MINUTES OF THE SPECIAL MEETING OF THE ADMINISTRATIVE RULES REVIEW COMMITTEE

Time of Meeting

The special meeting of the Administrative Rules Review Committee was held Wednesday and Thursday, January 4 and 5, 1989, Committee Room 22, State Capitol, Des Moines, Iowa. This meeting was held in lieu of the statutory date of January 10, 1989.

Members Present

Senator Berl E. Priebe, Chairman; Representative Edward G. Parker, Vice Chairman; Senators Donald V. Doyle and Dale L. Tieden; Representatives Betty Jean Clark and Emil S. Pavich. Staff present: Joseph A. Royce, Legal Counsel; Phyllis Barry, Administrative Code Editor; Bonnie King, Administrative Assistant; Vivian Haag, Executive Secretary. Also present: Representative David Schrader and Barbara Burnett, Governor's Administrative Rules Coordinator.

Convened

Chairman Priebe convened the meeting at 10:07 a.m., January 4, and called for review of rules of the Corrections Department.

CORRECTIONS DEPARTMENT

Fred Scaletta, Paul Muller and Charles W. Lee were present for consideration of the following:

20.6

Discussion centered on revised rule 20.6, which was emergency adopted because of a recent U. S. District Court ruling regarding sexually explicit publications for inmates--Dawson v. Scurr. Because of the widespread publicity on the matter, the Department also sought public opinion through the Notice process.

Scaletta stated that all mail marked "confidential" is opened in the presence of the inmate, but is not read. He reassured the Committee that visitors would not be allowed to supply any of the publications.

Doyle spoke of the general issues involved and took the position that the Board had addressed the problem.

40.5(9)

Scaletta described proposed amendment to 40.5(9) as a general statement that authorizes the District Director to administer the personnel classification system and policy procedures pertaining to contracts, employees, etc.

Ch 50

Muller explained amendments to Chapter 50 which were intended to implement Code section 232.22(2) \underline{c} regarding the jailing of juveniles. Priebe suspected that most inmates would fit into the category of 50.13(1) \underline{f} (2) by

CORRECTIONS being "anxious, afraid or angry." Muller emphasized DEPARTMENT that "overly" was the key word in this situation. He (Cont.) pointed out that more "middle class" are being jailed.

51.11 Scaletta stated that amendment to 51.11(2) was intended to implement 1988 Acts, H.F. 2278.

Priebe called on Vice Chairman Parker to preside over the meeting since this would be his last day on the Rules Committee. Representative Parker did not seek re-election to the GA. Parker in the Chair. Priebe moved to approve the minutes of the December

Minutes Priebe moved to approve t meeting. Motion carried.

PAROLE The following proposal of the Parole Board was before BOARD the Committee with Richard George, Executive Director, and Jim Twedt, Parole Revocation Hearing Officer, in attendance.

According to George, many of the rules were essentially unchanged from the existing version. Major area of change was a parole revocation.

Scaletta informed Clark that terms of Board Chairperson and Vice Chairperson were unlimited--1.1(5). Clark recommended deletion of the words "The board may conduct the following meetings:", from 205--1.4(904A). She reasoned that use of "except as provided herein" in 1.4(4) to 1.4(6) was vague. Clark questioned use of "disciplinary reports" in 6.4(3)d and George recalled that the statute had been copied. No Committee action.

Scenic Railroads Royce reviewed the Attorney General's Opinion which had been requested by the Committee with respect to regulation of scenic railroads. The opinion concluded that legislative intent in Chapter 88A did not contemplate regulation of these railroads as amusement rides. The opinion also advised that Code chapters 327C, 327D and 327F were not applicable to scenic railroads.

EDUCATION DEPARTMENT

The Education Department was represented by Kathy Collins, Legal Counsel; Ralph Childers, Vocational Rehabilitation; Carol Alexander Phillips. The following agenda was presented:

Agency procedure for rule making, 4.6, 4.7 ARC 9492.	F	12/14/88
Agency procedure for rule making, 4.6, 4.7 Atto 9432 Child development coordinating council, ch 64 ARC 9534 Educational opportunities outside a student's resident district, ch 16 ARC 9558	<i>P</i>	12/28/88
Educational emportunities outside a student's resident district, ch 16 ARC 9558.	<i>N</i>	12/28/88
Educational opportunities outsuic a student's resident district, on 10 ARC 30018. Vocational rehabilitation division — hearings on applicants' and clients' appeals, 56.14. ARC 9494, also filed emergency ARC 9493. Administrative advancement and recruitment program, ch 94, ARC 9561, also filed emergency ARC 9556.	NAFE	19/14/88
emergency ARC 9493	NY FE	12/28/88
Administrative advancement and recruitment program, cn 94, ARC 9001, ministrative advancement and recruitment program, cn 94, ARC 9001, ministrative advancement investigating incidents of abuse of students by school employees, ch 102, notice ARC 9187 terminated ARC 9511	A/T	10/14/00
ARC 9187 terminated ARC 9511. Procedures for charging and investigating incidents of abuse of students by school employees, ch 102 ARC 9	XV. /	12/14/88
Procedures for charging and investigating incidents of abuse of students by school employees, on the Art.		12/20/00

Section .

