



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

May 4, 2018

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

House File 2445, an Act relating to the provision and administration of mental health, disability, and homemaker-home health aide services and the responsibility for other health-related services.

The above House File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds
Governor

cc: Secretary of the Senate
Clerk of the House



House File 2445

AN ACT

RELATING TO THE PROVISION AND ADMINISTRATION OF MENTAL HEALTH,
DISABILITY, AND HOMEMAKER-HOME HEALTH AIDE SERVICES AND THE
RESPONSIBILITY FOR OTHER HEALTH-RELATED SERVICES.

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

DIVISION I

Section 1. NEW SECTION. 230.01 Definitions.

As used in this chapter, unless the context otherwise
requires:

1. "Administrator" means the administrator of the department
of human services assigned, in accordance with section
218.1, to control the state mental health institutes, or that
administrator's designee.

2. "Book", "list", "record", or "schedule" kept by a county
auditor, assessor, treasurer, recorder, sheriff, or other
county officer means the county system as defined in section
445.1.

3. "Department" means the department of human services.

4. "Region" means a mental health and disability services
region formed in accordance with section 331.389.

5. "Regional administrator" means the same as defined in
section 331.388.

Sec. 2. Section 230.1, subsections 1 and 3, Code 2018, are
amended to read as follows:

1. The necessary and legal costs and expenses attending
the taking into custody, care, investigation, admission,

commitment, and support of a person with mental illness admitted or committed to a state hospital shall be paid by a ~~county~~ the regional administrator on behalf of the person's county of residence or by the state as follows:

a. If the person is eighteen years of age or older, as follows:

(1) The costs attributed to mental illness shall be paid by the regional administrator on behalf of the person's county of residence.

(2) The costs attributed to a substance-related disorder shall be paid by the person's county of residence.

(3) The costs attributable to a dual diagnosis of mental illness and a substance-related disorder may be split as provided in section 226.9C.

b. By the state as a state case if such person has no residence in this state, if the person's residence is unknown, or if the person is under eighteen years of age.

3. A ~~mental health and disability services~~ region or county of residence is not liable for costs and expenses associated with a person with mental illness unless the costs and expenses are for services and other support authorized for the person through the regional administrator for the county. ~~For the purposes of this chapter, "regional administrator" means the same as defined in section 331.388.~~

Sec. 3. Section 230.4, Code 2018, is amended to read as follows:

230.4 Certification to ~~debtor county~~ regional administrator.

A determination of a person's county of residence made in accordance with section 230.2 or 230.3 shall be sent by the court or the county to the ~~county auditor~~ regional administrator of the person's county of residence. The certification shall be accompanied by a copy of the evidence supporting the determination. The ~~auditor~~ regional administrator shall provide the certification to the ~~board of supervisors of the auditor's county~~ region's governing board, and it shall be conclusively presumed that the person has residence in a county in the notified ~~county~~ region unless that ~~county~~ regional administrator disputes the finding of residence as provided in section 331.394.

Sec. 4. Section 230.5, Code 2018, is amended to read as follows:

230.5 Nonresidents.

If a person's residence is determined in accordance with section 230.2 or 230.3 to be in a foreign state or country, or is unknown, the court or the county regional administrator of the person's county of residence shall immediately certify the determination to the department's administrator. The certification shall be accompanied by a copy of the evidence supporting the determination. A court order issued pursuant to section 229.13 shall direct that the patient be hospitalized at the appropriate state hospital for persons with mental illness.

Sec. 5. Section 230.9, Code 2018, is amended to read as follows:

230.9 Subsequent discovery of residence.

If, after a person has been received by a state hospital for persons with mental illness as a state case patient whose residence is supposed to be outside this state, the administrator determines that the residence of the person was, at the time of admission or commitment, in a county of this state, the administrator shall certify the determination and charge all legal costs and expenses pertaining to the admission or commitment and support of the person to the regional administrator of the person's county of residence. The certification shall be sent to the regional administrator of the person's county of residence. The certification shall be accompanied by a copy of the evidence supporting the determination. The costs and expenses shall be collected as provided by law in other cases. If the person's residency status has been determined in accordance with section 331.394, the legal costs and expenses shall be charged to the regional administrator of the person's county of residence or as a state case in accordance with that determination.

