

commuting options, develop a telecommuter employment policy and implement a plan designed to increase the number of telecommuting employees. Many departments maintain employee telecommuting policies currently. These policies and procedures have been in place for several years and are well established. The designated language in Section 25 directing a department or agency to conduct an assessment of its telecommuting policy is duplicative and unnecessary and introduces a legislatively mandated management process into what is appropriately an executive branch decision. I will direct the Department of Administrative Services and the Department of Management to review the current state government telecommuting policy and make recommendations for any improvements as part of our overall executive branch strategic planning 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 874 are hereby approved this date.

Sincerely,
CHESTER J. CULVER, *Governor*

CHAPTER 218

APPROPRIATIONS — HEALTH AND HUMAN SERVICES

H.F. 909

AN ACT relating to and making appropriations for health and human services and including other related provisions and appropriations, and including effective date provisions.

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, 2007, and ending June 30, 2008, 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 only if the monthly cost per client for case management for the frail elderly services provided does not exceed an average of \$70, 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, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	4,723,306
.....	FTEs	34.50

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, \$2,788,223 shall be used for case management for the frail elderly. Of the funds allocated in this subsection, \$1,385,015 shall be transferred to the department of human services in equal amounts on a quarterly basis for reimbursement of case management services provided under the medical assistance elderly waiver. The department of human services shall adopt rules for case management services provided under the medical assistance elderly waiver in consultation with the department of elder affairs. The monthly cost per client for case management for the frail elderly services provided shall not exceed an average of \$70.

3. Of the funds appropriated in this section, \$200,198 shall be transferred to the department of economic development for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

4. Of the funds appropriated in this section, \$130,000 shall be used to fund two additional long-term care resident’s advocate positions.

5. Of the funds appropriated in this section, \$15,000 is allocated for costs associated with the Alzheimer’s disease task force established pursuant to 2007 Iowa Acts, Senate File 489,¹ if enacted.

6. Of the funds appropriated in this subsection, \$250,000 shall be used for implementation of the substitute decision maker Act pursuant to chapter 231E, to establish the state office and two local offices.

HEALTH

Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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:

.....	\$	1,971,890
.....	FTEs	4.35

The requirement of section 123.53, subsection 3, is met by the appropriations made in this Act for purposes of addictive disorders for the fiscal year beginning July 1, 2007.

2. HEALTHY CHILDREN AND FAMILIES

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

.....	\$	2,509,438
.....	FTEs	12.95

a. Of the funds appropriated in this subsection, not more than \$645,917 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, 2007.

b. Of the funds appropriated in this subsection, \$325,000 shall be used to continue to address the healthy mental development of children from birth through five years of age through

¹ Chapter 121 herein

local evidence-based strategies that engage both the public and private sectors in promoting healthy development, prevention, and treatment for children.

c. Of the funds appropriated in this subsection, \$100,000 is allocated for distribution to the children’s hospital of Iowa mother’s milk bank.

d. Of the funds appropriated in this subsection, \$40,000 shall be distributed to a statewide dental carrier to provide funds to continue the donated dental services program patterned after the projects developed by the national foundation of dentistry for the handicapped to provide dental services to indigent elderly and disabled individuals.

3. 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:

.....	\$	1,842,840
.....	FTEs	4.30

Of the funds appropriated in this subsection, \$100,000 shall be used as additional funding to provide grants to individual patients who have phenylketonuria (PKU) to assist with the costs of necessary special foods.

4. COMMUNITY CAPACITY

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

.....	\$	1,758,147
.....	FTEs	10.75

a. 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.

b. Of the funds appropriated in this subsection, \$159,700 is allocated for an initiative implemented at the university of Iowa and \$140,300 is allocated for an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the department of public health, and the mental health, mental retardation, developmental disabilities, and brain injury commission to address the focus of the initiatives. The department of human services, the department of public health, and the commission shall receive regular updates concerning the status of the initiatives.

5. ELDERLY WELLNESS

For promotion of healthy aging and optimization of the health of older adults:

.....	\$	9,233,985
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6. 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:

.....	\$	747,960
.....	FTEs	1.75

Of the funds appropriated in this subsection, \$121,000 shall be used for implementation and administration of 2007 Iowa Acts, House File 158,² as enacted, relating to blood lead testing of children.

7. INFECTIOUS DISEASES

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

.....	\$	1,640,571
.....	FTEs	5.75

a. Of the funds appropriated in this subsection, \$100,000 shall be used to fund the position of a bureau chief for the center for acute disease epidemiology (CADE).

b. Of the funds appropriated in this subsection, an increase of \$260,608 is provided for the purchasing of vaccines for immunizations.

² Chapter 79 herein

8. 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:

.....	\$	2,591,333
.....	FTEs	125.90

a. Of the funds appropriated in this subsection, \$643,500 shall be credited to the emergency medical services fund created in section 135.25. Moneys in the emergency medical services fund are appropriated to the department to be used for the purposes of the fund.

b. Of the funds appropriated in this subsection, \$23,810 shall be used as additional funding for the office of the state medical examiner.

c. Of the funds appropriated in this subsection, \$10,000 shall be used to administer or implement the information and referral database for health and human services 211 system.

d. Of the funds appropriated in this subsection, \$150,000 shall be used for management of the antiviral stockpile.

e. Of the funds appropriated in this subsection, \$100,000 shall be used for an increase in sexual violence prevention programming through a statewide organization representing programs serving victims of sexual violence through the department’s sexual violence prevention program. In addition, \$162,522 and any other amount remaining in the hospital trust fund created in section 249I.4, Code 2005, on July 1, 2007, are appropriated to the department of public health to be used for the purposes of this paragraph “e”. The amounts provided pursuant to this paragraph “e” shall not be used to supplant funding administered for other sexual violence prevention or victims assistance programs.

9. 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:

.....	\$	1,195,557
.....	FTEs	9.00

Of the funds appropriated in this subsection, \$150,150 shall be used for administration of tobacco-related programs.

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.

Sec. 3. GAMBLING TREATMENT FUND — APPROPRIATION.

1. 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 department of public health for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To be utilized for the benefit of persons with addictions:

.....	\$	2,215,000
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The amount appropriated in this subsection for addictive disorders reflects an increase of \$525,000 from the funding remaining in the gambling treatment fund from the carryforward of appropriations made for addictive disorders in previous fiscal years. Of this amount, \$50,000 shall be transferred to the department of corrections to supplement funding for the adult drug court program in the fifth judicial district, \$25,000 shall be transferred to the department of corrections to supplement funding for the adult drug court program in the second judicial district, \$150,000 shall be transferred to the department of human rights to supplement funding for the family development and self-sufficiency grant program, and \$300,000 shall be transferred to the department of human rights to be used in addition to any other funding appropriated in this Act for the energy utility assessment and resolution program established pursuant to section 216A.104, as enacted by this Act.

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.

* Item veto; see message at end of the Act

2. The amount remaining in the gambling treatment fund after the appropriation made in subsection 1 is 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 this subsection, up to \$100,000 may be used for the licensing of gambling treatment programs as provided in section 135.150.

DEPARTMENT OF VETERANS AFFAIRS

Sec. 4. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, including the war orphans educational assistance fund established pursuant to section 35.8 and for not more than the following full-time equivalent positions:

.....	\$	863,457
.....	FTEs	12.00

Of the amount appropriated in this subsection, \$50,000 is allocated for implementation of the veterans counseling program established pursuant to section 35.12, if enacted by 2007 Iowa Acts, House File 817.³

2. IOWA VETERANS HOME

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

.....	\$	14,509,630
.....	FTEs	909.33

3. VETERANS TRUST FUND

To be credited to the veterans trust fund created in section 35A.13:

.....	\$	500,000
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Of the amount appropriated in this subsection, \$150,000 is transferred and appropriated to the department of cultural affairs to be used to establish a conservation lab facility in the state archives to preserve the civil war muster rolls, including two full-time equivalent positions in addition to any other positions authorized for the department.

4. COUNTY GRANT PROGRAM FOR VETERANS

For providing matching grants to counties to provide improved services to veterans:

.....	\$	750,000
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The department shall establish or continue a grant application process and shall require each county applying for a grant to submit a plan for utilizing the grant to improve services for veterans. The maximum matching grant to be awarded to a county shall be \$10,000 and the amount awarded shall be matched on a dollar-for-dollar basis by the county. Each county receiving a grant shall submit a report to the department identifying the impact of the grant on increasing services to veterans as specified by the department. The department shall submit a report to the general assembly by October 1, 2008, concerning the impact of the grant program on services to veterans.

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to the fund from which appropriated but shall be credited to the veterans trust fund.

5. STATE EDUCATIONAL ASSISTANCE — CHILDREN OF DECEASED VETERANS

For educational assistance pursuant to section 35.9:

.....	\$	27,000
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Sec. 5. VETERANS TRUST FUND. If the balance in the veterans trust fund for the fiscal

³ Chapter 202, §1 herein

* Item veto; see message at end of the Act

year beginning July 1, 2007, exceeds \$5,000,000, exclusive of any amount from interest or earnings on moneys in the trust fund or otherwise received from a source other than the general fund of the state or the rebuild Iowa infrastructure fund, the amount in excess of \$5,000,000 is appropriated to the department of veterans affairs for the fiscal year beginning July 1, 2007, and ending June 30, 2008, for transfer to the Iowa finance authority to be used as funding in addition to the specific appropriations made for that fiscal year for the home ownership assistance program.

Sec. 6. VETERANS NEEDS REPORT. The executive director of the department of veterans affairs shall prepare a report regarding the needs of veterans. The report shall include a comprehensive survey of existing benefits and services being provided to Iowa veterans at the local, state, and national levels, a comparison of Iowa veterans benefits and services programs with such programs offered in other states, the deficiencies in benefits and services identified by the department, and any recommendations for eliminating the deficiencies identified. The completed report shall be approved by the commission of veterans affairs prior to submission of the report to the general assembly no later than October 15, 2008.

HUMAN SERVICES

Sec. 7. 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, 2007, and ending June 30, 2008, 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, 2006, and ending September 30, 2007, and beginning October 1, 2007, and ending September 30, 2008, 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:

	\$	
.....		36,890,944
 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:

	\$	
.....		14,993,040
- Notwithstanding section 8.33, not more than 5 percent of the moneys designated in this subsection that are allocated by the department for contracted services other than family self-sufficiency grant services allocated under 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. However, unless such moneys are encumbered or obligated on or before September 30, 2008, the moneys shall revert.
3. To be used for the family development and self-sufficiency grant program as provided under section 217.12 and this division of this Act:

	\$	
.....		2,998,675
 4. For field operations:

	\$	
.....		17,707,495
 5. For general administration:

	\$	
.....		3,744,000
 6. For local administrative costs:

	\$	
.....		2,189,830
 7. For state child care assistance:

	\$	
.....		18,986,177
- a. Of the funds appropriated in this subsection, \$200,000 shall be used for provision of edu-

cational 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.

- 8. For mental health and developmental disabilities community services:
 - \$ 4,894,052
- 9. For child and family services:
 - \$ 32,084,430
- 10. For child abuse prevention grants:
 - \$ 250,000
- 11. For pregnancy prevention grants on the condition that family planning services are funded:
 - \$ 1,930,067

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2007, 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, 2007, 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.

12. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:

- \$ 1,037,186

13. For the healthy opportunities for parents to experience success (HOPES) program administered by the department of public health to target child abuse prevention:

- \$ 200,000

14. 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:

- \$ 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.

15. For a pilot program to be established in one or more judicial districts, 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, \$12,962,008 for the fiscal year beginning July 1, 2007, 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 2008 legislative session to adjust appropriations or the transferred amount or take other actions to address the reduced amount.

The department may transfer funds allocated in this section to the appropriations in this Act

for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the family investment program from the general fund.

Sec. 8. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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.

3. The department may transfer funds allocated in this section to the appropriations in this Act for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the family investment program from the general fund of the state.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2007, and ending June 30, 2008, are allocated as follows:

a. To be retained by the department of human services to be used for coordinating with the department of human rights to more effectively serve participants in the FIP program and other shared clients and to meet federal reporting requirements under the federal temporary assistance for needy family⁴ block grant:

..... \$ 20,000

b. To the department of human rights for staffing, administration, and implementation of the family development and self-sufficiency grant program as provided under section 217.12:
..... \$ 5,563,042

(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 of human rights may continue to implement the family development and self-sufficiency grant program statewide during FY 2007-2008.

(3) The department of human rights is responsible for complying with all federal temporary assistance for needy family⁵ block grant requirements with respect to the funds allocated in this lettered paragraph and for any federal penalty that may result from a failure to meet the requirements. These responsibilities include but are not limited to ensuring that all expenditures of federal block grant and state maintenance of effort funds are appropriate and allowable in accordance with federal requirements and meet federal work participation requirements with respect to the population receiving benefits or services under the family development and self-sufficiency grant program that are subject to work requirements.

(4) With the allocation of funding for the family development and self-sufficiency grant program directly to the department of human rights in lieu of allocation through the department of human services, the department of human rights shall assume all responsibility for the grant program. The responsibility includes identifying and addressing implementation of any revisions in state law or administrative rule needed to effect this change, including but not limited to identifying any amendments needed to section 217.12.

(5) The department of human rights, consistent with the Accountable Government Act in chapter 8E, shall adopt appropriate performance measures for the grant program, including but not limited to measures demonstrating how the program helps families achieve self-sufficiency. The department of human rights shall submit to the governor and general assembly on or before October 31, 2008, a report detailing these measures and the outcomes achieved for fiscal year 2007-2008.

(6) The department of human rights shall develop a memorandum of agreement with the department of human services to coordinate referrals and delivery of services to participants in the FIP program and other shared clients and shall provide the department of human services with information necessary for compliance with federal temporary assistance for needy

⁴ According to enrolled Act; the word "families" probably intended

⁵ According to enrolled Act; the word "families" probably intended

families block grant state plan and reporting requirements, including but not limited to financial and data reports.

c. 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 2007-2008. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects the earlier of October 1, 2006, or when legislative authority is discontinued, the rules relating to the pilot projects shall remain in effect until June 30, 2008.

d. For developing and implementing a new program to provide transitional benefits to families with members who are employed at the time the family leaves the family investment program in accordance with section 239B.11A, as enacted by this Act:

..... \$ 2,000,000

The department may adopt emergency rules to implement the new program.

e. For the food stamp employment and training program:

..... \$ 68,059

f. For the JOBS program:

..... \$ 23,968,628

5. 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, a portion may be used to increase recoveries, and a portion may be used to sustain cash flow in the child support payments account. If as a result, the appropriations allocated in this section are insufficient to sustain cash assistance payments and meet federal maintenance of effort requirements, the department shall seek supplemental funding. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payment account.

6. The department may adopt emergency rules for the family investment, JOBS, family development and self-sufficiency grant, food stamp, and medical assistance programs if necessary to comply with federal requirements.

7. If the department determines that the appropriations allocated in this section are insufficient to sustain cash assistance payments and to meet federal maintenance of effort requirements, the department shall seek supplemental funding.

Sec. 9. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated and for not more than the following full-time equivalent positions:

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

..... \$ 42,658,263
..... FTEs 16.50

1. Of the funds appropriated in this section, \$8,975,588 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$2,584,367 is allocated for the family development and self-sufficiency grant program as provided under section 217.12 and this division of this Act. The department of human rights shall ensure that the expenditures of moneys allo-

cated from the general fund of the state pursuant to this subsection are eligible to be considered as state maintenance of effort expenditures under federal temporary assistance for needy families block grant requirements.

3. a. Of the funds appropriated in this section, \$250,000 shall be used to continue 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.

b. The general assembly supports efforts by the organization receiving funding under this subsection to create a statewide earned income tax credit and asset-building coalition to achieve both of the following purposes:

(1) Expanding the usage of the tax credit through new and enhanced outreach and market- ing strategies as well as identifying new local sites and human and financial resources.

(2) Assessing and recommending various strategies for Iowans to develop assets through savings, individual development accounts, financial literacy, anti-predatory lending initia- tives, informed home ownership, use of various forms of support for work, and microenter- prise business development targeted to persons who are self-employed or have fewer than five employees.

4. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2007, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juve- nile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

- a. For the family investment program.
- b. For child care assistance.
- c. For child and family services.
- d. For field operations.
- e. For general administration.
- f. MH/MR/DD/BI community services (local purchase).

This subsection shall not be construed to prohibit existing state transfer authority for other purposes. The department shall report any transfers made pursuant to this subsection to the legislative services agency.

5. The department of human services shall identify options and resources needed to support responsible fatherhood. The department shall report on or before December 15, 2007, con- cerning the options considered, potential funding opportunities, and any options subsequent- ly initiated to the persons designated in this Act to receive reports.

Sec. 10. 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, 2007, and ending June 30, 2008, 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:		
.....	\$	9,760,098
.....	FTEs	508.00

1. The department shall expend up to \$31,000, including federal financial participation, for the fiscal year beginning July 1, 2007, for a child support public awareness campaign. The de-

partment 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 sites and mediation services.

3. Beginning October 1, 2007, and notwithstanding chapter 252C, 252F, or 252H, or any other applicable chapter, either parent may be ordered to provide medical support in accordance with the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171.

4. The appropriation made to the department for child support recovery may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for cash flow management, the department may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

Sec. 11. 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, 2007, and ending June 30, 2008, 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, 2007, 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:

..... \$ 616,771,820

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 in this Act to the department of public health for addictive disorders, \$950,000 for the fiscal year beginning July 1, 2007, shall be transferred to the department of human services for an integrated substance abuse managed care system. The department shall not assume management of the substance abuse system in place of the managed care contractor unless such a change in approach is specifically authorized in law.

4. 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 provisions.

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.

5. Of the funds appropriated in this section, up to \$3,050,082 may be transferred to the field operations or general administration appropriations in this Act for operational costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173.

6. In addition to any other funds appropriated in this Act, of the funds appropriated in this section, \$250,000 shall be used for continuation of the grant to the Iowa healthcare collaborative as defined in section 135.40.

7. The department may amend the Medicaid state plan to provide medical assistance reciprocity for children who receive an adoption subsidy who are not eligible for funding under Title IV-E of the federal Social Security Act.

8. Of the funds appropriated in this section, up to \$500,000 shall be used to enhance outreach efforts. The department may transfer funds allocated in this subsection to the appropriations in this division of this Act for general administration, the state children's health insurance program, or medical contracts, as necessary, to implement the outreach efforts.

9. Of the funds appropriated in this section, up to \$442,100 may be transferred to the appropriation in this Act for medical contracts to be used for clinical assessment services related to remedial services in accordance with federal law.

10. Of the funds appropriated in this section, \$1,540,000 may be used for the demonstration to maintain independence and employment (DMIE) if the waiver for DMIE is approved by the centers for Medicare and Medicaid services of the United States department of health and human services. Additionally, if the waiver is approved, \$440,000 of the funds shall be transferred to the department of corrections for the DMIE activities.

11. The drug utilization review commission shall monitor the smoking cessation benefit provided under the medical assistance program and shall provide a report of utilization, client success, cost-effectiveness, and recommendations for any changes in the benefit to the persons designated in this Act to receive reports by January 15, 2008. If a prescriber determines that all smoking cessation aids on the preferred drug list are not effective or medically appropriate for a patient, the prescriber may apply for an exception to policy for another product approved by the United States food and drug administration for smoking cessation pursuant to 441 IAC 1.8(1).

12. The department shall review the maximum payment allowed under each home and community-based services waiver and shall report by December 15, 2007, to the persons designated in this Act to receive reports, recommendations to adjust the maximum payment levels to provide equity among the populations served.

13. A portion of the funds appropriated in this section may be transferred to the appropriations in this division of this Act for general administration, medical contracts, the state children's health insurance program, or field operations to be used for the state match cost to comply with the payment error rate measurement (PERM) program for both the medical assistance and state children's health insurance programs as developed by the centers for Medicare and Medicaid services of the United States department of health and human services to comply with the federal Improper Payments Information Act of 2002, Pub. L. No. 107-300.

14. It is the intent of the general assembly that the department implement the recommendations of the assuring better child health and development initiative II (ABCDII) clinical panel to the Iowa early and periodic screening, diagnostic, and treatment services healthy mental development collaborative board regarding changes to billing procedures, codes, and eligible service providers.

15. Of the funds appropriated in this section, a sufficient amount is allocated to supplement the incomes of residents of nursing facilities with incomes of less than fifty dollars in the amount necessary for the residents to receive a personal needs allowance of fifty dollars per month pursuant to section 249A.30A.

16. Of the funds appropriated in this section, \$230,618 shall be used as additional funding to reduce the waiting list for the children’s mental health home and community-based services waiver.

Sec. 12. 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, 2007, and ending June 30, 2008, 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:

.....	\$	654,568
.....	FTEs	21.00

Sec. 13. 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, 2007, and ending June 30, 2008, 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 and for not more than the following full-time equivalent positions:

.....	\$	13,773,152
.....	FTEs	6.00

1. Of the funds appropriated in this section, \$50,000 shall be used for electronic cross-matching with state vital records databases through the department of public health.

2. Of the funds appropriated in this section, \$250,000 shall be used for increased monitoring of home and community-based services waivers.

Sec. 14. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

.....	\$	17,210,335
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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, 2007, 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. 15. CHILDREN’S HEALTH INSURANCE PROGRAM.

1. There is appropriated from the general fund of the state to the department of human ser-

vices for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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:

..... \$ 14,871,052

2. If sufficient funding is available under this Act, and if federal reauthorization of the state children’s health insurance program provides sufficient federal allocations to the state and authorization to cover the following populations as an option under the state children’s health insurance program, the department may expand coverage under the state children’s health insurance program as follows:

- a. By eliminating the categorical exclusion of state employees from receiving state children’s health insurance program benefits.
- b. By providing coverage for legal immigrant children and pregnant women not eligible under current federal guidelines.
- c. By covering children up to age twenty-one, or up to age twenty-three if the child is attending school.

3. If the United States Congress does not authorize additional federal funds necessary to address the shortfall for the state children’s health insurance program for the federal fiscal year beginning October 1, 2006, and ending September 30, 2007, the department may use 100 percent state funds from the appropriation made in this section for the period beginning July 1, 2007, and ending September 30, 2007, and may, after consultation with the governor and the general assembly, utilize funding from the appropriations made in this Act for medical assistance to maintain the state children’s health insurance program. If deemed necessary, the department shall request a supplemental appropriation from the Eighty-second General Assembly, 2008 Session, to address any remaining shortfall for the fiscal year beginning July 1, 2007.

Sec. 16. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:
..... \$ 37,875,701

1. Of the funds appropriated in this section, \$34,969,889 shall be used for state child care assistance in accordance with section 237A.13.

2. 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.

3. 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. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, \$1,180,288 is allocated for child care quality improvement initiatives including but not limited to development and continuation of a quality rating system.

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 as necessary to meet federal matching funds requirements through the state general fund appropriation for child development grants and other programs for at-risk children in section 279.51.

7. Of the funds appropriated in this section, \$1,200,000 is transferred to the Iowa empowerment fund from which it is appropriated to be used for professional development for the system of early care, health, and education.

8. Notwithstanding section 8.33, moneys appropriated in this section or received from the federal appropriations made for the purposes of this section, 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. 17. 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, 2007, and ending June 30, 2008, 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, and maintenance and for not more than the following full-time positions:

.....	\$	7,170,289
.....	FTEs	128.00

Of the amount appropriated in this subsection, \$134,605 is allocated to increase mental health and behavioral services staffing.

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

.....	\$	11,241,986
.....	FTEs	204.88

Of the amount appropriated in this subsection, \$184,988 is allocated to increase mental health and behavioral services staffing.

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, 2007.

Sec. 18. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

.....	\$	88,520,320
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2. In order to address a reduction of \$5,200,000 from the amount allocated under the appropriation made for the purposes of this section 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.

3. 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.

4. a. Of the funds appropriated in this section, up to \$35,916,527 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, 2007, 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, \$2,373,942 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.

The department of human services, in consultation with the division of criminal and juvenile justice planning of the department of human rights, shall review the programming and effectiveness of the two existing highly structured juvenile programs. The review shall include consideration of the national research concerning juvenile "boot camp" programs, comparison of recidivism rates and foster care reentry rates for the highly structured programs with those of other group foster care programs. The review shall provide a recommendation as to whether or not funding should continue to be specifically designated for the highly structured programs. The department shall report on or before December 15, 2007, with findings and recommendations to the persons designated by this Act to receive reports.

5. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative. Of the funds appropriated in this section, \$2,605,000 is allocated specifically for expenditure through the decategorization service 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 the decategorization initiative as provided in this subsection.

6. A portion of the funds 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 or successor project to stay together or to be reunified.

7. Notwithstanding section 234.35 or any other provision of law to the contrary, for the fiscal year beginning July 1, 2007, state funding for shelter care shall be limited to the amount necessary to fund 273 beds that are guaranteed and seven beds that are not guaranteed.

8. Federal funds received by the state during the fiscal year beginning July 1, 2007, 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.

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

10. a. Of the funds appropriated in this section, up to \$2,268,963 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this subsection, up to \$1,556,287 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.

b. Of the funds appropriated in this section, up to \$823,965 is allocated for the payment of

the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to section 232.141, subsection 4.

c. Notwithstanding section 232.141 or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department's division of children and family services. The state court administrator and the division administrator shall make the determination of the distribution amounts on or before June 15, 2007.

d. 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 or departmental service area distribution amounts to pay for the service. The chief juvenile court officer and the departmental service area manager 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 and departmental service area managers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator or division administrator to transfer funds between the judicial districts' or departmental service areas' distribution amounts as prudent.

e. 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.

f. Of the funds allocated in this subsection, not more than \$100,000 may be used by the judicial branch for administration of the requirements under this subsection.

11. Of the funds appropriated in this section, \$1,030,000 shall be transferred to the department of public health to be used for the child protection center grant program in accordance with section 135.118.

12. Of the funds appropriated in this section, \$152,440 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.

13. 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.

14. Of the funds appropriated in this section, \$3,031,439 is allocated for the preparation for adult living program pursuant to section 234.46. Of the amount allocated in this subsection, \$210,000 is transferred and credited to the risk pool in the property tax relief fund.

15. Of the funds appropriated in this section, \$51,500 is allocated for a grant to continue an existing program operated by a nonprofit organization providing family treatment and community education services in a nine-county area.

16. Of the funds appropriated in this section, \$830,000 shall be used to continue juvenile drug courts. The amount allocated in this subsection shall be distributed as follows:

a. To the judicial branch for salaries to assist with the operation of juvenile drug court programs operated in the following jurisdictions:

(1) Marshall county:	\$	61,800
.....		
(2) Woodbury county:	\$	123,862
.....		
(3) Polk county:	\$	193,057
.....		
(4) For continuation of a program in the third judicial district:	\$	66,950
.....		
(5) For continuation of a program in the eighth judicial district:	\$	66,950
.....		

b. For court-ordered services to support substance abuse services provided to the juveniles participating in the juvenile drug court programs listed in paragraph "a" and the juveniles' families:

..... \$ 317,381

The state court administrator shall allocate the funding designated in this paragraph among the programs.

17. Of the funds appropriated in this section, \$203,000 is allocated to continue the multidimensional treatment level foster care program established pursuant to 2006 Iowa Acts, chapter 1123.

18. Of the funds appropriated in this section, \$236,900 shall be used for continuation of a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments and referrals for victims of child abuse and their nonoffending family members.

19. Of the funds appropriated in this section, \$120,000 is allocated for expansion of the elevate approach of providing a support network to children placed in foster care.

20. Of the funds appropriated in this section, \$300,000 is allocated for implementation of sibling visitation provisions for children subject to a court order for out-of-home placement in accordance with 2007 Iowa Acts, Senate File 480,⁶ if enacted.

21. Of the funds appropriated in this section, \$200,000 is allocated for use pursuant to section 235A.1 for a new initiative to address child sexual abuse.

Sec. 19. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:

..... \$ 31,972,681

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, 2007, 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. 20. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2007, and ending June 30, 2008, are appropriated to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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, 2006. 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, 2006. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2007, 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 in the latest preceding certified federal census for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

⁶ Chapter 67 herein

- 3. For continuation and expansion of the community partnership for child protection sites:
 - \$ 418,000
- 4. For continuation of the department's minority youth and family projects under the redesign of the child welfare system:
 - \$ 375,000
- 5. For funding of the state match for the federal substance abuse and mental health services administration (SAMHSA) system of care grant:
 - \$ 400,000
- 6. For transfer to the appropriation made in this Act for child and family services to supplement the statewide expenditure target amount under section 232.143 designated in the appropriation made in this Act for child and family services:
 - \$ 1,324,000
- 7. For training of nonlicensed relatives caring for children in the child welfare system:
 - \$ 276,000
- 8. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 21. FAMILY SUPPORT SUBSIDY PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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

2. The department shall use at least \$333,212 of the moneys appropriated in this section for the family support center component of the comprehensive family support program under section 225C.47. Not more than \$20,000 of the amount allocated in this subsection shall be used for administrative costs.

Sec. 22. 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, 2007, and ending June 30, 2008, 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. 23. 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, 2007, and ending June 30, 2008, 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:

..... \$ 5,367,652
..... FTEs 210.00

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:

..... \$ 6,540,101
..... FTEs 109.95

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:

..... \$ 9,606,542
..... FTEs 285.66

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:

.....	\$	1,522,598
.....	FTEs	115.84

Sec. 24. STATE RESOURCE CENTERS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	15,938,762
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b. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	10,087,272
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2. 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.

3. The state resource centers may expand the time-limited assessment and respite services during the fiscal year.

4. 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.

5. 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 2007-2008.

Sec. 25. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities in accordance with section 331.440:

.....	\$	11,067,178
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2. For the fiscal year beginning July 1, 2007, and ending June 30, 2008, \$200,000 is allocated for state case services 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, 2005, and ending September 30, 2006, beginning October 1, 2006, and ending September 30, 2007, and beginning October 1, 2007, and ending September 30, 2008. The allocation made in this subsection shall be made prior to any other distribution allocation of the appropriated federal funds.

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. 26. 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, 2007, and ending June 30, 2008, 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:

..... \$ 18,017,890

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 lowans 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. Of the funds appropriated in this section, \$260,000 is allocated to the department for continuing the development of an assessment process for use beginning in a subsequent fiscal year as authorized specifically by a statute to be enacted in a subsequent fiscal year, determining on a consistent basis the needs and capacities of persons seeking or receiving mental health, mental retardation, developmental disabilities, or brain injury services that are paid for in whole or in part by the state or a county. The assessment process shall be developed with the involvement of counties and the mental health, mental retardation, developmental disabilities, and brain injury commission.

7. The most recent population estimates issued by the United States bureau of the census shall be applied for the population factors utilized in this section.

Sec. 27. 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, 2007, and ending June 30, 2008, 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, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	6,296,003
.....	FTEs	96.66

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. 28. 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, 2007, and ending June 30, 2008, 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:

.....	\$	63,358,895
.....	FTEs	2,045.71

1. The amount appropriated in this section includes an increase for additional full-time equivalent positions to provide for additional child and family visits.

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

3. The department shall utilize a request for proposals process to select the location for a new customer service call center.

Sec. 29. 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, 2007, and ending June 30, 2008, 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:

.....	\$	15,851,927
.....	FTEs	329.90

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

2. Of the funds appropriated in this section, \$350,000 is allocated as additional funding for the division of mental health and disability services for planning, analysis, and other costs associated with improvements to the mental health services system.

3. Of the funds appropriated in this section, \$100,000 is transferred to the department of human rights to be used in addition to any other funding appropriated in this Act for the energy utility assessment and resolution program established pursuant to section 216A.104, as enacted by this Act.

Sec. 30. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, 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. 31. 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, 2007, the total state funding amount for the nursing facility budget shall not exceed \$184,117,323.

(2) For the fiscal year beginning July 1, 2007, the department shall rebase case-mix nursing facility rates. However, total nursing facility budget expenditures, including both case-mix and noncase-mix shall not exceed the amount specified in subparagraph (1). When calculating case-mix per diem cost and the patient-day-weighted medians used in rate setting for nursing facilities effective July 1, 2007, the inflation factor applied from the midpoint of the cost report period to the first day of the state fiscal year rate period shall be adjusted to maintain state funding within the amount specified in subparagraph (1). 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, 2007, are projected to exceed the amount specified in subparagraph (1), the department shall adjust the reimbursement for nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount.

b. (1) For the fiscal year beginning July 1, 2007, the department shall reimburse pharmacy dispensing fees using a single rate of \$4.52 per prescription, or the pharmacy's usual and customary fee, whichever is lower.

(2) Beginning July 1, 2007, the department of human services shall adopt rules, pursuant to chapter 17A, to provide for the adjustment of the pharmacy dispensing fee to compensate for any reduction in the drug product cost reimbursement resulting from implementation of the average manufacturer price reimbursement standards for multisource generic drug products imposed pursuant to the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171. In implementing the reimbursement, the department may adjust the reimbursement amount as necessary to provide reimbursement within the state funding appropriated for the fiscal year beginning July 1, 2007, and ending June 30, 2008, for this purpose. The department shall submit a medical assistance state plan amendment to the centers for Medicare and Medicaid services of the United States department of health and human services as necessary to implement this subparagraph (2).

c. (1) For the fiscal year beginning July 1, 2007, reimbursement rates for inpatient and outpatient hospital services shall remain at the rates in effect on June 30, 2007. 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", unless the department adopts the Medicare ambulatory payment classification methodology authorized in subparagraph (2).

(2) The department may implement the Medicare ambulatory payment classification methodology for reimbursement of outpatient hospital services. Any change in hospital reimbursement shall be budget neutral.

(3) In order to ensure the efficient use of limited state funds in procuring health care services for low-income Iowans, funds appropriated in this Act for hospital services shall not be used for activities which would be excluded from a determination of reasonable costs under the federal Medicare program pursuant to 42 U.S.C. § 1395X(v)(1)(N).

d. For the fiscal year beginning July 1, 2007, 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, 2007, reimbursement rates for home health agencies shall remain at the rates in effect on June 30, 2007, 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, 2007.

f. For the fiscal year beginning July 1, 2007, 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. For the fiscal year beginning July 1, 2007, the reimbursement rates for dental services shall remain at the rates in effect on June 30, 2007.

h. For the fiscal year beginning July 1, 2007, the maximum reimbursement rate for psychiatric medical institutions for children shall be \$165.53 per day.

i. For the fiscal year beginning July 1, 2007, unless otherwise specified in this Act, all non-institutional medical assistance provider reimbursement rates shall remain at the rates in effect on June 30, 2007, 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.

j. Notwithstanding section 249A.20, for the fiscal year beginning July 1, 2007, 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 remain at the rate in effect on June 30, 2007; however, this rate shall not exceed the maximum level authorized by the federal government.

k. For the fiscal year beginning July 1, 2007, 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.

1. For the fiscal year beginning July 1, 2007, inpatient mental health services provided at hospitals shall be reimbursed at the cost of the services, subject to Medicaid program upper payment limit rules, community mental health centers and providers of mental health services to county residents pursuant to a waiver approved under section 225C.7, subsection 3, shall be reimbursed at 100 percent of the reasonable costs for the provision of services to recipients of medical assistance, and psychiatrists shall be reimbursed at the medical assistance program fee for service rate.

2. For the fiscal year beginning July 1, 2007, 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.

3. 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.

4. For the fiscal year beginning July 1, 2007, the foster family basic daily maintenance rate paid in accordance with section 234.38, the maximum adoption subsidy rate, and the maximum supervised apartment living foster care rate for children ages 0 through 5 years shall be \$15.89, the rate for children ages 6 through 11 years shall be \$16.54, the rate for children ages 12 through 15 years shall be \$18.16, and the rate for children ages 16 and older shall be \$18.37.

5. For the fiscal year beginning July 1, 2007, the maximum reimbursement rates for social

services providers reimbursed under a purchase of social services contract shall be increased by 3 percent over the rates in effect on June 30, 2007, 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, 2007, 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.

6. For the fiscal year beginning July 1, 2007, the reimbursement rates for family-centered service providers, family foster care service providers, group foster care service providers, and the resource family recruitment and retention contractor shall be increased by 3 percent over the rates in effect on June 30, 2007.

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, 2007, the reimbursement rates for remedial service providers shall remain at the rates in effect for June 30, 2007.

9. a. For the fiscal year beginning July 1, 2007, 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 \$91.45 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, 2007, 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 \$2.66 over the amount in effect for this purpose in the preceding fiscal year.

10. For the fiscal year beginning July 1, 2007, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

11. For the fiscal year beginning July 1, 2007, 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 2004. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered.

12. For the fiscal year beginning July 1, 2007, 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. 32. DEPARTMENT OF CORRECTIONS. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, for the purposes designated:

For additional funding for the drug court program in the fourth judicial district:
..... \$ 25,000

Sec. 33. MEDICAL ASSISTANCE — NURSING FACILITY REIMBURSEMENT. There is appropriated from the general fund of the state to the department of human services for the

fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the purpose of funding total nursing facility budget expenditures under the medical assistance program including rebasing of the case-mix nursing facility rates and noncase-mix nursing facility-related expenditures as provided in this Act, for expenditure after June 30, 2007:

..... \$ 10,400,000

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 purpose designated until the close of the succeeding fiscal year.

Sec. 34. CHILD SUPPORT COLLECTIONS FEE. The department of human services may adopt emergency rules to implement the provisions of section 252B.5, subsection 12, as enacted by this Act, during the fiscal year beginning July 1, 2007.

Sec. 35. 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. 36. REPORTS. Any reports or information required to be compiled and submitted under 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. 37. Section 217.23, subsection 2, Code 2007, is amended to read as follows:

2. The department is hereby authorized to may expend moneys from the support allocation of the department as reimbursement for replacement or repair of personal items of the department's employees damaged or destroyed by clients of the department during the employee's tour of duty. However, the reimbursement shall not exceed one three hundred fifty dollars for each item. The department shall establish rules in accordance with chapter 17A to carry out the purpose of this section.

Sec. 38. Section 231.33, Code 2007, is amended by adding the following new subsection: NEW SUBSECTION. 21. Provide the opportunity for elders residing in the planning and service area to offer substantive suggestions regarding the employment practices of the area agency on aging.

Sec. 39. NEW SECTION. 239B.11A TRANSITIONAL BENEFITS.

The department shall provide a transitional benefits payment of one hundred dollars per month for up to three months to families with members who are employed at the time the family leaves the family investment program. Provision of the transitional benefits payment is subject to the availability of funding for the payment. The department shall adopt administrative rules for the transitional benefits.

Sec. 40. Section 239B.17, subsection 1, Code 2007, is amended to read as follows:

1. PROGRAM ESTABLISHED. The promoting independence and self-sufficiency through employment job opportunities and basic skills program is established for applicants and participants of the family investment program. The requirements of the JOBS program shall vary as provided in the family investment agreement applicable to a family. The department of workforce development, department of economic development, department of education, and all other state, county, and public educational agencies and institutions providing vocational rehabilitation, adult education, or vocational or technical training shall assist and cooperate in the JOBS program. The departments, agencies, and institutions shall make agreements and arrangements for maximum cooperation and use of all available resources in the program. ~~By mutual agreement the~~ The department of human services may delegate any of the department of human services' powers and duties under this chapter to contract with the department of workforce development, or to the department of economic development, or another appropriate entity to provide JOBS program services.

Sec. 41. Section 249A.3, subsection 2, paragraphs i, j, and k, Code 2007, are amended to read as follows:

~~i. Individuals and families who would be eligible under subsection 1 or 2 of this section except for excess income or resources, or a reasonable category of those individuals and families. As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVII), individuals under twenty-one years of age who were in foster care under the responsibility of the state on the individual's eighteenth birthday, and whose income is less than two hundred percent of the most recently revised official poverty guidelines published by the United States department of health and human services. Medical assistance may be provided for an individual described by this paragraph regardless of the individual's resources.~~

~~j. Individuals who have attained the age of twenty-one but have not yet attained the age of sixty-five who qualify on a financial basis for, but who are otherwise ineligible to receive, federal supplemental security income or assistance under the family investment program. Women eligible for family planning services under a federally approved demonstration waiver.~~

~~k. As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVII), individuals under twenty-one years of age who were in foster care under the responsibility of the state on the individual's eighteenth birthday, and whose income is less than two hundred percent of the most recently revised official poverty guidelines published by the United States department of health and human services. Medical assistance may be provided for an individual described by this paragraph regardless of the individual's resources. Individuals and families who would be eligible under subsection 1 or 2 of this section except for excess income or resources, or a reasonable category of those individuals and families.~~

Sec. 42. Section 249A.3, subsection 2, Code 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. 1. Individuals who have attained the age of twenty-one but have not yet attained the age of sixty-five who qualify on a financial basis for, but who are otherwise ineligible to receive, federal supplemental security income or assistance under the family investment program.

Sec. 43. Section 249A.3, subsections 4, 5A, and 5B, Code 2007, are amended to read as follows:

4. Discretionary medical assistance, within the limits of available funds and in accordance with section 249A.4, subsection 1, may be provided to or on behalf of those individuals and families described in subsection 2, paragraph "~~i~~" "k" of this section.

5A. In determining eligibility for children under subsection 1, paragraphs "b", "f", "g", "j", "k", "n", and "s"; subsection 2, paragraphs "c", "e", "f", "h", and "~~i~~" "k"; and subsection 5, paragraph "b", all resources of the family, other than monthly income, shall be disregarded.

5B. In determining eligibility for adults under subsection 1, paragraphs "b", "e", "h", "j", "k",

“n”, “s”, and “t”; subsection 2, paragraphs “d”, “e”, “h”, “i”, “k”, and “j” “l”; and subsection 5, paragraph “b”, one motor vehicle per household shall be disregarded.

Sec. 44. Section 249A.30A, Code 2007, is amended to read as follows:

249A.30A MEDICAL ASSISTANCE — PERSONAL NEEDS ALLOWANCE.

The personal needs allowance under the medical assistance program, which may be retained by a resident of a nursing facility, an intermediate care facility for persons with mental retardation, or an intermediate care facility for persons with mental illness, as defined in section 135C.1, or who is a resident of a psychiatric medical institution for children as defined in section 135H.1, shall be fifty dollars per month. A resident who has income of less than fifty dollars per month shall receive a supplement from the state in the amount necessary to receive a personal needs allowance of fifty dollars per month, if funding is specifically appropriated for this purpose.

Sec. 45. Section 252B.5, Code 2007, is amended by adding the following new subsection:

NEWSUBSECTION. 12. a. Beginning October 1, 2007, implement the provision of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171 § 7310, requiring an annual collections fee of twenty-five dollars in child support cases in which the family has never received assistance under Title IV-A of the federal Social Security Act for whom the unit has collected at least five hundred dollars. After the first five hundred dollars in support is collected in each year for a family, the fee shall be collected from the obligor by retaining twenty-five dollars from subsequent collections. If five hundred dollars but less than five hundred twenty-five dollars is collected in any year, any unpaid portion of the annual fee shall not accumulate and is not due. Any amount retained to pay the twenty-five dollar fee shall not reduce the amount of support due under the support order. The unit shall send information regarding the requirements of this subsection by regular mail to the last known address of an affected obligor or obligee, or may include the information for an obligee in an application for services signed by the obligee. In addition, the unit shall take steps necessary regarding the fee to qualify for federal funds in conformity with the provisions of Title IV-D of the federal Social Security Act, including receiving and accounting for fee payments, as appropriate, through the collection services center created in section 252B.13A.

b. Fees collected pursuant to this subsection shall be considered repayment receipts as defined in section 8.2, and shall be used for the purposes of the unit. The director shall maintain an accurate record of the fees collected and expended under this subsection.

c. If any requirement in paragraph “a” for implementation of the annual fee does not conform to federal law, the fee shall instead be implemented in conformance with federal law. Additionally, if federal law does not permit collection of the annual fee from the obligor as provided in paragraph “a”, the fee shall be collected from the obligee by retaining a twenty-five dollar fee from support paid by the obligor.

Sec. 46. 2006 Iowa Acts, chapter 1123, section 1, subsections 3 and 4, are amended to read as follows:

3. **ELIGIBILITY.** A child is eligible for the treatment program if at the time of discharge from a psychiatric institution the child is unable to return to the child’s family home or participation in the treatment program may eliminate or limit the need for placement in a psychiatric institution, and one of the following conditions is applicable:

a. The child has treatment issues which cause the child to be at high risk of failing in a foster care placement unless targeted support services are provided.

b. The child has had multiple previous out-of-home placements.

4. **ELIGIBILITY DETERMINATION.** Children who are potentially eligible for a treatment program shall be identified by the administrator of a treatment program prior to or at the time of the child’s admission to a psychiatric institution. In order to be admitted to the treatment program, the treatment program administrator must determine the child has a need that can be met by the program, the child can be placed with an appropriate family foster care provider,

and appropriate services to support the child are available in the family foster care placement. The determination shall be made in coordination with the child’s family, department staff, and other persons involved with decision making for the child’s out-of-home placement.

Sec. 47. 2006 Iowa Acts, chapter 1123, section 1, is amended by adding the following new subsection:

NEW SUBSECTION. 5A. OTHER PROVISIONS.

a. The pilot project provisions shall allow children who are voluntarily placed in a psychiatric institution to participate in the pilot project.

b. The pilot project shall allow exceptions to allow more than two children to be placed in a pilot project home if deemed appropriate in order to keep siblings together or for other good cause.

Sec. 48. 2006 Iowa Acts, chapter 1184, section 2, subsection 1, is amended to read as follows:

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:

.....	\$	1,761,036
		<u>2,443,036</u>
.....	FTEs	4.35

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~~ funds 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.

Of the funds appropriated in this subsection, \$500,000 shall be used as additional funding for tobacco cessation direct services and \$182,000 shall be used for other tobacco use prevention, cessation, and treatment activities pursuant to chapter 142A.

Notwithstanding section 8.33, 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 in the succeeding fiscal year.

Sec. 49. 2006 Iowa Acts, chapter 1184, section 5, subsection 1, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this section for department of veterans affairs administration that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available to be used for the purchase of crypts for the veterans cemetery until the close of the succeeding fiscal year.

Sec. 50. 2006 Iowa Acts, chapter 1184, section 5, subsection 2, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33 and section 35D.18, subsection 5, 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 in succeeding fiscal years. Of the amount remaining available for expenditure under this paragraph, the first \$1,000,000 shall be used for Iowa veterans home operations in the immediately succeeding fiscal year, and the balance shall be transferred to the appropriation made in 2006 Iowa Acts, chapter 1179, section 16, subsection 12, for the fiscal year beginning July 1, 2006, to be used for purposes of capital improvements, renovations, or new construction at the Iowa veterans home.

Sec. 51. 2006 Iowa Acts, chapter 1184, section 6, subsection 7, is amended to read as follows:

7. For state child care assistance:

.....	\$	15,756,560
		<u>16,756,560</u>

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.

Notwithstanding section 8.33, 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. 52. 2006 Iowa Acts, chapter 1184, section 7, subsection 5, is amended to read as follows:

5. 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. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of that greater portion either amount may be transferred to or retained in the child support payments account.

Sec. 53. 2006 Iowa Acts, chapter 1184, section 9, 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. 54. 2006 Iowa Acts, chapter 1184, section 10, unnumbered paragraph 2, is amended to read as follows:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2006, 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:

.....	\$	652,311,610
		<u>664,311,610</u>

Sec. 55. 2006 Iowa Acts, chapter 1184, section 13, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, up to \$1,100,000 of the 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. 56. 2006 Iowa Acts, chapter 1184, section 15, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Notwithstanding section 8.33, moneys appropriated in this section 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. 57. 2006 Iowa Acts, chapter 1184, section 17, subsection 16, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, 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. 58. 2006 Iowa Acts, chapter 1184, section 18, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, up to \$2,000,000 of the 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. 59. 2006 Iowa Acts, chapter 1184, section 23, is amended by adding the following new subsection:

NEW SUBSECTION. 7. a. Notwithstanding sections 8.33 and 222.92, of the revenues available to the state resource centers that remain unencumbered or unobligated at the close of the fiscal year, the indicated amounts shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year:

- (1) For the state resource center at Glenwood, \$1,000,000.
- (2) For the state resource center at Woodward, \$1,000,000.

b. Of the amounts designated in paragraph "a", the amounts above \$750,000 at each resource center shall be used to continue the procurement and installation of the electronic medical records system initiated in the fiscal year beginning July 1, 2005.

Sec. 60. 2006 Iowa Acts, chapter 1184, section 24, 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. 61. 2006 Iowa Acts, chapter 1184, section 27, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, up to \$1,850,000 of the 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 until the close of the succeeding fiscal year. Of this amount, \$350,000 shall be used to supplement other funding to reduce the waiting list for the children's mental health home and community-based services waiver.

Sec. 62. 2006 Iowa Acts, chapter 1184, section 28, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, federal food stamp assistance award funds the department receives during the fiscal year beginning July 1, 2006, that remain unencumbered or unobligated at the close of the fiscal year, shall not revert to any other fund but shall remain available for expenditure to continue projects to increase access, assure accuracy, avoid federal error rate sanctions, and improve customer service, until the close of the succeeding fiscal year. In addition, 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 and of this amount, the initial \$250,000 shall be credited to the risk pool in the property tax relief fund.

Sec. 63. 2006 Iowa Acts, chapter 1184, section 60, subsection 4, unnumbered paragraph 3, if enacted by 2007 Iowa Acts, Senate File 403,⁷ section 12, is amended to read as follows:

The amount appropriated in this subsection shall be distributed only if ~~federal funds are available to match the amount appropriated and expenses are incurred to serve the Iowa Care expansion population expansion population claims adjudicated and paid by the Iowa Medicaid enterprise exceed the appropriation to the state board of regents for distribution to the university of Iowa hospitals and clinics provided in subsection 1. The amount appropriated in this subsection shall be distributed monthly for expansion population claims adjudicated and approved for payment by the Iowa Medicaid enterprise using medical assistance program reimbursement rates.~~

Sec. 64. 2006 Iowa Acts, chapter 1184, section 124, is amended to read as follows:

SEC. 124. VETERANS TRUST FUND — FEDERAL REPLACEMENT FUNDS. If funds are received from the United States department of veterans affairs for the establishment and operation of a veterans cemetery in this state, a portion of those funds, not to exceed \$500,000, shall be credited to the general fund of the state, and the remainder is appropriated to and shall be deposited in the veterans trust fund established in section 35A.13, subject to the requirements of this section and consistent with any federal requirements associated with such funds. The portion deposited in the veterans trust fund shall be at least equal to moneys expended for the establishment and operation of a veterans cemetery from moneys appropriated for that purpose pursuant to 2004 Iowa Acts, chapter 1175, section 288, subsection 16.

Sec. 65. 2006 Iowa Acts, chapter 1185, section 34, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, the moneys appropriated in this section for the county grant program for veterans 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. Of the amount addressed in this paragraph, not more than \$150,000 shall be used to employ persons to fill two administrative full-time equivalent positions in the department of veterans affairs in addition to the number of positions authorized for the department. If one or both of the two positions are not employed by October 1, 2007, the unused funding shall be credited to the veterans trust fund on October 2, 2007. Otherwise, any remainder from the amount addressed in this paragraph that remains unencumbered or unobligated at the close of the fiscal year shall not be credited to the fund from which appropriated but shall be credited to the veterans trust fund.

Sec. 66. 2006 Iowa Acts, chapter 1184, section 5, subsection 4, as enacted by 2007 Iowa Acts, Senate File 95,⁸ section 1, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If during the fiscal year beginning July 1, 2007, the funding available under all contingencies for the home ownership assistance program implemented pursuant to section 35A.15 for persons who are or were eligible members of the armed forces of the United States has been exhausted, and the amount available for the purposes of this subsection is projected to be sufficient to allow for transfer of funds that would otherwise be unused, not more than \$250,000 of the funds appropriated in this subsection may be transferred to the Iowa finance authority to be used for the home ownership assistance program.

Sec. 67. 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

⁷ Chapter 206 herein

⁸ Chapter 203 herein

court services to establish a plan for continuing group foster care expenditures for the 2007-2008 fiscal year.

2. The provision making the appropriation from the general fund of the state for the fiscal year beginning July 1, 2006, and ending June 30, 2007, for the purpose of funding total nursing facility budget expenditures including rebasing of the case-mix nursing facility rates and non-case-mix nursing facility-related expenditures, for expenditure after June 30, 2007.

3. The provision amending 2006 Iowa Acts, chapter 1184, section 2, subsection 1.

4. The provisions amending 2006 Iowa Acts, chapter 1184, section 5.

5. The provision amending 2006 Iowa Acts, chapter 1184, section 6.

6. The provision amending 2006 Iowa Acts, chapter 1184, section 7.

7. The provision amending 2006 Iowa Acts, chapter 1184, section 9.

8. The provision amending 2006 Iowa Acts, chapter 1184, section 10.

9. The provision amending 2006 Iowa Acts, chapter 1184, section 13.

10. The provision amending 2006 Iowa Acts, chapter 1184, section 15.

11. The provision amending 2006 Iowa Acts, chapter 1184, section 17, subsection 16.

12. The provision amending 2006 Iowa Acts, chapter 1184, section 18.

13. The provision amending 2006 Iowa Acts, chapter 1184, section 23.

14. The provision amending 2006 Iowa Acts, chapter 1184, section 24.

15. The provision amending 2006 Iowa Acts, chapter 1184, section 27.

16. The provision amending 2006 Iowa Acts, chapter 1184, section 28.

17. The provision amending 2006 Iowa Acts, chapter 1184, section 60.

18. The provision amending 2006 Iowa Acts, chapter 1184, section 124.

19. The provision amending 2006 Iowa Acts, chapter 1185, section 34.

DIVISION II
SENIOR LIVING TRUST FUND,
PHARMACEUTICAL SETTLEMENT ACCOUNT,
IOWACARE ACCOUNT, AND HEALTH CARE
TRANSFORMATION ACCOUNT

Sec. 68. 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, 2007, and ending June 30, 2008, 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 case management only if the monthly cost per client for case management for the frail elderly services provided does not exceed an average of \$70, and 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:

.....	\$	8,384,044
.....	FTEs	3.00

1. Of the funds appropriated in this section, \$2,196,967 shall be used for case management for the frail elderly. Of the funds allocated in this subsection, \$1,010,000 shall be transferred to the department of human services in equal amounts on a quarterly basis for reimbursement of case management services provided under the medical assistance elderly waiver. The monthly cost per client for case management for the frail elderly services provided shall not exceed an average of \$70.

2. 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.

3. Of the funds appropriated in this section, \$60,000 shall be used to provide dementia-specific education to direct care workers and other providers of long-term care to enhance exist-

ing or scheduled efforts through the Iowa caregivers association, the Alzheimer’s association, and other organizations identified as appropriate by the department.

Sec. 69. 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, 2007, and ending June 30, 2008, 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:

.....	\$	790,751
.....	FTEs	5.00

If legislation is enacted by the Eighty-second General Assembly, 2007 Session, transferring full responsibility for the oversight of assisted living programs, adult day services programs, and elder group homes from the department of elder affairs to the department of inspections and appeals,⁹ the appropriation in this section is increased by \$349,051 and the number of full-time equivalent positions authorized is increased by 2.50 full-time equivalent positions.

Sec. 70. 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, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To supplement the medical assistance appropriation, 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:

.....	\$	65,000,000
.....	FTEs	5.00

In order to carry out the purposes of this section, the department may transfer funds appropriated in this section to supplement other appropriations made to the department of human services.

Sec. 71. 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, 2007, and ending June 30, 2008, 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
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Participation in the rent subsidy program shall be limited to only those persons who meet the requirements for the nursing facility level of care for home and community-based services waiver services as in effect on July 1, 2007.

Sec. 72. 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, 2007, and ending June 30, 2008, 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:

.....	\$	1,323,833
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Sec. 73. APPROPRIATIONS FROM IOWACARE ACCOUNT.

1. There is appropriated from the IowaCare account created in section 249J.24 to the state board of regents for distribution to the university of Iowa hospitals and clinics for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

⁹ See chapter 215, division VII herein

For salaries, support, maintenance, equipment, and miscellaneous purposes, for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 27,284,584

a. Funds appropriated in this subsection shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this subsection, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(1) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(2) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(3) 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.

(4) 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.

(5) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

b. Notwithstanding any provision of law to the contrary, the amount appropriated in this subsection shall be allocated in twelve equal monthly payments as provided in section 249J.24.

2. There is appropriated from the IowaCare account created in section 249J.24 to the state board of regents for distribution to the university of Iowa hospitals and clinics for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, equipment, and miscellaneous purposes, for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 10,000,000

The amount appropriated in this subsection shall be distributed only if expansion population claims adjudicated and paid by the Iowa Medicaid enterprise exceed the appropriation to the state board of regents for distribution to the university of Iowa hospitals and clinics provided in subsection 1. The amount appropriated in this subsection shall be distributed monthly for expansion population claims adjudicated and approved for payment by the Iowa Medicaid enterprise using medical assistance program reimbursement rates.

3. There is appropriated from the IowaCare account created in section 249J.24 to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For distribution to a publicly owned acute care teaching hospital located in a county with a population over three hundred fifty thousand for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 40,000,000

Notwithstanding any provision of law to the contrary, the amount appropriated in this subsection shall be allocated in twelve equal monthly payments as provided in section 249J.24. Any amount appropriated in this subsection in excess of \$37,000,000 shall be allocated only if federal funds are available to match the amount allocated.

4. There is appropriated from the IowaCare account created in section 249J.24 to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state mental health institute at Cherokee, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 9,098,425

b. For the state mental health institute at Clarinda, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 1,977,305

c. For the state mental health institute at Independence, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 9,045,894

d. For the state mental health institute at Mount Pleasant, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 5,752,587

Sec. 74. APPROPRIATIONS FROM ACCOUNT FOR HEALTH CARE TRANSFORMATION. There is appropriated from the account for health care transformation created in section 249J.23, to the department of human services, for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the costs of medical examinations and development of personal health improvement plans for the expansion population pursuant to section 249J.6:

..... \$ 556,800

2. For the provision of a medical information hotline for the expansion population as provided in section 249J.6:

..... \$ 150,000

3. For the mental health transformation pilot program:

..... \$ 250,000

4. For other health promotion partnership activities pursuant to section 249J.14:

..... \$ 550,000

5. For the costs related to audits, performance evaluations, and studies required pursuant to chapter 249J:

..... \$ 400,000

6. For administrative costs associated with chapter 249J:

..... \$ 930,352

7. For planning and development, in cooperation with the department of public health, of a phased-in program to provide a dental home for children:

..... \$ 1,186,475

The department shall issue a request for proposals for a performance-based contract to implement the dental home for children and shall apply for any waivers from the centers for Medicare and Medicaid services of the United States department of health and human services, as necessary, to pursue a phased-in approach. The department shall submit progress reports regarding the planning and development of the dental home for children to the medical assistance projections and assessment council on a periodic basis.

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 among the appropriations made in this section, as necessary to carry out the purposes of the account for health care transformation. The department shall report any transfers made pursuant to this section to the legislative services agency.

Sec. 75. TRANSFER FROM ACCOUNT FOR HEALTH CARE TRANSFORMATION. There is transferred from the account for health care transformation created pursuant to sec-

tion 249J.23, to the IowaCare account created in section 249J.24, a total of \$5,000,000 for the fiscal year beginning July 1, 2007, and ending June 30, 2008.

Sec. 76. MEDICAL ASSISTANCE PROGRAM — REVERSION TO SENIOR LIVING TRUST FUND FOR FY 2007-2008. Notwithstanding section 8.33, if moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2007, and ending June 30, 2008, from the general fund of the state, the senior living trust fund, the healthy Iowans tobacco trust fund, and the health care 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.

DIVISION III
MH/MR/DD/BI SERVICES
ALLOWED GROWTH FUNDING —
FY 2007-2008

Sec. 77. Section 225C.7, subsection 2, Code 2007, is amended to read as follows:

2. Moneys appropriated to the fund shall be allocated to counties for funding of community-based mental health, mental retardation, developmental disabilities, and brain injury services in the manner provided in the appropriation to the fund. If the allocation methodology includes a population factor, the most recent population estimates issued by the United States bureau of the census shall be applied.

Sec. 78. Section 331.438, subsection 1, paragraph b, Code 2007, is amended by striking the paragraph.

Sec. 79. Section 331.438, subsection 2, Code 2007, is amended to read as follows:

2. a. A state payment to a county for a fiscal year shall consist of the sum of the state funding the county is eligible to receive from the property tax relief fund in accordance with section 426B.2 plus the county's portion of state funds appropriated for the allowed growth factor adjustment established by the general assembly under section 331.439, subsection 3, and paid from the allowed growth funding pool in accordance with section 426B.5.

~~b. A county's portion of the allowed growth factor adjustment appropriation for a fiscal year shall be determined based upon the county's proportion of the state's general population.~~

~~c. The department of human services shall provide for payment of the amount due a county for the county's allowed growth factor adjustment determined in accordance with this subsection. The director of human services shall authorize warrants payable to the county treasurer for the amounts due and the warrants shall be mailed in January of each year. The county treasurer shall credit the amount of the warrant to the county's services fund created under section 331.424A.~~

~~d. Unless otherwise provided by law, in order to be included in any distribution formula for the allowed growth factor adjustment and to receive an allowed growth factor adjustment payment, a county must levy seventy percent or more of the maximum amount allowed for the county's services fund for taxes due and payable in the fiscal year for which the allowed growth factor adjustment is payable.~~

Sec. 80. Section 331.439, subsection 5, Code 2007, is amended to read as follows:

5. a. A county shall implement the county's management plan in a manner so as to provide adequate funding for the entire fiscal year by budgeting for ninety-nine percent of the funding anticipated to be available for the plan. A county may expend all of the funding anticipated to be available for the plan.

b. If a county determines that the county cannot provide services in accordance with the county's management plan and remain in compliance with the budgeting requirement of paragraph "a" for the fiscal year, the county may implement a waiting list for the services. The pro-

cedures for establishing and applying a waiting list shall be specified in the county's management plan. If a county implements a waiting list for services, the county shall notify the department of human services. The department shall maintain on the department's internet website an up-to-date listing of the counties that have implemented a waiting list and the services affected by each waiting list.

Sec. 81. Section 331.440, subsection 4, as enacted by 2006 Iowa Acts, chapter 1115, section 17, is amended to read as follows:

4. a. An application for services may be made through the central point of coordination process of an adult person's county of residence. Effective July 1, 2007, if an adult person who is subject to a central point of coordination process has legal settlement in another county, the central point of coordination process functions relating to the application shall be performed by the central point of coordination process of the person's county of residence in accordance with the county of residence's management plan approved under section 331.439 and the person's county of legal settlement is responsible for the cost of the services or other support authorized at the rates reimbursed by the county of residence.

b. The county of residence shall determine whether or not the person's county of legal settlement has implemented a waiting list in accordance with section 331.439, subsection 5. If the person's county of legal settlement has implemented a waiting list, the services or other support for the person shall be authorized by the county of residence in accordance with the county of legal settlement's waiting list provisions.

c. At the time services or other support are authorized, the county of residence shall send the county of legal settlement a copy of the authorization notice.

Sec. 82. Section 426B.5, subsection 1, Code 2007, is amended to read as follows:

1. ~~PER CAPITA EXPENDITURE TARGET ALLOWED GROWTH FUNDING POOL.~~

a. ~~A per capita expenditure target~~ An allowed growth funding pool is created in the property tax relief fund. The pool shall consist of the moneys credited to the pool by law.

b. ~~A statewide per capita expenditure target amount is established. The statewide per capita expenditure target amount shall be equal to the one-hundredth percentile of all county per capita expenditures in the fiscal year beginning July 1, 1997, and ending June 30, 1998.~~

c. ~~Moneys available in the per capita expenditure allowed growth funding pool for a fiscal year are appropriated to the department of human services for distribution as provided in this subsection.~~

c. The first twelve million dollars credited to the funding pool shall be allocated to counties based upon the county's relative proportion of the state's general population.

d. (1) The amount in the funding pool remaining after the allocation made in paragraph "c" shall be distributed ~~allocated~~ to those counties that meet all of the following eligibility requirements:

(1) (a) The county is levying the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for the fiscal year in which the funding is distributed.

(2) The county's per capita expenditure in the latest fiscal year for which the actual expenditure information is available is equal to or less than the statewide per capita expenditure target amount.

(3) (b) In the latest fiscal year that commenced two years prior to the fiscal year of distribution reported in accordance with section 331.403, the county's mental health, mental retardation, and developmental disabilities services fund ending balance under generally accepted accounting principles was equal to or less than twenty-five percent of the county's actual gross expenditures for the that fiscal year that commenced two years prior to the fiscal year of distribution.

(4) The county is in compliance with the filing date requirements under section 331.403.

d. (2) The distribution amount allocated to a county receives from the moneys available in the pool under this paragraph "d" shall be determined based upon the county's proportion of

the general population of the counties eligible to receive moneys from the pool for that fiscal year. ~~However, a county shall not receive moneys in excess of the amount which would cause the county's per capita expenditure to exceed the statewide per capita expenditure target.~~

e. In order to receive an allocation under this section, a county must comply with the filing date requirements under section 331.403. Moneys credited to the per capita expenditure target allowed growth funding pool which remain unobligated or unexpended at the close of a fiscal year shall remain in the pool for distribution in the succeeding fiscal year.

f. The most recent population estimates issued by the United States bureau of the census shall be applied in determining population for the purposes of this subsection.

e. g. The department of human services shall annually calculate the amount of moneys due to eligible counties in accordance with this subsection. The department shall authorize the issuance of warrants payable to the county treasurer for the amounts due and the warrants shall be issued in January.

Sec. 83. 2006 Iowa Acts, chapter 1185, section 1, is amended to read as follows:

SECTION 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS — FISCAL YEAR 2007-2008.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... \$ 43,287,141
36,888,041

1A. There is appropriated from the property tax relief fund to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... \$ 7,592,099

1B. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties that meet the requirements of this subsection:
..... \$ 12,000,000

a. To be eligible to receive an allocation under this subsection, a county must meet the following requirements:

(1) The county is levying for the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for taxes due and payable in the fiscal year beginning July 1, 2007, or the county is levying for at least 90 percent of the maximum amount allowed for the county's services fund and that levy rate is more than \$2 per \$1,000 of the assessed value of all taxable property in the county.

(2) In the fiscal year beginning July 1, 2006, the county's mental health, mental retardation, and developmental disabilities services fund ending balance under generally accepted accounting principles was equal to or less than 15 percent of the county's actual gross expenditures for that fiscal year.

b. A county's allocation of the amount appropriated in this subsection shall be determined based upon the county's proportion of the general population of the counties eligible to receive an allocation under this subsection. The most recent population estimates issued by the

United States bureau of the census shall be applied in determining population for the purposes of this paragraph.

c. The allocations made pursuant to this subsection are subject to the distribution provisions and withholding requirements established in this section for the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment for the fiscal year beginning July 1, 2007.

2. The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2007-2008, and is allocated as follows:

a. For distribution to counties for fiscal year 2007-2008 in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. a. For deposit in the ~~per capita expenditure target~~ allowed growth funding pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 1:

..... \$ 24,360,548

41,553,547

e. b. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2:

..... \$ 2,000,000

0

d. c. For ~~expansion of services to persons with transfer to the department of public health for the brain injury services program~~ in accordance with the law enacted by the Eighty-first General Assembly, 2006 Session, as law providing for such expansion of services to commence in the fiscal year beginning July 1, 2006 section 135.22B:

..... \$ 4,926,593

2,926,593

~~If 2006 Iowa Acts, House File 2772, is enacted by the Eighty-first General Assembly, 2006 Session, the allocation made in this lettered paragraph shall be transferred to the Iowa department of public health to be used for the brain injury services program created pursuant to that Act.~~

Sec. 84. 2006 Iowa Acts, chapter 1185, section 1, 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 2007-2008 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 a distribution amount for eligible counties from the allowed growth funding pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

..... \$ 49,218,123

b. 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, 2007:

..... \$ 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. In order to be eligible for a distribution under this section, a county must be levying seventy percent or more of the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for taxes due and payable in the fiscal year for which the distribution is payable. An ending balance percentage for each county shall be determined by express-

ing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2006, 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. If a county borrowed moneys for purposes of providing services from the county's services fund on or before July 1, 2006, and the county's services fund ending balance for that fiscal year includes the loan proceeds or an amount designated in the county budget to service the loan for the borrowed moneys, those amounts shall not be considered to be part of the county's ending balance for purposes of calculating an ending balance percentage under this subsection. 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. However, for counties with an ending balance percentage of 10 or more but less than 15 percent, the amount withheld shall be limited to the amount by which the county's ending balance was in excess of the ending balance percentage of 10 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 \$7,664,576. 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 target withholding 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".

Sec. 85. **MENTAL HEALTH PATIENT ADVOCATE STUDY.** The legislative council is requested to authorize a 2007 legislative interim study of the duties, responsibilities, funding, and authority for the mental health patient advocates appointed by the courts under chapter 229. The study committee membership should include representatives of counties, the judicial branch, mental health patient advocates, and the department of human services. The study should specifically identify the appropriate appointing authority and funding source for the advocates in the study recommendations.

Sec. 86. Section 331.440A, Code 2007, is repealed.

DIVISION IV
MH/MR/DD DATA REPORTING
— RISK POOL ASSISTANCE

Sec. 87. Section 225C.6A, subsection 2, paragraph c, Code 2007, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (3) Each county shall report to the department annually on or before December 1, for the preceding fiscal year the following information for each individual served: demographic information, expenditure data, and data concerning the services and other support provided to each individual, as specified in administrative rule adopted by the commission.

Sec. 88. Section 331.439, subsection 1, paragraph a, Code 2007, is amended to read as follows:

a. The county accurately reported by December 1 the county's expenditures for mental health, mental retardation, and developmental disabilities services and the information required under section 225C.6A, subsection 2, paragraph "c", for the previous fiscal year on forms prescribed by rules adopted by the department of human services state commission.

Sec. 89. Section 426B.5, subsection 2, Code 2007, is amended to read as follows:

2. RISK POOL.

a. For the purposes of this subsection, unless the context otherwise requires:

(1) "Net expenditure amount" means a county's gross expenditures from the services fund for a fiscal year as adjusted by subtracting all services fund revenues for that fiscal year that are received from a source other than property taxes, as calculated on a modified accrual basis.

(2) "Services services fund" means a county's mental health, mental retardation, and developmental disabilities services fund created in section 331.424A.

b. A risk pool is created in the property tax relief fund. The pool shall consist of the moneys credited to the pool by law.

c. A risk pool board is created. The board shall consist of two county supervisors, two county auditors, a member of the mental health, mental retardation, developmental disabilities, and brain injury commission who is not a member of a county board of supervisors, a member of the county finance committee created in chapter 333A who is not an elected official, a representative of a provider of mental health or developmental disabilities services selected from nominees submitted by the Iowa association of community providers, and two central point of coordination process administrators, all appointed by the governor, and one member appointed by the director of human services. All members appointed by the governor shall be subject to confirmation by the senate. Members shall serve for three-year terms. A vacancy shall be filled in the same manner as the original appointment. Expenses and other costs of the risk pool board members representing counties shall be paid by the county of origin. Expenses and other costs of risk pool board members who do not represent counties shall be paid from a source determined by the governor. Staff assistance to the board shall be provided by the department of human services and counties. Actuarial expenses and other direct administrative costs shall be charged to the pool.

d. (1) A county must apply to the risk pool board for assistance from the risk pool on or before January 25 to cover an unanticipated net expenditure amount in excess of the county's current fiscal year budgeted net expenditure amount for the county's services fund. The risk pool board shall make its final decisions on or before February 25 regarding acceptance or rejection of the applications for assistance and the total amount accepted shall be considered obligated. ~~For purposes of applying for risk pool assistance and for repaying unused risk pool assistance, the current fiscal year budgeted net expenditure amount shall be deemed to be the higher of either the budgeted net expenditure amount in the management plan approved under section 331.439 for the fiscal year in which the application is made or the prior fiscal year's net expenditure amount.~~

(2) e. Basic eligibility for risk pool assistance shall require a projected net expenditure amount in excess of the sum of one hundred five percent of the county's current fiscal year budgeted net expenditure amount and any amount of the county's prior fiscal year ending fund balance in excess of twenty-five percent of the county's gross expenditures from the services fund in the prior fiscal year. However, if a county's services fund ending balance in the previous fiscal year was less than ten percent of the amount of the county's gross expenditures from the services fund for that fiscal year and the county has a projected net expenditure amount for the current fiscal year that is in excess of one hundred one percent of the budgeted net expenditure amount for the current fiscal year, the county shall be considered to have met the basic eligibility requirement and is qualified for risk pool assistance. requires that a county meet all of the following conditions:

(1) The county is in compliance with the requirements of section 331.439.

(2) The county levied the maximum amount allowed for the county's services fund under section 331.424A for the fiscal year of application for risk pool assistance.

(3) At the close of the fiscal year that immediately preceded the fiscal year of application, the county's services fund ending balance under generally accepted accounting principles was equal to or less than twenty percent of the county's actual gross expenditures for that fiscal year.

(3) f. The board shall review the fiscal year-end financial records for all counties that are granted risk pool assistance. If the board determines a county's actual need for risk pool assistance was less than the amount of risk pool assistance granted to the county, the county shall refund the difference between the amount of assistance granted and the actual need. The county shall submit the refund within thirty days of receiving notice from the board. Refunds shall be credited to the risk pool. The mental health, mental retardation, developmental disabilities, and brain injury commission shall adopt rules pursuant to chapter 17A providing criteria for the purposes of this lettered paragraph and as necessary to implement the other provisions of this subsection.

(4) A county receiving risk pool assistance in a fiscal year in which the county did not levy the maximum amount allowed for the county's services fund under section 331.424A shall be required to repay the risk pool assistance during the two succeeding fiscal years. The repayment amount shall be limited to the amount by which the actual amount levied was less than the maximum amount allowed, with at least fifty percent due in the first succeeding fiscal year and the remainder due in the second succeeding fiscal year.

(5) g. The board shall determine application requirements to ensure prudent use of risk pool assistance. The board may accept or reject an application for assistance in whole or in part. The decision of the board is final.

(6) h. The total amount of risk pool assistance shall be limited to the amount available in the risk pool for a fiscal year. If the total amount of eligible assistance exceeds the amount available in the risk pool, the amount of assistance paid shall be prorated among the counties eligible for assistance. Moneys remaining unexpended or unobligated in the risk pool following the risk pool board's decisions made pursuant to subparagraph (1) shall be distributed to the counties eligible to receive funding from the allowed growth factor adjustment appropriation for the fiscal year using the distribution methodology applicable to that appropriation. Any unobligated balance in the risk pool at the close of a fiscal year shall remain in the risk pool for distribution in the succeeding fiscal year.

e. i. A county may apply for preapproval for risk pool assistance based upon an individual who has an unanticipated disability condition with an exceptional cost and the individual is either new to the county's service system or the individual's unanticipated disability condition is new to the individual. A county may submit a preapproval application beginning on July 1 for the fiscal year of submission and the risk pool board shall notify the county of the risk pool board's decision concerning the application within forty-five days of receiving the application. Whether for a preapproval or regular application, risk pool assistance shall only be made available to address one or more of the following circumstances:

(1) Continuing support for mandated services.

(2) Avoiding the need for reduction or elimination of critical services when the reduction or elimination places consumers' health or safety at risk.

(3) Avoiding the need for reduction or elimination of critical emergency services when the reduction or elimination places the public's health or safety at risk.

(4) Avoiding the need for reduction or elimination of the services or other support provided to entire disability populations.

(5) Avoiding the need for reduction or elimination of services or other support that maintain consumers in a community setting, creating a risk that the consumers would be placed in more restrictive, higher cost settings.

f. j. The Subject to the amount available and obligated from the risk pool for a fiscal year, the department of human services shall annually calculate the amount of moneys due to eligible counties in accordance with the board's decisions and that amount is appropriated from

~~the risk pool to the department for payment of the moneys due.~~ The department shall authorize the issuance of warrants payable to the county treasurer for the amounts due and the warrants shall be issued before the close of the fiscal year.

~~g. k.~~ On or before March 1 and September 1 of each fiscal year, the department of human services shall provide the risk pool board with a report of the financial condition of each funding source administered by the board. The report shall include but is not limited to an itemization of the funding source's balances, types and amount of revenues credited, and payees and payment amounts for the expenditures made from the funding source during the reporting period.

~~l. If the board has made its decisions but has determined that there are otherwise qualifying requests for risk pool assistance that are beyond the amount available in the risk pool fund for a fiscal year, the board shall compile a list of such requests and the supporting information for the requests. The list and information shall be submitted to the mental health, mental retardation, developmental disabilities, and brain injury commission, the department of human services, and the general assembly.~~

Sec. 90. INFORMATION TECHNOLOGY. The department of human services shall meet with the Iowa state association of counties to develop a joint proposal addressing the information technology needed for counties to comply with the data reporting requirements applicable under this division. The joint proposal shall be submitted to the chairpersons and ranking members of the general assembly's committees on human resources and the joint appropriations subcommittee on health and human services by November 15, 2007.

Sec. 91. EMERGENCY RULES. 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 of this division of this Act 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. 92. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. This division of this Act, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to December 1, 2006, and is applicable on and after that date for information collected by a county as of that date. A county that has not submitted the data specified in section 225C.6A for the preceding fiscal year as of the effective date of this division, shall submit the data within twenty-five business days of the effective date of the rules adopted to implement the provisions of this division. Unless the department approves an exception for good cause, if a county does not submit the data specified within the required time period, the county is subject to withholding of the county's state payment for property tax relief and allowed growth factor adjustment for the fiscal year beginning July 1, 2007.

DIVISION V MENTAL HEALTH SERVICES SYSTEM IMPROVEMENT

Sec. 93. NEW SECTION. 225C.6B MENTAL HEALTH SERVICES SYSTEM IMPROVEMENT — LEGISLATIVE INTENT — PLANNING AND IMPLEMENTATION.

1. INTENT.

a. The general assembly intends for the state to implement a comprehensive, continuous, and integrated state mental health services plan in accordance with the requirements of sec-

tions 225C.4 and 225C.6 and other provisions of this chapter, by increasing the department's responsibilities in the development, funding, oversight, and ongoing leadership of mental health services in this state.

b. In order to further the purposes listed in sections 225C.1 and 225C.27 and in other provisions of this chapter, the general assembly intends that efforts focus on the goal of making available a comprehensive array of high-quality, evidence-based consumer and family-centered mental health services and other support in the least restrictive, community-based setting appropriate for a consumer.

c. In addition, it is the intent of the general assembly to promote policies and practices that achieve for consumers the earliest possible detection of mental health problems and early intervention; to stress that all health care programs address mental health disorders with the same urgency as physical health disorders; to promote the policies of all public programs that serve adults and children with mental disorders, including but not limited to child welfare, Medicaid, education, housing, criminal and juvenile justice, substance abuse treatment, and employment services; to consider the special mental health needs of adults and children; and to promote recovery and resiliency as expected outcomes for all consumers.

2. **PLANNING AND IMPLEMENTATION.** In order to build upon the partnership between the state and counties in providing mental health and disability services in the state, the workgroups established for purposes of this subsection shall engage equal proportions representing the department, counties, and service providers. The county and provider representatives shall be appointed by the statewide associations representing counties and community providers. In addition, each workgroup shall include a representative of the commission, the mental health planning and advisory council, consumers, and a statewide advocacy organization. A workgroup shall be established for each of the following tasks provided for in this subsection: alternative distribution formulas, community mental health center plan, core mental health services, and the two comprehensive plan items. The division shall perform all of the following tasks in taking steps to improve the mental health services system for adults and children in this state:

a. **ALTERNATIVE DISTRIBUTION FORMULAS.** Identify alternative formulas for distributing mental health, mental retardation, and developmental disabilities allowed growth factor adjustment funding to counties. The alternative formulas shall provide methodologies that, as compared to the current methodologies, are more readily understood, better reflect the needs for services, respond to utilization patterns, acknowledge historical county spending, and address disparities in funding and service availability. The formulas shall serve to strengthen the partnership between the department and counties in the state's services system. The division may engage assistance from expert consultants with experience with funding allocation systems as necessary to evaluate options. The department shall report with findings and recommendations to the commission on or before November 1, 2007, and shall review and make recommendations to the department on or before December 1, 2007. The department shall submit the final report to the chairpersons and ranking members of the general assembly's committees on human resources and the joint appropriations subcommittee on health and human services, and to associated legislative staff, on or before January 31, 2008.

b. **COMMUNITY MENTAL HEALTH CENTER PLAN.** Prepare a phased plan for increasing state responsibility for and oversight of mental health services provided by community mental health centers and the providers approved to fill the role of a center. The plan shall provide for an initial implementation date of July 1, 2008. The plan shall be submitted to the commission on or before October 1, 2007. The commission shall review the plan and provide comments to the department on or before November 1, 2007. The plan shall be submitted to the governor and general assembly on or before January 31, 2008. The department shall ensure that key stakeholders are engaged in the planning process, including but not limited to the commission, mental health services providers, individuals with expertise in the delivery of mental health services, youth and adult consumers, family members of consumers, advocacy organizations, and counties.

c. **CORE MENTAL HEALTH SERVICES.** Identify core mental health services to be offered

in each area of the state by community mental health centers and core services agency providers. The workgroup for this task shall be established no later than August 1, 2007. The core services shall be designed to address the needs of target populations identified by the workgroup and the services may include but are not limited to emergency services, school-based mental health services, short-term counseling, prescreening for those subject to involuntary treatment orders, and evidence-based practices. The division shall submit to the commission on or before October 1, 2007, proposed administrative rules and legislation to amend chapter 230A as necessary to implement the core services beginning July 1, 2008. The commission shall review and revise the proposed administrative rules and shall adopt the administrative rules after the general assembly has reviewed and approved the proposal. The proposals shall be submitted to the general assembly for review on or before January 31, 2008.

d. **MENTAL HEALTH AND CORE SERVICE AGENCY STANDARDS AND ACCREDITATION.** Identify standards for accreditation of core services agencies that are not a community mental health center but may serve as a provider approved to fill the role of a center. Such core services agencies could be approved to provide core mental health services for children and adults on a regional basis. The standards shall be submitted to the commission for review and recommendation on or before December 1, 2007, and to the governor and general assembly on or before January 31, 2008.

e. **CO-OCCURRING DISORDERS.** The division and the department of public health shall give priority to the efforts underway to develop an implementation plan for addressing co-occurring mental health and substance abuse disorders in order to establish a comprehensive, continuous, and integrated system of care for such disorders. The division and the department of public health shall participate in a policy academy on co-occurring mental health and substance abuse disorders as part of developing an implementation plan for commission review by April 1, 2008. The commission shall review and make recommendations on the plan on or before May 1, 2008. The plan shall then be submitted to the governor and general assembly on or before June 1, 2008. The division may engage experts in the field of co-occurring mental health and substance abuse disorders to facilitate this planning process.

f. **EVIDENCE-BASED PRACTICES.** Begin phased implementation of evidence-based practices for mental health services over a period of several years.

(1) Not later than October 1, 2007, in order to provide a reasonable timeline for the implementation of evidence-based practices with mental health and disability services providers, the division shall provide for implementation of two adult and two children evidence-based practices per year over a three-year period.

(2) The division shall develop a comprehensive training program concerning such practices for community mental health centers, state resource centers and mental health institutes, and other providers, in collaboration with the Iowa consortium for mental health and mental health service providers. The division shall consult with experts on behavioral health workforce development regarding implementation of the mental health and disability services training and the curriculum and training opportunities offered.

(3) The department shall apply measures to ensure appropriate reimbursement is available to all providers for the implementation of mandated evidence-based practices and request appropriate funding for evidence-based practices from the governor and general assembly as part of the implementation plan. The implementation plan shall be submitted to the governor and general assembly on or before January 31, 2008.

(4) The department shall provide the commission with a plan for review to implement the provisions of this paragraph "f".

g. **COMPREHENSIVE PLAN.**

(1) Complete a written plan describing the key components of the state's mental health services system, including the services addressed in this subsection and those that are community-based, state institution-based, or regional or state-based. The plan shall incorporate the community mental health center plan provisions implemented pursuant to this subsection. The plan shall be submitted to the commission on or before November 15, 2008, and to the governor and general assembly on or before December 15, 2008.

(2) In addition, complete a written plan for the department to assume leadership and to assign and reassign significant financial responsibility for the components of the mental health services system in this state, including but not limited to the actions needed to implement the provisions of this subsection involving community mental health centers, core mental health services, core services agencies, co-occurring disorders, and evidence-based practices. The plan shall include recommendations for funding levels, payment methodologies for new and existing services, and allocation changes necessary for the department to assume significant financial responsibility for mental health services. The plan shall be submitted to the commission on or before November 15, 2008, and the commission shall provide review and recommendations on the plan to the department on or before December 15, 2008. The plan shall be submitted to the governor and general assembly on or before January 15, 2009.

(3) The planning provisions of this paragraph shall be directed toward the goal of strengthening the partnership between the department and counties in the state's services system.

DIVISION VI DECATEGORIZATION PROJECT FUNDING

Sec. 94. 2005 Iowa Acts, chapter 175, section 16, subsection 4, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys in the allocations made in this subsection or made from any other source for the decategorization of the child welfare and juvenile justice funding initiative under section 232.188 that remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2006, shall not revert but shall remain available for expenditure for the purposes allocated until the close of the succeeding fiscal year. Priority for the moneys addressed in this paragraph shall be given to services for children with special needs such as mental health needs, sexual abuse victims or offenders, and substance abuse. If moneys addressed in this paragraph are used to support services for children with special needs that were previously provided under a county contract funded from a county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A, a decategorization project may contract with a provider of such services in place of the county contract, notwithstanding any request for proposals requirement otherwise applicable under section 8A.311.

Sec. 95. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VII COUNTY FUNDS

Sec. 96. Notwithstanding section 331.424A, subsection 5, and section 331.432, subsection 3, for the fiscal year beginning July 1, 2007, and ending June 30, 2008, a county may transfer moneys from other funds of the county to the county's services fund created in section 331.424A. A county transferring moneys from other funds of the county to the county's services fund pursuant to this section or utilizing the nonreversion authority provided in the division of this Act relating to decategorization project funding, shall submit a report detailing the transfers made and fund affected and explaining how the moneys made available by the nonreversion authority were expended. The county shall submit the report along with the county expenditure and information report submitted by December 1, 2007, in accordance with section 331.439.

DIVISION VIII HEALTH CARE TRUST FUND APPROPRIATIONS — HEALTH CARE ACTIVITIES

Sec. 97. DEPARTMENT OF PUBLIC HEALTH. In addition to any other appropriation made in this Act for the purposes designated, there is appropriated from the health care trust

fund created in section 453A.35A to the department of public health for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, for the purposes designated and for not more than the following full-time equivalent positions:

1. ADDICTIVE DISORDERS

.....	\$	6,993,754
.....	FTEs	4.00

a. Of the funds appropriated in this subsection, \$450,000 shall be used for implementation of culturally competent substance abuse treatment pilot projects.

(1) The department shall utilize the amount allocated in this lettered paragraph to expand existing contracts to implement at least three pilot projects to provide culturally competent substance abuse treatment in various areas of the state. Each pilot project shall target a particular ethnic minority population. The populations targeted shall include but are not limited to African-American, Asian, and Latino.

(2) The pilot project requirements shall provide for documentation or other means to ensure access to the cultural competence approach used by a pilot project so that such approach can be replicated and improved upon in successor programs.

b. Of the funds appropriated in this subsection, \$5,861,754 shall be used for tobacco use prevention, cessation, and treatment. The department shall utilize the funds to provide for a variety of activities related to tobacco use prevention, cessation, and treatment including to support Quitline Iowa, QuitNet cessation counseling and education, grants to school districts and community organizations to support Just Eliminate Lies youth chapters and youth tobacco prevention activities, expansion of the Just Eliminate Lies tobacco prevention media campaign with a focus on rural areas, nicotine replacement therapy, and other prevention and cessation materials and media promotion. Of the funds allocated in this lettered paragraph, not more than \$500,000 shall be used for cessation media promotion. Of the funds allocated in this lettered paragraph, \$255,000 may be utilized by the department for administrative purposes.

c. Of the funds appropriated in this subsection, \$682,000 shall be used for substance abuse treatment activities.

2. HEALTHY CHILDREN AND FAMILIES

.....	\$	687,500
.....	FTEs	0.50

a. Of the funds appropriated in this subsection, \$200,000 shall be used as additional funding to address the healthy mental development of children from birth through five years of age through local evidence-based strategies that engage both the public and private sectors in promoting healthy development, prevention, and treatment for children.

b. Of the funds appropriated in this subsection, \$180,000 shall be used for childhood obesity prevention.

c. Of the funds appropriated in this subsection, \$20,000 shall be used to implement the task force on postnatal tissue and fluid banking, if enacted by 2007 Iowa Acts, House File 910.¹⁰

d. Of the funds appropriated in this subsection, \$39,000 shall be used for the dental screening of children program pursuant to section 135.17, if enacted by 2007 Iowa Acts, House File 906.¹¹

e. Of the funds appropriated in this subsection, \$10,000 shall be used for public health education and awareness of the children's vision initiatives, including the InfantSee program and the student vision program, administered through a statewide association of optometric professionals for infants and preschool children.

f. Of the funds appropriated in this subsection, \$238,500 shall be used to provide audiological services and hearing aids for children. The department may enter into a contract to administer this paragraph.

3. CHRONIC CONDITIONS

.....	\$	1,188,981
.....	FTEs	1.00

¹⁰ Chapter 147 herein

¹¹ Chapter 146 herein

a. Of the funds appropriated in this subsection, \$473,981 shall be used as additional funding for child health specialty clinics.

b. Of the funds appropriated in this subsection, \$500,000 shall be used for the comprehensive cancer control program to reduce the burden of cancer in Iowa through prevention, early detection, effective treatment, and ensuring quality of life. The department shall utilize one of the full-time equivalent positions authorized in this subsection for administration of the activities related to the Iowa consortium for comprehensive cancer control.

c. Of the funds appropriated in this subsection, \$5,000 shall be used for the hemophilia advisory council pursuant to chapter 135N, if enacted by 2007 Iowa Acts, Senate File 548.¹²

d. Of the funds appropriated in this subsection, \$200,000 shall be used for cervical and colon cancer screening.

e. Of the funds appropriated in this subsection, \$10,000 shall be allocated to the university of Iowa, Carver college of medicine, department of cardiothoracic surgery, to offer extracorporeal support for donation after cardiac death.

4. COMMUNITY CAPACITY

..... \$ 2,790,000
..... FTEs 2.00

a. Of the funds appropriated in this subsection, \$75,000 shall be used for local public health infrastructure to examine minimum standards for local public health.

b. Of the funds appropriated in this subsection, \$200,000 shall be used for the mental health professional shortage area program implemented pursuant to section 135.80, as enacted by this Act.

c. Of the funds appropriated in this subsection, \$50,000 shall be used for a grant to a statewide association of psychologists that is affiliated with the American psychological association to be used for initial implementation of a program to rotate intern psychologists in placements in urban and rural mental health professional shortage areas, as defined in section 135.80, as enacted by this Act.

d. Of the funds appropriated in this subsection, the following amounts shall be allocated to the Iowa collaborative safety net provider network as enacted in this Act to be used for the purposes designated:

(1) For distribution to the Iowa-Nebraska primary care association for statewide coordination of the Iowa collaborative safety net provider network:
..... \$ 100,000

(2) For distribution to the Iowa family planning network agencies for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:
..... \$ 100,000

(3) For distribution to the local boards of health that provide direct services for pilot programs in three counties to assist patients in determining an appropriate medical home:
..... \$ 100,000

(4) For distribution to maternal and child health centers for pilot programs in three counties to assist patients in determining an appropriate medical home:
..... \$ 100,000

(5) For distribution to free clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:
..... \$ 250,000

(6) For distribution to rural health clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:
..... \$ 150,000

(7) For the safety net provider patient access to specialty health care initiative as described in this Act:
..... \$ 400,000

¹² Chapter 31 herein

* Item veto; see message at end of the Act

- (8) For the pharmaceutical infrastructure for safety net providers as described in this Act:
 - \$ 400,000
 - e. Of the funds appropriated in this subsection, \$650,000 shall be used to continue the 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.
 - f. Of the funds appropriated in this subsection, \$75,000 shall be used for implementation of the recommendations of the direct care worker task force established pursuant to 2005 Iowa Acts, chapter 88, based upon the report submitted to the governor and the general assembly in December 2006.
 - g. Of the funds appropriated in this subsection, \$140,000 shall be used for allocation to an independent statewide direct care worker association for education, outreach, leadership development, mentoring, and other initiatives intended to enhance the recruitment and retention of direct care workers in health and long-term care.
 - h. The department shall utilize one of the full-time equivalent positions authorized in this subsection for administration of the activities related to the Iowa collaborative safety net provider network.
 - i. The department shall utilize one of the full-time equivalent positions authorized in this subsection for administration of the voluntary health care provider program pursuant to section 135.24.

Sec. 98. DEPARTMENT OF HUMAN SERVICES. In addition to any other appropriation made in this Act for the purposes designated, there is appropriated from the health care trust fund created in section 453A.35A to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, for the purposes designated:

- 1. MEDICAL ASSISTANCE
 - \$ 99,518,096
 - a. Of the funds appropriated in this subsection, \$80,480,357 shall be used for costs of services and eligibles including but not limited to the remedial services program; intermediate care facilities for persons with mental retardation (ICFMR); state cases; ambulance, clinic, and hospice services; dental services; medical supplies and equipment; targeted case management; medical related-provider services; mental health-related optional services; and home and community-based services inflation.
 - b. Of the funds appropriated in this subsection, \$9,337,435 shall be used to expand access to medical assistance for parents by increasing the earned income disregard for parents in the family and child medical assistance programs.
 - c. Of the funds appropriated in this subsection, \$1,995,405 shall be used to reduce the waiting list for the children’s mental health home and community-based services waiver.
 - d. Of the funds appropriated in this subsection, \$860,301 shall be used for the Medicaid for independent young adults (MIYA) program.
 - e. Of the funds appropriated in this subsection, \$1,001,000 shall be used for provision of habilitation services.
 - f. Of the funds appropriated in this subsection, \$4,361,598 shall be used for increased enrollment of medical assistance-eligible children in the medical assistance program.
 - g. Of the funds appropriated in this subsection, \$1,100,000 shall be used for the money follows the person demonstration project to assist individuals in utilizing or transitioning to community services options.
 - h. Of the funds appropriated in this subsection, \$250,000 shall be used as additional funding for the grant to the Iowa healthcare collaborative as described in section 135.40.
 - i. Of the funds appropriated in this subsection, \$132,000 shall be used for provisions relating to medical assistance income trusts pursuant to the amendment to section 633C.3, if enacted by 2007 Iowa Acts, House File 397.¹³

¹³ Chapter 136 herein

2. STATE CHILDREN'S HEALTH INSURANCE PROGRAM

..... \$ 8,329,570

a. Of the funds appropriated in this subsection, \$4,697,363 shall be used to support current enrollment and natural growth in the program.

b. Of the funds appropriated in this subsection, \$135,300 shall be used to maintain current outreach efforts.

c. Of the funds appropriated in this subsection, \$3,496,907 shall be used for increased enrollment of eligible children in the state children's health insurance program and necessary outreach.

3. MH/MR/DD ALLOWED GROWTH FACTOR

..... \$ 7,592,099

The funds appropriated in this subsection shall be credited to the property tax relief fund created in section 426B.1.

Sec. 99. LEGISLATIVE SERVICES AGENCY — LEGISLATIVE COMMISSION ON AFFORDABLE HEALTH CARE PLANS FOR SMALL BUSINESSES AND FAMILIES APPROPRIATION. There is appropriated from the health care trust fund created in section 453A.35A to the legislative services agency for the legislative commission on affordable health care plans for small businesses as enacted by this Act, for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, for the purpose designated:

For carrying out the duties of the commission and the health care data research advisory council:

..... \$ 500,000

Of the amount appropriated in this section, a portion shall be used for the health and long-term-care workforce review to be conducted by the department of public health as described in this Act.

*Sec. 100. Section 135.24, subsection 2, paragraphs a and b, Code 2007, are amended to read as follows:

a. Procedures for expedited registration of health care providers deemed qualified by the board of medical examiners, the board of physician assistant examiners, the board of dental examiners, the board of nursing, the board of chiropractic examiners, the board of psychology examiners, the board of social work examiners, the board of behavioral science examiners, the board of pharmacy examiners, the board of optometry examiners, the board of podiatry examiners, the board of physical and occupational therapy examiners, the state board for respiratory care, and the Iowa department of public health, as applicable. An expedited registration shall be completed within fifteen days of application of the health care provider.

b. Procedures for expedited registration of free clinics. An expedited registration shall be completed within fifteen days of application of the free clinic.*

Sec. 101. Section 135.24, subsection 3, unnumbered paragraph 1, Code 2007, is amended to read as follows:

A health care provider providing free care under this section shall be considered an employee of the state under chapter 669, and shall be afforded protection as an employee of the state under section 669.21, and shall not be subject to payment of claims arising out of the free care provided under this section through the health care provider's own professional liability insurance coverage, provided that the health care provider has done all of the following:

Sec. 102. NEW SECTION. 135.80 MENTAL HEALTH PROFESSIONAL SHORTAGE AREA PROGRAM.

1. For the purposes of this section, "mental health professional shortage areas" means geographic areas in this state that have been designated by the United States department of health and human services, health resources and services administration, bureau of health professionals, as having a shortage of mental health professionals.

* Item veto; see message at end of the Act

2. The department shall establish and administer a mental health professional shortage area program in accordance with this section. Implementation of the program shall be limited to the extent of the funding appropriated or otherwise made available for the program.

3. The program shall provide stipends to support psychiatrist positions with an emphasis on securing and retaining medical directors at community mental health centers, providers of mental health services to county residents pursuant to a waiver approved under section 225C.7, subsection 3, and hospital psychiatric units that are located in mental health professional shortage areas.

4. The department shall apply the rules in determining the number and amounts of stipends within the amount of funding available for the program for a fiscal year.

5. For each fiscal year in which funding is allocated by the program, the department shall report to the governor and general assembly summarizing the program's activities and the impact made to address the shortage of mental health professionals.

Sec. 103. NEW SECTION. 135.153 IOWA COLLABORATIVE SAFETY NET PROVIDER NETWORK ESTABLISHED.

1. The department shall establish an Iowa collaborative safety net provider network that includes community health centers, rural health clinics, free clinics, maternal and child health centers, the expansion population provider network as described in chapter 249J, local boards of health that provide direct services, Iowa family planning network agencies, child health specialty clinics, and other safety net providers. The network shall be a continuation of the network established pursuant to 2005 Iowa Acts, chapter 175, section 2, subsection 12. The network shall include all of the following:

a. An Iowa safety net provider advisory group consisting of representatives of community health centers, rural health clinics, free clinics, maternal and child health centers, the expansion population provider network as described in chapter 249J, local boards of health that provide direct services, Iowa family planning network agencies, child health specialty clinics, other safety net providers, patients, and other interested parties.

b. A planning process to logically and systematically implement the Iowa collaborative safety net provider network.

c. A database of all community health centers, rural health clinics, free clinics, maternal and child health centers, the expansion population provider network as described in chapter 249J, local boards of health that provide direct services, Iowa family planning network agencies, child health specialty 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. Network initiatives 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:

- (1) Training.
- (2) Information technology.
- (3) Financial resource development.
- (4) A referral system for ambulatory care.
- (5) A referral system for specialty care.
- (6) Pharmaceuticals.
- (7) Recruitment of health professionals.

2. The network shall form a governing group which includes two individuals each representing community health centers, rural health clinics, free clinics, maternal and child health centers, the expansion population provider network as described in chapter 249J, local boards of health that provide direct services, the state board of health, Iowa family planning network agencies, child health specialty clinics, and other safety net providers.

3. The department shall provide for evaluation of the network and its impact on the medically underserved.

Sec. 104. Section 249J.8, subsection 1, Code 2007, is amended to read as follows:

1. ~~Beginning July 1, 2005, each~~ Each expansion population member whose family income equals or exceeds one hundred percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services shall pay a monthly premium not to exceed one-twelfth of five percent of the member's annual family income, ~~and each.~~ Each expansion population member whose family income is equal to or less than one hundred percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services shall pay not be subject to payment of a monthly premium not to exceed one-twelfth of two percent of the member's annual family income. All premiums shall be paid on the last day of the month of coverage. The department shall deduct the amount of any monthly premiums paid by an expansion population member for benefits under the healthy and well kids in Iowa program when computing the amount of monthly premiums owed under this subsection. An expansion population member shall pay the monthly premium during the entire period of the member's enrollment. Regardless of the length of enrollment, the member is subject to payment of the premium for a minimum of four consecutive months. However, an expansion population member who complies with the requirement of payment of the premium for a minimum of four consecutive months during a consecutive twelve-month period of enrollment shall be deemed to have complied with this requirement for the subsequent consecutive twelve-month period of enrollment and shall only be subject to payment of the monthly premium on a month-by-month basis. Timely payment of premiums, including any arrearages accrued from prior enrollment, is a condition of receiving any expansion population services. Premiums collected under this subsection shall be deposited in the premiums subaccount of the account for health care transformation created pursuant to section 249J.23. An expansion population member shall also pay the same copayments required of other adult recipients of medical assistance.

Sec. 105. Section 283A.2, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Each school district that operates or provides for a school breakfast or lunch program shall provide for the forwarding of information from the applications for the school breakfast or lunch program, for which federal funding is provided, to identify children for enrollment in the medical assistance program pursuant to chapter 249A or the healthy and well kids in Iowa program pursuant to chapter 514I to the department of human services.

Sec. 106. Section 514I.5, subsection 8, Code 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. n. The use of provider guidelines in assessing the well-being of children, which may include the use of the bright futures for infants, children, and adolescents program as developed by the federal maternal and child health bureau and the American academy of pediatrics guidelines for well-child care.

Sec. 107. **IOWACARE PROVIDER NETWORK EXPANSION.** The director of human services shall aggressively pursue options to expand the expansion population provider network for the IowaCare program pursuant to chapter 249J. The department may expand the expansion population provider network if sufficient unencumbered certified local matching funds are available to cover the state share of the costs of services provided to the expansion population or if an alternative funding source is identified to cover the state share.

Sec. 108. **PHARMACEUTICAL INFRASTRUCTURE FOR SAFETY NET PROVIDERS.** The Iowa collaborative safety net provider network established pursuant to section 135.153 shall develop a pharmaceutical infrastructure for safety net providers. The infrastructure shall include all of the following elements:

1. Identification of the most efficacious drug therapies, a strategy to distribute pharmaceuticals to safety net providers for provision to patients at the point of care, including the develop-

ment of a centralized intake concept to determine the eligibility of safety net provider patients for the prescription drug donation repository program pursuant to chapter 135M and pharmaceutical manufacturer assistance programs.

2. An educational effort for safety net provider patients, medical providers, and pharmacists regarding the drug therapies and access alternatives identified pursuant to subsection 1.

3. Utilization of a fully transparent pharmacy benefits manager to work with local pharmacies to provide low cost patient access to drug therapies.

4. A medication reconciliation program to ensure that each patient has a complete record of the patient's medication history available.

Sec. 109. SAFETY NET PROVIDER PATIENTS — ACCESS TO SPECIALTY CARE.

1. The Iowa collaborative safety net provider network established in section 135.153 shall implement a specialty care initiative in two communities in the state to determine various methods of addressing the issue of specialty care access in underserved areas of the state. The communities selected shall develop collaborative partnerships between hospitals, specialists, primary care providers, community partners, human services providers, and others involved in providing health care.

2. The initiative shall include an evaluation component to determine the value of services provided and participating communities shall participate in sharing data and findings resulting from the initiative.

3. Based upon the results of the initiative, the network shall build an infrastructure for improved specialty care access throughout the state.

Sec. 110. HEALTH AND LONG-TERM-CARE WORKFORCE REVIEW AND RECOMMENDATIONS.

1. The department of public health, in collaboration with the department of human services, the department of inspections and appeals, the department of workforce development, and other state agencies involved with relevant health care and workforce issues, shall conduct a comprehensive review of Iowa's health and long-term-care workforce. The review shall provide for all of the following:

a. Raising of public awareness of the imminent health and long-term-care workforce shortage, based upon the rapidly changing demographics in the state.

b. A description of the current health and long-term-care workforce, including documenting the shortages and challenges that exist throughout the state and analyzing the impact of these shortages on access to care, the quality of care received including outcomes, and the cost of care.

c. A projection of the health and long-term-care workforce necessary to provide comprehensive, accessible, quality, and cost-effective care during the next twenty-five years.

d. Construction of a workforce model to provide the necessary or desirable health and long-term-care workforce described in paragraph "c".

2. The department of public health and other agencies collaborating in the review shall actively elicit input from persons involved or interested in the delivery of health and long-term-care services, including but not limited to members of the health and long-term-care workforce and consumers of health and long-term care.

3. The department shall coordinate the review with other initiatives such as PRIMECARRE and the Iowa collaborative safety net provider network recruitment effort.

4. The department of public health shall submit the findings and recommendations of the review for submission to the general assembly and the governor on or before January 15, 2008. The recommendations shall include specific action steps to assist the state in meeting the health and long-term-care workforce shortages and challenges. The action steps shall include but are not limited to all of the following:

a. Strategies such as enhanced pay and benefits, expanded initial and ongoing training, flexible work scheduling, reduced workload volume, and utilizing a team-based approach to providing care to both recruit and retain the necessary health and long-term-care workforce.

b. Utilization of innovative measures, including but not limited to telemedicine and other emerging technologies, and scope of practice changes that allow modifications in roles and responsibilities in various health and long-term-care settings.

Sec. 111. BEHAVIORAL HEALTH — DEVELOPING WORKFORCE COMPETENCIES.

1. The department of public health shall work collaboratively during the fiscal year beginning July 1, 2007, with the departments of corrections, education, elder affairs, and human services, and other state agencies, to enhance the workforce competencies of professional and direct care staff who provide behavioral health services, including but not limited to all of the following:

- a. Treatment of persons with co-occurring mental health and substance use disorders.
- b. Treatment of children with mental health or substance use disorders.
- c. Treatment of persons with serious mental illness.
- d. Treatment of veterans of United States or Iowa military service with mental health or substance use disorders.

e. Treatment of older adults with mental health or substance use disorders.

2. The department's collaborative effort shall utilize the findings of the substance abuse and mental health services administration of the United States department of health and human services and materials developed by the Annapolis coalition on the behavioral health workforce in planning and implementing efforts to enhance the competency-based training of the state's behavioral health workforce.

Sec. 112. CONTINGENT EFFECTIVE DATE. The provision in this division of this Act amending section 249J.8 shall not take effect unless the department of human services receives approval of a medical assistance waiver amendment to change the premium requirements from the centers for Medicare and Medicaid services of the United States department of health and human services.

DIVISION IX
CHILD WELFARE SERVICES

Sec. 113. Section 232.52, subsection 6, unnumbered paragraph 1, Code 2007, is amended to read as follows:

When the court orders the transfer of legal custody of a child pursuant to subsection 2, paragraph "d", "e", or "f", the order shall state that reasonable efforts as defined in section 232.57 have been made. If deemed appropriate by the court, the order may include a determination that continuation of the child in the child's home is contrary to the child's welfare. The inclusion of such a determination shall not under any circumstances be deemed a prerequisite for entering an order pursuant to this section. However, the inclusion of such a determination, supported by the record, may be used to assist the department in obtaining federal funding for the child's placement. If such a determination is included in the order, unless the court makes a determination that further reasonable efforts are not required, reasonable efforts shall be made to prevent permanent removal of a child from the child's home and to encourage reunification of the child with the child's parents and family. The reasonable efforts may include but are not limited to early intervention and follow-up programs implemented pursuant to section 232.191.

Sec. 114. Section 232.102, subsection 5, paragraph b, Code 2007, is amended to read as follows:

b. In order to transfer custody of the child under this subsection, the court must make a determination that continuation of the child in the child's home would be contrary to the welfare of the child, and shall identify the reasonable efforts that have been made. The court's determination regarding continuation of the child in the child's home, and regarding reasonable efforts, including those made to prevent removal and those made to finalize any permanency plan in effect, as well as any determination by the court that reasonable efforts are not re-

quired, must be made on a case-by-case basis. The grounds for each determination must be explicitly documented and stated in the court order. However, preserving the safety of the child is the paramount consideration. If imminent danger to the child's life or health exists at the time of the court's consideration, the determinations otherwise required under this paragraph shall not be a prerequisite for an order for removal of the child. If the court transfers custody of the child, unless the court waives the requirement for making reasonable efforts or otherwise makes a determination that reasonable efforts are not required, reasonable efforts shall be made to make it possible for the child to safely return to the family's home.

Sec. 115. Section 232.143, subsection 1, Code 2007, is amended to read as follows:

1. a. A statewide expenditure target for children in group foster care placements in a fiscal year, which placements are a charge upon or are paid for by the state, shall be established annually in an appropriation bill by the general assembly. Representatives of the department and juvenile court services shall jointly develop a formula for allocating a portion of the statewide expenditure target established by the general assembly to each of the department's service areas. The formula shall be based upon the service area's proportion of the state population of children and of the statewide usage of group foster care in the previous five completed fiscal years and upon other indicators of need. The expenditure amount determined in accordance with the formula shall be the group foster care budget target for that service area.

b. A service area may exceed the service area's budget target for group foster care by not more than five percent in a fiscal year, provided the overall funding allocated by the department for all child welfare services in the service area is not exceeded.

c. If all of the following circumstances are applicable, a service area may temporarily exceed the service area's budget target as necessary for placement of a child in group foster care:

(1) The child is thirteen years of age or younger.

(2) The court has entered a dispositional order for placement of the child in group foster care.

(3) The child is placed in a juvenile detention facility awaiting placement in group foster care.

d. If a child is placed pursuant to paragraph "c", causing a service area to temporarily exceed the service area's budget target, the department and juvenile court services shall examine the cases of the children placed in group foster care and counted in the service area's budget target at the time of the placement pursuant to paragraph "c". If the examination indicates it may be appropriate to terminate the placement for any of the cases, the department and juvenile court services shall initiate action to set a dispositional review hearing under this chapter for such cases. In such a dispositional review hearing, the court shall determine whether needed aftercare services are available following termination of the placement and whether termination of the placement is in the best interests of the child and the community.

Sec. 116. NEW SECTION. 234.3 CHILD WELFARE ADVISORY COMMITTEE.

1. A child welfare advisory committee is established to advise the administrator and the department of human services on programmatic and budgetary matters related to the provision or purchase of child welfare services. The committee shall meet at least quarterly, or upon the call of the chairperson, to review departmental budgets, policies, and programs, and proposed budgets, policies, and programs, and to make recommendations and suggestions to make the state child welfare budget, programs, and policies more effective in serving families and children.

2. The advisory committee shall consist of fifteen voting members, appointed by the governor and confirmed by the senate. The membership shall include representatives of child welfare service providers, juvenile court services, the Iowa foster and adoptive parent association, the child advocacy board, the coalition for family and children's services in Iowa, children's advocates, service consumers, and others who have training or knowledge related to child welfare services. The terms of voting members shall be for three-year staggered terms, beginning and ending as provided in section 69.19. A member shall continue to serve until a successor

is appointed and a vacancy shall be filled for the remainder of the unexpired term. In addition, four members shall be legislators, all serving as ex officio, nonvoting members, with one each appointed by the speaker of the house of representatives, the minority leader of the house of representatives, the majority leader of the senate, and the minority leader of the senate. The director of human services and the administrator, or their designees, shall also be ex officio nonvoting members, and shall serve as resource persons to the committee.

3. A chairperson, vice chairperson, and other officers deemed necessary by the committee shall be appointed by the membership of the committee. Committee staffing shall be designated by the administrator.

Sec. 117. GROUP FOSTER CARE WAITING LIST. On or before December 15, 2007, the department of human services shall report to the general assembly providing detailed information concerning the children who were on a waiting list for group foster care services during the period covered by the report. The information shall include but is not limited to the number and status of children who were on a waiting list, the length of time the children spent on a waiting list, alternative placements while the children were on a waiting list, age and gender of the children, distribution of responsibility between the department and juvenile court services, and the projected funding, services, and programs required to appropriately address the needs of the children on a waiting list or to otherwise eliminate the need for a waiting list.

DIVISION X
FINANCIAL RESPONSIBILITY FOR
CERTAIN MEDICAID SERVICES

Sec. 118. Section 225C.6, subsection 1, paragraph e, Code 2007, is amended to read as follows:

e. Unless another governmental body sets standards for a service available to persons with disabilities, adopt state standards for that service. The commission shall provide that a service provider's compliance with standards for a service set by a nationally recognized body shall be deemed to be in compliance with the state standards adopted by the commission for that service. The commission shall adopt state standards for those residential and community-based providers of services to persons with mental illness or developmental disabilities that are not otherwise subject to licensure by the department of human services or department of inspections and appeals, including but not limited to remedial services payable under the ~~adult rehabilitation option of the medical assistance program~~ and other services payable from funds credited to a county mental health, mental retardation, and developmental disabilities services fund created in section 331.424A. In addition, the commission shall review the licensing standards used by the department of human services or department of inspections and appeals for those facilities providing services to persons with mental illness or developmental disabilities.

Sec. 119. Section 249A.26, subsection 4, Code 2007, is amended to read as follows:

4. The county of legal settlement shall pay for one hundred percent of the nonfederal share of the cost of services provided to adult persons with chronic mental illness ~~implemented under the adult rehabilitation option of the state medical assistance plan who qualify for habilitation services in accordance with the rules adopted for the services~~. The state shall pay for one hundred percent of the nonfederal share of the cost of such services provided to such persons who have no legal settlement or the legal settlement is unknown so that the persons are deemed to be state cases.

Sec. 120. Section 249A.31, Code 2007, is amended to read as follows:

~~249A.31 COST-BASED REIMBURSEMENT — MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES PROVIDERS.~~

~~All of the following shall receive cost-based reimbursement for one hundred percent of the reasonable costs for the provision of services to recipients of medical assistance:~~

1. Providers of individual case management services for persons with mental retardation, a developmental disability, or chronic mental illness shall receive cost-based reimbursement for one hundred percent of the reasonable costs for the provision of the services in accordance with standards adopted by the mental health, mental retardation, developmental disabilities, and brain injury commission pursuant to section 225C.6.

2. ~~Providers of services to persons with chronic mental illness implemented under the adult rehabilitation option of the state medical assistance plan.~~

Sec. 121. Section 331.440A, subsection 7, paragraph b, subparagraph (1), Code 2007, is amended to read as follows:

(1) The oversight committee may make a determination that implementation by the department of human services of a new significant funding provision such as ~~the rehabilitation option for persons with chronic mental illness~~ remedial services or a waiver under the medical assistance program, or another good cause reason, justifies delay of the implementation of the pilot project phases as provided in subsection 6. If such a determination is made, the department of human services and pilot project counties shall delay implementation of the pilot project phases until a date identified by the oversight committee.

Sec. 122. Section 249A.26A, Code 2007, is repealed.

Sec. 123. IMPLEMENTATION OF DIVISION. Section 25B.2, subsection 3, shall not apply to this division of this Act.

DIVISION XI FAMILY OPPORTUNITY ACT

Sec. 124. Section 249A.3, subsection 1, Code 2007, is amended by adding the following new paragraph:

NEW PARAGRAPH. u. As allowed under the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, section 6062, is an individual who is less than nineteen years of age who meets the federal supplemental security income program rules for disability but whose income or resources exceed such program rules, who is a member of a family whose income is at or below three hundred percent of the most recently revised official poverty guidelines published by the United States department of health and human services for the family, and whose parent complies with the requirements relating to family coverage offered by the parent's employer. Such assistance shall be provided on a phased-in basis, based upon the age of the individual.

Sec. 125. DEVELOPMENT AND SUPPORT OF FAMILY-TO-FAMILY HEALTH INFORMATION CENTER.

1. As provided under the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, section 6064, the department of public health shall aggressively pursue the establishment of a family-to-family health information center in Iowa. The center shall provide for all of the following:

- a. Assistance to families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effectiveness, and improved health outcomes for such children.
- b. Information regarding health care needs of and resources available for such children.
- c. Identification of successful health delivery models for such children.
- d. Development, with representatives of health care providers, managed care organizations, health care purchasers, and appropriate state agencies, of a model for collaboration between families of such children and health professionals.
- e. Training and guidance regarding caring for such children.
- f. Conducting of outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals.

2. The center shall be staffed by families of children with disabilities or special health care

needs who have expertise in federal and state public and private health care systems and by health professionals.

Sec. 126. FUNDING — CONTINGENCY.

1. The provision in this division of this Act relating to eligibility for certain persons with disabilities under the medical assistance program shall only be implemented if the department of human services determines that funding is available in appropriations made in this Act, in combination with federal allocations to the state, for the state children's health insurance program, in excess of the amount needed to cover the current and projected enrollment under the state children's health insurance program. If such a determination is made, the department of human services shall transfer funding from the appropriations made in this Act for the state children's health insurance program, not otherwise required for that program, to the appropriations made in this Act for medical assistance, as necessary, to implement such provision of this division of this Act.

2. The provision in this division of this Act relating to the development and support of a family-to-family health information center shall be implemented only if discretionary funding is received from the health resources and services administration of the United States department of health and human services for this purpose.

DIVISION XII
COMMISSION ON AFFORDABLE HEALTH CARE

Sec. 127. LEGISLATIVE COMMISSION ON AFFORDABLE HEALTH CARE PLANS FOR SMALL BUSINESSES AND FAMILIES.

1. A legislative commission on affordable health care plans for small businesses and families is created for the 2007 legislative interim. The legislative services agency shall provide staffing assistance to the commission.

a. The commission shall include 10 members of the general assembly, three appointed by the majority leader of the senate, two appointed by the minority leader of the senate, three appointed by the speaker of the house of representatives, and two appointed by the minority leader of the house of representatives.

b. The commission shall include members of the public appointed by the legislative council from designees of the following:

(1) Two members who are small business owners, one designated by the Iowa association of business and industry, and one designated by the national federation of independent business.

(2) One hospital administrator designated by the Iowa hospital association.

(3) Two health care providers, one a physician designated by the Iowa medical society, and one a nurse designated by the Iowa nurses association.

(4) One individual insurance agent designated by the independent insurance agents of Iowa.

(5) One representative of an insurance carrier designated by the federation of Iowa insurers.

(6) One individual health insurance agent designated by the Iowa association of health underwriters.

c. The commission shall include five consumers appointed by the governor.

d. The commission shall include the following members, or their designees, as ex officio members:

(1) The commissioner of insurance.

(2) The director of human services.

(3) The director of public health.

e. At least one of the members appointed or designated pursuant to paragraph "a", "b", or "c" shall be a member of a racial minority group.

2. The chairpersons of the commission shall be those members of the general assembly so appointed by the majority leader of the senate and the speaker of the house of representatives. Legislative members of the commission are eligible for per diem and reimbursement of actual expenses as provided in section 2.10. Consumers appointed to the commission by the governor pursuant to subsection 1, paragraph "c", are entitled to receive a per diem as specified in section 7E.6 for each day spent in performance of duties as members, and shall be reimbursed for all actual and necessary expenses incurred in the performance of duties as members of the commission.

3. The commission shall review, analyze, and make recommendations on issues relating to the affordability of health care for Iowans including but not limited to:

a. The benefits and costs of requiring all residents of Iowa to have health insurance coverage, including but not limited to individual mandates and proposals from other states.

b. The benefits and costs of providing health insurance coverage to all children in the state, with a particular emphasis on children's health issues.

c. Uninsured and underinsured Iowans with a special focus on determining the characteristics of the uninsured and underinsured populations, why such persons are uninsured or underinsured, and the most effective and efficient means to provide insurance coverage to such persons, including through government programs.

d. Major factors and trends that are likely to impact the cost of premiums and affordability of health care during the next ten years, including but not limited to effects of mandates, levels of coverage, costs and pricing of treatments, cost-sharing and cost-cutting measures, cost-shifting measures, collaborative opportunities, subsidies, reinsurance plans, risk pooling, and wellness and disease prevention initiatives.

4. The commission shall utilize the expertise of the health care data research advisory council in carrying out the commission's duties.

5. The commission may hold public hearings to allow persons and organizations to be heard and to gather information.

6. The commission may request from any state agency or official information and assistance as needed to perform the review and analysis required in subsection 3. A state agency or official shall furnish the information or assistance requested within the authority and resources of the state agency or official. This subsection does not allow the examination or copying of any public record required by law to be kept confidential.

7. The commission may employ staff and consultants as necessary to assist the commission in carrying out its duties as set forth in this section.

8. The commission shall complete its deliberations in December 2007 and submit a final report to the general assembly for consideration during the 2008 Legislative Session, summarizing the commission's activities, analyzing issues studied, making recommendations for legislative reforms that will make health insurance coverage more affordable for small businesses and families in this state, and including any other information that the commission deems relevant and necessary.

Sec. 128. HEALTH CARE DATA RESEARCH ADVISORY COUNCIL.

1. A health care data research advisory council is created for the purpose of assisting the legislative commission on affordable health care plans for small businesses and families in carrying out the commission's duties by conducting research, providing research data and analysis, and performing other functions within the expertise of the members of the council at the direction of the commission.

2. The council membership shall be appointed by the legislative council and shall include but is not limited to the following:

a. A representative of the university of Iowa college of medicine.

b. A representative of the university of Iowa college of dentistry.

c. A representative of the university of Iowa college of pharmacy.

d. A representative of the university of Iowa college of nursing.

- e. A representative of the university of Iowa college of public health.
- f. A representative of Des Moines university — osteopathic medical center.
- g. A representative of the Drake university college of pharmacy.
- h. A representative of an Iowa college of health sciences.
- i. A representative of the Iowa public health association.

Sec. 129. **EFFECTIVE DATE.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XIII
HOME AND COMMUNITY-BASED SERVICES WAIVER
RECIPIENT RESIDENCE — ZONING

Sec. 130. **NEW SECTION.** 335.34 HOME AND COMMUNITY-BASED SERVICES WAIVER RECIPIENT RESIDENCE.

1. A county, county board of supervisors, or county zoning commission shall consider the residence of the recipient of services under a home and community-based services waiver as a residential use of property for the purposes of zoning and shall treat the use of the residence as a permitted use in all residential zones or districts, including all single-family residential zones or districts, of the county.

2. A county, county board of supervisors, or a county zoning commission shall not require that the recipient, or the owner of such a residence if other than the recipient, obtain a conditional use permit, special use permit, special exception, or variance. A county, county board of supervisors, or county zoning commission shall not establish limitations regarding the proximity of one such residence to another.

3. This section applies to the residence of a recipient of services under a home and community-based services waiver if the residence meets any of the following conditions:

- a. The residence is a single-family dwelling owned or rented by the recipient.
- b. The residence is a multifamily dwelling which does not hold itself out to the public as a community-based residential provider otherwise regulated by law including but not limited to a residential care facility, and which provides dwelling units to no more than four recipients of services under a home and community-based services waiver at any one time.

4. For the purposes of this section, “home and community-based services waiver” means “waiver” as defined in section 249A.29.

Sec. 131. **NEW SECTION.** 414.32 HOME AND COMMUNITY-BASED SERVICES WAIVER RECIPIENT RESIDENCE.

1. A city, city council, or city zoning commission shall consider the residence of the recipient of services under a home and community-based services waiver as a residential use of property for the purposes of zoning and shall treat the use of the residence as a permitted use in all residential zones or districts, including all single-family residential zones or districts, of the city.

2. A city, city council, or city zoning commission shall not require that the recipient, or owner of such residence if other than the recipient, obtain a conditional use permit, special use permit, special exception, or variance. A city, city council, or city zoning commission shall not establish limitations regarding the proximity of one such residence to another.

3. This section applies to the residence of a recipient of services under a home and community-based services waiver if the residence meets any of the following conditions:

- a. The residence is a single-family dwelling owned or rented by the recipient.
- b. The residence is a multifamily dwelling which does not hold itself out to the public as a community-based residential provider otherwise regulated by law including but not limited to a residential care facility, and which provides dwelling units to no more than four recipients of services under a home and community-based services waiver at any one time.

4. For the purposes of this section, “home and community-based services waiver” means “waiver” as defined in section 249A.29.

Sec. 132. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XIV
NATIONAL DISASTER MEDICAL SYSTEM — EMPLOYMENT
PROTECTION

Sec. 133. Section 29A.28, subsection 1, Code 2007, is amended to read as follows:

1. All officers and employees of the state, or a subdivision thereof, or a municipality other than employees employed temporarily for six months or less, who are members of the national guard, organized reserves or any component part of the military, naval, or air forces or nurse corps of this state or nation, or who are or may be otherwise inducted into the military service of this state or of the United States, or who are members of the civil air patrol, shall, when ordered by proper authority to state active duty, state military service, or federal service, or when performing a civil air patrol mission pursuant to section 29A.3A, be entitled to a leave of absence from such civil employment for the period of state active duty, state military service, federal service, or civil air patrol duty without loss of status or efficiency rating, and without loss of pay during the first thirty days of such leave of absence. Where state active duty, state military service, federal service, or civil air patrol duty is for a period of less than thirty days, a leave of absence under this section shall only be required for those days that the civil employee would normally perform services for the state, subdivision of the state, or a municipality. The provisions of this section shall also apply to a leave of absence by a member of the national disaster medical system of the United States when activated for federal service with the system.

Sec. 134. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment and is applicable on and after that date.

Sec. 135. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3, Code 2007, shall not apply to this division of this Act.

DIVISION XV
ENERGY UTILITY ASSESSMENT AND
RESOLUTION PROGRAM

Sec. 136. NEW SECTION. 216A.104 ENERGY UTILITY ASSESSMENT AND RESOLUTION PROGRAM.

1. The general assembly finds that provision of assistance to prevent utility disconnections will also prevent the development of public health risks due to such disconnections. The division shall establish an energy utility assessment and resolution program administered by each community action agency for persons with low incomes who have or need a deferred payment agreement or are in need of an emergency fuel delivery to address home energy utility costs.

2. A person must meet all of the following requirements to be eligible for the program:

- a. The person is eligible for the federal low-income home energy assistance program.
 - b. The person is a residential customer of an energy utility approved for the program by the division.
 - c. The person has or is in need of a deferred payment agreement to address the person's home energy utility costs.
 - d. The person is able to maintain or regain residential energy utility service in the person's own name.
 - e. The person provides the information necessary to determine the person's eligibility for the program.
 - f. The person complies with other eligibility requirements adopted in rules by the division.
3. The program components shall include but are not limited to all of the following:
- a. Analysis of a program participant's current financial situation.

- b. Review of a program participant's resource and money management options.
 - c. Skills development and assistance for a program participant in negotiating a deferred payment agreement with the participant's energy utility.
 - d. Development of a written household energy affordability plan.
 - e. Provision of energy conservation training and assistance.
 - f. A requirement that a program participant must make uninterrupted, regular utility payments while participating in the program.
- 4. The division shall implement accountability measures for the program and require regular reporting on the measures by the community action agencies.
 - 5. The division shall implement the program statewide, subject to the funding made available for the program.

DIVISION XVI
PASSPORT SANCTIONS

Sec. 137. Section 252B.5, subsection 11, paragraph a, Code 2007, is amended to read as follows:

- a. Comply with federal procedures to periodically certify to the secretary of the United States department of health and human services, a list of the names of obligors determined by the unit to owe delinquent support, under a support order as defined in section 252J.1, in excess of five two thousand five hundred dollars. The certification of the delinquent amount owed may be based upon one or more support orders being enforced by the unit if the delinquent support owed exceeds five two thousand five hundred dollars. The certification shall include any amounts which are delinquent pursuant to the periodic payment plan when a modified order has been retroactively applied. The certification shall be in a format and shall include any supporting documentation required by the secretary.

Sec. 138. Section 252B.5, subsection 11, paragraph b, subparagraph (1), subparagraph subdivision (b), Code 2007, is amended to read as follows:

- (b) A statement providing information that if the delinquency is in excess of five two thousand five hundred dollars, the United States secretary of state may apply a passport sanction by revoking, restricting, limiting, or refusing to issue a passport as provided in 42 U.S.C. § 652(k).

Sec. 139. Section 252B.5, subsection 11, paragraph b, subparagraph (2), subparagraph subdivision (a), unnumbered paragraph 1, Code 2007, is amended to read as follows:

A challenge shall be based upon mistake of fact. For the purposes of this subsection, "mistake of fact" means a mistake in the identity of the obligor or a mistake in the amount of the delinquent child support owed if the amount did not exceed five two thousand five hundred dollars on the date of the unit's decision on the challenge.

Sec. 140. Section 252B.5, subsection 11, paragraph c, Code 2007, is amended to read as follows:

- c. Following certification to the secretary, if the unit determines that an obligor no longer owes delinquent support in excess of five two thousand five hundred dollars, the unit shall provide information and notice as the secretary requires to withdraw the certification for passport sanction.

Sec. 141. EFFECTIVE DATE. This division of this Act takes effect October 1, 2007.

DIVISION XVII
MANDATORY REVIEW AND ADJUSTMENT
OF CHILD SUPPORT ORDERS

Sec. 142. Section 252B.26, Code 2007, is amended to read as follows:

252B.26 SERVICE OF PROCESS.

Notwithstanding any provision of law to the contrary, the unit may serve a petition, notice,

or rule to show cause under chapter 252A, 252C, 252F, 252H, 252K, 598, or 665 as specified in each chapter, or as follows:

1. The unit may serve a petition, notice, or rule to show cause by certified mail. Return acknowledgment is required to prove service by certified mail, rules of civil procedure 1.303(5) and 1.308(5) shall not apply, and the return acknowledgment shall be filed with the clerk of court.

2. The unit may serve a notice of intent under chapter 252H, or a notice of decision under section 252H.14A, upon any party or parent who is receiving family investment program assistance for the parent or child by sending the notice by regular mail to the address maintained by the department. Rules of civil procedure 1.303(5) and 1.308(5) shall not apply and the unit shall file proof of service as provided in chapter 252H. If the notice is determined to be undeliverable, the unit shall serve the notice as otherwise provided in this section or by personal service.

Sec. 143. Section 252H.7, subsection 2, unnumbered paragraph 1, Code 2007, is amended to read as follows:

A parent may waive the postreview waiting period provided for in section 252H.8, subsection 1A or 6, for a court hearing or in section 252H.17 for requesting of a second review.

Sec. 144. Section 252H.8, subsection 1, Code 2007, is amended to read as follows:

1. For actions initiated under ~~subchapter II~~ section 252H.15, either parent or the unit may request a court hearing within thirty days from the date of issuance of the notice of decision under section 252H.16, or within ten days of the date of issuance of the second notice of decision under section 252H.17, whichever is later.

Sec. 145. Section 252H.8, Code 2007, is amended by adding the following new subsection: NEW SUBSECTION. 1A. For actions initiated under section 252H.14A, either parent or the unit may request a court hearing within ten days of the issuance of the second notice of decision under section 252H.17.

Sec. 146. Section 252H.8, subsection 4, paragraph b, Code 2007, is amended to read as follows:

b. The return of service, proof of service, acceptance of service, or signed statement by the parent requesting review and adjustment or requesting modification, waiving service of the notice.

Sec. 147. Section 252H.8, subsection 6, Code 2007, is amended to read as follows:

6. For actions initiated under ~~subchapter II~~ section 252H.15, a hearing shall not be held for at least thirty-one days following the date of issuance of the notice of decision unless the parents have jointly waived, in writing, the thirty-day postreview period.

Sec. 148. Section 252H.9, subsection 1, Code 2007, is amended to read as follows:

1. If timely request for a court hearing is not made pursuant to section 252H.8, the unit shall prepare and present an administrative order for adjustment or modification, as applicable, for review and approval, ex parte, to the district court where the order to be adjusted or modified is filed. Notwithstanding any other law to the contrary, if more than one support order exists involving children with the same legally established parents, for the purposes of this subsection, the district court reviewing and approving the matter shall have jurisdiction over all other support orders entered by a court of this state and affected under this subsection.

Sec. 149. Section 252H.10, unnumbered paragraph 1, Code 2007, is amended to read as follows:

Pursuant to section 598.21C, any administrative or court order resulting from an action initiated under this chapter may be made retroactive only ~~to~~ from three months after the date that all parties were successfully served the notice required under section 252H.14A, 252H.15, or section 252H.19, as applicable.

Sec. 150. Section 252H.11, subsection 2, Code 2007, is amended to read as follows:

2. If the modification action filed by the parent is subsequently dismissed before being heard by the court, the unit shall continue the action previously initiated under subchapter II or III, or initiate a new action as follows:

a. If the unit previously initiated an action under subchapter II, and had not issued a notice of decision as required under section 252H.14A or 252H.16, the unit shall proceed as follows:

(1) If notice of intent to review was served ninety days or less prior to the date the modification action filed by the parent is dismissed, the unit shall complete the review and issue the notice of decision.

(2) If the modification action filed by the parent is dismissed more than ninety days after the original notice of intent to review was served, the unit shall serve or issue a new notice of intent to review and conduct the review.

(3) If the unit initiated a review under section 252H.14A, the unit may issue the notice of decision.

b. If the unit previously initiated an action under subchapter II and had issued the notice of decision as required under section 252H.14A or 252H.16, the unit shall proceed as follows:

(1) If the notice of decision was issued ninety days or less prior to the date the modification action filed by the parent is dismissed, the unit shall request, obtain, and verify any new or different information concerning the financial circumstances of the parents and issue a revised notice of decision to each parent, or if applicable, to the parent's attorney.

(2) If the modification action filed by the parent is dismissed more than ninety days after the date of issuance of the notice of decision, the unit shall serve or issue a new notice of intent to review pursuant to section 252H.15 and conduct a review pursuant to section 252H.16, or conduct a review and serve a new notice of decision under section 252H.14A.

c. If the unit previously initiated an action under subchapter III, the unit shall proceed as follows:

(1) If the modification action filed by the parent is dismissed more than ninety days after the original notice of intent to modify was served, the unit shall serve a new notice of intent to modify pursuant to section 252H.19.

(2) If the modification action filed by the parent is dismissed ninety days or less after the original notice of intent to modify was served, the unit shall complete the original modification action initiated by the unit under this subchapter.

(3) Each parent shall be allowed at least twenty days from the date the administrative modification action is reinstated to request a court hearing as provided for in section 252H.8.

Sec. 151. NEW SECTION. 252H.14A REVIEWS INITIATED BY THE CHILD SUPPORT RECOVERY UNIT — ABBREVIATED METHOD.

1. Notwithstanding section 252H.15, to assist the unit in meeting the requirement for reviews and adjustments under the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, the unit may use procedures under this section to review a support order if all the following apply:

a. The right to ongoing child support is assigned to the state of Iowa due to the receipt of family investment program assistance, and a review of the support order is required under section 7302 of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171.

b. The unit has access to information concerning the financial circumstances of each parent and one of the following applies:

(1) The parent is a recipient of family investment program assistance, medical assistance, or food assistance from the department.

(2) The parent's income is from supplemental security income paid pursuant to 42 U.S.C. § 1381a.

(3) The parent is a recipient of disability benefits under the Act because of the parent's disability.

(4) The parent is an inmate of an institution under the control of the department of corrections.

2. If the conditions of subsection 1 are met, the unit may conduct a review and determine whether an adjustment is appropriate using information accessible by the unit without issuing a notice under section 252H.15 or requesting additional information from the parent.

3. Upon completion of the review, the unit shall issue a notice of decision to each parent, or if applicable, to each parent's attorney. The notice shall be served in accordance with the rules of civil procedure or as provided in section 252B.26.

4. All of the following shall be included in the notice of decision:

a. The legal basis and purpose of the action, including an explanation of the procedures for determining child support, the criteria for determining the appropriateness of an adjustment, and a statement that the unit used the child support guidelines established pursuant to section 598.21B and the provisions for medical support pursuant to chapter 252E.

b. Information sufficient to identify the affected parties and the support order or orders affected.

c. An explanation of the legal rights and responsibilities of the affected parties, including time frames in which the parties must act.

d. A statement indicating whether the unit finds that an adjustment is appropriate and the basis for the determination.

e. Procedures for contesting the action, including that if a parent requests a second review both parents will be requested to submit financial or income information as necessary for application of the child support guidelines established pursuant to section 598.21B.

f. Other information as appropriate.

5. Section 252H.16, subsection 5, regarding a revised notice of decision shall apply to a notice of decision issued under this section.

6. Each parent shall have the right to challenge the notice of decision issued under this section by requesting a second review by the unit as provided in section 252H.17. If there is no new or different information to consider for the second review, the unit shall issue a second notice of decision based on prior information. Each parent shall have the right to challenge the second notice of decision by requesting a court hearing as provided in section 252H.8.

Sec. 152. Section 252H.15, subsection 1, Code 2007, is amended to read as follows:

1. ~~Prior~~ Unless an action is initiated under section 252H.14A, prior to conducting a review of a support order, the unit shall issue a notice of intent to review and adjust to each parent, or if applicable, to each parent's attorney. However, notice to a child support agency or an agency entitled to receive child or medical support payments as the result of an assignment of support rights is not required.

Sec. 153. Section 252H.16, subsection 1, Code 2007, is amended to read as follows:

1. ~~The~~ For actions initiated under section 252H.15, the unit shall conduct the review and determine whether an adjustment is appropriate. As necessary, the unit shall make a determination of the controlling order or the amount of delinquent support due based upon the receipt of social security disability payments as provided in sections 598.22 and 598.22C.

Sec. 154. Section 252H.17, subsections 1, 2, and 6, Code 2007, are amended to read as follows:

1. Each parent shall have the right to challenge the notice of decision issued under section 252H.14A or 252H.16, by requesting a second review by the unit.

2. A challenge shall be submitted, in writing, to the local child support office that issued the notice of decision, within thirty days of service of the notice of decision under section 252H.14A or within ten days of the issuance of the notice of decision under section 252H.16.

6. The unit shall conduct a second review, utilizing any new or additional information provided or available since issuance of the notice of decision under section 252H.14A or under section 252H.16, to determine whether an adjustment is appropriate.

Sec. 155. RULES. Until the department of human services amends rules pursuant to chap-

ter 17A necessary to conform with this Act, any existing rule relating to review and adjustment of support orders shall also apply to reviews initiated under section 252H.14A, as created in this Act, except that a provision for a time limit, notice, or other procedure which conflicts with a provision of this Act shall not apply.

Sec. 156. EFFECTIVE DATE. This division of this Act takes effect October 1, 2007.

DIVISION XVIII
MEDICAL SUPPORT

Sec. 157. Section 252B.5, subsection 2, Code 2007, is amended to read as follows:

2. Aid in establishing paternity and securing a court or administrative order for support pursuant to chapter 252A, 252C, 252F, or 600B, or any other chapter providing for the establishment of paternity or support. In an action to establish support, the resident parent may be a proper party defendant for purposes of determining medical support as provided in section 252E.1A. The unit's independent cause of action shall not bar a party from seeking support in a subsequent proceeding.

Sec. 158. Section 252C.1, subsection 6, Code 2007, is amended to read as follows:

6. "Medical support" means either the provision of coverage under a health benefit plan, including a group or employment-related or an individual health benefit plan, or a health benefit plan provided pursuant to chapter 514E, to meet the medical needs of a dependent and the cost of any premium required by a health benefit plan, or the payment to the obligee of a monetary amount in lieu of providing coverage under a health benefit plan, either of which is an obligation separate from any monetary amount of child support ordered to be paid. "Medical support" which consists of payment of a monetary amount in lieu of a health benefit plan is also an obligation separate from any monetary amount a parent is ordered to pay for uncovered medical expenses pursuant to the guidelines established pursuant to section 598.21B.

Sec. 159. Section 252C.3, subsection 1, unnumbered paragraph 1, Code 2007, is amended to read as follows:

The administrator may issue a notice stating the intent to secure an order for either ~~payment~~ of medical support ~~established as defined~~ provided in chapter 252E or payment of an accrued or accruing support debt due and owed to the department or an individual under section 252C.2, or both. The notice shall be served upon the responsible person in accordance with the rules of civil procedure. The notice shall include all of the following:

Sec. 160. Section 252C.3, subsection 1, paragraph c, subparagraph (1), Code 2007, is amended to read as follows:

(1) A statement that if the responsible person desires to discuss the amount of support that ~~the a~~ responsible person should be required to pay, the responsible person may, within ten days after being served, contact the office of the child support recovery unit which sent the notice and request a negotiation conference.

Sec. 161. Section 252C.12, subsection 2, Code 2007, is amended to read as follows:

2. Upon receipt of a signed statement from ~~the each~~ responsible person waiving the time limitations established in section 252C.3, the administrator may proceed to enter an order for support and the court may approve the order, whether or not the time limitations have expired.

Sec. 162. Section 252D.18A, Code 2007, is amended to read as follows:

252D.18A MULTIPLE INCOME WITHHOLDING ORDERS — ORDERS FOR HEALTH BENEFIT PLANS — AMOUNTS WITHHELD BY PAYOR.

When the obligor is responsible for paying has more than one support obligation and or the payor of income has received more than one ~~income withholding~~ order or notice of ~~an order~~ for the obligor for income withholding or for coverage under a health benefit plan pursuant to chapter 252E, the payor shall withhold amounts in accordance with all of the following:

1. The total of all amounts withheld shall not exceed the amounts specified in 15 U.S.C. § 1673(b). For orders or notices issued by the child support recovery unit, the limit for the amount to be withheld shall be specified in the order or notice.

2. As reimbursement for the payor's processing costs, the payor may deduct a fee of no more than two dollars for each payment withheld in addition to the amount withheld for support.

3. Priority shall be given to the withholding of current support ~~rather than delinquent support~~. The payor shall not allocate amounts withheld in a manner which results in the failure to withhold an amount for one or more of the current child or spousal support obligations. If the limits specified in subsection 1 prevent withholding the full amount specified in the order or notice, the payor shall withhold amounts in the following priority:

a. Withhold the amount specified for current child and spousal support. To arrive at the amount to be withheld for each obligee, the payor shall total the amounts due for current child and spousal support under the income withholding orders and the notices of orders and determine the proportionate share for each obligee. The proportionate share shall be determined by dividing the amount due for current child and spousal support for each order or notice of order by the total due for current child and spousal support for all orders and notices of orders. The results are the percentages of the obligor's net income which shall be withheld for each obligee.

b. If, after completing the calculation in paragraph "a", the withholding limit specified under subsection 1 has not been attained, the payor shall withhold the amount necessary to comply with an order or notice of order for a current premium for coverage of a child under a health benefit plan as provided in section 252D.30 or section 252E.1A, subsection 2, or for a current monetary amount for the child for medical support. If there is more than one medical support order or notice of order for a current monetary amount for a child, the payor shall total the amounts due for current monetary amounts for all children for medical support and determine the proportionate share for each obligee. The proportionate amounts shall be established utilizing the procedures established in paragraph "a" for current child and spousal support obligations.

~~b. c.~~ c. If, after completing the calculation ~~calculations~~ in ~~paragraph paragraphs~~ "a" and "b", the withholding limit specified under subsection 1 has not been attained, the payor shall total the amounts due for arrearages and determine the proportionate share for each obligee. The proportionate share amounts shall be established utilizing the procedures established in paragraph "a" for current child and spousal support obligations.

d. If after completing the calculations in paragraphs "a", "b", and "c", the withholding limit specified in subsection 1 has not been attained, the payor shall withhold the amount necessary for other child support obligations, unless the order or notice directs otherwise as provided by Title IV, part D, of the federal Social Security Act.

4. The payor shall identify and report payments by the obligor's name, account number, amount, and date withheld pursuant to section 252D.17. ~~Until October 1, 1999, if payments for multiple obligees are combined, the portion of the payment attributable to each obligee shall be specifically identified. Beginning October 1, 1999, if~~ If payments for multiple obligees are combined, the portion of the payment attributable to each obligee shall be specifically identified only if the payor is directed to do so by the child support recovery unit.

Sec. 163. Section 252E.1, subsection 9, Code 2007, is amended to read as follows:

9. "Medical support" means either the provision of a health benefit plan, including a group or employment-related or an individual health benefit plan, or a health benefit plan provided pursuant to chapter 514E, to meet the medical needs of a dependent and the cost of any premium required by a health benefit plan, or the payment to the obligee of a monetary amount in lieu of a health benefit plan, either of which is an obligation separate from any monetary amount of child support ordered to be paid. Medical support is not alimony. "Medical support" which consists of payment of a monetary amount in lieu of a health benefit plan is also an obligation separate from any monetary amount a parent is ordered to pay for uncovered medical expenses pursuant to the guidelines established pursuant to section 598.21B.

Sec. 164. NEW SECTION. 252E.1A ESTABLISHING AND MODIFYING ORDERS FOR MEDICAL SUPPORT.

This section shall apply to all initial or modified orders for support entered under chapter 234, 252A, 252C, 252F, 252H, 598, 600B, or any other applicable chapter.

1. An order or judgment that provides for temporary or permanent support for a child shall include a provision for medical support for the child as provided in this section.

2. The court shall order as medical support for the child a health benefit plan if available to either parent at the time the order is entered or modified. A plan is available if the plan is accessible and the cost of the plan is reasonable.

a. The cost of a health benefit plan is considered reasonable, and such amount shall be stated in the order, if one of the following applies:

(1) The premium cost for a child to the parent ordered to provide the plan does not exceed five percent of that parent's gross income.

(2) The premium cost for a child exceeds five percent of the gross income of the parent ordered to provide the plan and that parent consents or does not object to entry of that order.

b. For purposes of this section, "gross income" has the same meaning as gross income for calculation of support under the guidelines established under section 598.21B.

c. For purposes of this section, the premium cost for a child to the parent ordered to provide the plan means the amount of the premium cost for family coverage to the parent which is in excess of the premium cost for single coverage, regardless of the number of individuals covered under the plan. However, this paragraph shall not be interpreted to reduce the amount of the health insurance premium deduction a parent may be entitled to when calculating the amount of a child support obligation under Iowa court rule 9.5 of the child support guidelines.

3. If a health benefit plan is not available at the time of the entry of the order, the court shall order a reasonable monetary amount in lieu of a health benefit plan, which amount shall be stated in the order. For purposes of this subsection, a reasonable amount means five percent of the gross income of the parent ordered to provide the monetary amount for medical support. This subsection shall not apply in any of the following circumstances:

a. If the parent's monthly support obligation established pursuant to the child support guidelines prescribed by the supreme court pursuant to section 598.21B is the minimum obligation amount.

b. If subsection 7, paragraph "e" applies.

4. If the court orders the custodial parent to provide a health benefit plan under subsection 2, the court may also order the noncustodial parent to provide a reasonable monetary amount in lieu of a health benefit plan. For purposes of this subsection, a reasonable monetary amount means an amount not to exceed the lesser of a reasonable amount as described in subsection 3, or the premium cost of coverage for the child to the custodial parent as described in subsection 2, paragraph "c".

5. Notwithstanding the requirements of this section, the court may order provisions in the alternative to those provided in this section to address the health care needs of the child if the court determines that extreme circumstances so require and documents the court's written findings in the order.

6. An order, decree, or judgment entered before March 1, 2008, that provides for the support of a child may be modified in accordance with this section.

7. If the child support recovery unit is providing services under chapter 252B and initiating an action to establish or modify support, all the following shall also apply:

a. If a health benefit plan is available as described in subsection 2 to the noncustodial parent, the unit shall seek an order for the noncustodial parent to provide the plan.

b. If a health benefit plan is available as described in subsection 2 to the custodial parent and not to the noncustodial parent, the unit shall seek an order for the custodial parent to provide the plan.

c. If a health benefit plan is available as described in subsection 2 to each parent, and if there is an order for joint physical care, the unit shall seek an order for the parent currently ordered

to provide a health benefit plan to provide the plan. If there is no current order for a health benefit plan for the child, the unit shall seek an order for the parent who is currently providing a health benefit plan to provide the plan.

d. If a health benefit plan is not available, and the noncustodial parent does not have income which may be subject to income withholding for collection of a reasonable monetary amount in lieu of a health benefit plan at the time of the entry of the order, the unit shall seek an order that the noncustodial parent provide a health benefit plan when a plan becomes available at reasonable cost, and the order shall specify the amount of reasonable cost as defined in subsection 2.

e. This section shall not apply to chapter 252H, subchapter IV.

Sec. 165. NEW SECTION. 252E.2A SATISFACTION OF MEDICAL SUPPORT ORDER.

This section shall apply if the child support recovery unit is providing services under chapter 252B.

1. Notwithstanding any law to the contrary and without a court order, a medical support order for a child shall be deemed satisfied with regard to the department, the child, the obligor, and the obligee for the period during which all the following conditions are met:

a. The order is issued under any applicable chapter of the Code.

b. The unit is notified that the conditions of paragraph "c" are met and there is a pending action to establish or modify support initiated by the unit, or the parent ordered to provide medical support submits a written statement to the unit that the requirements of paragraph "c" are met.

c. The parent ordered to provide medical support or the parent from whom the unit is seeking to establish or modify medical support meets at least one of the following conditions:

(1) The parent is an inmate of an institution under the control of the department of corrections or a comparable institution in another state.

(2) The parent's monthly child support obligation under the guidelines established pursuant to section 598.21B is the minimum obligation amount.

(3) The parent is a recipient of assistance under chapter 239B or 249A, or under comparable laws of another state.

(4) The parent is residing with any child for whom the parent is legally responsible and that child is a recipient of assistance under chapter 239B, 249A, or 514I, or under comparable laws of another state. For purposes of this subparagraph, "legally responsible" means the parent has a legal obligation to the child as specified in Iowa court rule 9.7 of the child support guidelines.

d. The unit files a notice of satisfaction with the clerk of the district court. The effective date of the satisfaction shall be stated in the notice and the effective date shall be no later than forty-five days after the unit issues the notice of satisfaction.

2. If a medical support order is satisfied under subsection 1, the satisfaction shall continue until all of the following apply:

a. The unit is notified that none of the conditions specified in subsection 1, paragraph "c", still applies.

b. The unit files a satisfaction termination notice that the requirements for a satisfaction under this section no longer apply. The effective date shall be stated in the satisfaction termination notice and the effective date shall be no later than forty-five days after the unit issues the satisfaction termination notice.

3. The unit shall mail a copy of the notice of satisfaction and the satisfaction termination notice to the last known address of the obligor and obligee.

4. The department of human services may match data for enrollees of the hawk-i program created pursuant to chapter 514I with data of the unit to assist the unit in implementing this section.

5. An order, decree, or judgment entered or pending on or before March 1, 2008, that provides for the support of a child may be satisfied as provided in this section.

Sec. 166. Section 252E.4, subsection 1, Code 2007, is amended to read as follows:

1. When a support order requires an obligor to provide coverage under a health benefit plan, the district court or the department may enter an ex parte order directing an employer to take all actions necessary to enroll an obligor's dependent for coverage under a health benefit plan or may include the provisions in an ex parte income withholding order or notice of income withholding pursuant to chapter 252D. The child support recovery unit, where appropriate, shall issue a national medical support notice to an employer within two business days after the date information regarding a newly hired employee is entered into the centralized employee registry and matched with a noncustodial parent in the case being enforced by the unit, or upon receipt of other employment information for such parent. The department may amend the information in the ex parte order or may amend or terminate the national medical support notice regarding health insurance provisions if necessary to comply with health insurance requirements including but not limited to the provisions of section 252E.2, subsection 2, or to correct a mistake of fact.

Sec. 167. Section 252E.5, subsection 3, Code 2007, is amended to read as follows:

3. The employer shall withhold from the employee's compensation, the employee's share, if any, of premiums for the health benefit plan in an amount that does not exceed the amount specified in the national medical support notice or order or the amount specified in 15 U.S.C. § 1673(b) and which is consistent with federal law. The employer shall forward the amount withheld to the insurer. If the employee has more than one obligation and if there is insufficient compensation available to meet the employee's share necessary for coverage of the child under a health benefit plan as required under this section or section 252D.30, and to comply with an order to withhold or notice under section 252D.17, the employer shall allocate the funds available in accordance with section 252D.18A.

Sec. 168. Section 252F.1, Code 2007, is amended by adding the following new subsection: NEW SUBSECTION. 3A. "Party" means a putative father or a mother.

Sec. 169. Section 252F.3, subsection 1, unnumbered paragraph 1, Code 2007, is amended to read as follows:

The unit may prepare a notice of alleged paternity and support debt to be served on ~~the putative father~~ a party if the mother of the child provides a written statement to the unit certifying in accordance with section 622.1 that the putative father is or may be the biological father of the child or children involved. The notice shall be accompanied by a copy of the statement and served on the putative father in accordance with rule of civil procedure 1.305. Service upon the mother shall not constitute valid service upon the putative father. The notice shall include or be accompanied by all of the following:

Sec. 170. Section 252F.3, subsection 1, paragraphs d, f, g, h, j, k, and m, Code 2007, are amended to read as follows:

d. A statement that if paternity is established, ~~the putative father~~ a party has a duty to provide accrued and accruing medical support to the child or children in accordance with chapter 252E.

f. (1) The right of ~~the putative father~~ a party to request a conference with the unit to discuss paternity establishment and the amount of support that ~~the putative father~~ a party may be required to ~~pay~~ provide, within ten days of the date of service of the original notice or, if paternity is contested and paternity testing is conducted, within ten days of the date the paternity test results are issued or mailed to ~~the putative father~~ a party by the unit.

(2) A statement that if a conference is requested, ~~the putative father~~ a party shall have one of the following time frames, whichever is the latest, to send a written request for a court hearing on the issue of support to the unit:

- (a) Ten days from the date set for the conference.
- (b) Twenty days from the date of service of the original notice.

(c) If paternity was contested and paternity testing was conducted, and ~~the putative father~~ a party does not deny paternity after the testing or challenge the paternity test results, twenty days from the date paternity test results are issued or mailed by the unit to the ~~putative father party~~.

(3) A statement that after the holding of the conference, the unit shall issue a new notice of alleged paternity and finding of financial responsibility for child support or medical support, or both, to be provided in person to ~~the putative father~~ each party or sent to ~~the putative father~~ each party by regular mail addressed to the ~~putative father's party's~~ last known address or, if applicable, to the last known address of the ~~putative father's party's~~ attorney.

(4) A statement that if the unit issues a new notice of alleged paternity and finding of financial responsibility for child support or medical support, or both, ~~the putative father~~ a party shall have one of the following time frames, whichever is the latest, to send a written request for a court hearing on the issue of support to the unit:

(a) Ten days from the date of issuance of the new notice.

(b) Twenty days from the date of service of the original notice.

(c) If paternity was contested and paternity testing conducted, and ~~the putative father~~ a party does not deny paternity after the testing or challenge the paternity test results, twenty days from the date the paternity test results are issued or mailed to the ~~putative father party~~ by the unit.

g. A statement that if a conference is not requested, and ~~the putative father~~ a party does not deny paternity or challenge the results of any paternity testing conducted but objects to the finding of financial responsibility or the amount of child support or medical support, or both, the ~~putative father party~~ shall send a written request for a court hearing on the issue of support to the unit within twenty days of the date of service of the original notice, or, if paternity was contested and paternity testing conducted, and ~~the putative father~~ a party does not deny paternity after the testing or challenge the paternity test results, within twenty days from the date the paternity test results are issued or mailed to the ~~putative father party~~ by the unit, whichever is later.

h. A statement that if a timely written request for a hearing on the issue of support is received by the unit, the ~~putative father party~~ shall have the right to a hearing to be held in district court and that if no timely written request is received and paternity is not contested, the administrator shall enter an order establishing the putative father as the father of the child or children and establishing child support or medical support, or both, in accordance with the notice of alleged paternity and support debt.

j. A written explanation of the ~~putative father's~~ a party's right to deny paternity, the procedures for denying paternity, and the consequences of the denial.

k. A statement that if ~~the putative father~~ a party contests paternity, the ~~putative father party~~ shall have twenty days from the date of service of the original notice to submit a written denial of paternity to the unit.

m. A statement that if paternity tests are conducted, the unit shall provide a copy of the test results to ~~the putative father~~ each party in person or send a copy to ~~the putative father~~ each party by regular mail, addressed to the ~~putative father's party's~~ last known address, or, if applicable, to the last known address of the ~~putative father's party's~~ attorney.

Sec. 171. Section 252F.3, subsection 3, unnumbered paragraph 1, Code 2007, is amended to read as follows:

If notice is served on ~~the putative father~~ a party, the unit shall file a true copy of the notice and the original return of service with the appropriate clerk of the district court as follows:

Sec. 172. Section 252F.3, subsection 4, unnumbered paragraph 1, Code 2007, is amended to read as follows:

A ~~putative father party~~ or the child support recovery unit may request a court hearing regarding establishment of paternity or a determination of support, or both.

Sec. 173. Section 252F.3, subsection 4, paragraph c, Code 2007, is amended to read as follows:

c. Any objection to the results of paternity tests shall be filed no later than twenty days after the date paternity test results are issued or mailed to ~~the putative father~~ each party by the unit. Any objection to paternity test results filed by a party more than twenty days after the date paternity tests are issued or mailed to ~~the putative father~~ party by the unit shall not be accepted or considered by the court.

Sec. 174. Section 252F.3, subsection 5, Code 2007, is amended to read as follows:

5. If a timely written response and request for a court hearing is not received by the unit and ~~the putative father~~ a party does not deny paternity, the administrator shall enter an order in accordance with section 252F.4.

Sec. 175. Section 252F.3, subsection 6, paragraphs a, f, and m, Code 2007, are amended to read as follows:

a. If a party contests the establishment of paternity, the party shall submit, within twenty days of service of the notice on the ~~putative father~~ party under subsection 1, a written statement contesting paternity establishment to the unit. Upon receipt of a written challenge of paternity establishment, or upon initiation by the unit, the administrator shall enter ex parte administrative orders requiring the mother, child or children involved, and the putative father to submit to paternity testing. Either the mother or putative father may contest paternity under this chapter.

f. An original copy of the test results shall be filed with the clerk of the district court in the county where the notice was filed. The child support recovery unit shall issue a copy of the filed test results to ~~the putative father and mother of the child or children~~ each party in person, or by regular mail to the last known address of each, or if applicable, to the last known address of the attorney for each. However, if the action is the result of a request from a foreign jurisdiction, the unit shall issue a copy of the results to the initiating agency in that foreign jurisdiction.

m. If the paternity test results exclude the putative father as a potential biological father of the child or children, and additional tests are not requested by either party or conducted on the unit's initiative, or if additional tests exclude the putative father as a potential biological father, the unit shall withdraw its action against the putative father and shall file a notice of the withdrawal with the clerk of the district court, and shall provide a copy of the notice to ~~the putative father~~ each party in person, or by regular mail sent to ~~the putative father's~~ each party's last known address, or if applicable, the last known address of the ~~putative father's~~ party's attorney.

Sec. 176. Section 252F.4, Code 2007, is amended to read as follows:
252F.4 ENTRY OF ORDER.

1. ~~If the putative father fails both parties fail~~ to respond to the initial notice within twenty days after the date of service of the notice or ~~fails fail~~ to appear at a conference pursuant to section 252F.3 on the scheduled date of the conference, and paternity has not been contested and ~~the putative father fails both parties fail~~ to timely request a court hearing on the issue of support, the administrator shall enter an order against the ~~putative father parties~~, declaring the putative father to be the legal father of the child or children involved and assessing any accrued and accruing child support obligation pursuant to the guidelines established under section 598.21B, and medical support pursuant to chapter 252E, ~~against the father~~.

2. If paternity is contested pursuant to section 252F.3, subsection 6, and the party contesting paternity fails to appear for a paternity test and fails to request a rescheduling pursuant to section 252F.3, or fails to appear for both the initial and the rescheduled paternity tests and ~~the putative father fails both parties fail~~ to timely request a court hearing on the issue of support, the administrator shall enter an order against the ~~putative father parties~~ declaring the putative father to be the legal father of the child or children involved and assessing any accrued and accruing child support obligation pursuant to the guidelines established under section 598.21B, and medical support pursuant to chapter 252E, ~~against the father~~.

3. If the putative father appears at a conference pursuant to section 252F.3 ~~is held~~, and paternity is not contested, and ~~the putative father fails~~ both parties fail to timely request a court hearing on the issue of support, the administrator shall enter an order against the ~~putative father parties~~ after the second notice has been sent declaring the putative father to be the legal father of the child or children involved and assessing any accrued and accruing child support obligation pursuant to the guidelines established under section 598.21B, and medical support pursuant to chapter 252E, ~~against the father.~~

4. If paternity was contested and paternity testing was performed and the putative father was not excluded, if the test results indicate that the probability of the putative father's paternity is ninety-five percent or greater, if the test results are not timely challenged, and if ~~the putative father fails~~ both parties fail to timely request a court hearing on the issue of support, the administrator shall enter an order against the ~~putative father parties~~ declaring the putative father to be the legal father of the child or children involved and assessing any accrued and accruing child support obligation pursuant to the guidelines established under section 598.21B, and medical support pursuant to chapter 252E, ~~against the father.~~

5. The administrator shall establish a support obligation under this section based upon the best information available to the unit and pursuant to section 252B.7A.

6. The order shall contain all of the following:

- a. A declaration of paternity.
- b. The amount of monthly support to be paid, with direction as to the manner of payment.
- c. The amount of accrued support.
- d. The name of the custodial parent or caretaker.
- e. The name and birth date of the child or children to whom the order applies.
- f. A statement that property of ~~the father~~ a party ordered to provide support is subject to income withholding, liens, garnishment, tax offset, and other collection actions.
- g. The medical support required pursuant to chapter 598 and chapter 252E.
- h. A statement that ~~the father~~ a party who is ordered to provide support is required to inform the child support recovery unit, on a continuing basis, of the name and address of the ~~father's party's~~ current employer, whether the ~~father party~~ has access to health insurance coverage ~~through employment or at reasonable cost through other sources~~ as required in the order, and if so, the health insurance policy information.
- i. If paternity was contested ~~by the putative father~~, the amount of any judgment assessed to the father for costs of paternity tests conducted pursuant to this chapter.
- j. Statements as required pursuant to section 598.22B.

7. If paternity is not contested but ~~the putative father~~ a party does wish to challenge the issues of child or medical support, the administrator shall enter an order establishing paternity and reserving the issues of child or medical support for determination by the district court.

Sec. 177. Section 252F.5, subsection 2, Code 2007, is amended to read as follows:

2. An action under this chapter may be certified to the district court if a party timely contests paternity establishment or paternity test results, or if ~~the putative father~~ a party requests a court hearing on the issues of child or medical support, or both, or upon the initiation of the unit as provided in this chapter. Review by the district court shall be an original hearing before the court.

Sec. 178. Section 252F.5, subsection 3, paragraph c, Code 2007, is amended to read as follows:

c. A timely written objection to paternity establishment or paternity test results has been received from a party, or a timely written request for a court hearing on the issue of support has been received from ~~the putative father~~ a party by the unit, or the unit has requested a court hearing on the unit's own initiative.

Sec. 179. Section 252H.2, subsection 2, paragraph b, Code 2007, is amended to read as follows:

b. An addition of or change to provisions for medical support as ~~defined~~ provided in section 252E.1 chapter 252E.

Sec. 180. Section 252H.2, subsection 13, Code 2007, is amended to read as follows:

13. "Support order" means a ~~"court order" as defined in section 252C.1 or an order establishing support entered pursuant to an administrative or quasi-judicial process if authorized by law~~ an order for support issued pursuant to chapter 232, 234, 252A, 252C, 252E, 252F, 252H, 598, 600B, or any other applicable chapter, or under a comparable statute of a foreign jurisdiction as registered with the clerk of court or certified to the child support recovery unit.

Sec. 181. NEW SECTION. 252H.3A ADDING A PARTY.

A mother or father may be added as a proper party defendant to a support order upon service of a notice as provided in this chapter and without a court order as provided in the rules of civil procedure.

Sec. 182. Section 252H.14, subsection 1, paragraph b, Code 2007, is amended to read as follows:

~~b. The right to any ongoing medical support obligation is currently assigned to the state due to the receipt of public assistance unless:~~

(1) ~~b.~~ The support order does not already include include provisions requiring the parent ordered to pay child support to also provide for medical support.

(2) ~~The parent entitled to receive support has satisfactory health insurance coverage for the children, excluding coverage resulting from the receipt of public assistance benefits.~~

Sec. 183. Section 252H.14, subsection 2, Code 2007, is amended to read as follows:

2. The unit may periodically initiate a request to a child support agency of another state to conduct a review of a support order entered in that state when the right to any ongoing child or medical support obligation due under the order is currently assigned to the state of Iowa or if the order does not include provisions for medical support.

Sec. 184. Section 598.21B, subsection 3, Code 2007, is amended to read as follows:

3. MEDICAL SUPPORT. The court shall order as child medical support ~~a health benefit plan as defined in chapter 252E if available to either parent at a reasonable cost. A health benefit plan is considered reasonable in cost if it is employment-related or other group health insurance, regardless of the service delivery mechanism as provided in section 252E.1A.~~ The premium cost of the a health benefit plan may be considered by the court as a reason for varying from the child support guidelines. ~~If a health benefit plan is not available at a reasonable cost, the court may order any other provisions for medical support as defined in chapter 252E.~~

Sec. 185. Section 598.21C, subsection 2, paragraph a, Code 2007, is amended to read as follows:

a. Subject to 28 U.S.C. § 1738B, but notwithstanding subsection 1, a substantial change of circumstances exists when the court order for child support varies by ten percent or more from the amount which would be due pursuant to the most current child support guidelines established pursuant to section 598.21B ~~or the obligor a parent has access to a health benefit plan, available as provided in section 252E.1A and~~ the current order for support does not contain provisions for medical support, ~~and the dependents are not covered by a health benefit plan provided by the obligee, excluding coverage pursuant to chapter 249A or a comparable statute of a foreign jurisdiction.~~

Sec. 186. AMENDING AND NULLIFICATION OF ADMINISTRATIVE RULES.

1. Until the department of human services amends rules pursuant to chapter 17A necessary to conform with this Act, all of the following shall apply:

a. The child support recovery unit may initiate proceedings to establish or modify orders for medical support for a child in accordance with section 252E.1A as created in this Act, regardless of whether support is assigned to the state.

b. The term "child support account" in existing rules shall also mean a specified monetary amount for medical support, unless the context otherwise requires.

c. A reference to a health benefit plan at reasonable cost shall mean reasonable cost as defined in section 252E.1A, as enacted in this Act.

d. A requirement for including a provision for an employment-related or other group health benefit plan, or for determining medical support, shall be limited and applied in accordance with section 252E.1A, as created in this Act.

2. 441 Iowa administrative Code, rule 98.3, relating to the establishment of medical support is nullified.

Sec. 187. EFFECTIVE DATE. This division of this Act takes effect March 1, 2008.

DIVISION XIX PHYSICIAN ASSISTANTS

Sec. 188. Section 147.14, subsection 12, Code 2007, is amended to read as follows:

12. For the board of physician assistant examiners, ~~three~~ five members licensed to practice as physician assistants, at least two of whom practice in counties with a population of less than fifty thousand, one member licensed to practice medicine and surgery who supervises a physician assistant, one member licensed to practice osteopathic medicine and surgery who supervises a physician assistant, and two members who are not licensed to practice either medicine and surgery or osteopathic medicine and surgery or licensed as a physician assistant and who shall represent the general public. At least one of the physician members shall be in practice in a county with a population of less than fifty thousand. A majority of members of the board constitutes a quorum.

Sec. 189. NEW SECTION. 148C.12 ANNUAL REPORT.

By January 31 of each year the board and the board of medical examiners shall provide to the general assembly and the governor a joint report detailing the boards' collaborative efforts and team building practices.

DIVISION XX TELECOMMUTING

*Sec. 190. STATE EMPLOYEE TELECOMMUTING — POLICY DEVELOPMENT — IMPLEMENTATION.

1. *The director of a department or state agency to which appropriations are made pursuant to the provisions of this Act shall assess the extent to which job classifications or individual employment positions with the department or agency might be effectively performed from an employee's residence or other remote location through telecommuting, thereby increasing office space within the department or agency and reducing administrative costs. The assessment shall include an estimate of the number of department or agency employees whose job responsibilities could be effectively performed on a telecommuting basis, projected costs of establishing and maintaining work stations at an employee's residence or other remote location and providing telecommuter support, anticipated savings to the department or agency through a reduction in the office-based workforce, and anticipated time and cost savings to telecommuting employees. A report summarizing the assessment shall be submitted to the director of the department of administrative services, and the members of the general assembly, by November 1, 2007.*

2. *Based on the assessment conducted pursuant to subsection 1, the director shall develop a telecommuter employment policy for the department or agency and a timeline for initial policy implementation and plans for expanding the number of telecommuting employees. Specific office-based workforce reduction percentages shall be left to the discretion of the director, but the director shall implement a policy transferring some number of office-based employees to telecommuter status by January 1, 2008. The director shall report to the director of the department of administrative services and the members of the general assembly on an annual basis beginning January 1, 2009, the number of telecommuting employees, cost savings achieved by*

* Item veto; see message at end of the Act

*the department or agency, and plans for continued transfer of office-based employees to tele-commuter status.**

DIVISION XXI
DENTAL BOARD

Sec. 191. Section 10A.402, subsection 1, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁴ section 6, is amended to read as follows:

1. Investigations relative to the practice of regulated professions and occupations, except those within the jurisdiction of the board of medicine, the board of pharmacy, the dental board of dentistry, and the board of nursing.

Sec. 192. Section 135.11A, unnumbered paragraph 1, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁵ section 19, is amended to read as follows:

There shall be a professional licensure division within the department of public health. Each board under chapter 147 or under the administrative authority of the department, except the board of nursing, board of medicine, dental board of dentistry, and board of pharmacy, shall receive administrative and clerical support from the division and may not employ its own support staff for administrative and clerical duties.

Sec. 193. Section 135.24, subsection 2, paragraph a, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁶ section 20, is amended to read as follows:

a. Procedures for registration of health care providers deemed qualified by the board of medicine, the board of physician assistants, the dental board of dentistry, the board of nursing, the board of chiropractic, the board of psychology, the board of social work, the board of behavioral science, the board of pharmacy, the board of optometry, the board of podiatry, the board of physical and occupational therapy, the board for respiratory care, and the Iowa department of public health, as applicable.

Sec. 194. Section 135.31, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁷ section 21, is amended to read as follows:

135.31 LOCATION OF BOARDS — RULEMAKING.

The offices for the board of medicine, the board of pharmacy, the board of nursing, and the dental board of dentistry shall be located within the department of public health. The individual boards shall have policymaking and rulemaking authority.

Sec. 195. Section 136C.3, subsection 2, unnumbered paragraph 1, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁸ section 23, is amended to read as follows:

Establish minimum training standards including continuing education requirements, and administer examinations and disciplinary procedures for operators of radiation machines and users of radioactive materials. A state of Iowa license to practice medicine, osteopathy, chiropractic, podiatry, dentistry, dental hygiene, or veterinary medicine, or licensure as a physician assistant pursuant to chapter 148C, or certification by the dental board of dentistry in dental radiography, or by the board of podiatry in podiatric radiography, or enrollment in a program or course of study approved by the Iowa department of public health which includes the application of radiation to humans satisfies the minimum training standards for operation of radiation machines only.

Sec. 196. Section 139A.22, subsection 6, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,¹⁹ section 25, is amended to read as follows:

6. The board of medicine, the board of physician assistants, the board of podiatry, the board

* Item veto; see message at end of the Act

¹⁴ Chapter 10 herein

¹⁵ Chapter 10 herein

¹⁶ Chapter 10 herein

¹⁷ Chapter 10 herein

¹⁸ Chapter 10 herein

¹⁹ Chapter 10 herein

of nursing, the ~~dental~~ board of ~~dentistry~~, and the board of optometry shall require that licensees comply with the recommendations issued by the centers for disease control and prevention of the United States department of health and human services for preventing transmission of human immunodeficiency virus and hepatitis B virus to patients during exposure-prone invasive procedures, with the recommendations of the expert review panel established pursuant to subsection 3, with hospital protocols established pursuant to subsection 1, and with health care facility procedures established pursuant to subsection 2, as applicable.

Sec. 197. Section 147.13, subsection 8, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²⁰ section 32, is amended to read as follows:

8. For dentistry, dental hygiene, and dental assisting, the ~~dental~~ board of ~~dentistry~~.

Sec. 198. Section 147.40, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²¹ section 50, is amended to read as follows:

147.40 CERTIFICATION OF APPLICANTS.

Every examination shall be passed upon in accordance with the established rules of the board and shall be satisfactory to at least a majority of the professional members of the board. In the case of the ~~dental~~ board of ~~dentistry~~, only licensed dentist members of the board shall determine whether an applicant has passed the examination to practice as a licensed dentist. After each examination, the board shall certify the names of the successful applicants to the department in the manner prescribed by it. The department shall then issue the proper license.

Sec. 199. Section 147.80, subsections 1 and 11, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²² section 63, are amended to read as follows:

1. License to practice dentistry issued upon the basis of an examination given by the ~~dental~~ board of ~~dentistry~~, license to practice dentistry issued under a reciprocal agreement, resident dentist's license, renewal of a license to practice dentistry.

11. License to practice dental hygiene issued upon the basis of an examination given by the ~~dental~~ board of ~~dentistry~~, license to practice dental hygiene issued under a reciprocal agreement, renewal of a license to practice dental hygiene.

Sec. 200. Section 147.80, unnumbered paragraph 3, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²³ section 63, is amended to read as follows:

The board of medicine, the board of pharmacy, the ~~dental~~ board of ~~dentistry~~, 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. 201. Section 147.88, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²⁴ section 65, is amended to read as follows:

147.88 INSPECTIONS.

The department of inspections and appeals may perform inspections as required by this subtitle, except for the board of medicine, board of pharmacy, board of nursing, and the ~~dental~~ board of ~~dentistry~~. The department of inspections and appeals shall employ personnel related to the inspection functions.

Sec. 202. Section 147.107, subsection 2, unnumbered paragraph 1, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²⁵ section 78, is amended to read as follows:

A pharmacist, physician, dentist, or podiatric physician who dispenses prescription drugs, including but not limited to controlled substances, for human use, may delegate nonjudgmen-

²⁰ Chapter 10 herein

²¹ Chapter 10 herein

²² Chapter 10 herein

²³ Chapter 10 herein

²⁴ Chapter 10 herein

²⁵ Chapter 10 herein

tal dispensing functions to staff assistants only when verification of the accuracy and completeness of the prescription is determined by the pharmacist or practitioner in the pharmacist's or practitioner's physical presence. However, the physical presence requirement does not apply when a pharmacist or practitioner is utilizing an automated dispensing system. When using an automated dispensing system the pharmacist or practitioner shall utilize an internal quality control assurance plan that ensures accuracy for dispensing. Verification of automated dispensing accuracy and completeness remains the responsibility of the pharmacist or practitioner and shall be determined in accordance with rules adopted by the board of pharmacy, the board of medicine, the dental board of dentistry, and the board of podiatry for their respective licensees.

Sec. 203. Section 147.114, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²⁶ section 81, is amended to read as follows:

147.114 INSPECTOR.

An inspector may be appointed by the dental board of dentistry pursuant to the provisions of chapter 8A, subchapter IV.

Sec. 204. Section 153.12, as enacted by 2007 Iowa Acts, Senate File 74,²⁷ section 132, is amended to read as follows:

153.12 BOARD DEFINED.

As used in this chapter, "board" means the dental board of dentistry, created under chapter 147.

Sec. 205. Section 272C.1, subsection 6, paragraph j, Code 2007, as amended by 2007 Iowa Acts, Senate File 74,²⁸ section 171, is amended to read as follows:

- j. The dental board of dentistry, created pursuant to chapter 147.

DIVISION XXII

GRANDPARENT AND GREAT-GRANDPARENT VISITATION

Sec. 206. NEW SECTION. 600C.1 GRANDPARENT AND GREAT-GRANDPARENT VISITATION.

1. The grandparent or great-grandparent of a minor child may petition the court for grandchild or great-grandchild visitation.

2. The court shall consider a fit parent's objections to granting visitation under this section. A rebuttable presumption arises that a fit parent's decision to deny visitation to a grandparent or great-grandparent is in the best interest of a minor child.

3. The court may grant visitation to the grandparent or great-grandparent if the court finds all of the following by clear and convincing evidence:

a. The grandparent or great-grandparent has established a substantial relationship with the child prior to the filing of the petition.

b. The parent who is being asked to temporarily relinquish care, custody, and control of the child to provide visitation is unfit to make the decision regarding visitation.

c. It is in the best interest of the child to grant such visitation.

4. For the purposes of this section, "court" means the district court or the juvenile court if that court currently has jurisdiction over the child in a pending action. If an action is not pending, the district court has jurisdiction.

5. Notwithstanding any provision of this chapter to the contrary, venue for any action to establish, enforce, or modify visitation under this section shall be in the county where either parent resides if no final custody order determination relating to the grandchild or great-grandchild has been entered by any other court. If a final custody order has been entered by any other court, venue shall be located exclusively in the county where the most recent final custody order was entered. If any other custodial proceeding is pending when an action to establish, enforce, or modify visitation under this section is filed, venue shall be located exclusively in the county where the pending custodial proceeding was filed.

²⁶ Chapter 10 herein

²⁷ Chapter 10 herein

²⁸ Chapter 10 herein

6. Notice of any proceeding to establish, enforce, or modify visitation under this section shall be personally served upon all parents of a child whose interests are affected by a proceeding brought pursuant to this section and all grandparents or great-grandparents who have previously obtained a final order or commenced a proceeding under this section.

7. The court shall not enter any temporary order to establish, enforce, or modify visitation under this section.

8. An action brought under this section is subject to chapter 598B, and in an action brought to establish, enforce, or modify visitation under this section, each party shall submit in its first pleading or in an attached affidavit all information required by section 598B.209.

9. In any action brought to establish, enforce, or modify visitation under this section, the court may award attorney fees to the prevailing party in an amount deemed reasonable by the court.

10. If a proceeding to establish or enforce visitation under this section is commenced when a dissolution of marriage proceeding is pending concerning the parents of the affected minor child, the record and evidence of the dissolution action shall remain impounded pursuant to section 598.26. The impounded information shall not be released or otherwise made available to any person who is not the petitioner or respondent or an attorney of record in the dissolution of marriage proceeding. Access to the impounded information by the attorney of record for the grandparent or great-grandparent shall be limited to only that information relevant to the grandparent's or great-grandparent's request for visitation.

Sec. 207. Section 600.11, subsection 2, paragraph e, Code 2007, is amended to read as follows:

e. A person who has been granted visitation rights with the child to be adopted pursuant to section ~~598.35~~ 600C.1.

Sec. 208. Section 598.35, Code 2007, is repealed.

Approved May 29, 2007, with exceptions noted.

CHESTER J. CULVER, *Governor*

Dear Mr. Secretary:

I hereby transmit House File 909, an Act relating to and making appropriations for health and human services and including other related provisions and appropriations, and including effective date provisions. House File 909 is approved on this date, with the exceptions noted below, which I hereby disapprove.

I am unable to approve the designated portion of Section 3, subsection 1, unnumbered paragraph 2. This paragraph transfers funds from the Gambler's Assistance Fund for other purposes, such as adult drug courts, the family development and sufficiency grant program, and the energy utility assessment and resolution program. This designated paragraph would divert revenues from the purposes for which the Gambler's Assistance Fund was established to accomplish. Furthermore, this designated language would use these one-time carry-over funds for ongoing programs, thereby creating future expectations of additional funding. While adult drug courts, the family development and sufficiency grant program, and the utility assessment and resolution program are worthwhile, diverting these funds would be inconsistent with the statutorily mandated purposes of the Gambler's Assistance Fund.

I am unable to approve the designated portion of Section 4, subsection 3, unnumbered para-

graph 2. This paragraph transfers \$150,000 to the Department of Cultural Affairs from the Veterans Trust Fund to staff and support the conservation lab facility. I am unable to support this paragraph because it creates expectations for new or ongoing funding that is not sustainable. These funds are more appropriately used in the Veterans Trust Fund. Diverting these funds would be inconsistent with the statutorily mandated purposes of the Veterans Trust Fund, even though these other designated programs are worthwhile.

I am unable to approve the designated portion of Section 97, subsection 3, paragraph e. This paragraph allocates \$10,000 to the Department of Public Health to provide extracorporeal support for donation after cardiac death. I am unable to support this subsection because it creates expectations for new or ongoing funding that is not sustainable. Within the Fiscal year 2008 appropriations for the Board of Regents – University of Iowa Hospitals and Clinics, I believe there are sufficient funds available to cover this important program.

I am unable to approve the item designated as Section 100 in its entirety. This designated section requires the Department of Public Health to expedite volunteer health care provider program registration. I am unable to approve this language because no funds were provided to implement this provision and it places an unreasonable requirement on the Department of Public Health. I will direct the Director of the Department of Public Health to develop a more streamlined registration process.

I am unable to approve the item designated as Division XX, Section 190 in its entirety. This provision requires a director of a department or agency included in House File 909 to examine employee telecommuting options, develop a telecommuter employment policy, and implement a plan designed to increase the number of telecommuting employees. Many departments maintain employee telecommuting policies currently. These policies and procedures have been in place for several years and are well established. The designated language in Section 190 directing a department or agency to conduct an assessment of its telecommuting policy is duplicative and unnecessary and introduces a legislatively mandated management process into what is appropriately an executive branch decision. I will direct the Department of Administrative Services and the Department of Management to review the current state government telecommuting policy and make recommendations for any improvements as part of our overall executive branch strategic planning 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 909 are hereby approved this date.

Sincerely,
CHESTER J. CULVER, *Governor*

CHAPTER 219
APPROPRIATIONS —
INFRASTRUCTURE AND CAPITAL PROJECTS

H.F. 911

AN ACT relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund, vertical infrastructure fund, the endowment for Iowa's health restricted capitals fund, and the technology reinvestment fund, and related matters, and providing an effective date.

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

DIVISION I
REBUILD IOWA INFRASTRUCTURE FUND

Section 1. There is appropriated from the rebuild Iowa infrastructure fund to the following departments and agencies for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES	
a. For relocation and project costs directly associated with remodeling projects on the capitol complex and for facility lease payments, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 1,824,500
b. For routine maintenance of state buildings and facilities, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 5,000,000
c. For costs associated with capitol interior and exterior restoration:	\$ 6,300,000
d. For upgrades to the electrical distribution system serving the capitol complex:	\$ 3,460,960
e. For costs associated with the enterprise resource planning system, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 1,500,000
f. For costs associated with the restoration of the west capitol terrace:	\$ 1,600,000
g. For the purchase and installation of decorative planters on state property west of the west capitol terrace, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 120,000
h. For costs to repair parking lots and sidewalks on the capitol complex:	\$ 1,650,000
i. To provide funding and related services for capitol complex property acquisition, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 1,000,000
j. For costs associated with the relocation of the vehicle dispatch fueling station:	\$ 350,000
k. For costs associated with the central energy plant addition and improvements:	\$ 998,000
l. For heating, ventilating, and air conditioning improvements in the Hoover state office building:	\$ 1,320,000
m. For a feasibility study relating to renovations to the capitol complex utility tunnel system, notwithstanding section 8.57, subsection 6, paragraph "c":	\$ 260,000

* Item veto; see message at end of the Act