No questions on amendments to Chapter 4.

EDUCATION
DEPARTMENT
(Cont.)

In review of proposed Chapter 16, Collins concurred with Parker as to the vagueness of the rules but emphasized that there would be case-by-case review.

Ch 64

Phillips explained that new Chapter 64 structures the Child Development Coordinating Council which promotes services to at-risk three and four-year-old children. These rules which are intended to implement 1988 Acts, Chapter 1130, §4, also set forth the procedures under which state funds shall be made available to assist local child development programs for at-risk children.

Priebe called attention to 64.4(2) which provided for formal action by a "majority of voting members." He recommended that "voting" be changed to "appointed." Phillips and Collins contended that the language followed the statute. No Committee action.

56.14

Childers stated that amendment to 56.14 was emergency adopted to implement Iowa Code sections 259.1 and 259.3 and reflects changes brought about by the federal Rehabilitation Act. The Department is required to have an outside impartial hearing officer. The rule will allow the administrator of the Division of the Vocational Rehabilitation Services to overrule or modify the hearing officer's decision. Priebe questioned the elimination of three-member district case board in favor of the supervisor. He contended that this confers "a lot of power on one person." Childers commented that this amounts to a review by the counselor's supervisor.

Parker noted use of "hearing officer," and asked if this would be comparable to an administrative law judge. Childers responded that the federal law uses "hearing officer." No Committee action.

Ch 94

Collins advised that new Chapter 94 provides for the allocation of grants to school corporations and establishes criteria for approval of pilot projects. The rules basically restate the Act (88 Acts, Ch 1284).

Ch 102

Discussion of the revised proposal relative to procedures for charging and investigating incidents of abuse of students by school employees—Chapter 102. Collins stated that substantial changes had been made to reflect verbal and written input on the first Notice.

Royce inquired as to the mandate that the interview with the student be conducted "in the absence of the student's parent or guardian"--102.9(3). Collins advised that this approach was recommended by law enforcement personnel. She added that students are reluctant to share information when the parent is present. Keeping interviews at a minimum was an important factor in reducing possible intimidation.

EDUCATION
DEPARTMENT
(Cont.)

Collins was aware of the "PR" problem but was not sure that parents have an unfettered right to be present.

SCHOOL BUDGET REVIEW There were no Committee recommendations for the following:

INSURANCE DIVISION

The Insurance Division was represented by Roger Strauss and Kevin Howe and the following was considered:

Regulation of insurers general provisions, 5.31, 5.42 ARC 9539	<i></i>	12/28/88
Unfair trade uractices, 15.15(1), 15.25(1), 16.45(1) ARC 9540	/	12/28/88
Rate filings for cron-hall insurance, 20.8 ARC 9542	/ .	12/28/88
Accident and health insurance, 35.20(4) ARC 9541	ૄ	12/28/88
Health maintenance organizations, 40.12(2), 40.12(3) ARC 9538		12/28/88
Medicare supplement insurance minimum standards, ch 37, filed emergency ARC 9559	<i>F</i> . z	12/28/88

- 40.12 Strauss stated that the amendments to 40.12(2) and 40.12(3) increase HMO deposit requirements from the current \$100,000 to \$300,000 over three years. No questions.
- Ch 15

 According to Howe, amendments to Chapter 15 will clarify the rules on advertising of life and health insurance products by insurance agents, brokers and solicitors. The Division believes it is important for the name of the insurer to be clearly identified in all advertisements for a specific policy or type of policy.

Tieden wondered if the Division had adequate control over health insurance premiums. Howe gave an affirmative response with respect to individual rates. He pointed out that group rates are "experience-rated." Howe concluded that a competitive market would control those rates.

- No recommendations were offered for new rule 20.8 or subrule 35.20(4).
- 5.31 Brief discussion of amendments to rules 5.31, 5.42.

 5.42 With the amendments, the rules will be compatible with 1988 Iowa Acts, Chapter 1112. Outdated language was also removed. Howe was willing to add the words "or more" following "\$1,000,000" at the end of 191--5.42(515).
- Ch 37 Howe said that new chapter 37 sets minimum standards for Medicare supplement insurance as required by the Medicare Catastrophic Coverage Act of 1988. The Federal Act provides that patients pay a \$560 deductible at the beginning of hospitalization. After that, they are covered for all the Medicare expenses for the rest of the year.

Regarding the doctor bills, under Part B, there will be a \$1300 out-of-pocket cap where the patient pays the first \$75 and then there is 80% Medicare coverage. In 1990, there will be a \$1300 cap with 100% Medicare coverage.

INSURANCE DIVISION (Cont.)

There was discussion with respect to prohibited policy provisions for suicide and attempted suicide victims. Howe said that the two-year time period was not statutory but most companies use this time period for protection.

Public Safety

In response to question by Royce on loss ratio percentage for individual policies, Howe stated that sixty percent was the high. In the case of group Medicare supplement, it must be seventy-five percent.

Alcohol Testing Devices There was discussion of a request from Public Safety Commissioner, Gene Shepard, to have published in the Iowa Administrative Bulletin a list of the devices approved for preliminary breath screening tests and an approved ignition interlock device. The Commissioner has responsibility for approving these devices and the approval process appears in their rules--661--7.5(1). As more devices become available, the list of approved types would be modified.

