

nursing services and for homemaker-home health aide services paid for by funds appropriated by this Act, and imposing a sliding fee scale for those persons deemed able to pay all or a portion of the cost of such services.

Sec. 4. The department of health shall prepare a report containing a critical evaluation of the programs funded under this Act, including quantitative measures of the level of services provided, proportion of the eligible population served, and the number of elderly in health care facilities before and after the programs funded under this Act were implemented. An interim report shall be submitted to the second session of the Sixty-seventh General Assembly not later than thirty days after its convening, and a final report shall be submitted to the first session of the Sixty-eighth General Assembly not later than thirty days after its convening.

Sec. 5. The department of social services is authorized to reallocate not more than fifty-five existing vacancies to the employment category of homemaker, for the purpose of expanding homemaker services in the counties where it is provided directly by the department of social services and thereby facilitating implementation of this Act. It is the intent of the general assembly that the department of social services employ additional persons as homemakers on a less than full-time basis, as necessary to insure the widest possible availability of homemaker services in this state, so long as the total number of vacancies reallocated to homemaker positions and filled does not exceed the equivalent of fifty-five full-time positions.
Approved July 10, 1977

CHAPTER 37 SOCIAL SERVICES

H. F. 464

AN ACT relating to the administration and financing of current programs under the jurisdiction of the department of social services and to funding of capital improvement projects including capital improvement projects recommended by the advisory commission on corrections relief.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1977-1978
Fiscal Year

1. District Administration

For the administration of district and local offices including salaries and support \$ 10,250,000

The provisions of subsection nine (9) of section nineteen A point nine (19A.9) of the Code which restricts employment of intermittent employees to not more than a specified number of calendar days in any twelve-month period without examination, shall not apply during the period beginning on July 1, 1977 and ending June 30, 1978 for forty intermittent employees who are employed in field offices by the department of social services. It is the intent of the general assembly to authorize the continued employment during the 1977-1978 fiscal year of persons employed to assist in meeting the current high demand for income maintenance and related services and to permit the department to avoid the cost of training new employees. Any such employee of the department of social services who has been employed and classified as an intermittent employee after August 1, 1975 for twelve consecutive months or more shall be eligible to receive the same fringe benefits for fiscal year 1977-1978 as any other person employed under the provisions of chapter nineteen A (19A) of the Code.

2. State Administration

a. For salaries, support, maintenance

and miscellaneous purposes \$ 4,389,000

Included in this appropriation for state administration is twenty-five thousand (25,000) dollars for one additional prosecutor for the fraud unit.

3. Medicaid Management Information

System (MMIS)

For development and implementation of medicaid management information system.....\$ 140,000

Sec. 2. There is appropriated from the general fund of

the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

1977-1978
Fiscal Year

FAMILY AND CHILDREN SERVICES:

For the operation of the following institutions:

1. State juvenile home at Toledo	\$ 1,275,000
2. Boys' training school at Eldora ...	\$ 3,100,000
3. Girls' training school at Mitchellville	\$ 1,000,000
4. Iowa veterans home at Marshalltown	\$ 7,520,000
5. Juvenile community based corrections	\$ 80,000

The department shall consult with the advisory commission on corrections and prepare and submit to the house and senate budget subcommittees on social services recommendations concerning the three juvenile institutions at Eldora, Mitchellville and Toledo with a long term recommendation on the care and treatment of juveniles at not more than two institutions. These recommendations shall be submitted on or before December 15, 1977. Members of the budget subcommittees on social services shall visit the three institutions during the 1977 interim.

Sec. 3. Acts of the Sixty-sixth General Assembly, 1976 Session, chapter one thousand one hundred thirty-two (1132), section two (2), subsection six (6), paragraph a, is amended to read as follows:

a. For contracting with local public or private nonprofit organizations for community based juvenile corrections programs and juvenile interim detention facilities and shelter care facilities \$ 160,000

Notwithstanding section eight point thirty-three (8.33) of the Code, unencumbered or unobligated funds appropriated by this paragraph shall not revert to the general fund until June 30, 1978. The state youth coordinator shall submit during the 1978 Session of the general assembly to the budget committees of the house and senate a report detailing the

manner in which funds appropriated by this paragraph have been expended. In addition the report shall contain such information as will be useful in determining the value of the community based juvenile correction program.

