<u>section 182.14</u> in an account established pursuant to section 182.12, subsection 9. Expenses and disbursements incurred and made pursuant to this chapter shall be made by voucher, draft, or check bearing the signature of a person designated by majority vote of the board.

Approved April 22, 1999

CHAPTER 51

PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN — AUTHORIZATION REQUIREMENTS H.F. 741

AN ACT relating to the authorization requirements for psychiatric medical institutions for children and providing an effective date.

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

Section 1. Section 135H.6, subsections 4, 5, 6, 7, and 8, Code 1999, are amended to read as follows:

4. The applicant has been awarded a certificate of need pursuant to chapter 135, unless exempt as provided in this section.

5. The department of human services has submitted written approval of the application based on the department of human services' determination of need. The department of human services shall identify the location and number of children in the state who require the services of a psychiatric medical institution for children. Approval of an application shall be based upon the location of the proposed psychiatric institution relative to the need for services identified by the department of human services and an analysis of the applicant's ability to provide services and support consistent with requirements under chapter 232, particularly regarding community-based treatment. If the proposed psychiatric institution is not freestanding from a facility licensed under chapter 135B or 135C, approval under this subsection shall not be given unless the department of human services certifies that the proposed psychiatric institution is capable of providing a resident with a living environment similar to the living environment provided by a licensee which is freestanding from a facility licensed under chapter 135B or 135C. Unless a psychiatric institution was accredited to provide psychiatric services by the joint commission on the accreditation of health eare organizations under the commission's consolidated standards for residential settings prior to June 1, 1989, the department of human services shall not approve an application for a license under this chapter until the federal health care financing administration has approved a state Title XIX plan amendment to include coverage of services in a psychiatric medical institution for children. In addition, either of the following conditions must be met:

a. <u>6.</u> The department of human services shall not give approval to an application which would cause the total number of beds licensed under this chapter <u>for services reimbursed by</u> the medical assistance program under chapter 249A to exceed three <u>four</u> hundred sixty thirty</u> beds, except as provided in paragraph "b" and paragraph "c", with not more than three hundred of the beds licensed under chapter 237 before January 1, 1989, and not more than sixty of the beds licensed under chapter 237 on or after January 1, 1989.

b. The department of human services shall not give approval to an application which would cause the total number of beds licensed under this chapter after June 30, 1990, which specialize in providing substance abuse treatment to children to exceed seventy beds.

e. 7. The In addition to the beds authorized under subsection 6, the department of human services may establish not more than thirty beds licensed under this chapter at the state mental health institute at Independence. The beds shall be exempt from the certificate of need requirement under subsection 4.

6.8. The department of human services may give approval to conversion of beds specializing in substance abuse treatment previously approved under subsection 56, paragraph "b", to beds which are not specialized as referenced in subsection 5, paragraph "a" to provide substance abuse treatment. Beds converted under this subsection shall be in addition to the number of beds authorized under subsection 5, paragraph "a". However, the total number of beds approved under subsection $\frac{5}{6}$ and this subsection shall not exceed four hundred thirty. Conversion of beds under this subsection shall not require a revision of the certificate of need issued for the psychiatric institution making the conversion.

7. 9. The proposed psychiatric institution is under the direction of an agency which has operated a facility licensed under section 237.3, subsection 2, paragraph "a", as a comprehensive residential facility for children for three years or of an agency which has operated a facility for three years providing psychiatric services exclusively to children or adolescents and the facility meets or exceeds requirements for licensure under section 237.3, subsection 2, paragraph "a", as a comprehensive residential facility for children.

8. 10. A psychiatric institution licensed prior to January July 1, 1006 1999, may exceed the number of beds authorized under subsections 5 and subsection 6 if the excess beds are used to provide services funded from a source other than the medical assistance program under chapter 249A. Notwithstanding subsections 4, 5, and 6, the provision of services using such those excess beds does not require a certificate of need or a review by the department of human services.

Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved April 22, 1999

CHAPTER 52

MEDICAL ASSISTANCE DEBT — NOTICE PROVISIONS S.F. 92

AN ACT relating to the notice provisions for transfer of assets which create a medical assistance debt.

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

Section 1. Section 249F.3, subsection 1, unnumbered paragraph 1, Code 1999, is amended to read as follows:

The department of human services may issue a notice establishing and demanding payment of an accrued or accruing debt due and owing to the department of human services as provided in section 249F.2. The notice shall be <u>sent by restricted certified mail as defined in</u> <u>section 618.15</u>, to the transferee at the transferee's last known address. If service of the <u>notice is unable to be completed by restricted certified mail, the notice shall be</u> served upon the transferee in accordance with the rules of civil procedure. The notice shall include all of the following: