

Appropriation #15

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SENATE FILE 341

By TAYLOR and MILLER of
Marshall

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

A BILL FOR

1 An Act relating to the funding of substance abuse programs.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section one hundred twenty-five point twenty-
2 five (125.25), Code 1979, is amended to read as follows:

3 125.25 APPROVAL OF FACILITY BUDGET.

4 1. Before making any allocation of funds to a local sub-
5 stance abuse program, the commission on substance abuse shall
6 require ~~the following to be submitted for~~ each program:

7 a--A to submit a detailed line item budget clearly
8 indicating the funds received from each revenue source for
9 the fiscal year for which the funds are requested on forms
10 provided by the department of substance abuse.

11 b--~~A certified statement from the auditor of each county~~
12 ~~participating in the program as to the amount of county~~
13 ~~resources committed to the program for the fiscal year for~~
14 ~~which the funds are requested.~~

15 2. The commission shall adopt rules governing the approval
16 of line item budgets for the operation of facilities. ~~The~~
17 ~~rules shall include provisions for the approval of a facility's~~
18 ~~budget by the counties funding the facility and by the~~
19 ~~department.--The rules shall also include provisions for~~
20 ~~appeal to the commission by any county which disagrees with~~
21 ~~the amount of a facility's budget approved by the department.~~

22 3. A county may, at the option of the board of supervisors,
23 participate in funding local substance abuse programs after
24 notifying the department of the board's decision. However,
25 additional funds provided for a program by a county shall
26 not become an obligation of the state in succeeding fiscal
27 years.

28 4. The commission shall adopt rules defining eligibility
29 for substance abuse services funded by the department.

30 Sec. 2. Section one hundred twenty-five point thirty-nine
31 (125.39), subsection one (1), Code 1979, is amended to read
32 as follows:

33 1. In addition to other requirements established by this
34 chapter, a facility shall not be licensed pursuant to section
35 125.13 unless it is either a political subdivision, a licensed

1 hospital or a community mental health center operating under
2 chapter 230A, or it is organized under the Iowa nonprofit
3 corporation Act appearing as chapter 504A. In the latter
4 case, ~~one-third-of~~ the membership of the board of directors
5 ~~shall be representatives of such government units providing~~
6 ~~funds to the facility for treatment of substance abuse~~ include
7 at least nine persons who are representative of the program
8 service area.

9 Sec. 3. Section one hundred twenty-five point forty-three
10 (125.43), Code 1979, is amended to read as follows:

11 125.43 FUNDING AT MENTAL HEALTH INSTITUTES. Chapter 230
12 shall govern the determination of the costs and payment for
13 treatment provided to substance abusers in a mental health
14 institute under the department of social services, except
15 that the charges shall not constitute a lien on any real
16 estate owned by persons legally liable for support of the
17 substance abuser and the daily per diem shall be billed at
18 twenty-five percent. Beginning July 1, 1977, the
19 superintendent of a state hospital shall total only those
20 expenditures which can be attributed to the cost of providing
21 inpatient treatment to substance abusers for purposes of
22 determining the daily per diem. The provisions of section
23 ~~125.43~~ two hundred thirty point twenty (230.20) of the Code
24 shall govern the determination of ~~who is legally liable for~~
25 the cost of care, maintenance, and treatment of a substance
26 abuser and of the amount for which the person is liable.

27 Sec. 4. Section one hundred twenty-five point forty-four
28 (125.44), Code 1979, is amended to read as follows:

29 125.44 CONTRACT FOR CARE--RULES ADOPTED. The director
30 may, consistent with the comprehensive substance abuse program,
31 enter into written agreements with a facility as defined in
32 section 125.2 to pay ~~for seventy-five percent of~~ the cost
33 of the care, maintenance and treatment of a substance abuser.
34 Such contracts shall be for a period of no more than one year.
35 The commission shall review and evaluate at least once each

1 year all such agreements and determine whether or not they
2 shall be continued.

3 The contract may be in such form and contain provisions
4 as agreed upon by the parties. Such contract shall provide
5 that the facility shall admit and treat substance abusers
6 regardless of where they have residence. ~~if one payment for~~
7 ~~care, maintenance, and treatment is not made by the patient~~
8 ~~or those legally liable therefor within thirty days after~~
9 ~~discharge the payment shall be made by the department directly~~
10 ~~to the facility.~~ Payments shall be made each month and shall
11 be based upon the facility's average daily per patient charge
12 as determined by the commission. Provisions of this section
13 shall ~~do not pertain~~ apply to patients treated at the mental
14 health institutes.

15 ~~if the appropriation to the department is insufficient~~
16 ~~to meet the requirements of this section, the department shall~~
17 ~~request a transfer of funds and section 8-39 shall apply.~~

18 Contracting facilities shall deliver to each patient upon
19 discharge a statement of the costs of the care, maintenance
20 and treatment for which that patient is liable, and shall
21 retain a carbon copy or other similar copy of that statement
22 for a period of not less than one year after the date of
23 discharge of the patient to whom the statement refers. The
24 fee charged to a patient for a service shall be determined
25 according to the patient's ability to pay but a fee shall
26 not exceed the actual cost of providing the service. A service
27 funded partially or completely by the department shall not
28 be denied to a person because of the inability of the person
29 to pay a fee for the service. Every payment received by a
30 contracting facility from or on behalf of a patient, ~~whether~~
31 ~~received before or after costs have been billed to the~~
32 ~~department or to a county,~~ shall be identified by the facility
33 as to patient and invoice or statement, and shall be reported
34 to the department. ~~A contracting facility shall allow as~~
35 ~~a credit against a future billing to the department or to~~

1 ~~a-county,-payments-received-during-each-month-from-or-on~~
2 ~~behalf-of-a-patient-whose-care,-maintenance-and-treatment~~
3 ~~theretofore-has-been-billed-to-and-paid-by-the-department~~
4 ~~or-a-county.~~ Failure by a contracting facility to comply
5 with this paragraph, or with rules promulgated pursuant to
6 section 125.20 shall constitute grounds for nonrenewal of
7 the contract.