Sec. 4. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	1977-1978
	<u>Fiscal Year</u>
ADULT CORRECTIONAL SERVICES:	
1. Community based corrections	\$ 6,500,000
2. Luster Heights camp	
at McGregor	\$ 140,000
3. Iowa state penitentiary	
at Fort Madison	\$ 7,900,000
4. Men's reformatory	
at Anamosa	\$ 5,300,000
5. Women's reformatory at	
Rockwell City	\$ 735,000
6. Iowa security medical facility	
at Oakdale	\$ 2,290,000
7. Riverview release center	
at Newton	\$ 800,000
8. Medium security facility	
at Mt. Pleasant	\$ 1,524,000
9. Parole services	\$ 783,000

Sec. 5. It is the intent of the general assembly that a mental health institute shall not accept physical custody of children alleged to be children in need of assistance on the grounds stated in section two hundred thirty-two point two (232.2), subsection thirteen (13), paragraphs i and j, of the Code, on guest status or otherwise, for more than twenty days.

It is also the intent of the general assembly that children found to be children in need of assistance on the grounds stated in section two hundred thirty-two point two (232.2), subsection thirteen (13), paragraphs i and j, of the Code shall not be placed in a mental health institute on the basis of that adjudication.

The court may, however, order a commitment to a mental health institute or other appropriate secure facility for

the purposes of treatment of a mental or emotional condition only after making findings pursuant to the standards set out for involuntary commitment in chapter two hundred twenty-nine (229) of the Code.

Sec. 6. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	1977-1978 <u>Fiscal Year</u>
MENTAL HEALTH SERVICES:	
1. For the mental health institute at Cherokee	\$ 6,000,000
2. For the mental health institute at Clarinda	\$ 4,950,000
3. For the mental health institute at Independence	\$ 6,200,000
4. For the mental health institute at Mount Pleasant	\$ 4,800,000

The state mental health institutes daily per diem as determined pursuant to section two hundred thirty point twenty (230.20) of the Code shall be billed at eighty percent for the fiscal year.

Sec. 7. The department of social services with the approval of the governor and the state comptroller may transfer funds appropriated by section six (6) of this Act from any subsection of section six (6) for a purpose specified by any other subsection of section six (6).

Sec. 8. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	1977-1978 <u>Fiscal Year</u>
MENTAL RETARDATION SERVICES:	
1. For the Glenwood state hospital-school	\$ 9,800,000
2. For the Woodward state hospital-school	\$ 10,100,000
3. Hospital-school charges to counties.	
a. The state hospital-schools' per-patient-per-day cost as determined pursuant to section two hundred twenty-two point	

seventy-three (222.73) of the Code shall be billed at eighty percent for the fiscal year, except as otherwise provided by this subsection.

b. If more than twenty percent of the cost of a patient's care is initially paid from any source other than state-appropriated funds, the amount so paid shall be subtracted from the per-patient-per-day cost of that patient's care computed pursuant to section two hundred twenty-two point seventy-three (222.73) of the Code and the patient's county of legal settlement shall be billed for the full balance of the cost so computed.

Sec. 9. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1977 and ending June 30, 1978 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	1977-1978
	<u>Fiscal Year</u>
SPECIAL PROGRAMS DIVISION:	
1. For aid to the blind	\$ 20,000
2. For aid to the dependent children	\$ 47,000,000
3. For aid to Indians residing on a settlement	\$ 48,000
4. For medical assistance	\$ 74,000,000
5. For contractual services-medical carrier	\$ 950,000
6. For foster care	\$ 7,800,000
7. For subsidized adoptions	\$ 240,000
8. For work and training programs	\$ 420,000
9. For adult and children services ...	\$ 1,280,000
10. For homemaker services	\$ 480,000
11. For state supplementary assistance	\$ 3,800,000
12. For state supplementary assistance for the blind	\$ 275,000
13. For the governor's youth opportunity program	\$ 750,000
14. For child support recoveries	\$ 283,000
15. Assistance to child care centers for nonprofit centers only.....	\$ 250,000

Real property shall not be purchased with funds appropriated

by this subsection.

