

SENATE FILE **2435**

FILED APR 6 1990

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 8476XC)

Passed Senate, Date 4/7/90 (p. 1666) Passed House, Date 4/8/90 (p. 23.25)

Vote: Ayes 46 Nays 1 Vote: Ayes 95 Nays 0

Approved 7/27/90 - Hon. Veterans

Repassed Senate per 6027 4/8/90 (p. 1735)
44-0

A BILL FOR

1 An Act relating to human services and making appropriations to
2 the department of human services and other properly related
3 matters, providing for retroactive applicability of certain
4 provisions, and providing an effective date.

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

SENATE FILE 2435

S-5988

1 Amend Senate File 2435 as follows:

- 2 1. Page 9, line 1, by striking the words "limited
- 3 to registered or" and inserting the following:
- 4 "available to unregistered, registered, and".

By JULIA GENTLEMAN

S-5988 FILED APRIL 7, 1990

LOST (p. 1666)

S.F. 2435

14
15
16
17
18
19
20
21
22
23

DIVISION I

2 Section 1. AID TO FAMILIES WITH DEPENDENT CHILDREN.

3 There is appropriated from the general fund of the state to
4 the department of human services for the fiscal year beginning
5 July 1, 1990, and ending June 30, 1991, the following amount,
6 or so much thereof as is necessary, to be used for the purpose
7 designated:

8 For aid to families with dependent children:

9 \$ 42,050,000

10 1. The department may fund the cash bonus program from
11 unspent funds under this appropriation and shall continue to
12 evaluate the program.

13 2. As a condition, qualification, and limitation of the
14 funds appropriated in this section, the department shall
15 continue to contract for services in developing and monitoring
16 a waiver program with a consortium of other states to
17 facilitate providing assistance in self-employment to aid to
18 dependent children families. The waiver program services
19 shall be provided for the entire fiscal year beginning July 1,
20 1990, and ending June 30, 1991. Of the funds appropriated
21 under this section, up to \$116,000 shall be used to provide
22 technical assistance for aid to dependent children families
23 seeking self-employment. The technical assistance may be
24 provided through the department or through a contract with the
25 division of job training of the department of economic
26 development and through a contract with the corporation for
27 enterprise development. The department shall submit a report
28 to the legislative fiscal bureau on or before November 1,
29 1990, providing an update regarding the evaluation of the
30 waiver program and technical assistance which includes
31 recommendations regarding continuation of the program and
32 technical assistance during the fiscal year beginning July 1,
33 1991.

34 3. As a condition, qualification, and limitation of the
35 funds appropriated in this section, the department shall apply

1 the self-employment investment demonstration project statewide
2 during the fiscal period delineated in the federal waiver
3 submitted to operate the program statewide, provided training
4 is available to a recipient through a recognized self-
5 employment training program. However, if the application for
6 the federal waiver is denied, the department may determine the
7 counties in which it is feasible to operate the project and
8 shall provide the project in those counties.

9 4. As a condition, qualification, and limitation of the
10 funds appropriated in this section, the schedule of basic
11 needs under the aid to dependent children program for the
12 fiscal year beginning July 1, 1990, is established as follows:

- 13 a. For 1 person at \$183.
- 14 b. For 2 persons at \$361.
- 15 c. For 3 persons at \$426.
- 16 d. For 4 persons at \$495.
- 17 e. For 5 persons at \$548.
- 18 f. For 6 persons at \$610.
- 19 g. For 7 persons at \$670.
- 20 h. For 8 persons at \$731.
- 21 i. For 9 persons at \$791.
- 22 j. For 10 persons at \$855.
- 23 k. For each additional person over 10 persons at \$87.

24 5. As a condition, qualification, and limitation of the
25 funds appropriated in this section, the department shall
26 continue the special needs program under the aid to dependent
27 children program.

28 6. As a condition, qualification, and limitation of the
29 funds appropriated in this section, the department shall work
30 with the United States department of health and human services
31 to develop a waiver to exempt income received by a participant
32 in the "dollar-a-day" program under an adolescent pregnancy
33 prevention grant, in determining the participant's eligibility
34 for aid to dependent children.

35 Sec. 2. MEDICAL ASSISTANCE.

1 There is appropriated from the general fund of the state to
2 the department of human services for the fiscal year beginning
3 July 1, 1990, and ending June 30, 1991, the following amount,
4 or so much thereof as is necessary, to be used for the purpose
5 designated:

6 For medical assistance, including reimbursement for
7 abortion services, which shall be available under the medical
8 assistance program only for those abortions which are
9 medically necessary:

10 \$224,050,000

11 1. Medically necessary abortions are those performed under
12 any of the following conditions:

13 a. The attending physician certifies that continuing the
14 pregnancy would endanger the life of the pregnant woman.

15 b. The attending physician certifies that the fetus is
16 physically deformed, mentally deficient, or afflicted with a
17 congenital illness.

18 c. The pregnancy is the result of a rape which is reported
19 within 45 days of the incident to a law enforcement agency or
20 public or private health agency which may include a family
21 physician.

22 d. The pregnancy is the result of incest which is reported
23 within 150 days of the incident to a law enforcement agency or
24 public or private health agency which may include a family
25 physician.

26 e. Any spontaneous abortion, commonly known as a mis-
27 carriage, if not all of the products of conception are ex-
28 pelled.

29 2. Of the funds appropriated in this section, not more
30 than \$200,000 may be transferred to the Iowa department of
31 public health for contingency state assistance for the federal
32 program for women, infants, and children in order to allow the
33 Iowa department of public health to fully use available funds
34 under that program.

35 3. As a condition, qualification, and limitation of the

1 funds appropriated in this section, the department shall track
2 any cost savings realized by the use of the health maintenance
3 organizations under the medical assistance program and shall
4 report any cost savings to the legislative fiscal bureau at
5 the start of each calendar quarter.

6 4. Notwithstanding section 8.39, the department may
7 transfer funds appropriated in this section to a separate
8 account established in the department's case management unit
9 for expenditures required to provide case management services
10 pursuant to the appropriation in this Act for enhanced mental
11 health, mental retardation, and developmental disabilities
12 services, pending final settlement of the expenditures. Funds
13 received by the case management unit in settlement of the
14 expenditures shall be used to replace the transferred funds
15 and are available for the purposes for which the funds were
16 appropriated under this section.

17 5. As a condition, qualification, and limitation of the
18 funds appropriated in this section, the department shall
19 reimburse an ambulance service for transporting a medical
20 assistance recipient from a location other than a medical
21 institution to a hospital regardless of a determination of
22 medical necessity. However, the department shall develop
23 methods to reduce recipient usage of ambulance services for
24 reasons other than medical necessity, including notification
25 of recipients who have received ambulance services that were
26 not considered to be a medical necessity and ambulance
27 services that have provided such services.

28 6. Of the funds appropriated in this section, not more
29 than \$20,000 may be used to contract with the user liaison
30 program of the agency for health care policy and research to
31 conduct a workshop for Iowa policymakers on health care issues
32 with an emphasis on rural health delivery, system capacity,
33 expanding maternal and child health services, and cost
34 containment.

35 7. As a condition, qualification, and limitation of the

1 funds appropriated in this section, the costs of
2 transportation connected with the health of a resident of a
3 health care facility reimbursed under medical assistance shall
4 be reimbursed. If the cost of the resident's care is less
5 than the authorized maximum per diem reimbursement rate, the
6 transportation costs shall be considered an allowable expense.
7 If the cost of the resident's care is equal to the authorized
8 maximum per diem reimbursement rate, the transportation costs
9 shall be reimbursed as an additional expense. The department
10 shall authorize reimbursement of the resident's transportation
11 by wheelchair transportation, if it is less costly to the
12 state.

13 8. As a condition, limitation, and qualification of the
14 funds appropriated in this section, effective July 1, 1990,
15 the differential reimbursement amount paid to hospitals which
16 provide a disproportionate share of care to medical assistance
17 recipients shall be increased by 2.5 times the amount paid to
18 the hospitals on June 30, 1990. Of the funds appropriated by
19 the Seventy-third General Assembly to the university of Iowa
20 hospitals and clinics for treatment of indigent patients in
21 accordance with chapter 255, \$1,134,000 shall be transferred
22 to the department of human services to be used as additional
23 funds for the purposes designated for medical assistance in
24 this appropriation, provided the differential reimbursement
25 amount is changed in accordance with this subsection in a
26 manner which results in an increase in the disproportionate
27 share of care differential reimbursement payments to the
28 university of Iowa hospitals and clinics in an amount which is
29 at least \$1,134,000 more than the amount received by the
30 hospitals and clinics in the fiscal year which began July 1,
31 1989.

32 9. As a condition, qualification, and limitation of the
33 funds appropriated in this section, a newly constructed
34 intermediate care facility or an existing intermediate care
35 facility which has added or converted beds to intermediate

1 care use shall be granted a 6-month period from the date the
2 new facility, the addition of beds, or the conversion of beds
3 is approved for occupancy before an occupancy limit is applied
4 to facility costs used to determine the medical assistance
5 reimbursement rate for the facility. If the facility does not
6 meet the occupancy limit at the end of the 6-month period, the
7 facility shall be granted an additional 6-month period in
8 which an occupancy limit shall not be applied if the facility
9 has an occupancy of at least 50 percent of its capacity. For
10 subsequent time periods, the facility shall be considered to
11 have an occupancy rate of at least 80 percent of its capacity.
12 In all cost reporting periods, the medical assistance reim-
13 bursement rate for an intermediate care facility for the
14 mentally retarded shall be based upon an occupancy of at least
15 80 percent of the facility's capacity.

16 Sec. 3. MEDICAL CONTRACTS.

17 There is appropriated from the general fund of the state to
18 the department of human services for the fiscal year beginning
19 July 1, 1990, and ending June 30, 1991, the following amount,
20 or so much thereof as is necessary, to be used for the purpose
21 designated:

22 For medical contracts:
23 \$ 3,870,000

24 As a condition, qualification, and limitation of the funds
25 appropriated in this section, the department shall continue to
26 contract for drug utilization review under the medical
27 assistance program.

28 Sec. 4. STATE SUPPLEMENTARY ASSISTANCE.

29 There is appropriated from the general fund of the state to
30 the department of human services for the fiscal year beginning
31 July 1, 1990, and ending June 30, 1991, the following amount,
32 or so much thereof as is necessary, to be used for the purpose
33 designated:

34 For state supplementary assistance:
35 \$ 18,160,000

1 The department shall increase the personal needs allowance
2 for residents of residential care facilities by the same
3 percentage and at the same time as federal supplemental
4 security and federal social security benefits are increased
5 due to a recognized increase in the cost of living.

6 Sec. 5. AID TO INDIANS.

7 There is appropriated from the general fund of the state to
8 the department of human services for the fiscal year beginning
9 July 1, 1990, and ending June 30, 1991, the following amount,
10 or so much thereof as is necessary, to be used for the purpose
11 designated:

12 For aid to Indians under section 252.43:

13 \$ 38,000

14 The tribal council shall not use more than 10 percent of
15 the funds for administration purposes.

16 DIVISION II

17 Sec. 6. CHILD DAY CARE ASSISTANCE.

18 There is appropriated from the general fund of the state to
19 the department of human services for the fiscal year beginning
20 July 1, 1990, and ending June 30, 1991, the following amount,
21 or so much thereof as is necessary, to be used for the purpose
22 designated:

23 For protective and state child care assistance:

24 \$ 6,833,000

25 1. It is the intent of the general assembly that
26 \$2,587,000 of the funds appropriated under this section, be
27 used for protective child day care assistance.

28 2. It is the intent of the general assembly that
29 \$4,246,000 of the funds appropriated under this section, be
30 used for state child care assistance.

31 3. a. 25 percent of the funds not otherwise allocated in
32 this section shall be allocated to the 8 department of human
33 services' districts according to a formula based upon the
34 number of children in a district whose family income is equal
35 to or less than 150 percent of federal office of management

1 and budget poverty guidelines. 75 percent of the funds not
2 otherwise allocated in this section shall be allocated to the
3 8 districts based upon the department's estimate of a
4 district's expenditures for child day care assistance during
5 the fiscal year which ended June 30, 1990. A district shall
6 distribute funds to each county office within the district in
7 an amount which is at least equal to the combined expenditures
8 in the county for protective and state child care assistance
9 in the fiscal year which began July 1, 1989. If the district
10 documents that funds remaining in a county will be sufficient
11 to meet current demand and projected growth, the district may
12 transfer excess funds to another county office. If the
13 department determines that funds remaining in a district will
14 be sufficient to meet current demand and projected growth, the
15 department may transfer excess funds to another district.

16 b. Nothing in this section shall be construed or is
17 intended as, or shall imply a grant of entitlement for
18 services to persons who are eligible for assistance due to an
19 income level which is equal to or less than 150 percent of the
20 federal office of management and budget poverty guidelines for
21 families. Any state obligation to provide services pursuant
22 to this section is limited to the extent of the funds
23 appropriated under this section.

24 Sec. 7. TRANSITIONAL CHILD CARE ASSISTANCE.

25 There is appropriated from the general fund of the state to
26 the department of human services for the fiscal year beginning
27 July 1, 1990, and ending June 30, 1991, the following amount,
28 or so much thereof as is necessary, to be used for the purpose
29 designated:

30 For transitional child care assistance:
31 \$ 250,000

32 Notwithstanding section 239.21, the department of human
33 services shall provide the transitional child care program in
34 accordance with the federal Family Support Act of 1988, Pub.
35 L. No. 100-485, § 302, and applicable federal regulations.

1 Reimbursement for services shall be limited to registered or
2 licensed child day care providers and programs administered by
3 a public or nonpublic school system approved or accredited to
4 provide child day care by the department of education or the
5 state board of regents.

6 Sec. 8. FAMILY DEVELOPMENT AND SELF-SUFFICIENCY GRANT
7 PROGRAM.

8 There is appropriated from the general fund of the state to
9 the department of human services for the fiscal year beginning
10 July 1, 1990, and ending June 30, 1991, the following amount,
11 or so much thereof as is necessary, to be used for the purpose
12 designated:

13 For the family development and self-sufficiency grant
14 program as provided under sections 217.11 and 217.12:

15 \$ 925,000

16 1. No more than 5 percent of the funds appropriated in
17 this section shall be used for administration of the program.
18 Any federal financial participation received by the department
19 for the family development and self-sufficiency grant program
20 shall be used for the purposes designated under the
21 appropriation for aid to dependent children.

22 2. Based upon the annual evaluation report concerning each
23 grantee funded by this appropriation, the family development
24 and self-sufficiency council may use the amount of funds
25 appropriated in excess of the amount required for existing
26 grants to increase existing grants or to fund an evaluation of
27 the program. Grant renewals shall be awarded on or before
28 January 1, 1991.

29 Sec. 9. JOBS PROGRAM.

30 There is appropriated from the general fund of the state to
31 the department of human services for the fiscal year beginning
32 July 1, 1990, and ending June 30, 1991, the following amounts,
33 or so much thereof as is necessary, to be used for the
34 purposes designated:

35 1. For the JOBS program:

1 \$ 3,310,000

2 The department may use up to \$10,000 of the funds
3 appropriated in this section to implement the family friends
4 program in 2 districts to provide mentors for persons
5 receiving aid to families with dependent children under
6 chapter 239.

7 2. For the food stamp employment and training program:
8 \$ 62,000

9 Sec. 10. CHILD SUPPORT RECOVERY.

10 There is appropriated from the general fund of the state to
11 the department of human services for the fiscal year beginning
12 July 1, 1990, and ending June 30, 1991, the following amount,
13 or so much thereof as is necessary, to be used for the purpose
14 designated:

15 For child support recoveries, including salaries, support,
16 maintenance, miscellaneous purposes, and for not more than the
17 following full-time equivalent positions:

18 \$ 2,900,000
19 FTEs 234.5

20 1. The director of human services, within the limitations
21 of the funds appropriated in this section, or funds
22 transferred from the aid to dependent children program for
23 this purpose, may establish new positions and add additional
24 employees to the child support recovery unit when the director
25 determines that both the current and additional employees
26 together can reasonably be expected to recover for the aid to
27 dependent children program and the nonpublic assistance
28 support recovery program more than twice the amount of money
29 required to pay the salaries and support for both the current
30 and additional employees. In the event the director adds
31 additional employees, the department shall demonstrate the
32 cost-effectiveness of the current and additional employees by
33 reporting to the joint human services appropriations
34 subcommittee the ratio of the total amount of administrative
35 costs for child support recoveries to the total amount of the

1 child support recovered.

2 2. The department may enter a cooperative agreement with
3 the judicial department to establish and fund a pilot project
4 of expedited child support orders and modifications. The
5 department may transfer funds appropriated under this section
6 for purposes of implementing the pilot project.

7 3. As a condition, qualification, and limitation of the
8 funds appropriated in this section, the department's share of
9 the federal nonpublic assistance financial incentives received
10 for support recoveries shall be used for the purposes for
11 which funds were appropriated for aid to families with
12 dependent children.

13 4. As a condition, qualification, and limitation of the
14 funds appropriated in this section, in all cases involving
15 paternity determination initiated on or after July 1, 1990, by
16 the child support recovery unit, the unit shall make
17 reasonable efforts to encourage and increase the use of
18 testing involving genetic markers or their equivalent which
19 provide a statistical probability in determining paternity.

20 Sec. 11. COLLECTION SERVICES CENTER.

21 If the Seventy-third General Assembly, 1990 Session, enacts
22 authorizing legislation for the collection services center to
23 remain in the department of human services, there is
24 appropriated from the general fund of the state to the
25 department of human services for the fiscal year beginning
26 July 1, 1990, and ending June 30, 1991, the following amount,
27 or so much thereof as is necessary, to be used for the purpose
28 designated:

29 For the collection services center, including salaries,
30 support, maintenance, miscellaneous purposes, and for not more
31 than the following full-time equivalent positions:

32	\$	260,000
33	FTEs	26.00

34 DIVISION III

35 Sec. 12. JUVENILE INSTITUTIONS.

1 There is appropriated from the general fund of the state to
2 the department of human services for the fiscal year beginning
3 July 1, 1990, and ending June 30, 1991, the following amount,
4 or so much thereof as is necessary, to be used for the
5 purposes designated:

6 For the operation of the state training school and the Iowa
7 juvenile home, including salaries, support, maintenance,
8 miscellaneous purposes, and for not more than the following
9 full-time equivalent positions:

- 10 1. For the Iowa juvenile home at Toledo:
11 \$ 4,518,000
12 FTEs 128.5
13 2. For the state training school at Eldora:
14 \$ 7,809,000
15 FTEs 229.00

16 Sec. 13. FOSTER CARE.

17 There is appropriated from the general fund of the state to
18 the department of human services for the fiscal year beginning
19 July 1, 1990, and ending June 30, 1991, the following amount,
20 or so much thereof as is necessary, to be used for the purpose
21 designated:

22 For foster care:

23 \$ 48,457,000

24 1. As a condition, qualification, and limitation of the
25 funds appropriated in this section, up to \$1,000,000 may be
26 used by the department to provide enhanced funding of services
27 to family foster homes to avert placement of children in group
28 care facilities and at least \$3,010,053 shall be used to
29 provide enhanced funding of services to group care facilities
30 to avert placement of children in more expensive, less
31 appropriate, or out-of-state facilities including \$350,000 for
32 reimbursements to decategorization counties which are
33 designing programs to reduce their counties' use of placements
34 in the Iowa juvenile home, the state training school, and the
35 state mental health institutes.

1 2. The department may use funds appropriated in this
2 section to develop supplemental per diem or performance-based
3 contracts with private group care providers for programs
4 serving children who would otherwise be placed in a state
5 juvenile institution or an out-of-state program. The
6 department shall give priority to serving children whose
7 placement at the state training school or the Iowa juvenile
8 home would cause the state juvenile institution to exceed the
9 population goal established under 1989 Iowa Acts, chapter 318,
10 section 11.

11 3. The department may transfer a portion of the funds
12 appropriated in this section to provide subsidized adoption
13 services or to purchase adoption services, if funds allocated
14 under this section for adoption services are insufficient.

15 4. The department and state court administrator shall work
16 together in implementing an agreement which enables the state
17 to receive funding for eligible cases under the federal Social
18 Security Act, Title IV-E.

19 5. No more than 30 percent of children placed in foster
20 care funded under the federal Social Security Act, Title IV-E,
21 shall be placed in foster care for a period of more than 24
22 months.