Doyle explained the procedure that Commissioner Shepard plans to follow and pointed out that only one ignition interlock was available so far.

Motion

Pavich moved that the Committee authorize publication in the Bulletin of a list of the alcohol testing devices approved by the Department of Public Safety.

Priebe voiced opposition to setting a precedent for Committee endorsement of certain products. Parker called for a show of hands by those in favor of the Pavich motion. He announced that the motion carried with four affirmative votes. Priebe reiterated his opposition.

Recessed Reconvened Parker recessed the meeting at 11:40 a.m. for lunch and reconvened it at 1:35 p.m.

PUBLIC SAFETY DEPARTMENT Michael Coveyou, Michael Rehberg, Wilbur Johnson and Jan Worthington appeared for the following:

Motion to Reconsider

Parker called up the Pavich motion adopted before lunch. Pavich moved to reconsider the vote by which his motion passed to authorize for publication in the Iowa Administrative Bulletin a list, for public notice, of certain alcohol testing devices approved by the Department of Public Safety. The motion to reconsider carried by voice vote. Tieden voted "no."

Pavich moved as a substitute motion that the Department of Public Safety make this list available to interested persons.

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PUBLIC SAFETY DEPARTMENT (Cont.) Parker recognized Coveyou who emphasized that brand names are not mentioned in their rule since the Department wanted to avoid endorsement of any particular brands. Coveyou continued that as new devices are approved by the Department, the list would be expanded. Coveyou urged Committee approval of some appropriate method to address this matter so that the public may be adequately notified. Department officials understood the Committee's concern that the list could be construed as an endorsement of brand names.

Coveyou emphasized that the list was intended to be "open-ended" and would be of value to law enforcement agencies, courts, defense attorneys and possibly auto repair shops. Coveyou asked Priebe if he would be comfortable with additional language in the Notice to provide that:

(1) Approvals do not constitute an endorsement of these products, and, (2) Manufacturer's who desire to receive approval for the use of other alcohol-testing products within the state of Iowa should contact the Crime Laboratory Administrator at a specific address.

Deferred

Priebe took the position that the list could be interpreted as an indirect endorsement of the devices. He asked that matter be deferred until a subsequent meeting to allow time for research. So ordered.

7.5(1), 7.8

Discussion of amendments to 7.5(1), 7.8. Coveyou pointed out that an amendment to 7.8(5) had been emergency adopted under ARC 9513 to change the recalibration time for the ignition interlock device from 30 to 60 days. The change was intended to conform with maintenance requirements of the manufacturer. Coveyou clarified that 7.8(4) was not changed substantively. It was relative to those who have been convicted of drunk driving. Rehberg spoke of his mandate to inform people of credibility of chemical tests done under his supervision. He does this in his laboratory reports.

Ch 5

In review of amendments to Chapter 5, Johnson cited 5.652(10) and 5.655(2) as having some impact on schools. He indicated that Exception 3 in 5.655(2) would be deleted when the rules are adopted.

Johnson recalled an earlier recommendation of the ARRC for rules on Birthing Centers. The two centers in Iowa will be included in rules governing group homes.

Johnson advised Doyle that information on fire extinquishers is available upon request--5.663(2) and 5.710(2).

INSPECTIONS AND APPEALS DEPARTMENT The Inspections and Appeals Department was represented by Xenda Lindel-Prine, Paul Vanderburgh, and Robert B. Haxton who explained the following:

 INSPECTIONS AND APPEALS DEPARTMENT (Cont.) 57.19(3) Lindel-Prine described amendments to 57.19(3) et al. as the result of compromise of interested parties. A physician may now certify a care facility resident capable of self-administration of insulin or another individual may be authorized subject to certain standards. Priebe commented on the tremendous amount of letters and calls he had received on this subject.

Ch 30

Brief review of amendments to 30.2. Lindel-Prine clarified that Bed and Breakfast operations would not be affected. No Committee action.

NATURAL RESOURCE COMMISSION The Natural Resource Commission was represented by Victor Kennedy and Lowell Joslin.

| Boat motor regulations, 45.4(1)"b" ARC 9533 | M. 12/28/88 | Sporting dog field and retriever meets, ch 94 ARC 9531 | M. 12/28/88 |

45.4(1)"b"

Parker asked for review of 45.4(1) and Joslin commented that this rule changes the motor restrictions on Crawford Creek Lake in Ida County from 10 horsepower to unrestricted horsepower operated at a no-wake speed. Joslin told Doyle that this change was requested by the County Conservation Board. Tieden recalled similar exemptions for many lakes in the last few months and wondered why a carte blanche approach would not be simpler. Doyle asked Royce to draft some language for the Natural Resource Committee to study. Kennedy opined that a statutory change would be needed. Schrader suspected that some counties lack personnel to patrol these lakes.

Ch 94

According to Joslin, Chapter 94 sets out procedures for sporting dog field and retriever meets.

Tieden questioned 94.3 as to "the official guns."
Joslin noted that by law, the official gun is the only person allowed to do any shooting at the field trial.
The Department officially sanctions the meets. No Committee recommendations.

ENERGY AND GEOLOGICAL RESOURCES DIVISION Vic Kennedy explained the following:

No questions by the Committee.