16. State supplementation to
 Title XX \$ 750,000

The funds appropriated by this subsection shall be used only for purchase of services to continue current programs.

17. Notwithstanding the provisions of section eight point thirty-three (8.33) of the Code, unencumbered or unobligated funds appropriated by Acts of the Sixty-sixth General Assembly, 1976 Session, chapter one thousand one hundred thirty-two (1132), section five (5), subsection two (2), remaining on June 30, 1977 shall be available for expenditure during the fiscal year beginning July 1, 1977 and the unencumbered or unobligated funds remaining on June 30, 1978 shall revert to the general fund on September 30, 1978.

Sec. 10. It is the intent of the general assembly, in consideration of the Iowa state university of science and technology aid to families with dependent children study, that the schedule of living costs and the payments for persons on the aid to families with dependent children program shall be set as follows:

- a. 2 person family \$257 per month
- b. 3 person family \$318 per month
- c. 4 person family \$369 per month
- d. All other family sizes shall be set at their present payment level.

Sec. 11. Unless otherwise provided in this Act, all institutional receipts of the department of social services shall be deposited in the general fund except rentals charged to employees or others for room, apartment, or house and meals, which shall be available to the institutions, and except for receipts from farm products which shall be used for necessary farm expenses and repair.

Sec. 12. Each hospital-school shall, upon receipt of any payment made under chapter two hundred forty-nine A (249A) of the Code for the care of any patient, segregate an amount equal to that portion of the payment which is required by law to be made from nonfederal funds. The money segregated shall be deposited in the medical assistance fund of the department of social services.

Sec. 13.

* 1. It is the intent of the general assembly that the activities and services provided by the department of social services at the Riverview release center at Newton shall be

phased out during the 1977-1978 fiscal year. The budget for the work release halfway houses funded through the Riverview release center shall not be reduced and shall be transferred to community based corrections for administrative purposes at such time as is appropriate. However, the physical structure and fixtures of the Riverview release center shall not be altered except for normal repair and maintenance until such time as the general assembly shall otherwise provide.

* Item veto

2. The special needs program of the aid to families with dependent children program shall be continued.

3. It is the intent of the general assembly to fully fund the addition to the aid to families with dependent children program as it applies to dependent children through the age of twenty years. If funds appropriated by this Act are insufficient to carry out this intent, it is the intent of the general assembly that a supplemental appropriation will be made by the general assembly meeting in the year 1978 to fund the program as intended.

Sec. 14. The department of social services shall encourage voluntary participation of families in paying for a portion of the care delivered to a relative/resident in an intermediate care facility. Facility administrators and appropriate department personnel, both state and county, will be advised as to the proper method of implementing family participation.

Sec. 15. It is the intent that the department of social services shall increase the maximum reimbursement for intermediate care facility services under medicaid from nineteen dollars to nineteen dollars and fifty cents and that the department shall increase the fee paid to pharmacists under medicaid from two dollars and fifteen cents to two dollars and fifty-five cents.

Sec. 16. It is the intent of the general assembly that the department of social services, by July 1, 1977, shall review every state staffing requirement contained in the conditions of participation for intermediate care facilities participating in the medicaid program that exceeds federal government requirements and that any such conditions of participation be submitted to the administrative rules review committee.

* Sec. 17. The department of health shall delay implementation of the department of health licensure rules for intermediate care facilities as published in the Iowa

Administrative Code "Health (470) chapter 58". The department, upon consultation with the health facilities advisory committee, shall review these rules which exceed the federal Title XIX guidelines for intermediate care facilities. All such modified rules approved by the department of health shall be resubmitted to the administrative rules review committee. The department of health may promulgate rules in areas not addressed by federal regulations.