23 6. Of the funds appropriated in this section, \$165,000 is
24 allocated for the foster home insurance fund. Notwithstanding
25 section 237.13, the department may use funds appropriated
26 under this section to purchase liability insurance for
27 licensed foster parents in lieu of providing payment for
28 claims filed against the foster home insurance fund, if
29 comparable coverage can be obtained through private insurance.
30 Notwithstanding section 8.33, funds remaining in the foster
31 home insurance fund on June 30, 1991, shall not revert to the
32 general fund but shall remain available for expenditure in the
33 fiscal year beginning July 1, 1991, for the purposes
34 designated.

35 7. The department of human services, the judicial

1 department, the department of education, and representatives
2 of service providers shall continue the committee on children
3 with special service needs. The committee shall be
4 responsible to find placements for children who have
5 exceptional service needs or who have been rejected in
6 previous referrals and who may be at risk of being placed out
7 of state.

8 8. The department may use a portion of the funds
9 appropriated in this section to purchase special services in
10 order to demonstrate whether the services can prevent out-of-
11 home shelter care.

12 9. As a condition, qualification, and limitation of the
13 funds appropriated in this section, within available funds and
14 using outside technical assistance where available, the
15 department shall seek to maximize funding for services
16 available to the state under the federal Social Security Act,
17 Title IV-E. Reimbursement in excess of \$3,081,470 obtained
18 under the federal Social Security Act, Title IV-E, shall not
19 revert to the general fund, but shall be used for the purposes
20 designated in this section. An amount equal to 80 percent of
21 the excess amount shall be transferred from funds appropriated
22 in this section to increase services provided in the
23 appropriation for home-based services in this Act and 20
24 percent shall remain in this appropriation to be used to
25 increase foster care provider reimbursement rates provided
26 that the maximum reimbursement rate paid to group foster care
27 providers is calculated under the cost-based system.

28 10. As a condition, qualification, and limitation of the
29 funds appropriated in this section, the department shall
30 review the need to provide additional day treatment
31 alternatives within the child welfare system and the potential
32 to provide additional services by including day treatment
33 provided by psychiatric medical institutions for children as a
34 service reimbursed under medical assistance. The department
35 shall identify the effect of providing day treatment services

1 reimbursement under medical assistance upon state expenditures
2 for residential treatment and other foster care services. The
3 department may use funds appropriated in this Act for medical
4 assistance to pay the nonfederal share of costs for services
5 reimbursed under medical assistance which are provided in a
6 psychiatric medical institution for children.

7 11. The department may use \$30,000 of the funds
8 appropriated in this section to contract for a study of the
9 effectiveness of needs-based and therapeutic family foster
10 care and enhanced residential care.

11 12. As a condition, qualification, and limitation of the
12 funds appropriated in this section, the department shall
13 develop a therapeutic foster care program in at least 1
14 district in the state. The program's foster care worker
15 support staff shall serve no more than 7 foster families and
16 shall provide respite and special support services to foster
17 parents to enable them to serve in an active treatment
18 capacity with the children under their care. Of the funds
19 appropriated in this section, up to \$200,000 shall be used for
20 therapeutic foster care reimbursement.

21 13. Funds appropriated in this section may be used to
22 recruit foster parents and to implement a pilot project
23 utilizing the "Model Approach to Partnership in Parenting"
24 preservice training for foster parents.

25 14. Of the funds appropriated in this section, up to
26 \$140,000 may be used to develop and maintain the state's
27 implementation of the national adoption and foster care
28 information system pursuant to the requirements of Pub. L. No.
29 99-509.

30 15. As a condition, qualification, and limitation of the
31 funds appropriated in this section, the department shall
32 establish a family foster care advisory committee to examine
33 department practices and policies to improve the recruitment
34 and retention of foster parents, provide training and
35 professional guidance where appropriate, and seek the

1 involvement of family foster care providers in designing,
2 developing, and participating in the creation of therapeutic
3 foster family homes. The department shall review initiatives
4 of other states in recruiting foster parents from appropriate
5 families who are recipients of public assistance. In
6 consultation with the advisory committee, the department shall
7 seek federal waivers and make program modifications as
8 necessary to develop a similar program for Iowa upon receiving
9 federal approval to do so.

10 16. As a condition, qualification, and limitation of the
11 funds appropriated in this section, the department shall seek
12 outside funding support to continue foster care payments to
13 foster families and foster care youths in independent living
14 situations, if the youths wish to pursue a postsecondary
15 education upon turning 18 years of age and eligibility for
16 foster care payments expires. In consultation with the family
17 foster care advisory committee, the department shall report on
18 options available to the state to provide assistance to foster
19 families and foster care youths who wish to pursue a
20 postsecondary education when the youths reach 18 years of age.

21 17. As a condition, qualification, and limitation of the
22 funds appropriated in this section, the department shall
23 establish specialized family foster care homes and provide
24 specialized support and respite services to qualifying foster
25 care families who accept infants with chemical addictions from
26 intrauterine transmission who would otherwise remain in a
27 hospital.

28 18. As a condition, qualification, and limitation of the
29 funds appropriated in this section, the department shall
30 continue the demonstration program to decategorize child
31 welfare services in the 2 counties in which the program has
32 commenced. The department shall implement the demonstration
33 program in Dubuque and Pottawattamie counties, which have
34 submitted letters of intent, if the department, the boards of
35 supervisors in the counties, and the affected judicial

1 districts agree to implement the program. The schedule for
2 implementing the demonstration program in the 2 additional
3 counties shall provide that the program be implemented on or
4 after July 1, 1990. The department shall establish for the
5 demonstration project counties a child welfare fund composed
6 of all or part of the amount that would otherwise be expected
7 to be used for residents of the counties for foster care,
8 family-centered services, subsidized adoption, day care, local
9 purchase of services, juvenile institutional care, mental
10 health institute care, state hospital-school care, juvenile
11 detention, department-direct services, and juvenile justice
12 county-based reimbursable services and notwithstanding any
13 other provision of law, the fund shall be considered
14 encumbered. With the approval of the department, a
15 demonstration project county may elect to transfer to the
16 child welfare fund other child welfare funding provided for
17 treatment services to youth under Title XIX of the federal
18 Social Security Act, including funding for psychiatric
19 hospital services. Notwithstanding other service funding
20 provisions in law, the department shall establish the fund by
21 transferring funds from the budgets affected, except for the
22 funds appropriated for the state mental health institutes, the
23 state hospital-schools, the state training school, and the
24 Iowa juvenile home which shall remain on account for the
25 county at these institutions. The child welfare fund may be
26 used to support services and payment rates not allowable
27 within historical program or service categories. The
28 department shall work with demonstration project county boards
29 of supervisors and judicial districts to provide training for
30 the project, and shall use technical assistance provided by
31 the national conference of state legislatures and the center
32 for the study of social policy. It is the intent of the
33 general assembly that the demonstration program be designed to
34 operate in a county for a 3-year period. The 3-year time
35 period for a decategorization project in Dubuque, Polk,

1 Pottawattamie, or Scott county shall be considered to begin on
2 January 1 in the first year following the year in which the
3 county's decategorization project was approved by the
4 department.

5 Sec. 14. CHILD PROTECTIVE SYSTEM IMPROVEMENTS.

6 There is appropriated from the general fund of the state to
7 the department of human services for the fiscal year beginning
8 July 1, 1990, and ending June 30, 1991, the following amounts,
9 or so much thereof as is necessary, to be used for the
10 purposes designated:

11 For improvements in the state system for child protection:

12 1. For general administration of the department to improve
13 staff training efforts:

14 \$ 420,000

15 2. For funding required to oversee termination of parental
16 rights and permanency planning efforts on a statewide basis on
17 the condition that regular reports regarding the statewide
18 program efforts shall be provided to the legislative fiscal
19 bureau:

20 \$ 120,000

21 FTEs 3.00

22 3. For use by the department in general administration to
23 promote innovative treatment programs, write grants to obtain
24 federal and private funding, and promote public and private
25 efforts to treat and prevent child abuse:

26 \$ 40,000

27 FTEs 1.00

28 4. For personnel, assigned by the attorney general, to
29 provide additional services relating to termination of
30 parental rights and child in need of assistance cases:

31 \$ 88,000

32 5. For funding of the state multidisciplinary team to
33 assist with difficult cases within the child abuse and foster
34 care system and with respect to child protective investigation
35 and initial case planning and to develop and coordinate local

1 multidisciplinary teams:

2 \$ 75,000

3 6. For use by the department in conducting outcome-
4 oriented evaluations of child protection, prevention, and
5 treatment programs:

6 \$ 35,000

7 7. For a statewide conference on the issue of providing
8 reasonable efforts. The conference shall involve members of
9 the general assembly, juvenile court judges and officers,
10 workers in the child welfare and foster care system, and
11 executive branch officials. The department shall seek support
12 from the national conference of state legislatures, the
13 national governor's association, and private foundations in
14 conducting the conference:

15 \$ 10,000

16 Sec. 15. HOME-BASED SERVICES.

17 There is appropriated from the general fund of the state to
18 the department of human services for the fiscal year beginning
19 July 1, 1990, and ending June 30, 1991, the following amount,
20 or so much thereof as is necessary, to be used for the purpose
21 designated:

22 For home-based services on the condition that family
23 planning services are funded, provided that if the department
24 amends the allocation to a program funded under this section,
25 then the department shall promptly notify the legislative
26 fiscal bureau of the change:

27 \$ 11,290,000

28 1. Of the funds appropriated in this section, \$30,000 may
29 be used by the department to contract with universities to
30 provide ongoing research and evaluation assistance to programs
31 and initiatives of the department involving family-centered
32 services and foster care. The contracts shall make maximum
33 use of any matching resources available from the universities
34 with which the department contracts.

35 2. Of the funds appropriated in this section, \$3,486,087

1 shall be used for family preservation and reunification
2 services pilot projects. A portion of the funds shall be used
3 to maintain service levels in existing family preservation
4 projects and to expand the projects to provide postplacement
5 reunification services to families participating in the
6 projects. A portion of the funds shall be used to contract
7 for the purchase of family preservation services in the
8 department's Mason City district, in remaining counties of the
9 Des Moines district, and to intensify services in 2 districts
10 of the department, following review by the statewide family
11 preservation and decategorization committee. A limited amount
12 of the funds may be used for the family assistance fund to
13 provide other resources required for a family participating in
14 a project to stay together or to be reunified. Not more than
15 \$70,000 of the funds appropriated in this section shall be
16 used to provide training for pilot project employees. The
17 payment system for the project shall not be based upon units
18 of time, but may be based upon the cost to serve a family,
19 including adjustments according to the provider's performance
20 and the outcome of the services provided to each family. The
21 department shall continue to develop both the family
22 preservation and the decategorization projects in consultation
23 with professionals in the child welfare field and using
24 outside technical assistance from the national conference of
25 state legislatures and the center for the study of social
26 policy. The department shall use the statewide family
27 preservation and decategorization committee to assist in
28 selecting additional projects.

29 Sec. 16. COMMUNITY-BASED PROGRAMS.

30 There is appropriated from the general fund of the state to
31 the department of human services for the fiscal year beginning
32 July 1, 1990, and ending June 30, 1991, the following amount,
33 or so much thereof as is necessary, to be used for the purpose
34 designated:

35 For community-based programs on the condition that the

1 prevention grants relating to adolescent pregnancy are funded:
2 \$ 3,324,000

3 1. As a condition, qualification, and limitation of the
4 funds appropriated in this section, up to \$250,900 shall be
5 used by the department as the entitled aid from the state
6 under section 232.142, subsection 3, for the cost of the
7 establishment, improvement, operation, and maintenance of
8 approved county or multicounty juvenile homes.

9 2. Of the funds appropriated in this section, \$523,500
10 shall be used for adolescent pregnancy prevention grants. At
11 least 75 percent of the funds shall be used for programs which
12 incorporate family planning and pregnancy prevention services
13 as the major component of the program. The department shall
14 not expend more than 7 percent of the funds for administrative
15 costs. The department shall adopt rules to implement this
16 subsection. A grant may be awarded to a public school
17 corporation, a maternal and child health center, an adolescent
18 services provider, or a nonprofit organization which is
19 involved in adolescent issues. Grants shall be awarded for a
20 1-year period and targeted to provide services primarily in
21 the 7 counties with the greatest incidence of adolescent
22 pregnancy. Preference in awarding grants shall be given to
23 projects which utilize a variety of community resources and
24 agencies.

25 a. As used in this subsection, "adolescent" means a person
26 who is less than 18 years of age or a person who is attending
27 an accredited high school and pursuing a course of study which
28 will lead to a high school diploma or its equivalent. The
29 department shall establish guidelines which permit a grant
30 recipient to continue providing services to a person who
31 receives services under the grant as an adolescent and becomes
32 18 years of age or older.

33 b. A grant shall only be awarded to a project which
34 provides 1 or more of the following services:

- 35 (1) Workshops and information programs for adolescents and

1 parents of adolescents to improve communication between
2 children and parents regarding human sexuality issues.

3 (2) Development and distribution of informational material
4 designed to discourage adolescent sexual activity, to provide
5 information regarding acquired immune deficiency syndrome and
6 sexually transmitted diseases, and to encourage male and
7 female adolescents to assume responsibility for their sexual
8 activity and parenting.

9 (3) Early pregnancy detection, prenatal services including
10 chlamydia testing, and counseling regarding decision-making
11 options for pregnant adolescents.

12 (4) Case management and child care services provided to
13 male and female adolescent parents.

14 c. Additional services may be offered by a grantee
15 pursuant to a purchase of service contract with the department
16 including any of the following: child day care services;
17 child development and parenting instruction; services to
18 support high school completion, job training, and job
19 placement; prevention of additional pregnancies during
20 adolescence; and other personal services.

21 3. As a condition, qualification, and limitation of the
22 funds appropriated in this section, at least \$250,000 shall be
23 used to provide grants administered in accordance with the
24 provisions for adolescent pregnancy prevention grants, except
25 for requirements to target certain specific geographic areas
26 of the state. The grants shall be awarded to fund any of the
27 following purposes:

28 a. Programs targeted to children. A program must include
29 the following: components for parental involvement; parental
30 education, including techniques for encouraging sexual
31 abstinence; outreach services for recruiting parents and
32 children into the program; and the provision of transportation
33 to program staff and participants necessary for recruiting and
34 encouraging program participation.

35 b. Programs intended to prevent an additional pregnancy by

1 a parent who is less than 19 years of age. Preference in
2 grant awards shall be given to programs which provide
3 financial incentives to clients for their program
4 participation and success in avoiding an additional pregnancy.

5 c. Providing additional pregnancy prevention grants.
6 Preference in grant awards shall be given to programs which,
7 in addition to other services, provide counseling to mixed
8 gender groups of adolescents.

9 5. As a condition, qualification, and limitation of the
10 funds appropriated in this section, \$550,686 shall be used by
11 the department for child abuse prevention grants.

12 Sec. 17. BLOCK GRANT SUPPLEMENTATION.

13 There is appropriated from the general fund of the state to
14 the department of human services for the fiscal year beginning
15 July 1, 1990, and ending June 30, 1991, the following amount,
16 or so much thereof as is necessary, to be used for the purpose
17 designated:

18 For supplementation of federal social services block grant
19 funds and for allocation to the various counties for the
20 purchase of local services:

21 \$ 4,643,000

22 The funds appropriated in this section shall be allocated
23 to the counties pursuant to the rules of the department in
24 effect on January 1, 1985. The department shall increase the
25 income guidelines for income eligible persons receiving
26 services funded with federal social services block grant funds
27 for the fiscal year beginning July 1, 1990, by the same
28 percentage and at the same time as federal social security
29 benefits are increased due to a recognized increase in the
30 cost of living.

31 Sec. 18. JUVENILE JUSTICE.

32 There is appropriated from the general fund of the state to
33 the department of human services for the fiscal year beginning
34 July 1, 1990, and ending June 30, 1991, the following amount,
35 or so much thereof as is necessary, to be used for the purpose

1 designated:

2 For juvenile justice expenditures pursuant to section
3 232.141, subsection 4:

4 \$ 5,385,000

5 As a condition, qualification, and limitation of the funds
6 appropriated in this section, the department shall submit
7 quarterly reports to the fiscal committee of the legislative
8 council which provide the expenditures of the funds
9 appropriated in this section for each judicial district.

10 Sec. 19. IOWA VETERANS HOME.

11 There is appropriated from the general fund of the state to
12 the department of human services for the fiscal year beginning
13 July 1, 1990, and ending June 30, 1991, the following amount,
14 or so much thereof as is necessary, to be used for the purpose
15 designated:

16 For operation of the Iowa veterans home, including
17 salaries, support, maintenance, miscellaneous purposes, and
18 for not more than the following full-time equivalent posi-
19 tions:

20 \$ 28,680,000

21 FTEs 836.87

22 The department may use the gifts accepted by the director
23 of human services pursuant to section 218.96 and other
24 resources available to the department for use at the Iowa
25 veterans home for purposes identified by the department.

26 Sec. 20. IOWA VETERANS HOME -- AUTOMATED CLINICAL
27 INFORMATION SYSTEM.

28 There is appropriated from the general fund of the state to
29 the department of human services for the fiscal year beginning
30 July 1, 1990, and ending June 30, 1991, the following amount,
31 or so much thereof as is necessary, to be used for the purpose
32 designated:

33 For costs related to the purchase and implementation of an
34 automated clinical information system at the Iowa veterans
35 home:

1 \$ 176,000

2 DIVISION IV

3 Sec. 21. MENTAL HEALTH INSTITUTES.

4 There is appropriated from the general fund of the state to
5 the department of human services for the fiscal year beginning
6 July 1, 1990, and ending June 30, 1991, the following amounts,
7 or so much thereof as is necessary, to be used for the
8 purposes designated:

9 For the state mental health institutes for salaries,
10 support, maintenance, miscellaneous purposes, and for not more
11 than the following full-time equivalent positions:

12 1. State mental health institute at Cherokee:

13 \$ 15,158,000
14 FTEs 409.33

15 As a condition, qualification, and limitation of the funds
16 appropriated in this subsection, up to \$850,000 shall be used
17 to phase in new residential treatment programs for adolescents
18 who are substance abusers and to develop secure beds for
19 juveniles placed at the state mental health institute at
20 Cherokee.

21 2. State mental health institute at Clarinda:

22 \$ 7,442,000
23 FTEs 192.06

24 3. State mental health institute at Independence:

25 \$ 15,033,000
26 FTEs 424.77

27 4. State mental health institute at Mount Pleasant:

28 \$ 8,490,000
29 FTEs 207.5

30 Sec. 22. HOSPITAL-SCHOOLS.

31 There is appropriated from the general fund of the state to
32 the department of human services for the fiscal year beginning
33 July 1, 1990, and ending June 30, 1991, the following amounts,
34 or so much thereof as is necessary, to be used for the
35 purposes designated:

1 For the state hospital-schools, for salaries, support,
2 maintenance, miscellaneous purposes, and for not more than the
3 following full-time equivalent positions:

- 4 1. State hospital-school at Glenwood:
- 5 \$ 38,044,000
- 6 FTEs 1,178.00
- 7 2. State hospital-school at Woodward:
- 8 \$ 31,383,000
- 9 FTEs 957.3

10 Sec. 23. MENTAL HEALTH AND MENTAL RETARDATION SERVICES
11 FUND.

12 There is appropriated from the general fund of the state to
13 the state community mental health and mental retardation
14 services fund established in section 225C.7 for the fiscal
15 year beginning July 1, 1990, and ending June 30, 1991, the
16 following amount, or so much thereof as is necessary:

17 \$ 3,255,000

18 1. Not more than \$30,000 of the funds appropriated in this
19 section shall be used to support counseling services employing
20 veterans to counsel veterans afflicted with delayed stress
21 syndrome and their families.

22 2. Notwithstanding section 225C.7, subsection 2, \$130,000
23 of the funds appropriated in this section shall not be divided
24 into 2 parts, but shall be used only for grants under the
25 special allocation of the state community mental health and
26 mental retardation services fund.

27 Sec. 24. MENTAL HEALTH -- MENTAL RETARDATION -- DE-
28 VELOPMENTAL DISABILITIES SPECIAL SERVICES.

29 There is appropriated from the general fund of the state to
30 the department of human services for the fiscal year beginning
31 July 1, 1990, and ending June 30, 1991, the following amount,
32 or so much thereof as is necessary, to be used for the purpose
33 designated:

34 For mental health, mental retardation, and developmental
35 disabilities special services:

1 \$ 975,000

2 1. The department and the Iowa finance authority shall
3 develop methods to implement financing for community-based
4 intermediate care facilities for the mentally retarded and
5 residential care facilities for the mentally retarded. The
6 department shall develop criteria for these facilities which
7 will include provisions to restrict placements to current
8 state hospital-school clients and to avert the placement of
9 persons in a state hospital-school. The department of human
10 services shall assure that clients are referred to the
11 facility upon development.