ECONOMIC
DEVELOPMENT
DEPARTMENT

Mike Miller, Bureau Chief; Lane Palmer, and Donna Lowery presented the following:

Community development block grant nonentitlement program — threshold criteria, 23.12(7), 23.12(8)"a," filed emergency ARC 9518

Targeted small business financial assistance program, ch 27, filed emergency ARC 9514

F.E. 12/14/88

Palmer explained that requirement for a 50 percent match by applicants was dropped when it became clear that it rendered the program inoperable.

Ch 27

Miller said that rules in Chapter 27 were intended to implement 1988 Acts, S.F. 2309. The Targeted Small

ECONOMIC DEPARTMENT Continued

Business Loan Guarantee Program will be consolidated DEVELOPMENT and called the Targeted Small Business Financial Assistance Program. The law raised the limits on awards from \$5000 to \$25,000 in loans and grants, up to a maximum of \$40,000 in loan guarantees.

27.2

Clark referred to the table in 27.2(3)--"Average number of Weekly Hours"--and asked if "35 or more" with the category of 1 (full-time) matched the FTE standard. Palmer agreed to check with Employment Services and to provide an answer.

Royce questioned definition of "small business" and asked if the concept of full-time equivalent appears in the statute. Parker did not believe so. mittee action. Priebe took the chair.

HUMAN SERVICES DEPARTMENT Human Services Department rules before the Committee were:

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Public records and fair information pratices, administration, 9.7(1)"b""8," 9.10(4)"d," 65.3, <u>filed without notice</u> ARC 9545	F.W.N. 12	2/28/88
Standards for individual case management services, standards for the service coordination system, state community mental health and mental retardation services fund, chs 24 and 26, 32.2(1), 32.2(1)"b" and "c,"		
32.2(2)"a"(6) and (7), 32.2(3), filed emergency after notice ARC 9570	F.EAM 18	2/28/88
Conditions of eligibility, procedure and method of payment, 75.1(29), 76.5(5), 75.6(6), 80.5(3)"b," filed emergence after notice ARC 9547.	. <i></i>	2/28/88
Skilfed nursing homes, 77.12, 78.12(1)"b" ARC 9548	<i>F</i> 19	2/28/88
Day treatment, partial hospitalization, case management services, 77.29, 78.16(6), 78.28(8), 78.28(9), 78.31(4)"d"(7), 78.31(4)"d"(10), 78.33, 79.1(1)"d," 79.1(2), 79.1(6)"t," 80.2(2)"dd," filed entergency after notice		
ARC 9508	<i>F.</i> F.A.W 12	2/14/88
Amount, duration and scope of medical and remedial services; intermediate care facilities, 78.12, 81.3, filed emergency after notice ARC 9488. Child care centers; family and group day care homes, 109.9(6)"c," 109.10, 110.7(4) ARC 9649	.,F.EAN 1:	2/14/88
Child care centers; family and group day care homes, 109.9(6)"c," 109.10, 110.7(4) ARC 9549		2/28/88
Purchase of service, 160.3(1)"b" and "c," 150.3(2)"c," 150.3(3)"g" to "j," "m," "n," "q" to "s," 150.8(4) "a" and "c," 150.3(5)"c," "d," "m," "t" and "u," 150.3(7), 150.3(8), 150.3(10), 160.6(2)"d," 150.8 ARC 9550	Ē 17	2/28/88
Gamblers assistance program, 162.1, 162.2, 162.4(1), 162.4(3), 162.5 to 162.7, 162.10 ARC 9551		
Corporate guardians and corporate conservators, ch 23 ARC 9507	N. 12	2/14/88
Granting assistance — exemption for family support subsidy program payments, 41.7(6)"p," filed emergency ARC 9528	<i>EE</i> 12	2/28/88
Eligibility: payment, 51.4(1), 51.4(2), 51.7, 52.1(1), 52.1(2), 52.1(3)"u"(2)"1," filed emergency ARC 9546	F.E 12	2/28/88
Application and investigation, 76.6(4) ARC 9521 General provisions — income guidelines, 130.3(1) d'(2), filed emergency ARC 9552	F.E. 12	2/28/88
Family support subsidy program, ch 184, ARC 9530, also filed emergency ARC 9529	K.T. J. C 12	4/28/88

Those in attendance included Mary Ann Walker, Sally Cunningham, Margaret Ward, Vivian Thompson, Kathi Kellen, Sue Tipton, Coral Stratemeyer, Debhorah Ozga, Cynthia Tracy, Darlene Clark, Suzanne Boyde and Harold Poore. Also present: Paul Coates, Wendy Burgess and Mary Whitman, Iowa State Association of Counties. Karon Perlowski, Council for Developmental Disabilities; Nancy Thompson, Iowa Exceptional Parents Center/Disabled Persons.

No questions regarding amendments to 9.7(2) b (8), 9.10(4)"d," or 65.3.

Ch 24

In review of Chapter 24 et al., the discussion focused on standards for individual case management services.

