 modernization project. The project shall include provisions
10 for purchase of an electronic system for vital records
11 scanning, data capture, storage, retrieval, and issuance
12 activities. Other project provisions shall include
13 streamlining of administrative procedures and electronically
14 linking offices of clerks of the district court with the state
15 vital records so that the records may be issued at the county
16 level.

17 2. The department shall adopt rules providing for an
18 increase in the fees charged by the state registrar for vital
19 records services pursuant to section 144.46. The fee increase
20 implemented pursuant to this section shall not apply to the
21 fees charged by the clerks of the district court for vital
22 records services. The fee increase shall be in an amount
23 necessary to maintain the vital records modernization project
24 in accordance with the provisions of subsection 1.

25 3. The revenue derived from the amount of the fee increase
26 is annually appropriated to the department for the costs of
27 the project. Notwithstanding section 8.33, moneys
28 appropriated to the department pursuant to this subsection
29 that remain unencumbered or unobligated at the end of a fiscal
30 year shall not revert to any fund but shall remain available
31 for expenditure for the purposes designated in the succeeding
32 fiscal year.

33 Sec. 54. NEW SECTION. 147.28A SCOPE OF PRACTICE REVIEW
34 COMMITTEES -- FUTURE REPEAL.

35 1. The department shall utilize scope of practice review

1 committees to evaluate and make recommendations to the general
2 assembly and to the appropriate examining boards regarding all
3 of the following issues:

4 a. Requests from practitioners seeking to become newly
5 licensed health professionals or to establish their own
6 examining boards.

7 b. Requests from health professionals seeking to expand or
8 narrow the scope of practice of a health profession.

9 c. Unresolved administrative rulemaking disputes between
10 examining boards.

11 2. A scope of practice review committee established under
12 this section shall evaluate the issues specified in subsection
13 1 and make recommendations regarding proposed changes to the
14 general assembly based on the following standards and
15 guidelines:

16 a. The proposed change does not pose a significant new
17 danger to the public.

18 b. Enacting the proposed change will benefit the health,
19 safety, or welfare of the public.

20 c. The public cannot be effectively protected by other
21 more cost-effective means.

22 3. A scope of practice review committee shall be limited
23 to five members as follows:

24 a. One member representing the profession seeking
25 licensure, a new examining board, or a change in scope of
26 practice.

27 b. One member of the health profession directly impacted
28 by, or opposed to, the proposed change.

29 c. One impartial health professional who is not directly
30 or indirectly affected by the proposed change.

31 d. Two impartial members of the general public.

32 4. The department may contract with a school or college of
33 public health to assist in implementing this section.

34 5. The department shall submit an annual progress report
35 to the governor and the general assembly by January 15 and

1 shall include any recommendations for legislative action as a
2 result of review committee activities.

3 6. The department shall adopt rules in accordance with
4 chapter 17A to implement this section.

5 7. This section is repealed July 1, 2007.

6 Sec. 55. Section 147.82, Code 2005, is amended to read as
7 follows:

8 147.82 FEES.

9 All fees shall be collected by the department and shall be
10 paid to the treasurer of state and ~~deposited-in~~ credited to
11 the general fund of the state, except ~~as-provided-in-sections~~
12 ~~147.94-and-147.102.~~ for the following:

13 1. Fees collected by the board of pharmacy examiners shall
14 be credited as provided in section 147.94.

15 2. Fees collected by the examining boards of
16 psychologists, chiropractors, and dentists shall be credited
17 as provided in section 147.102.

18 3. Notwithstanding section 12.10, the department may
19 temporarily increase licensing fees and may retain and expend
20 additional funds received from the increase, if those
21 additional fees and expenditures are directly the result of
22 any unanticipated litigation expense or an expense associated
23 with a scope of practice review committee created pursuant to
24 section 147.28A. Before the department retains or expends
25 funds for a scope of practice review committee or for an
26 amount in excess of the funds budgeted for an examining board,
27 the director of the department of management shall approve the
28 expenditure or encumbrance. The amounts authorized under this
29 subsection to fund any unanticipated litigation or a scope of
30 practice review committee expense in a fiscal year shall not
31 exceed five percent of the average annual fees generated by
32 the boards for the previous two fiscal years. The amount
33 authorized for expenditure pursuant to this subsection shall
34 be considered repayment receipts as defined in section 8.2.

35 4. In addition to the amount authorized in section 12.10,

1 the department may annually retain and expend not more than
2 two hundred ninety-seven thousand nine hundred sixty-one
3 dollars for lease and maintenance expenses from fees collected
4 pursuant to section 147.80 by the board of dental examiners,
5 the board of pharmacy examiners, the board of medical
6 examiners, and the board of nursing. Fees retained by the
7 department pursuant to this subsection shall be considered
8 repayment receipts as defined in section 8.2.

9 5. In addition to the amount authorized in section 12.10,
10 the department may annually retain and expend not more than
11 one hundred thousand dollars for reduction of the number of
12 days necessary to process medical license requests and for
13 reduction of the number of days needed for consideration of
14 malpractice cases from fees collected pursuant to section
15 147.80 by the board of medical examiners in the fiscal year
16 beginning July 1, 2005, and ending June 30, 2006. Fees
17 retained by the department pursuant to this subsection shall
18 be considered repayment receipts as defined in section 8.2 and
19 shall be used for the purposes described in this subsection.

20 6. In addition to the amount authorized in section 12.10,
21 the board of dental examiners may annually retain and expend
22 not more than one hundred forty-eight thousand sixty dollars
23 from revenues generated pursuant to section 147.80. Fees
24 retained by the board pursuant to this subsection shall be
25 considered repayment receipts as defined in section 8.2 and
26 shall be used for the purposes of regulating dental
27 assistants.

28 7. The board of medical examiners, the board of pharmacy
29 examiners, the board of dental examiners, and the board of
30 nursing shall retain their individual executive officers, but
31 shall make every effort to share administrative, clerical, and
32 investigative staffs to the greatest extent possible. The
33 department shall annually submit a status report to the
34 general assembly in December regarding the sharing of staff
35 during the previous fiscal year.

1 8. In addition to the amount authorized in section 12.10,
2 the board of nursing may annually retain and expend ninety
3 percent of the revenues generated from any increase in
4 licensing fees pursuant to section 147.80 for purposes related
5 to the board's duties, including but not limited to the
6 addition of full-time equivalent positions for program
7 services and investigations. The board may retain and expend
8 the same dollar amount in subsequent fiscal years as was
9 retained and expended from the initial year of the increase in
10 licensing fees. Fees retained by the board pursuant to this
11 subsection shall be considered repayment receipts, as defined
12 in section 8.2, and shall be used for the purposes described
13 in this subsection.

14 9. In addition to the amount authorized in section 12.10,
15 the board of pharmacy examiners may retain and expend ninety
16 percent of the revenues generated from any increase in
17 licensing fees pursuant to sections 124.301 and 147.80, and
18 chapter 155A, for purposes related to the board's duties,
19 including but not limited to the addition of full-time
20 equivalent positions. The board may retain and expend the
21 same dollar amount in subsequent fiscal years as was retained
22 and expended from the initial year of the increase in
23 licensing fees. Fees retained by the board pursuant to this
24 subsection shall be considered repayment receipts, as defined
25 in section 8.2, and shall be used for the purposes described
26 in this subsection.

27 Sec. 56. Section 217.13, subsection 1, Code 2005, is
28 amended to read as follows:

29 1. The department of human services shall establish
30 volunteer programs designed to enhance the services provided
31 by the department. Roles for volunteers may include but shall
32 not be limited to parent aides, friendly visitors, commodity
33 distributors, clerical assistants, and medical transporters,
34 and other functions to complement and supplement the
35 department's work with clients. Roles for volunteers shall

1 include conservators and guardians. The department shall
2 adopt rules for programs which are established.

3 Sec. 57. NEW SECTION. 217.35 FRAUD AND RECOUPMENT
4 ACTIVITIES.

5 Notwithstanding the requirement for deposit of recovered
6 moneys under section 239B.14, recovered moneys generated
7 through fraud and recoupment activities are appropriated to
8 the department of human services to be used for additional
9 fraud and recoupment activities performed by the department of
10 human services or the department of inspections and appeals.
11 The department of human services may use the recovered moneys
12 appropriated to add not more than five full-time equivalent
13 positions, in addition to those funded by annual
14 appropriations. The appropriation of the recovered moneys is
15 subject to both of the following conditions:

16 1. The director of human services determines that the
17 investment can reasonably be expected to increase recovery of
18 assistance paid in error, due to fraudulent or nonfraudulent
19 actions, in excess of the amount recovered in the previous
20 fiscal year.

21 2. The amount expended for the additional fraud and
22 recoupment activities shall not exceed the amount of the
23 projected increase in assistance recovered.

24 Sec. 58. NEW SECTION. 218.6 TRANSFER OF APPROPRIATIONS
25 MADE TO INSTITUTIONS.

26 Notwithstanding section 8.39, subsection 1, without the
27 prior written consent and approval of the governor and the
28 director of the department of management, the director of
29 human services may transfer funds between the appropriations
30 made for the same type of institution, listed as follows:

31 1. The state resource centers.

32 2. The state mental health institutes.

33 3. The state juvenile institutions consisting of the state
34 training school and the Iowa juvenile home.

35 Sec. 59. NEW SECTION. 222.92 NET GENERAL FUND

1 APPROPRIATION -- STATE RESOURCE CENTERS.

2 1. The department shall operate the state resource centers
3 on the basis of net appropriations from the general fund of
4 the state. The appropriation amounts shall be the net amounts
5 of state moneys projected to be needed for the state resource
6 centers for the fiscal year of the appropriations. The
7 purpose of utilizing net appropriations is to encourage the
8 state resource centers to operate with increased self-
9 sufficiency, to improve quality and efficiency, and to support
10 collaborative efforts between the state resource centers and
11 counties and other providers of funding for the services
12 available from the state resource centers. The state resource
13 centers shall not be operated under the net appropriations in
14 a manner that results in a cost increase to the state or in
15 cost shifting between the state, the medical assistance
16 program, counties, or other sources of funding for the state
17 resource centers.

18 2. The net appropriation made for a state resource center
19 may be used throughout the fiscal year in the manner necessary
20 for purposes of cash flow management, and for purposes of cash
21 flow management, a state resource center may temporarily draw
22 more than the amount appropriated, provided the amount
23 appropriated is not exceeded at the close of the fiscal year.

24 3. Subject to the approval of the department, except for
25 revenues segregated as provided in section 249A.11, revenues
26 received that are attributed to a state resource center for a
27 fiscal year shall be credited to the state resource center's
28 account and shall be considered repayment receipts as defined
29 in section 8.2, including but not limited to all of the
30 following:

31 a. Moneys received by the state from billings to counties
32 under section 222.73.

33 b. The federal share of medical assistance program revenue
34 received under chapter 249A.

35 c. Federal Medicare program payments.

1 d. Moneys received from client financial participation.

2 e. Other revenues generated from current, new, or expanded
3 services that the state resource center is authorized to
4 provide.

5 4. For purposes of allocating moneys to the state resource
6 centers from the salary adjustment fund created in section
7 8.43, the state resource centers shall be considered to be
8 funded entirely with state moneys.

9 5. Notwithstanding section 8.33, up to five hundred
10 thousand dollars of a state resource center's revenue that
11 remains unencumbered or unobligated at the close of the fiscal
12 year shall not revert but shall remain available for
13 expenditure for purposes of the state resource center until
14 the close of the succeeding fiscal year.

15 Sec. 60. NEW SECTION. 226.9B NET GENERAL FUND
16 APPROPRIATION -- PSYCHIATRIC MEDICAL INSTITUTION FOR CHILDREN.

17 1. The psychiatric medical institution for children beds
18 operated by the state at the state mental health institute at
19 Independence, as authorized in section 135H.6, shall operate
20 on the basis of a net appropriation from the general fund of
21 the state. The allocation made by the department from the
22 annual appropriation to the state mental health institute at
23 Independence for the purposes of the beds shall be the net
24 amount of state moneys projected to be needed for the beds for
25 the fiscal year of the appropriation.

26 2. Revenues received that are attributed to the
27 psychiatric medical institution for children beds during a
28 fiscal year shall be credited to the mental health institute's
29 account and shall be considered repayment receipts as defined
30 in section 8.2, including but not limited to all of the
31 following:

32 a. The federal share of medical assistance program revenue
33 received under chapter 249A.

34 b. Moneys received through client financial participation.

35 c. Other revenues directly attributable to the psychiatric

1 medical institution for children beds.

2 Sec. 61. NEW SECTION. 226.9C NET GENERAL FUND

3 APPROPRIATION -- DUAL DIAGNOSIS PROGRAM.

4 1. The state mental health institute at Mount Pleasant
5 shall operate the dual diagnosis mental health and substance
6 abuse program on a net budgeting basis in which 50 percent of
7 the actual per diem and ancillary services costs are
8 chargeable to the patient's county of legal settlement or as a
9 state case, as appropriate. Subject to the approval of the
10 department, revenues attributable to the dual diagnosis
11 program for each fiscal year, shall be deposited in the mental
12 health institute's account and are appropriated to the
13 department for the dual diagnosis program, including but not
14 limited to all of the following revenues:

15 a. Moneys received by the state from billings to counties
16 under section 230.20.

17 b. Moneys received from billings to the Medicare program.

18 c. Moneys received from a managed care contractor
19 providing services under contract with the department or any
20 private third-party payor.

21 d. Moneys received through client participation.

22 e. Any other revenues directly attributable to the dual
23 diagnosis program.

24 2. The following additional provisions are applicable in
25 regard to the dual diagnosis program:

26 a. A county may split the charges between the county's
27 mental health, mental retardation, and developmental
28 disabilities services fund created pursuant to section
29 331.424A and the county's budget for substance abuse
30 expenditures.

31 b. If an individual is committed to the custody of the
32 department of corrections at the time the individual is
33 referred for dual diagnosis treatment, the department of
34 corrections shall be charged for the costs of treatment.

35 c. Prior to an individual's admission for dual diagnosis

1 treatment, the individual shall have been screened through a
2 county's central point of coordination process implemented
3 pursuant to section 331.440 to determine the appropriateness
4 of the treatment.

5 d. A county shall not be chargeable for the costs of
6 treatment for an individual enrolled in and authorized by or
7 decertified by a managed behavioral care plan under the
8 medical assistance program.

9 e. Notwithstanding section 8.33, state mental health
10 institute revenues related to the dual diagnosis program that
11 remain unencumbered or unobligated at the close of the fiscal
12 year shall not revert but shall remain available up to the
13 amount which would allow the state mental health institute to
14 meet credit obligations owed to counties as a result of year-
15 end per diem adjustments for the dual diagnosis program.

16 Sec. 62. Section 226.19, Code 2005, is amended to read as
17 follows:

18 226.19 DISCHARGE -- CERTIFICATE.

19 1. All patients shall be discharged, by in accordance with
20 the procedure prescribed in section 229.3 or section 229.16,
21 whichever is applicable, immediately on regaining their the
22 patient's good mental health.

23 2. If a patient's care is the financial responsibility of
24 the state or a county, as part of the patient's discharge
25 planning the state mental health institute shall provide
26 assistance to the patient in obtaining eligibility for the
27 federal state supplemental security income program.

28 Sec. 63. Section 229A.12, Code 2005, is amended to read as
29 follows:

30 229A.12 DIRECTOR OF HUMAN SERVICES -- RESPONSIBILITY FOR
31 COSTS -- REIMBURSEMENT.

32 The director of human services shall be responsible for all
33 costs relating to the evaluation, treatment, and services
34 provided to a person that are incurred after the person is
35 committed to the director's custody after the court or jury

1 determines that the respondent is a sexually violent predator
2 and pursuant to commitment under any provision of this
3 chapter. If placement in a transitional release program or
4 supervision is ordered, the director shall also be responsible
5 for all costs related to the transitional release program or
6 to the supervision and treatment of any person. Reimbursement
7 may be obtained by the director from the patient and any
8 person legally liable or bound by contract for the support of
9 the patient for the cost of confinement or of care and
10 treatment provided. Any benefit payments received by the
11 person pursuant to the federal Social Security Act shall be
12 used for the costs incurred. As used in this section, "any
13 person legally liable" does not include a political
14 subdivision.

15 Sec. 64. NEW SECTION. 231.34 LIMITATION OF FUNDS USED
16 FOR ADMINISTRATIVE PURPOSES.

17 Of the state funds appropriated or allocated to the
18 department for programs of the area agencies on aging, not
19 more than seven and one-half percent of the total amount shall
20 be used for area agencies on aging administrative purposes.

21 Sec. 65. NEW SECTION. 232.1A FOSTER CARE PLACEMENT --
22 ANNUAL GOAL.

23 The annual state goal for children placed in foster care
24 that is funded under the federal Social Security Act, Title
25 IV-E, is that not more than fifteen percent of the children
26 will be in a foster care placement for a period of more than
27 twenty-four months.

28 Sec. 66. Section 233A.1, Code 2005, is amended by adding
29 the following new subsection:

30 NEW SUBSECTION. 3. The number of children present at any
31 one time at the state training school at Eldora shall not
32 exceed the population guidelines established under 1990 Iowa
33 Acts, chapter 1239, section 21, as adjusted for subsequent
34 changes in the capacity at the training school.

35 Sec. 67. Section 233B.1, Code 2005, is amended to read as

1 follows:

2 233B.1 DEFINITIONS ---~~OBJECTS~~ PURPOSE -- POPULATION LIMIT.

3 1. For the purpose of this chapter, unless the context
4 otherwise requires:

5 ~~1-~~ a. "Administrator" or "director" means the director of
6 the department of human services.

7 ~~2-~~ b. "Home" means the Iowa juvenile home.

8 ~~3-~~ c. "Superintendent" means the superintendent of the
9 Iowa juvenile home.

10 2. The Iowa juvenile home shall be maintained for the
11 purpose of providing care, custody and education of ~~such~~ the
12 children ~~as~~ are committed to the home. ~~Such~~ The children
13 shall be wards of the state. ~~Their~~ The children's education
14 shall embrace instruction in the common school branches and in
15 such other higher branches as may be practical and will enable
16 the children to gain useful and self-sustaining employment.
17 The administrator and the superintendent of the home shall
18 assist all discharged children in securing suitable homes and
19 proper employment.

20 3. The number of children present at any one time at the
21 Iowa juvenile home shall not exceed the population guidelines
22 established under 1990 Iowa Acts, chapter 1239, section 21, as
23 adjusted for subsequent changes in the capacity at the home.

24 Sec. 68. Section 234.12A, subsection 1, unnumbered
25 paragraph 1, Code 2005, is amended to read as follows:

26 The department of human services ~~may-establish~~ shall
27 maintain an electronic benefits transfer program utilizing
28 electronic funds transfer systems. The program~~7-if~~
29 ~~established~~~~7~~ shall at a minimum provide for all of the
30 following:

31 Sec. 69. Section 237A.28, Code 2005, is amended to read as
32 follows:

33 237A.28 CHILD CARE CREDIT FUND.

34 A child care credit fund is created in the state treasury
35 under the authority of the department of human services. The

1 moneys in the fund shall consist of moneys deposited pursuant
2 to section 422.100 and ~~shall be used for child care services~~
3 ~~as annually~~ are appropriated by the general assembly to the
4 department to be used for the state child care assistance
5 program in accordance with section 237A.13.

6 Sec. 70. Section 239B.4, Code 2005, is amended by adding
7 the following new subsections:

8 NEW SUBSECTION. 3A. The department shall continue to work
9 with the department of workforce development and local
10 community collaborative efforts to provide support services
11 for participants. The support services shall be directed to
12 those participant families who would benefit from the support
13 services and are likely to have success in achieving economic
14 independence.

15 NEW SUBSECTION. 3B. The department shall continue to work
16 with religious organizations and other charitable institutions
17 to increase the availability of host homes, referred to as
18 second chance homes, or other living arrangements under the
19 federal Personal Responsibility and Work Opportunity
20 Reconciliation Act of 1996, Pub. L. No. 104-193, § 103, and
21 any successor legislation. The purpose of the homes or
22 arrangements is to provide a supportive and supervised living
23 arrangement for minor parents receiving assistance who may
24 receive assistance while living in an alternative setting
25 other than with their parent or legal guardian.

26 Sec. 71. Section 239B.11, Code 2005, is amended to read as
27 follows:

28 239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT -- DIVERSION
29 PROGRAM SUBACCOUNT -- DIVERSION PROGRAM.

30 1. An account is established in the state treasury to be
31 known as the family investment program account under control
32 of the department to which shall be credited all funds
33 appropriated by the state for the payment of assistance and
34 JOBS program expenditures. All other moneys received at any
35 time for these purposes, including child support revenues,

1 shall be deposited into the account as provided by law. All
2 assistance and JOBS program expenditures under this chapter
3 shall be paid from the account.