*Item veto

Sec. 18. It is the intent that the department of social services shall resist the implementation of the federal government spouse income regulation which would allow spouse income under certain circumstances to be excluded from the determination of income for intermediate care facility medicaid eligibility purposes.

Sec. 19. It is the intent of the general assembly that funds appropriated for medical assistance shall not be used to pay for radiology services provided by a computerized axial tomographic scanner placed in operation in the state of Iowa subsequent to the effective date of this Act unless said computerized axial tomographic scanner has been approved by the health facilities construction review committee of the state department of health.

Sec. 20. Section two hundred twenty-two point eighty-six (222.86), Code 1977, is amended to read as follows:

222.86 PAYMENT FOR CARE FROM FUND. Whenever the amount in the account of any patient in the patients' personal deposit fund exceeds the sum of two hundred dollars, the business manager of the hospital-school or special unit may apply any amount of the excess to reimburse the county of legal settlement for liability incurred by such county for the payment of care, support, and maintenance of the patient when billed therefor by the county of legal settlement. ~~Money earned-by-a-patient-for-work-performed-in-or-for-a-hospital-school-or-special-unit-shall-not-be-subject-to-this-section-or-to-attachment.~~

Sec. 21.

1. The department of social services shall implement a pilot program in community services districts ten and two requiring mandatory second opinions on elective surgery for medicaid clients. The department shall reimburse board certified surgical specialists to give their opinion on

elective surgery prescribed by the client's own physician. If there is a difference in the opinion of the two physicians, the client shall make the final determination. In cases where the client is geographically distant from the specialist, the department shall pay transportation and child care expenses incurred in obtaining the second opinion. The department shall maintain statistical information on this program in community service districts ten and two and on similar groups in community service districts eight and eleven in order to evaluate the impact of this program on the costs of the medicaid program.

2. There is appropriated from the general fund of the state to the department of social services for the fiscal year beginning July 1, 1977 the sum of fifty thousand (50,000) dollars, or so much thereof as may be necessary, for the administration of the pilot program mandated by this section, and for the payment of evaluation costs, consultant fees and client expenses incurred in connection therewith.

Sec. 22. There is appropriated from the general fund of the state to the department of social services for the fiscal period commencing July 1, 1977 the sum of one million (1,000,000) dollars, or so much thereof as is necessary, to be used for capital improvement projects deemed necessary by the department for institutions under its jurisdiction or for maintenance of such institutions.

Sec. 23. There is appropriated from the general fund of the state to the department of social services for the fiscal period beginning July 1, 1977 the sum of four million five hundred thousand (4,500,000) dollars, such moneys to be deposited in the hospital-schools revolving fund. Unobligated or unencumbered funds appropriated by this section shall not revert to the general fund of the state until the attainment of the object or the completion of the work for which such appropriation is made.

Sec. 24. There is appropriated from the general fund of the state to the department of social services for the fiscal period beginning July 1, 1977 the sum of two million five hundred thousand (2,500,000) dollars, or so much as is necessary, for construction of a one hundred eighty bed nursing facility and for renovation of the Sheeler health care facility of the Iowa veterans home.

Sec. 25.

1. There is appropriated from the general fund of the

state to the department of social services for the fiscal period beginning July 1, 1977, the sum of one million two hundred fifty-five thousand one hundred (1,255,100) dollars, or so much thereof as is necessary, for the purpose of carrying out capital improvements at the Iowa state penitentiary at Fort Madison and the men's reformatory at Anamosa pursuant to the specific recommendations of the advisory commission on corrections relief submitted to the general assembly subsequent to April 1, 1977. Funds appropriated by this subsection may be used to match federal funds including federal funds received from the law enforcement assistance administration if such funds become available to the state. The construction of the capital improvements shall not commence prior to March 1, 1978 except as provided in section twenty-seven (27) of this Act.

