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SENATE FILE **444**
BY DELUHERY

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

A BILL FOR

1 An Act establishing a funding formula for the state to assume the
2 costs for qualified mental health, mental retardation, and
3 developmental disabilities services provided by counties for
4 adults.

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

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S.F. 444

1 Section 1. PURPOSE. It is the purpose of this Act to
2 provide property tax relief to the citizens of this state by
3 providing state financial assistance for the funding of
4 services provided to persons with mental illness, mental
5 retardation, or developmental disabilities. In providing
6 property tax relief, it is also the purpose of this Act that
7 persons with mental illness, mental retardation, or
8 developmental disabilities be provided with the services
9 necessary for these persons to be fully included as
10 contributing members of their families, neighborhoods, and
11 communities.

12 Sec. 2. NEW SECTION. 426B.5 STATE FUNDING FORMULA FOR
13 QUALIFIED EXPENDITURES FOR ADULTS.

14 1. For the purposes of this section, unless the context
15 otherwise requires, "qualified services" means qualified
16 mental health, mental retardation, and developmental
17 disabilities services, as defined in section 331.438.

18 2. It is the intent of the general assembly that by the
19 end of the fiscal period beginning July 1, 1999, and ending
20 June 30, 2005, by means of incremental increases in state
21 appropriations to the property tax relief fund and to the
22 department of human services for distribution to counties for
23 allowed growth payments as provided in section 331.439, the
24 state will have assumed one hundred percent of the costs of
25 providing qualified services to adults.

26 3. Notwithstanding contrary provisions of section 426B.2,
27 subsection 2, moneys shall not be transferred from the
28 property tax relief fund but shall continue to be provided
29 from the property tax relief fund until otherwise provided by
30 law. The state's proportional share of the sum of state and
31 county funding for qualified services to adults shall be as
32 follows:

33 a. The rates established for reimbursement of persons
34 providing qualified services to adults shall be reasonable and
35 adequate to cover the costs of efficiently operated and

1 economical services.

2 b. The state shall have sole responsibility for funding
3 any new mental health, mental retardation, or developmental
4 disabilities services which the state requires to be provided
5 to adults. In the event that the state requires a new service
6 population to be eligible for payment of service costs, the
7 state shall have sole responsibility for funding services
8 provided to that population.

9 4. The state's proportional share of the sum of state and
10 county funding for qualified services shall be as follows:

11 a. For the fiscal year beginning July 1, 1999, sixty
12 percent of the sum of net state and county funding for
13 qualified services provided to adults during the fiscal year
14 beginning July 1, 1997.

15 b. For the fiscal year beginning July 1, 2000, seventy
16 percent of the sum of net state and county funding for
17 qualified services provided to adults during the fiscal year
18 beginning July 1, 1998.

19 c. For the fiscal year beginning July 1, 2001, eighty
20 percent of the sum of net state and county funding for
21 qualified services provided to adults during the fiscal year
22 beginning July 1, 1999.

23 d. For the fiscal year beginning July 1, 2002, ninety
24 percent of the sum of net state and county funding for
25 qualified services provided to adults during the fiscal year
26 beginning July 1, 2000.

27 e. For the fiscal year beginning July 1, 2003, one hundred
28 percent of the sum of net state and county funding for
29 qualified services provided to adults during the fiscal year
30 beginning July 1, 2001.

31 f. For the fiscal year beginning July 1, 2004, one hundred
32 percent of the sum of net state and county funding for
33 qualified services provided to adults during the fiscal year
34 beginning July 1, 2003.

35 g. For the fiscal year beginning July 1, 2005, and

1 succeeding fiscal years, the state shall provide one hundred
2 percent of the funding for qualified services provided to
3 adults during a fiscal year.

4 Sec. 3. LEGISLATIVE INTENT. Nothing in this Act is
5 intended, shall be construed, or shall imply the creation of a
6 new county responsibility for funding of services and nothing
7 in this Act shall relieve a county from any existing funding
8 responsibility, including but not limited to responsibilities
9 required under chapter 222.

10 EXPLANATION

11 This bill establishes a funding formula for increasing
12 state participation in county costs for "qualified mental
13 health, mental retardation, and developmental disabilities
14 services" provided to adults. The qualified services are
15 those identified on forms issued by the county finance
16 committee following consultation with the state-county
17 management committee, under Code section 331.438.

18 The intent of the general assembly as stated is to increase
19 the proportion of state spending relative to county spending
20 for these services over a six-year period until the state
21 assumes 100 percent of the costs of the services. The period
22 begins July 1, 1999, and ends June 30, 2005, and the state
23 financial responsibility in each year is specified. It is
24 specified that service provider reimbursement rates must be
25 reasonable and adequate and that new responsibilities and
26 newly covered populations are a state responsibility.

27 In addition, it is specified that while the bill does not
28 create a new county funding responsibility, it also does not
29 relieve a county of existing funding responsibilities,
30 including a requirement relating to persons with mental
31 retardation.

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