12 2. Of the funds appropriated in this section, \$550,000 is
13 allocated to provide supplemental per diems to community-based
14 residential care facilities. The per diem is restricted to
15 clients placed from the state hospital-schools and persons
16 averted from placement in a state hospital-school who meet the
17 appropriate level of functioning for this type of care.

18 3. Of the funds appropriated in this section, \$200,000 is
19 allocated to provide funds for construction and start-up costs
20 to develop community living arrangements to provide for
21 persons who are mentally ill and homeless. These funds may be
22 used to match Federal Stewart B. McKinney Homeless Assistance
23 Act grant funds.

24 4. Of the funds appropriated in this section, \$150,000 is
25 allocated to provide supplemental per diems for community
26 living arrangements developed under subsection 3.

27 5. As a condition, qualification, and limitation of the
28 funds appropriated in this section, \$75,000 shall be used by
29 the department to contract to provide technical assistance
30 services to counties and service providers in strategic
31 planning and implementation of community-based services for
32 persons with mental retardation, mental illness, or
33 developmental disabilities. A 13-member technical assistance
34 panel shall determine the types and methods of technical
35 assistance to be provided within available funding. The

1 options considered by the panel shall include but are not
2 limited to needs identified by individual counties, service
3 providers, and the department of human services. The panel
4 membership shall consist of the following persons:

5 a. 5 persons appointed by the Iowa state association of
6 counties.

7 b. 3 persons, including 1 person who is a county human
8 services director, appointed by the director of the department
9 of human services.

10 c. 1 person appointed by the community mental health
11 centers association of Iowa.

12 d. 1 person appointed by the governor's planning council
13 on developmental disabilities.

14 e. 1 person appointed by the mental health and mental
15 retardation commission.

16 f. 1 person appointed by the human needs advocates
17 organization.

18 g. 1 person appointed by the Iowa association of
19 rehabilitation and residential facilities.

20 6. As a condition, qualification, and limitation of the
21 funds appropriated in this section, the department shall adopt
22 rules pursuant to chapter 17A providing for reimbursement
23 under state supplementary assistance to pay for supervised
24 apartment living and cooperative housing arrangements for
25 persons with mental retardation, mental illness, or
26 developmental disabilities. The rules shall take effect July
27 1, 1991.

28 Sec. 25. FAMILY SUPPORT SUBSIDY PROGRAM.

29 There is appropriated from the general fund of the state to
30 the department of human services for the fiscal year beginning
31 July 1, 1990, and ending June 30, 1991, the following amount,
32 or so much thereof as is necessary, to be used for the purpose
33 designated:

34 For the family support subsidy program:
35 \$ 590,000

1 As a condition, qualification, and limitation of the funds
2 appropriated in this section, the department shall study the
3 effect of establishing an eligibility spend-down provision for
4 the family support subsidy program which is similar to
5 eligibility spend-down provisions used for other public
6 assistance programs. The study shall provide recommendations
7 to address the needs of families who meet the family support
8 subsidy program eligibility criteria except for income level
9 and have extraordinary medical or other expenses as a result
10 of caring for a child with a disability in their home.

11 Sec. 26. SPECIAL NEEDS GRANTS.

12 There is appropriated from the general fund of the state to
13 the department of human services for the fiscal year beginning
14 July 1, 1990, and ending June 30, 1991, the following amount,
15 or so much thereof as is necessary, to be used for the purpose
16 designated:

17 To provide special needs grants to families with a family
18 member at home who has a developmental disability or to a
19 person with a developmental disability:

20 \$ 55,000

21 Grants must be used by a family to defray special costs of
22 caring for the family member to prevent out-of-home placement
23 of the family member or to provide for independent living
24 costs. A grant may provide up to \$5,000 per person for costs
25 associated with an assistive animal. The grants may be
26 administered by a private nonprofit agency which serves people
27 statewide provided that no administrative costs are received
28 by the agency. Regular reports regarding coordination of the
29 special needs grants with the family support subsidy program
30 shall be provided to the legislative fiscal bureau.

31 Sec. 27. ENHANCED MENTAL HEALTH -- MENTAL RETARDATION --
32 DEVELOPMENTAL DISABILITIES SERVICES.

33 There is appropriated from the general fund of the state to
34 the department of human services for the fiscal year beginning
35 July 1, 1990, and ending June 30, 1991, the following amount,

1 or so much thereof as is necessary, to be used for the purpose
2 designated:

3 For the state candidate services fund:

4 \$ 2,630,000

5 1. The enhanced mental health, mental retardation, and
6 developmental disabilities services plan oversight committee
7 is continued, as established under 1988 Iowa Acts, chapter
8 1276, section 14, subsection 1, for the fiscal year which
9 begins July 1, 1990, and ends June 30, 1991. The oversight
10 committee shall issue a final decision regarding any issue of
11 disagreement between a county and the department relating to
12 expenditures for candidate services or the county's
13 maintenance of effort.

14 2. For purposes of this section, "candidate services"
15 means rehabilitation services, day treatment, partial
16 hospitalization, and case management. Behavior management
17 services shall be included in the state Title XIX plan as a
18 candidate service if recommended by the oversight committee.

19 3. a. The county of legal settlement shall be billed for
20 50 percent of the nonfederal share of the cost of case
21 management provided to adults, rehabilitation services, day
22 treatment, and partial hospitalization provided under the
23 medical assistance program for persons with mental
24 retardation, a developmental disability, or chronic mental
25 illness.

26 b. If the department has contracted with a county or a
27 consortium of counties to be the provider of case management
28 services, the department is responsible for any costs included
29 within the unit rate for case management services which are
30 disallowed for reimbursement pursuant to Title XIX of the
31 federal Social Security Act by the federal health care
32 financing administration. The department shall use funds
33 appropriated under this section to credit a county for the
34 county's share of any amounts overpaid due to the disallowed
35 costs. If certain costs are disallowed due to requirements or

1 preferences of a particular county in the provision of case
2 management services the county shall not receive credit for
3 the amount of the costs.

4 4. A county is responsible to continue to expend at least
5 the agreed upon amount expended for candidate services in the
6 fiscal year which ended June 30, 1987, for the fiscal year
7 beginning July 1, 1990, for services to persons with mental
8 retardation, a developmental disability, or chronic mental
9 illness. If a county does not expend the agreed upon amount
10 in the fiscal year, the balance not expended shall not revert
11 to the general fund of the county, but shall be carried over
12 to the next fiscal year to be expended for the provision of
13 services to persons with mental retardation, a developmental
14 disability, or mental illness including, but not limited to,
15 the chronically mentally ill, and shall be used as additional
16 funds. The additional funds shall be used, to the greatest
17 extent possible, to meet unmet needs of persons with mental
18 retardation, a developmental disability, or mental illness.
19 This subsection does not relieve the county from any other
20 funding obligations required by law, including but not limited
21 to the obligations in section 222.60.

22 5. a. Notwithstanding section 8.33, funds appropriated in
23 this section which are unobligated or unencumbered on June 30,
24 1991, shall not revert to the general fund but shall be
25 deposited in the state community mental health and mental
26 retardation services fund for use in the fiscal year beginning
27 July 1, 1991. It is the intent of the general assembly that
28 the funds deposited in the state community mental health and
29 mental retardation services fund for this purpose shall be
30 used in addition to moneys appropriated in the fiscal year
31 beginning July 1, 1990, for this purpose.

32 b. Notwithstanding section 8.39, funds appropriated in
33 this Act for the state mental health institutes and for the
34 state hospital-schools shall not be subject to transfer,
35 except to the state candidate services fund after January 1,

1 1991, subsequent to a reevaluation of the institutional
2 budgets for the remainder of the fiscal year.

3 6. The department, in conjunction with the oversight
4 committee, and with the agreement of each county, shall
5 establish the actual amount expended for each candidate
6 service for persons with mental retardation, a developmental
7 disability, or chronic mental illness in the fiscal year which
8 ended June 30, 1987, and this amount shall be deemed each
9 county's base year expenditure for the candidate service. A
10 disagreement between the department and a county as to the
11 actual amount expended shall be decided by the oversight
12 committee.

13 The department, in conjunction with the oversight
14 committee, and with the agreement of each county, shall
15 determine the expenditures in the fiscal year beginning July
16 1, 1990, by each county for the candidate services, including
17 the amount the county contributes under subsection 3. If the
18 expenditures in the fiscal year beginning July 1, 1990, exceed
19 the base year expenditures for candidate services, then the
20 county shall receive from the funds appropriated under this
21 section the least amount of the following:

- 22 a. The difference between the total expenditures for the
23 candidate services in the fiscal year beginning July 1, 1990,
24 and the base year expenditures.
- 25 b. The amount expended by the county under subsection 3.
- 26 c. The amount by which total expenditures for persons with
27 mental retardation, a developmental disability, or chronic
28 mental illness for the fiscal year beginning July 1, 1990,
29 less any carryover amount from the fiscal year which began
30 July 1, 1989, exceed the maintenance of effort expenditures
31 under subsection 4.

32 7. Notwithstanding section 225C.20, case management
33 services shall be provided by the department except when a
34 county or a consortium of counties contracts with the
35 department to provide the services. A county or consortium of

1 counties may contract to be the provider at any time and the
2 department shall agree to the contract so long as the contract
3 meets the standards for case management adopted by the
4 department. The county or consortium of counties may
5 subcontract for the provision of case management services if
6 the subcontract meets the same standards. A mental health,
7 mental retardation, and developmental disabilities
8 coordinating board may change the provider of individual case
9 management services at any time. If the current or proposed
10 contract is with the department, the coordinating board shall
11 provide written notification of a proposed change to the
12 department on or before August 15 and written notification of
13 an approved change on or before October 15 in the fiscal year
14 which precedes the fiscal year in which the change will take
15 effect.

16 8. This section does not relieve the county from any other
17 funding obligations required by law, including but not limited
18 to the obligations in section 222.60.

19 9. Nothing in this Act is intended by the general assembly
20 to be the provision of a fair and equitable funding formula
21 specified in 1985 Iowa Acts, chapter 249, section 9. Nothing
22 in this Act shall be construed, is intended, or shall imply a
23 claim of entitlement to any programs or services specified in
24 section 225C.28.

25 10. For the purposes of this section only, persons with
26 organic mental disorders shall not be considered chronically
27 mentally ill.

28 11. Where the department contracts with a county or
29 consortium of counties to provide case management services,
30 the state shall appear and defend the department's employees
31 and agents acting in an official capacity on the department's
32 behalf and the state shall indemnify the employees and agents
33 for acts within the scope of their employment. The state's
34 duties to defend and indemnify shall not apply if the conduct
35 upon which any claim is based constitutes a willful and wanton

1 act or omission or malfeasance in office.

2 DIVISION V

3 Sec. 28. FIELD OPERATIONS.

4 There is appropriated from the general fund of the state to
5 the department of human services for the fiscal year beginning
6 July 1, 1990, and ending June 30, 1991, the following amount,
7 or so much thereof as is necessary, to be used for the purpose
8 designated:

9 For field operations, including salaries, support,
10 maintenance, miscellaneous purposes, and for not more than the
11 following full-time equivalent positions:

12	\$ 41,963,000
13	FTEs 2,318.50

14 1. Staff who are designated as "Title XIX case management
15 staff" are considered to be in addition to the limit for full-
16 time equivalent positions and the funds appropriated for field
17 operations. As a condition, qualification, and limitation of
18 the funds appropriated in this section, the department shall
19 report quarterly to the chairpersons and ranking members of
20 the legislative fiscal committee of the legislative council,
21 the members of the joint appropriations subcommittee on human
22 services, and the legislative fiscal bureau regarding the
23 total number of Title XIX case management staff positions
24 filled, including the number of positions which were filled by
25 persons who were already employed by the department in another
26 capacity.

27 2. As a condition, qualification, and limitation of the
28 funds appropriated in this section, upon the request of a
29 county, the department shall work with the county to develop a
30 funding plan for persons with mental retardation, a
31 developmental disability, or chronic mental illness who are
32 not eligible to receive case management provided under the
33 medical assistance program and are receiving service
34 management. With an agreed upon funding plan, the department
35 is authorized to combine state funds that would otherwise be

1 expended on service management with county funds to upgrade
2 services provided to the persons from service management to
3 case management. Staff required to implement this subsection
4 are not subject to the limitations on full-time equivalent
5 positions and funds appropriated for field operations.

6 3. a. As a condition, qualification, and limitation of
7 the funds appropriated in this section, the director of human
8 services shall, no later than August 10, 1990, and by the 10th
9 of each subsequent month, project the number of staff
10 terminations in the field operations unit which are expected
11 to occur during the succeeding 90 days. This projection shall
12 be based upon the number of terminations which have occurred
13 in the unit during the preceding 90 days, and other relevant
14 factors. The director shall review the projection and the
15 current number of vacant positions and shall initiate hiring
16 as many field operations staff as are required to maintain the
17 vacancy factor at a level which is no higher than 5 percent
18 during the following 90-day period, based upon the budgeted
19 full-time equivalent position level. The director shall
20 report monthly to the chairpersons and ranking members of the
21 joint human services appropriations subcommittee and to the
22 legislative fiscal bureau concerning the projected number of
23 terminations, the number of vacant full-time equivalent
24 positions, the number of full-time equivalent positions in the
25 process of being hired, and other information needed by the
26 legislative fiscal bureau to determine compliance with the
27 provisions of this section.

28 b. The director of human services, the director of the
29 department of personnel, and the director of the department of
30 management shall by August 1, 1990, meet to develop changes in
31 policies and procedures which can be implemented
32 administratively to improve the hiring process for the field
33 operations unit of the department of human services, in order
34 that all budgeted full-time equivalent positions are filled
35 and that the budgeted caseweight levels for employees are

1 maintained. These changes shall be implemented as soon as is
2 practicable and shall be reported to the chairpersons and
3 ranking members of the joint human services appropriation
4 subcommittee and the legislative fiscal bureau prior to
5 implementation.

6 4. As a condition, qualification, and limitation of the
7 funds appropriated in this section, if the field operations
8 staffing level meets the funded full-time equivalent position
9 limit authorized in this section and a district identifies a
10 critical position vacancy or a position with a caseweight
11 factor greater than 120 percent of the budgeted caseweight
12 factor for the position, the director of human services may
13 exceed the full-time equivalent position limit authorized
14 under this section in the amount necessary to fill the
15 critical position vacancy or to reduce the caseweight factor
16 to the budgeted level. For purposes of this subsection,
17 "critical position vacancy" includes a clerical position in an
18 office limited to a single clerical staff position. The
19 budgeted caseweight factor for the fiscal year beginning July
20 1, 1990, and ending June 30, 1991, is 163 for income
21 maintenance workers and 170 for social workers. In addition,
22 if the field operations staffing level meets the funded full-
23 time equivalent position limit authorized in this section and
24 there is a critical position vacancy in the state or the
25 statewide average caseweight factor for a particular type of
26 position exceeds 105 percent of the budgeted caseweight factor
27 for that type of position, the director of human services may
28 exceed the full-time equivalent position limit authorized in
29 this section in an amount necessary to fill the critical
30 position vacancy or to reduce the caseweight factor to the
31 budgeted level. The department shall report monthly to the
32 chairpersons and ranking members of the joint human services
33 appropriations subcommittee and to the legislative fiscal
34 bureau regarding caseweight factor computations in each
35 district, the statewide average caseweight factor, the

1 existence of a critical vacancy in any district, and action
2 taken by the department to address any critical position
3 vacancy problem or excess caseweight factor.

4 5. Notwithstanding the full-time equivalent position limit
5 authorized in this section, a county implementing a
6 decategorization project, consistent with the county's
7 decategorization plan, may modify the staffing level in the
8 county's human services office and the modification shall not
9 affect other county or district human services staffing levels
10 and shall not be considered to be subject to the full-time
11 equivalent position limit in this section.

12 6. As a condition, qualification, and limitation of the
13 funds appropriated in this section, at least 2 FTEs provided
14 in this section shall be used to expand early preventive
15 screening, diagnosis, and treatment outreach service efforts
16 and to provide additional educational efforts for major
17 providers of services to pregnant women and children.

18 7. It is the intent of the general assembly that
19 eligibility workers shall be present in at least 3 additional
20 high volume health care sites to process applications for
21 medical assistance eligibility at those sites.

22 8. As a condition, qualification, and limitation of the
23 funds appropriated in this section, up to \$100,000 shall be
24 used for a study of caseweight factors, including staffing
25 needs. The department shall work with the department of
26 personnel in conducting the study, including any study
27 component involving a request for proposals to retain a
28 consultant.

29 Sec. 29. GENERAL ADMINISTRATION.

30 There is appropriated from the general fund of the state to
31 the department of human services for the fiscal year beginning
32 July 1, 1990, and ending June 30, 1991, the following amount,
33 or so much thereof as is necessary, to be used for the purpose
34 designated:

35 For general administration, including salaries, support,

1 maintenance, miscellaneous purposes, and for not more than the
2 following full-time equivalent positions:

3	\$	9,000,000
4	FTEs	350.95

5 1. Full-time equivalent positions which are funded
6 entirely with federal, public, or private grants, or the
7 gamblers assistance fund established in section 99E.10 are
8 exempt from the limits on the number of full-time equivalent
9 positions provided in this section, but are approved only for
10 the period of time for which the federal funds or grants are
11 available for the position.

12 2. As a condition, qualification, and limitation of the
13 funds appropriated in this section, 1 FTE shall be filled by a
14 homeless programs coordinator.

15 3. As a condition, qualification, and limitation of the
16 funds appropriated in this section, if a state institution
17 administered by the department is to be closed or reduced in
18 size, prior to the closing or reduction the department shall
19 initiate and coordinate efforts in cooperation with the
20 department of economic development to develop new jobs in the
21 area in which the state institution is located.

22 4. As a condition, qualification, and limitation of the
23 funds appropriated in this section, not more than \$38,000
24 shall be used for staff assigned to develop home and
25 community-based waivers under the federal-state medicaid
26 program. The department shall identify experienced staff to
27 develop the waivers, and shall consult with service providers,
28 advocates, and other interested parties in developing the
29 waivers.

30 5. As a condition, qualification, and limitation of the
31 funds appropriated in this section, the department shall seek
32 federal approval of home and community-based waivers for
33 services provided under medical assistance to persons with
34 mental retardation, mental illness, or developmental
35 disabilities.

1 6. As a condition, qualification, and limitation of the
2 funds appropriated in this section, the department of human
3 services, in consultation with the general assembly health
4 care expansion task force, the governor's task force on the
5 uninsured, and the Iowa department of public health, shall
6 explore opportunities for state participation in authorized
7 federal demonstration programs directed toward low-income
8 children. The department shall submit a report of its
9 findings to the governor and the general assembly on or before
10 January 2, 1991.

11 7. As a condition, qualification, and limitation of the
12 funds appropriated in this section, in cooperation with the
13 department of human rights, division of community action
14 agencies, and the Iowa department of public health, community
15 health division, the department of human services shall
16 develop a proposal outlining necessary actions to simplify and
17 integrate the exchange of information across major programs
18 serving the health and nutrition needs of low-income women and
19 children, including the aid to dependent children program, the
20 federal food stamp program, the medical assistance program,
21 and the women, infants, and children nutrition program.

22 8. As a condition, qualification, and limitation of the
23 funds appropriated in this section, the department shall
24 establish an advisory committee to study the department's
25 proposed community residential-services development plan to
26 implement more appropriate care and services to persons with
27 mental retardation, mental illness, and developmental
28 disabilities and related issues. The advisory committee shall
29 include representatives from the department and other state
30 agencies and representatives of the following groups: the
31 alliance for the mentally ill, the association for retarded
32 citizens of Iowa, the community mental health centers
33 association of Iowa, protection and advocacy of Iowa, the Iowa
34 association of rehabilitation and residential facilities, the
35 Iowa state association of counties, the Iowa coalition for

1 persons with disabilities, the American federation of state,
2 county, and municipal employees council 61, and the governor's
3 planning council for persons with developmental disabilities.
4 The advisory committee's study shall include but is not
5 limited to the following issues and areas: developing
6 alternative living arrangements, services, and support for
7 persons who are in institutions or community services and for
8 the persons' families; assessing the flexibility and adequacy
9 of funding sources for services, including federal block
10 grants, state supplementary assistance, the family support
11 subsidy program, vocational rehabilitation, the state
12 candidate services fund, the state community mental health and
13 mental retardation services fund, and medical assistance;
14 providing recommendations for alternatives consistent with the
15 bill of rights for persons with mental retardation, chronic
16 mental illness, and developmental disabilities; and providing
17 a 5-year plan to implement and finance the alternatives
18 recommended by the advisory committee. The advisory committee
19 shall submit a report containing its findings and
20 recommendations to the director of the department of human
21 services, the mental health and mental retardation commission,
22 the human services council, and the general assembly on or
23 before November 1, 1990.

