

STATE SENATE

FILE FEB 13 1979

SENATE FILE 229

By SCHWENGELS and PALMER

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

A BILL FOR

1 An Act to transfer from the counties to the state, in progres-
 2 sive stages over a three-year period, the responsibility
 3 for the cost of operating the state institutions for the
 4 mentally ill and mentally retarded, and to amend accord-
 5 ingly the statutes relating to the duty of patients and
 6 those responsible for their support to pay some portion
 7 of the cost of care and treatment at these institutions.

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

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1 Section 1.

2 1. The daily cost of treatment and care of patients of
3 the state hospital-schools, computed under section two hundred
4 twenty-two point seventy-three (222.73) of the Code, and of
5 patients of the state mental health institutes, computed under
6 section two hundred thirty point twenty (230.20) of the Code,
7 shall be billed by the state to the counties in which the
8 patients have legal settlement at sixty percent of the daily
9 cost actually computed during the fiscal year beginning July
10 1, 1979 and ending June 30, 1980.

11 2. If more than forty percent of the cost of treatment
12 and care of a patient of a state hospital-school is initially
13 paid from any source other than state-appropriated funds,
14 the amount so paid shall be subtracted from the per-patient-
15 per-day cost of that patient's care computed pursuant to
16 section two hundred twenty-two point seventy-three (222.73)
17 of the Code, and the patient's county of legal settlement
18 shall be billed for the full balance of the cost so computed.

19 Sec. 2. Sections three (3) through forty-nine (49) of
20 this Act are effective July 1, 1980.

21 Sec. 3. Section two hundred twenty-two point sixty
22 (222.60), Code 1979, is amended to read as follows:

23 222.60 COSTS PAID BY COUNTY OR STATE. All necessary and
24 legal expenses of proceedings for the ~~cost-of~~ admission or
25 commitment ~~or~~ of a mentally retarded person for the treatment,
26 training, instruction, care, or habilitation, ~~support-and~~
27 ~~transportation-of-patients~~ in a state hospital-school for
28 the mentally retarded, or in a special unit, or any public
29 or private facility within or without the state, approved
30 by the commissioner of the department of social services,
31 which are incurred prior to the time the person is received
32 at that facility, shall be paid by either:

33 1. The county in which such person has legal settlement
34 as defined in section 252.16.

35 2. The state when such person has no legal settlement

1 or when such settlement is unknown.

2 As used in this chapter, "proceedings in mental retardation"
3 means any of the proceedings referred to in this section.

4 Sec. 4. Section two hundred twenty-two point sixty-one
5 (222.61), Code 1979, is amended to read as follows:

6 222.61 LEGAL SETTLEMENT DETERMINED. ~~When the board of~~
7 ~~supervisors of any county receives an application on behalf~~
8 ~~of any person for admission to a hospital school or a special~~
9 ~~unit or when any court issues an order committing any person~~
10 ~~to a hospital school or a special unit~~ As soon as reasonably
11 possible after a person has become the subject of proceedings
12 in mental retardation, the board of supervisors or the district
13 court of the county in which the proceedings were initiated
14 shall determine and enter as a matter of record whether the
15 legal settlement of the person is:

16 1. In the county in which the board of supervisors or
17 court is located.

18 2. In some other county of the state.

19 3. In another state or in a foreign country.

20 4. Unknown.

21 Sec. 5. Section two hundred twenty-two point sixty-three
22 (222.63), Code 1979, is amended to read as follows:

23 222.63 FINDING OF SETTLEMENT--OBJECTION. ~~Said~~ A finding
24 of that legal settlement of a person who is the subject of
25 proceedings in mental retardation is in some other county
26 in this state shall also be certified by the board of super-
27 visors or the court to the county auditor of the county of
28 legal settlement. Such The auditor shall lay such the
29 notification before the board of supervisors of his that
30 county whereupon it shall be conclusively presumed that the
31 patient person has a legal settlement in said the notified
32 county unless the county shall, within six months, sixty days
33 give notice in writing, filed with the board of supervisors
34 or the court giving such notice, dispute said legal settlement
35 which made the finding of legal settlement, that such finding

1 is disputed.

2 Sec. 6. Section two hundred twenty-two point sixty-four
3 (222.64), Code 1979, is amended to read as follows:

4 222.64 FOREIGN STATE OR UNKNOWN. If the legal settlement
5 of ~~the~~ a person who is the subject of proceedings in mental
6 retardation is found by the board of supervisors or the court
7 to be in a foreign state or country or is found to be unknown,
8 the board of supervisors or the court shall immediately notify
9 the state director of ~~such~~ the finding and shall furnish the
10 state director with a copy of the evidence taken on the
11 question of legal settlement. The care of ~~said~~ the person
12 shall be as arranged by the board of supervisors or by such
13 order as the court may enter. Application for admission or
14 order of commitment may be made pending investigation by the
15 state director.

16 Sec. 7. Section two hundred twenty-two point sixty-five
17 (222.65), Code 1979, is amended by striking the section and
18 inserting in lieu thereof the following:

19 222.65 REVIEW BY DIRECTOR. Upon receiving notice from
20 a board of supervisors or a court pursuant to section two
21 hundred twenty-two point sixty-four (222.64) of the Code,
22 the state director shall immediately review the findings of
23 the board or court regarding legal settlement of the person
24 who has become the subject of proceedings in mental retarda-
25 tion. If the state director concludes that the finding is
26 correct, and the person involved is then a patient at a state
27 hospital-school for the mentally retarded, the state director
28 may arrange for the person to be transferred to the place
29 of foreign settlement, provided the transfer is approved
30 by the district court which made the order of commitment
31 if the person is a committed patient. If the state director
32 concludes that the finding of the board of supervisors or
33 court is not correct, the state director shall at once so
34 notify the board or court and request that its finding or
35 order be modified accordingly.