Chairman Priebe recognized Coates, who reiterated his opposition to the rules and referenced specific objections which the Association had presented at the December ARRC meeting. Although modifications to the rules had been made, Coates urged formal Committee objection to place the burden of proof on the Department. He thought this was necessary in the event of a lawsuit which would seek to interpret the rules to implement an entitlement in the "Bill of Rights" legislation--225C.25. A

HUMAN SERVICES DEPARTMENT (Cont.) Perlowski offered background information on past effort to help in implementation of the "Bill of Rights." She commended the various groups that have been involved and voiced support of these rules.

Thompson stressed the need for general guidelines for the delivery of individual case management services as set out in rule 24.5. She took the position that this language was necessary for the protection of the consumer. Parker in the chair.

In response to Clark, Coates did not believe that a formal objection would give a "go ahead" to court cases.

Thompson noted the inclusion of disclaimers throughout the rules and contended that it was highly unlikely that the disclaimers would be ignored.

Priebe recalled a newspaper report of an organization which asked for \$10 million for implementation of the "Bill of Rights." Cunningham thought it was the Alliance for the Mentally Ill, and suspected that other groups would echo similar requests.

Motion to Object

Priebe was aware of the potential budgetary problems for counties and he moved that the Committee object to the language which was excerpted from the "Bill of Rights" legislation. Discussion followed.

Cunningham advised the Committee that the Department had requested an Attorney General's opinion on December 20 as to whether the language in the rules did, in fact, implement the "Bill of Rights." Also, at the Commission meeting this week, the disclaimer language was added. In addition, the Commission Chairman has stated, in writing, that it was not the Commission's intent to implement the "Bill of Rights" in these rules.

In response to Tieden, Cunningham stated that Charles Palmer (Acting Director) was committed to working with the counties and she saw no need for an objection. She viewed an objection as implication that the Commission had exceeded its authority. The Department concurs that legislative intent was the "Bill of Rights" should not be implemented at this time.

Priebe reiterated his preference for an objection, pointing out that it could be lifted at any time. Royce clarified that an objection was the Committee's only option and would not imply that the rules were unlawful. It was noted that the rules had been filed emergency to meet statutory deadlines.

The following language was prepared and distributed by Royce:

HUMAN SERVICES DEPARTMENT Continued Objection

HUMAN SERVICES DEPARTMENT[441]

At its January 4th. 1989 meeting the Administrative Rules Review Committee voted to object to the language contained in 441 IAC 24.3(1)"d" and "e"; 24.5; and 24.6(3)"a", "b" and "d". The committee also objects to the following definitions set out in rule 24.1: "age-appropriate"; "evaluation"; "individualization"; "least restrictive interventions" and "normalization". The language objected to by the committee is underlined in the attached copy, which is adopted hy reference as part of this objection. It is the opinion of the committee that it was unreasonable of the department, in drafting these provisions, to use language that was directly excerpted from the "bill of rights of persons with mental retardation, developmental disabilities, or chronic mental illness", Iowa Code section 225C.25 as implemented by 441 IAC Chapter 22. The committee is concerned that taking language directly from Chapter 22 may cause a misinterpretation of the intent of the case management program (Chapter 24) and result in an entitlement for services as outlined in the "bill of rights"

The committee notes that neither the department nor the General Assembly wish to implement the "bill of rights" at this time. The legislation funding the case management program set out in chapter 24 clearly specified that it did not implement the "bill of rights". The department, mindful of this provision, has included additional

disclaimers in several portions of the rule.

In spite of these precautions the committee believes that it is unreasonable and imprudent to insert "bill of rights" language into Chapter 24. Use of these catch phrases can create the implication that an entitlement for services exists. Normally, the possibility of misinterpretation is not sufficient grounds to impose an objection. In this case the potential burden on the property tax base is so enormous that the committee feels justified in objecting to language that might even remotely imply an entitlement.

ATTACHMENT "A"

441-24.1(72GA,ch1245) Definitions.

"Age-appropriate" refers to activities, settings, personal appearance and possessions commensurate with the person's chronological age.

"Evaluation" means the determination of the effects of a condition, situation, or problem on a person's level of functioning and the provision of sufficient information to identify the appropriate services, service settings, and living arrangements to assist the person to maintain or achieve a higher level of functioning.

"Individualization" means promoting self-expression and differentiation from others.

"Least restrictive interventions" refers to interventions in the lives of people with mental retardation, developmental disabilities, or chronic mental illness which are carried out with a minimum of limitation, intrusion, disruption, and departure from commonly accepted patterns of living.

They are interventions which allow persons to participate to the fullest extent possible for each person in everyday life and to have control over the decisions that affect them. They are interventions that provide needed supports in such a way that they do not unduly interfere with personal liberty and a person's access to normal events of life.

"Normalization" means a process of helping persons, in accordance with their needs and preferences, to achieve a life-style that is consistent with the norms and patterns of general society and in ways which incorporate the principles of age-appropriate services and settings and least restrictive interventions.

441-24.3(72GA,ch1245) Administration.