24 9. As a condition, qualification, and limitation of the
25 funds appropriated in this section, \$30,000 shall be
26 transferred to the governor's planning council for
27 developmental disabilities for use in contracting to continue
28 operating a computerized information and referral project for
29 Iowans with developmental disabilities and their families.

30 10. As a condition, qualification, and limitation of the
31 funds appropriated in this section, the director of human
32 services or the director's designee shall participate in an
33 interagency work group convened by the governor's planning
34 council for developmental disabilities to examine the
35 feasibility of establishing an office of disability prevention

1 within state government.

2 11. As a condition, qualification, and limitation of the
3 funds appropriated in this section, \$75,000 shall be used and
4 4 FTEs shall be assigned to computerization of manuals in an
5 effort to assist income maintenance workers and other
6 employees and improve services to clients.

7 12. The director of human services may contract for
8 services to secure medical support payments from third parties
9 and to develop a tracking system for claims paid under medical
10 assistance for children who have an order for medical support.

11 13. The department may transfer up to \$20,013 of the funds
12 appropriated and 1 FTE authorized for field operations in this
13 Act to be used, in addition to the funds appropriated and
14 full-time equivalent positions authorized in the appropriation
15 made in this section, for the purpose of managing and
16 monitoring early preventive screening, diagnosis, and
17 treatment outreach service efforts.

18 14. Of the funds appropriated in this section, up to
19 \$50,000 shall be used for staff and support costs required to
20 implement section 35 of this Act, relating to development of
21 children's programs in community settings. The number of
22 staff persons shall be limited to not more than 2 FTEs and the
23 full-time equivalent positions are considered to be in
24 addition to the full-time equivalent position limit authorized
25 in this section.

26 15. As a condition, qualification, and limitation of the
27 funds appropriated in this section, the department shall seek
28 additional funds through supplemental appropriation if in
29 relation to the appropriations for field operations in this
30 Act, the expected federal cost allocation share is less than
31 expected, the average base salary and support cost is more
32 than expected, or the vacancy factor is lower than expected.
33 The department shall report monthly to the fiscal committee of
34 the legislative council, the chairpersons and ranking members
35 of the joint human services appropriations subcommittee, and

1 the legislative fiscal bureau regarding the projections of
2 expenditures relating to the appropriations in this Act, and
3 regarding any changes that occur relating to the federal cost
4 allocation share, the average base salary and support cost,
5 and the vacancy factor which affect the appropriation for
6 field operations.

7 16. As a condition, qualification, and limitation of the
8 funds appropriated in this section, the director of human
9 services, in consultation with the chairpersons and ranking
10 members of the joint human services appropriations
11 subcommittee and other members of the general assembly
12 designated by the fiscal committee of the legislative council,
13 shall develop a proposal which is capable of implementation on
14 or before July 1, 1991, to reduce the number of district
15 offices in the department to not more than five offices. The
16 proposal shall contain provisions to restructure county
17 offices as appropriate to reduce the number of administrative
18 staff positions in the department. The proposal shall be
19 submitted to the governor and the general assembly on or
20 before January 2, 1991.

21 Sec. 30. VOLUNTEERS.

22 There is appropriated from the general fund of the state to
23 the department of human services for the fiscal year beginning
24 July 1, 1990, and ending June 30, 1991, the following amount,
25 or so much thereof as is necessary, to be used for the purpose
26 designated:

27 For development and coordination of volunteer services:
28 \$ 95,000

29 Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
30 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
31 DEPARTMENT OF HUMAN SERVICES.

32 1. For the fiscal year beginning July 1, 1990, the
33 following providers shall have their medical assistance
34 reimbursement rates increased by 4 percent over the rates in
35 effect on June 30, 1990: psychiatric medical institutions for

1 children, providers of waived services under the home and
2 community-based programs, optometrists for service fees only,
3 opticians for service fees only, podiatrists, dentists,
4 chiropractors, physical therapists, birthing centers,
5 ambulance services, independent laboratories, area education
6 agencies, clinics, audiologists, rehabilitation agencies,
7 community mental health centers, family planning clinics,
8 psychologists, hearing aid dealers, orthopedic shoe dealers,
9 ambulatory surgery centers, and genetic counseling clinics.
10 Reimbursement for optometric products, and durable medical
11 products and supplies, shall be increased by 6.4 percent. The
12 department of human services may utilize flexibility in
13 allocating the increase for medical equipment and supplies so
14 that equipment and supplies which have greater wholesale cost
15 increases may be reimbursed at a higher rate and those which
16 have a lower or no wholesale cost increase may be reimbursed
17 at a lower rate or have no increase. Reimbursement rates for
18 physicians and certified registered nurse anesthetists shall
19 be increased by 3.2 percent. Reimbursement rates for
20 screening centers, maternal health centers, obstetric services
21 when provided by physicians or certified nurse midwives, and
22 pediatric services shall be increased by 7.44 percent.
23 The department shall provide a differential per diem
24 reimbursement rate to a psychiatric medical institution for
25 children for short-term treatment or diagnosis services
26 provided within a segregated unit of the institution. The
27 differential per diem reimbursement rate shall not exceed 120
28 percent of the per diem rate authorized in this section for
29 psychiatric medical institutions for children.
30 The dispensing fee for pharmacists shall be increased by 4
31 percent. The department shall adjust the average wholesale
32 price of drug product costs in accordance with federal
33 regulations. Dispensing fees for pharmacists shall be further
34 adjusted to reflect the adjustment to the average wholesale
35 price of drug product costs. Total adjustments to

1 reimbursements for prescription drugs shall remain within
2 funds appropriated.

3 a. Reimbursement rates to hospitals shall be increased by
4 5.7 percent over the rates in effect on June 30, 1990.

5 b. Reimbursement rates for rural health clinics shall be
6 increased in accordance with increases under the federal
7 medicare program.

8 c. Home health agencies certified for the medical
9 assistance program, hospice services, and acute care mental
10 hospitals shall be reimbursed for their current federal
11 medicare audited costs.

12 d. Effective July 1, 1990, skilled nursing facility
13 reimbursement rates shall be increased by 5 percent over the
14 rates in effect on June 30, 1990.

15 e. Effective July 1, 1990, the basis for establishing the
16 maximum medical assistance reimbursement rate for intermediate
17 care facilities shall be the 74th percentile of facility costs
18 as calculated from the June 30, 1990, unaudited compilation of
19 cost and statistical data.

20 (1) Effective July 1, 1990, intermediate care facilities
21 shall receive in addition to their approved per diem rate, an
22 amount equal to \$2.50 per day for each medical assistance
23 eligible resident identified by the Iowa foundation for
24 medical care as meeting criteria to receive special care or
25 services.

26 (2) Effective October 1, 1990, the term "intermediate care
27 facility" shall be replaced by the term "nursing facility".
28 Effective October 1, 1990, nursing facilities shall be allowed
29 an increase in their per diem reimbursement rates based on
30 budgeted costs related to meeting nursing home reform
31 requirements pursuant to the federal Omnibus Budget
32 Reconciliation Act of 1987, Pub. L. No. 100-203. To be
33 considered for per diem reimbursement rate adjustment, a
34 nursing facility's budget for costs related to meeting the
35 nursing home reform requirements must be received by the

1 department on or before August 31, 1990. Reports of actual
2 costs related to meeting the nursing home reform requirements
3 shall subsequently be submitted to the department.

4 Subject to the maximum per diem reimbursement rate for
5 nursing facilities in effect on October 1, 1990, the
6 department shall reconcile the nursing facility's actual costs
7 relative to its budgeted costs and adjust the facility's per
8 diem reimbursement rate accordingly.

9 (3) Effective October 1, 1990, the maximum reimbursement
10 rate for nursing facilities shall be the 74th percentile of
11 facility costs as calculated from the June 30, 1990, unaudited
12 compilation of cost and statistical data, with the addition of
13 budgeted facility costs related to meeting federal nursing
14 home reform requirements pursuant to the federal Omnibus
15 Budget Reconciliation Act of 1987, Pub. L. No. 100-203.

16 (4) Intermediate care facilities for the mentally retarded
17 with 15 or fewer beds shall be reimbursed at 95 percent of the
18 authorized per diem reimbursement rate for allowed leave days.

19 (5) If a resident of a residential program is admitted to
20 a state mental health institute for short-term
21 hospitalization, the residential program shall be reimbursed
22 at the authorized per diem reimbursement rate for the days the
23 resident is in the state mental health institute.

24 2. For the fiscal year beginning July 1, 1990, the cost
25 reimbursement rate for residential care facilities reimbursed
26 by the department shall be increased by \$1.11 per day over the
27 maximum cost reimbursement rate in effect on June 30, 1990.
28 The flat reimbursement rate for facilities electing not to
29 file semiannual cost reports shall be increased by \$.80 per
30 day over the flat reimbursement rate in effect on June 30,
31 1990. For the fiscal year beginning July 1, 1990, the maximum
32 reimbursement rate for providers reimbursed under the in-home
33 health-related care program shall be increased by 6 percent
34 over the rates in effect on June 30, 1990.

35 3. For services provided by social service providers

1 reimbursed by the department in the fiscal year beginning July
2 1, 1990, rates shall be increased by 6 percent over the
3 unreduced rates in effect on June 30, 1990, except for family
4 foster care provider rates which shall be increased by an
5 average of 9 percent. Increases in rates for foster group
6 care and shelter care services shall not exceed \$4.25 per day
7 over the maximum rate in effect on June 30, 1990. The
8 reimbursement rate increase for providers whose cost
9 reimbursement is below the maximum rate on July 1, 1990, shall
10 be the maximum increase provided to providers whose cost
11 reimbursement is at the maximum rate on July 1, 1990.

12 4. For providers reimbursed under subsection 3,
13 reimbursement rate increases may be applied to the maximum
14 reimbursement rate a program has received in any of the last 5
15 fiscal years, provided that if the program utilizes a
16 reimbursement rate for a year other than the fiscal year
17 beginning July 1, 1989, the program can justify to the
18 department that the costs associated with that reimbursement
19 rate pertain to the fiscal year beginning July 1, 1990.

20 5. Notwithstanding the provisions of subsections 3 and 4,
21 the department may implement revisions of the methodology for
22 purchasing group foster care services to establish rates for
23 group foster care services based on the study of these issues
24 funded by the general assembly in the fiscal year which began
25 July 1, 1989, provided the overall expenditures for the
26 services are revenue neutral and the revisions of the
27 methodology are agreed to by the affected service providers.

28 6. As a condition, qualification, and limitation of the
29 funds appropriated in this Act, the department shall develop
30 methodologies to reimburse the actual costs of providers of
31 services under the appropriations for foster care, state
32 supplementary assistance, and social services block grant
33 supplementation in this Act. The department shall report to
34 the governor and the general assembly by October 1, 1991,
35 regarding the methodologies that the department has developed

1 to achieve this purpose and the estimated costs for their
2 implementation. It is the intent of the general assembly that
3 the providers shall be reimbursed for their actual costs
4 commencing in the fiscal year beginning July 1, 1993. It is
5 the intent of the general assembly that the governor shall
6 propose in the governor's budget submitted to the general
7 assembly, for the fiscal years ending June 30, 1992, and June
8 30, 1993, increases for social service providers that would
9 allow for a phase-in of this reimbursement system in equal
10 steps toward full implementation in the fiscal year ending
11 June 30, 1994.

12 Sec. 32. ASSISTANCE TO GAMBLERS.

13 The department shall use funds deposited in the gamblers
14 assistance fund established in section 99E.10 only as provided
15 in that section and, in accordance with department of revenue
16 and finance rules relating to reimbursement of state advisory
17 committees, to reimburse advisory committee members for actual
18 and necessary expenses for their attendance at meetings. Any
19 unspent funds shall remain in the fund and shall not be
20 transferred or reverted to the general fund of the state.

21 The department shall use gamblers assistance fund moneys
22 for funding the following full-time equivalent positions to
23 support this program:

24 FTEs 3.00

25 Sec. 33. REQUIREMENTS RELATING TO PERSONS WITH
26 DISABILITIES.

27 1. Subject to the limitations of the appropriations in
28 this Act for the state mental health institutes and for state
29 hospital-schools, the department of human services shall
30 modify staffing structures at the state hospital-schools and
31 the state mental health institutes consistent with
32 accreditation and certification requirements and the findings
33 of the study on staffing commissioned by the general assembly
34 in order to improve the level of direct staffing, reduce or
35 simplify the levels of organizational authority where

1 appropriate, and reduce the use of overtime. If, after review
2 of the study recommendations, the department of human services
3 decides to establish the position of "human resource
4 specialist" at the state hospital-schools, the positions shall
5 be established within the department of personnel and the
6 department of human services may transfer to the department of
7 personnel the associated full-time equivalent positions and
8 moneys equal to the salary costs for the positions. Of
9 highest priority is the maintenance of sufficient direct care
10 staff to assure worker and patient safety. The department
11 shall work with all levels of affected employees in carrying
12 out this staff restructuring. The department shall work to
13 assure that vacant positions in direct care are filled
14 promptly and expeditiously.

15 2. As a condition, qualification, and limitation of the
16 appropriations in this Act for the state mental health
17 institutes and for the state hospital-schools, the department
18 of human services shall identify issues which require
19 legislative attention regarding the impact upon counties of
20 variations in per diem rates for services provided at the
21 individual state hospital-schools, the individual state mental
22 health institutes, and community-based facilities. The issue
23 identification shall include an evaluation of incentives and
24 disincentives which now exist or are likely to exist in the
25 near future relating to county obligations for the costs of
26 care provided in state institutions contrasted with county
27 obligations for the costs of care provided in community-based
28 facilities. The department shall identify persons, groups,
29 and organizations whose involvement is necessary to
30 effectively address the identified issues and information
31 which must be obtained in order to develop proposals to
32 address the identified issues. The department shall submit a
33 report which includes the identified issues, a list of persons
34 who should be involved in addressing the issues, and
35 information needs. The report shall provide at least 2

1 alternative action plans to address the issues and a proposal
2 to equalize rates charged for each service provided at the
3 individual state hospital-schools and the individual state
4 mental health institutes. The report shall be submitted on or
5 before October 1, 1990, to the chairpersons and ranking
6 members of the joint human services appropriations
7 subcommittee and to the fiscal committee of the legislative
8 council. The chairpersons and ranking members shall receive
9 per diem and reimbursement of necessary expenses related to
10 their receipt of the report.

11 3. As a condition, qualification, and limitation of the
12 appropriations in this Act for the state mental health
13 institutes and for the state hospital-schools, within the
14 applicable guidelines established under the federal Fair Labor
15 Standards Act, the department shall establish a friends-
16 sponsorship program for employees and residents of the state
17 hospital-schools and the state mental health institutes. An
18 employee participant, including but not limited to a direct
19 care worker, resident treatment worker, or other nonexempt
20 employee shall be required to sign a waiver to ensure that
21 time spent with residents as part of the program is considered
22 to be volunteer time and is not paid for by the state. An
23 employee shall not be formally or informally required to
24 participate in the program. The department shall establish
25 standards to provide for consent of employees to participate
26 and for appropriateness and quality of program activities
27 involving residents which take place outside a state hospital-
28 school or state mental health institute.

29 Sec. 34. FULL-TIME EQUIVALENT LIMIT NOTIFICATION.

30 The Iowa veterans home, the state mental health institutes,
31 and the state hospital-schools may exceed the specified number
32 of full-time equivalent positions if the additional positions
33 are specifically related to licensing, certification, or
34 accreditation standards or citations. The department shall
35 notify the co-chairpersons and ranking members of the joint

1 human services appropriations subcommittee of the
2 appropriations committees of the house and senate and the
3 legislative fiscal bureau if the specified number is exceeded.
4 The notification shall include an estimate of the number of
5 full-time equivalent positions added and the fiscal effect of
6 the addition.

7 Sec. 35. DEVELOPMENT OF CHILDREN'S PROGRAMS IN COMMUNITY
8 SETTINGS.

9 1. The department of human services and the supreme court,
10 in consultation with existing providers of services, members
11 of the general assembly, and experts in child welfare and
12 juvenile justice, shall conduct a study identifying the types
13 of residential programs which should be developed, either by
14 enhancing reimbursement of foster care services or of
15 psychiatric medical institutions for children, to serve the
16 children who are currently in the following placements: the
17 Iowa juvenile home, out-of-state facilities at high cost to
18 the state, and the state training school when the children
19 could be served in community settings if the proper type of
20 program were available. The recommendations of the juvenile
21 justice advisory committee, established by the legislative
22 council in 1989, regarding the state training school and the
23 Iowa juvenile home shall be considered. In addition, the need
24 to develop specific programs to serve children who are sexual
25 abuse perpetrators, substance abusers, or have a dual
26 diagnosis, and the regions of the state where the specific
27 programs should be located in order to serve children in
28 community settings, shall be identified. The department and
29 the supreme court shall complete the study of the items
30 required under this section on or before June 1, 1990.

31 2. Based upon the study findings, the department shall
32 request proposals to develop a total of 120 additional
33 residential placement slots in community settings and the
34 slots shall be available on or before October 1, 1991. The
35 department shall work with the Iowa finance authority and

1 service providers to finance the development of resources for
2 these slots at the lowest possible cost. The requests for
3 proposals shall be issued on or before July 1, 1990.

4 3. Notwithstanding the provisions of section 135H.6,
5 subsection 5, psychiatric medical institution for children
6 beds developed under this section are not subject to the limit
7 upon the number of beds which may be provided under
8 psychiatric medical institution for children licensure.

9 4. If House File 2517 is enacted by the Seventy-third
10 General assembly, 1990 Session, containing provisions which
11 are in conflict with this section, the provisions of House
12 File 2517 shall prevail in place of this section.

13 Sec. 36. COMPUTERIZATION -- ASSESSMENT OF FINANCIAL
14 IMPACT.

15 In order to assess the financial impact of computerizing
16 functions within the department of human services, the
17 department of general services, information services division,
18 shall monitor the utilization of the central processing unit
19 resources maintained by the division, and shall provide
20 quarterly reports to the fiscal committee of the legislative
21 council and the legislative fiscal bureau. The quarterly
22 reports shall contain an analysis of the central processing
23 unit resources utilized by the department of human services by
24 each computerized application within the department. The
25 reports shall also contain information on computerized
26 applications which are under development, and shall project
27 the central processing unit utilization which will occur in 6,
28 12, 18, and 24 months. The reports shall be designed to
29 enable the fiscal committee and the legislative fiscal bureau
30 to assess the fiscal impact of various computerized
31 applications, with emphasis upon the need for the division to
32 purchase additional computer hardware.

33 Sec. 37. RULES.

34 The department of human services may adopt administrative
35 rules under section 17A.4, subsection 2, and section 17A.5,

1 subsection 2, paragraph "b", to implement the sections of this
2 Act enumerated in this section. Rules adopted pursuant to
3 section 1, subsection 4, relating to increasing the schedule
4 of basic needs under the aid to dependent children program;
5 section 2, subsection 7, relating to the costs of
6 transportation connected with the health of a resident of a
7 health care facility reimbursed under medical assistance;
8 section 2, subsection 8, relating to differential
9 reimbursement paid to hospitals which provide a
10 disproportionate share of care to medical assistance
11 recipients and related provisions; section 2, subsection 9,
12 relating to occupancy limits applied to intermediate care
13 facilities for reimbursement purposes; section 4, unnumbered
14 paragraph 3, relating to increasing the personal needs
15 allowance of certain persons; section 5, unnumbered paragraph
16 3, relating to the tribal council's usage of appropriated
17 funds for administrative purposes; section 6, subsection 3,
18 relating to allocating funds appropriated for protective and
19 state child care assistance; section 13, subsection 6,
20 relating to foster care liability insurance; section 13,
21 subsection 15, relating to recruiting foster parents from
22 recipients of public assistance; section 16, subsection 3,
23 relating to grants administered in accordance with provisions
24 for adolescent pregnancy prevention grants; section 17,
25 unnumbered paragraph 3, relating to increasing income
26 guidelines for certain persons; section 24, subsections 1
27 through 4, relating to financing certain facilities, to
28 providing supplemental per diems to certain facilities, and to
29 providing for costs and reimbursements relating to certain
30 community living arrangements; section 26, relating to special
31 needs grants; and section 31, relating to reimbursements of
32 providers, of this Act shall become effective immediately upon
33 filing, unless a later effective date is specified in the
34 rules. The rules shall also be published as notice of
35 intended action as provided in section 17A.4.