4 2. a. A diversion program subaccount is created within
5 the family investment program account. The subaccount may be
6 used to provide incentives to divert applicants' participation
7 in the family investment program if the applicants meet income
8 eligibility requirements for assistance, including but not
9 limited to providing a one-time cash payment to remedy an
10 immediate need. Incentives may be provided in the form of
11 payment or services with a focus on helping applicants to
12 obtain or retain employment. The diversion program subaccount
13 may also be used for payments to participants as necessary to
14 cover the expenses of removing barriers to employment and to
15 assist in stabilizing employment. In addition, the diversion
16 program subaccount may be used for funding of services and
17 payments for persons whose family investment program
18 eligibility has ended, in order to help the persons to
19 stabilize or improve their employment status.

20 b. The diversion program shall be implemented statewide in
21 a manner that preserves local flexibility in program design.
22 The department shall assess and screen individuals who would
23 most likely benefit from diversion program assistance. The
24 department may adopt additional eligibility criteria for the
25 diversion program as necessary for compliance with federal law
26 and for screening those families who would be most likely to
27 become eligible for the family investment program if diversion
28 program incentives would not be provided to the families.

29 Sec. 72. Section 249.3, subsection 4, paragraphs e and g,
30 Code 2005, are amended to read as follows:

31 e. Receive full medical assistance benefits under chapter
32 249A and are not required to meet a spend-down or pay a
33 premium to be eligible for such benefits.

34 g. Have income exceeding of at least one hundred thirty-
35 five twenty percent of the federal poverty level but not

1 exceeding the medical assistance income limit for the
2 eligibility group for the individual person's living
3 arrangement.

4 Sec. 73. Section 249A.12, subsection 6, paragraph c, Code
5 2005, is amended to read as follows:

6 c. The person's county of legal settlement shall pay for
7 the nonfederal share of the cost of services provided under
8 the waiver, and the state shall pay for the nonfederal share
9 of such costs if the person does not have ~~a county of~~ legal
10 settlement in this state or the legal settlement is unknown.

11 Sec. 74. Section 249A.12, subsection 6, Code 2005, is
12 amended by adding the following new paragraph:

13 NEW PARAGRAPH. d. The county of legal settlement shall
14 pay for one hundred percent of the nonfederal share of the
15 costs of care provided for adults which is reimbursed under a
16 home and community-based services waiver that would otherwise
17 be approved for provision in an intermediate care facility for
18 persons with mental retardation provided under the medical
19 assistance program.

20 Sec. 75. Section 249A.12, Code 2005, is amended by adding
21 the following new subsection:

22 NEW SUBSECTION. 7. When paying the necessary and legal
23 expenses of services for persons with mental retardation in an
24 intermediate care facility for persons with mental
25 retardation, the cost requirements of section 222.60 shall be
26 considered fulfilled when payment is made in accordance with
27 the medical assistance payment rates established by the
28 department for intermediate care facilities for persons with
29 mental retardation, and the state or a county of legal
30 settlement shall not be obligated for any amount in excess of
31 the rates.

32 Sec. 76. Section 249A.24, Code 2005, is amended by adding
33 the following new subsection:

34 NEW SUBSECTION. 3. The commission shall submit an annual
35 review, including facts and findings, of the drugs on the

1 department's prior authorization list to the department and to
2 the members of the general assembly's joint appropriations
3 subcommittee on health and human services.

4 Sec. 77. Section 249A.26, Code 2005, is amended to read as
5 follows:

6 249A.26 STATE AND COUNTY PARTICIPATION IN FUNDING FOR
7 SERVICES TO PERSONS WITH DISABILITIES -- CASE MANAGEMENT.

8 1. The state shall pay for one hundred percent of the
9 nonfederal share of the services paid for under any prepaid
10 mental health services plan for medical assistance implemented
11 by the department as authorized by law.

12 2. a. The Except as provided for disallowed costs in
13 section 269A.27, the county of legal settlement shall pay for
14 fifty percent of the nonfederal share of the cost and the
15 state shall have responsibility for the remaining fifty
16 percent of the nonfederal share of the cost of case management
17 provided to adults, day treatment, and partial hospitalization
18 provided under the medical assistance program for persons with
19 mental retardation, a developmental disability, or chronic
20 mental illness. For purposes of this section, persons with
21 mental disorders resulting from Alzheimer's disease or
22 substance abuse shall not be considered chronically mentally
23 ill. To the maximum extent allowed under federal law and
24 regulations, the department shall consult with and inform a
25 county of legal settlement's central point of coordination
26 process, as defined in section 331.440, regarding the
27 necessity for and the provision of any service for which the
28 county is required to provide reimbursement under this
29 subsection.

30 b. The state shall pay for one hundred percent of the
31 nonfederal share of the costs of case management provided for
32 adults, day treatment, partial hospitalization, and the home
33 and community-based services waiver services for persons who
34 do not have legal settlement in this state or the legal
35 settlement is unknown.

1 c. The case management services specified in this
2 subsection shall be paid for by a county only if the services
3 are provided outside of a managed care contract.

4 3. To the maximum extent allowed under federal law and
5 regulations, a person with mental illness or mental
6 retardation shall not be eligible for any service which is
7 funded in whole or in part by a county share of the nonfederal
8 portion of medical assistance funds unless the person is
9 referred through the central point of coordination process, as
10 defined in section 331.440. However, to the extent federal
11 law allows referral of a medical assistance recipient to a
12 service without approval of the central point of coordination
13 process, the county of legal settlement shall be billed for
14 the nonfederal share of costs for any adult person for whom
15 the county would otherwise be responsible.

16 4. The county of legal settlement shall pay for one
17 hundred percent of the nonfederal share of the cost of
18 services provided to persons with chronic mental illness
19 implemented under the adult rehabilitation option of the state
20 medical assistance plan. The state shall pay for one hundred
21 percent of the nonfederal share of the cost of such services
22 provided to such persons ~~without-a-county-of~~ who do not have
23 legal settlement in this state or the legal settlement is
24 unknown.

25 5. The state shall pay for the entire nonfederal share of
26 the costs for case management services provided to persons
27 seventeen years of age or younger who are served in a home and
28 community-based services waiver program under the medical
29 assistance program for persons with mental retardation.

30 6. Funding under the medical assistance program shall be
31 provided for case management services for eligible persons
32 seventeen years of age or younger residing in counties with
33 child welfare decategorization projects implemented in
34 accordance with section 232.188, provided these projects have
35 included these persons in the service plan and the

1 decategorization project county is willing to provide the
2 nonfederal share of the costs.

3 7. Unless a county has paid or is paying for the
4 nonfederal share of the costs of a person's home and
5 community-based waiver services or placement in an
6 intermediate care facility for persons with mental retardation
7 under the county's mental health, mental retardation, and
8 developmental disabilities services fund, or unless a county
9 of legal settlement would become liable for the costs of
10 services for a person at the level of care provided in an
11 intermediate care facility for persons with mental retardation
12 due to the person reaching the age of majority, the state
13 shall pay for the nonfederal share of the costs of an eligible
14 person's services under the home and community-based services
15 waiver for persons with brain injury.

16 5- 8. If a dispute arises between different counties or
17 between the department and a county as to the legal settlement
18 of a person who receives medical assistance for which the
19 nonfederal share is payable in whole or in part by a county of
20 legal settlement, and cannot be resolved by the parties, the
21 dispute shall be resolved as provided in section 225C.8.

22 9. Notwithstanding section 8.39, the department may
23 transfer funds appropriated for the medical assistance program
24 to a separate account established in the department's case
25 management unit in an amount necessary to pay for expenditures
26 required to provide case management for mental health, mental
27 retardation, and developmental disabilities services under the
28 medical assistance program which are jointly funded by the
29 state and county, pending final settlement of the
30 expenditures. Funds received by the case management unit in
31 settlement of the expenditures shall be used to replace the
32 transferred funds and are available for the purposes for which
33 the funds were originally appropriated.

34 Sec. 78. Section 249A.26A, Code 2005, is amended to read
35 as follows:

1 249A.26A STATE AND COUNTY PARTICIPATION IN FUNDING FOR
2 REHABILITATION SERVICES FOR PERSONS WITH CHRONIC MENTAL
3 ILLNESS.

4 The county of legal settlement shall pay for the nonfederal
5 share of the cost of rehabilitation services provided under
6 the medical assistance program for persons with chronic mental
7 illness, except that the state shall pay for the nonfederal
8 share of such costs if the person does not have ~~a-county-of~~
9 legal settlement in this state or the legal settlement is
10 unknown.

11 Sec. 79. NEW SECTION. 249A.32A HOME AND COMMUNITY-BASED
12 SERVICES WAIVERS -- LIMITATIONS.

13 In administering a home and community-based services
14 waiver, the total number of openings at any one time shall be
15 limited to the number approved for the waiver by the secretary
16 of the United States department of health and human services.
17 The openings shall be available on a first-come, first-served
18 basis.

19 Sec. 80. NEW SECTION. 249A.32B EARLY AND PERIODIC
20 SCREENING, DIAGNOSIS, AND TREATMENT FUNDING.

21 The department of human services, in consultation with the
22 Iowa department of public health and the department of
23 education, shall continue the program to utilize the early and
24 periodic screening, diagnosis, and treatment program funding
25 under the medical assistance program, to the extent possible,
26 to implement the screening component of the early and periodic
27 screening, diagnosis, and treatment program through the
28 schools. The department may enter into contracts to utilize
29 maternal and child health centers, the public health nursing
30 program, or school nurses in implementing this section.

31 Sec. 81. Section 252B.4, subsection 3, Code 2005, is
32 amended to read as follows:

33 3. Fees collected pursuant to this section shall be
34 ~~retained-by-the-department-for-use-by~~ considered repayment
35 receipts, as defined in section 8.2, and shall be used for the

1 purposes of the unit. The director or a designee shall keep
2 an accurate record of funds-so-retained the fees collected and
3 expended.

4 Sec. 82. Section 252B.23, subsection 11, Code 2005, is
5 amended to read as follows:

6 11. All surcharge payments shall be received and disbursed
7 by the collection services center. The surcharge payments
8 received by the collection services center shall be considered
9 repayment receipts as defined in section 8.2 and shall be used
10 to pay the costs of any contracts with a collection entity.

11 Sec. 83. NEW SECTION. 252B.25 USE OF FUNDING FOR
12 ADDITIONAL POSITIONS.

13 1. The director, within the limitations of the amount
14 appropriated for the limit, or moneys transferred for this
15 purpose from the family investment program account created in
16 section 239B.11, may establish new positions and add employees
17 to the unit if the director determines that both the current
18 and additional employees together can reasonably be expected
19 to maintain or increase net state revenue at or beyond the
20 budgeted level for the fiscal year.

21 2. a. The director may establish new positions and add
22 state employees to the unit or contract for delivery of
23 services if the director determines the employees are
24 necessary to replace county-funded positions eliminated due to
25 termination, reduction, or nonrenewal of a chapter 28E
26 contract. However, the director must also determine that the
27 resulting increase in the state share of child support
28 recovery incentives exceeds the cost of the positions or
29 contract, the positions or contract are necessary to ensure
30 continued federal funding of the unit, or the new positions or
31 contract can reasonably be expected to recover at least twice
32 the amount of money necessary to pay the salaries and support
33 for the new positions or the contract will generate at least
34 two hundred percent of the cost of the contract.

35 b. Employees in full-time positions that transition from

1 county government to state government employment under this
2 subsection are exempt from testing, selection, and appointment
3 provisions of chapter 19A and from the provisions of
4 collective bargaining agreements relating to the filling of
5 vacant positions.

6 Sec. 84. Section 505.25, Code 2005, is amended to read as
7 follows:

8 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE PROGRAM
9 AND HAWK-I PROGRAMS.

10 A carrier, as defined in section 514C.13, shall enter into
11 a health insurance data match program with the department of
12 human services for the sole purpose of comparing the names of
13 the carrier's insureds with the names of recipients of the
14 medical assistance program under chapter 249A or enrollees of
15 the hawk-i program under chapter 514I.

16 Sec. 85. Section 514I.11, subsection 2, Code 2005, is
17 amended to read as follows:

18 2. The trust fund shall be separate from the general fund
19 of the state and shall not be considered part of the general
20 fund of the state. The moneys in the trust fund are not
21 subject to section 8.33 and shall not be transferred, used,
22 obligated, appropriated, or otherwise encumbered, except to
23 provide for the purposes of this chapter and except as
24 provided in subsection 4. Notwithstanding section 12C.7,
25 subsection 2, interest or earnings on moneys deposited in the
26 trust fund shall be credited to the trust fund.

27 Sec. 86. Section 514I.11, Code 2005, is amended by adding
28 the following new subsections:

29 NEW SUBSECTION. 3. Moneys in the fund are appropriated to
30 the department and shall be used to offset any program costs.

31 NEW SUBSECTION. 4. The department may transfer moneys
32 appropriated from the fund to be used for the purpose of
33 expanding health care coverage to children under the medical
34 assistance program.

35 NEW SUBSECTION. 5. The department shall provide periodic

1 updates to the general assembly regarding expenditures from
2 the fund.

3 Sec. 87. Section 600.17, Code 2005, is amended by adding
4 the following new subsection:

5 NEW SUBSECTION. 3. The department of human services shall
6 make adoption presubsidy and adoption subsidy payments to
7 adoptive parents at the beginning of the month for the current
8 month.

9 Sec. 88. EFFECTIVE DATE. The amendment in this Act to
10 section 144A.13A, being deemed of immediate importance, takes
11 effect upon enactment.

12 EXPLANATION

13 This bill relates to and makes appropriations for health
14 and human services for fiscal year 2005-2006 to the state
15 commission of veterans affairs, the Iowa veterans home, the
16 department of elder affairs, the Iowa department of public
17 health, and the department of human services.

18 ELDER AFFAIRS, PUBLIC HEALTH, VETERANS AFFAIRS, AND HUMAN
19 SERVICES. This division appropriates funding from the general
20 fund of the state for the department of elder affairs.

21 The division appropriates funding from the general fund of
22 the state to the Iowa department of public health.

23 The division appropriates funds from the gambling treatment
24 fund in lieu of the standing appropriation in Code section
25 135.150 for addictive disorders and provides for use of the
26 funds remaining in the fund.

27 The division appropriates funding from the general fund of
28 the state to the commission of veterans affairs.

29 The division appropriates funding from the general fund of
30 the state and the federal temporary assistance for needy
31 families block grant to the department of human services.

32 Provisions in division I related to issuance of funding
33 plans by representatives of the department of human services
34 and the judicial branch and for carryforward of funding
35 allocated for FY 2004-2005 for purposes of electronic benefit

1 transfer activities and for field operations take effect upon
2 enactment.

3 SENIOR AND HOSPITAL TRUST FUNDS. This division makes
4 appropriations for the 2005-2006 fiscal year from the senior
5 living trust fund to the department of elder affairs, the
6 department of human services, the department of inspections
7 and appeals, and the Iowa finance authority.

8 The division makes an appropriation from the hospital trust
9 fund to the department of human services to supplement the
10 medical assistance appropriation.

11 The division provides for nonreversion of assisted living
12 conversion grant funding that remains unexpended at the close
13 of FY 2004-2005 or FY 2005-2006. This section takes effect
14 upon enactment.

15 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL
16 DISABILITIES, AND BRAIN INJURY SERVICES. This division
17 relates to mental health, mental retardation and other
18 developmental disabilities, and brain injury (MH/MR/DD/BI)
19 services funding.

20 The division provides for distribution of the services
21 funding previously appropriated for FY 2005-2006 and shifts an
22 allocation made from that funding to the risk pool fund to
23 instead be used for the Medicaid program.

24 CODE CHANGES -- This division makes Code changes involving
25 older Iowans, health, human services, and veterans programs.

26 Code section 28.9, creating the Iowa empowerment fund, is
27 amended to provide for distribution to community empowerment
28 areas of moneys credited to the early childhood programs grant
29 account by the department of human services.

30 New Code section 35D.18 provides for operation of the Iowa
31 veterans home through the use of a net appropriation from the
32 general fund of the state.

33 Code section 84A.26, relating to employment and training
34 programs operated by the department of workforce development,
35 is amended to require the department of workforce development

1 to consult with the department of human services in developing
2 and implementing departmental recruitment and training
3 practices that address the needs of former and current family
4 investment program participants.

5 New Code section 135.39C requires the Iowa department of
6 public health to implement elderly wellness services in a
7 manner that makes the department the payor of last resort.

8 Code section 136C.10, relating to fees collected by the
9 Iowa department of public health from regulation of radiation
10 machines and radioactive materials, is amended. The bill
11 authorizes the department to retain the fees collected for
12 licensing, registration, authorization, accreditation, and
13 inspection of radiation machines used for mammographically
14 guided breast biopsy, screening, and diagnostic mammography to
15 support the department's regulation of radiation machines and
16 radioactive materials.

17 Code section 144.13A, providing for appropriation of a
18 portion of certificate of birth fees for child abuse
19 prevention and the center for congenital and inherited
20 disorders central registry, is amended to provide that the
21 appropriation does not revert at the close of the fiscal year.
22 This section takes effect upon enactment.

23 New Code section 144.46A establishes the vital records
24 modernization project as a permanent project of the Iowa
25 department of public health. The project allows the
26 department to increase fees for vital records services and
27 appropriates the fee increase proceeds for use in modernizing
28 the technology used for vital records. The project was
29 originally authorized in 1993 and has been annually
30 reauthorized in appropriations legislation.

31 New Code section 147.28A directs the Iowa department of
32 public health to utilize scope of practice review committees
33 to evaluate and make recommendations concerning health
34 professional licensing requests, scope of practice requests,
35 and unresolved disputes between health professionals

1 concerning rulemaking authority. The department is authorized
2 to retain a portion of licensing fees for the costs of scope
3 of practice review committees.

4 Code section 147.82, relating to examination, licensing,
5 and other fees for regulation of health professions, requires
6 the fees to be credited to the general fund of the state.
7 Current law in Code section 12.10 allows departments to retain
8 up to 10 percent of such fees. The bill allows the Iowa
9 department of public health to retain more than the 10 percent
10 amount for certain purposes. The purposes include expenses
11 associated with a scope of practice review committee or
12 unanticipated litigation; a specified amount for lease and
13 maintenance expenses for the boards of dental examiners,
14 pharmacy examiners, medical examiners, and nursing; a
15 specified amount for processing medical license requests and
16 consideration of malpractice cases by the board of medical
17 examiners; a specified amount for the board of dental
18 examiners regulation of dental assistants; a specified amount
19 for program services and investigations by the board of
20 nursing; and a specified amount for the duties of the board of
21 pharmacy examiners.

22 Code section 217.13, relating to the requirement for the
23 department of human services to implement volunteer programs,
24 is amended to provide that volunteers can be used for any
25 functions that complement and supplement the department's work
26 with clients.

27 New Code section 217.35 makes a contingent appropriation to
28 the department of human services of recovered moneys generated
29 through fraud and recoupment activities to be used for
30 additional recovery activities of the departments of human
31 services and inspections and appeals. The director of human
32 services must make a determination that there will be an
33 increase in recoveries exceeding the amount recovered in the
34 previous fiscal year and the amount expended for additional
35 fraud and recoupment activities cannot exceed the additional

1 amount recovered. If the appropriation is utilized, a
2 requirement in Code section 239B.14 for deposit of recovered
3 family investment program moneys in that program's account is
4 superseded.

5 New Code section 218.6 authorizes the department of human
6 services to transfer between the institutional appropriations
7 made for the same type of institution without the prior
8 approval of the governor and the department of management.

9 New Code sections 222.92, 226.9B, and 226.9C provide for
10 operation of the state resource centers, a psychiatric medical
11 institution for children located at the state mental health
12 institute at Independence, and a dual diagnosis mental health
13 and substance abuse treatment program located at the state
14 mental health institute at Mount Pleasant through the use of a
15 net appropriation from the general fund of the state.

16 Code section 226.19, relating to discharge of patients from
17 a state mental health institute, is amended to require the
18 discharge planning for a patient whose care is paid for by the
19 state or a county to include assistance to the patient in
20 obtaining eligibility for the federal supplemental security
21 income program.

22 Code section 229A.12, relating to the responsibility of the
23 director of human services for the costs incurred on behalf of
24 a person committed to the unit for sexually violent predators,
25 is amended to provide that benefits received by the person
26 under the federal Social Security Act shall be applied against
27 the costs.

28 New Code section 231.34 limits the percentage amount of the
29 moneys allocated to the area agencies on aging that may be
30 used for administrative purposes.

31 New Code section 232.1A provides that the annual goal for
32 the percentage of children placed in foster care for more than
33 24 months is 15 percent or less.

34 The bill amends Code sections 233A.1 and 233B.1 to provide
35 that the number of children present at any one time at the

1 state training school at Eldora or the Iowa juvenile home
2 cannot exceed the populations guidelines established pursuant
3 to a 1990 enactment, as adjusted for subsequent changes in
4 capacity.

5 Code section 234.12A, relating to the elections benefits
6 transfer program administered by the department of human
7 services, is amended. The bill requires the department to
8 maintain the program. Under current law, operation of the
9 program is authorized but not mandated.

10 Code section 237A.28, establishing the child care credit
11 fund, is amended to make a standing appropriation of the
12 proceeds in the fund to the department for the state child
13 care assistance program for low-income families.