24.3(1) The provider shall develop and implement policies and procedures for personnel administration which shall provide for the following:

d. An orientation program for all newly hired employees and consultants which includes, but need not be limited to, an introduction to the provider's organizational structure, procedures and services including a review of the limitations and responsibilities as set forth in this chapter; a discussion of the provider's personnel policies and procedures; information on the principles of normalization, least restrictive interventions, and age-appropriate services, and the intent and purpose of case management services as stated in the preamble to this chapter; a discussion of the provider's safety plan, and information on all the services which may have an impact on clients. 42 6 6 64

HUMAN SERVICES DEPARTMENT Continued Objection Ch 24

- e. An ongoing continuing education or inservice program for all employees. The program for employees with policy-making responsibilities for the agency or who come in contact with clients shall include, but need not be limited to: training on the needs of the population group being served; the concepts of normalization, age-appropriate services, and least restrictive interventions; and information on the intent and purpose of case management services as stated in the preamble to this chapter.
- 441-24.5(72GA.ch1245) General guidelines for the delivery of individual case management services. The following are principles identified by the commission to serve as a guide to the delivery of services in accordance with the principle of normalization. It is recommended that the responsibilities of the case manager be carried out in accordance with these principles keeping in mind the client's strengths, needs, and preferences. When responsibilities are carried out in accordance with the guidelines regarding age-appropriateness, consideration should also be given to the service needs of the individual. The principle of normalization, which incorporates the principle of least restrictive placement is consistent with Iowa law because it encourages placement to be made in the client's own community if a suitable placement is currently available. This principle does not prohibit the interdisciplinary team from recommending that the client be placed in an institutional setting. This principle does not require placement at a new or higher level than that otherwise provided by law. When responsibilities cannot be carried out in accordance with the principles, the reasons which may include, but need not be limited to, lack of available financial resources, shall be documented. Nothing in these subrules shall be construed to create an entitlement to services or to be an implementation of Iowa Code sections 225C.25 to 225C.28.
- 24.5(1) Services and settings to be used by clients facilitate physical and social integration with the general society. Factors which may be considered to facilitate integration include, but need not be limited to, access to, use of, and interaction with community, professional, social, employment, and recreational resources, businesses and public services.
- 24.5(2) Services and settings to be used by clients promote personal appearance, daily routines and rhythms, forms of address, and rights and privileges consistent with the client's chronological age and cultural environment. Factors which may be considered in determining age and cultural appropriateness include, but need not be limited to, typical dress, personal appearance, and personal possessions, and social and sexual behavior.
- 24.5(3) Services and settings provide opportunities for interaction in groups of size, composition, and nature which are typical for groups in the community. Factors which may be considered in implementation of this principle include, but need not be limited to, the number of people in a group, the likelihood of the group's being seen by the community as different or negative, and appropriate groupings of persons by age and areas of interest.
- 24.5(4) Services and settings ensure that the physical and social environments provide expectations, experiences, and challenges appropriate to the client's developmental level and chronological age and provide the opportunity for personal growth and development. Factors which may be considered in implementing this principle include, but need not be limited to, use of electrical appliances, cleaning supplies and cooking facilities; appropriate use of protective devices, such as temperature controls on water, alarms, and security systems; use of public transportation; freedom to come and go without supervision; self-administration of medication; and availability of learning opportunities which allow the person to face risks which are a typical part of normal growth and development.
- 24.5(5) Services and settings promote individualization. Factors which may be considered in implementing this principle include, but need not be limited to, use of personal belongings, provisions for privacy, allowance for variance in routines and activities, and opportunities for being related to as an individual as opposed to a member of a group.
- 24.6(3) The case manager shall carry out intake activities necessary to determine the client's eligibility and need for case management services. The case manager, in consultation with the client or the client's legal representative, shall obtain and summarize information necessary to develop the individual program plan as required in subrule 24.6(5)"e." Existing information may be used when available and appropriate. The information shall be sufficient to:
- a. Identify the social, cultural and other factors which may affect the client's ability to maintain the current level of functioning or achieve a higher level of functioning. Factors to be considered include the history of previous living arrangements and services received, relationships with family and other support systems, cultural and ethnic background and religious affiliation, and the client's preferences regarding vocational opportunities and use of leisure time.
- b. Identify the client's current level of functioning and those barriers to maintaining the current level or achieving a higher level of functioning.

HUMAN SERVICES DEPARTMENT Continued

- c. Determine the need for services in each of the following areas: academic, community living, self-care, treatment, and vocational. (For definitions of these service areas, refer to rule 441—22.4(225C).
- d. Identify appropriate services, service settings, and living arrangements necessary to assist the client to maintain the current level or achieve a higher level of functioning.

Vote

The Priebe motion to object was carried by a show of hands. Those in favor: Priebe, Tieden, Doyle and Pavich. Opposed: Parker and Clark.