* 2. Notwithstanding the provisions of chapter one thousand forty-three (1043) of the Acts of the Sixty-sixth General Assembly, 1976 Session, funds appropriated by section one (1), subsection four (4) of such chapter remaining unexpended on the effective date of this Act shall be used for the conversion of the existing minimum security dormitory located outside the walls of the Fort Madison penitentiary to a minimum security facility. The conversion shall provide for making necessary repairs and separating the upper floor of this minimum security dormitory into rooms.

* Item veto

Sec. 26. Funds appropriated by subsection one (1) of section twenty-five (25) of this Act, and federal funds which may become available, shall be used for improvements at Fort Madison and Anamosa pursuant to the report of the advisory commission on corrections relief. The improvements include but are not necessarily limited to the following:

1. FORT MADISON. To unitize cellhouses eighteen and nineteen, to make necessary repairs to cellhouse seventeen, to complete work now in progress, make further necessary repairs, and also install a horizontal partition in cellhouse twenty, and to convert the upper floor of the existing minimum security dormitory located outside the walls to a minimum security facility with separate sleeping rooms of not less than eighty square feet each. The improvements to these cellhouses shall be completed in the sequence and manner specifically recommended by the advisory commission on corrections relief in its supplemental report submitted to

the general assembly subsequent to April 1, 1977. As used in this subsection "unitize" means the subdivision of cellhouses into smaller units in order to deliver correctional services on a more individualized basis.

2. FORT MADISON. To relocate laundry equipment in building fifty-nine and upgrade the electrical system in that building, demolish building thirty-eight, upgrade priority operation and service facilities in building seventy-five and cellhouse ninety-seven, repair the heating distribution system, construct outside separation structures, and repair the electrical distribution system.

3. ANAMOSA. To unitize cellhouse one, install forty-four rooms in the north cellhouse, and create one hundred seven housing units in the old hospital. As used in this subsection "unitize" means the subdivision of a cellhouse into smaller units in order to deliver correctional services on a more individualized basis.

Sec. 27. Unobligated or unencumbered funds remaining on June 30, 1981 from funds appropriated by sections twenty-two (22), twenty-four (24) and twenty-five (25) of this Act shall revert to the general fund of the state on September 30, 1981. If federal funds do not become available to match the funds appropriated by subsection one (1) of section twenty-five (25) of this Act, the funds, except seventy-five thousand dollars, shall be used for planning the projects provided for in this Act including the employment of architects. In no event shall such funds, except the seventy-five thousand dollars provided for in this section, be used for construction or alteration of physical structures prior to March 1, 1978. The seventy-five thousand dollars excepted from the planning shall be used to complete the work in progress, make further necessary repairs, and install a horizontal partition in cellhouse twenty at Fort Madison as provided in subsection one (1) of section twenty-six (26) of this Act.

Sec. 28. Section two hundred forty-six point one (246.1), Code 1977, is amended to read as follows:

246.1 DEFINITIONS. For the purpose of this chapter "director" or "state director" shall mean the director of the division of adult corrections of the department of social services, or that director's designee.

Sec. 29. Chapter two hundred forty-six (246), Code 1977, is amended by adding the following new section:

NEW SECTION. SPECIAL TREATMENT UNIT FOR CORRECTIONS

INMATES.

1. Beginning April 1, 1978, the medium security correctional facility at Mount Pleasant shall be utilized as a secure facility for treatment of inmates of adult correctional institutions who exhibit treatable personality disorders, with or without accompanying history of drug or alcohol abuse. Such inmates may apply for and upon their application may be selected for treatment by the staff of the treatment facility at Mount Pleasant in accordance with section two hundred eighteen point ninety (218.90) of the Code.

2. The director shall coordinate with the division of mental health of the department of social services and the state psychiatric hospital at Iowa City in the creation, staffing and operation of a research and treatment program directed at the class of disorders described in subsection one (1) of this section, which program shall be operated at the medium security correctional facility at Mount Pleasant.

3. The final decision regarding admission and discharge of patients of the treatment facility operated under this section shall rest with the director. Upon discharge, the patients of the treatment facility shall be transferred or placed as determined by the director.