14 Code section 239B.4, relating to the duties of the
15 department of human services involving the family investment
16 program (FIP), is amended to require the department to work
17 with the department of workforce development and local
18 collaborative efforts in providing support services to FIP
19 participants. In addition, the department of human services
20 is required to increase the availability of host homes to
21 provide a supportive living arrangement for minor parents
22 participating in FIP.

23 Code section 239B.11 provisions relating to the diversion
24 subaccount of the family investment program account are
25 amended to provide additional purposes for which the funding
26 may be used and to require the program to be operated
27 statewide while allowing for local flexibility.

28 Code section 249.3, relating to persons who may be eligible
29 for the state supplementary assistance program at the option
30 of the department of human services, is amended to decrease
31 the upper income eligibility limitation and to change the
32 requirement relative to receiving benefits under the Medicaid
33 program.

34 Code sections 249A.12, 249A.26, and 249A.26A are amended to
35 address state and county participation in funding for persons

1 with mental retardation and disabilities, including case
2 management services.

3 Code section 249A.24, relating to the Medicaid program drug
4 utilization review commission, is amended to require the
5 commission to submit an annual review of the drugs on the
6 department of human services' prescription drug prior
7 authorization list.

8 New Code section 249A.32A establishes various procedural
9 and funding requirements for home and community-based services
10 waivers implemented under the Medicaid program.

11 New Code section 249A.32B requires the department of human
12 services to continue the early and periodic screening,
13 diagnosis, and treatment services program under the medical
14 assistance program and to involve other departments.

15 Code section 252B.4 is amended to authorize the department
16 of human services to retain and expend the fees collected for
17 providing child support collection services.

18 Code section 252B.23 authorizes the department to retain
19 and expend child support collection surcharges for the costs
20 of contracts with a collection entity.

21 New Code section 252B.25 authorizes the department of human
22 services to add new positions to the child support recovery
23 unit if the new positions along with the current positions can
24 reasonably be expected to maintain or increase net state
25 revenue beyond the level budgeted for the fiscal year. In
26 addition, the department is authorized to add state employees
27 to the child support recovery unit or contract for services if
28 necessary to replace county-funded positions eliminated due to
29 a termination, reduction, or nonrenewal of a chapter 28E
30 contract.

31 Code section 505.25, requiring health insurance carriers to
32 enter into a data match program with the department of human
33 services to compare the names of the carrier's insureds with
34 recipients of the Medicaid program, is amended to also compare
35 the names with enrollees of the hawk-i program.

1 Code section 514I.11 is amended to appropriate moneys in
2 the hawk-i trust fund to the department of human services and
3 to allow for transfer of the moneys in the trust fund to
4 expand health care coverage to children under the medical
5 assistance program.

6 Code section 600.17 is amended to require the department of
7 human services to make subsidized adoption payments at the
8 beginning of the month.

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June 14, 2005

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit **House File 825**, an Act relating to and making appropriations to the Department of Human Services, the Department of Elder Affairs, the Iowa Department of Public Health, the Commission of Veterans Affairs and the Iowa Veterans Home, and the Department of Inspections and Appeals, providing for fee increases, and including other related provisions and appropriations, and providing effective dates.

At the beginning of the legislative session, I challenged the Legislature to take action to protect the health security of Iowans. This bill takes a number of noteworthy steps to accomplish that goal.

This bill includes an increase of almost \$10 million to increase reimbursement for child care providers and to expand eligibility for low income families to qualify for state child care assistance, a key piece of our early childhood initiative. This bill complements those efforts with a \$4.5 million increase for the children's health insurance program (HAWK-I), to provide health coverage for increasing numbers of children.

During the past several years of difficult budget times, other states have had to cut services or reduce eligibility to maintain their Medicaid programs. Iowa has managed to avoid cutting services to our most vulnerable and found a way to actually improve services and provide health coverage for an additional 30,000 Iowans through this bill and House File 841, the IowaCare Act. Today, we take steps to improve health security by providing \$6 million in Medicaid funding to pay for health services in the home and community for almost 2,500 ill or disabled Iowans. We also provide funding for a three percent reimbursement rate increase for all medical providers under the Medicaid program to maintain the high quality of care in our health care system.

Despite the good efforts highlighted above, I have several concerns with this budget. Although I am pleased that the Legislature did not cut Medicaid services and did increase provider reimbursement rates, based on current estimates, the Medicaid program was still not fully funded. Legislators will need to address this through a supplemental for Medicaid when they return next January.

This budget also continues to rely heavily on the Senior Living Trust to fund essential health care services. This year we made a step to reduce that reliance. However, in order to continue protecting the health security of Iowans, we will need to further reduce the reliance on the Senior Living Trust while taking steps to pay back and strengthen the Trust.

I am also disappointed that the Legislature did not take action to save lives by increasing the tobacco tax, which in turn would reduce cigarette consumption, particularly among children. Children are particularly likely to stop smoking, or not start in the first place, when the price is increased. Increasing the tobacco tax by \$0.80 will lead to an estimated 15.6 percent decrease in youth smoking rates and a 4.2 percent decrease in adult smoking rates. Estimates also indicate that in the first five years alone, a tobacco tax increase will lead to \$8.5 million in health care cost savings for heart and stroke illnesses and \$5.9 million in health care savings by avoiding low birth weight births. I am hopeful that the Legislature will take action on the tobacco tax to save lives and protect the health security of Iowans next year.

House File 825 is approved on this date, with the following exceptions, which I hereby disapprove:

I am unable to approve the item designated as Section 9, subsection 14, in its entirety. This subsection prescribes requirements that the Department of Human Services would be required to abide by in order to implement the cost saving provisions of Iowa's preferred drug list (PDL) in the Medicaid program. These requirements are impractical and would create an unnecessary barrier to the effective implementation of the PDL. The requirements also seek to give drug manufacturers preferential treatment. Currently, the Department posts the agenda of the Pharmaceutical and Therapeutics Committee including drugs to be considered 30 days in advance for all interested parties, not just pharmaceutical manufacturers, to review. Current practice also allows all interested parties to comment. I believe that the process should provide timely notice to and opportunity for comment from all interested parties. The current practice accomplishes this.

I am unable to approve the item designated as Section 24, subsection 6, in its entirety. This subsection directs the Department of Human Services to continue contracting with current service providers for mental health services provided to the homeless rather than requesting competitive bids as required under federal law. I believe that it is a good government practice to get the best value and best service possible; therefore, I support using a competitive bidding process.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in **House File 825** are hereby approved this date.

Sincerely,

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House

HOUSE FILE 825

AN ACT

RELATING TO AND MAKING APPROPRIATIONS TO THE DEPARTMENT OF HUMAN SERVICES, THE DEPARTMENT OF ELDER AFFAIRS, THE IOWA DEPARTMENT OF PUBLIC HEALTH, THE COMMISSION OF VETERANS AFFAIRS AND THE IOWA VETERANS HOME, AND THE DEPARTMENT OF INSPECTIONS AND APPEALS, PROVIDING FOR FEE INCREASES, AND INCLUDING OTHER RELATED PROVISIONS AND APPROPRIATIONS, AND PROVIDING EFFECTIVE DATES.

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

DIVISION I

GENERAL FUND AND BLOCK GRANT APPROPRIATIONS

ELDER AFFAIRS

Section 1. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department of elder affairs and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for the frail elderly, the retired and senior volunteer program, resident advocate committee coordination, employment, and other services which may include, but are not limited to, adult day services, respite care, chore services, telephone reassurance, information and assistance, and home repair services, and for

the construction of entrance ramps which make residences accessible to the physically handicapped, and for salaries, support, administration, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions with the department of elder affairs:

..... \$ 2,792,116
..... FTEs 27.75

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$174,198 shall be transferred to the office of the governor for the Iowa commission on volunteer service to be used for the retired and senior volunteer program.

HEALTH

Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

..... \$ 1,759,020
..... FTEs 7.45

The department and any grantee or subgrantee of the department shall not discriminate against a nongovernmental

organization that provides substance abuse treatment and prevention services or applies for funding to provide those services on the basis that the organization has a religious character.

Of the moneys appropriated in this subsection, \$30,310 shall be used to continue to provide funding to local communities that have previously received funding from the centers for disease control and prevention of the United States department of health and human services for secondhand smoke education initiatives.

2. ADULT WELLNESS

For maintaining or improving the health status of adults, with target populations between the ages of 18 through 60:

..... \$ 304,067

3. CHILD AND ADOLESCENT WELLNESS

For promoting the optimum health status for children and adolescents from birth through 21 years of age, and for not more than the following full-time equivalent positions:

..... \$ 915,761
..... FTEs 6.65

4. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

..... \$ 1,265,342
..... FTEs 1.35

Of the funds appropriated in this subsection, not more than \$100,000 shall be used to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants.

5. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

..... \$ 1,264,299
..... FTEs 9.90

Of the funds appropriated in this subsection, \$100,000 is allocated for a child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with community empowerment areas.

6. ELDERLY WELLNESS

For optimizing the health of persons 60 years of age and older:

..... \$ 9,233,985

7. ENVIRONMENTAL HAZARDS

For reducing the public's exposure to hazards in the environment, primarily chemical hazards, and for not more than the following full-time equivalent positions:

..... \$ 401,808
..... FTEs 1.50

The amount appropriated in this subsection includes \$150,000 in additional funding for childhood lead poisoning prevention activities for counties not receiving federal funding for this purpose, and of this amount, \$50,000 is allocated for a pilot project to address lead poisoning prevention and remediation activities in a three-county program in north central Iowa with a combined population of at least 50,000.

8. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

..... \$ 1,078,039
..... FTEs 5.25

9. INJURIES

For providing support and protection to victims of abuse or injury, or programs that are designed to prevent abuse or injury, and for not more than the following full-time equivalent positions:

..... \$ 1,379,258
..... FTEs 1.80

Of the funds appropriated in this subsection, not more than \$670,214 shall be used for the healthy opportunities to experience success (HOPES) - healthy families Iowa (HFI) program established pursuant to section 135.106. The department shall transfer the funding allocated for the HOPES-HFI program to the Iowa empowerment board for distribution and shall assist the board in managing the contracting for the funding. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2005.

Of the funds appropriated in this subsection, \$643,500 shall be credited to the emergency medical services fund created in section 135.25.

10. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

.....	\$	6,964,033
.....	FTEs	110.05

The office of the state medical examiner and the commissioner of public safety shall give consideration to a proposal offered by Polk county for the state criminalistics laboratory to share facilities with Polk county.

11. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

.....	\$	1,073,884
.....	FTEs	3.00

12. IOWA COLLABORATIVE SAFETY NET PROVIDER NETWORK

The purpose of this subsection is to create a formal network of safety net providers to do all of the following: preserve and expand the health care safety net for vulnerable Iowans; emphasize preventive services and disease management, reduction of errors, continuity of care, and the medical home concept; recognize that safety net providers are the primary

means of access to health care for the uninsured in this state; and provide a mechanism to identify the extent to which the uninsured in this state access health care safety net providers. Of the amount appropriated in this division of this Act for the medical assistance program, \$1,100,000 is transferred to the appropriations made in this subsection. The amount transferred is allocated as follows:

a. To contract for a program to develop an Iowa collaborative safety net provider network:
..... \$ 450,000

(1) The Iowa department of public health shall issue a request for proposals to select the most qualified applicant to develop and administer an Iowa collaborative safety net provider network that includes community health centers, rural health clinics, free clinics, and other safety net providers. The department shall coordinate conditions of the request for proposals with the data and information requirements of the task force on indigent care created pursuant to section 249J.14A, as enacted by 2005 Iowa Acts, House File 841, section 16. The request for proposals shall also require the person awarded the contract to enroll as a member of the task force on indigent care. The person awarded the contract shall do all of the following:

(a) Establish an Iowa safety net provider advisory group consisting of representatives of community health centers, rural health clinics, free clinics, other safety net providers, patients, and other interested parties.

(b) Develop a planning process to logically and systematically implement the Iowa collaborative safety net provider network.

(c) In cooperation with the free clinics of Iowa and individual free clinics, the Iowa association of rural health clinics, and the Iowa/Nebraska primary care association, develop a database of all community health centers, rural health clinics, free clinics, and other safety net providers. The data collected shall include the demographics and needs of

the vulnerable populations served, current provider capacity, and the resources and needs of the participating safety net providers.

(d) Develop network initiatives for collaboration between community health centers, rural health clinics, free clinics, other safety net providers, and other health care providers to, at a minimum, improve quality, improve efficiency, reduce errors, and provide clinical communication between providers. The network initiatives shall include, but are not limited to, activities that address all of the following:

- (i) Training.
- (ii) Information technology.
- (iii) Financial resource development.
- (iv) A referral system for ambulatory care.
- (v) A referral system for specialty care.
- (vi) Pharmaceuticals.
- (vii) Recruitment of health professionals.

(2) The Iowa department of public health shall issue a request for proposals to provide for an evaluation of the performance of the Iowa collaborative safety net provider network and its impact on the medically underserved.

b. For an incubation grant program to community health centers that receive a total score of 85 based on the evaluation criteria of the health resources and services administration of the United States department of health and human services:

..... \$ 650,000

The Iowa department of public health shall select qualified applicants eligible under this lettered paragraph, and shall approve grants in prorated amounts to all such selected qualified applicants based on the total amount of funding appropriated. A grantee shall meet all federal requirements for a federally qualified health center, including demonstrating a commitment to serve all populations in the grantee's respective medically underserved community and satisfying the administrative, management, governance,

service-related, utilization of funding, and audit requirements unique to federally qualified health centers as provided under section 330 of the federal Public Health Service Act, as amended, and as codified at 42 U.S.C. § 254(b). A grant may be approved for a two-year period. However, if a grantee is approved as a federally qualified health center during the grant period, the grant and accompanying funding shall be terminated for the remainder of the grant period. If a grantee is not approved as a federally qualified health center during the grant period, the grantee may apply for a subsequent grant under this lettered paragraph on a competitive basis. A recipient of a grant under this lettered paragraph shall provide a local match of 25 percent of the grant funds received.

13. The university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section.

14. A local health care provider or nonprofit health care organization seeking grant moneys administered by the Iowa department of public health shall provide documentation that the provider or organization has coordinated its services with other local entities providing similar services.

15. a. The department shall apply for available federal funds for sexual abstinence education programs.

b. It is the intent of the general assembly to comply with the United States Congress' intent to provide education that promotes abstinence from sexual activity outside of marriage and reduces pregnancies, by focusing efforts on those persons most likely to father and bear children out of wedlock.

c. Any sexual abstinence education program awarded moneys under the grant program shall meet the definition of abstinence education in the federal law. Grantees shall be evaluated based upon the extent to which the abstinence program successfully communicates the goals set forth in the federal law.

Sec. 3. GAMBLING TREATMENT FUND -- APPROPRIATION. In lieu of the appropriation made in section 135.150, subsection 1, there is appropriated from funds available in the gambling treatment fund created in section 135.150 to the Iowa department of public health for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

To be utilized for the benefit of persons with addictions:

..... \$ 1,690,000

It is the intent of the general assembly that from the moneys appropriated in this subsection, persons with a dual diagnosis of substance abuse and gambling addictions shall be given priority in treatment services.

2. GAMBLING TREATMENT PROGRAM

The funds in the gambling treatment fund after the appropriation in subsection 1 is made are appropriated to the department to be used for funding of administrative costs and to provide programs which may include, but are not limited to, outpatient and follow-up treatment for persons affected by problem gambling, rehabilitation and residential treatment programs, information and referral services, education and preventive services, and financial management services. Of the amount appropriated in subsection 1, up to \$100,000 may be used for the licensing of gambling treatment programs as provided in section 135.150.

COMMISSION OF VETERANS AFFAIRS

Sec. 4. COMMISSION OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the commission of veterans affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, including the war orphans educational aid fund established pursuant to chapter 35, and for not more than the following full-time equivalent positions:

..... \$ 320,717
..... FTEs 4.00

a. Of the funds appropriated in this subsection, \$50,000 shall be used by the commission to contract with the Iowa commission on volunteer service created pursuant to chapter 15H to utilize local veterans affairs commissions and the retired and senior volunteers program to increase the utilization by eligible individuals of benefits available through the federal department of veterans affairs.

b. Of the funds appropriated in this subsection, \$75,000 shall be used for the commission's costs associated with the contracts implemented under paragraph "a".

2. IOWA VETERANS HOME

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 16,309,443
..... FTEs 855.22

HUMAN SERVICES

Sec. 5. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, which are federally appropriated for the federal fiscal years beginning October 1, 2004, and ending September 30, 2005, and beginning October 1, 2005, and ending September 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:
..... \$ 44,277,569
- 2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program, and implementing family investment agreements, in accordance with chapter 239B:
..... \$ 13,412,794
- 3. For field operations:
..... \$ 16,702,033
- 4. For general administration:
..... \$ 3,730,547
- 5. For local administrative costs:
..... \$ 2,181,296
- 6. For state child care assistance:
..... \$ 14,556,560
 - a. Of the funds appropriated in this subsection, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.
 - b. The funds appropriated in this subsection shall be transferred to the child care and development block grant appropriation.
- 7. For mental health and developmental disabilities community services:
..... \$ 4,798,979
- 8. For child and family services:
..... \$ 31,538,815

- 9. For child abuse prevention grants:
..... \$ 250,000
- 10. For pregnancy prevention grants on the condition that family planning services are funded:
..... \$ 2,520,037
 - a. If the department receives approval of a waiver from the centers for Medicare and Medicaid services of the United States department of health and human services to provide family planning services, of the amount appropriated in this subsection, \$533,580 shall be transferred to the appropriation in this Act for child and family services.
 - b. Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2005, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2005, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.
- 11. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:
..... \$ 1,037,186
- 12. For the healthy opportunities for parents to experience success (HOPES) program administered by the Iowa department of public health to target child abuse prevention:
..... \$ 200,000
- 13. To be credited to the state child care assistance appropriation made in this section to be used for funding of

community-based early childhood programs targeted to children from birth through five years of age, developed by community empowerment areas as provided in section 28.9, as amended by this Act:

..... \$ 7,350,000

The department shall transfer TANF block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection.

14. For a pilot program to be established in a judicial district, selected by the department and the judicial council, to provide employment and support services to delinquent child support obligors as an alternative to commitment to jail as punishment for contempt of court:

..... \$ 200,000

Of the amounts appropriated in this section, \$12,808,841 for the fiscal year beginning July 1, 2005, shall be transferred to the appropriation of the federal social services block grant for that fiscal year. If the federal government revises requirements to reduce the amount that may be transferred to the federal social services block grant, it is the intent of the general assembly to act expeditiously during the 2006 legislative session to adjust appropriations or the transfer amount or take other actions to address the reduced amount.

Sec. 6. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions which are in addition to any other full-time equivalent

positions authorized in this division of this Act:

..... FTEs 17.33

3. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2005, and ending June 30, 2006, are allocated as follows:

a. For the family development and self-sufficiency grant program as provided under section 217.12:

..... \$ 5,133,042

(1) Of the funds allocated for the family development and self-sufficiency grant program in this lettered paragraph, not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) The department may continue to implement the family development and self-sufficiency grant program statewide during FY 2005-2006.

b. For the diversion subaccount of the FIP account:

..... \$ 2,814,000

(1) A portion of the moneys allocated for the subaccount may be used for field operations salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program.

(2) Of the funds allocated in this lettered paragraph, not more than \$250,000 shall be used to develop or continue community-level parental obligation pilot projects. The requirements established under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (3), shall remain applicable to the parental obligation pilot projects for fiscal year 2005-2006.

c. For the food stamp employment and training program:

..... \$ 64,278

4. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall

be credited to the FIP account and a portion may be used to increase recoveries.

5. The department may adopt emergency administrative rules for the family investment, food stamp, and medical assistance programs, if necessary, to comply with federal requirements.

Sec. 7. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 40,439,695

1. Of the funds appropriated in this section, \$9,274,134 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$100,000 shall be used to provide a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state. The grant shall be provided to an organization that has existing national foundation support for supplying such assistance that can also secure local charitable match funding.

Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 7,829,317
..... FTEs 423.00

1. The department shall expend up to \$31,000, including federal financial participation, for the fiscal year beginning July 1, 2005, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

2. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation site and mediation services.

Sec. 9. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2005, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$519,040,317

1. Medically necessary abortions are those performed under any of the following conditions:

- a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.
- b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.
- c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or

public or private health agency which may include a family physician.

d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409, subsection 6. Of the funds allocated in this subsection, not more than \$5,000 may be expended for administrative purposes.

3. Of the funds appropriated to the Iowa department of public health for addictive disorders, \$950,000 for the fiscal year beginning July 1, 2005, shall be transferred to the department of human services for an integrated substance abuse managed care system.

4. If the federal centers for Medicare and Medicaid services approves a waiver request from the department, the department shall provide a period of 12 months of guaranteed eligibility for medical assistance family planning services only, regardless of the change in circumstances of a woman who was a medical assistance recipient when a pregnancy ended. The department shall also provide this guaranteed eligibility to women of childbearing age with countable income at or below 200 percent of the federal poverty level.