1 Sec. 8. Section two hundred twenty-two point sixty-seven
2 (222.67), Code 1979, is amended to read as follows:

3 222.67 CHARGE IN FINDING OF SETTLEMENT. Where a person
4 has been received into a hospital-school or a special unit
5 as a patient whose legal settlement is supposedly outside
6 the state or is unknown and the state director subsequently
7 finds that the legal settlement of the patient was at the
8 time of admission or commitment in a county of this state,
9 the state director shall charge to the patient's county of
10 legal settlement all legal costs and expenses pertaining to
11 the admission or commitment ~~and-support~~ of the patient ~~to~~
12 for which the county of ~~such~~ legal settlement is responsible
13 under section two hundred twenty-two point sixty (222.60)
14 of the Code. The county shall reimburse the state for any
15 such costs initially paid by the state. ~~The-costs-and-expenses~~
16 ~~shall-be-collected-as-provided-by-law-in-other-cases-~~

17 Sec. 9. Section two hundred twenty-two point seventy
18 (222.70), Code 1979, is amended to read as follows:

19 222.70 DISPUTE BETWEEN COUNTIES. When a dispute arises
20 between counties or between the state director and a county
21 as to the legal settlement of a person ~~committed-to-a-hospital-~~
22 ~~school-or-a-special-unit~~ who has become the subject of
23 proceedings in mental retardation, the attorney general at
24 the request of the state director shall without advancement
25 of fees cause an action to be brought in the district court
26 of any county where ~~such~~ the dispute exists. The action shall
27 be brought to determine ~~such~~ the person's legal settlement,
28 except that ~~such~~ the action shall in no case be filed in a
29 county in which the district court or a judge thereof
30 originally made the disputed finding. ~~Said~~ The action may
31 be brought at any time when it appears that the dispute cannot
32 be amicably settled. All counties which may be the county
33 of such legal settlement, so far as known, shall be made
34 defendants and the allegation of settlement may be in the
35 alternative. ~~Said~~ The action shall be tried as in equity.

1 Sec. 10. Section two hundred twenty-two point seventy-
2 one (222.71), Code 1979, is amended to read as follows:

3 222.71 FINDING BY COURT. The court shall determine whether
4 the legal settlement of ~~said-mentally-retarded~~ the person
5 at the time of-admission-or-commitment that person became
6 the subject of proceedings in mental retardation was in one
7 of the defendant counties. If the court so finds, judgment
8 shall be entered against the county of ~~such~~ legal settlement
9 in favor of any other county for all necessary and legal
10 expenses arising from ~~said-admission-or-commitment~~ the
11 proceedings which are the responsibility of the county of
12 legal settlement under section two hundred twenty-two point
13 sixty (222.60) of the Code, and have been paid by said the
14 other county. If any such costs have not been paid, judgment
15 shall be rendered against the county of settlement in favor
16 of the parties, including the state, to whom said costs or
17 expenses may be due.

18 Sec. 11. Section two hundred twenty-two point seventy-
19 two (222.72), Code 1979, is amended to read as follows:

20 222.72 FINDING SETTLEMENT OUTSIDE STATE. If the court
21 finds that the legal settlement of ~~said-mentally-retarded~~
22 the person, at the time of-admission-or-commitment that person
23 became the subject of proceedings in mental retardation was
24 outside the state or was unknown an order shall be entered
25 that ~~the-mentally-retarded-person-shall-be-maintained-in-the~~
26 ~~hospital-school-or-the-special-unit-at-the-expense-of-the~~
27 ~~state---in-such-case,~~ the state shall refund to any county
28 all necessary and legal expenses for the cost of ~~said the~~
29 admission or commitment ~~paid-by-a~~ proceedings which are the
30 responsibility of the state under section two hundred twenty-
31 two point sixty (222.60) of the Code and have been paid by
32 the county. A decision by the court shall be final.

33 Sec. 12. Section two hundred twenty-two point seventy-
34 three (222.73), Code 1979, is amended by striking the sec-
35 tion and inserting in lieu thereof the following:

1 222.73 STATEMENT OF CHARGES.

2 1. The superintendent of each hospital-school and special
3 unit, or the superintendent's designee, shall on the tenth
4 day of July, October, January and April of each year, compute
5 the amounts which were expended by the state for services
6 rendered by the hospital-school or special unit to individual
7 patients during the preceding calendar quarter.

8 a. The amount expended for each inpatient shall be cal-
9 culated by multiplying the per-patient-per-day cost for in-
10 patient services by the number of days the patient was served
11 as an inpatient during the calendar quarter. The per-patient-
12 per-day cost shall be determined by listing the number of
13 days each inpatient was actually in the hospital-school or
14 special unit during that calendar quarter and dividing the
15 total number of patient days for the quarter into the total
16 amount expended by the hospital-school or special unit for
17 the treatment and maintenance of inpatients during the quarter.

18 b. The amount expended for treatment of each outpatient
19 who was served by the hospital-school or special unit during
20 the calendar quarter shall be calculated by use of a rate
21 established by the state director on the basis of the actual
22 cost of such treatment.

23 c. The total amount expended for the benefit of each
24 patient, computed in the manner prescribed by paragraphs a
25 and b of this subsection, shall be reduced by the amount of
26 any money received for that patient's care from any source
27 other than state appropriated funds and not previously credited
28 against expenditures made for that patient's care. The figure
29 so derived is the cost attributable to that patient for the
30 calendar quarter.

31 2. A quarterly statement shall be prepared by the hospital-
32 school or the special unit for the state director, listing
33 the cost attributable to each individual patient as computed
34 under subsection one (1) of this section. The general
35 statement shall list the name of each patient served by the

1 hospital-school or special unit during the preceding calendar
2 quarter, and the cost attributable to that patient for that
3 quarter, and shall be certified to the state director by the
4 superintendent of the hospital-school or special unit.

5 Sec. 13. Section two hundred twenty-two point seventy-
6 four (222.74), Code 1979, is amended by striking the section
7 and inserting in lieu thereof the following:

8 222.74 STATE DIRECTOR TO MAINTAIN RECORDS.

9 1. The state director shall maintain on file the gen-
10 eral statements prepared by each hospital-school and special
11 unit under section two hundred twenty-two point seventy-three
12 (222.73) of the Code. On receipt of a quarterly general
13 statement, the state director shall compute the liability
14 incurred under section two hundred twenty-two point seventy-
15 eight (222.78) of the Code by each patient named in the
16 statement, or the persons legally responsible for that
17 patient's support. The amount of that liability shall be-
18 come a debt due the state from those persons, and the state
19 director shall record each such debt and all payments made
20 against it. That record is for accounting purposes only,
21 and the debts recorded in it do not constitute liens unless
22 reduced to judgment.

23 2. The records required by this section shall be main-
24 tained by the state director for a minimum of seven years.
25 The records may thereafter be discarded unless needed to
26 verify information relative to debts or other claims or
27 controversies which have not been paid or settled.

28 Sec. 14. Section two hundred twenty-two point seventy-
29 five (222.75), Code 1979, is amended by striking the section
30 and inserting in lieu thereof the following:

31 222.75 DIRECTOR RESPONSIBLE FOR COLLECTING DEBTS.

32 1. The state director shall notify each patient and the
33 persons legally responsible for the patient's support of the
34 amount of a debt due the state for the treatment and
35 maintenance of the patient by a state hospital-school or

1 special unit, and shall request prompt payment. The state
2 director shall take steps to collect debts due the state under
3 this chapter which are not paid within a reasonable time after
4 notice is given under this subsection. For purposes of this
5 subsection ninety days is a reasonable time, but the state
6 director by administrative rule may extend this period for
7 all cases or for described categories of cases. The state
8 director may request the assistance of the attorney general
9 in collecting debts due the state under this chapter.