Sec. 6. Section 230.10, Code 2018, is amended to read as follows:

230.10 Payment of costs.

All legal costs and expenses attending the taking into custody, care, investigation, and admission or commitment of a person to a state hospital for persons with mental illness

under a finding that the person has residency in another county of this state shall be charged against the regional administrator of the person's county of residence.

Sec. 7. Section 230.11, Code 2018, is amended to read as follows:

230.11 Recovery of costs from state.

Costs and expenses attending the taking into custody, care, and investigation of a person who has been admitted or committed to a state hospital, United States department of veterans affairs hospital, or other agency of the United States government, for persons with mental illness and who has no residence in this state or whose residence is unknown, including cost of commitment, if any, shall be paid as a state case as approved by the administrator. The amount of the costs and expenses approved by the administrator is appropriated to the department from any money in the state treasury not otherwise appropriated. Payment shall be made by the department on itemized vouchers executed by the ~~auditor of the~~ regional administrator of the person's county which has paid them, and approved by the administrator.

Sec. 8. Section 230.12, Code 2018, is amended to read as follows:

230.12 Residency disputes.

If a dispute arises between different counties or between the administrator and a regional administrator for a county as to the residence of a person admitted or committed to a state hospital for persons with mental illness, the dispute shall be resolved as provided in section 331.394.

Sec. 9. Section 230.15, subsection 1, Code 2018, is amended to read as follows:

1. A person with mental illness and a person legally liable for the person's support remain liable for the support of the person with mental illness as provided in this section. Persons legally liable for the support of a person with mental illness include the spouse of the person, and any person bound by contract for support of the person, ~~and,~~ ~~with respect to persons with mental illness under eighteen years of age only, the father and mother of the person.~~ The ~~county auditor~~ regional administrator of the person's

county of residence, subject to the direction of the region's governing board of supervisors, shall enforce the obligation created in this section as to all sums advanced by the county regional administrator. The liability to the county regional administrator incurred by a person with mental illness or a person legally liable for the person's support under this section is limited to an amount equal to one hundred percent of the cost of care and treatment of the person with mental illness at a state mental health institute for one hundred twenty days of hospitalization. This limit of liability may be reached by payment of the cost of care and treatment of the person with mental illness subsequent to a single admission or multiple admissions to a state mental health institute or, if the person is not discharged as cured, subsequent to a single transfer or multiple transfers to a county care facility pursuant to section 227.11. After reaching this limit of liability, a person with mental illness or a person legally liable for the person's support is liable to the county regional administrator for the care and treatment of the person with mental illness at a state mental health institute or, if transferred but not discharged as cured, at a county care facility in an amount not in excess of the average minimum cost of the maintenance of an individual who is physically and mentally healthy residing in the individual's own home, which standard shall be established and may from time to time be revised by the department of human services. A lien imposed by section 230.25 shall not exceed the amount of the liability which may be incurred under this section on account of a person with mental illness.

Sec. 10. Section 230.16, Code 2018, is amended to read as follows:

230.16 Presumption.

In actions to enforce the liability imposed by section 230.15, the certificate from the superintendent to the county auditor regional administrator of the person's county of residence stating the sums charged in such cases, shall be presumptively correct.

Sec. 11. Section 230.17, Code 2018, is amended to read as follows:

230.17 Board may compromise lien.

The board of supervisors of the person's county of residence is hereby empowered to compromise any and all liabilities to the county, created by this chapter, when such compromise is deemed to be for the best interests of the county.

Sec. 12. Section 230.18, Code 2018, is amended to read as follows:

230.18 Expense in county or private hospitals.

The estates of persons with mental illness who may be treated or confined in any county hospital or home, or in any private hospital or sanatorium, and the estates of persons legally bound for their support, shall be liable to the county regional administrator of the person's county of residence for the reasonable cost of such support.