- 75.1 et al. Walker explained amendments to 75.1(2), 75.5(5), 75.5(6), and 80.5(3)b which would implement the Qualified Medicare Beneficiary Program. This program provides Medicaid payment for eligible Medicare recipients for the cost of Medicare premiums, deductibles and coinsurance. Requirements for eligibility are set out. The informational fiscal statement was provided to the Committee as requested. No action.
- 77.12 According to Walker, amendments to 77.12 and 78.12(1) b
 will require skilled nursing facilities which serve
 patients who are eligible for both Medicare and Medicaid to participate in the Medicare program. Kellen
 advised Doyle that anyone who has paid into Social
 Security would be eligible for the Medicare program.
 No recommendations were offered for amendments to 77.29
 et al. or 78.12 and 81.3.
- Ch 109, Walker said that amendments to 109.9, 109.10 and 110.7(4) would require child care facilities to post any letter initiating action to deny or revoke their registration. In addition, complaints must be kept in a closed file. No comments. Brief discussion of "cleanup" amendments to Chapter 150.
- Ch 162 Walker described amendments to Chapter 162 as nonsubstantive. She told Doyle that the Department has a FAX machine which was hooked up with all the counties.
- Discussion of proposed Chapter 23 intended to implement Code section 633.63. The rules will require the Department to determine whether or not a private, nonprofit corporation would be suitable to perform the duties of a guardian or conservator. Chapter 23 also establishes the criteria on which the department will base the determination and requirements for application. Walker said that a hearing was scheduled for tomorrow and two written comments had been received—one in support and a suggestion that the 51 percent minimum of board members be changed to 2/3 percent—23.2(4). No Committee action. No questions on 41.7(6)p.
- 51.4 et al. Amendments to 51.4 et al. will implement the January 1, 1989, Supplemental Security Income (SSI) cost-of-living adjustments and resource limitation increases. These amendments also increase the personal needs allowance for residents of residential care facilities as mandated by the General Assembly. No questions.

HUMAN **SERVICES** DEPARTMENT Concluded

Walker said that subrule 76.6(4) would clarify which Medicaid eligibility card would be issued to persons receiving Medicaid under the Qualified Medicare Beneficiary program.

130.3

Amendment to 130.3(2)d(2) increases the current income guidelines used to determine financial eligibility for persons receiving services funded with social services block grant funds. The income guidelines were increased by four percent effective January 1, 1989.

Ch 184

Walker summarized provisions of new Chapter 184. program provides a monthly subsidy payment to families with net annual incomes of \$40,000 or less to maintain children with special needs at home. Priebe voiced opposition to emergency rules.

Best wishes were extended to Representative Parker on Priebe expressed appreciation for Parker's his last day. contributions to the Committee and announced that Representative David Schrader would be an eligible voting member at the Thursday meeting.

Recessed

The meeting was recessed at 3:25 p.m.

Thursday January 5 Chairman Priebe reconvened the meeting at 9:05 a.m. in Senate Committee Room 22. All members and staff were present; Representative David Schrader had been appointed to fill the vacancy created by the resignation yesterday of Representative Edward G. Parker [Committee terms expire April 30, 1991].

JOB SERVICE

Joseph Bervid and Paul Moran represented Job Service for the following:

EMPLOYMENT SERVICES DEPARTMENT[341] "umbrethe"

Employer's contribution and charges, claims and benefits, benefit payment control, 8.53(1)"b," 4.12, 4.18,

Chs 3,4,5

According to Bervid, the rules amending Chapters 3, 4, and 5 were basically "cleanup." With respect to question by Tieden as to overpayments, Moran knew of no In review of amendments to 2.3 et al., Doyle problems. and Moran discussed use of "intrastate" in 4.11(2). Job Service acts as an agent for individuals who move to Iowa from another state. Similarly, another state would do likewise for an Iowan.

4.11(2)

Doyle was assured this provision would have no impact on lawsuits filed against Iowa Beef Producers. Bervid spoke of the federal agreement with other states for payment of benefits. Tieden inquired as to a time frame before a temporary employee could be considered permanent. According to Bervid, determination would be made based on the law.

LABOR SERVICES DIVISION Walter Johnson, Larry Dawson and Gail Sheridan appeared for review of Labor Services rules:

EMPLOYMENT SERVICES DEPARTMENT[341] "ombrells"

Kathleen Reimer, Rod Stafford, Larry Cairns, Also present: Bob Freidrich, Association of Building Contractors, and Laverne Schroeder.

Ch 150

Johnson summarized changes to their rules and charts and discussion focused on new Chapter 150.

Schroeder raised question as to exemption from fee in 150.6(2) "...and does not work with or for other contractors in the same phase of construction." vision was intended to avoid every person on a project being considered as an "independent contractor" when they are performing the same type of work. cited an example of a spa tub installation -- the contractors who install the tile and plumbing are specialists and two or more plumbers would be in the same "phase" of construction. Schroeder took the position that it was unreasonable to require a list of every project worked on for a 12-month period. [150.6(3)d]

Johnson emphasized the need to identify and assess each phase of construction and lists of all projects are required. He continued that contractors may be exempted from the registration fee if they are self-employed or do not pay more than \$1000 annually to any employee. However, that would not preclude registration.

Reimer contended that the rules exceeded the statute. For example, the agency, through rules, could inspect a business without a search warrant--150.9. Reimer continued that the Division has the right to present evidence to the District Court judge and to obtain a search warrant if they believe a contractor is operating contrary to the rules.

Johnson referred to Iowa Code chapter 91 which grants general powers and duties to the Commissioner of Labor. The Commissioner is charged with inspection of workplaces over which he has jurisdiction. Johnson maintained that although the contractor registration law does not confer a right to "inspect," chapter 91 permits that inspection without a warrant. He saw no need to include details in the rules.

Reimer took the position that, if in fact, the Division has such broad authority, it would be simple to reflect this in the rules as an aid to contractors. She also challenged the "emergency revocation" provisions in 150.1(4) as going beyond the statute.