10 2. The state director may negotiate a compromise of a
11 debt due the state under this chapter, if he or she deems
12 it in the best interest of the state to do so. However, a
13 compromise so negotiated shall not be implemented until it
14 is approved by the mental health liability review board es-
15 tablished by section two hundred thirty point sixteen (230.16)
16 of the Code.

17 Sec. 15. Section two hundred twenty-two point seventy-
18 six (222.76), Code 1979, is amended by striking the section
19 and inserting in lieu thereof the following:

20 222.76 LIENS AND CLAIMS--LIMITATIONS--PRESUMPTION.

21 1. Upon application to the district court by the attor-
22 ney general, a lien may be placed against the property of
23 any person against whom a debt arising under this chapter
24 is outstanding and overdue. However, any collections and
25 liens shall be limited in conformity to section six hundred
26 fourteen point one (614.1), subsection four (4) of the Code.

27 2. On the death of a person against whom a debt arising
28 under this chapter is outstanding, there shall be allowed
29 against the estate of the decedent a claim of the sixth class
30 for the total amount of the decedent's debt to the state under
31 this chapter, or that portion of the debt which may be paid
32 from the value of the estate remaining after payment of the
33 total amount of all claims of the first through the fifth
34 classes, inclusive, as defined in section six hundred thirty-
35 three point four hundred twenty-five (633.425) of the Code,

1 which are allowed against that estate.

2 3. In an action to enforce a debt due the state under
3 this chapter, the general statement prepared by a state hospi-
4 tal under section two hundred twenty-two point seventy-three
5 (222.73) of the Code and the records kept by the state director
6 under section two hundred twenty-two point seventy-four
7 (222.74) of the Code are presumptively correct.

8 Sec. 16. Section two hundred twenty-two point seventy-
9 seven (222.77), Code 1979, is amended to read as follows:

10 222.77 PATIENTS ON LEAVE. The cost of support of ~~patients~~
11 a patient placed on convalescent leave or removed as a
12 habilitation measure from a hospital-school, or a special
13 unit, except when living in the home of a person legally bound
14 for the support of ~~such~~ the patient, shall be paid from the
15 ~~state-institution-fund-or-the-county-mental-health-fund-of~~
16 ~~the-county-of-legal-settlement---if-the-patient-has-no-county~~
17 ~~of-legal-settlement--the-cost-shall-be-paid-from-the~~ support
18 fund of the hospital-school or special unit and charged on
19 ~~abstract~~ quarterly general statements in the same manner as
20 ~~other-state~~ inpatients of the hospital-school or special unit
21 until such time as the patient becomes self-supporting or
22 qualifies for support under other existing statutes.

23 Sec. 17. Section two hundred twenty-two point seventy-
24 eight (222.78), Code 1979, is amended to read as follows:

25 222.78 PARENTS AND OTHERS LIABLE FOR SUPPORT. The father
26 and mother of any person admitted or committed to a hospital-
27 school or to a special unit, as either an inpatient or an
28 outpatient, and any person, firm, or corporation bound by
29 contract hereafter made for support of ~~such~~ that person shall
30 be and remain liable for the support of ~~such-person~~ the
31 patient. ~~Such-person~~ The patient and those legally bound
32 for the support of the ~~person-shall-be~~ patient are liable
33 to the ~~county-for-all-sums-advanced-by-the-county-to-the-state~~
34 ~~under-the-provisions-of-sections-222-60-and-222-77~~ state,
35 to the extent provided by this section, for the cost attri-

1 butable to that patient on any quarterly general statement
2 prepared under section two hundred twenty-two point seventy-
3 three (222.73) of the Code. The liability of any person,
4 other than the patient, who is legally bound for the support
5 of any patient under eighteen years of age in a hospital-
6 school or a special unit shall in no instance exceed the
7 average minimum cost of the care of a normally intelligent,
8 non-handicapped minor of the same age and sex as such minor
9 patient. The state director shall establish the scale for
10 this purpose but the scale shall not exceed the standards
11 for personal allowances established by the state division
12 under the aid to dependent children program. Provided further
13 that the father or mother of ~~such-person~~ the patient shall
14 not be liable for the support of ~~such-person~~ the patient after
15 ~~such-person~~ the patient attains the age of eighteen years
16 and that the father or mother shall incur liability only
17 during any period when the father or mother either individually
18 or jointly receive a net income from whatever source,
19 commensurate with that upon which they would be liable to
20 make an income tax payment to this state. Nothing in this
21 section shall be construed to prevent a relative or other
22 person from voluntarily paying the full actual cost as
23 established by the state director for treating and caring
24 for such mentally retarded person.

25 Sec. 18. Section two hundred twenty-two point seventy-
26 nine (222.79), Code 1979, is amended by striking the section
27 and inserting in lieu thereof the following:

28 222.79 CARE IN COUNTY OR PRIVATE FACILITIES. A mentally
29 retarded person may be placed in a county hospital or coun-
30 ty care facility, or in a private hospital, sanatorium or
31 health care facility, and there treated or cared for wholly
32 or partially at county expense with approval of the county
33 board of supervisors. The mentally retarded person and any
34 other person who would be liable to the state under section
35 two hundred twenty-two point seventy-eight (222.78) of the

1 Code if the mentally retarded person were a patient in a state
2 hospital-school or special unit are liable to the county
3 for the cost of treatment or care provided at county expense
4 under this section, to the same extent and with the same
5 limitations as provided by section two hundred twenty-two
6 point seventy-eight (222.78) of the Code.

7 Sec. 19. Section two hundred twenty-two point eighty
8 (222.80), Code 1979, is amended by striking the section and
9 inserting in lieu thereof the following:

10 222.80 COSTS PAID FROM MENTAL HEALTH AND INSTITUTIONS
11 FUND. Expenditures of county funds required or authorized
12 by this chapter shall be made from the county mental health
13 and institutions fund.

14 Sec. 20. Section two hundred twenty-two point eighty-
15 one (222.81), Code 1979, is amended to read as follows:

16 222.81 CLAIM AGAINST ESTATE. The total amount of liability
17 ~~provided in section 222.78~~ to the county arising under section
18 two hundred twenty-two point seventy-nine (222.79) of the
19 Code shall be allowed as a claim of the sixth class against
20 the estate of the mentally retarded person or against the
21 estate of the father or mother of ~~such~~ that person.