Sec. 13. Section 230.20, Code 2018, is amended to read as follows:

230.20 Billing of patient charges — computation of actual costs — cost settlement.

1. The superintendent of each mental health institute shall compute by February 1 the average daily patient charges and other service charges for which each county regional administrator of a person's county of residence will be billed for services provided to ~~patients~~ the person and chargeable to the county of residence during the fiscal year beginning the following July 1. The department shall certify the amount of the charges and notify the ~~counties~~ regional administrator of the person's county of residence of the billing charges.

a. The superintendent shall separately compute by program the average daily patient charge for a mental health institute for services provided in the following fiscal year, in accordance with generally accepted accounting procedures, by totaling the expenditures of the program for the immediately preceding calendar year, by adjusting the expenditures by a percentage not to exceed the percentage increase in the consumer price index for all urban consumers for the immediately preceding calendar year, and by dividing the adjusted expenditures by the total inpatient days of service provided in the program during the immediately preceding calendar year. However, the superintendent shall not include

the following in the computation of the average daily patient charge:

- (1) The costs of food, lodging, and other maintenance provided to persons not patients of the hospital.
- (2) The costs of certain direct medical services identified in administrative rule, which may include but need not be limited to X-ray, laboratory, and dental services.
- (3) The costs of outpatient and state placement services.
- (4) The costs of the psychiatric residency program.
- (5) The costs of the chaplain intern program.

b. The department shall compute the direct medical services, outpatient, and state placement services charges, in accordance with generally accepted accounting procedures, on the basis of the actual cost of the services provided during the immediately preceding calendar year. The direct medical services, outpatient, and state placement services shall be billed directly against the patient who received the services.

2. a. The superintendent shall certify to the department the billings to ~~each county~~ the regional administrator of the person's county of residence for services provided to ~~patients~~ the person and chargeable to the county of residence during the preceding calendar quarter. The county of residence billings shall be based on the average daily patient charge and other service charges computed pursuant to subsection 1, and the number of inpatient days and other service units chargeable to the regional administrator of the person's county of residence. However, a county of residence billing shall be decreased by an amount equal to reimbursement by a third party payor or estimation of such reimbursement from a claim submitted by the superintendent to the third party payor for the preceding calendar quarter. When the actual third party payor reimbursement is greater or less than estimated, the difference shall be reflected in the ~~county~~ billing in the calendar quarter the actual third party payor reimbursement is determined.

b. The per diem costs billed to each ~~mental health and disability services~~ region shall not exceed the per diem costs billed to the region in the fiscal year beginning July 1, 2016.

3. The superintendent shall compute in January the actual

per-patient-per-day cost for each mental health institute for the immediately preceding calendar year, in accordance with generally accepted accounting procedures, by totaling the actual expenditures of the mental health institute for the calendar year and by dividing the total actual expenditures by the total inpatient days of service provided during the calendar year.

4. The department shall certify to the counties regional administrator by February 1 the actual per-patient-per-day costs, as computed pursuant to subsection 3, and the actual costs owed by each county regional administrator itemized for each county in the region for the immediately preceding calendar year for patients chargeable to the county regional administrator. If the actual costs owed by the county regional administrator are greater than the charges billed to the county regional administrator pursuant to subsection 2, the department shall bill the county regional administrator for the difference itemized for each county in the region with the billing for the quarter ending June 30. If the actual costs owed by the county regional administrator are less than the charges billed to the county regional administrator pursuant to subsection 2, the department shall credit the county regional administrator for the difference itemized for each county in the region starting with the billing for the quarter ending June 30.