8 Sec. 5. Section one hundred twenty-five point forty-eight
9 (125.48), unnumbered paragraph one (1), Code 1979, is amended
10 to read as follows:

11 The substance abuser and any person, firm, corporation,
12 or insurance company bound by contract to provide support,
13 hospitalization, or medical services for the substance abuser
14 ~~shall-be~~ is legally liable to the ~~county-of-the-substance~~
15 ~~abuser's-residence-for-twenty-five-percent-of-the-total-amount~~
16 ~~and-to-the-department-for-seventy-five-percent-of~~ facility
17 for the total amount of the cost of providing care,
18 maintenance, and treatment for the substance abuser while
19 a voluntary or committed patient in a facility,~~-except-when~~
20 ~~the-state-pays-the-total-cost-of-care-in-which-case-liability~~
21 ~~of-one-hundred-percent-shall-be-to-the-state.~~ Nothing in
22 this section shall prohibit any individual from paying any
23 portion of the cost of treatment.

24 Sec. 6. Chapter one hundred twenty-five (125), Code 1979,
25 is amended by adding the following new section:

26 NEW SECTION. USE OF FUNDS--RESTRICTIONS.

27 1. The department shall not use state funds to purchase
28 services provided by personnel whose positions are or would
29 be at any time during the contract period supported by federal
30 grant money including but not limited to personnel affiliated
31 with the national institute on alcohol abuse and alcoholism
32 and the national institute on drug abuse. However, funds
33 allocated by the department may be used to provide all or
34 a portion of state, local or other funding for a program
35 required as a condition of receipt of federal money for the

1 program. When a specific amount of funds is required from
2 other sources as a condition for receipt of federal funds
3 the department may contract for services in an amount not
4 exceeding the level required for federal funding.

5 2. A program that receives funds from the department shall
6 submit any request for a federal grant for purposes relating
7 to substance abuse to the department for review and approval.
8 If the request for federal funds would result in the temporary
9 employment of personnel the request shall be approved by the
10 department before it is submitted to the federal government.
11 However, the department may by rule establish a general policy
12 on grant requests involving the temporary employment of
13 personnel in lieu of a formal review of each request.

14 3. A program that receives funds from the department shall
15 not use the funds to provide services that, according to state
16 and federal law, are the responsibility of another local,
17 state or federal agency.

18 Sec. 7. Section three hundred twenty-one point two hun-
19 dred eighty-one (321.281), unnumbered paragraph two (2), Code
20 1979, is amended to read as follows:

21 In lieu of, or prior to imposition of, the punishment above
22 described for second offense, third offense and each offense
23 thereafter, the court upon hearing may commit the defendant
24 for treatment of alcoholism or drug addiction or dependency
25 to any hospital or institution in Iowa providing such
26 treatment. The court may prescribe the length of time for
27 such treatment or it may request that the hospital to which
28 the person is committed immediately report to the court when
29 the person has received maximum benefit from the program of
30 the hospital or institution or has recovered from his or her
31 addiction, dependency or tendency to chronically abuse alcohol
32 or drugs. A The costs of treatment of a person committed
33 under this section shall be considered-a-state-patient paid
34 as provided in chapter one hundred twenty-five (125) of the
35 Code.

1 Sec. 8. Section three hundred twenty-one point two hundred
2 eighty-three (321.283), subsection three (3), Code 1979, is
3 amended to read as follows:

4 3. REFERRED ON CONVICTION. After any conviction for
5 operating a motor vehicle while under the influence of an
6 alcoholic beverage under section 321.281, the court may refer
7 the defendant for treatment at a facility as defined in
8 sections 125.1 to 125.43 and designated by the ~~division on~~
9 ~~alcoholism~~ Iowa department of substance abuse. The court
10 may prescribe the length of time for treatment or it may be
11 left to the discretion of the facility to which the defendant
12 was referred. ~~A person referred under this section shall~~
13 ~~be considered a state patient, and charges and~~ The costs for
14 treatment of a person referred under this section shall be
15 paid for in the manner provided for payment for treatment
16 of alcoholics who have no legal residence in this state as
17 provided in chapter one hundred twenty-five (125) of the Code.

18 Sec. 9. Sections one hundred twenty-five point forty-five
19 (125.45) through one hundred twenty-five point forty-seven
20 (125.47) and section one hundred twenty-five point forty-nine
21 (125.49) through one hundred twenty-five point fifty-three
22 (125.53), Code 1979, are repealed.

23 EXPLANATION

24 This bill makes several changes in the present method of
25 funding substance abuse. It provides for state funding of
26 one hundred percent of the cost of local programs including
27 treatment costs. Present state funding is seventy-five per-
28 cent with the counties paying the remaining twenty-five
29 percent. The bill retains individual liability to a facility
30 for services received but adds that payment for services shall
31 be determined by the individual's ability to pay. The bill
32 also provides that state funds shall not be used to purchase
33 services provided by personnel whose positions are supported
34 with federal funds, however the use of state funds as required
35 match for federal dollars is permitted. Coordinating
36 amendments are included.