22 Sec. 21. Section two hundred twenty-two point eighty-two
23 (222.82), Code 1979, is amended to read as follows:

24 222.82 COLLECTION OF LIABILITIES AND CLAIMS. The board
25 of supervisors of each county may direct the county attorney
26 to proceed with the collection of ~~said~~ liabilities and claims
27 under section two hundred twenty-two point seventy-nine
28 (222.79) of the Code as a part of the duties of ~~his~~ that
29 office when the board of supervisors deems such action
30 advisable. The board of supervisors may and is hereby
31 empowered to compromise any and all liabilities to the county
32 arising under this chapter when such compromise is deemed
33 to be in the best interests of the county. Any collections
34 and liens shall be limited in conformance to section 614.1,
35 subsection 4.

1 Sec. 22. Section two hundred twenty-six point eight
2 (226.8), Code 1979, is amended to read as follows:

3 226.8 MENTAL RETARDATES NOT RECEIVABLE--EXCEPTION. No
4 person who is mentally retarded, as defined by section 222.2,
5 shall be admitted, or transferred pursuant to section 222.7,
6 to a state mental health institute unless a professional
7 diagnostic evaluation indicates that such person will bene-
8 fit from psychiatric treatment or from some other specific
9 program available at the mental health institute to which
10 it is proposed to admit or transfer the person. Charges for
11 the care of any mentally retarded person admitted to a state
12 mental health institute shall be made by the institute in
13 the manner provided by chapter 230, but the liability of any
14 other person ~~to any county~~ for the cost of care of such
15 mentally retarded person shall be as prescribed by section
16 222.78.

17 Sec. 23. Section two hundred twenty-six point thirty-two
18 (226.32), Code 1979, is amended to read as follows:

19 226.32 OVERCROWDED CONDITIONS. The state director shall
20 order the discharge or removal from the hospital of incurable
21 and harmless patients whenever it is necessary to make room
22 for recent cases. If a patient who is to be so discharged
23 entered the hospital voluntarily, the state director shall
24 ~~notify the auditor of the county interested~~ insure that ap-
25 propriate arrangements have been made for the care and super-
26 vision required by the patient at least ten days in advance
27 of the day of actual discharge.

28 Sec. 24. Section two hundred twenty-six point forty-two
29 (226.42), subsection one (1), Code 1979, is amended to read
30 as follows:

31 1. May collect moneys due the state treasury from ~~the~~
32 ~~counties and from~~ responsible persons or other relatives,
33 these funds to be ~~collected monthly, instead of quarterly,~~
34 ~~and to be~~ deposited for use in operating the institutes.

35 Sec. 25. Section two hundred thirty point one (230.1),

1 Code 1979, is amended to read as follows:

2 230.1 LIABILITY OF COUNTY AND STATE. The necessary and
3 legal costs and expenses attending the taking into custody,
4 care, investigation, and admission, or commitment, and support
5 of a mentally ill person admitted or committed to a state
6 hospital mental health institute, which are incurred prior
7 to the time the person is received at the mental health
8 institute, shall be paid:

9 1. By the county in which such person has a legal
10 settlement, or

11 2. By the state when such person has no legal settlement
12 in this state, or when such settlement is unknown.

13 The legal settlement of any person found mentally ill who
14 is a patient of any state institution shall be that existing
15 at the time of admission thereto.

16 As used in this chapter, "proceedings in mental illness"
17 means any of the proceedings referred to in this section.

18 Sec. 26. Section two hundred thirty point two (230.2),
19 Code 1979, is amended to read as follows:

20 230.2 FINDING OF LEGAL SETTLEMENT. The district court
21 shall, when a person ~~is ordered placed in a hospital for~~
22 ~~psychiatric examination and appropriate treatment becomes~~
23 the subject of proceedings in mental illness, or as soon
24 thereafter as it obtains the proper information, determine
25 and enter of record whether the legal settlement of ~~said~~ the
26 person is:

27 1. In the county ~~from~~ in which the ~~person was placed in~~
28 ~~the hospital~~ proceedings were initiated;

29 2. In some other county of the state;

30 3. In some foreign state or country; or

31 4. Unknown.

32 Sec. 27. Section two hundred thirty point four (230.4),
33 Code 1979, is amended to read as follows:

34 230.4 CERTIFICATION TO DEBTOR COUNTY. ~~Said~~ A finding
35 of that legal settlement of a person who is the subject of

1 proceedings in mental illness is in some other county in this
2 state shall also be certified by the court to the county
3 auditor of the county of such legal settlement. Such The
4 auditor shall lay such the notification before the board of
5 supervisors of his that county, and it shall be conclusively
6 presumed that such the person identified in the notice has
7 a legal settlement in said the notified county unless said
8 that county shall within sixty days give notice in writing
9 to the court that the county disputes the finding of legal
10 settlement.

11 Sec. 28. Section two hundred thirty point five (230.5),
12 Code 1979, is amended to read as follows:

13 230.5 NONRESIDENTS. If such the legal settlement of a
14 person who has become the subject of proceedings in mental
15 illness is found by the court to be in some foreign state
16 or country, or unknown, it shall immediately notify the state
17 director of such the finding and furnish the state director
18 with a copy of the evidence taken on the question of legal
19 settlement, and shall in its any order issued pursuant to
20 section 229.13 direct that the patient be hospitalized at
21 the appropriate state hospital for the mentally ill.

22 Sec. 29. Section two hundred thirty point six (230.6),
23 Code 1979, is amended by striking the section and inserting
24 in lieu thereof the following:

25 230.6 REVIEW BY DIRECTOR. Upon receiving notice from
26 a court pursuant to section two hundred thirty point five
27 (230.5) of the Code, the state director shall immediately
28 review the findings of the court regarding legal settlement
29 of the person who has become the subject of proceedings in
30 mental illness. If the state director concludes that the
31 court's finding is correct, and the person is then a patient
32 at a state mental health institute, the state director may
33 arrange for the person to be transferred to the place of
34 foreign settlement, provided the transfer is approved by the
35 court as required by chapter two hundred twenty-nine (229)

1 of the Code. If the state director concludes that the court's
2 finding is not correct, the state director shall at once so
3 notify the court and request that its order be modified
4 accordingly.

5 Sec. 30. Section two hundred thirty point seven (230.7),
6 Code 1979, is amended to read as follows:

7 230.7 TRANSFER OF NONRESIDENTS. Upon determining that
8 a patient in a state ~~hospital~~ mental health institute who
9 has been involuntarily hospitalized under ~~this Act~~ chapter
10 two hundred twenty-nine (229) of the Code or admitted
11 voluntarily at public expense was not a resident of this state
12 at the time of the involuntary hospitalization or voluntary
13 admission, the state director may cause that patient to be
14 conveyed to his or her place of residence. However, a transfer
15 under this section may be made only if the patient's condition
16 so permits and other reasons do not render the transfer
17 inadvisable. If the patient was involuntarily hospitalized,
18 prior approval of the transfer must be obtained, pursuant
19 to chapter two hundred twenty-nine (229) of the Code, from
20 the court which ordered the patient hospitalized.

