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Human Resources 2/11

SENATE FILE 1128

Senate File 1128
Human Resources—
Murray, Chairman
Burroughs
Miller of Des Moines

By BLOUIN, JUNKINS, RABEDEAUX, HEYING, HANSEN, ANDERSEN, VAN GILST, LAMBORN, DODERER, PALMER, ORR, PRIEBE, GLENN, CLUBA, KENNEDY and SCHABEN (Monroe, Readinger, Krause, Rapp, McCormick, Norland, Doyle, Brunow, Fitzgerald, Horn, Dunton, Howell, Middleswart, O'Halloran, Small, Mennenga, Wells, Cusack, Patchett, Wyckoff, Freeman, Miller of Buchanan, Jordan, Rinas, Junker, Fullerton, Welden, Jesse, Cochran, Mendenhall, Clark of Lee, Edelen, Tofte, Hansen, Miller of Calhoun, Lippold, Newhard, Carr, Connors, Byerly, Griffee, Norpel, West, Poncy, Avenson, Harper, Hargrave, Clark of Dubuque, Ewing, Schroeder, Grassley, Wulff, Hutchins, Hennessey, Ferguson, Brinck, Higgins, Woods, Miller of Cerro Gordo, Butler, Bortell, Crawford, Peterson, Husak, Crabb, Danker, Drake, De Jong and Dunlap)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

- 1 An Act relating to authority of the department of social services
- 2 to provide state supplementary cash payments to certain persons,
- 3 revising the state medical assistance act, and providing a
- 4 penalty.
- 5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE FILE 1128
FISCAL NOTE

Date prepared February 21, 1974

Requested by Senator Blouin.

Prepared in regard to Senate File 1128 - An Act relating to the authority of the Department of Social Services to provide state supplementary cash payments to certain persons, revising the state medical assistance act, and providing a penalty. Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16.

The provisions of this Act, which relate to additional expense, are permissive. The additional cost to the state will depend upon the amount appropriated by the Legislature.

Filed
February 21, 1974

GERRY D. RANKIN
Legislative Fiscal Director

1 Section 1. Chapter two hundred forty-nine (249), Code
2 1973, as amended by Acts of the Sixty-fifth General Assembly,
3 1973 Session, chapter one hundred eighty-six (186), is amended
4 by adding the following new section:

5 NEW SECTION. FRAUD. Any person who obtains assistance
6 under this chapter by misrepresentation or by failure with
7 fraudulent intent to bring forth all of the facts required
8 of an applicant for assistance under this chapter, or any
9 person who shall knowingly make false statements concerning
10 an applicant's eligibility for assistance under this chap-
11 ter, is guilty of a misdemeanor.

12 Sec. 2. Acts of the Sixty-fifth General Assembly, 1973
13 Session, chapter one hundred eighty-six (186), section four
14 (4), is amended by striking subsections one (1) and two (2)
15 and inserting in lieu thereof the following:

16 1. Any person who meets the criteria established by para-
17 graphs a, b and c of this subsection:

18 a. Is receiving either:

19 (1) Care in a licensed adult foster home, boarding home
20 or custodial home, as defined by section one hundred thirty-
21 five C point one (135C.1) of the Code, or in another type
22 of protective living arrangement as defined by the department;
23 or

24 (2) Nursing care in his own home, certified by a physi-
25 cian as being required, so long as the cost of the nursing
26 care does not exceed standards established by the department.

27 b. Is in fact receiving or would, except for income in
28 excess of applicable maximums, be receiving federal supple-
29 mental security income.

30 c. Does not have sufficient income to meet the cost of
31 care in one of the living arrangements defined in paragraph
32 a of this subsection, which cost of care shall not exceed
33 the amount established by the rules of the department for
34 each of those living arrangements.

35 2. Any person living in any living arrangement other than

1 as a patient or resident of a facility licensed under chap-
2 ter one hundred thirty-five C (135C) of the Code, who meets
3 the criteria established by paragraphs a, b and c of this
4 subsection:

5 a. Has living with him either:

6 (1) A person who is deemed essential to the well-being
7 of the recipient in maintaining a living arrangement in the
8 recipient's own home, so long as the person continues to act
9 in the capacity of essential person to the recipient and to
10 be in financial need according to standards established by
11 the department; or

12 (2) A dependent spouse, parent, child or adult child who
13 is sharing the recipient's living arrangement, so long as
14 the person continues in the relationship of dependent spouse,
15 parent, child or adult child to the recipient and to be in
16 financial need according to standards established by the de-
17 partment.

18 b. Is in fact receiving or would, except for income in
19 excess of applicable maximums, be receiving federal supple-
20 mental security income.

21 c. Does not have sufficient income to meet the cost of
22 providing for the person deemed essential or the dependent
23 spouse, parent, child or adult child, according to standards
24 established by the department.

25 Sec. 3. Section two hundred forty-nine A point two
26 (249A.2), subsections five (5) and six (6), Code 1973, as
27 amended by Acts of the Sixty-fifth General Assembly, 1973
28 Session, chapter one hundred eighty-six (186), section eighteen
29 (18), is amended to read as follows:

30 5. "Medical assistance" shall mean payment of all or part
31 of the costs of the care and services enumerated in Title
32 XIX, United States Social Security Act, section 1905(a),
33 paragraphs (1) through (5), inclusive [Title XLII, United
34 States Code, section 1396d(a), paragraphs (1) through (5),
35 inclusive], as amended to January ~~4~~-1973 15, 1974.

1 6. "Additional medical assistance" shall mean payment
2 of all or part of the costs of any or all of the care and
3 services enumerated in Title XIX, United States Social Se-
4 curity Act, section 1905(a), paragraphs (6), (7), and (9)
5 through (17), inclusive [Title XLII, United States Code,
6 section 1396d(a), paragraphs (6), (7), and (9) through (17),
7 inclusive], as amended to January 4~~7~~-1973 15, 1974.

8 Sec. 4. Section two hundred forty-nine A point three
9 (249A.3), Code 1973, as amended by Acts of the Sixty-fifth
10 General Assembly, 1973 Session, chapter one hundred eighty-
11 six (186), section nineteen (19), is amended to read as
12 follows:

13 249A.3 ELIGIBILITY. The extent of and the limitations
14 upon eligibility for assistance under this chapter shall be
15 as prescribed by this section, and by laws appropriating funds
16 therefor.

17 1. Medical assistance shall be provided to, or on behalf
18 of, any individual or family residing in the state of Iowa,
19 including those residents who are temporarily absent from
20 the state, who is :

21 a. Is a recipient of federal supplementary security in-
22 come or who would be eligible for federal supplemental se-
23 curity income if living in their own home~~7-as-defined-in~~
24 section-two-(2)-of-this-Act~~7-or-is~~.

25 b. Is a recipient of aid to dependent children payments
26 under chapter two hundred thirty-nine (239) of the Code~~7-and~~
27 having-no-spouse-or-parent-responsible-under-the-law-of-this
28 state-and-found-by-the-county-board-to-be-able-to-provide
29 him-or-them-with-needed-medical-care-and-services.

30 c. Was a recipient of one of the previous categorical
31 assistance programs as of December 31, 1973, and would con-
32 tinue to meet the eligibility requirements for one of the
33 previous categorical assistance programs as the requirements
34 existed on that date.

35 2. Medical assistance may also, within the limits of

1 available funds and in accordance with section 249A.4, sub-
2 sections 1 and 2 be provided to, or on behalf of, other in-
3 dividuals and families who are not excluded under subsec-
4 tion 4 of this section and whose incomes and resources are
5 insufficient to meet the cost of necessary medical care and
6 services, ~~and who have no spouse or parent responsible under~~
7 ~~the law of this state and found by the county board to be~~
8 ~~able to provide him or them with such necessary medical care~~
9 ~~and services,~~ in accordance with the following order of pri-
10 orities:

11 a. Individuals who are receiving care in a hospital or
12 in a basic nursing home, intermediate nursing home, skilled
13 nursing home or extended care facility, as defined by section
14 one hundred thirty-five C point one (135C.1) of the Code,
15 and who meet all eligibility requirements for federal sup-
16 plementary security income except that their income exceeds
17 the allowable maximum therefor, but whose income is not in
18 excess of the maximum established by subsection four (4) of
19 this section for eligibility for medical assistance and is
20 insufficient to meet the full cost of their care in the hos-
21 pital or health care facility on the basis of standards es-
22 tablished by the department, ~~and who were receiving assist-~~
23 ~~ance under a previous categorical assistance program during~~
24 ~~the month of December, 1973.~~

25 b. Individuals under twenty-one years of age living in
26 a licensed foster home, or in a private home pursuant to a
27 subsidized adoption arrangement, for whom the department ac-
28 cepts financial responsibility in whole or in part and who
29 are not eligible under subsection one (1) of this section.

30 c. Individuals and families whose incomes and resources
31 are such that they are eligible for federal supplementary
32 security income or aid to dependent children, but who are
33 not actually receiving such public assistance.

34 d. Individuals who are receiving state supplementary as-
35 sistance as defined by section two (2) of this Act, or other

1 persons whose needs are considered in computing the recipi-
2 ent's assistance grant.

3 e. Individuals and families who are ineligible under
4 paragraph c of this subsection solely because of their in-
5 comes and resources, but who would otherwise be eligible under
6 paragraph c of this subsection.

7 f. Persons under twenty-one years of age who qualify on
8 a financial basis for, but who are otherwise ineligible to
9 receive aid to dependent children.