5. An individual statement shall be prepared for a patient on or before the fifteenth day of the month following the month in which the patient leaves the mental health institute, and a general statement shall be prepared at least quarterly for each county regional administrator itemized for each county in the region to which charges are made under this section. Except as otherwise required by sections 125.33 and 125.34, the general statement shall list the name of each patient chargeable to ~~that~~ a county in the region who was served by the mental health institute during the preceding month or calendar quarter, the amount due on account of each patient, and the specific dates for which any third party payor reimbursement received by the state is applied to the statement and billing, and the county regional administrator shall be billed for eighty percent of the stated charge for each patient specified

in this subsection. The statement prepared for each county regional administrator shall be certified by the department and ~~a duplicate statement shall be mailed to the auditor of that county.~~

6. All or any reasonable portion of the charges incurred for services provided to a patient, to the most recent date for which the charges have been computed, may be paid at any time by the patient or by any other person on the patient's behalf. Any payment made by the patient or other person, and any federal financial assistance received pursuant to Tit. XVIII or XIX of the federal Social Security Act for services rendered to a patient, shall be credited against the patient's account and, if the charges paid as described in this subsection have previously been billed to a county regional administrator on behalf of the person's county of residence, reflected in the mental health institute's next general statement to that county regional administrator.

7. A superintendent of a mental health institute may request that the director of human services enter into a contract with a person for the mental health institute to provide consultation or treatment services or for fulfilling other purposes which are consistent with the purposes stated in section 226.1. The contract provisions shall include charges which reflect the actual cost of providing the services or fulfilling the other purposes. Any income from a contract authorized under this subsection may be retained by the mental health institute to defray the costs of providing the services. Except for a contract voluntarily entered into by a county under this subsection, the costs or income associated with a contract authorized under this subsection shall not be considered in computing charges and per diem costs in accordance with the provisions of subsections 1 through 6 ~~of this section.~~

8. The department shall provide a county regional administrator with information, which is not otherwise confidential under law, in the department's possession concerning a patient whose cost of care is chargeable to the county regional administrator, including but not limited to the information specified in section 229.24, subsection 3.

Sec. 14. Section 230.21, Code 2018, is amended to read as follows:

230.21 ~~Duty of county auditor and treasurer~~ Notice to county of residence.

~~The county auditor, upon receipt of the duplicate statement required by section 230.20, shall enter it to the credit of the state in the ledger of state accounts,~~ regional administrator shall furnish to the board of supervisors of the county of residence a list of the names of the persons ~~so certified, and at once issue a notice authorizing the county treasurer to transfer the amount billed to the county by the statement, from the county to the general state revenue, which notice shall be filed by the treasurer as authority for making the transfer who~~ are residents of that county and eligible for mental health and disability services funding. ~~The auditor shall promptly remit the amount so transferred to the treasurer of state, designating the fund to which it belongs.~~

Sec. 15. Section 230.22, Code 2018, is amended to read as follows:

230.22 Penalty.

~~Should any county fail~~ If a regional administrator fails to pay the amount billed by a statement submitted pursuant to section 230.20 within forty-five days from the date the statement is received by the ~~county~~ regional administrator, the department shall charge the delinquent ~~county regional administrator~~ regional administrator the penalty of one percent per month on and after forty-five days from the date the statement is received by the ~~county regional administrator~~ regional administrator until paid. Provided, however, that the penalty shall not be imposed if the ~~county regional administrator~~ regional administrator has notified the department of error or questionable items in the billing, in which event, the department shall suspend the penalty only during the period of negotiation.

Sec. 16. Section 230.25, subsection 1, Code 2018, is amended to read as follows:

1. Upon receipt from the county auditor or the regional administrator for mental health and disability services of the list of names furnished pursuant to section 230.21, the board of supervisors of the county of residence shall make an

investigation to determine the ability of each person whose name appears on the list, and also the ability of any person liable under section 230.15 for the support of that person, to pay the expenses of that person's hospitalization. If the board finds that neither the hospitalized person nor any person legally liable for the person's support is able to pay those expenses, ~~they~~ the board shall direct the county auditor or regional administrator not to index the names of any of those persons as would otherwise be required by section 230.26. However the board may review its finding with respect to any person at any subsequent time at which another list is furnished by the ~~auditor~~ county auditor or regional administrator upon which that person's name appears. If the board finds upon review that that person or those legally liable for the person's support are presently able to pay the expenses of that person's hospitalization, that finding shall apply only to charges stated upon the certificate from which the list was drawn up and any subsequent charges similarly certified, unless and until the board again changes its finding.