1 Sec. 38. GAMBLERS ASSISTANCE NOTIFICATION.

2 The Iowa lottery board and the state racing and gaming
3 commission shall cooperate with the gamblers assistance
4 program in developing procedures to incorporate information
5 regarding the gamblers assistance program and its toll-free
6 telephone number in printed materials distributed. The
7 commission may require licensees to have the information
8 available in a conspicuous place as a condition of licensure.

9 Sec. 39. 1986 Iowa Acts, chapter 1150, section 3, as
10 amended by 1988 Iowa Acts, chapter 1239, section 1, is
11 repealed.

12 Sec. 40. Section 99E.10, subsection 1, paragraph a, Code
13 1989, is amended by striking the paragraph and inserting in
14 lieu thereof the following:

15 a. An amount equal to one-half of one percent of the gross
16 lottery revenue shall be deposited in a gamblers assistance
17 fund in the office of the treasurer of state. Notwithstanding
18 section 8.33, moneys deposited in the fund that remain
19 unencumbered and unobligated on June 30 in any fiscal year,
20 shall not revert to the general fund but shall remain
21 available for the purposes designated in subparagraphs (1)
22 through (4). Moneys in the fund shall be administered as
23 follows:

24 (1) In each fiscal year the first seven hundred fifty
25 thousand dollars of the moneys available in the fund shall be
26 administered by the director of human services and used to
27 provide assistance and counseling to individuals and families
28 experiencing difficulty as a result of gambling losses and to
29 promote awareness of "gamblers anonymous" and similar
30 assistance programs.

31 (2) Ten percent of the remaining moneys deposited in the
32 fund in each fiscal year shall be administered by the director
33 of human services as provided in subparagraph (1).

34 (3) Thirty percent of the remaining moneys deposited in
35 the fund in each fiscal year shall be administered by the

1 director of human services for child abuse prevention grants
2 under section 235A.1, in recognition that the effects of
3 gambling may be felt by all family members.

4 (4) Sixty percent of the remaining moneys deposited in the
5 fund in each fiscal year shall be administered by the director
6 of human services for the purposes of the family support
7 subsidy program in accordance with sections 225C.35 through
8 225C.40.

9 (5) For the fiscal year beginning July 1, 1990, after the
10 first seven hundred fifty thousand dollars available in the
11 fund is administered and made available for use pursuant to
12 subparagraph (1), the next two hundred seventy-five thousand
13 dollars of the moneys available in the fund shall be
14 administered by the director of human services and used for
15 juvenile justice expenditures pursuant to section 232.141,
16 subsection 4.

17 Sec. 41. Section 234.35, unnumbered paragraph 1, Code
18 1989, is amended to read as follows:

19 The department of human services shall be ~~initially~~
20 responsible for paying the cost of foster care for a child,
21 according to rates established pursuant to section 234.38,
22 under any of the following circumstances:

23 Sec. 42. Section 234.35, Code 1989, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 5. When a court has entered an order
26 transferring the legal custody of the child to a foster care
27 placement pursuant to section 232.52, subsection 2, paragraph
28 "d", or section 232.102, subsection 1.

29 Sec. 43. Section 234.38, Code 1989, is amended to read as
30 follows:

31 234.38 DEPARTMENT MAY PAY FOSTER PARENTS DIRECTLY.

32 The department of human services is authorized to make
33 payments directly to foster parents for services provided to
34 children pursuant to section 234.6, subsection 6, paragraph
35 "b", or ~~sections~~ section 234.35 and ~~234.36~~. The rate of

1 payment by the department for foster care shall be fixed by
2 the department by rules adopted pursuant to chapter 17A.
3 Payments may be made from any money funds legally available to
4 the department for that purpose, including but not limited to
5 funds appropriated by the general assembly, money funds
6 available under section 234.37, and money funds received from
7 the parent or legal guardian of a child to pay for that
8 child's foster care.

9 Sec. 44. Section 234.39, subsection 1, Code Supplement
10 1989, is amended to read as follows:

11 1. For an individual to whom section 234.35, subsection 2,
12 or 4, or ~~section-234-36~~ 5, is applicable, a dispositional
13 order of the juvenile court requiring the provision of foster
14 care shall establish, after notice and a reasonable
15 opportunity to be heard is provided to a parent or guardian,
16 the amount of the parent's or guardian's support obligation
17 for the cost of foster care provided by the department, if a
18 support obligation has not previously been established under
19 an order of the district court or court of comparable
20 jurisdiction in another state. The court shall establish the
21 amount of the parent's or guardian's support obligation and
22 the amount of support debt accrued and accruing in accordance
23 with the child support guidelines prescribed under section
24 598.21, subsection 4. However, the court may adjust the
25 prescribed obligation after considering a recommendation by
26 the department for expenses related to goals and objectives of
27 a case permanency plan as defined under section 237.15. The
28 order shall direct the payment of the support obligation to
29 the collection services center for the use of the department's
30 foster care recovery unit. The order shall be filed with the
31 clerk of the district court in which the responsible parent or
32 guardian resides and has the same force and effect as a
33 judgment when entered in the judgment docket and lien index.
34 The collection services center shall disburse the payments
35 pursuant to the order and enter the disbursements in a record

1 book. If payments are not made as ordered, the child support
2 recovery unit shall certify a default to the court and the
3 court may, on its own motion, proceed under section 598.22 or
4 598.23. An order entered under this subsection may be
5 modified only in accordance with the guidelines prescribed
6 under section 598.21, subsection 9.

7 Sec. 45. Section 237.15, subsection 3, Code 1989, is
8 amended to read as follows:

9 3. "Child receiving foster care" means a child defined in
10 section 234.1 whose foster care placement is the financial
11 responsibility of the state pursuant to section 234.35 or
12 ~~234-36~~, who is under the guardianship of the department, or
13 who has been involuntarily hospitalized for mental illness
14 pursuant to chapter 229.

15 Sec. 46. Section 242.7, Code 1989, is amended to read as
16 follows:

17 242.7 PLACING IN FAMILIES.

18 All children committed to and received in the state
19 training school may be placed by the department under foster
20 care arrangements, with any persons or in families of good
21 standing and character where they will be properly cared for
22 and educated. The cost of foster care provided under these
23 arrangements shall be paid as provided in ~~sections~~ section
24 234.35 and ~~234-36~~.

25 Sec. 47. Section 249A.3, subsection 1, paragraph f, Code
26 Supplement 1989, is amended to read as follows:

27 f. Is a child who is less than ~~six~~ seven years of age and
28 who meets the income and resource requirements of the aid to
29 dependent children program under chapter 239.

30 Sec. 48. Section 249A.17, Code 1989, is amended to read as
31 follows:

32 249A.17 TRANSITIONAL MEDICAL ASSISTANCE.

33 The department shall provide transitional medical coverage
34 comparable to medical assistance provided under this chapter,
35 for twelve months or for the maximum period permitted under

1 federal regulations, whichever is greater, for the family of a
2 recipient who has lost eligibility for public assistance under
3 aid to families with dependent children pursuant to chapter
4 239 prior to April 1, 1990, because of an increase in earned
5 income.

6 Sec. 49. Section 234.36, Code 1989, is repealed.

7 Sec. 50. RETROACTIVE APPLICABILITY.

8 Section 2, subsection 9, of this Act applies retroactively
9 to January 1, 1990.

10 Sec. 51. EFFECTIVE DATE.

11 Sections 35, 37, 39, and 48 of this Act, being deemed of
12 immediate importance, take effect upon enactment.

13 EXPLANATION

14 This bill relates to human services and makes appropria-
15 tions to the department of human services and provides for
16 retroactive applicability of certain provisions and an
17 effective date.

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

SENATE FILE 2435

-6190

Amend Senate File 2435, as passed by the Senate, as follows:

1. Page 45, line 24, by striking the word "For" and inserting the following: "a. For".

2. Page 45, by inserting after line 34 the following:

"b. If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, the cost reimbursement rate for residential care facilities reimbursed by the department shall be increased by \$.37 per day over the maximum cost reimbursement rate in effect on December 31, 1990. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be increased by \$.27 per day over the flat reimbursement rate in effect on December 31, 1990. The maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be increased by 2 percent over the rates in effect on December 31, 1990."

3. Page 45, line 35, by striking the word "For" and inserting the following: "a. For".

4. Page 46, by inserting after line 11 the following:

"b. If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, services provided by social service providers reimbursed by the department rates shall be increased by 2 percent over the unreduced rates in effect on December 31, 1990, except for family foster care provider rates which shall remain at the rates in effect on December 31, 1990. Increases in rates for foster group care and shelter care services shall not exceed \$1.42 per day over the maximum rate in effect on December 31, 1990. The reimbursement rate increase for providers whose cost reimbursement is below the maximum rate on January 1, 1991, shall be the maximum increase provided to providers whose cost reimbursement is at the maximum rate on January 1, 1991."

5. Page 47, by inserting after line 11 the following:

"Sec. ____ . CONTINGENCY APPROPRIATION INCREASE.

If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, there is appropriated from the general fund of the state to the department of

H-6190

Page 2

1 human services for the fiscal period beginning January
 2 1, 1991, and ending June 30, 1991, the following
 3 amounts, to be used for increased reimbursement rates
 4 for providers of services reimbursed under section 31,
 5 subsections 2 and 3, of this Act:

6	1.	For state supplementary assistance:		
7	.....	.....	\$	207,331
8	2.	For protective and state child care assistance:		
9	.....	.....	\$	84,720
10	3.	For foster care:		
11	.....	.....	\$	482,498
12	4.	For home-based services:		
13	.....	.....	\$	99,888
14	5.	For community-based programs		
15	.....	.....	\$	16,508
16	6.	For supplementation of federal social services		
17	block grant funds and for allocation to the various			
18	counties for the purchase of local services:			
19	.....	.....	\$	134,356
20	7.	For development and coordination of volunteer		
21	services:			
22	.....	.....	\$	1,164".
23	8.	By renumbering as necessary.		

By COMMITTEE ON APPROPRIATIONS
 JOCHUM of Dubuque, Chairperson

H-6190 FILED APRIL 7, 1990

ADOPTED (p 3324)

HOUSE AMENDMENT TO
SENATE FILE 2435

S-6027

1 Amend Senate File 2435, as passed by the Senate, as
2 follows:

3 1. Page 45, line 24, by striking the word "For"
4 and inserting the following: "a. For".

5 2. Page 45, by inserting after line 34 the
6 following:

7 "b. If the ending balance in the general fund of
8 the state for the fiscal year beginning July 1, 1989,
9 and ending June 30, 1990, is \$100,000,000 or more,
10 effective January 1, 1991, the cost reimbursement rate
11 for residential care facilities reimbursed by the
12 department shall be increased by \$.37 per day over the
13 maximum cost reimbursement rate in effect on December
14 31, 1990. The flat reimbursement rate for facilities
15 electing not to file semiannual cost reports shall be
16 increased by \$.27 per day over the flat reimbursement
17 rate in effect on December 31, 1990. The maximum
18 reimbursement rate for providers reimbursed under the
19 in-home health-related care program shall be increased
20 by 2 percent over the rates in effect on December 31,
21 1990."

22 3. Page 45, line 35, by striking the word "For"
23 and inserting the following: "a. For".

24 4. Page 46, by inserting after line 11 the
25 following:

26 "b. If the ending balance in the general fund of
27 the state for the fiscal year beginning July 1, 1989,
28 and ending June 30, 1990, is \$100,000,000 or more,
29 effective January 1, 1991, services provided by social
30 service providers reimbursed by the department rates
31 shall be increased by 2 percent over the unreduced
32 rates in effect on December 31, 1990, except for
33 family foster care provider rates which shall remain
34 at the rates in effect on December 31, 1990.
35 Increases in rates for foster group care and shelter
36 care services shall not exceed \$1.42 per day over the
37 maximum rate in effect on December 31, 1990. The
38 reimbursement rate increase for providers whose cost
39 reimbursement is below the maximum rate on January 1,
40 1991, shall be the maximum increase provided to
41 providers whose cost reimbursement is at the maximum
42 rate on January 1, 1991."

43 5. Page 47, by inserting after line 11 the
44 following:

45 "Sec. ____ . CONTINGENCY APPROPRIATION INCREASE.

46 If the ending balance in the general fund of the
47 state for the fiscal year beginning July 1, 1989, and
48 ending June 30, 1990, is \$100,000,000 or more,
49 effective January 1, 1991, there is appropriated from
50 the general fund of the state to the department of

S-6027

Page 2

1. human services for the fiscal period beginning January
2 1, 1991, and ending June 30, 1991, the following
3 amounts, to be used for increased reimbursement rates
4 for providers of services reimbursed under section 31,
5 subsections 2 and 3, of this Act:

6	1. For state supplementary assistance:		
7	.....	\$	207,331
8	2. For protective and state child care assistance:		
9	.....	\$	84,720
10	3. For foster care:		
11	.....	\$	482,498
12	4. For home-based services:		
13	.....	\$	99,888
14	5. For community-based programs		
15	.....	\$	16,508
16	6. For supplementation of federal social services		
17	block grant funds and for allocation to the various		
18	counties for the purchase of local services:		
19	.....	\$	134,356
20	7. For development and coordination of volunteer		
21	services:		
22	.....	\$	1,164".
23	6. By renumbering as necessary.		

RECEIVED FROM THE HOUSE

S-6027 FILED APRIL 8, 1990
CONCURRED (p. 1734)

SENATE FILE 2435

AN ACT

RELATING TO HUMAN SERVICES AND MAKING APPROPRIATIONS TO THE DEPARTMENT OF HUMAN SERVICES AND OTHER PROPERLY RELATED MATTERS, PROVIDING FOR RETROACTIVE APPLICABILITY OF CERTAIN PROVISIONS, AND PROVIDING AN EFFECTIVE DATE.

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

DIVISION I

Section 1. AID TO FAMILIES WITH DEPENDENT CHILDREN.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to families with dependent children:

..... \$ 42,050,000

1. The department may fund the cash bonus program from unspent funds under this appropriation and shall continue to evaluate the program.

2. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall continue to contract for services in developing and monitoring a waiver program with a consortium of other states to facilitate providing assistance in self-employment to aid to dependent children families. The waiver program services shall be provided for the entire fiscal year beginning July 1, 1990, and ending June 30, 1991. Of the funds appropriated under this section, up to \$116,000 shall be used to provide technical assistance for aid to dependent children families seeking self-employment. The technical assistance may be provided through the department or through a contract with the division of job training of the department of economic

development and through a contract with the corporation for enterprise development. The department shall submit a report to the legislative fiscal bureau on or before November 1, 1990, providing an update regarding the evaluation of the waiver program and technical assistance which includes recommendations regarding continuation of the program and technical assistance during the fiscal year beginning July 1, 1991.

3. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall apply the self-employment investment demonstration project statewide during the fiscal period delineated in the federal waiver submitted to operate the program statewide, provided training is available to a recipient through a recognized self-employment training program. However, if the application for the federal waiver is denied, the department may determine the counties in which it is feasible to operate the project and shall provide the project in those counties.

4. As a condition, qualification, and limitation of the funds appropriated in this section, the schedule of basic needs under the aid to dependent children program for the fiscal year beginning July 1, 1990, is established as follows:

- a. For 1 person at \$183.
- b. For 2 persons at \$361.
- c. For 3 persons at \$426.
- d. For 4 persons at \$495.
- e. For 5 persons at \$548.
- f. For 6 persons at \$610.
- g. For 7 persons at \$670.
- h. For 8 persons at \$731.
- i. For 9 persons at \$791.
- j. For 10 persons at \$865.
- k. For each additional person over 10 persons at \$87.

5. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall

continue the special needs program under the aid to dependent children program.

6. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall work with the United States department of health and human services to develop a waiver to exempt income received by a participant in the "dollar-a-day" program under an adolescent pregnancy prevention grant, in determining the participant's eligibility for aid to dependent children.

Sec. 2. 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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$224,050,000

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. Of the funds appropriated in this section, not more than \$200,000 may be transferred to the Iowa department of public health for contingency state assistance for the federal program for women, infants, and children in order to allow the Iowa department of public health to fully use available funds under that program.

3. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall track any cost savings realized by the use of the health maintenance organizations under the medical assistance program and shall report any cost savings to the legislative fiscal bureau at the start of each calendar quarter.

4. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services pursuant to the appropriation in this Act for enhanced mental health, mental retardation, and developmental disabilities services, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were appropriated under this section.

5. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall reimburse an ambulance service for transporting a medical assistance recipient from a location other than a medical institution to a hospital regardless of a determination of medical necessity. However, the department shall develop methods to reduce recipient usage of ambulance services for reasons other than medical necessity, including notification of recipients who have received ambulance services that were

not considered to be a medical necessity and ambulance services that have provided such services.

6. Of the funds appropriated in this section, not more than \$20,000 may be used to contract with the user liaison program of the agency for health care policy and research to conduct a workshop for Iowa policymakers on health care issues with an emphasis on rural health delivery, system capacity, expanding maternal and child health services, and cost containment.

7. As a condition, qualification, and limitation of the funds appropriated in this section, the costs of transportation connected with the health of a resident of a health care facility reimbursed under medical assistance shall be reimbursed. If the cost of the resident's care is less than the authorized maximum per diem reimbursement rate, the transportation costs shall be considered an allowable expense. If the cost of the resident's care is equal to the authorized maximum per diem reimbursement rate, the transportation costs shall be reimbursed as an additional expense. The department shall authorize reimbursement of the resident's transportation by wheelchair transportation, if it is less costly to the state.

8. As a condition, limitation, and qualification of the funds appropriated in this section, effective July 1, 1990, the differential reimbursement amount paid to hospitals which provide a disproportionate share of care to medical assistance recipients shall be increased by 2.5 times the amount paid to the hospitals on June 30, 1990. Of the funds appropriated by the Seventy-third General Assembly to the university of Iowa hospitals and clinics for treatment of indigent patients in accordance with chapter 255, \$1,134,000 shall be transferred to the department of human services to be used as additional funds for the purposes designated for medical assistance in this appropriation, provided the differential reimbursement amount is changed in accordance with this subsection in a

manner which results in an increase in the disproportionate share of care differential reimbursement payments to the university of Iowa hospitals and clinics in an amount which is at least \$1,134,000 more than the amount received by the hospitals and clinics in the fiscal year which began July 1, 1989.

9. As a condition, qualification, and limitation of the funds appropriated in this section, a newly constructed intermediate care facility or an existing intermediate care facility which has added or converted beds to intermediate care use shall be granted a 6-month period from the date the new facility, the addition of beds, or the conversion of beds is approved for occupancy before an occupancy limit is applied to facility costs used to determine the medical assistance reimbursement rate for the facility. If the facility does not meet the occupancy limit at the end of the 6-month period, the facility shall be granted an additional 6-month period in which an occupancy limit shall not be applied if the facility has an occupancy of at least 50 percent of its capacity. For subsequent time periods, the facility shall be considered to have an occupancy rate of at least 80 percent of its capacity. In all cost reporting periods, the medical assistance reimbursement rate for an intermediate care facility for the mentally retarded shall be based upon an occupancy of at least 80 percent of the facility's capacity.

Sec. 3. 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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 3,870,000

As a condition, qualification, and limitation of the funds appropriated in this section, the department shall continue to

contract for drug utilization review under the medical assistance program.

Sec. 4. STATE SUPPLEMENTARY ASSISTANCE.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For state supplementary assistance:

..... \$ 18,160,000

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 and federal social security benefits are increased due to a recognized increase in the cost of living.

Sec. 5. AID TO INDIANS.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to Indians under section 252.43:

..... \$ 38,000

The tribal council shall not use more than 10 percent of the funds for administration purposes.