10 g. Individuals who have attained the age of twenty-one
11 but have not yet attained the age of sixty-five who qualify
12 on a financial basis for, but who are otherwise ineligible
13 to receive, federal supplementary security income or aid to
14 dependent children.

15 3. Additional medical assistance may, within the limits
16 of available funds and in accordance with section 249A.4,
17 subsections 1 and 2, be provided to, or on behalf of, either:

18 a. Only those individuals and families described in sub-
19 section 1 of this section; or

20 b. Those individuals and families described in both sub-
21 section 1 and subsection 2 of this section.

22 4. No assistance shall be granted under this chapter to:

23 a. Any individual or family whose income, exclusive of
24 the value of gifts or services contributed in kind to the
25 individual or family, exceeds the following maximums:

26 (1) For an individual, after deduction of health care
27 expenses incurred by the applicant, exceeds-one two thousand
28 eight four hundred dollars annually, or.

29 (2) For any family living together whose-combined-income,
30 after deduction of health care expenses incurred by the fam-
31 ily, exceeds-one two thousand eight four hundred dollars
32 annually for the first adult member plus nine one thousand
33 two hundred dollars for the second member and six nine hun-
34 dred seventy-five dollars annually for each additional mem-
35 ber of the family. income-shall-not-include-the-value-of

1 ~~gifts-or-services-contributed-in-kind-to-the-individual-or~~
2 ~~family.~~

3 (3) For any individual receiving care in a hospital, any
4 health care facility as defined in section one hundred thirty-
5 five C point one (135C.1) of the Code, or in another type
6 of protective living arrangement, an amount equal to the cost
7 of care in the hospital, facility or other arrangement, based
8 on the department's standards.

9 b. Any individual whose resources, after deduction of
10 health care expenses incurred by the applicant, exceeds two
11 thousand dollars, or any family living together whose com-
12 bined resources exceed two thousand dollars for the first
13 member, one thousand dollars for the second member, plus two
14 hundred dollars for each additional member. The value of
15 resources shall be the current market value minus any encum-
16 brances against such resource or resources. In determining
17 the foregoing, the following resources shall be excluded:
18 Real property occupied as a residence, household goods and
19 furnishings, an automobile, personal effects and tools nec-
20 essary for the pursuit of a trade, occupation or profession
21 of a market value not to exceed six thousand dollars and the
22 cash surrender value of life insurance not to exceed one thou-
23 sand dollars, however, if the face value of such individual's
24 life insurance does not exceed one thousand dollars, it shall
25 be excluded without necessity for determining its cash sur-
26 render value.

27 Sec. 5. Section two hundred forty-nine A point four
28 (249A.4), subsection six (6), Code 1973, as amended by Acts
29 of the Sixty-fifth General Assembly, 1973 Session, chapter
30 one hundred eighty-six (186), section twenty-one (21), is
31 amended to read as follows:

32 6. Shall co-operate with any agency of the state or fed-
33 eral government in any manner as may be necessary to qualify
34 for federal aid and assistance for medical assistance in con-
35 formity with the provisions of chapter two hundred forty-nine

1 (249) of the Code, this chapter and Titles sixteen (XVI) and
2 XIX of the federal Social Security Act, as amended.

3 Sec. 6. This Act shall take effect and be in force on
4 and retroactive to January 1, 1974 after its publication in
5 The Hawk Eye, a newspaper published in Burlington, Iowa, and
6 in The New Iowa Bystander, a newspaper published in Des Moines,
7 Iowa.

8 EXPLANATION

9 This bill permits the Department of Social Services to
10 make state supplementary cash payments, and to provide Medic-
11 aid coverage, to persons who would have become eligible for
12 Old Age Assistance, Blind Assistance, or Aid to the Disabled
13 after January 1, 1974 if those programs were still in exis-
14 tence, but who are not eligible for federal Supplementary
15 Security Income payments under the program initiated by the
16 federal government on January 1, 1974. Under the law passed
17 in 1973, coverage is provided to persons who were recipients
18 of one of the former programs on or before December 31, 1973,
19 but not to those who would have become eligible after that
20 date if they are not now eligible for the federal program.

21 Technically, this bill extends coverage to persons who
22 are eligible for federal Supplemental Security Income in all
23 respects except that their income is slightly above the maxi-
24 mum allowable for recipients of federal assistance. The bill
25 will cover persons whose income falls below the levels of
26 payment established by the Department of Social Services for
27 care in nursing homes, custodial homes, boarding homes, lodg-
28 ing homes and adult foster homes. It also allows supplemental
29 state payments to eligible recipients to cover the cost of
30 other identified persons sharing a living arrangement with
31 the recipient--for example, a spouse or adult child without
32 whose presence the recipient could not remain in his or her
33 own home.

34
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