21 Sec. 31. Section two hundred thirty point nine (230.9),
22 Code 1979, is amended to read as follows:

23 230.9 SUBSEQUENT DISCOVERY OF RESIDENCE. If, after a
24 patient has been received into a state ~~hospital-for-the~~
25 ~~mentally-ill~~ mental health institute as a patient whose legal
26 settlement is supposed to be outside this state or unknown,
27 the state director finds that the legal settlement of ~~said~~
28 the patient was, at the time of admission or commitment, in
29 a county of this state, ~~said the~~ the state director shall charge
30 to the patient's county of legal settlement all legal costs
31 and expenses pertaining to the admission or commitment ~~and~~
32 ~~support of said that patient to~~ for which the county of such
33 legal settlement; ~~-and-the-same-shall-be-collected-as-provided~~
34 ~~by-law-in-other-cases~~ is responsible under section two hundred
35 thirty point one (230.1) of the Code. The county shall

1 reimburse the state for any such costs initially paid by the
2 state.

3 Sec. 32. Section two hundred thirty point ten (230.10),
4 Code 1979, is amended to read as follows:

5 230.10 PRELIMINARY PAYMENT OF COSTS. All legal costs
6 and expenses attending the taking into custody, care,
7 investigation, and admission or commitment of a person to
8 a state ~~hospital-for-the-mentally-ill~~ mental health institute
9 under a finding that ~~such~~ the person has a legal settlement
10 in another county of this state, shall, in the first instance,
11 be paid by the county ~~of~~ in which the admission or commitment
12 proceedings occurred. The county of ~~such~~ the person's legal
13 settlement shall reimburse the county so paying for all such
14 payments, with interest.

15 Sec. 33. Section two hundred thirty point twelve (230.12),
16 Code 1979, is amended to read as follows:

17 230.12 ACTION TO DETERMINE LEGAL SETTLEMENT. When a
18 dispute arises between different counties or between the state
19 director and a county as to the legal settlement of a person
20 ~~admitted-or-committed-to-a-state-hospital-for-the-mentally~~
21 ~~ill~~ who has become the subject of proceedings in mental
22 illness, the attorney general, at the request of the state
23 director, shall, without the advancement of fees, cause an
24 action to be brought in the district court of any county where
25 ~~such~~ the dispute exists, to determine ~~such~~ the legal
26 settlement. ~~Said~~ The action may be brought at any time when
27 it appears that ~~said~~ the dispute cannot be amicably settled.
28 All counties which may be the place of such legal settlement,
29 so far as known, shall be made defendants and the allegation
30 of ~~such~~ settlement may be in the alternative. ~~Said~~ The action
31 shall be tried as in equity.

32 Sec. 34. Section two hundred thirty point thirteen
33 (230.13), Code 1979, is amended to read as follows:

34 230.13 JUDGMENT WHEN SETTLEMENT FOUND WITHIN STATE. The
35 court shall determine whether the legal settlement of ~~said~~

1 the mentally ill person, at the time of the admission or
2 commitment, was in one of the defendant counties. If the
3 court so find, judgment shall be entered against the county
4 of ~~such~~ legal settlement in favor of any other county for
5 all legal costs and expenses arising out of said the
6 proceedings in mental illness, ~~and-paid-by-said~~ which are
7 the responsibility of the county of legal settlement under
8 section two hundred thirty point one (230.1) of the Code,
9 and have been paid by the other county. If any such costs
10 have not been paid, judgment shall be rendered against the
11 county of settlement in favor of the parties, including the
12 state, to whom ~~said~~ the costs or expenses may be due.

13 Sec. 35. Section two hundred thirty point fourteen
14 (230.14), Code 1979, is amended to read as follows:

15 230.14 ORDER WHEN NONRESIDENCE OR UNKNOWN SETTLEMENT
16 APPEARS. If the court finds that the legal settlement of ~~said~~
17 the mentally ill person, at the time of admission or
18 commitment, was in a foreign state or country, or was unknown,
19 an order shall be entered that ~~said-mentally-ill-person-shall~~
20 ~~be-maintained-in-the-hospital-for-the-mentally-ill-at-the~~
21 ~~expense-of-the-state---in-such-case~~ the state shall refund
22 to any county, with interest, all legal costs and expenses
23 arising out of ~~said~~ the proceedings in mental illness ~~and~~
24 ~~paid-by-said~~ which are the responsibility of the state under
25 section two hundred thirty point one (230.1) of the Code,
26 and have been paid by the county. Any decision by the court
27 shall be final.

28 Sec. 36. Section two hundred thirty point fifteen (230.15),
29 unnumbered paragraph one (1), Code 1979, is amended to read
30 as follows:

31 ~~Mentally-ill-persons-and-persons-legally-liable-for-their~~
32 ~~support-shall-remain-liable-for-the-support-of-such-mentally~~
33 ~~ill---Persons~~ A mentally ill person is liable for his or her
34 own support to the extent provided by this section. Other
35 persons who are legally liable for the support of a mentally

1 ill person ~~shall include~~, to the extent provided by this
 2 section, are the spouse of the mentally ill person, any person,
 3 firm, or corporation bound by contract for support of the
 4 mentally ill person, and, with respect to mentally ill persons
 5 under eighteen years of age only, the father and mother of
 6 the mentally ill person. The ~~county auditor~~ state director,
 7 subject to the direction of the ~~board of supervisors~~ mental
 8 health liability review board, shall enforce the obligation
 9 herein created as to all sums advanced by the ~~county~~ state.
 10 The liability to the ~~county~~ state incurred under this section
 11 on account of any mentally ill person shall be limited to
 12 one hundred percent of the cost of care and treatment of the
 13 mentally ill person at a state mental health institute for
 14 one hundred twenty days of hospitalization, whether occurring
 15 subsequent to a single admission or accumulated as a
 16 consequence of two or more separate admissions, and thereafter
 17 to an amount not in excess of the average minimum cost of
 18 the maintenance of a physically and mentally healthy individual
 19 residing in his or her own home, which standard shall be
 20 established and may from time to time be revised by the
 21 department of social services. ~~No lien imposed by section~~
 22 ~~230.25 shall exceed the amount of the liability which may~~
 23 ~~be incurred under this section on account of any mentally~~
 24 ~~ill person-~~

25 Sec. 37. Section two hundred thirty point sixteen (230.16),
 26 Code 1979, is amended by striking the section and inserting
 27 in lieu thereof the following new section:

28 230.16 MENTAL HEALTH LIABILITY REVIEW BOARD--POWERS AND
 29 DUTIES.