Sec. 30. Section two hundred twenty-three point eight (223.8), Code 1977, is amended by striking the section and inserting in lieu thereof the following:

223.8 COSTS AND CHARGES. Chapter two hundred thirty (230), Code 1977, shall govern the determination of costs and charges for the care and treatment of mentally ill patients admitted to the Iowa security medical facility, except that charges for the care and treatment of any person transferred to the security medical facility from an adult correctional institution or from a state training school shall be paid entirely from state funds. Charges for all other patients at the security medical facility shall be billed to the respective counties at the same ratio as for patients at state hospitals for the mentally ill, under section two hundred thirty point twenty (230.20) of the Code.

Sec. 31. The department of social services shall report to the budget social services subcommittees of the committees on budget of the house and senate by February 1, 1978 the cost and description of the construction necessary to make building twenty at Mount Pleasant mental health institute an internally secure structure, including but not limited

to providing escape-proof doors and windows, air conditioning, and electronic surveillance and security equipment which will exceed the standards in the existing plans.

Sec. 32. There is hereby appropriated from the general fund of the state to the legislative council the sum of twenty thousand (20,000) dollars, or so much thereof as may be necessary, which shall be used by the joint senate-house budget subcommittees on social services to conduct a study of the requirements for and restrictions upon use of federal funds allocated to Iowa under Title twenty (XX) of the United States Social Security Act, the manner in which the state and persons representing political subdivisions of the state and other local interests and organizations have planned for and acted in use of these funds, the effect upon these efforts and subsequent decisions by the department of social services affecting the allocation and use of Title twenty (XX) funds, the effect of any joint funding of programs with both money appropriated by or allocated to the state for the medical assistance program maintained pursuant to Title nineteen (XIX) of the United States Social Security Act and Title twenty (XX) money and the necessity for the district offices of the department of social services. The subcommittees shall make the necessary arrangements for the conduct and supervision of the study, including the hiring of any necessary staff, and for formulation of recommendations based upon the findings of the study. The report of the study and the recommendations based thereon shall be submitted to the Sixty-seventh General Assembly on or before the date it convenes for its regular session in the year 1978. The secretary of the senate and the chief clerk of the house, in consultation with the legislative council, shall provide administrative services for the administration of funds appropriated by this section.

Sec. 33. All federal grants to and the federal receipts of the agencies appropriated funds under this Act are appropriated for the purposes set forth in such federal grants or receipts except the veterans per diem payable for veterans at the veterans home shall be deposited in the general fund.

Sec. 34. Funds appropriated by sections one (1) through ten (10) of this Act shall not be used for capital improvements.

Approved July 11, 1977, except the item designated as subsection 1 of section 13, section 17 and subsection 2 of section 25 which I hereby disapprove for the reasons set forth in my item veto message delivered to the Secretary of State this same date, the original of which is attached hereto.

Robert D. Ray
Governor

The Honorable Melvin D. Synhorst
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit House File 464, An Act relating to the administration and financing of current programs under the jurisdiction of the Department of Social Services and to funding of capital improvement projects including capital improvement projects recommended by the Advisory Commission on Corrections Relief.

House File 464 is approved July 11, 1977, with the following exceptions which I hereby disapprove.

I am unable to approve the item designated in the Act as Subsection 1 of Section 13 which reads as follows:

"1. It is the intent of the general assembly that the activities and services provided by the department of social services at the Riverview release center at Newton shall be phased out during the 1977-1978 fiscal year. The budget for the work release halfway houses funded through the Riverview release center shall not be reduced and shall be transferred to community based corrections for administrative purposes at such time as is appropriate. However, the physical structure and fixtures of the Riverview release center shall not be altered except for normal repair and maintenance until such time as the general assembly shall otherwise provide."