Sec. 17. Section 230.26, Code 2018, is amended to read as follows:

230.26 ~~Auditor~~ Regional administrator to keep record.

The ~~auditor of each county~~ regional administrator shall keep an accurate account of the cost of the maintenance of any patient kept in any institution as provided for in this chapter and keep an index of the names of the persons admitted or committed from ~~such~~ each county in the region. The name of ~~the husband or the wife of such person designating such party~~ as the spouse of the person admitted or committed shall also be indexed in the same manner as the names of the persons admitted or committed are indexed. The book shall be designated as an account book or index, and shall have no reference in any place to a lien.

Sec. 18. Section 230.33, Code 2018, is amended to read as follows:

230.33 Reciprocal agreements.

The administrator may enter into agreements with other states, through their duly constituted authorities, to effect

the reciprocal return of persons with mental illness and persons with an intellectual disability to the contracting states, and to effect the reciprocal supervision of persons on convalescent leave.

However, in the case of a proposed transfer of a person with mental illness or an intellectual disability from this state, final action shall not be taken without the approval ~~either of the commission of hospitalization, or~~ of the district court, of the county of admission or commitment.

Sec. 19. REPEAL. Sections 230.34 and 232.80, Code 2018, are repealed.

DIVISION II

Sec. 20. Section 35D.9, Code 2018, is amended to read as follows:

35D.9 County of ~~settlement~~ residence upon discharge.

A member of the home does not acquire ~~legal settlement residency~~ in the county in which the home is located unless the member is voluntarily or involuntarily discharged from the home, ~~continuously resides in the county for a period of one year subsequent to the discharge, and during that year is not readmitted to the home or does not receive any services from the home~~ and the member meets county of residence requirements. For purposes of this section, "county of residence" means the same as defined in section 331.394.

Sec. 21. Section 125.2, Code 2018, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. "*County of residence*" means the same as defined in section 331.394.

Sec. 22. Section 125.2, subsection 13, Code 2018, is amended by striking the subsection.

Sec. 23. Section 139A.12, Code 2018, is amended to read as follows:

139A.12 County liability for care, provisions, and medical attendance.

The local board shall provide proper care, provisions, and medical attendance for any person removed and isolated or quarantined in a separate house or hospital for detention and treatment, and the care, provisions, and medical attendance shall be paid for by the county in which the infected person

has a ~~legal settlement~~ residence, if the patient or legal guardian is unable to pay.

Sec. 24. Section 139A.18, Code 2018, is amended to read as follows:

139A.18 Reimbursement from county.

If any person receives services or supplies under this chapter who does not have a ~~legal settlement~~ residence in the county in which the bills were incurred and paid, the amount paid shall be certified to the board of supervisors of the county in which the person claims settlement or owns property, and the board of supervisors of that county shall reimburse the county from which the claim is certified, in the full amount originally paid.

Sec. 25. Section 232.141, subsections 7 and 8, Code 2018, are amended to read as follows:

7. A county charged with the costs and expenses under subsections 2 and 3 may recover the costs and expenses from the ~~county where the child has legal settlement~~ child's custodial parent's county of residence, as defined in section 331.394, by filing verified claims which are payable as are other claims against the county. A detailed statement of the facts upon which a claim is based shall accompany the claim. ~~Any dispute involving the legal settlement of a child for which the court has ordered payment under this section shall be settled pursuant to sections 252.22 and 252.23.~~

8. This subsection applies only to placements in a juvenile shelter care home which is publicly owned, operated as a county or multicounty shelter care home, organized under a chapter 28E agreement, or operated by a private juvenile shelter care home. If the actual and allowable costs of a child's shelter care placement exceed the amount the department is authorized to pay in accordance with law and administrative rule, the unpaid costs may be recovered from the child's custodial parent's county of ~~legal settlement~~ residence. However, the maximum amount of the unpaid costs which may be recovered under this subsection is limited to the difference between the amount the department is authorized to pay and the statewide average of the actual and allowable rates in effect in May of the preceding fiscal year for reimbursement of juvenile shelter

care homes. In no case shall the home be reimbursed for more than the home's actual and allowable costs. The unpaid costs are payable pursuant to filing of verified claims against the child's custodial parent's county of legal settlement residence. A detailed statement of the facts upon which a claim is based shall accompany the claim. Any dispute between counties arising from filings of claims pursuant to this subsection shall be settled in the manner provided to determine residency in section 331.394.