30 1. There is created in the department of social services
 31 a state mental health liability review board, consisting of
 32 three persons appointed by the governor with approval of two-
 33 thirds of the members of the senate to serve terms of six
 34 years each beginning July first of the year of appointment.
 35 The governor shall designate two of the initial appointees

1 to the board to serve terms of less than six years, so that
2 the board members will serve staggered terms, one term ending
3 June thirtieth of every second year. A vacancy on the board
4 shall be filled by the governor for the balance of the
5 unexpired term, subject to approval of two-thirds of the
6 members of the senate if that body is then in session or,
7 if not, then within thirty days after the convening of its
8 next regular session. The board members shall qualify by
9 taking the oath of office prescribed by law for state of-
10 ficers, and are entitled to forty dollars per diem and
11 reimbursement for actual and necessary expenses incurred while
12 engaged in their official duties.

13 2. The board shall meet at least quarterly, and may meet
14 more often as necessary to discharge its duties. The board
15 by administrative rule shall establish and may review and
16 revise a set of standards to be applied by the state director
17 in determining the extent to which persons liable to the state
18 under section two hundred thirty point fifteen (230.15) of
19 the Code shall be required to pay the amounts for which they
20 are liable. A debt to the state arising under this chapter
21 or chapter two hundred twenty-two (222) of the Code may be
22 compromised only if the compromise is first approved by the
23 board.

24 3. The board shall also serve as an appeal board. In
25 that capacity, it shall afford the opportunity for either
26 a written or a verbal appeal by any aggrieved party who claims
27 that the state director has not properly applied the board's
28 standards for determining the extent to which persons liable
29 to the state under section two hundred thirty point fifteen
30 (230.15) of the Code shall be required to pay the amounts
31 for which they are liable. An aggrieved party who is
32 dissatisfied with the board's decision in such an appeal,
33 or who alleges that the standards adopted by the board are
34 arbitrary or inequitable, may appeal to the department of
35 social services under the Iowa administrative procedure Act.

1 Sec. 38. Section two hundred thirty point seventeen
2 (230.17), Code 1979, is amended by striking the section and
3 inserting in lieu thereof the following new section:

4 230.17 STATE DIRECTOR TO MAINTAIN RECORDS, DETERMINE
5 ABILITY TO PAY.

6 1. The state director shall maintain on file the gen-
7 eral statements prepared by each state mental health institute
8 under section two hundred thirty point twenty (230.20) of
9 the Code, and shall compute the liability incurred under
10 section two hundred thirty point fifteen (230.15) of the Code
11 by each state hospital patient or the persons legally
12 responsible for that patient's support. Upon receiving each
13 new general statement, the state director shall make a
14 financial investigation concerning each patient named in the
15 statement who has not been named on a previous general
16 statement. The commissioner of social services shall direct
17 the local offices of the department of social services to
18 assist the state director in conducting financial
19 investigations. The state director may conduct a new
20 investigation concerning any patient when that patient's name
21 appears for a second or subsequent time on a mental health
22 institute general statement, but the findings of the new
23 investigation shall not affect the determination of ability
24 to pay liability incurred for services reported on any earlier
25 general statement.

26 2. On the basis of the financial investigation and the
27 standards established by the liability review board, the state
28 director shall determine whether the patient or those legally
29 responsible for the patient's support are presently able to
30 pay all or some specified portion of the liability incurred
31 under section two hundred thirty point fifteen (230.15) of
32 the Code. The amount which the state director determines
33 the patient or those legally responsible for the patient's
34 support are able to pay shall become a debt due the state
35 from those persons, and the state director shall record the

1 debt and all payments made against it. That record is for
2 accounting purposes only, and the debts recorded in it do
3 not constitute liens unless reduced to judgment.

4 3. The records required by this section shall be main-
5 tained by the state director for a minimum of seven years.
6 The records may thereafter be discarded unless needed to
7 verify information relative to debts or other claims or
8 controversies which have not been paid or settled.

9 Sec. 39. Section two hundred thirty point eighteen
10 (230.18), Code 1979, is amended by striking the section and
11 inserting in lieu thereof the following new section:

12 230.18 DIRECTOR RESPONSIBLE FOR COLLECTING DEBTS.

13 1. Upon receiving a general statement prepared by a state
14 mental health institute under section two hundred thirty point
15 twenty (230.20) of the Code, and after conducting any financial
16 investigation required or authorized by section two hundred
17 thirty point seventeen (230.17), subsection one (1), of the
18 Code, the state director shall notify each patient and any
19 persons legally responsible for the patient's support of the
20 amount of any debt due the state for the care and treatment
21 of the patient by a state mental health institute, and shall
22 request prompt payment. However, the state director may de-
23 fer giving notice to a patient while that patient remains
24 in a mental health institute, if the superintendent or clinical
25 director of the institute so requests for therapeutic reasons.

26 2. The state director shall take steps to collect debts
27 due the state under this chapter which are not paid within
28 a reasonable time after notice of the debt is given under
29 subsection one (1) of this section. For purposes of this
30 subsection ninety days is a reasonable time, but the state
31 director by administrative rule may extend this period for
32 all cases or for described categories of cases. The state
33 director may request the assistance of the attorney general
34 in collecting debts due the state under this chapter.

35 3. The state director may negotiate a compromise of any

1 debt due the state under this chapter, if he or she deems
 2 it in the best interest of the state to do so. However,
 3 a compromise so negotiated shall not be implemented until
 4 it is approved by the mental health liability review board.

5 Sec. 40. Section two hundred thirty point nineteen
 6 (230.19), Code 1979, is amended by striking the section and
 7 inserting in lieu thereof the following new section:

8 230.19 LIENS AND CLAIMS--PRESUMPTION.

9 1. Upon application to the district court by the attor-
 10 ney general, a lien may be placed against the property of
 11 any person against whom a debt arising under this chapter
 12 is outstanding and overdue. On the death of a person against
 13 whom a debt arising under this chapter is outstanding, there
 14 shall be allowed against the estate of the decedent a claim
 15 of the sixth class for the total amount of the decedent's
 16 debt to the state under this chapter, or that portion of the
 17 debt which may be paid from the value of the estate remaining
 18 after payment of the total amount of all claims of the first
 19 through the fifth classes, inclusive, as defined in section
 20 six hundred thirty-three point four hundred twenty-five
 21 (633.425) of the Code, which are allowed against that estate.