5. a. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have

been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy process.

b. Of the funds appropriated in this section, \$100,000 shall be used for participation in one or more pilot projects operated by a private provider to allow the individual or individuals to receive service in the community in accordance with principles established in *Olmstead v. L.C.*, 527 U.S. 581 (1999), for the purpose of providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to the policy provisions.

6. Of the funds available in this section, up to \$3,050,082 may be transferred to the field operations or general administration appropriations in this Act for implementation and operational costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173.

7. The department shall expand the health insurance data match program as directed pursuant to 2004 Iowa Acts, chapter 1175, section 119, subsection 1, paragraph "c", to also match insureds against a listing of hawk-i program enrollees. The information submitted under the expansion shall be used solely to identify third-party payors for hawk-i program enrollees and shall be kept confidential. The department, in consultation with insurance carriers, shall adopt rules to implement this subsection. The department may adopt emergency rules to implement this subsection and insurance carriers shall begin providing the information required upon adoption of the rules.

8. The department shall provide educational opportunities to providers under the medical assistance program to improve payment accuracy by avoiding mistakes and overbilling.

9. The department shall modify billing practices to allow for collection of rebates from prescription drug manufacturers under the medical assistance program for purchase of injectable drugs administered in physicians' offices.

10. The department shall adjust managed care capitation payments from the payment structure in effect as of June 30, 2004, to optimize family planning claiming.

11. The medical assistance pharmaceutical and therapeutics committee established pursuant to section 249A.20A shall develop options for increasing the savings relative to psychotropic drugs, while maintaining patient care quality. This subsection shall not be construed to amend, modify, or repeal the exception provided pursuant to section 249A.20A relating to drugs prescribed for mental illness. The committee shall submit a report of any options the committee recommends to the general assembly by January 1, 2006. Any options developed or recommended shall not be implemented without an affirmative action enacted by the general assembly.

12. The department shall expand coverage under the medical assistance program to cover smoking cessation drugs.

13. The department shall expand coverage under the medical assistance program to cover weight reduction treatments and drugs.

14. The department shall adopt rules to require that if a product is to be considered by the pharmaceutical and therapeutics committee established pursuant to section 249A.20A for inclusion on the preferred drug list, the pharmaceutical and therapeutics committee shall respond to all inquiries regarding the process at least 72 hours prior to a meeting of the committee to consider inclusion of the product. Additionally, the rules shall require that the committee provide a pharmaceutical manufacturer of a product with 20 days' prior written notice of consideration of the

manufacturer's product for inclusion on the preferred drug list to allow adequate time for preparation of appropriate materials to be submitted to the committee for review. The rules shall also require that adequate time be provided for each interested individual to address the committee regarding a product to be considered for inclusion on the preferred drug list by the committee. A final decision regarding inclusion of a product on the preferred drug list shall not be made in an executive session of the committee.

Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:	
.....	\$ 612,574
.....	FTEs 20.95

Sec. 11. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts, including salaries, support, maintenance, and miscellaneous purposes:	
.....	\$ 14,711,985

Sec. 12. STATE SUPPLEMENTARY ASSISTANCE.
1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the state supplementary assistance program:

..... \$ 19,810,335

2. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

3. If during the fiscal year beginning July 1, 2005, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 13. CHILDREN'S HEALTH INSURANCE PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I for receipt of federal financial participation under Title XXI of the federal Social Security Act, which creates the state children's health

insurance program:

..... \$ 16,618,275

Sec. 14. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ 15,800,752

1. a. Of the funds appropriated in this section, \$14,375,228 shall be used for state child care assistance in accordance with section 237A.13.

b. The department shall adopt rules to increase the upper income eligibility requirements under the state child care assistance program for families from 140 percent of the federal poverty level to 145 percent of the federal poverty level and for families with a special needs child from 175 percent of the federal poverty level to 200 percent of the federal poverty level. The poverty level changes shall take effect September 1, 2005. The department may adopt emergency rules to implement this paragraph.

2. Of the funds appropriated in this section, \$900,000 shall be used for implementation of a quality rating system for child care providers, in accordance with legislation enacted to authorize implementation of the rating system.

3. Nothing in this section shall be construed or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

4. Of the funds appropriated in this section, \$525,524 is allocated for the statewide program for child care resource and referral services under section 237A.26.

5. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

6. A portion of the state match for the federal child care and development block grant shall be provided through the state general fund appropriation for child development grants and other programs for at-risk children in section 279.51.

Sec. 15. JUVENILE INSTITUTIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the Iowa juvenile home at Toledo and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:
..... \$ 6,226,283
..... FTEs 130.54

2. For operation of the state training school at Eldora and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:
..... \$ 9,830,692
..... FTEs 218.53

3. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa

juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2005.

Sec. 16. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

..... \$ 75,200,000

In order to address a reduction of \$5,200,000 from the amount allocated under this appropriation in prior years for purposes of juvenile delinquent graduated sanction services, up to \$5,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services, shall be made available for purposes of juvenile delinquent graduated sanction services.

2. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

3. a. Of the funds appropriated in this section, up to \$35,883,519 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and services.

b. If at any time after September 30, 2005, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure

target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

c. Of the funds allocated in this subsection, \$1,465,009 is allocated as the state match funding for 50 highly structured juvenile program beds. If the number of beds provided for in this lettered paragraph is not utilized, the remaining funds allocated may be used for group foster care.

d. If House File 538 or other legislation is enacted during the 2005 session of the general assembly providing for submission of an application for federal approval of a waiver to provide coverage under the medical assistance program for children who need behavioral health care services and qualify for the care level provided by a psychiatric medical institution for children licensed under chapter 135H and are in need of treatment to cure or alleviate serious mental illness or disorder, or emotional damage as evidenced by severe anxiety, depression, withdrawal, or untoward aggressive behavior toward self or others and whose parents, guardians, or custodians are unable to provide such treatment, and the waiver is approved, the department may transfer funds appropriated in this section to the appropriation made in this division of this Act for the medical assistance program in order to pay the nonfederal share of the costs incurred under the waiver.

4. In accordance with the provisions of section 232.188, the department shall continue the program to decategorize child welfare services funding. Of the funds appropriated in this section, \$2,500,000 is allocated specifically for expenditure through the decategorization of child welfare funding pools and governance boards established pursuant to section 232.188. In addition, up to \$1,000,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of decategorization of child welfare services as provided in this subsection. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

5. A portion of the funding appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project to stay together or to be reunified.

6. Notwithstanding section 234.35, subsection 1, for the fiscal year beginning July 1, 2005, state funding for shelter care paid pursuant to section 234.35, subsection 1, paragraph "h", shall be limited to \$7,252,955.

7. Federal funds received by the state during the fiscal year beginning July 1, 2005, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section, are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

8. Of the moneys appropriated in this section, not more than \$442,100 is allocated to provide clinical assessment services as necessary to continue funding of children's rehabilitation services under medical assistance in accordance with federal law and requirements. The funding allocated is the amount projected to be necessary for providing the clinical assessment services.

9. Of the funding appropriated in this section, \$3,696,285 shall be used for protective child care assistance.

10. Of the moneys appropriated in this section, up to \$2,859,851 is allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4.

4. Of the amount allocated in this subsection, up to \$1,431,597 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

a. Notwithstanding section 232.141 or any other provision of law to the contrary, the amount allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination of the distribution amounts on or before June 15, 2005.

b. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court distribution amount to pay for the service. The chief juvenile court officer shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers shall attempt to anticipate potential

surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator to transfer funds between the districts' distribution amounts as prudent.

c. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

d. Of the funding allocated in this subsection, not more than \$100,000 may be used by the judicial branch for administration of the requirements under this subsection and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

11. Notwithstanding 2000 Iowa Acts, chapter 1228, section 43, the department may operate a subsidized guardianship program if the United States department of health and human services approves a waiver under Title IV-E of the federal Social Security Act or the federal Social Security Act is amended to allow Title IV-E funding to be used for subsidized guardianship, and the subsidized guardianship program can be operated without loss of Title IV-E funds.

12. Of the amount appropriated in this section, \$1,000,000 shall be transferred to the Iowa department of public health to be used for the child protection center grant program in accordance with section 135.118.

13. Of the amount appropriated in this section, \$148,000 shall be used for funding of one or more child welfare diversion and mediation pilot projects as provided in 2004 Iowa Acts, chapter 1130, section 1.

14. If the department receives federal approval to implement a waiver under Title IV-E of the federal Social Security Act to enable providers to serve children who remain in the children's families and communities, for purposes of eligibility under the medical assistance program children who

participate in the waiver shall be considered to be placed in foster care.

15. Of the amount appropriated in this section, the following amounts are allocated for the indicated child welfare system improvements:

- a. For family team meetings and other family engagement efforts:
 - \$ 900,000
- b. For recruiting, training, and development of additional resource families, including but not limited to families providing kinship, foster, and adoptive care:
 - \$ 325,000
- c. For field staff working with families to have flexible funding to purchase services and other support and to fill urgent family needs:
 - \$ 250,000
- d. For funding of shelter care so that 15 emergency beds are available statewide for the fiscal year within the statewide average of 288 beds addressed in the department's shelter care plan:
 - \$ 200,000
- e. For expansion of community partnerships to prevent child abuse:
 - \$ 100,000

16. The general assembly finds that it is important for adequate, comprehensive mental health services to be available to the children of this state; that Iowa is seeking to develop a coordinated system of mental health care for children through a redesign of the children's mental health system; that Iowa is one of only two states that have not participated in the comprehensive community mental health services program for children and their families grant offered by the substance abuse and mental health services administration (SAMHSA) of the United States department of health and human services; and that implementing such an initiative requires long-term sustainability and support. The general assembly expresses

appreciation to the department for applying to SAMHSA for the comprehensive services program grant to implement a six-year project located in northeast Iowa. The purpose of the project is to create a family-driven, coordinated system of care for children with mental illness to serve as a model for developing a statewide approach based on family-provider partnerships and long-term sustainability. The general assembly strongly supports the grant application and implementation of the project as vital steps in redesigning the children's mental health system.

17. The department shall revise policies or administrative rules applicable when a breastfeeding infant is removed from the infant's home in accordance with chapter 232, to allow the infant's mother to continue to breastfeed the infant when such contact with the mother is in the best interest of the infant.

Sec. 17. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:

..... \$ 32,250,000

2. The department may transfer funds appropriated in this section to the appropriations in this Act for child and family services to be used for adoptive family recruitment and other services to achieve adoption.

3. Federal funds received by the state during the fiscal year beginning July 1, 2005, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section, are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert

to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 18. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2005, and ending June 30, 2006, are appropriated to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, for distribution as follows:

1. An amount equal to 10 percent of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2004. Moneys appropriated for distribution in accordance with this subsection shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2004. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2005, shall be limited to the amount appropriated for the purposes of this subsection.

2. For renewal of a grant to a county with a population between 189,000 and 196,000 for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

3. For continuation and expansion of the community partnership for child protection sites:

..... \$ 318,000

4. For continuation of the department's minority youth and family projects under the redesign of the child welfare system:

..... \$ 375,000

5. For grants to counties implementing a runaway treatment plan under section 232.195.

6. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 19. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

..... \$ 1,936,434

1. The department may use up to \$333,312 of the moneys appropriated in this section to continue the children-at-home program in current counties, of which not more than \$20,000 shall be used for administrative costs.

2. Notwithstanding section 225C.38, subsection 1, the monthly family support payment amount for the fiscal year beginning July 1, 2005, shall remain the same as the payment amount in effect on June 30, 2005.

Sec. 20. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

..... \$ 42,623

Sec. 21. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 13,079,889
..... FTEs 228.00

2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 7,439,591
..... FTEs 113.15

3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 17,334,091
..... FTEs 317.80

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 6,131,181
..... FTEs 100.44

Sec. 22. STATE RESOURCE CENTERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 12,600,000

2. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 7,050,000

3. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of ICFMR services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

4. The state resource centers may expand the time limited assessment and respite services during the fiscal year.

5. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

6. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and to begin implementing the service or addressing the special need during fiscal year 2005-2006.

Sec. 23. MI/MR/DD STATE CASES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:

..... \$ 10,914,619

2. For the fiscal year beginning July 1, 2005, and ending June 30, 2006, \$100,000 is allocated for state cases from the amounts appropriated from the fund created in section 8.41 to the department of human services from the funds received from the federal government under 42 U.S.C., chapter 6A, subchapter XVII, relating to the community mental health center block grant, for the federal fiscal years beginning October 1, 2003, and ending September 30, 2004, beginning October 1, 2004, and ending September 30, 2005, and beginning October 1, 2005, and ending September 30, 2006. The allocation made in this subsection shall be made prior to any other distribution allocation of the appropriated federal funds.

Sec. 24. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES -- COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health and developmental disabilities community services in accordance with this division of this Act:

..... \$ 17,757,890

1. Of the funds appropriated in this section, \$17,727,890 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The moneys shall be allocated to a county as follows:

a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

b. Fifty percent based upon the county's proportion of the state's general population.

2. a. A county shall utilize the funding the county receives pursuant to subsection 1 for services provided to persons with a disability, as defined in section 225C.2. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

b. A county shall use at least 50 percent of the funding the county receives under subsection 1 for contemporary services provided to persons with a disability, as described in rules adopted by the department.

3. Of the funds appropriated in this section, \$30,000 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.

4. a. Funding appropriated for purposes of the federal social services block grant is allocated for distribution to counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

b. The funds allocated in this subsection shall be expended by counties in accordance with the county's approved county management plan. A county without an approved county management plan shall not receive allocated funds until the county's management plan is approved.

c. The funds provided by this subsection shall be allocated to each county as follows:

(1) Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

(2) Fifty percent based upon the amount provided to the county for local purchase of services in the preceding fiscal year.

5. A county is eligible for funds under this section if the county qualifies for a state payment as described in section 331.439.

6. If the department has data indicating that a geographic area has a substantial number of persons with mental illness who are homeless and are not being served by an existing grantee for that area under the formula grant from the federal alcohol, drug abuse, and mental health administration to provide mental health services for the homeless and the existing grantee has expressed a desire to no longer provide services or the grantee's contract was terminated by the department for nonperformance, the department shall issue a request for proposals to replace the grantee. Otherwise, the department shall maximize available funding by continuing to contract to the extent possible with those persons who are grantees as of October 1, 2005. The department shall issue a request for proposals if additional funding becomes available for expansion to persons who are not being served and it is not possible to utilize existing grantees.

Sec. 25. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 3,621,338
..... FTEs 65.00

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 26. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:
..... \$ 53,790,628
..... FTEs 1,844.00

Priority in filling full-time equivalent positions shall be given to those positions related to child protection services.

Sec. 27. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:
..... \$ 13,342,196
..... FTEs 293.00

Of the funds appropriated in this section, \$57,000 is allocated for the prevention of disabilities policy council established in section 225B.3.

Of the funds appropriated in this section, \$30,000 is allocated to the department of human services for a statewide

coordinator for the program of all-inclusive care for the elderly as defined in section 249H.3. The coordinator shall work in collaboration with the department of elder affairs in carrying out the coordinator's duties.

Sec. 28. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:
..... \$ 109,568

Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. (1) For the fiscal year beginning July 1, 2005, nursing facilities shall be reimbursed at 100 percent of the modified price-based case-mix reimbursement rate. Nursing facilities reimbursed under the medical assistance program shall submit annual cost reports and additional documentation as required by rules adopted by the department.

(2) For the fiscal year beginning July 1, 2005, the total state funding amount for the nursing facility budget shall not exceed \$161,600,000. The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount. Any temporary enhanced federal financial participation that may become available to the Iowa medical assistance program during the fiscal year shall not be used in projecting the nursing facility budget. Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c", and subsection 3, paragraph "a", subparagraph (2), if the state funding expenditures for the nursing facility budget for the fiscal

year beginning July 1, 2005, are projected to exceed the amount specified in this subparagraph, the department shall adjust the inflation factor of the reimbursement rate calculation for only the nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount.

(3) For recalculation of the per diem cost and the patient-day-weighted medians used in rate setting for nursing facilities effective July 1, 2005, the inflation factor applied from the midpoint of the cost report period to the first day of the state fiscal year rate period shall not be less than zero percent.

b. For the fiscal year beginning July 1, 2005, the department shall reimburse pharmacy dispensing fees using a single rate of \$4.39 per prescription, or the pharmacy's usual and customary fee, whichever is lower.

c. For the fiscal year beginning July 1, 2005, reimbursement rates for inpatient and outpatient hospital services shall be increased by 3 percent over the rates in effect on June 30, 2005. The department shall continue the outpatient hospital reimbursement system based upon ambulatory patient groups implemented pursuant to 1994 Iowa Acts, chapter 1186, section 25, subsection 1, paragraph "f". In addition, the department shall continue the revised medical assistance payment policy implemented pursuant to that paragraph to provide reimbursement for costs of screening and treatment provided in the hospital emergency room if made pursuant to the prospective payment methodology developed by the department for the payment of outpatient services provided under the medical assistance program. Any rebasing of hospital inpatient or outpatient rates shall not increase total payments for inpatient and outpatient services beyond the 3 percent increase provided in this paragraph.

d. For the fiscal year beginning July 1, 2005, reimbursement rates for rural health clinics, hospices, independent laboratories, and acute mental hospitals shall be

increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. (1) For the fiscal year beginning July 1, 2005, reimbursement rates for home health agencies shall be increased by 3 percent over the rates in effect on June 30, 2005, not to exceed a home health agency's actual allowable cost.

(2) The department shall establish a fixed-fee reimbursement schedule for home health agencies under the medical assistance program beginning July 1, 2006.

f. For the fiscal year beginning July 1, 2005, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

g. Beginning July 1, 2005, the reimbursement rates for dental services shall be increased by 3 percent over the rates in effect on June 30, 2005.

h. Beginning July 1, 2005, the reimbursement rates for community mental health centers shall be increased by 3 percent over the rates in effect on June 30, 2005.

i. For the fiscal year beginning July 1, 2005, the maximum reimbursement rate for psychiatric medical institutions for children shall be \$156.03 per day.

j. For the fiscal year beginning July 1, 2005, unless otherwise specified in this Act, all noninstitutional medical assistance provider reimbursement rates shall be increased by 3 percent over the rates in effect on June 30, 2005, except for area education agencies, local education agencies, infant and toddler services providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding section 249A.20, for the fiscal year beginning July 1, 2005, the average reimbursement rate for health care providers eligible for use of the federal Medicare resource-based relative value scale reimbursement methodology

under that section shall be increased by 3 percent over the rate in effect on June 30, 2005; however, this rate shall not exceed the maximum level authorized by the federal government.

2. For the fiscal year beginning July 1, 2005, the reimbursement rate for residential care facilities shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

3. For the fiscal year beginning July 1, 2005, the reimbursement rate for providers reimbursed under the in-home-related care program shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

4. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2002.

5. Notwithstanding section 234.38, in the fiscal year beginning July 1, 2005, the foster family basic daily maintenance rate and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$14.91, the rate for children ages 6 through 11 years shall be \$15.58, the rate for children ages 12 through 15 years shall be \$17.18, and the rate for children ages 16 and older shall be \$17.27.

6. For the fiscal year beginning July 1, 2005, the maximum reimbursement rates for social service providers shall be increased by 3 percent over the rates in effect on June 30, 2005, or to the provider's actual and allowable cost plus inflation for each service, whichever is less. The rates may also be adjusted under any of the following circumstances:

a. If a new service was added after June 30, 2005, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

b. If a social service provider loses a source of income used to determine the reimbursement rate for the provider, the provider's reimbursement rate may be adjusted to reflect the loss of income, provided that the lost income was used to support actual and allowable costs of a service purchased under a purchase of service contract.

7. The group foster care reimbursement rates paid for placement of children out of state shall be calculated according to the same rate-setting principles as those used for in-state providers unless the director of human services or the director's designee determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

8. For the fiscal year beginning July 1, 2005, the reimbursement rates for rehabilitative treatment and support services providers shall be increased by 3 percent over the rates in effect on June 30, 2005. It is the intent of the general assembly that the increase in reimbursement rates authorized in this subsection shall be used for the provision of direct care with an emphasis on increasing the compensation for direct care workers.

9. a. For the fiscal year beginning July 1, 2005, the combined service and maintenance components of the reimbursement rate paid for shelter care services purchased under a contract shall be based on the financial and statistical report submitted to the department. The maximum reimbursement rate shall be \$86.20 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

b. Notwithstanding section 232.141, subsection 8, for the fiscal year beginning July 1, 2005, the amount of the

statewide average of the actual and allowable rates for reimbursement of juvenile shelter care homes that is utilized for the limitation on recovery of unpaid costs shall be increased by \$2.51 over the amount in effect for this purpose in the preceding fiscal year.

c. Notwithstanding section 8A.311, commencing during the fiscal year beginning July 1, 2005, the department may enter into contracts with shelter care providers as necessary to maintain the availability of shelter care services for children in all areas of the state.