Sec. 26. Section 252.24, Code 2018, is amended to read as follows:

252.24 County of ~~settlement~~ residence liable — exception.

1. The county ~~where the settlement is~~ of residence, as defined in section 331.394, shall be liable to the county granting assistance for all reasonable charges and expenses incurred in the assistance and care of a poor person.

2. When assistance is furnished by any governmental agency of the county, township, or city, the assistance shall be deemed to have been furnished by the county in which the agency is located and the agency furnishing the assistance shall certify the correctness of the costs of the assistance to the board of supervisors of that county and that county shall collect from the ~~county of the person's settlement~~ county of residence. The amounts collected by the county where the agency is located shall be paid to the agency furnishing the assistance. This statute applies to services and supplies furnished as provided in section 139A.18.

3. ~~Notwithstanding subsection 2, if~~ This section shall apply to assistance or maintenance ~~is~~ provided by a county through the county's mental health and disability services system implemented under chapter 331, ~~liability for the assistance and maintenance is the responsibility of the person's county of residence.~~

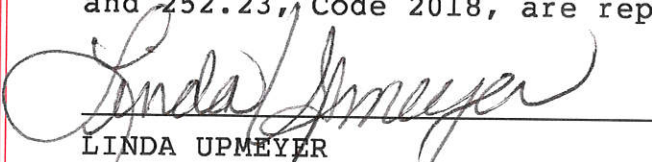
Sec. 27. Section 331.502, subsection 14, Code 2018, is amended by striking the subsection.


Sec. 28. Section 331.653, subsection 25, Code 2018, is amended by striking the subsection.

Sec. 29. Section 347.16, subsection 3, Code 2018, is amended to read as follows:

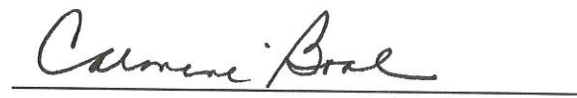
3. Care and treatment may be furnished in a county public hospital to any sick or injured person who has ~~legal settlement residence~~ outside the county which maintains the hospital, subject to such policies and rules as the board of hospital trustees may adopt. If care and treatment is provided under this subsection to a person who is indigent, the ~~county in which that person has legal settlement~~ person's county of residence, as defined in section 331.394, shall pay to the board of hospital trustees the fair and reasonable cost of the care and treatment provided by the county public hospital unless the cost of the indigent person's care and treatment is otherwise provided for. If care and treatment is provided to an indigent person under this subsection, the county public hospital furnishing the care and treatment shall immediately notify, by regular mail, the auditor of the county of ~~legal settlement~~ residence of the indigent person of the provision of care and treatment to the indigent person. ~~However, if the including~~ care and treatment is provided by a county through the county's mental health and disability services system implemented under chapter 331, ~~liability for the assistance and maintenance is the responsibility of the person's county of residence.~~

Sec. 30. REPEAL. Sections 252.16, 252.17, 252.18, 252.22, and 252.23, Code 2018, are repealed.

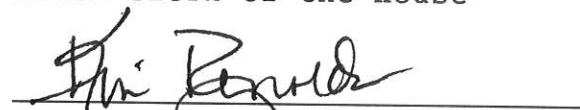

LINDA UPMEYER
Speaker of the House


CHARLES SCHNEIDER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2445, Eighty-seventh General Assembly.


CARMINE BOAL
Chief Clerk of the House

Approved May 4th, 2018


KIM REYNOLDS
Governor