DIVISION II

Sec. 6. CHILD DAY 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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For protective and state child care assistance:

..... \$ 6,833,000

1. It is the intent of the general assembly that \$2,587,000 of the funds appropriated under this section, be used for protective child day care assistance.

2. It is the intent of the general assembly that \$4,246,000 of the funds appropriated under this section, be used for state child care assistance.

3. a. 25 percent of the funds not otherwise allocated in this section shall be allocated to the 8 department of human services' districts according to a formula based upon the number of children in a district whose family income is equal to or less than 150 percent of federal office of management and budget poverty guidelines. 75 percent of the funds not otherwise allocated in this section shall be allocated to the 8 districts based upon the department's estimate of a district's expenditures for child day care assistance during the fiscal year which ended June 30, 1990. A district shall distribute funds to each county office within the district in an amount which is at least equal to the combined expenditures in the county for protective and state child care assistance in the fiscal year which began July 1, 1989. If the district documents that funds remaining in a county will be sufficient to meet current demand and projected growth, the district may transfer excess funds to another county office. If the department determines that funds remaining in a district will be sufficient to meet current demand and projected growth, the department may transfer excess funds to another district.

b. 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 which is equal to or less than 150 percent of the federal office of management and budget poverty guidelines for families. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated under this section.

Sec. 7. TRANSITIONAL 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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For transitional child care assistance:
..... \$ 250,000

Notwithstanding section 239.21, the department of human services shall provide the transitional child care program in accordance with the federal Family Support Act of 1988, Pub. L. No. 100-485, § 302, and applicable federal regulations. Reimbursement for services shall be limited to registered or licensed child day care providers and programs administered by a public or nonpublic school system approved or accredited to provide child day care by the department of education or the state board of regents.

Sec. 8. FAMILY DEVELOPMENT AND SELF-SUFFICIENCY GRANT PROGRAM.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family development and self-sufficiency grant program as provided under sections 217.11 and 217.12:
..... \$ 925,000

1. No more than 5 percent of the funds appropriated in this section shall be used for administration of the program. Any federal financial participation received by the department for the family development and self-sufficiency grant program shall be used for the purposes designated under the appropriation for aid to dependent children.

2. Based upon the annual evaluation report concerning each grantee funded by this appropriation, the family development and self-sufficiency council may use the amount of funds

appropriated in excess of the amount required for existing grants to increase existing grants or to fund an evaluation of the program. Grant renewals shall be awarded on or before January 1, 1991.

Sec. 9. JOBS PROGRAM.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the JOBS program:

..... \$ 3,310,000

The department may use up to \$10,000 of the funds appropriated in this section to implement the family friends program in 2 districts to provide mentors for persons receiving aid to families with dependent children under chapter 239.

2. For the food stamp employment and training program:

..... \$ 62,000

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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 2,900,000

..... FTEs 234.5

1. The director of human services, within the limitations of the funds appropriated in this section, or funds transferred from the aid to dependent children program for this purpose, may establish new positions and add additional employees to the child support recovery unit when the director

determines that both the current and additional employees together can reasonably be expected to recover for the aid to dependent children program and the nonpublic assistance support recovery program more than twice the amount of money required to pay the salaries and support for both the current and additional employees. In the event the director adds additional employees, the department shall demonstrate the cost-effectiveness of the current and additional employees by reporting to the joint human services appropriations subcommittee the ratio of the total amount of administrative costs for child support recoveries to the total amount of the child support recovered.

2. The department may enter a cooperative agreement with the judicial department to establish and fund a pilot project of expedited child support orders and modifications. The department may transfer funds appropriated under this section for purposes of implementing the pilot project.

3. As a condition, qualification, and limitation of the funds appropriated in this section, the department's share of the federal nonpublic assistance financial incentives received for support recoveries shall be used for the purposes for which funds were appropriated for aid to families with dependent children.

4. As a condition, qualification, and limitation of the funds appropriated in this section, in all cases involving paternity determination initiated on or after July 1, 1990, by the child support recovery unit, the unit shall make reasonable efforts to encourage and increase the use of testing involving genetic markers or their equivalent which provide a statistical probability in determining paternity.

Sec. 11. COLLECTION SERVICES CENTER.

If the Seventy-third General Assembly, 1990 Session, enacts authorizing legislation for the collection services center to remain in the department of human services, there is appropriated from the general fund of the state to the

department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	260,000
.....	FTEs	26.00

DIVISION III

Sec. 12. 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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of the state training school and the Iowa juvenile home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

1. For the Iowa juvenile home at Toledo:		
.....	\$	4,518,000
.....	FTEs	128.5
2. For the state training school at Eldora:		
.....	\$	7,809,000
.....	FTEs	229.00

Sec. 13. FOSTER CARE.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

for foster care:		
.....	\$	48,457,000

1. As a condition, qualification, and limitation of the funds appropriated in this section, up to \$1,000,000 may be used by the department to provide enhanced funding of services to family foster homes to avert placement of children in group care facilities and at least \$3,010,053 shall be used to provide enhanced funding of services to group care facilities to avert placement of children in more expensive, less appropriate, or out-of-state facilities including \$350,000 for reimbursements to decategorization counties which are designing programs to reduce their counties' use of placements in the Iowa juvenile home, the state training school, and the state mental health institutes.

2. The department may use funds appropriated in this section to develop supplemental per diem or performance-based contracts with private group care providers for programs serving children who would otherwise be placed in a state juvenile institution or an out-of-state program. The department shall give priority to serving children whose placement at the state training school or the Iowa juvenile home would cause the state juvenile institution to exceed the population goal established under 1989 Iowa Acts, chapter 318, section 11.

3. The department may transfer a portion of the funds appropriated in this section to provide subsidized adoption services or to purchase adoption services, if funds allocated under this section for adoption services are insufficient.

4. The department and state court administrator shall work together in implementing an agreement which enables the state to receive funding for eligible cases under the federal Social Security Act, Title IV-E.

5. No more than 30 percent of children placed in foster care funded under the federal Social Security Act, Title IV-E, shall be placed in foster care for a period of more than 24 months.

6. Of the funds appropriated in this section, \$165,000 is allocated for the foster home insurance fund. Notwithstanding section 237.13, the department may use funds appropriated under this section to purchase liability insurance for licensed foster parents in lieu of providing payment for claims filed against the foster home insurance fund, if comparable coverage can be obtained through private insurance. Notwithstanding section 8.33, funds remaining in the foster home insurance fund on June 30, 1991, shall not revert to the general fund but shall remain available for expenditure in the fiscal year beginning July 1, 1991, for the purposes designated.

7. The department of human services, the judicial department, the department of education, and representatives of service providers shall continue the committee on children with special service needs. The committee shall be responsible to find placements for children who have exceptional service needs or who have been rejected in previous referrals and who may be at risk of being placed out of state.

8. The department may use a portion of the funds appropriated in this section to purchase special services in order to demonstrate whether the services can prevent out-of-home shelter care.

9. As a condition, qualification, and limitation of the funds appropriated in this section, within available funds and using outside technical assistance where available, the department shall seek to maximize funding for services available to the state under the federal Social Security Act, Title IV-E. Reimbursement in excess of \$3,081,470 obtained under the federal Social Security Act, Title IV-E, shall not revert to the general fund, but shall be used for the purposes designated in this section. An amount equal to 80 percent of the excess amount shall be transferred from funds appropriated in this section to increase services provided in the

appropriation for home-based services in this Act and 20 percent shall remain in this appropriation to be used to increase foster care provider reimbursement rates provided that the maximum reimbursement rate paid to group foster care providers is calculated under the cost-based system.

10. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall review the need to provide additional day treatment alternatives within the child welfare system and the potential to provide additional services by including day treatment provided by psychiatric medical institutions for children as a service reimbursed under medical assistance. The department shall identify the effect of providing day treatment services reimbursement under medical assistance upon state expenditures for residential treatment and other foster care services.

The department may use funds appropriated in this Act for medical assistance to pay the nonfederal share of costs for services reimbursed under medical assistance which are provided in a psychiatric medical institution for children.

11. The department may use \$30,000 of the funds appropriated in this section to contract for a study of the effectiveness of needs-based and therapeutic family foster care and enhanced residential care.

12. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall develop a therapeutic foster care program in at least 1 district in the state. The program's foster care worker support staff shall serve no more than 7 foster families and shall provide respite and special support services to foster parents to enable them to serve in an active treatment capacity with the children under their care. Of the funds appropriated in this section, up to \$200,000 shall be used for therapeutic foster care reimbursement.

13. Funds appropriated in this section may be used to recruit foster parents and to implement a pilot project

utilizing the "Model Approach to Partnership in Parenting" preservice training for foster parents.

14. Of the funds appropriated in this section, up to \$140,000 may be used to develop and maintain the state's implementation of the national adoption and foster care information system pursuant to the requirements of Pub. L. No. 99-509.

15. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall establish a family foster care advisory committee to examine department practices and policies to improve the recruitment and retention of foster parents, provide training and professional guidance where appropriate, and seek the involvement of family foster care providers in designing, developing, and participating in the creation of therapeutic foster family homes. The department shall review initiatives of other states in recruiting foster parents from appropriate families who are recipients of public assistance. In consultation with the advisory committee, the department shall seek federal waivers and make program modifications as necessary to develop a similar program for Iowa upon receiving federal approval to do so.

16. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall seek outside funding support to continue foster care payments to foster families and foster care youths in independent living situations, if the youths wish to pursue a postsecondary education upon turning 18 years of age and eligibility for foster care payments expires. In consultation with the family foster care advisory committee, the department shall report on options available to the state to provide assistance to foster families and foster care youths who wish to pursue a postsecondary education when the youths reach 18 years of age.

17. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall

establish specialized family foster care homes and provide specialized support and respite services to qualifying foster care families who accept infants with chemical addictions from intrauterine transmission who would otherwise remain in a hospital.

18. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall continue the demonstration program to decategorize child welfare services in the 2 counties in which the program has commenced. The department shall implement the demonstration program in Dubuque and Pottawattamie counties, which have submitted letters of intent, if the department, the boards of supervisors in the counties, and the affected judicial districts agree to implement the program. The schedule for implementing the demonstration program in the 2 additional counties shall provide that the program be implemented on or after July 1, 1990. The department shall establish for the demonstration project counties a child welfare fund composed of all or part of the amount that would otherwise be expected to be used for residents of the counties for foster care, family-centered services, subsidized adoption, day care, local purchase of services, juvenile institutional care, mental health institute care, state hospital-school care, juvenile detention, department-direct services, and juvenile justice county-based reimbursable services and notwithstanding any other provision of law, the fund shall be considered encumbered. With the approval of the department, a demonstration project county may elect to transfer to the child welfare fund other child welfare funding provided for treatment services to youth under Title XIX of the federal Social Security Act, including funding for psychiatric hospital services. Notwithstanding other service funding provisions in law, the department shall establish the fund by transferring funds from the budgets affected, except for the funds appropriated for the state mental health institutes, the

state hospital-schools, the state training school, and the Iowa juvenile home which shall remain on account for the county at these institutions. The child welfare fund may be used to support services and payment rates not allowable within historical program or service categories. The department shall work with demonstration project county boards of supervisors and judicial districts to provide training for the project, and shall use technical assistance provided by the national conference of state legislatures and the center for the study of social policy. It is the intent of the general assembly that the demonstration program be designed to operate in a county for a 3-year period. The 3-year time period for a decategorization project in Dubuque, Polk, Pottawattamie, or Scott county shall be considered to begin on January 1 in the first year following the year in which the county's decategorization project was approved by the department.

Sec. 14. CHILD PROTECTIVE SYSTEM IMPROVEMENTS.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For improvements in the state system for child protection:

1. For general administration of the department to improve staff training efforts:

.....	\$ 420,000
-------	------------
2. For funding required to oversee termination of parental rights and permanency planning efforts on a statewide basis on the condition that regular reports regarding the statewide program efforts shall be provided to the legislative fiscal bureau:

.....	\$ 120,000
..... FTEs	3.00

3. For use by the department in general administration to promote innovative treatment programs, write grants to obtain federal and private funding, and promote public and private efforts to treat and prevent child abuse:

..... \$ 40,000
 PTEs 1.00

4. For personnel, assigned by the attorney general, to provide additional services relating to termination of parental rights and child in need of assistance cases:

..... \$ 88,000

5. For funding of the state multidisciplinary team to assist with difficult cases within the child abuse and foster care system and with respect to child protective investigation and initial case planning and to develop and coordinate local multidisciplinary teams:

..... \$ 75,000

6. For use by the department in conducting outcome-oriented evaluations of child protection, prevention, and treatment programs:

..... \$ 35,000

7. For a statewide conference on the issue of providing reasonable efforts. The conference shall involve members of the general assembly, juvenile court judges and officers, workers in the child welfare and foster care system, and executive branch officials. The department shall seek support from the national conference of state legislatures, the national governor's association, and private foundations in conducting the conference:

..... \$ 10,000

Sec. 15. HOME-BASED SERVICES.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For home-based services on the condition that family planning services are funded, provided that if the department amends the allocation to a program funded under this section, then the department shall promptly notify the legislative fiscal bureau of the change:

..... \$ 11,290,000

1. Of the funds appropriated in this section, \$30,000 may be used by the department to contract with universities to provide ongoing research and evaluation assistance to programs and initiatives of the department involving family-centered services and foster care. The contracts shall make maximum use of any matching resources available from the universities with which the department contracts.

2. Of the funds appropriated in this section, \$3,486,087 shall be used for family preservation and reunification services pilot projects. A portion of the funds shall be used to maintain service levels in existing family preservation projects and to expand the projects to provide postplacement reunification services to families participating in the projects. A portion of the funds shall be used to contract for the purchase of family preservation services in the department's Mason City district, in remaining counties of the Des Moines district, and to intensify services in 2 districts of the department, following review by the statewide family preservation and decategorization committee. A limited amount of the funds may be used for the family assistance fund to provide other resources required for a family participating in a project to stay together or to be reunified. Not more than \$70,000 of the funds appropriated in this section shall be used to provide training for pilot project employees. The payment system for the project shall not be based upon units of time, but may be based upon the cost to serve a family, including adjustments according to the provider's performance and the outcome of the services provided to each family. The department shall continue to develop both the family

preservation and the decategorization projects in consultation with professionals in the child welfare field and using outside technical assistance from the national conference of state legislatures and the center for the study of social policy. The department shall use the statewide family preservation and decategorization committee to assist in selecting additional projects.

Sec. 16. COMMUNITY-BASED PROGRAMS.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For community-based programs on the condition that the prevention grants relating to adolescent pregnancy are funded:
..... \$ 3,324,000

1. As a condition, qualification, and limitation of the funds appropriated in this section, up to \$250,900 shall be used by the department as the entitled aid from the state under section 232.142, subsection 3, for the cost of the establishment, improvement, operation, and maintenance of approved county or multicounty juvenile homes.

2. Of the funds appropriated in this section, \$523,500 shall be used for adolescent pregnancy prevention grants. At least 75 percent of the funds shall be used for programs which incorporate family planning and pregnancy prevention services as the major component of the program. The department shall not expend more than 7 percent of the funds for administrative costs. The department shall adopt rules to implement this subsection. A grant may be awarded to a public school corporation, a maternal and child health center, an adolescent services provider, or a nonprofit organization which is involved in adolescent issues. Grants shall be awarded for a 1-year period and targeted to provide services primarily in the 7 counties with the greatest incidence of adolescent

pregnancy. Preference in awarding grants shall be given to projects which utilize a variety of community resources and agencies.

a. As used in this subsection, "adolescent" means a person who is less than 18 years of age or a person who is attending an accredited high school and pursuing a course of study which will lead to a high school diploma or its equivalent. The department shall establish guidelines which permit a grant recipient to continue providing services to a person who receives services under the grant as an adolescent and becomes 18 years of age or older.

b. A grant shall only be awarded to a project which provides 1 or more of the following services:

(1) Workshops and information programs for adolescents and parents of adolescents to improve communication between children and parents regarding human sexuality issues.

(2) Development and distribution of informational material designed to discourage adolescent sexual activity, to provide information regarding acquired immune deficiency syndrome and sexually transmitted diseases, and to encourage male and female adolescents to assume responsibility for their sexual activity and parenting.

(3) Early pregnancy detection, prenatal services including chlamydia testing, and counseling regarding decision-making options for pregnant adolescents.

(4) Case management and child care services provided to male and female adolescent parents.

c. Additional services may be offered by a grantee pursuant to a purchase of service contract with the department including any of the following: child day care services; child development and parenting instruction; services to support high school completion, job training, and job placement; prevention of additional pregnancies during adolescence; and other personal services.

3. As a condition, qualification, and limitation of the funds appropriated in this section, at least \$250,000 shall be used to provide grants administered in accordance with the provisions for adolescent pregnancy prevention grants, except for requirements to target certain specific geographic areas of the state. The grants shall be awarded to fund any of the following purposes:

a. Programs targeted to children. A program must include the following: components for parental involvement; parental education, including techniques for encouraging sexual abstinence; outreach services for recruiting parents and children into the program; and the provision of transportation to program staff and participants necessary for recruiting and encouraging program participation.

b. Programs intended to prevent an additional pregnancy by a parent who is less than 19 years of age. Preference in grant awards shall be given to programs which provide financial incentives to clients for their program participation and success in avoiding an additional pregnancy.

c. Providing additional pregnancy prevention grants. Preference in grant awards shall be given to programs which, in addition to other services, provide counseling to mixed gender groups of adolescents.

5. As a condition, qualification, and limitation of the funds appropriated in this section, \$550,686 shall be used by the department for child abuse prevention grants.

Sec. 17. BLOCK GRANT SUPPLEMENTATION.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For supplementation of federal social services block grant funds and for allocation to the various counties for the purchase of local services:

..... \$ 4,643,000

The funds appropriated in this section shall be allocated to the counties pursuant to the rules of the department in effect on January 1, 1985. The department shall increase the income guidelines for income eligible persons receiving services funded with federal social services block grant funds for the fiscal year beginning July 1, 1990, by the same percentage and at the same time as federal social security benefits are increased due to a recognized increase in the cost of living.

Sec. 18. JUVENILE JUSTICE.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For juvenile justice expenditures pursuant to section 232.141, subsection 4:

..... \$ 5,385,000

As a condition, qualification, and limitation of the funds appropriated in this section, the department shall submit quarterly reports to the fiscal committee of the legislative council which provide the expenditures of the funds appropriated in this section for each judicial district.

Sec. 19. IOWA VETERANS HOME.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For operation of the Iowa veterans home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 28,680,000

..... PTEs 836.87

The department may use the gifts accepted by the director of human services pursuant to section 218.96 and other resources available to the department for use at the Iowa veterans home for purposes identified by the department.

Sec. 20. IOWA VETERANS HOME -- AUTOMATED CLINICAL INFORMATION SYSTEM.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs related to the purchase and implementation of an automated clinical information system at the Iowa veterans home:

..... \$ 176,000

DIVISION IV

Sec. 21. 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, 1990, and ending June 30, 1991, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

- 1. State mental health institute at Cherokee:
 - \$ 15,158,000
 - PTEs 409.33

As a condition, qualification, and limitation of the funds appropriated in this subsection, up to \$850,000 shall be used to phase in new residential treatment programs for adolescents who are substance abusers and to develop secure beds for juveniles placed at the state mental health institute at Cherokee.

- 2. State mental health institute at Clarinda:

..... \$ 7,442,000

..... FTEs 192.06

3. State mental health institute at Independence:

..... \$ 15,033,000

..... FTEs 424.77

4. State mental health institute at Mount Pleasant:

..... \$ 8,490,000

..... FTEs 207.5

Sec. 22. HOSPITAL-SCHOOLS.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

1. State hospital-school at Glenwood:

..... \$ 38,044,000

..... FTEs 1,178.00

2. State hospital-school at Woodward:

..... \$ 31,383,000

..... FTEs 957.3

Sec. 23. MENTAL HEALTH AND MENTAL RETARDATION SERVICES FUND.

There is appropriated from the general fund of the state to the state community mental health and mental retardation services fund established in section 225C.7 for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary:

..... \$ 3,255,000

- 1. Not more than \$30,000 of the funds appropriated in this section shall be used to support counseling services employing veterans to counsel veterans afflicted with delayed stress syndrome and their families.

2. Notwithstanding section 225C.7, subsection 2, \$130,000 of the funds appropriated in this section shall not be divided into 2 parts, but shall be used only for grants under the special allocation of the state community mental health and mental retardation services fund.