I am unable to approve the item designated in the Act as Section 17 which reads as follows:

"Sec. 17. The department of health shall delay implementation of the department of health licensure rules for intermediate care facilities as published in the Iowa Administrative Code "Health (470) chapter 58". The department, upon consultation with the health facilities

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advisory Committee, shall review these rules which exceed the federal Title XIX guidelines for intermediate care facilities. All such modified rules approved by the department of health shall be resubmitted to the administrative rules review committee. The department of health may promulgate rules in areas not addressed by federal regulations."

I am unable to approve the item designated in the Act as Subsection 2 of Section 25 which reads as follows:

"2. Notwithstanding the provisions of chapter one thousand forty-three (1043) of the Acts of the Sixty-sixth General Assembly, 1976 Session, funds appropriated by section one (1), subsection four (4) of such chapter remaining unexpended on the effective date of this Act shall be used for the conversion of the existing minimum security dormitory located outside the walls of the Fort Madison penitentiary to a minimum security facility. The conversion shall provide for making necessary repairs and separating the upper floor of this minimum security dormitory into rooms."

Section 13, Subsection 1 requires the Department of Social Services to phase out the operations of the Riverview Release Center at Newton during FY 78. The Advisory Commission on Corrections Relief recommended that the center as a prerelease facility be phased out in the belief that the traditional way station between prison and community has become less necessary with the establishment of our community corrections program.

However, subsequent to the offering of the proposal to phase out Riverview, the legislature also added a provision to Senate File 112, the community corrections bill, calling for the creation of an inmate employment program at Riverview which would be consistent with the Commission's advice on training. Through a cooperative arrangement between the Departments of Transportation and Social Services, men and women inmates will be trained by Transportation, become employees of the Department for no more than one year, and then move from there to other employment in private industry.

We favor more vocational training and job opportunities for inmates so they will be more adequately prepared to reenter society. If the inmate employment program at Newton is to be the success hoped for, it must be allowed to operate under favorable conditions. Under the phase-out provision of this bill, the Riverview administrators would be hard pressed to know whether to proceed full

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speed ahead on the employment program or hold back in preparation for the shutdown mandated at the end of the year. We believe that this employment program should be supported and in order to do that Riverview should not be phased out at this time.

The major thrust of Riverview during FY 78 will be the inmate employment program. Three quarters of the population of the institution will be participating in the job training endeavor. A report on the initial operation of the program is to be submitted by February, 1978. If at that time the legislature decides to phase out Riverview, they will have ample time to affect the appropriation for FY 79. That action need not be forced now.

Section 17 requires the Department of Health to delay implementation of its revised health licensure rules for intermediate care facilities and in consultation with the Health Facilities Advisory Committee to determine if any exceed federal guidelines. Any rules modified under this review shall be submitted to the Administrative Rules Review Committee.

The Department of Health and the Health Facilities Advisory Committee completed a review and revision of the Department's licensure rules in December, 1976, after a two-year process. These new rules have been in operation since that time. A delay in implementation would leave the Department with no valid licensure rules for an indefinite period.

It was the consensus opinion of that group that these revised rules were efficient, workable, reasonable, and well-thought out. Mr. Larry Breeding, Executive Vice President of the Health Facilities Association of Iowa, wrote to me in December, saying:

"I do not believe I have ever seen a more hardworking, efficient, and industrious a group . . . The spirit of cooperation that existed between all facets of the committee was exemplary . . . I believe the work of this committee exemplified democracy at work (in reaching) reasonable and rational conclusions without a feeling of oppression."

Agreement still exists that the rules are exemplary and that they adequately set forth minimum requirements for intermediate care facilities. A point of contention has arisen, however, over the cost impact of the new rules. Such a cost impact statement was not included in the work of the Health Facilities Advisory Committee. There seems to be some fear that implementation of the new rules will result in costs that will strain the resources of the nursing homes.

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At my request the Department of Health has conducted a rule-by-rule financial survey with the following summary results:

1. Requirements for construction will likely result in a net reduction in cost from the previous rules.
2. In the area of staffing requirements, particularly nursing care which has been of major concern, this survey indicates that any increase in the cost of licensed nursing care will be more than counter-balanced by a decrease in the requirement for nursing aide care, resulting in an overall decrease in the cost of minimum nursing care standards.