10. For the fiscal year beginning July 1, 2005, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

11. Beginning on September 1, 2005, for child care providers reimbursed under the state child care assistance program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 2002. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered. If the federal government provides additional funding for child care during the fiscal year beginning July 1, 2005, the additional funding shall be used to develop and implement an electronic billing and payment system for child care providers.

12. For the fiscal year beginning July 1, 2005, reimbursements for providers reimbursed by the department of human services may be modified if appropriated funding is allocated for that purpose from the senior living trust fund created in section 249H.4, or as specified in appropriations from the healthy Iowans tobacco trust created in section 12.65.

13. The department may adopt emergency rules to implement this section.

Sec. 30. SHELTER CARE REQUEST FOR PROPOSALS. The department of human services shall amend the request for

proposals issued on April 15, 2005, for a program to provide for the statewide availability of emergency juvenile shelter care during the fiscal year beginning July 1, 2005, to increase the statewide daily average number of beds covered under the request to 288 beds in order to include 15 unallocated beds statewide for emergency placements. However, if the date of enactment of this Act does not allow sufficient time for the department to amend the request for proposals as otherwise required by this section, the department shall apply the requirement in the negotiations with the program awarded the contract and shall include the requirement in the final contract.

Sec. 31. 2001 Iowa Acts, chapter 192, section 4, subsection 3, paragraphs e and f, as amended by 2004 Iowa Acts, chapter 1175, section 154, are amended to read as follows:

e. The department shall calculate the rate ceiling for the direct-care cost component at 120 percent of the median of case-mix adjusted costs. Nursing facilities with case-mix adjusted costs at 95 percent of the median or greater, shall receive an amount equal to their costs not to exceed 120 percent of the median. ~~Nursing facilities with case-mix adjusted costs below 95 percent of the median shall receive an excess-payment-allowance-by-having-their-payment-rate-for-the-direct-care-cost-component-calculated-as-their-case-mix adjusted-cost-plus-100-percent-of-the-difference-between-95 percent-of-the-median-and-their-case-mix-adjusted-cost, not-to exceed-10-percent-of-the-median-of-case-mix-adjusted-costs. Beginning-July-1, 2004, nursing facilities with case-mix adjusted costs below 95 percent of the median shall receive an excess-payment-allowance-by-having-their-payment-rate-for-the-direct-care-cost-component-calculated-as-their-case-mix adjusted-cost-plus-50-percent-of-the-difference-between-95 percent-of-the-median-and-their-case-mix-adjusted-cost, not-to exceed-10-percent-of-the-median-of-case-mix-adjusted-costs. Any-excess-payment-allowance-realized-from-the-direct-care~~

~~cost-component-of-the-modified-price-based-case-mix reimbursement-shall-be-expended-to-increase-the-compensation of-direct-care-workers-or-to-increase-the-ratio-of-direct-care workers-to-residents.--The-department-of-human-services-shall implement-a-new-monitoring-and-reporting-system-to-assess compliance-with-the-provisions-of-this-paragraph.~~

f. The department shall calculate the rate ceiling for the nondirect care cost component at 110 percent of the median of non-case-mix adjusted costs. Nursing facilities with non-case-mix adjusted costs at 96 percent of the median or greater shall receive an amount equal to their costs not to exceed 110 percent of the median. ~~Nursing facilities with non-case-mix adjusted costs below 96 percent of the median shall receive an excess-payment-allowance-that-is-their-costs-plus-65-percent of-the-difference-between-96-percent-of-the-median-and-their non-case-mix-adjusted-costs, not-to-exceed-8-percent-of-the median-of-non-case-mix-adjusted-costs.--Beginning-July-1, 2004, nursing facilities with non-case-mix adjusted costs below 96 percent of the median shall receive an excess-payment allowance-that-is-their-costs-plus-32.5-percent-of-the difference-between-96-percent-of-the-median-and-their non-case-mix-adjusted-costs, not-to-exceed-8-percent-of-the median-of-non-case-mix-adjusted-costs.--Any-excess-payment allowance-realized-from-the-nondirect-care-cost-component-of the-modified-price-based-case-mix-reimbursement-shall-be-used to-fund-quality-of-life-improvements.--The-department-of-human services-shall-implement-a-new-monitoring-and-reporting-system to-assess-compliance-with-the-provisions-of-this-paragraph.~~

Sec. 32. 2003 Iowa Acts, chapter 178, section 45, unnumbered paragraph 3, as enacted by 2004 Iowa Acts, chapter 1175, section 160, is amended to read as follows:

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the child and family services until the close of the succeeding fiscal year beginning July 1, 2005.

Sec. 33. 2004 Iowa Acts, chapter 1175, section 109, subsection 2, paragraph g, is amended to read as follows:

g. Notwithstanding section 8.33, up to ~~\$500,000~~ \$1,000,000 of the Iowa veterans home revenues that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used in the succeeding fiscal year.

Sec. 34. 2004 Iowa Acts, chapter 1175, section 113, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys appropriated in this section that were allocated by the department for the purpose of meeting federal food stamp electronic benefit transfer requirements that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purpose designated until the close of the succeeding fiscal year.

Sec. 35. 2004 Iowa Acts, chapter 1175, section 134, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 36. 2004 Iowa Acts, chapter 1175, section 135, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys appropriated in this section for field operations that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated with up to fifty percent to be used for implementation and operational costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173, until the close of the succeeding fiscal year.

Sec. 37. EMERGENCY RULES. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health, mental retardation, developmental disabilities, and brain injury commission may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 5, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 38. REPORTS. Any reports or information required to be compiled and submitted under this division of this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

Sec. 39. INDIGENT PATIENT PROGRAM. If the Eighty-first General Assembly, 2005 Regular Session, enacts legislation subsequent to the enactment of 2005 Iowa Acts, House File 841, relating to the medical and surgical treatment of indigent patients as provided in chapter 255 that is in conflict with the provisions of 2005 Iowa Acts, House File 841, including provisions relating to the quota under chapter 255, the provisions of 2005 Iowa Acts, House File 841, shall prevail.

Sec. 40. EFFECTIVE DATES. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The provision under the appropriation for child and family services, relating to requirements of section 232.143 for representatives of the department of human services and juvenile court services to establish a plan for continuing group foster care expenditures for the 2005-2006 fiscal year.

2. The provision under the appropriation for child and family services, relating to the state court administrator determining allocation of court-ordered services funding by June 15, 2005.

3. The provision directing the department of human services to amend the request for proposals issued on April 15, 2005, to provide for statewide emergency juvenile shelter care.

4. The provision amending 2003 Iowa Acts, chapter 178, section 45, unnumbered paragraph 3, as enacted by 2004 Iowa Acts, chapter 1175, section 160.

5. The provision amending 2004 Iowa Acts, chapter 1175, section 109.

6. The provision amending 2004 Iowa Acts, chapter 1175, section 113.

7. The provision amending 2004 Iowa Acts, chapter 1175, section 134.

8. The provision amending 2004 Iowa Acts, chapter 1175, section 135.

DIVISION II

SENIOR LIVING TRUST FUND, HOSPITAL TRUST FUND, AND PHARMACEUTICAL SETTLEMENT ACCOUNT

Sec. 41. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the senior living trust fund created in section 249H.4 to the department of elder affairs for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the development and implementation of a comprehensive senior living program, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 8,289,368
..... FTEs 3.00

Notwithstanding section 249H.7, the department of elder affairs shall distribute up to \$400,000 of the funds appropriated in this section in a manner that will supplement and maximize federal funds under the federal Older Americans Act and shall not use the amount distributed for any administrative purposes of either the department of elder affairs or the area agencies on aging.

Sec. 42. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the senior living trust fund created in section 249H.4 to the department of inspections and appeals for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the inspection and certification of assisted living facilities and adult day care services, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 732,750
..... FTEs 5.00

Sec. 43. DEPARTMENT OF HUMAN SERVICES. There is appropriated from the senior living trust fund created in section 249H.4 to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To supplement the medical assistance appropriation, including program administration and costs associated with

implementation, salaries, support, maintenance, and miscellaneous purposes:

..... \$ 59,647,109

2. To provide reimbursement for health care services to eligible persons through the home and community-based services waiver and the state supplementary assistance program, including program administration and data system costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

..... \$ 1,033,406

..... FTEs 5.00

3. To implement nursing facility provider reimbursements as provided in 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c":

..... \$ 29,950,000

In order to carry out the purposes of this section, the department shall transfer funds appropriated in this section to supplement other appropriations made to the department of human services.

4. Notwithstanding sections 249H.4 and 249H.5, the department of human services may use moneys from the senior living trust fund for cash flow purposes to make payments under the nursing facility or hospital upper payment limit methodology. The amount of any moneys so used shall be refunded to the senior living trust fund within the same fiscal year and in a prompt manner.

Sec. 44. ASSISTED LIVING CONVERSION GRANTS -- NONREVERSION. Notwithstanding section 8.33, moneys committed from the senior living trust fund to grantees under contract to provide for conversion to assisted living programs or for development of long-term care alternatives that remain unexpended at the close of any fiscal year shall not revert to any fund but shall remain available for expenditure for purposes of the contract.

Sec. 45. IOWA FINANCE AUTHORITY. There is appropriated from the senior living trust fund created in section 249H.4 to the Iowa finance authority for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To provide reimbursement for rent expenses to eligible persons:

..... \$ 700,000

Participation in the rent subsidy program shall be limited to only those persons who meet the nursing facility level of care for home and community-based services waiver services as established on or after July 1, 2005.

Sec. 46. HOSPITAL TRUST FUND. There is appropriated from the hospital trust fund created in section 249I.4 to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To supplement the appropriations made for the medical assistance program for that fiscal year:

..... \$ 22,900,000

Sec. 47. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To supplement the appropriations made for medical contracts under the medical assistance program:

..... \$ 85,000

Sec. 48. MEDICAL ASSISTANCE PROGRAM -- REVERSION TO SENIOR LIVING TRUST FUND FOR FY 2005-2006. Notwithstanding section 8.33, if moneys appropriated in this Act for purposes of the medical assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, from the general fund of

the state, the senior living trust fund, the hospital trust fund, or the healthy Iowans tobacco trust fund are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall be transferred to the senior living trust fund created in section 249H.4.

Sec. 49. EFFECTIVE DATE. The section of this division of this Act relating to nonreversion of assisted living conversion grant moneys, being deemed of immediate importance, takes effect upon enactment.

DIVISION III
MENTAL HEALTH, MENTAL RETARDATION,
DEVELOPMENTAL DISABILITIES,
AND BRAIN INJURY SERVICES

Sec. 50. 2004 Iowa Acts, chapter 1175, section 173, subsection 1, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33 and section 426B.5, subsection 1, paragraph "d", moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 51. 2004 Iowa Acts, chapter 1175, section 173, subsection 2, paragraph c, is amended to read as follows:

~~c. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2~~ To the department of human services for supplementation of the appropriations made for the medical assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006:

..... \$ 2,000,000

Sec. 52. 2004 Iowa Acts, chapter 1175, section 173, is amended by adding the following new subsections:

NEW SUBSECTION. 3. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2005-2006 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. For calculation of a distribution amount for eligible counties from the per capita expenditure target pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

..... \$ 23,925,724

c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in the appropriation made for the MH/DD community services fund for the fiscal year beginning July 1, 2005:

..... \$ 17,727,890

NEW SUBSECTION. 4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 3 for purposes of producing preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2004, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. The withholding factor for a county shall be the following applicable percent:

a. For an ending balance percentage of less than 5 percent, a withholding factor of 0 percent. In addition, a county that is subject to this lettered paragraph shall receive an inflation adjustment equal to 3 percent of the gross expenditures reported for the county's services fund for the fiscal year.

b. For an ending balance percentage of 5 or more but less than 10 percent, a withholding factor of 0 percent. In addition, a county that is subject to this lettered paragraph shall receive an inflation adjustment equal to 2 percent of the gross expenditures reported for the county's services fund for the fiscal year.

c. For an ending balance percentage of 10 or more but less than 25 percent, a withholding factor of 25 percent.

d. For an ending balance percentage of 25 percent or more, a withholding percentage of 100 percent.

NEW SUBSECTION. 5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of \$9,418,362. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor or the inflation adjustment percentage specified in subsection 4, paragraph "a".

NEW SUBSECTION. 6. a. In addition to the amount to be distributed under subsection 4, for the fiscal year beginning July 1, 2005, a county with an ending balance percentage under subsection 4 of less than zero shall receive a distribution from the sum of the following:

(1) The amounts appropriated in 2004 Iowa Acts, chapter 1175, section 132 and section 173, subsection 1, that were not distributed and did not revert at the close of the fiscal year beginning July 1, 2004.

(2) The amounts appropriated for the fiscal year beginning July 1, 2005, for the mental health and developmental disabilities community services fund and in this section that were not distributed in accordance with subsections 3, 4, and 5.

b. The amount of a county's distribution under paragraph "a" shall be equal to the county's proportion of the general population of the counties eligible to receive a distribution under this subsection.

c. The distribution amount determined under this subsection shall be included in the county's allowed growth payment determined in accordance with subsections 3, 4, and 5.

Sec. 53. EFFECTIVE DATE. The section of this division of this Act amending 2004 Iowa Acts, chapter 1175, section 173, subsection 1, being deemed of immediate importance, takes effect upon enactment.

DIVISION IV
CODE CHANGES

Sec. 54. Section 15H.3, subsection 5, as enacted by 2005 Iowa Acts, House File 478, section 3, is amended to read as follows:

5. Members shall serve staggered terms of three years beginning ~~and ending as provided by section 69-19~~ July 1. Members of the commission shall serve no more than two three-year terms. Any vacancy shall be filled in the same manner as the original appointment.

Sec. 55. NEW SECTION. 16.184 TRANSITIONAL HOUSING REVOLVING LOAN PROGRAM FUND.

1. A transitional housing revolving loan program fund is created within the authority to further the availability of affordable housing for parents that are reuniting with their children while completing or participating in substance abuse

treatment. The moneys in the fund are annually appropriated to the authority to be used for the development and operation of a revolving loan program to provide financing to construct affordable transitional housing, including through new construction or acquisition and rehabilitation of existing housing. The housing provided shall be geographically located in close proximity to licensed substance abuse treatment programs. Preference in funding shall be given to projects that reunite mothers with the mothers' children.

2. Moneys transferred by the authority for deposit in the transitional housing revolving loan program fund, moneys appropriated to the transitional housing revolving loan program, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be deposited in the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the transitional housing revolving loan program fund shall be credited to the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the transitional housing revolving loan program fund shall be credited to the fund. Notwithstanding section 8.33, moneys that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the same purpose in the succeeding fiscal year.

3. The authority shall annually allocate moneys available in the transitional housing revolving loan program fund for the development of affordable transitional housing for parents that are reuniting with the parents' children while completing or participating in substance abuse treatment. The authority shall develop a joint application process for the allocation of federal low-income housing tax credits and the funds available under this section. Moneys allocated to such projects may be in the form of loans, grants, or a combination of loans and grants.

4. The authority shall adopt rules pursuant to chapter 17A to administer this section.

Sec. 56. Section 28.9, subsection 3, Code 2005, is amended to read as follows:

3. a. An early childhood programs grant account is created in the Iowa empowerment fund under the authority of the director of human services. Moneys credited to the account are appropriated to and shall be distributed by the department of human services in the form of grants to community empowerment areas pursuant to criteria established by the Iowa board in accordance with law. The criteria shall include but are not limited to a requirement that a community empowerment area must be designated by the Iowa board in accordance with section 28.5, in order to be eligible to receive an early childhood programs grant.

b. The maximum funding amount a community empowerment area is eligible to receive from the early childhood programs grant account for a fiscal year shall be determined by applying the area's percentage of the state's average monthly family investment program population in the preceding fiscal year to the total amount credited to the account for the fiscal year.

c. A community empowerment area receiving funding from the early childhood program grant account shall comply with any federal reporting requirements associated with the use of that funding and other results and reporting requirements established by the Iowa empowerment board. The department of human services shall provide technical assistance in identifying and meeting the federal requirements. The availability of funding provided from the account is subject to changes in federal requirements and amendments to Iowa law.

d. The moneys distributed from the early childhood program grant account shall be used by community empowerment areas for the purposes of enhancing quality child care capacity in support of parent capability to obtain or retain employment. The moneys shall be used with a primary emphasis on low-income families and children from birth to five years of age. Moneys shall be provided in a flexible manner and shall be used to implement strategies identified by the community empowerment

area to achieve such purposes. The department of human services may use a portion of the funding appropriated to the department under this subsection for provision of technical assistance and other support to community empowerment areas developing and implementing strategies with grant moneys distributed from the account.

e. Moneys from a federal block grant that are credited to the early childhood program grant account but are not distributed to a community empowerment area or otherwise remain unobligated or unexpended at the end of the fiscal year shall revert to the fund created in section 8.41 to be available for appropriation by the general assembly in a subsequent fiscal year.

Sec. 57. NEW SECTION. 35D.18 NET GENERAL FUND
APPROPRIATION -- PURPOSE.

1. The Iowa veterans home shall operate on the basis of a net appropriation from the general fund of the state. The appropriation amount shall be the net amount of state moneys projected to be needed for the Iowa veterans home for the fiscal year of the appropriation. The purpose of utilizing a net appropriation is to encourage the Iowa veterans home to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts among all providers of funding for the services available from the Iowa veterans home.

2. The net appropriation made to the Iowa veterans home may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for cash flow management, the Iowa veterans home may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

3. Revenues received that are attributed to the Iowa veterans home during a fiscal year shall be credited to the Iowa veterans home account and shall be considered repayment receipts as defined in section 8.2, including but not limited to all of the following:

- a. Federal veterans administration payments.
 - b. Medical assistance program revenue received under chapter 249A.
 - c. Federal Medicare program payments.
 - d. Other revenues generated from current, new, or expanded services that the Iowa veterans home is authorized to provide.
4. For purposes of allocating moneys to the Iowa veterans home from the salary adjustment fund created in section 8.43, the Iowa veterans home shall be considered to be funded entirely with state moneys.
5. Notwithstanding section 8.33, up to five hundred thousand dollars of the Iowa veterans home revenue that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for purposes of the Iowa veterans home until the close of the succeeding fiscal year.

Sec. 58. Section 84A.6, subsection 2, Code 2005, is amended to read as follows:

2. a. The director of the department of workforce development, in cooperation with the department of human services, shall provide job placement and training to persons referred by the department of human services under the promoting independence and self-sufficiency through employment job opportunities and basic skills program established pursuant to chapter 239B and the food stamp employment and training program.

b. The department of workforce development, in consultation with the department of human services, shall develop and implement departmental recruitment and employment practices that address the needs of former and current participants in the family investment program under chapter 239B.

Sec. 59. Section 125.2, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. A1. "Board" means the state board of health created pursuant to chapter 136.

Sec. 60. Section 125.2, subsection 6, Code 2005, is amended by striking the subsection.

Sec. 61. Section 125.3, Code 2005, is amended to read as follows:

125.3 SUBSTANCE ABUSE PROGRAM AND COMMISSION ESTABLISHED.

The Iowa department of public health shall ~~include a program which shall~~ develop, implement, and administer a comprehensive substance abuse program pursuant to sections 125.1 to 125.43. ~~A commission on substance abuse is created to establish certain policies governing the performance of the department in the discharge of duties imposed on it by this chapter and advise the department on other policies. The commission shall consist of nine members appointed by the governor. Appointments shall be made on the basis of interest in and knowledge of substance abuse, however two of the members shall be persons who, in their regular work, have direct contact with substance abuse clients. Only eligible electors of the state of Iowa shall be appointed.~~

Sec. 62. Section 125.7, Code 2005, is amended to read as follows:

125.7 DUTIES OF THE COMMISSION BOARD.

The commission board shall:

1. Approve the comprehensive substance abuse program, developed by the department pursuant to sections 125.1 to 125.43.
2. Advise the department on policies governing the performance of the department in the discharge of any duties imposed on ~~it~~ the department by law.
3. Advise or make recommendations to the governor and the general assembly relative to substance abuse treatment, intervention, and education, and prevention programs in this state.
4. Promulgate Adopt rules for subsections 1 and 6 and review other rules necessary to carry out the provisions of this chapter, subject to review in accordance with chapter 17A.

5. Investigate the work of the department relating to substance abuse, and for this purpose ~~it~~ the board shall have access at any time to all books, papers, documents, and records of the department.

6. Consider and approve or disapprove all applications for a license and all cases involving the renewal, denial, suspension, or revocation of a license.

7. Act as the appeal board regarding funding decisions made by the department.

Sec. 63. Section 125.9, subsection 1, Code 2005, is amended to read as follows:

1. Plan, establish and maintain treatment, intervention, and education, and prevention programs as necessary or desirable in accordance with the comprehensive substance abuse program.

Sec. 64. Section 125.10, subsections 1 and 11, Code 2005, are amended to read as follows:

1. Prepare and submit a state plan subject to approval by the commission board and in accordance with the provisions of 42 U.S.C. sec. 4573. The state plan shall designate the department as the sole agency for supervising the administration of the plan.