22 2. In an action to enforce a debt due the state under
 23 this chapter, the general statement prepared by a state mental
 24 health institute under section two hundred thirty point twenty
 25 (230.20) of the Code and the records kept by the state director
 26 under section two hundred thirty point seventeen (230.17)
 27 of the Code are presumptively correct.

28 Sec. 41. Section two hundred thirty point twenty (230.20),
 29 Code 1979, is amended to read as follows:

30 230.20 STATEMENT OF CHARGES ~~TO-COUNTIES~~. The
 31 superintendent of each state ~~hospital-for-the-mentally-ill~~
 32 mental health institute established by section 226.1, or ~~his~~
 33 the superintendent's designee, shall on the tenth day of July,
 34 October, January and April of each year, compute the amounts
 35 which ~~are-due~~ were expended by the state ~~from-each-county~~

1 for services rendered by the ~~hospital~~ institute to individual
2 patients ~~chargeable-to-these-counties~~ during the preceding
3 calendar quarter. Each ~~hospital's~~ institute's charges for
4 services rendered in a particular quarter shall be based on
5 that ~~hospital's~~ institute's expenditures during the immediately
6 preceding quarter, and shall be computed as follows:

7 1. The expenditures of the ~~hospital~~ institute during the
8 preceding calendar quarter shall be separately computed by
9 program in accordance with generally accepted accounting
10 procedures. In so doing, the superintendent or ~~his~~ designee
11 shall not include any of the following:

12 a. The costs of food, lodging and other maintenance pro-
13 vided to persons not patients of the ~~hospital~~ institute.

14 b. The costs of certain direct medical services, which
15 shall be charged directly against the patient who received
16 the services. The direct medical services to which this
17 paragraph is applicable shall be specifically identified in
18 rules adopted by the department of social services in
19 accordance with chapter 17A, and may include but need not
20 be limited to x-ray, laboratory and dental services.

21 c. The cost of outpatient ~~and-state-placement~~ services,
22 which shall be charged directly against the patient who
23 received the services at a rate to be established by the state
24 director on the basis of the actual cost of the services.

25 2. The total patient days of service provided during the
26 preceding calendar quarter shall be identified and accumulated
27 for each program for which expenditures are separately computed
28 under subsection 1 of this section.

29 3. The total expenditure during the preceding calendar
30 quarter computed for each program pursuant to subsection 1
31 shall be divided by the total patient days of service provided
32 during the calendar quarter by that program, determined
33 pursuant to subsection 2, to derive the average daily patient
34 cost for each program.

35 4.---Each-county-shall-be-charged-an-amount-computed-as

1 follows:

2 a 4. The ~~charges~~ costs attributable to each inpatient
3 ~~chargeable-to-that-county~~, shall be calculated by multiplying
4 the average daily patient cost for each program under which
5 the patient was served by the number of days the patient
6 was so served during the calendar quarter, and adding the
7 cost of direct medical services received by the patient during
8 the calendar quarter, ~~and~~.

9 b 5. The ~~charges~~ costs attributable to each outpatient
10 ~~chargeable-to-that-county~~ who was served by the ~~hospital~~
11 institute during the calendar quarter, shall be calculated
12 at the cost established under subsection 1, paragraph "c".

13 6. An individual statement shall be prepared for any
14 ~~patient~~ inpatient on or before the fifteenth day of the month
15 next succeeding the month in which that patient leaves the
16 ~~hospital~~ institute, and a general statement shall be prepared
17 at least quarterly for ~~each-county-to-which-charges-are-made~~
18 the state director, listing all costs attributable to
19 individual patients under this section. Except as may be
20 otherwise required by ~~sections-224A-2-and-224A-3~~ the con-
21 fidentiality provisions of chapter one hundred twenty-five
22 (125) of the Code, the general statement shall list the name
23 of each patient ~~chargeable-to-that-county~~ who was served by
24 the ~~hospital~~ institute during the preceding month or calendar
25 quarter and the amount ~~due-on-account-of-each-patient~~, ~~and~~
26 ~~the-county-shall-be-billed-for-one-hundred-percent-of-the~~
27 ~~stated-charge-for-each-patient~~, ~~unless-otherwise-specified~~
28 ~~in-the-current-appropriation-for-support-of-the-state-hospitals~~
29 of the costs attributable to that patient for that quarter.
30 The statement prepared for each ~~county~~ quarter shall be
31 certified by the superintendent of the ~~hospital~~ institute
32 to the state ~~comptroller-and-a-duplicate-statement-shall-be~~
33 ~~mailed-to-the-auditor-of-that-county~~ director.

34 7. All or any reasonable portion of the charges incurred
35 for services rendered to any patient, to the most recent date

1 for which the charges have been computed in accordance with
2 section two hundred thirty point fifteen (230.15) of the Code,
3 may be paid to the institute or the state director at any
4 time by the patient or by any other person on the patient's
5 behalf. Any payment so made to the hospital shall be credited
6 against the patient's account and, if the charges so paid
7 have previously been ~~billed-to-a-county~~ reported to the state
8 director, reflected in the ~~hospital's~~ institute's next general
9 statement to ~~that-county~~ the state director.

10 Sec. 42. Section two hundred thirty point twenty-three
11 (230.23), Code 1979, is amended by striking the section and
12 inserting in lieu thereof the following:

13 230.23 COSTS PAID FROM MENTAL HEALTH AND INSTITUTIONS
14 FUND. Expenditures of county funds required or authorized
15 by this chapter shall be made from the county mental health
16 and institutions fund.

17 Sec. 43. Section two hundred thirty point twenty-five
18 (230.25), subsection one (1), Code 1979, is amended by striking
19 the subsection.

20 Sec. 44. Section two hundred thirty point thirty-two
21 (230.32), Code 1979, is amended to read as follows:

22 230.32 SUPPORT OF NONRESIDENT PATIENTS ON LEAVE. The
23 cost of support of patients without legal settlement in this
24 state, who are placed on convalescent leave or removed from
25 a state mental health institute to any health care facility
26 licensed under chapter 135C for rehabilitation purposes, shall
27 be paid from the ~~hospital~~ institute support fund and shall
28 be charged on ~~abstract~~ quarterly general statements in the
29 same manner as state inpatients of the institute, until such
30 time as the patient becomes self-supporting or qualifies for
31 support under existing statutes.

32 Sec. 45. Section two hundred thirty point thirty-three
33 (230.33), Code 1979, is amended to read as follows:

34 230.33 RECIPROCAL AGREEMENTS. The state director is
35 hereby authorized to enter into agreements with other states,

1 through their duly constituted authorities, to effect the
2 reciprocal return of mentally ill and mentally retarded persons
3 to the contracting states, and to effect the reciprocal
4 supervision of persons on convalescent leave-

5 ~~Provided that in the case of a~~ leave, however no proposed
6 transfer of a mentally ill or mentally retarded person from
7 this state ~~that no final action be taken~~ shall be completed
8 without the approval ~~either of the commission of~~
9 ~~hospitalization, or~~ of the district court, of the county of
10 admission or commitment.