Section 17 does not address the pertinent issue--that of cost impact--but rather the adequacy of the rules as minimum standards. Further review of these licensure rules in terms of their fitness as minimum standards could be a costly and repetitive exercise. It also seems that the cost impact of the new rules will probably reduce the cost of minimum acceptable standards in each facility. The cost problems generated by the placement of patients requiring skilled care in intermediate care facilities is of concern also, and will be reviewed by the Department.

Nursing homes are not immune to increased costs as they provide quality care to their patients, but I do not presently see reduction of minimum care standards as one of the alternative solutions to that problem.

Further, a delay in implementation in the new rules will prevent the Department of Health from using the fining and citation powers granted last December and will allow inadequate and poor quality care, which was scheduled to be dealt with under this process, to continue for an indefinite period.

I believe it would be better not to halt the new rules but to monitor them carefully with an eye toward modification any time cost savings could be implemented without jeopardizing minimum standards of care.

For these reasons, I thereby do not approve Section 17.

Section 25, Subsection 2 requires the conversion of the outside dormitory at Fort Madison to rooms for minimum security at a cost of approximately \$235,000. This increase would come at a time when the eligible population is decreasing due to wider use of probation, community-based corrections and work release programs. Currently, more than half the population at Fort Madison is serving sentences for crimes of violence, and one-third is serving sentences of more than twenty years. Both the percentage of the population committing violent crimes and the number of acts of violence by each individual have increased significantly in the last five years.

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As of July 9, 1977, the Warden's office reported there were 864 men being housed at Fort Madison. One hundred fifteen of these were in minimum security, with an average six-month stay. These men generally move on to discharge, parole, work release, or through some violation of rules, including escape, are sent back inside the Penitentiary. Thus, approximately 200-260 men are moved into minimum security during a year's time.

An examination of the files of the men at the Penitentiary indicates that 206 are eligible for minimum security, meeting at least the following criteria:

1. No life sentence.
2. No sentence for violent offense or exhibition of violent behavior while incarcerated.
3. No escape history within one year of review.
4. No report greater than a reprimand in the past two months.
5. No loss of good time or removal from honor roll in last six months.

These minimum standards were established in April, 1977, and are considerably more lenient than earlier criteria. A summary of file information of the 206 who could possibly be eligible indicates that 115 are already in minimum security, leaving 91, of whom another 50 are not currently being considered for the following reasons:

1. New men in orientation.
2. In protective custody.
3. Medical problems requiring daily care.
4. Mental problems.
5. Escape histories.
6. Don't want minimum security.
7. Too elderly.

This leaves 41 eligible for consideration. At current turnover rates, these men, if they are approved during review, will be placed in minimum security within six months or less.

It seems, therefore, based on the current population that minimum security candidates are being placed expeditiously and that a sufficient roster of available candidates would not be found to fill another facility and keep it filled. In addition, the escape rate from minimum security has increased since the opening of the farm dorms, thus increasing security risks.

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Finally, the conversion of the outside dormitory to minimum security poses three other problems:

1. There will be a significant increase in staffing costs for security, counselors, and cooks for the new facility, since separate services will have to be provided.
2. The proximity of this building to the main compound increases significantly the danger of contraband passing between the inmates outside the walls and those inside.
3. Other facilities will have to be found for part of the vocational training program now housed there.

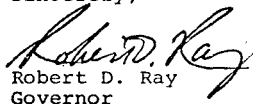
I am, therefore, unable to approve the use of this appropriation contained in Section 25, Subsection 2.

I do, however, feel that the dormitory, being a building less than 15 years old and in good condition, should be fully utilized and am directing the Department of Social Services to plan for its appropriate use considering some of the following alternatives:

1. Housing for correctional officers recruited from outside the local area.
2. Expansion of vocational programs.
3. Division of open spaces into classroom units.

For the above reasons, I hereby disapprove these items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of House File 464 are hereby approved as of this date.

Sincerely,


Robert D. Ray
Governor