11. Develop and implement, with the counsel and approval of the commission board, ~~a~~ the comprehensive plan for treatment of substance abusers, chronic substance abusers, and intoxicated persons in accordance with this chapter.

Sec. 65. Section 125.12, subsection 1, Code 2005, is amended to read as follows:

1. The commission board shall review a the comprehensive and co-ordinated substance abuse program implemented by the department for the treatment of substance abusers, chronic substance abusers, intoxicated persons, and concerned family members. Subject to the review of the commission board, the director shall divide the state into appropriate regions for the conduct of the program and establish standards for the development of the program on the regional level. In

establishing the regions, consideration shall be given to city and county lines, population concentrations, and existing substance abuse treatment services. ~~In determining the regions, the director is not required to follow the regional map as prepared by the former office for planning and programming.~~

Sec. 66. Section 125.13, subsection 2, paragraphs a, b, i, and j, Code 2005, are amended to read as follows:

a. A hospital providing care or treatment to substance abusers or chronic substance abusers licensed under chapter 135B which is accredited by the joint commission on the accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, the American osteopathic association, or another recognized organization approved by the commission board. All survey reports from the accrediting or licensing body must be sent to the department.

b. Any practitioner of medicine and surgery or osteopathic medicine and surgery, in the practitioner's private practice. However, a program shall not be exempted from licensing by the commission board by virtue of its utilization of the services of a medical practitioner in its operation.

i. A substance abuse treatment program not funded by the department which is accredited or licensed by the joint commission on the accreditation of health care organizations, the commission on the accreditation of rehabilitation facilities, the American osteopathic association, or another recognized organization approved by the commission board. All survey reports from the accrediting or licensing body must be sent to the department.

j. A hospital substance abuse treatment program that is accredited or licensed by the joint commission on the accreditation of health care organizations, the commission on the accreditation of rehabilitation facilities, the American osteopathic association, or another recognized organization approved by the commission board. All survey reports for the hospital substance abuse treatment program from the accrediting or licensing body shall be sent to the department.

Sec. 67. Section 125.14, Code 2005, is amended to read as follows:

125.14 LICENSES -- RENEWAL -- FEES.

The commission board shall meet to consider all cases involving initial issuance, and renewal, denial, suspension, or revocation of a license. The department shall issue a license to an applicant whom the commission board determines meets the licensing requirements of this chapter. Licenses shall expire no later than three years from the date of issuance and shall be renewed upon timely application made in the same manner as for initial issuance of a license unless notice of nonrenewal is given to the licensee at least thirty days prior to the expiration of the license. The department shall not charge a fee for licensing or renewal of programs contracting with the department for provision of treatment services. A fee may be charged to other licensees.

Sec. 68. Section 125.15A, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. The commission board has suspended, revoked, or refused to renew the existing license of the program.

Sec. 69. Section 125.16, Code 2005, is amended to read as follows:

125.16 TRANSFER OF LICENSE OR CHANGE OF LOCATION PROHIBITED.

A license issued under this chapter may not be transferred, and the location of the physical facilities occupied or utilized by any program licensed under this chapter shall not be changed without the prior written consent of the commission board.

Sec. 70. Section 125.17, Code 2005, is amended to read as follows:

125.17 LICENSE SUSPENSION OR REVOCATION.

Violation of any of the requirements or restrictions of this chapter or of any of the rules properly established adopted pursuant to this chapter is cause for suspension, revocation, or refusal to renew a license. The director shall

at the earliest time feasible notify a licensee whose license the commission board is considering suspending or revoking and shall inform the licensee what changes must be made in the licensee's operation to avoid such action. The licensee shall be given a reasonable time for compliance, as determined by the director, after receiving such notice or a notice that the commission board does not intend to renew the license. When the licensee believes compliance has been achieved, or if the licensee considers the proposed suspension, revocation, or refusal to renew unjustified, the licensee may submit pertinent information to the commission who board and the board shall expeditiously make a decision in the matter and notify the licensee of the decision.

Sec. 71. Section 125.18, Code 2005, is amended to read as follows:

125.18 HEARING BEFORE COMMISSION BOARD.

If a licensee under this chapter makes a written request for a hearing within thirty days of suspension, revocation, or refusal to renew a license, a hearing before the commission board shall be expeditiously arranged by the department of inspections and appeals whose decision is subject to review by the commission board. ~~If the role of a commission member is inconsistent with the member's job role or function, or if any commission member feels unable for any reason to disinterestedly weigh the merits of the case before the commission, the member shall not participate in the hearing and shall not be entitled to vote on the case.~~ The commission board shall issue a written statement of ~~it's~~ the board's findings within thirty days after conclusion of the hearing upholding or reversing the proposed suspension, revocation, or refusal to renew a license. Action involving suspension, revocation or refusal to renew a license shall not be taken by the commission board unless a quorum is present at the meeting. A copy of the board's decision shall be promptly transmitted to the affected licensee who may, if aggrieved by the decision, seek judicial review of the actions of the commission board in accordance with the terms of chapter 17A.

Sec. 72. Section 125.19, Code 2005, is amended to read as follows:

125.19 REISSUANCE OR REINSTATEMENT.

After suspension, revocation, or refusal to renew a license pursuant to this chapter, the affected licensee shall not have the license reissued or reinstated within one year of the effective date of the suspension, revocation, or expiration upon refusal to renew, unless ~~by order of the commission board~~ orders otherwise. After that time, proof of compliance with the requirements and restrictions of this chapter and the rules ~~established~~ adopted pursuant to this chapter must be presented to the commission board prior to reinstatement or reissuance of a license.

Sec. 73. Section 125.21, Code 2005, is amended to read as follows:

125.21 CHEMICAL SUBSTITUTES AND ANTAGONISTS PROGRAMS.

1. The commission board has exclusive power in this state to approve and license chemical substitutes and antagonists programs, and to monitor chemical substitutes and antagonists programs to ensure that the programs are operating within the rules ~~established~~ adopted pursuant to this chapter. The commission board shall grant approval and license if the requirements of the rules are met and no state funding is not requested. ~~This section requires approval of The~~ chemical substitutes and antagonists programs conducted by persons exempt from the licensing requirements of this chapter pursuant to section 125.13, subsection 2, are subject to approval and licensure under this section.

2. The department may do any of the following:

- 1. a. Provide advice, consultation, and technical assistance to chemical substitutes and antagonists programs.
- 2. b. ~~In its discretion, approve~~ Approve local agencies or bodies to assist ~~it~~ the department in carrying out the provisions of this chapter.

Sec. 74. Section 125.43A, Code 2005, is amended to read as follows:

125.43A PRESCREENING -- EXCEPTION.

Except in cases of medical emergency or court ordered admissions, a person shall be admitted to a state mental health institute for substance abuse treatment only after a preliminary intake and assessment by a department-licensed treatment facility or a hospital providing care or treatment for substance abusers licensed under chapter 135B and accredited by the joint commission on the accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, the American osteopathic association, or another recognized organization approved by the commission board, or by a designee of a department-licensed treatment facility or a hospital other than a state mental health institute, which confirms that the admission is appropriate to the person's substance abuse service needs. A county board of supervisors may seek an admission of a patient to a state mental health institute who has not been confirmed for appropriate admission and the county shall be responsible for one hundred percent of the cost of treatment and services of the patient.

Sec. 75. Section 125.58, subsection 1, Code 2005, is amended to read as follows:

1. If the department has probable cause to believe that an institution, place, building, or agency not licensed as a substance abuse treatment and rehabilitation facility is in fact a substance abuse treatment and rehabilitation facility as defined by this chapter, and is not exempt from licensing by section 125.13, subsection 2, the commission board may order an inspection of the institution, place, building, or agency. If the inspector upon presenting proper identification is denied entry for the purpose of making the inspection, the inspector may, with the assistance of the county attorney of the county in which the premises are located, apply to the district court for an order requiring the owner or occupant to permit entry and inspection of the premises to determine whether there have been violations of

this chapter. The investigation may include review of records, reports, and documents maintained by the facility and interviews with staff members consistent with the confidentiality safeguards of state and federal law.

Sec. 76. NEW SECTION. 135.39C ELDERLY WELLNESS SERVICES -- PAYOR OF LAST RESORT.

The department shall implement elderly wellness services in a manner that ensures that the services provided are not payable by a third-party source.

Sec. 77. Section 135.150, subsection 2, Code 2005, is amended to read as follows:

2. a. Moneys appropriated to the department under this section shall be for the purpose of operating a gambling treatment program and shall be used for funding of administrative costs and to provide programs which may include, but are not limited to, outpatient and follow-up treatment for persons affected by problem gambling, rehabilitation and residential treatment programs, information and referral services, crisis call access, education and preventive services, and financial management and credit counseling services.

b. A person shall not maintain or conduct a gambling treatment program funded under this section unless the person has obtained a license for the program from the department. The department shall adopt rules to establish standards for the licensing and operation of gambling treatment programs under this section. The rules shall specify, but are not limited to specifying, the qualifications for persons providing gambling treatment services, standards for the organization and administration of gambling treatment programs, and a mechanism to monitor compliance with this section and the rules adopted under this section.

Sec. 78. Section 136.1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The state board of health shall consist of the following members: Five members learned in health-related disciplines,

two members who have direct experience with substance abuse treatment or prevention, and four members representing the general public.

Sec. 79. Section 136.3, subsection 7, Code 2005, is amended to read as follows:

7. Adopt, promulgate, amend, and repeal rules and regulations consistent with law for the protection of the public health and prevention of substance abuse, and for the guidance of the department. All rules ~~which have been or are hereafter~~ adopted by the department ~~shall be~~ are subject to approval by the board. ~~However, rules adopted by the commission on substance abuse for section 125.7, subsections 1 and 7, and rules adopted by the department pursuant to section 135.130 are not subject to approval by the state board of health.~~

Sec. 80. Section 136.3, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 10. Perform those duties authorized pursuant to chapter 125.

Sec. 81. Section 136C.10, subsection 1, Code 2005, is amended to read as follows:

1. a. The department shall establish and collect fees for the licensing and amendment of licenses for radioactive materials, the registration of radiation machines, the periodic inspection of radiation machines and radioactive materials, and the implementation of section 136C.3, subsection 2. Fees shall be in amounts sufficient to defray the cost of administering this chapter. The license fee may include the cost of environmental surveillance activities to assess the radiological impact of activities conducted by licensees.

b. Fees collected shall be remitted to the treasurer of state who shall deposit the funds in the general fund of the state. However, the fees collected from the licensing, registration, authorization, accreditation, and inspection of radiation machines used for mammographically guided breast

biopsy, screening, and diagnostic mammography shall be used to support the department's administration of this chapter and the fees collected shall be considered repayment receipts, as defined in section 8.2.

c. When a registrant or licensee fails to pay the applicable fee the department may suspend or revoke the registration or license or may issue an appropriate order. Fees for the license, amendment of a license, and inspection of radioactive material shall not exceed the fees prescribed by the United States nuclear regulatory commission.

Sec. 82. Section 144.13A, subsection 4, paragraph a, unnumbered paragraph 2, Code 2005, is amended to read as follows:

~~Beginning July 1, 2005, ten~~ Ten dollars of each registration fee is appropriated and shall be used for primary and secondary child abuse prevention programs pursuant to section 235A.1, and ten dollars of each registration fee is appropriated and shall be used for the center for congenital and inherited disorders central registry established pursuant to section 136A.6. Notwithstanding section 8.33, moneys appropriated in this unnumbered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 83. NEW SECTION. 144.46A VITAL RECORDS FUND.

1. A vital records fund is created under the control of the department. Moneys in the fund shall be used for purposes of the purchase and maintenance of an electronic system for vital records scanning, data capture, data reporting, storage, and retrieval, and for all registration and issuance activities. Moneys in the fund may also be used for other related purposes including but not limited to the streamlining of administrative procedures and electronically linking offices of county registrars to state vital records so that the records may be issued at the county level.

2. The department shall adopt rules providing for an increase in the fees charged by the state registrar for vital records services under section 144.46 in an amount necessary to pay for the purposes designated in subsection 1.

3. Increased fees collected by the state registrar pursuant to this section shall be credited to the vital records fund. Moneys credited to the fund are appropriated to the department to be used for the purposes designated in subsection 1. Notwithstanding section 8.33, moneys credited to the fund that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated.

Sec. 84. NEW SECTION. 147.28A SCOPE OF PRACTICE REVIEW COMMITTEES -- FUTURE REPEAL.

1. The department shall utilize scope of practice review committees to evaluate and make recommendations to the general assembly and to the appropriate examining boards regarding all of the following issues:

a. Requests from practitioners seeking to become newly licensed health professionals or to establish their own examining boards.

b. Requests from health professionals seeking to expand or narrow the scope of practice of a health profession.

c. Unresolved administrative rulemaking disputes between examining boards.

2. A scope of practice review committee established under this section shall evaluate the issues specified in subsection 1 and make recommendations regarding proposed changes to the general assembly based on the following standards and guidelines:

a. The proposed change does not pose a significant new danger to the public.

b. Enacting the proposed change will benefit the health, safety, or welfare of the public.

c. The public cannot be effectively protected by other more cost-effective means.

3. A scope of practice review committee shall be limited to five members as follows:

a. One member representing the profession seeking licensure, a new examining board, or a change in scope of practice.

b. One member of the health profession directly impacted by, or opposed to, the proposed change.

c. One impartial health professional who is not directly or indirectly affected by the proposed change.

d. Two impartial members of the general public.

4. The department may contract with a school or college of public health to assist in implementing this section.

5. The department shall submit an annual progress report to the governor and the general assembly by January 15 and shall include any recommendations for legislative action as a result of review committee activities.

6. The department shall adopt rules in accordance with chapter 17A to implement this section.

7. This section is repealed July 1, 2007.

Sec. 85. Section 147.80, Code 2005, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The board of medical examiners, the board of pharmacy examiners, the board of dental examiners, and the board of nursing shall retain individual executive officers, but shall make every effort to share administrative, clerical, and investigative staffs to the greatest extent possible. The department shall annually submit a status report to the general assembly in December regarding the sharing of staff during the previous fiscal year.

Sec. 86. Section 147.82, Code 2005, is amended to read as follows:

147.82 FEES.

All Notwithstanding section 12.10, all fees shall be collected under this chapter by an examining board or the department and shall be paid to the treasurer of state and deposited in credited to the general fund of the state, except as provided in sections 147.94 and 147.102, for the following:

1. The department may retain and expend or encumber a portion of fees collected under this chapter for an examining board if the expenditure or encumbrance is directly the result of an unanticipated litigation expense or an expense associated with a scope of practice review committee created pursuant to section 147.28A. Before the department retains, expends, or encumbers funds for an unanticipated litigation expense or a scope of practice review committee, the director of the department of management shall approve the expenditure or encumbrance. The amount of fees retained pursuant to this subsection shall not exceed five percent of the average annual fees generated by the affected examining board for the two previous fiscal years. The amount of fees retained shall be considered repayment receipts as defined in section 8.2.

2. The department may annually retain and expend not more than two hundred ninety-seven thousand nine hundred sixty-one dollars for lease and maintenance expenses from fees collected pursuant to section 147.80 by the board of dental examiners, the board of pharmacy examiners, the board of medical examiners, and the board of nursing. Fees retained by the department pursuant to this subsection shall be considered repayment receipts as defined in section 8.2.

3. The department may annually retain and expend not more than one hundred thousand dollars for reduction of the number of days necessary to process medical license requests and for reduction of the number of days needed for consideration of malpractice cases from fees collected pursuant to section 147.80 by the board of medical examiners in the fiscal year beginning July 1, 2005, and ending June 30, 2006. Fees retained by the department pursuant to this subsection shall be considered repayment receipts as defined in section 8.2 and shall be used for the purposes described in this subsection.

4. The board of dental examiners may annually retain and expend not more than one hundred forty-eight thousand sixty dollars from revenues generated pursuant to section 147.80. Fees retained by the board pursuant to this subsection shall be considered repayment receipts as defined in section 8.2 and shall be used for the purposes of regulating dental assistants.

5. The board of nursing may annually retain and expend ninety percent of the revenues generated from an increase in license and renewal fees established pursuant to section 147.80 for the practice of nursing, above the license and renewal fees in effect as of July 1, 2003. The moneys retained shall be used for any of the board's duties, including but not limited to the addition of full-time equivalent positions for program services and investigations. Revenues retained by the board pursuant to this subsection shall be considered repayment receipts as defined in section 8.2, and shall be used for the purposes described in this subsection.

6. The board of pharmacy examiners may annually retain and expend ninety percent of the revenues generated from an increase in license and renewal fees established pursuant to sections 124.301 and 147.80, and chapter 155A, for the practice of pharmacy, above the license and renewal fees in effect as of July 1, 2004. The moneys retained shall be used for any of the board's duties, including but not limited to the addition of full-time equivalent positions for program services and investigations. Revenues retained by the board pursuant to this subsection shall be considered repayment receipts as defined in section 8.2, and shall be used for the purposes described in this subsection.

7. In addition to the amounts authorized in subsections 1 through 6, the examining boards listed in section 147.80 may retain and expend ninety percent of the revenue generated from an increase in license and renewal fees established pursuant to section 147.80 for the practice of the licensed profession

for which an examining board conducts examinations above the license and renewal fees in effect as of June 30, 2005. The moneys retained by an examining board shall be used for any of the board's duties, including but not limited to addition of full-time equivalent positions for program services and investigations. Revenues retained by an examining board pursuant to this subsection shall be considered repayment receipts as defined in section 8.2.

Sec. 87. Section 147.94, Code 2005, is amended to read as follows:

147.94 PHARMACISTS.

The provisions of this chapter relative to the making of application for a license, the issuance of a license, the negotiation of reciprocal agreements for recognition of foreign licenses, ~~the collection of license and renewal fees,~~ and the preservation of records shall not apply to the licensing of persons to practice pharmacy, but such licensing shall be governed by the following regulations:

1. Every application for a license to practice pharmacy shall be made ~~direct~~ to the secretary of the board of pharmacy examiners.

2. Such ~~A~~ license and all renewals thereof of a license shall be issued by ~~said the board of pharmacy examiners.~~

3. Every reciprocal agreement for the recognition of any such license issued in another state shall be negotiated by ~~said the board of pharmacy examiners.~~

~~4. All license and renewal fees exacted from persons licensed to practice pharmacy shall be paid to and collected by the secretary of the pharmacy examiners.~~

5. ~~4.~~ All records in connection with the licensing of pharmacists shall be kept by said the secretary of the board of pharmacy examiners.

Sec. 88. Section 147.102, Code 2005, is amended to read as follows:

147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.

Notwithstanding the provisions of this subtitle, every application for a license to practice psychology, chiropractic, or dentistry shall be made directly to the chairperson, executive director, or secretary of the examining board of such profession, and every reciprocal agreement for the recognition of any such license issued in another state shall be negotiated by the examining board for such profession. All examination, license, and renewal fees received from persons licensed to practice any of such professions shall be paid to and collected by the chairperson, executive director, or secretary of the examining board of such profession, ~~who shall transmit the fees to the treasurer of state for deposit into the general fund of the state.~~ The salary of the secretary shall be established by the governor with the approval of the executive council pursuant to section 8A.413, subsection 2, under the pay plan for exempt positions in the executive branch of government.

Sec. 89. Section 154A.22, Code 2005, is amended to read as follows:

154A.22 DEPOSIT RECEIPT OF FEES.

1. The ~~Except as otherwise provided in subsection 2, the~~ department shall deposit all fees collected under the provisions of this chapter in the general fund of the state. Compensation and travel expenses of members and employees of the board, and other expenses necessary for the board to administer and carry out the provisions of this chapter shall be paid from funds appropriated from the general fund of the state.

2. The department may retain ninety percent of the revenue generated from an increase in licensure and permit fees established pursuant to section 154A.17 above the licensure and permit fees in effect as of June 30, 2005. The moneys retained by the department shall be used for any of the board's duties, including but not limited to addition of full-time equivalent positions for program services and investigations. Revenues retained by the department pursuant

to this subsection shall be considered repayment receipts as defined in section 8.2.

Sec. 90. Section 155.6, Code 2005, is amended to read as follows:

155.6 FUND-CREATED RECEIPT OF FEES.

1. All Except as otherwise provided in subsection 2, all fees collected under the provisions of this chapter shall be paid to the treasurer of state who shall deposit the fees in the general fund of the state. Funds shall be appropriated to the board to be used and expended by the board to pay the compensation and travel expenses of members and employees of the board, and other expenses necessary for the board to administer and carry out the provisions of this chapter.

2. The board may retain ninety percent of the revenue generated from an increase in examination, licensure, and renewal of licensure fees established pursuant to section 155.15 above the examination, licensure, and renewal of licensure fees in effect as of June 30, 2005. The moneys retained by the board shall be used for any of the board's duties, including but not limited to addition of full-time equivalent positions for program services and investigations. Revenues retained by the department pursuant to this subsection shall be considered repayment receipts as defined in section 8.2.