Sec. 24. MENTAL HEALTH -- MENTAL RETARDATION -- DEVELOPMENTAL DISABILITIES SPECIAL SERVICES.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, and developmental disabilities special services:
..... \$ 975,000

1. The department and the Iowa finance authority shall develop methods to implement financing for community-based intermediate care facilities for the mentally retarded and residential care facilities for the mentally retarded. The department shall develop criteria for these facilities which will include provisions to restrict placements to current state hospital-school clients and to avert the placement of persons in a state hospital-school. The department of human services shall assure that clients are referred to the facility upon development.

2. Of the funds appropriated in this section, \$550,000 is allocated to provide supplemental per diems to community-based residential care facilities. The per diem is restricted to clients placed from the state hospital-schools and persons averted from placement in a state hospital-school who meet the appropriate level of functioning for this type of care.

3. Of the funds appropriated in this section, \$200,000 is allocated to provide funds for construction and start-up costs to develop community living arrangements to provide for persons who are mentally ill and homeless. These funds may be

used to match federal Stewart B. McKinney Homeless Assistance Act grant funds.

4. Of the funds appropriated in this section, \$150,000 is allocated to provide supplemental per diems for community living arrangements developed under subsection 3.

5. As a condition, qualification, and limitation of the funds appropriated in this section, \$75,000 shall be used by the department to contract to provide technical assistance services to counties and service providers in strategic planning and implementation of community-based services for persons with mental retardation, mental illness, or developmental disabilities. A 13-member technical assistance panel shall determine the types and methods of technical assistance to be provided within available funding. The options considered by the panel shall include but are not limited to needs identified by individual counties, service providers, and the department of human services. The panel membership shall consist of the following persons:

- a. 5 persons appointed by the Iowa state association of counties.
- b. 3 persons, including 1 person who is a county human services director, appointed by the director of the department of human services.
- c. 1 person appointed by the community mental health centers association of Iowa.
- d. 1 person appointed by the governor's planning council on developmental disabilities.
- e. 1 person appointed by the mental health and mental retardation commission.
- f. 1 person appointed by the human needs advocates organization.
- g. 1 person appointed by the Iowa association of rehabilitation and residential facilities.

6. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall adopt

rules pursuant to chapter 17A providing for reimbursement under state supplementary assistance to pay for supervised apartment living and cooperative housing arrangements for persons with mental retardation, mental illness, or developmental disabilities. The rules shall take effect July 1, 1991.

Sec. 25. FAMILY SUPPORT SUBSIDY PROGRAM.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

..... \$ 590,000

As a condition, qualification, and limitation of the funds appropriated in this section, the department shall study the effect of establishing an eligibility spend-down provision for the family support subsidy program which is similar to eligibility spend-down provisions used for other public assistance programs. The study shall provide recommendations to address the needs of families who meet the family support subsidy program eligibility criteria except for income level and have extraordinary medical or other expenses as a result of caring for a child with a disability in their home.

Sec. 26. SPECIAL NEEDS GRANTS.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability:

..... \$ 55,000

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. A grant may provide up to \$5,000 per person for costs associated with an assistive animal. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency. Regular reports regarding coordination of the special needs grants with the family support subsidy program shall be provided to the legislative fiscal bureau.

Sec. 27. ENHANCED MENTAL HEALTH -- MENTAL RETARDATION -- DEVELOPMENTAL DISABILITIES SERVICES.

There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state candidate services fund:

..... \$ 2,630,000

1. The enhanced mental health, mental retardation, and developmental disabilities services plan oversight committee is continued, as established under 1988 Iowa Acts, chapter 1276, section 14, subsection 1, for the fiscal year which begins July 1, 1990, and ends June 30, 1991. The oversight committee shall issue a final decision regarding any issue of disagreement between a county and the department relating to expenditures for candidate services or the county's maintenance of effort.

2. For purposes of this section, "candidate services" means rehabilitation services, day treatment, partial hospitalization, and case management. Behavior management services shall be included in the state Title XIX plan as a candidate service if recommended by the oversight committee.

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case

management provided to adults, rehabilitation services, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness.

b. If the department has contracted with a county or a consortium of counties to be the provider of case management services, the department is responsible for any costs included within the unit rate for case management services which are disallowed for reimbursement pursuant to Title XIX of the federal Social Security Act by the federal health care financing administration. The department shall use funds appropriated under this section to credit a county for the county's share of any amounts overpaid due to the disallowed costs. If certain costs are disallowed due to requirements or preferences of a particular county in the provision of case management services the county shall not receive credit for the amount of the costs.

4. A county is responsible to continue to expend at least the agreed upon amount expended for candidate services in the fiscal year which ended June 30, 1987, for the fiscal year beginning July 1, 1990, for services to persons with mental retardation, a developmental disability, or chronic mental illness. If a county does not expend the agreed upon amount in the fiscal year, the balance not expended shall not revert to the general fund of the county, but shall be carried over to the next fiscal year to be expended for the provision of services to persons with mental retardation, a developmental disability, or mental illness including, but not limited to, the chronically mentally ill, and shall be used as additional funds. The additional funds shall be used, to the greatest extent possible, to meet unmet needs of persons with mental retardation, a developmental disability, or mental illness. This subsection does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

5. a. Notwithstanding section 8.31, funds appropriated in this section which are unobligated or unencumbered on June 30, 1991, shall not revert to the general fund but shall be deposited in the state community mental health and mental retardation services fund for use in the fiscal year beginning July 1, 1991. It is the intent of the general assembly that the funds deposited in the state community mental health and mental retardation services fund for this purpose shall be used in addition to moneys appropriated in the fiscal year beginning July 1, 1990, for this purpose.

b. Notwithstanding section 8.39, funds appropriated in this Act for the state mental health institutes and for the state hospital-schools shall not be subject to transfer, except to the state candidate services fund after January 1, 1991, subsequent to a reevaluation of the institutional budgets for the remainder of the fiscal year.

6. The department, in conjunction with the oversight committee, and with the agreement of each county, shall establish the actual amount expended for each candidate service for persons with mental retardation, a developmental disability, or chronic mental illness in the fiscal year which ended June 30, 1987, and this amount shall be deemed each county's base year expenditure for the candidate service. A disagreement between the department and a county as to the actual amount expended shall be decided by the oversight committee.

The department, in conjunction with the oversight committee, and with the agreement of each county, shall determine the expenditures in the fiscal year beginning July 1, 1990, by each county for the candidate services, including the amount the county contributes under subsection 3. If the expenditures in the fiscal year beginning July 1, 1990, exceed the base year expenditures for candidate services, then the county shall receive from the funds appropriated under this section the least amount of the following:

a. The difference between the total expenditures for the candidate services in the fiscal year beginning July 1, 1990, and the base year expenditures.

b. The amount expended by the county under subsection 3.

c. The amount by which total expenditures for persons with mental retardation, a developmental disability, or chronic mental illness for the fiscal year beginning July 1, 1990, less any carryover amount from the fiscal year which began July 1, 1989, exceed the maintenance of effort expenditures under subsection 4.

7. Notwithstanding section 225C.20, case management services shall be provided by the department except when a county or a consortium of counties contracts with the department to provide the services. A county or consortium of counties may contract to be the provider at any time and the department shall agree to the contract so long as the contract meets the standards for case management adopted by the department. The county or consortium of counties may subcontract for the provision of case management services if the subcontract meets the same standards. A mental health, mental retardation, and developmental disabilities coordinating board may change the provider of individual case management services at any time. If the current or proposed contract is with the department, the coordinating board shall provide written notification of a proposed change to the department on or before August 15 and written notification of an approved change on or before October 15 in the fiscal year which precedes the fiscal year in which the change will take effect.

8. This section does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

9. Nothing in this Act is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing

in this Act shall be construed, is intended, or shall imply a claim of entitlement to any programs or services specified in section 225C.28.

10. For the purposes of this section only, persons with organic mental disorders shall not be considered chronically mentally ill.

11. Where the department contracts with a county or consortium of counties to provide case management services, the state shall appear and defend the department's employees and agents acting in an official capacity on the department's behalf and the state shall indemnify the employees and agents for acts within the scope of their employment. The state's duties to defend and indemnify shall not apply if the conduct upon which any claim is based constitutes a willful and wanton act or omission or malfeasance in office.

DIVISION V

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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For field operations, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:	
.....	\$ 41,963,000
..... FTEs	2,318.50

1. Staff who are designated as "Title XIX case management staff" are considered to be in addition to the limit for full-time equivalent positions and the funds appropriated for field operations. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall report quarterly to the chairpersons and ranking members of the legislative fiscal committee of the legislative council, the members of the joint appropriations subcommittee on human

services, and the legislative fiscal bureau regarding the total number of Title XIX case management staff positions filled, including the number of positions which were filled by persons who were already employed by the department in another capacity.

2. As a condition, qualification, and limitation of the funds appropriated in this section, upon the request of a county, the department shall work with the county to develop a funding plan for persons with mental retardation, a developmental disability, or chronic mental illness who are not eligible to receive case management provided under the medical assistance program and are receiving service management. With an agreed upon funding plan, the department is authorized to combine state funds that would otherwise be expended on service management with county funds to upgrade services provided to the persons from service management to case management. Staff required to implement this subsection are not subject to the limitations on full-time equivalent positions and funds appropriated for field operations.

3. a. As a condition, qualification, and limitation of the funds appropriated in this section, the director of human services shall, no later than August 10, 1990, and by the 10th of each subsequent month, project the number of staff terminations in the field operations unit which are expected to occur during the succeeding 90 days. This projection shall be based upon the number of terminations which have occurred in the unit during the preceding 90 days, and other relevant factors. The director shall review the projection and the current number of vacant positions and shall initiate hiring as many field operations staff as are required to maintain the vacancy factor at a level which is no higher than 5 percent during the following 90-day period, based upon the budgeted full-time equivalent position level. The director shall report monthly to the chairpersons and ranking members of the joint human services appropriations subcommittee and to the

legislative fiscal bureau concerning the projected number of terminations, the number of vacant full-time equivalent positions, the number of full-time equivalent positions in the process of being hired, and other information needed by the legislative fiscal bureau to determine compliance with the provisions of this section.

b. The director of human services, the director of the department of personnel, and the director of the department of management shall by August 1, 1990, meet to develop changes in policies and procedures which can be implemented administratively to improve the hiring process for the field operations unit of the department of human services, in order that all budgeted full-time equivalent positions are filled and that the budgeted caseweight levels for employees are maintained. These changes shall be implemented as soon as is practicable and shall be reported to the chairpersons and ranking members of the joint human services appropriation subcommittee and the legislative fiscal bureau prior to implementation.

4. As a condition, qualification, and limitation of the funds appropriated in this section, if the field operations staffing level meets the funded full-time equivalent position limit authorized in this section and a district identifies a critical position vacancy or a position with a caseweight factor greater than 120 percent of the budgeted caseweight factor for the position, the director of human services may exceed the full-time equivalent position limit authorized under this section in the amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the budgeted level. For purposes of this subsection, "critical position vacancy" includes a clerical position in an office limited to a single clerical staff position. The budgeted caseweight factor for the fiscal year beginning July 1, 1990, and ending June 30, 1991, is 163 for income maintenance workers and 170 for social workers. In addition,

if the field operations staffing level meets the funded full-time equivalent position limit authorized in this section and there is a critical position vacancy in the state or the statewide average caseweight factor for a particular type of position exceeds 105 percent of the budgeted caseweight factor for that type of position, the director of human services may exceed the full-time equivalent position limit authorized in this section in an amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the budgeted level.

The department shall report monthly to the chairpersons and ranking members of the joint human services appropriations subcommittee and to the legislative fiscal bureau regarding caseweight factor computations in each district, the statewide average caseweight factor, the existence of a critical vacancy in any district, and action taken by the department to address any critical position vacancy problem or excess caseweight factor.

5. Notwithstanding the full-time equivalent position limit authorized in this section, a county implementing a decategorization project, consistent with the county's decategorization plan, may modify the staffing level in the county's human services office and the modification shall not affect other county or district human services staffing levels and shall not be considered to be subject to the full-time equivalent position limit in this section.

6. As a condition, qualification, and limitation of the funds appropriated in this section, at least 2 PTEs provided in this section shall be used to expand early preventive screening, diagnosis, and treatment outreach service efforts and to provide additional educational efforts for major providers of services to pregnant women and children.

7. It is the intent of the general assembly that eligibility workers shall be present in at least 3 additional high volume health care sites to process applications for medical assistance eligibility at those sites.

8. As a condition, qualification, and limitation of the funds appropriated in this section, up to \$100,000 shall be used for a study of caseweight factors, including staffing needs. The department shall work with the department of personnel in conducting the study, including any study component involving a request for proposals to retain a consultant.

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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 9,000,000
..... FTEs 350.95

1. Full-time equivalent positions which are funded entirely with federal, public, or private grants, or the gamblers assistance fund established in section 99E.10 are exempt from the limits on the number of full-time equivalent positions provided in this section, but are approved only for the period of time for which the federal funds or grants are available for the position.

2. As a condition, qualification, and limitation of the funds appropriated in this section, 1 FTE shall be filled by a homeless programs coordinator.

3. As a condition, qualification, and limitation of the funds appropriated in this section, if a state institution administered by the department is to be closed or reduced in size, prior to the closing or reduction the department shall initiate and coordinate efforts in cooperation with the department of economic development to develop new jobs in the area in which the state institution is located.

4. As a condition, qualification, and limitation of the funds appropriated in this section, not more than \$38,000 shall be used for staff assigned to develop home and community-based waivers under the federal-state medicaid program. The department shall identify experienced staff to develop the waivers, and shall consult with service providers, advocates, and other interested parties in developing the waivers.

5. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall seek federal approval of home and community-based waivers for services provided under medical assistance to persons with mental retardation, mental illness, or developmental disabilities.

6. As a condition, qualification, and limitation of the funds appropriated in this section, the department of human services, in consultation with the general assembly health care expansion task force, the governor's task force on the uninsured, and the Iowa department of public health, shall explore opportunities for state participation in authorized federal demonstration programs directed toward low-income children. The department shall submit a report of its findings to the governor and the general assembly on or before January 2, 1991.

7. As a condition, qualification, and limitation of the funds appropriated in this section, in cooperation with the department of human rights, division of community action agencies, and the Iowa department of public health, community health division, the department of human services shall develop a proposal outlining necessary actions to simplify and integrate the exchange of information across major programs serving the health and nutrition needs of low-income women and children, including the aid to dependent children program, the federal food stamp program, the medical assistance program, and the women, infants, and children nutrition program.

8. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall establish an advisory committee to study the department's proposed community residential-services development plan to implement more appropriate care and services to persons with mental retardation, mental illness, and developmental disabilities and related issues. The advisory committee shall include representatives from the department and other state agencies and representatives of the following groups: the alliance for the mentally ill, the association for retarded citizens of Iowa, the community mental health centers association of Iowa, protection and advocacy of Iowa, the Iowa association of rehabilitation and residential facilities, the Iowa state association of counties, the Iowa coalition for persons with disabilities, the American federation of state, county, and municipal employees council 61, and the governor's planning council for persons with developmental disabilities. The advisory committee's study shall include but is not limited to the following issues and areas: developing alternative living arrangements, services, and support for persons who are in institutions or community services and for the persons' families; assessing the flexibility and adequacy of funding sources for services, including federal block grants, state supplementary assistance, the family support subsidy program, vocational rehabilitation, the state candidate services fund, the state community mental health and mental retardation services fund, and medical assistance; providing recommendations for alternatives consistent with the bill of rights for persons with mental retardation, chronic mental illness, and developmental disabilities; and providing a 5-year plan to implement and finance the alternatives recommended by the advisory committee. The advisory committee shall submit a report containing its findings and recommendations to the director of the department of human services, the mental health and mental retardation commission,

the human services council, and the general assembly on or before November 1, 1990.

9. As a condition, qualification, and limitation of the funds appropriated in this section, \$30,000 shall be transferred to the governor's planning council for developmental disabilities for use in contracting to continue operating a computerized information and referral project for Iowans with developmental disabilities and their families.

10. As a condition, qualification, and limitation of the funds appropriated in this section, the director of human services or the director's designee shall participate in an interagency work group convened by the governor's planning council for developmental disabilities to examine the feasibility of establishing an office of disability prevention within state government.

11. As a condition, qualification, and limitation of the funds appropriated in this section, \$75,000 shall be used and 4 FTEs shall be assigned to computerization of manuals in an effort to assist income maintenance workers and other employees and improve services to clients.

12. The director of human services may contract for services to secure medical support payments from third parties and to develop a tracking system for claims paid under medical assistance for children who have an order for medical support.

13. The department may transfer up to \$20,013 of the funds appropriated and 1 FTE authorized for field operations in this Act to be used, in addition to the funds appropriated and full-time equivalent positions authorized in the appropriation made in this section, for the purpose of managing and monitoring early preventive screening, diagnosis, and treatment outreach service efforts.

14. Of the funds appropriated in this section, up to \$50,000 shall be used for staff and support costs required to implement section 36 of this Act, relating to development of children's programs in community settings. The number of

staff persons shall be limited to not more than 2 FTEs and the full-time equivalent positions are considered to be in addition to the full-time equivalent position limit authorized in this section.

15. As a condition, qualification, and limitation of the funds appropriated in this section, the department shall seek additional funds through supplemental appropriation if in relation to the appropriations for field operations in this Act, the expected federal cost allocation share is less than expected, the average base salary and support cost is more than expected, or the vacancy factor is lower than expected. The department shall report monthly to the fiscal committee of the legislative council, the chairpersons and ranking members of the joint human services appropriations subcommittee, and the legislative fiscal bureau regarding the projections of expenditures relating to the appropriations in this Act, and regarding any changes that occur relating to the federal cost allocation share, the average base salary and support cost, and the vacancy factor which affect the appropriation for field operations.

16. As a condition, qualification, and limitation of the funds appropriated in this section, the director of human services, in consultation with the chairpersons and ranking members of the joint human services appropriations subcommittee and other members of the general assembly designated by the fiscal committee of the legislative council, shall develop a proposal which is capable of implementation on or before July 1, 1991, to reduce the number of district offices in the department to not more than five offices. The proposal shall contain provisions to restructure county offices as appropriate to reduce the number of administrative staff positions in the department. The proposal shall be submitted to the governor and the general assembly on or before January 2, 1991.

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, 1990, and ending June 30, 1991, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:
..... \$ 95,000

Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. For the fiscal year beginning July 1, 1990, the following providers shall have their medical assistance reimbursement rates increased by 4 percent over the rates in effect on June 30, 1990: psychiatric medical institutions for children, providers of waived services under the home and community-based programs, optometrists for service fees only, opticians for service fees only, podiatrists, dentists, chiropractors, physical therapists, birthing centers, ambulance services, independent laboratories, area education agencies, clinics, audiologists, rehabilitation agencies, community mental health centers, family planning clinics, psychologists, hearing aid dealers, orthopedic shoe dealers, ambulatory surgery centers, and genetic counseling clinics. Reimbursement for optometric products, and durable medical products and supplies, shall be increased by 6.4 percent. The department of human services may utilize flexibility in allocating the increase for medical equipment and supplies so that equipment and supplies which have greater wholesale cost increases may be reimbursed at a higher rate and those which have a lower or no wholesale cost increase may be reimbursed at a lower rate or have no increase. Reimbursement rates for physicians and certified registered nurse anesthetists shall be increased by 3.2 percent. Reimbursement rates for screening centers, maternal health centers, obstetric services when provided by physicians or certified nurse midwives, and pediatric services shall be increased by 7.44 percent.

The department shall provide a differential per diem reimbursement rate to a psychiatric medical institution for children for short-term treatment or diagnosis services provided within a segregated unit of the institution. The differential per diem reimbursement rate shall not exceed 120 percent of the per diem rate authorized in this section for psychiatric medical institutions for children.

The dispensing fee for pharmacists shall be increased by 4 percent. The department shall adjust the average wholesale price of drug product costs in accordance with federal regulations. Dispensing fees for pharmacists shall be further adjusted to reflect the adjustment to the average wholesale price of drug product costs. Total adjustments to reimbursements for prescription drugs shall remain within funds appropriated.

a. Reimbursement rates to hospitals shall be increased by 5.7 percent over the rates in effect on June 30, 1990.

b. Reimbursement rates for rural health clinics shall be increased in accordance with increases under the federal medicare program.

c. Home health agencies certified for the medical assistance program, hospice services, and acute care mental hospitals shall be reimbursed for their current federal medicare audited costs.

d. Effective July 1, 1990, skilled nursing facility reimbursement rates shall be increased by 5 percent over the rates in effect on June 30, 1990.

e. Effective July 1, 1990, the basis for establishing the maximum medical assistance reimbursement rate for intermediate care facilities shall be the 74th percentile of facility costs as calculated from the June 30, 1990, unaudited compilation of cost and statistical data.