11 Sec. 46. Section two hundred thirty point thirty-five
12 (230.35), Code 1979, is amended to read as follows:

13 230.35 RELEASING LIENS. A lien obtained pursuant to an
14 action to collect any claim arising under this chapter shall
15 be released by the ~~board of supervisors~~ state director when
16 the claim or claims on which the lien is based have been fully
17 paid or compromised and settled ~~by the board~~, or when the
18 estate of which the real estate subject to the lien is a part
19 has been probated and the proceeds allowable have been applied
20 to the claim or claims on which the lien is based.

21 Sec. 47. Section four hundred forty-four point twelve
22 (444.12), subsection one (1), paragraphs a and b, Code 1979,
23 are amended by striking those paragraphs.

24 Sec. 48.

25 1. Notwithstanding the provisions of sections two hundred
26 twenty-two point seventy-three (222.73) and two hundred thirty
27 point twenty (230.20) of the Code, the county in which a
28 mentally retarded person or a mentally ill person has a legal
29 settlement shall reimburse the state for forty percent of
30 the cost of treatment and care furnished that person at a
31 state hospital-school or special unit for the mentally retarded
32 or a state mental health institute, as reported to the state
33 director pursuant to those sections, during the fiscal year
34 beginning July 1, 1980 and ending June 30, 1981. The county
35 of legal settlement shall reimburse the state for twenty

1 percent of such cost, so reported, during the fiscal year
2 beginning July 1, 1981 and ending June 30, 1982.

3 2. Upon receiving a quarterly general statement from a
4 state hospital-school or special unit pursuant to section
5 two hundred twenty-two point seventy-three (222.73) of the
6 Code, or from a mental health institute pursuant to section
7 two hundred thirty point twenty (230.20) of the Code, the
8 state director shall promptly give the county auditor of each
9 county notice of the amount due the state from that county
10 under subsection one (1) of this section. The county auditor
11 and the county treasurer shall process the notice and remit
12 the amount due the state from the county in substantially
13 the manner provided by sections two hundred twenty-two point
14 seventy-four (222.74), two hundred twenty-two point seventy-
15 five (222.75) and two hundred twenty-two point seventy-six
16 (222.76), and sections two hundred thirty point twenty-one
17 (230.21), two hundred thirty point twenty-two (230.22) and
18 two hundred thirty point twenty-three (230.23), respectively,
19 as those sections appeared in the Code of 1979.

20 3. The state director shall credit each county with a
21 share of all amounts paid to or recovered by the state di-
22 rector under sections two hundred twenty-two point seventy-
23 five (222.75) and two hundred twenty-two point seventy-six
24 (222.76) (as amended by this Act) and sections two hundred
25 thirty point eighteen (230.18) and two hundred thirty point
26 nineteen (230.19) of the Code from patients of any state
27 hospital-school, special unit or mental health institute,
28 or from any other person responsible for the support of such
29 patients. The share of such payments or recoveries credited
30 to the county of legal settlement shall be proportionate to
31 the share of the cost of treatment or care which the county
32 is required to bear under subsection one (1) of this section.

33 4. Any dispute between one or more counties and the state
34 director concerning the legal settlement of a person who is
35 being or has been treated or cared for at a state hospital-

1 school, special unit or mental health institute, which cannot
2 be amicably settled by the parties, shall be resolved in the
3 manner prescribed by sections two hundred twenty-two point
4 seventy (222.70) and two hundred thirty point twelve (230.12)
5 of the Code.

6 5. This section is repealed effective July 1, 1982.

7 Sec. 49. Sections two hundred twenty-two point sixty-
8 two (222.62), two hundred twenty-two point eighty-three
9 (222.83), two hundred thirty point three (230.3), two hundred
10 thirty point twenty-one (230.21), two hundred thirty point
11 twenty-two (230.22), two hundred thirty point twenty-six
12 (230.26), two hundred thirty point twenty-seven (230.27) and
13 two hundred thirty point thirty (230.30), Code 1979, are
14 repealed.

15 EXPLANATION

16 This bill transfers from counties to the state, in
17 progressive stages, the financial responsibility for operation
18 of the state mental health institutes and hospital-schools
19 for the mentally retarded. The county share of this respon-
20 sibility will drop from the present eighty percent to sixty
21 percent for the fiscal year beginning July 1, 1979, and to
22 forty percent and then twenty percent in the next two fiscal
23 years. The state will assume full financial responsibility
24 for operation of these institutions July 1, 1982.

25 This transition is accomplished by sections 1 and 48 of
26 the bill. All of the other sections are necessary to revise
27 and transfer to the state the duty to administer the statutes
28 which impose on patients and those responsible for their sup-
29 port an obligation to pay some portion of the cost of treat-
30 ment and care in the state institutions for the mentally ill
31 and mentally retarded. This transfer will take effect on
32 July 1, 1980, the date when the state is to assume responsi-
33 bility for more than half of the cost of operating these in-
34 stitutions.

35 At present, the financial obligation of individuals for

1 these institutional costs runs to the respective counties.
2 In the case of the mentally ill, county boards of supervisors
3 have in recent years had a duty to make a determination of
4 ability to pay, and to direct county officers to enforce or
5 compromise the obligation accordingly. (This duty does not
6 apply in the case of the mentally retarded because state law
7 contains specific limits on liability and ability to pay
8 standards.) Under this bill, the financial obligation of
9 individuals for institutional costs will run to the state,
10 and administrative responsibility is placed with the direc-
11 tor of the Division of Mental Health Resources of the
12 Department of Social Services.

13 A new three-member state Mental Health Liability Review
14 Board is established to take over from the 99 county boards
15 of supervisors the function of determining the ability to
16 pay of individuals who incur obligations under the mental
17 illness statutes. This will be done primarily through adoption
18 by the board of uniform standards for application by the
19 Division Director, but the board will also serve as an ap-
20 peal body when necessary.

21 Certain funding provisions of Code chapter 125, relating
22 to substance abuse, are similar to those being revised by
23 this bill. However, chapter 125 presently includes a July
24 1, 1982 sunset clause, and the proportion of substance abuse
25 treatment costs which the chapter requires counties to pay
26 is only slightly higher than the proportion of mental health
27 and mental retardation institutional costs which this bill
28 requires counties to pay in the fiscal year ending June 30,
29 1982. Therefore, no amendments to Code chapter 125 are
30 included in this bill.

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