Sec. 91. Section 217.13, subsection 1, Code 2005, is amended to read as follows:

1. The department of human services shall establish volunteer programs designed to enhance the services provided by the department. Roles for volunteers may include but shall not be limited to parent aides, friendly visitors, commodity distributors, clerical assistants, and medical transporters, and other functions to complement and supplement the department's work with clients. Roles for volunteers shall include conservators and guardians. The department shall adopt rules for programs which are established.

Sec. 92. NEW SECTION. 217.35 FRAUD AND RECOUPMENT ACTIVITIES.

Notwithstanding the requirement for deposit of recovered moneys under section 239B.14, recovered moneys generated through fraud and recoupment activities are appropriated to the department of human services to be used for additional fraud and recoupment activities performed by the department of human services or the department of inspections and appeals. The department of human services may use the recovered moneys appropriated to add not more than five full-time equivalent positions, in addition to those funded by annual appropriations. The appropriation of the recovered moneys is subject to both of the following conditions:

1. The director of human services determines that the investment can reasonably be expected to increase recovery of assistance paid in error, due to fraudulent or nonfraudulent actions, in excess of the amount recovered in the previous fiscal year.

2. The amount expended for the additional fraud and recoupment activities shall not exceed the amount of the projected increase in assistance recovered.

Sec. 93. NEW SECTION. 218.6 TRANSFER OF APPROPRIATIONS MADE TO INSTITUTIONS.

Notwithstanding section 8.39, subsection 1, without the prior written consent and approval of the governor and the director of the department of management, the director of human services may transfer funds between the appropriations made for the same type of institution, listed as follows:

1. The state resource centers.
2. The state mental health institutes.
3. The state juvenile institutions consisting of the state training school and the Iowa juvenile home.

Sec. 94. NEW SECTION. 222.92 NET GENERAL FUND APPROPRIATION -- STATE RESOURCE CENTERS.

1. The department shall operate the state resource centers on the basis of net appropriations from the general fund of

the state. The appropriation amounts shall be the net amounts of state moneys projected to be needed for the state resource centers for the fiscal year of the appropriations. The purpose of utilizing net appropriations is to encourage the state resource centers to operate with increased self-sufficiency, to improve quality and efficiency, and to support collaborative efforts between the state resource centers and counties and other providers of funding for the services available from the state resource centers. The state resource centers shall not be operated under the net appropriations in a manner that results in a cost increase to the state or in cost shifting between the state, the medical assistance program, counties, or other sources of funding for the state resource centers.

2. The net appropriation made for a state resource center may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for purposes of cash flow management, a state resource center may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

3. Subject to the approval of the department, except for revenues segregated as provided in section 249A.11, revenues received that are attributed to a state resource center for a fiscal year shall be credited to the state resource center's account and shall be considered repayment receipts as defined in section 8.2, including but not limited to all of the following:

- a. Moneys received by the state from billings to counties under section 222.73.
- b. The federal share of medical assistance program revenue received under chapter 249A.
- c. Federal Medicare program payments.
- d. Moneys received from client financial participation.
- e. Other revenues generated from current, new, or expanded services that the state resource center is authorized to provide.

4. For purposes of allocating moneys to the state resource centers from the salary adjustment fund created in section 8.43, the state resource centers shall be considered to be funded entirely with state moneys.

5. Notwithstanding section 8.33, up to five hundred thousand dollars of a state resource center's revenue that remains unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for purposes of the state resource center until the close of the succeeding fiscal year.

Sec. 95. NEW SECTION. 226.9B NET GENERAL FUND APPROPRIATION -- PSYCHIATRIC MEDICAL INSTITUTION FOR CHILDREN.

1. The psychiatric medical institution for children beds operated by the state at the state mental health institute at Independence, as authorized in section 135H.6, shall operate on the basis of a net appropriation from the general fund of the state. The allocation made by the department from the annual appropriation to the state mental health institute at Independence for the purposes of the beds shall be the net amount of state moneys projected to be needed for the beds for the fiscal year of the appropriation.

2. Revenues received that are attributed to the psychiatric medical institution for children beds during a fiscal year shall be credited to the mental health institute's account and shall be considered repayment receipts as defined in section 8.2, including but not limited to all of the following:

- a. The federal share of medical assistance program revenue received under chapter 249A.
- b. Moneys received through client financial participation.
- c. Other revenues directly attributable to the psychiatric medical institution for children beds.

Sec. 96. NEW SECTION. 226.9C NET GENERAL FUND APPROPRIATION -- DUAL DIAGNOSIS PROGRAM.

1. The state mental health institute at Mount Pleasant shall operate the dual diagnosis mental health and substance

abuse program on a net budgeting basis in which 50 percent of the actual per diem and ancillary services costs are chargeable to the patient's county of legal settlement or as a state case, as appropriate. Subject to the approval of the department, revenues attributable to the dual diagnosis program for each fiscal year, shall be deposited in the mental health institute's account and are appropriated to the department for the dual diagnosis program, including but not limited to all of the following revenues:

- a. Moneys received by the state from billings to counties under section 230.20.
- b. Moneys received from billings to the Medicare program.
- c. Moneys received from a managed care contractor providing services under contract with the department or any private third-party payor.
- d. Moneys received through client participation.
- e. Any other revenues directly attributable to the dual diagnosis program.

2. The following additional provisions are applicable in regard to the dual diagnosis program:

- a. A county may split the charges between the county's mental health, mental retardation, and developmental disabilities services fund created pursuant to section 331.424A and the county's budget for substance abuse expenditures.
- b. If an individual is committed to the custody of the department of corrections at the time the individual is referred for dual diagnosis treatment, the department of corrections shall be charged for the costs of treatment.
- c. Prior to an individual's admission for dual diagnosis treatment, the individual shall have been screened through a county's central point of coordination process implemented pursuant to section 331.440 to determine the appropriateness of the treatment.
- d. A county shall not be chargeable for the costs of treatment for an individual enrolled in and authorized by or

decertified by a managed behavioral care plan under the medical assistance program.

e. Notwithstanding section 8.33, state mental health institute revenues related to the dual diagnosis program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available up to the amount which would allow the state mental health institute to meet credit obligations owed to counties as a result of year-end per diem adjustments for the dual diagnosis program.

Sec. 97. Section 226.19, Code 2005, is amended to read as follows:

226.19 DISCHARGE -- CERTIFICATE.

1. All patients shall be discharged by in accordance with the procedure prescribed in section 229.3 or section 229.16, whichever is applicable, immediately on regaining their the patient's good mental health.

2. If a patient's care is the financial responsibility of the state or a county, as part of the patient's discharge planning the state mental health institute shall provide assistance to the patient in obtaining eligibility for the federal state supplemental security income program.

Sec. 98. Section 227.4, Code 2005, is amended to read as follows:

227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL ILLNESS OR ~~BEVELOPMENTAL-DISABILITIES~~ MENTAL RETARDATION IN COUNTY CARE FACILITIES.

The administrator, in cooperation with the department of inspections and appeals, shall recommend and the mental health, mental retardation, developmental disabilities, and brain injury commission created in section 225C.5 shall adopt standards for the care of and services to persons with mental illness or ~~developmental-disabilities~~ mental retardation residing in county care facilities. The standards shall be enforced by the department of inspections and appeals as a part of the licensure inspection conducted pursuant to chapter 135C. The objective of the standards is to ensure that

persons with mental illness or ~~developmental-disabilities~~ mental retardation who are residents of county care facilities are not only adequately fed, clothed, and housed, but are also offered reasonable opportunities for productive work and recreational activities suited to their physical and mental abilities and offering both a constructive outlet for their energies and, if possible, therapeutic benefit. When recommending standards under this section, the administrator shall designate an advisory committee representing administrators of county care facilities, county mental health and developmental disabilities regional planning councils, and county care facility resident advocate committees to assist in the establishment of standards.

Sec. 99. Section 229A.12, Code 2005, is amended to read as follows:

229A.12 DIRECTOR OF HUMAN SERVICES -- RESPONSIBILITY FOR COSTS -- REIMBURSEMENT.

The director of human services shall be responsible for all costs relating to the evaluation, treatment, and services provided to a person that are incurred after the person is committed to the director's custody after the court or jury determines that the respondent is a sexually violent predator and pursuant to commitment under any provision of this chapter. If placement in a transitional release program or supervision is ordered, the director shall also be responsible for all costs related to the transitional release program or to the supervision and treatment of any person. Reimbursement may be obtained by the director from the patient and any person legally liable or bound by contract for the support of the patient for the cost of confinement or of care and treatment provided. To the extent allowed by the United States social security administration, any benefit payments received by the person pursuant to the federal Social Security Act shall be used for the costs incurred. As used in this section, "any person legally liable" does not include a political subdivision.

Sec. 100. NEW SECTION. 231.34 LIMITATION OF FUNDS USED FOR ADMINISTRATIVE PURPOSES.

Of the state funds appropriated or allocated to the department for programs of the area agencies on aging, not more than seven and one-half percent of the total amount shall be used for area agencies on aging administrative purposes.

Sec. 101. NEW SECTION. 232.1A FOSTER CARE PLACEMENT -- ANNUAL GOAL.

The annual state goal for children placed in foster care that is funded under the federal Social Security Act, Title IV-E, is that not more than fifteen percent of the children will be in a foster care placement for a period of more than twenty-four months.

Sec. 102. Section 233A.1, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The number of children present at any one time at the state training school at Eldora shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21, as adjusted for subsequent changes in the capacity at the training school.

Sec. 103. Section 233B.1, Code 2005, is amended to read as follows:

233B.1 DEFINITIONS ---~~OBJECTS~~ PURPOSE -- POPULATION LIMIT.

1. For the purpose of this chapter, unless the context otherwise requires:

1- a. "Administrator" or "director" means the director of the department of human services.

2- b. "Home" means the Iowa juvenile home.

3- c. "Superintendent" means the superintendent of the Iowa juvenile home.

2. The Iowa juvenile home shall be maintained for the purpose of providing care, custody and education of such the children as are committed to the home. Such The children shall be wards of the state. Their The children's education shall embrace instruction in the common school branches and in such other higher branches as may be practical and will enable

the children to gain useful and self-sustaining employment. The administrator and the superintendent of the home shall assist all discharged children in securing suitable homes and proper employment.

3. The number of children present at any one time at the Iowa juvenile home shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21, as adjusted for subsequent changes in the capacity at the home.

Sec. 104. Section 234.12A, subsection 1, unnumbered paragraph 1, Code 2005, is amended to read as follows:

The department of human services ~~may establish~~ shall maintain an electronic benefits transfer program utilizing electronic funds transfer systems. The program, ~~if established,~~ shall at a minimum provide for all of the following:

Sec. 105. Section 237A.28, Code 2005, is amended to read as follows:

237A.28 CHILD CARE CREDIT FUND.

A child care credit fund is created in the state treasury under the authority of the department of human services. The moneys in the fund shall consist of moneys deposited pursuant to section 422.100 and ~~shall be used for child care services as annually are appropriated by the general assembly to the department to be used for the state child care assistance program in accordance with section 237A.13.~~

Sec. 106. Section 239B.4, Code 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 3A. The department shall continue to work with the department of workforce development and local community collaborative efforts to provide support services for participants. The support services shall be directed to those participant families who would benefit from the support services and are likely to have success in achieving economic independence.

NEW SUBSECTION. 3B. The department shall continue to work with religious organizations and other charitable institutions

to increase the availability of host homes, referred to as second chance homes, or other living arrangements under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, § 103, and any successor legislation. The purpose of the homes or arrangements is to provide a supportive and supervised living arrangement for minor parents receiving assistance who may receive assistance while living in an alternative setting other than with their parent or legal guardian.

Sec. 107. Section 239B.11, Code 2005, is amended to read as follows:

239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT -- DIVERSION PROGRAM SUBACCOUNT -- DIVERSION PROGRAM.

1. An account is established in the state treasury to be known as the family investment program account under control of the department to which shall be credited all funds appropriated by the state for the payment of assistance and JOBS program expenditures. All other moneys received at any time for these purposes, including child support revenues, shall be deposited into the account as provided by law. All assistance and JOBS program expenditures under this chapter shall be paid from the account.

2. a. A diversion program subaccount is created within the family investment program account. The subaccount may be used to provide incentives to divert ~~applicants~~ a family's participation in the family investment program if the ~~applicants meet~~ family meets the department's income eligibility requirements for ~~assistance~~ the diversion program. Incentives may be provided in the form of payment or services ~~with a focus on helping applicants to help a family~~ to obtain or retain employment. The diversion program subaccount may also be used for payments to participants as necessary to cover the expenses of removing barriers to employment and to assist in stabilizing employment. In addition, the diversion program subaccount may be used for funding of services and payments for persons whose family investment program

eligibility has ended, in order to help the persons to stabilize or improve their employment status.

b. The diversion program shall be implemented statewide in a manner that preserves local flexibility in program design. The department shall assess and screen individuals who would most likely benefit from diversion program assistance. The department may adopt additional eligibility criteria for the diversion program as necessary for compliance with federal law and for screening those families who would be most likely to become eligible for the family investment program if diversion program incentives would not be provided to the families.

Sec. 108. Section 249.3, subsection 4, paragraphs e and g, Code 2005, are amended to read as follows:

e. Receive full medical assistance benefits under chapter 249A and are not required to meet a spend-down or pay a premium to be eligible for such benefits.

g. Have income exceeding of at least one hundred thirty-five twenty percent of the federal poverty level but not exceeding the medical assistance income limit for the eligibility group for the individual person's living arrangement.

Sec. 109. Section 249A.12, subsection 6, paragraph c, Code 2005, is amended to read as follows:

c. The person's county of legal settlement shall pay for the nonfederal share of the cost of services provided under the waiver, and the state shall pay for the nonfederal share of such costs if the person ~~does-not-have-a-county-of~~ has no legal settlement or the legal settlement is unknown so that the person is deemed to be a state case.

Sec. 110. Section 249A.12, subsection 6, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. The county of legal settlement shall pay for one hundred percent of the nonfederal share of the costs of care provided for adults which is reimbursed under a home and community-based services waiver that would otherwise be approved for provision in an intermediate care facility for

persons with mental retardation provided under the medical assistance program.

Sec. 111. Section 249A.12, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 7. When paying the necessary and legal expenses for intermediate care facility for persons with mental retardation services, the cost requirements of section 222.60 shall be considered fulfilled when payment is made in accordance with the medical assistance payment rates established by the department for intermediate care facilities for persons with mental retardation, and the state or a county of legal settlement shall not be obligated for any amount in excess of the rates.

Sec. 112. Section 249A.24, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The commission shall submit an annual review, including facts and findings, of the drugs on the department's prior authorization list to the department and to the members of the general assembly's joint appropriations subcommittee on health and human services.

Sec. 113. Section 249A.26, Code 2005, is amended to read as follows:

249A.26 STATE AND COUNTY PARTICIPATION IN FUNDING FOR SERVICES TO PERSONS WITH DISABILITIES -- CASE MANAGEMENT.

1. The state shall pay for one hundred percent of the nonfederal share of the services paid for under any prepaid mental health services plan for medical assistance implemented by the department as authorized by law.

2. a. The Except as provided for disallowed costs in section 249A.27, the county of legal settlement shall pay for fifty percent of the nonfederal share of the cost and the state shall have responsibility for the remaining fifty percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic

mental illness. For purposes of this section, persons with mental disorders resulting from Alzheimer's disease or substance abuse shall not be considered chronically mentally ill. To the maximum extent allowed under federal law and regulations, the department shall consult with and inform a county of legal settlement's central point of coordination process, as defined in section 331.440, regarding the necessity for and the provision of any service for which the county is required to provide reimbursement under this subsection.

b. The state shall pay for one hundred percent of the nonfederal share of the costs of case management provided for adults, day treatment, partial hospitalization, and the home and community-based services waiver services for persons who have no legal settlement or the legal settlement is unknown so that the persons are deemed to be state cases.

c. The case management services specified in this subsection shall be paid for by a county only if the services are provided outside of a managed care contract.

3. To the maximum extent allowed under federal law and regulations, a person with mental illness or mental retardation shall not be eligible for any service which is funded in whole or in part by a county share of the nonfederal portion of medical assistance funds unless the person is referred through the central point of coordination process, as defined in section 331.440. However, to the extent federal law allows referral of a medical assistance recipient to a service without approval of the central point of coordination process, the county of legal settlement shall be billed for the nonfederal share of costs for any adult person for whom the county would otherwise be responsible.

4. The county of legal settlement shall pay for one hundred percent of the nonfederal share of the cost of services provided to persons with chronic mental illness implemented under the adult rehabilitation option of the state medical assistance plan. The state shall pay for one hundred

percent of the nonfederal share of the cost of such services provided to such persons ~~without a county of~~ who have no legal settlement or the legal settlement is unknown so that the persons are deemed to be state cases.

5. The state shall pay for the entire nonfederal share of the costs for case management services provided to persons seventeen years of age or younger who are served in a home and community-based services waiver program under the medical assistance program for persons with mental retardation.

6. Funding under the medical assistance program shall be provided for case management services for eligible persons seventeen years of age or younger residing in counties with child welfare decategorization projects implemented in accordance with section 232.188, provided these projects have included these persons in the service plan and the decategorization project county is willing to provide the nonfederal share of the costs.

7. Unless a county has paid or is paying for the nonfederal share of the costs of a person's home and community-based waiver services or placement in an intermediate care facility for persons with mental retardation under the county's mental health, mental retardation, and developmental disabilities services fund, or unless a county of legal settlement would become liable for the costs of services for a person at the level of care provided in an intermediate care facility for persons with mental retardation due to the person reaching the age of majority, the state shall pay for the nonfederal share of the costs of an eligible person's services under the home and community-based services waiver for persons with brain injury.

5- 8. If a dispute arises between different counties or between the department and a county as to the legal settlement of a person who receives medical assistance for which the nonfederal share is payable in whole or in part by a county of legal settlement, and cannot be resolved by the parties, the dispute shall be resolved as provided in section 225C.8.

9. Notwithstanding section 8.39, the department may transfer funds appropriated for the medical assistance program to a separate account established in the department's case management unit in an amount necessary to pay for expenditures required to provide case management for mental health, mental retardation, and developmental disabilities services under the medical assistance program which are jointly funded by the state and county, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were originally appropriated.

Sec. 114. Section 249A.26A, Code 2005, is amended to read as follows:

249A.26A STATE AND COUNTY PARTICIPATION IN FUNDING FOR REHABILITATION SERVICES FOR PERSONS WITH CHRONIC MENTAL ILLNESS.

The county of legal settlement shall pay for the nonfederal share of the cost of rehabilitation services provided under the medical assistance program for persons with chronic mental illness, except that the state shall pay for the nonfederal share of such costs if the person does-not-have-a-county-of-has no legal settlement or the legal settlement is unknown so that the person is deemed to be a state case.

Sec. 115. NEW SECTION. 249A.32A HOME AND COMMUNITY-BASED SERVICES WAIVERS -- LIMITATIONS.

In administering a home and community-based services waiver, the total number of openings at any one time shall be limited to the number approved for the waiver by the secretary of the United States department of health and human services. The openings shall be available on a first-come, first-served basis.

Sec. 116. NEW SECTION. 249A.32B EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT FUNDING.

The department of human services, in consultation with the Iowa department of public health and the department of

education, shall continue the program to utilize the early and periodic screening, diagnosis, and treatment program funding under the medical assistance program, to the extent possible, to implement the screening component of the early and periodic screening, diagnosis, and treatment program through the schools. The department may enter into contracts to utilize maternal and child health centers, the public health nursing program, or school nurses in implementing this section.

Sec. 117. Section 249J.8, subsection 4, as enacted by 2005 Iowa Acts, House File 841, section 8, is amended to read as follows:

4. The department shall track the impact of the out-of-pocket expenditures on patient expansion population enrollment and shall report the findings on at least a quarterly basis to the medical assistance projections and assessment council established pursuant to section 249J.19. The findings shall include estimates of the number of expansion population members complying with payment of required out-of-pocket expenditures, the number of expansion population members not complying with payment of required out-of-pocket expenditures and the reasons for noncompliance, any impact as a result of the out-of-pocket requirements on the provision of services to the populations previously served, the administrative time and cost associated with administering the out-of-pocket requirements, and the benefit to the state resulting from the out-of-pocket expenditures. To the extent possible, the department shall track the income level of the member, the health condition of the member, and the family status of the member relative to the out-of-pocket information.

Sec. 118. Section 252B.4, subsection 3, Code 2005, is amended to read as follows:

3. Fees collected pursuant to this section shall be retained-by-the-department-for-use-by considered repayment receipts, as defined in section 8.2, and shall be used for the purposes of the unit. The director or a designee shall keep an accurate record of funds-so-retained the fees collected and expended.

Sec. 119. Section 252B.23, subsection 11, Code 2005, is amended to read as follows:

11. All surcharge payments shall be received and disbursed by the collection services center. The surcharge payments received by the collection services center shall be considered repayment receipts as defined in section 8.2 and shall be used to pay the costs of any contracts with a collection entity.

Sec. 120. NEW SECTION. 252B.25 USE OF FUNDING FOR ADDITIONAL POSITIONS.