(1) Effective July 1, 1990, intermediate care facilities shall receive in addition to their approved per diem rate, an amount equal to \$2.50 per day for each medical assistance

eligible resident identified by the Iowa foundation for medical care as meeting criteria to receive special care or services.

(2) Effective October 1, 1990, the term "intermediate care facility" shall be replaced by the term "nursing facility". Effective October 1, 1990, nursing facilities shall be allowed an increase in their per diem reimbursement rates based on budgeted costs related to meeting nursing home reform requirements pursuant to the federal Omnibus Budget Reconciliation Act of 1987, Pub. L. No. 100-203. To be considered for per diem reimbursement rate adjustment, a nursing facility's budget for costs related to meeting the nursing home reform requirements must be received by the department on or before August 31, 1990. Reports of actual costs related to meeting the nursing home reform requirements shall subsequently be submitted to the department.

Subject to the maximum per diem reimbursement rate for nursing facilities in effect on October 1, 1990, the department shall reconcile the nursing facility's actual costs relative to its budgeted costs and adjust the facility's per diem reimbursement rate accordingly.

(3) Effective October 1, 1990, the maximum reimbursement rate for nursing facilities shall be the 74th percentile of facility costs as calculated from the June 30, 1990, unaudited compilation of cost and statistical data, with the addition of budgeted facility costs related to meeting federal nursing home reform requirements pursuant to the federal Omnibus Budget Reconciliation Act of 1987, Pub. L. No. 100-203.

(4) Intermediate care facilities for the mentally retarded with 15 or fewer beds shall be reimbursed at 95 percent of the authorized per diem reimbursement rate for allowed leave days.

(5) If a resident of a residential program is admitted to a state mental health institute for short-term hospitalization, the residential program shall be reimbursed at the authorized per diem reimbursement rate for the days the resident is in the state mental health institute.

2. a. For the fiscal year beginning July 1, 1990, the cost reimbursement rate for residential care facilities reimbursed by the department shall be increased by \$1.11 per day over the maximum cost reimbursement rate in effect on June 30, 1990. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be increased by \$.80 per day over the flat reimbursement rate in effect on June 30, 1990. For the fiscal year beginning July 1, 1990, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be increased by 6 percent over the rates in effect on June 30, 1990.

b. If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, the cost reimbursement rate for residential care facilities reimbursed by the department shall be increased by \$.37 per day over the maximum cost reimbursement rate in effect on December 31, 1990. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be increased by \$.27 per day over the flat reimbursement rate in effect on December 31, 1990. The maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be increased by 2 percent over the rates in effect on December 31, 1990.

3. a. For services provided by social service providers reimbursed by the department in the fiscal year beginning July 1, 1990, rates shall be increased by 6 percent over the unreduced rates in effect on June 30, 1990, except for family foster care provider rates which shall be increased by an average of 9 percent. Increases in rates for foster group care and shelter care services shall not exceed \$4.25 per day over the maximum rate in effect on June 30, 1990. The reimbursement rate increase for providers whose cost reimbursement is below the maximum rate on July 1, 1990, shall be the maximum increase provided to providers whose cost reimbursement is at the maximum rate on July 1, 1990.

b. If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, services provided by social service providers reimbursed by the department rates shall be increased by 2 percent over the unreduced rates in effect on December 31, 1990, except for family foster care provider rates which shall remain at the rates in effect on December 31, 1990. Increases in rates for foster group care and shelter care services shall not exceed \$1.42 per day over the maximum rate in effect on December 31, 1990. The reimbursement rate increase for providers whose cost reimbursement is below the maximum rate on January 1, 1991, shall be the maximum increase provided to providers whose cost reimbursement is at the maximum rate on January 1, 1991.

4. For providers reimbursed under subsection 3, reimbursement rate increases may be applied to the maximum reimbursement rate a program has received in any of the last 5 fiscal years, provided that if the program utilizes a reimbursement rate for a year other than the fiscal year beginning July 1, 1989, the program can justify to the department that the costs associated with that reimbursement rate pertain to the fiscal year beginning July 1, 1990.

5. Notwithstanding the provisions of subsections 3 and 4, the department may implement revisions of the methodology for purchasing group foster care services to establish rates for group foster care services based on the study of these issues funded by the general assembly in the fiscal year which began July 1, 1989, provided the overall expenditures for the services are revenue neutral and the revisions of the methodology are agreed to by the affected service providers.

6. As a condition, qualification, and limitation of the funds appropriated in this Act, the department shall develop methodologies to reimburse the actual costs of providers of services under the appropriations for foster care, state

supplementary assistance, and social services block grant supplementation in this Act. The department shall report to the governor and the general assembly by October 1, 1991, regarding the methodologies that the department has developed to achieve this purpose and the estimated costs for their implementation.

It is the intent of the general assembly that the providers shall be reimbursed for their actual costs commencing in the fiscal year beginning July 1, 1993. It is the intent of the general assembly that the governor shall propose in the governor's budget submitted to the general assembly, for the fiscal years ending June 30, 1992, and June 30, 1993, increases for social service providers that would allow for a phase-in of this reimbursement system in equal steps toward full implementation in the fiscal year ending June 30, 1994.

Sec. 32. CONTINGENCY APPROPRIATION INCREASE.

If the ending balance in the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is \$100,000,000 or more, effective January 1, 1991, there is appropriated from the general fund of the state to the department of human services for the fiscal period beginning January 1, 1991, and ending June 30, 1991, the following amounts, to be used for increased reimbursement rates for providers of services reimbursed under section 31, subsections 2 and 3, of this Act:

1. For state supplementary assistance:	\$ 207,331
2. For protective and state child care assistance:	\$ 84,720
3. For foster care:	\$ 482,498
4. For home-based services:	\$ 99,888
5. For community-based programs:	\$ 16,508

6. For supplementation of federal social services block grant funds and for allocation to the various counties for the purchase of local services:

..... \$ 134,356

7. For development and coordination of volunteer services:

..... \$ 1,164

Sec. 33. ASSISTANCE TO GAMBLERS.

The department shall use funds deposited in the gamblers assistance fund established in section 99E.10 only as provided in that section and, in accordance with department of revenue and finance rules relating to reimbursement of state advisory committees, to reimburse advisory committee members for actual and necessary expenses for their attendance at meetings. Any unspent funds shall remain in the fund and shall not be transferred or reverted to the general fund of the state.

The department shall use gamblers assistance fund moneys for funding the following full-time equivalent positions to support this program:
..... FTEs 3.00

Sec. 34. REQUIREMENTS RELATING TO PERSONS WITH DISABILITIES.

1. Subject to the limitations of the appropriations in this Act for the state mental health institutes and for state hospital-schools, the department of human services shall modify staffing structures at the state hospital-schools and the state mental health institutes consistent with accreditation and certification requirements and the findings of the study on staffing commissioned by the general assembly in order to improve the level of direct staffing, reduce or simplify the levels of organizational authority where appropriate, and reduce the use of overtime. If, after review of the study recommendations, the department of human services decides to establish the position of "human resource specialist" at the state hospital-schools, the positions shall be established within the department of personnel and the

department of human services may transfer to the department of personnel the associated full-time equivalent positions and moneys equal to the salary costs for the positions. Of highest priority is the maintenance of sufficient direct care staff to assure worker and patient safety. The department shall work with all levels of affected employees in carrying out this staff restructuring. The department shall work to assure that vacant positions in direct care are filled promptly and expeditiously.

2. As a condition, qualification, and limitation of the appropriations in this Act for the state mental health institutes and for the state hospital-schools, the department of human services shall identify issues which require legislative attention regarding the impact upon counties of variations in per diem rates for services provided at the individual state hospital-schools, the individual state mental health institutes, and community-based facilities. The issue identification shall include an evaluation of incentives and disincentives which now exist or are likely to exist in the near future relating to county obligations for the costs of care provided in state institutions contrasted with county obligations for the costs of care provided in community-based facilities. The department shall identify persons, groups, and organizations whose involvement is necessary to effectively address the identified issues and information which must be obtained in order to develop proposals to address the identified issues. The department shall submit a report which includes the identified issues, a list of persons who should be involved in addressing the issues, and information needs. The report shall provide at least 2 alternative action plans to address the issues and a proposal to equalize rates charged for each service provided at the individual state hospital-schools and the individual state mental health institutes. The report shall be submitted on or before October 1, 1990, to the chairpersons and ranking

members of the joint human services appropriations subcommittee and to the fiscal committee of the legislative council. The chairpersons and ranking members shall receive per diem and reimbursement of necessary expenses related to their receipt of the report.

3. As a condition, qualification, and limitation of the appropriations in this Act for the state mental health institutes and for the state hospital-schools, within the applicable guidelines established under the federal Fair Labor Standards Act, the department shall establish a friends- sponsorship program for employees and residents of the state hospital-schools and the state mental health institutes. An employee participant, including but not limited to a direct care worker, resident treatment worker, or other nonexempt employee shall be required to sign a waiver to ensure that time spent with residents as part of the program is considered to be volunteer time and is not paid for by the state. An employee shall not be formally or informally required to participate in the program. The department shall establish standards to provide for consent of employees to participate and for appropriateness and quality of program activities involving residents which take place outside a state hospital-school or state mental health institute.

Sec. 35. FULL-TIME EQUIVALENT LIMIT NOTIFICATION.

The Iowa veterans home, the state mental health institutes, and the state hospital-schools may exceed the specified number of full-time equivalent positions if the additional positions are specifically related to licensing, certification, or accreditation standards or citations. The department shall notify the co-chairpersons and ranking members of the joint human services appropriations subcommittee of the appropriations committees of the house and senate and the legislative fiscal bureau if the specified number is exceeded. The notification shall include an estimate of the number of full-time equivalent positions added and the fiscal effect of the addition.

Sec. 36. DEVELOPMENT OF CHILDREN'S PROGRAMS IN COMMUNITY SETTINGS.

1. The department of human services and the supreme court, in consultation with existing providers of services, members of the general assembly, and experts in child welfare and juvenile justice, shall conduct a study identifying the types of residential programs which should be developed, either by enhancing reimbursement of foster care services or of psychiatric medical institutions for children, to serve the children who are currently in the following placements: the Iowa juvenile home, out-of-state facilities at high cost to the state, and the state training school when the children could be served in community settings if the proper type of program were available. The recommendations of the juvenile justice advisory committee, established by the legislative council in 1989, regarding the state training school and the Iowa juvenile home shall be considered. In addition, the need to develop specific programs to serve children who are sexual abuse perpetrators, substance abusers, or have a dual diagnosis, and the regions of the state where the specific programs should be located in order to serve children in community settings, shall be identified. The department and the supreme court shall complete the study of the items required under this section on or before June 1, 1990.

2. Based upon the study findings, the department shall request proposals to develop a total of 120 additional residential placement slots in community settings and the slots shall be available on or before October 1, 1991. The department shall work with the Iowa finance authority and service providers to finance the development of resources for these slots at the lowest possible cost. The requests for proposals shall be issued on or before July 1, 1990.

3. Notwithstanding the provisions of section 135H.6, subsection 5, psychiatric medical institution for children beds developed under this section are not subject to the limit

upon the number of beds which may be provided under psychiatric medical institution for children licensure.

4. If House File 2517 is enacted by the Seventy-third General Assembly, 1990 Session, containing provisions which are in conflict with this section, the provisions of House File 2517 shall prevail in place of this section.

Sec. 37. COMPUTERIZATION -- ASSESSMENT OF FINANCIAL IMPACT.

In order to assess the financial impact of computerizing functions within the department of human services, the department of general services, information services division, shall monitor the utilization of the central processing unit resources maintained by the division, and shall provide quarterly reports to the fiscal committee of the legislative council and the legislative fiscal bureau. The quarterly reports shall contain an analysis of the central processing unit resources utilized by the department of human services by each computerized application within the department. The reports shall also contain information on computerized applications which are under development, and shall project the central processing unit utilization which will occur in 6, 12, 18, and 24 months. The reports shall be designed to enable the fiscal committee and the legislative fiscal bureau to assess the fiscal impact of various computerized applications, with emphasis upon the need for the division to purchase additional computer hardware.

Sec. 38. RULES.

The department of human services may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the sections of this Act enumerated in this section. Rules adopted pursuant to section 1, subsection 4, relating to increasing the schedule of basic needs under the aid to dependent children program; section 2, subsection 7, relating to the costs of transportation connected with the health of a resident of a

health care facility reimbursed under medical assistance; section 2, subsection 8, relating to differential reimbursement paid to hospitals which provide a disproportionate share of care to medical assistance recipients and related provisions; section 2, subsection 9, relating to occupancy limits applied to intermediate care facilities for reimbursement purposes; section 4, unnumbered paragraph 3, relating to increasing the personal needs allowance of certain persons; section 5, unnumbered paragraph 3, relating to the tribal council's usage of appropriated funds for administrative purposes; section 6, subsection 3, relating to allocating funds appropriated for protective and state child care assistance; section 13, subsection 6, relating to foster care liability insurance; section 13, subsection 15, relating to recruiting foster parents from recipients of public assistance; section 16, subsection 3, relating to grants administered in accordance with provisions for adolescent pregnancy prevention grants; section 17, unnumbered paragraph 3, relating to increasing income guidelines for certain persons; section 24, subsections 1 through 4, relating to financing certain facilities, to providing supplemental per diems to certain facilities, and to providing for costs and reimbursements relating to certain community living arrangements; section 26, relating to special needs grants; and section 31, relating to reimbursements of providers, of this Act shall become effective immediately upon filing, unless a later effective date is specified in the rules. The rules shall also be published as notice of intended action as provided in section 17A.4.

Sec. 39. GAMBLERS ASSISTANCE NOTIFICATION.

The Iowa lottery board and the state racing and gaming commission shall cooperate with the gamblers assistance program in developing procedures to incorporate information regarding the gamblers assistance program and its toll-free telephone number in printed materials distributed. The

commission may require licensees to have the information available in a conspicuous place as a condition of licensure.

Sec. 40. 1986 Iowa Acts, chapter 1150, section 3, as amended by 1988 Iowa Acts, chapter 1239, section 1, is repealed.

Sec. 41. Section 99E.10, subsection 1, paragraph a, Code 1989, is amended by striking the paragraph and inserting in lieu thereof the following:

a. An amount equal to one-half of one percent of the gross lottery revenue shall be deposited in a gamblers assistance fund in the office of the treasurer of state. Notwithstanding section 8.33, moneys deposited in the fund that remain unencumbered and unobligated on June 30 in any fiscal year, shall not revert to the general fund but shall remain available for the purposes designated in subparagraphs (1) through (4). Moneys in the fund shall be administered as follows:

(1) In each fiscal year the first seven hundred fifty thousand dollars of the moneys available in the fund shall be administered by the director of human services and used to provide assistance and counseling to individuals and families experiencing difficulty as a result of gambling losses and to promote awareness of "gamblers anonymous" and similar assistance programs.

(2) Ten percent of the remaining moneys deposited in the fund in each fiscal year shall be administered by the director of human services as provided in subparagraph (1).

(3) Thirty percent of the remaining moneys deposited in the fund in each fiscal year shall be administered by the director of human services for child abuse prevention grants under section 235A.1, in recognition that the effects of gambling may be felt by all family members.

(4) Sixty percent of the remaining moneys deposited in the fund in each fiscal year shall be administered by the director of human services for the purposes of the family support

subsidy program in accordance with sections 225C.35 through 225C.40.

(5) For the fiscal year beginning July 1, 1990, after the first seven hundred fifty thousand dollars available in the fund is administered and made available for use pursuant to subparagraph (1), the next two hundred seventy-five thousand dollars of the moneys available in the fund shall be administered by the director of human services and used for juvenile justice expenditures pursuant to section 232.141, subsection 4.

Sec. 42. Section 234.35, unnumbered paragraph 1, Code 1989, is amended to read as follows:

The department of human services shall be initially responsible for paying the cost of foster care for a child, according to rates established pursuant to section 234.38, under any of the following circumstances:

Sec. 43. Section 234.35, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 5. When a court has entered an order transferring the legal custody of the child to a foster care placement pursuant to section 232.52, subsection 2, paragraph "d", or section 232.102, subsection 1.

Sec. 44. Section 234.38, Code 1989, is amended to read as follows:

234.38 DEPARTMENT MAY PAY FOSTER PARENTS DIRECTLY.

The department of human services is authorized to make payments directly to foster parents for services provided to children pursuant to section 234.6, subsection 6, paragraph "b", or sections section 234.35 and 234.36. The rate of payment by the department for foster care shall be fixed by the department by rules adopted pursuant to chapter 17A. Payments may be made from any money funds legally available to the department for that purpose, including but not limited to funds appropriated by the general assembly, money funds available under section 234.37, and money funds received from

the parent or legal guardian of a child to pay for that child's foster care.

Sec. 45. Section 234.39, subsection 1, Code Supplement 1989, is amended to read as follows:

1. For an individual to whom section 234.35, subsection 2, or 4, or ~~section-234:36~~ 5, is applicable, a dispositional order of the juvenile court requiring the provision of foster care shall establish, after notice and a reasonable opportunity to be heard is provided to a parent or guardian, the amount of the parent's or guardian's support obligation for the cost of foster care provided by the department, if a support obligation has not previously been established under an order of the district court or court of comparable jurisdiction in another state. The court shall establish the amount of the parent's or guardian's support obligation and the amount of support debt accrued and accruing in accordance with the child support guidelines prescribed under section 598.21, subsection 4. However, the court may adjust the prescribed obligation after considering a recommendation by the department for expenses related to goals and objectives of a case permanency plan as defined under section 237.15. The order shall direct the payment of the support obligation to the collection services center for the use of the department's foster care recovery unit. The order shall be filed with the clerk of the district court in which the responsible parent or guardian resides and has the same force and effect as a judgment when entered in the judgment docket and lien index. The collection services center shall disburse the payments pursuant to the order and enter the disbursements in a record book. If payments are not made as ordered, the child support recovery unit shall certify a default to the court and the court may, on its own motion, proceed under section 598.22 or 598.23. An order entered under this subsection may be modified only in accordance with the guidelines prescribed under section 598.21, subsection 8.

Sec. 46. Section 237.15, subsection 3, Code 1989, is amended to read as follows:

3. "Child receiving foster care" means a child defined in section 234.1 whose foster care placement is the financial responsibility of the state pursuant to section 234.35 or 234:36, who is under the guardianship of the department, or who has been involuntarily hospitalized for mental illness pursuant to chapter 229.

Sec. 47. Section 242.7, Code 1989, is amended to read as follows:

242.7 PLACING IN FAMILIES.

All children committed to and received in the state training school may be placed by the department under foster care arrangements, with any persons or in families of good standing and character where they will be properly cared for and educated. The cost of foster care provided under these arrangements shall be paid as provided in ~~sections~~ section 234.35 and-234:36.

Sec. 48. Section 249A.3, subsection 1, paragraph f, Code Supplement 1989, is amended to read as follows:

f. Is a child who is less than ~~six~~ seven years of age and who meets the income and resource requirements of the aid to dependent children program under chapter 239.

Sec. 49. Section 249A.17, Code 1989, is amended to read as follows:

249A.17 TRANSITIONAL MEDICAL ASSISTANCE.

The department shall provide transitional medical coverage comparable to medical assistance provided under this chapter, for twelve months or for the maximum period permitted under federal regulations, whichever is greater, for the family of a recipient who has lost eligibility for public assistance under aid to families with dependent children pursuant to chapter 239 prior to April 1, 1990, because of an increase in earned income.

Sec. 50. Section 234.36, Code 1989, is repealed.

Sec. 51. RETROACTIVE APPLICABILITY.

Section 2, subsection 9, of this Act applies retroactively to January 1, 1990.

Sec. 52. EFFECTIVE DATE.

Sections 36, 38, 40, and 49 of this Act, being deemed of immediate importance, take effect upon enactment.

JO ANN ZIMMERMAN

President of the Senate

DONALD D. AVENSON

Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2435, Seventy-third General Assembly.

JOHN F. DWYER

Secretary of the Senate

Item Veto
~~Approved~~

May 7, 1990

TERRY E. BRANSTAD

Governor