1. The director, within the limitations of the amount appropriated for the unit, or moneys transferred for this purpose from the family investment program account created in section 239B.11, may establish new positions and add employees to the unit if the director determines that both the current and additional employees together can reasonably be expected to maintain or increase net state revenue at or beyond the budgeted level for the fiscal year.

2. a. The director may establish new positions and add state employees to the unit or contract for delivery of services if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or nonrenewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions or contract, the positions or contract are necessary to ensure continued federal funding of the unit, or the new positions or contract can reasonably be expected to recover at least twice the amount of money necessary to pay the salaries and support for the new positions or the contract will generate at least two hundred percent of the cost of the contract.

b. Employees in full-time positions that transition from county government to state government employment under this subsection are exempt from testing, selection, and appointment provisions of chapter 19A and from the provisions of collective bargaining agreements relating to the filling of vacant positions.

Sec. 121. Section 321J.25, subsection 1, paragraph b, Code 2005, is amended to read as follows:

b. "Program" means a substance abuse awareness program provided under a contract entered into between the provider and the ~~commission-on-substance-abuse-of-the~~ Iowa department of public health under chapter 125.

Sec. 122. Section 321J.25, subsection 2, unnumbered paragraph 1, Code 2005, is amended to read as follows:

A substance abuse awareness program is established in each of the regions established by the ~~commission-on-substance abuse~~ director of public health pursuant to section 125.12. The program shall consist of an insight class and a substance abuse evaluation, which shall be attended by the participant, to discuss issues related to the potential consequences of substance abuse. The parent or parents of the participant shall also be encouraged to participate in the program. The program provider shall consult with the participant or the parents of the participant in the program to determine the timing and appropriate level of participation for the participant and any participation by the participant's parents. The program may also include a supervised educational tour by the participant to any or all of the following:

Sec. 123. Section 505.25, Code 2005, is amended to read as follows:

505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE PROGRAM AND HAWK-I PROGRAMS.

A carrier, as defined in section 514C.13, shall enter into a health insurance data match program with the department of human services for the sole purpose of comparing the names of the carrier's insureds with the names of recipients of the medical assistance program under chapter 249A or enrollees of the hawk-i program under chapter 514I.

Sec. 124. Section 514I.11, subsection 2, Code 2005, is amended to read as follows:

2. The trust fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the trust fund are not subject to section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except to provide for the purposes of this chapter and except as provided in subsection 4. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the trust fund shall be credited to the trust fund.

Sec. 125. Section 514I.11, Code 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 3. Moneys in the fund are appropriated to the department and shall be used to offset any program costs.

NEW SUBSECTION. 4. The department may transfer moneys appropriated from the fund to be used for the purpose of expanding health care coverage to children under the medical assistance program.

NEW SUBSECTION. 5. The department shall provide periodic updates to the general assembly regarding expenditures from the fund.

Sec. 126. Section 600.17, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 3. The department of human services shall make adoption presubsidy and adoption subsidy payments to adoptive parents at the beginning of the month for the current month.

Sec. 127. COMMISSION ON SUBSTANCE ABUSE -- RULES. The administrative rules adopted by the commission on substance abuse that are in effect as of June 30, 2005, shall remain in effect until modified or rescinded by the state board of health.

Sec. 128. Sections 125.4, 125.5, and 125.6, Code 2005, are repealed.

Sec. 129. EFFECTIVE DATES.

1. The amendment in this division of this Act to section 144A.13A, being deemed of immediate importance, takes effect upon enactment.

2. The amendment in this division of this Act to section 15H.3, subsection 5, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to April 19, 2005.

DIVISION V

SUBSTITUTE DECISION MAKER ACT

Sec. 130. NEW SECTION. 231E.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Substitute Decision Maker Act".

Sec. 131. NEW SECTION. 231E.2 OFFICE OF SUBSTITUTE DECISION MAKER -- FINDINGS AND INTENT.

1. a. The general assembly finds that many adults in this state are unable to meet essential requirements to maintain their physical health or to manage essential aspects of their financial resources and are in need of substitute decision-making services. However, a willing and responsible person may not be available to serve as a private substitute decision maker or the adult may not have adequate income or resources to compensate a private substitute decision maker.

b. The general assembly further finds that a process should exist to assist individuals in finding alternatives to substitute decision-making services and less intrusive means of assistance before an individual's independence or rights are limited.

c. The general assembly further finds that a substitute decision maker may be necessary to finalize a person's affairs after death when there is no willing and appropriate person available to serve as the person's personal representative.

2. a. It is, therefore, the intent of the general assembly to establish a state office of substitute decision maker and authorize the establishment of local offices of substitute decision maker to provide substitute decision-making services to adults and their estates after their deaths, when no private substitute decision maker is available.

b. It is also the intent of the general assembly that the office of substitute decision maker provide assistance to both public and private substitute decision makers throughout the state in securing necessary services for their wards, principals, clients, and decedents and to assist substitute decision makers, wards, principals, clients, courts, and attorneys in the orderly and expeditious handling of substitute decision-making proceedings.

Sec. 132. NEW SECTION. 231E.3 DEFINITIONS.

As used in this chapter, unless the context otherwise requires:

1. "Client" means an individual for whom a representative payee is appointed.
2. "Commission" means the commission of elder affairs.
3. "Conservator" means conservator as defined in section 633.3.
4. "Court" means court as defined in section 633.3.
5. "Decedent" means the individual for whom an estate is administered or executed.
6. "Department" means the department of elder affairs established in section 231.21.
7. "Director" means the director of the department of elder affairs.
8. "Estate" means estate as defined in section 633.3.
9. "Guardian" means guardian as defined in section 633.3.
10. "Incompetent" means incompetent as defined in section 633.3.
11. "Local office" means a local office of substitute decision maker.
12. "Local substitute decision maker" means an individual under contract with the department to act as a substitute decision maker.
13. "Personal representative" means personal representative as defined in section 633.3.
14. "Planning and service area" means a geographic area of the state designated by the commission for the purpose of

planning, developing, delivering, and administering services for elders.

15. "Power of attorney" means a durable power of attorney for health care as defined in section 144B.1 or a power of attorney that becomes effective upon the disability of the principal as described in section 633.705.

16. "Principal" means an individual for whom a power of attorney is established.

17. "Representative payee" means an individual appointed by a government entity to receive funds on behalf of a client pursuant to federal regulation.

18. "State agency" means any executive department, commission, board, institution, division, bureau, office, agency, or other executive entity of state government.

19. "State office" means the state office of substitute decision maker.

20. "State substitute decision maker" means the administrator of the state office of substitute decision maker.

21. "Substitute decision maker" means a guardian, conservator, representative payee, attorney in fact under a power of attorney, or personal representative.

22. "Substitute decision making" or "substitute decision-making services" means the provision of services of a guardian, conservator, representative payee, attorney in fact under a power of attorney, or personal representative.

23. "Ward" means the individual for whom a guardianship or conservatorship is established.

Sec. 133. NEW SECTION. 231E.4 STATE OFFICE OF SUBSTITUTE DECISION MAKER -- ESTABLISHED -- DUTIES -- DEPARTMENT RULES.

1. A state office of substitute decision maker is established within the department to create and administer a statewide network of substitute decision makers who provide substitute decision-making services if other substitute decision makers are not available to provide the services.

2. The director shall appoint an administrator of the state office who shall serve as the state substitute decision maker. The state substitute decision maker shall be qualified for the position by training and expertise in substitute decision-making law. The state substitute decision maker shall also have knowledge of social services available to meet the needs of persons adjudicated incompetent or in need of substitute decision making.

3. The state office shall do all of the following:

a. Select persons through a request for proposals process to establish local offices of substitute decision maker in each of the planning and service areas. Local offices shall be established statewide on or before July 1, 2015.

b. Monitor and terminate contracts with local offices based on criteria established by rule of the department.

c. Retain oversight responsibilities for all local substitute decision makers.

d. Act as substitute decision maker if a local office is not available to so act.

e. Work with the department of human services, the Iowa department of public health, the governor's developmental disabilities council, and other agencies to establish a referral system for the provision of substitute decision-making services.

f. Develop and maintain a current listing of public and private services and programs available to assist wards, principals, clients, personal representatives, and their families and establish and maintain relationships with public and private entities to assure the availability of effective substitute decision-making services for wards, principals, clients, and estates.

g. Provide information and referrals to the public regarding substitute decision-making services.

h. Provide personal representatives for estates where a person is not available for that purpose.

i. Maintain statistical data on the local offices including various methods of funding, the types of services provided, and the demographics of the wards, principals, clients, and decedents and report to the general assembly on or before November 1, annually, regarding the local offices and recommend any appropriate legislative action.

j. Develop, in cooperation with the judicial council as established in section 602.1202, a substitute decision-maker education and training program. The program may be offered to both public and private substitute decision makers. The state office shall establish a curriculum committee, which includes but is not limited to probate judges, to develop the education and training program.

4. The state office may do any of the following:

a. Accept and receive gifts, grants, or donations from any public or private entity in support of the state office.

b. Accept the services of individual volunteers and volunteer organizations.

c. Employ staff necessary to administer the state office and enter into contracts as necessary.

5. The department shall provide administrative support to the state office.

6. The department shall adopt rules in accordance with chapter 17A necessary to create and administer the state and local offices, relating to but not limited to all of the following:

a. An application and intake process and standards for receipt of substitute decision-making services from the state or a local office.

b. A process for the removal or termination of the state or a local substitute decision maker.

c. An ideal range of staff-to-client ratios for the state and local substitute decision makers.

d. Minimum training and experience requirements for professional staff and volunteers.

e. A fee schedule. The department may establish by rule a schedule of reasonable fees for the costs of substitute decision-making services provided under this chapter. The fee schedule established may be based upon the ability of the ward, principal, client, or estate to pay for the services but shall not exceed the actual cost of providing the services. The state office or a local office may waive collection of a fee upon a finding that collection is not economically feasible. The rules may provide that the state office or a local office may investigate the financial status of a ward, principal, or client who, or an estate that requests substitute decision-making services or for whom or which the state or a local substitute decision maker has been appointed for the purpose of determining the fee to be charged by requiring the ward, principal, client, or estate to provide any written authorizations necessary to provide access to records of public or private sources, otherwise confidential, needed to evaluate the individual's or estate's financial eligibility. The rules may also provide that the state or a local substitute decision maker may, upon request and without payment of fees otherwise required by law, obtain information necessary to evaluate the individual's or estate's financial eligibility from any office of the state or of a political subdivision or agency of the state that possesses public records. In estate proceedings, the state or local decision maker shall be compensated pursuant to chapter 633, division III, part 8.

f. Standards and performance measures for evaluation of local offices.

g. Recordkeeping and accounting procedures to ensure that the state office and local offices maintain confidential, accurate, and up-to-date financial, case, and statistical records. The rules shall require each local office to file with the state office, on an annual basis, an account of all public and private funds received and a report regarding the operations of the local office for the preceding fiscal year.

h. Procedures for the sharing of records held by the court or a state agency with the state office, which are necessary to evaluate the state office or local offices, to assess the need for additional substitute decision makers, or to develop required reports.

Sec. 134. NEW SECTION. 231E.5 LOCAL OFFICE OF SUBSTITUTE DECISION MAKER.

1. The state substitute decision maker shall select persons to provide local substitute decision-making services in each of the planning and service areas, based upon a request for proposals process developed by the department.

2. The local office shall comply with all requirements established for the local office by the department and shall do all of the following:

- a. Maintain a staff of professionally qualified individuals to carry out the substitute decision-making functions.
- b. Identify client needs and local resources to provide necessary support services to recipients of substitute decision-making services.
- c. Collect program data as required by the state office.
- d. Meet standards established for the local office.
- e. Comply with minimum staffing requirements and caseload restrictions.
- f. Conduct background checks on employees and volunteers.
- g. With regard to a proposed ward, the local office shall do all of the following:
 - (1) Determine the most appropriate form of substitute decision making needed, if any, giving preference to the least restrictive alternative.
 - (2) Determine whether the needs of the proposed ward require the appointment of guardian or conservator.
 - (3) Assess the financial resources of the proposed ward based on the information supplied to the local office at the time of the determination.

(4) Inquire and, if appropriate, search to determine whether any other person may be willing and able to serve as the proposed ward's guardian or conservator.

(5) Determine the form of guardianship or conservatorship to request of a court, if any, giving preference to the least restrictive form.

(6) If determined necessary, file a petition for the appointment of a guardian or conservator pursuant to chapter 633.

h. With regard to an estate, the local office may appoint a personal representative to file a petition to open an estate who shall do all of the following:

(1) Retain legal counsel as described in section 231E.11 to be compensated from the proceeds of the estate pursuant to chapter 633, division III, part 8.

(2) Liquidate all assets of the estate.

(3) Distribute the assets of the estate pursuant to chapter 633, division VII, parts 7 and 8, and other applicable provisions of law.

3. A local office may do any of the following:

a. Contract for or arrange for provision of services necessary to carry out the duties of a local substitute decision maker.

b. Accept the services of volunteers or consultants and reimburse them for necessary expenses.

c. Employ staff and delegate to members of the staff the powers and duties of the local substitute decision maker. However, the local office shall retain responsibility for the proper performance of the delegated powers and duties. All delegations shall be to persons who meet the eligibility requirements of the specific type of substitute decision maker.

4. An individual acting as the state or a local substitute decision maker shall comply with applicable requirements for guardians, conservators, or personal representatives pursuant to chapter 633, attorneys in fact under a power of attorney

pursuant to chapter 633 or a durable power of attorney for health care pursuant to chapter 144B, or representative payees pursuant to federal law and regulations.

5. Notwithstanding any provision to the contrary, an individual acting as the state or a local substitute decision maker shall not be subject to the posting of a bond pursuant to chapter 633. An individual acting as the state or a local substitute decision maker shall complete at least eight hours of training annually as certified by the department.

Sec. 135. NEW SECTION. 231E.6 COURT-INITIATED OR PETITION-INITIATED APPOINTMENT OF STATE OR LOCAL SUBSTITUTE DECISION MAKER -- GUARDIANSHIP OR CONSERVATORSHIP -- DISCHARGE.

The court may appoint on its own motion or upon petition of any person, the state office or local office of substitute decision maker, to serve as guardian or conservator for any proposed ward in cases in which the court determines that the proceeding will establish the least restrictive form of substitute decision making suitable for the proposed ward and if the proposed ward meets all of the following criteria:

1. Is a resident of the planning and service area in which the local office is located from which services would be provided or is a resident of the state, if the state office would provide the services.

2. Is eighteen years of age or older.

3. Does not have suitable family or another appropriate entity willing and able to serve as guardian or conservator.

4. Is incompetent.

5. Is an individual for whom guardianship or conservatorship services are the least restrictive means of meeting the individual's needs.

Sec. 136. NEW SECTION. 231E.7 SUBSTITUTE DECISION MAKER-INITIATED APPOINTMENT.

The state office or local office may on its own motion or at the request of the court intervene in a guardianship or conservatorship proceeding if the state office or local office

or the court considers the intervention to be justified because of any of the following:

1. An appointed guardian or conservator is not fulfilling prescribed duties or is subject to removal under section 633.65.
2. A willing and qualified guardian or conservator is not available.
3. The best interests of the ward require the intervention.

Sec. 137. NEW SECTION. 231E.8 PROVISIONS APPLICABLE TO ALL APPOINTMENTS AND DESIGNATIONS -- DISCHARGE.

1. The court shall only appoint or intervene on its own motion or act upon the petition of any person under section 231E.6 or 231E.7 if such appointment or intervention would comply with staffing ratios established by the department and if sufficient resources are available to the state office or local office. Notice of the proposed appointment shall be provided to the state office or local office prior to the granting of such appointment.

2. The state office or local office shall maintain reasonable personal contact with each ward, principal, or client for whom the state office or local office is appointed or designated in order to monitor the ward's, principal's, or client's care and progress. For any estates in which the state office or local office is involved, the state office or local office shall move estate proceedings forward in a reasonable and expeditious manner and shall monitor the progress of any legal counsel retained on a regular basis.

3. Notwithstanding any provision of law to the contrary, the state office or local office appointed by the court or designated under a power of attorney document may access all confidential records concerning the ward or principal for whom the state office or local office is appointed or designated, including medical records and abuse reports.

4. In any proceeding in which the state or local office is appointed or is acting as guardian or conservator, the court

shall waive court costs or filing fees, if the state office or local office certifies to the court that the state office or local office has waived its fees in their entirety based upon the ability of the ward to pay for the services of the state office or local office. In any estate proceeding, the court costs shall be paid in accordance with chapter 633, division VII, part 7.

5. The state or a local substitute decision maker shall be subject to discharge or removal, by the court, on the grounds and in the manner in which other guardians, conservators, or personal representatives are discharged or removed pursuant to chapter 633.

Sec. 138. NEW SECTION. 231E.9 FEES -- APPROPRIATED.

Fees received by the state office and by local offices for services provided as state or local substitute decision maker shall be deposited in the general fund of the state and the amounts received are appropriated to the department for the purposes of administering this chapter.

Sec. 139. NEW SECTION. 231E.10 CONFLICTS OF INTEREST -- LIMITATIONS.

Notwithstanding section 633.63 or any other provision to the contrary, a local substitute decision maker shall not provide direct services to or have an actual or the appearance of any conflict of interest relating to any individual for whom the local substitute decision maker acts in a substitute decision-making capacity unless such provision of direct services or the appearance of a conflict of interest is approved and monitored by the state office in accordance with rules adopted by the department.

Sec. 140. NEW SECTION. 231E.11 DUTY OF ATTORNEY GENERAL, COUNTY ATTORNEY, OR OTHER COUNSEL.

1. The attorney general shall advise the state office on legal matters and represent the state office in legal proceedings.

2. Upon the request of the attorney general, a county attorney may represent the state office or a local office in

connection with the filing of a petition for appointment as guardian or conservator and with routine, subsequent appearances.

3. A local attorney experienced in probate matters may represent the personal representative for all routine matters associated with probating an estate.

Sec. 141. NEW SECTION. 231E.12 LIABILITY.

All employees and volunteers of the state office and local offices operating under this chapter and other applicable chapters and pursuant to rules adopted under this and other applicable chapters are considered employees of the state and state volunteers for the purposes of chapter 669 and shall be afforded protection under section 669.21 or 669.24, as applicable. This section does not relieve a guardian or conservator from performing duties prescribed under chapter 633.

Sec. 142. NEW SECTION. 231E.13 IMPLEMENTATION.

Implementation of this chapter is subject to availability of funding as determined by the department. The department shall notify the Code editor upon implementation of this chapter.

Sec. 143. Section 235B.6, subsection 2, paragraph e, Code 2005, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (11) The state office or a local office of substitute decision maker as defined in section 231E.3, appointed by the court as a guardian or conservator of the adult named in a report as the victim of abuse or the person designated to be responsible for performing or obtaining protective services on behalf of a dependent adult pursuant to section 235B.18.

Sec. 144. Section 633.63, subsection 3, Code 2005, is amended to read as follows:

3. A private nonprofit corporation organized under chapter 504, Code 1989, or current chapter 504 or 504A is qualified to act as a guardian, as defined in section 633.3, ~~subsection-207~~ or a conservator, as defined in section 633.3, ~~subsection-77~~

~~where-the-assets-subject-to-the-conservatorship-at-the-time when-such-corporation-is-appointed-conservator-are-less-than or-equal-to-seventy-five-thousand-dollars-and if~~ the corporation does not possess a proprietary or legal interest in an organization which provides direct services to the individual.

Sec. 145. Section 633.63, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 4. The state or a local substitute decision maker as defined in section 231E.3 is authorized to act in a fiduciary capacity in this state in accordance with chapter 231E.

DIVISION VI

LONG-TERM LIVING SYSTEM

Sec. 146. NEW SECTION. 231F.1 INTENT FOR IOWA'S LONG-TERM LIVING SYSTEM.

1. The general assembly finds and declares that the intent for Iowa's long-term living system is to ensure all Iowans access to an extensive range of high-quality, affordable, and cost-effective long-term living options that maximize independence, choice, and dignity for consumers.

2. The long-term living system should be comprehensive, offering multiple services and support in home, community-based, and facility-based settings; should utilize a uniform assessment process to ensure that such services and support are delivered in the most integrated and life-enhancing setting; and should ensure that such services and support are provided by a well-trained, motivated workforce.

3. The long-term living system should exist in a regulatory climate that appropriately ensures the health, safety, and welfare of consumers, while not being overly restrictive or inflexible.

4. The long-term living system should sustain existing informal care systems including family, friends, volunteers, and community resources; should encourage innovation through the use of technology and new delivery and financing models,

including housing; should provide incentives to consumers for private financing of long-term living services and support; and should allow Iowans to live independently as long as they desire.

5. Information regarding all components of the long-term living system should be effectively communicated to all persons potentially impacted by the need for long-term living services and support in order to empower consumers to plan, evaluate, and make decisions about how best to meet their own long-term living needs.

CHRISTOPHER C. RANTS
Speaker of the House

JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 825, Eighty-first General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Jim Costa
Approved 6/14, 2005

THOMAS J. VILSACK
Governor