Royce reasoned that the statute requires registration and it would be implied that revocation could also occur if

LABOR **SERVICES** DIVISION Continued the required workers compensation insurance were non-Without this protection, employees would Royce referred to Code section 17A.18(3) be at risk. which allows for emergency revocation prior to a hearing. Johnson contended that subrule 150.11(4) made a finding and placed the public on notice. If contractors do not have workers compensation and employees are injured, the state would be liable. He stated that upon proof of workers compensation coverage, the Commissioner will temporarily reinstate registration pending a hearing. Reimer did not dispute that fact but was concerned about agency procedure.

Johnson saw no "middle ground." If notice and opportunity for a hearing are given, the time frame could be a minimum of one month.

Doyle favored a delay since the effective date of the rules would be February 15, 1989. Schrader was concerned about 150.6(3)d and recalled his reservations about the legislation.

Cairns and Johnson discussed circumstances which would trigger an inspection. Cairns and Reimer spoke of the potentially negative impact on the construction industry and the public. Cairns complained about the forms sent out by the Division and contended that they should "list who is a contractor." Johnson responded that such a list would be very lengthy.

Motion to Delay

After further discussion, Chairman Priebe entertained a motion for a 70-day delay. Tieden moved that a 70-day delay be imposed on 150.6(3)d, 150.9(1) and 150.11(4). Seconded by Clark. It was noted that Chapter 150 had been referred to the General Assembly in November. Motion carried unanimously. Doyle in the Chair.

PROFES-SIONAL LICENSURE

Keith Rankin and Mary Vavrock presented the following and there were no recommendations:

PUBLIC HEALTH DEPARTMENT[641] "umbrella"

PUBLIC HEALTH DEPARTMENT

Those in attendance for rules of the Public Health Department were: Mike Guely, Joann Muldoon and Bob Minkler. The agenda follows:

- 1.1 et al. Guely summarized changes from Noticed amendments to ARC 9489. Pavich wondered about availability of information on Iowans who work in other states. could foresee the possibility of sharing data only, not names.
- Minkler explained revised standards for emergency room 51.28 service--51.28. Tieden was told how the "medical capability of a facility" was determined. Minkler cited - 4035 -

PUBLIC HEALTH DEPARTMENT Continued the University of Iowa as having a "capable facility." Tieden wanted assurance that rural hospitals would not be more susceptible to lawsuit under the new rule. Minkler said that the rule follows 1986 federal law. Patients who seek treatment at an emergency room are entitled to assessment and treatment. Doyle questioned use of bylaws in 51.28(1). Minkler described them as policies and procedures which indicate major sections of coverage in an emergency room. Bylaws must be approved by the medical staff and governing board. Bylaws, in this sense, do not have a corporation concept. No recommendations re 51.14.

PHARMACY EXAMINERS BOARD

The Pharmacy Board agenda was reviewed by Norman Johnson, Executive Secretary:

PUBLIC HEALTH DEPARTMEN'[641] "umbrella"	_	
Licensure examination dates, 2.1 ARC 9500	. <i>F</i>	12/14/88
Minimum standards for evaluating practical experience, 4.3 ARC 9498		12/14/88
General pharmacy licenses; minimum standards for the practice of pharmacy, 6.8(3), 6.9, 6.11, 8.2, 8.2(3)"e," 8.1 ARC 9499	1 7 _	
ARC 9499	<i>F</i>	12/14/88
Nuclear pharmacy, 8.8, ch 16 ARC 9497	F	12/14/88
(vacuum primarinas), siet sie variantina primarina prima	••	

No questions re 2.1 or 4.3.

6.8 et al.

Doyle asked Johnson why hospital pharmacies were exempt in 8.17 and Johnson advised that most of them are not involved in dispensing drugs to outpatients. Doyle also observed that "temporarily absent" was not definitive and Johnson was willing to modify the rule.

.Ch 16

In discussion of Chapter 16, Johnson pointed out that one nuclear pharmacy is located in Des Moines.

Recess

The Committee was in recess for 15 minutes. Priebe resumed the Chair.

LIVESTOCK HEALTH ADVISORY COUNCIL Mark Truesdell, Attorney, represented the Council for consideration of Chapter 1, Recommendation, ARC 9523, filed 12/28/88 IAB. Truesdell explained the process followed by the Council in determining how the 1988-89 appropriation should be used for research into livestock disease.

Priebe inquired as to meaning of "mineral micronutrients" in paragraph 13. Truesdell said that this research project involved certain elements in the feed and how it becomes involved in the animal's immune system to ward off disease. There are matching funds for this research as well as for the other projects. Priebe took the position that the new horse industry should be included in projects. It was noted that Iowa Code Chapter 267 defines "livestock" to include swine, sheep, poultry and cattle.

Schrader recalled an additional appropriation last session for bee mite research. Priebe observed many changes from the Noticed version and opined that an effort should be made to close this gap.

SOIL CONSER-VATION DIVISION James Gulliford, Director, and Kenneth Tow presented the following:

AGRICULTURE AND LAND STEWARDSHIP DEPARTMENT[21] "umbrella"

No questions with respect to the transfer and renumbering of rules to implement government reorganization.

Ch 21

According to Tow, Chapter 21 establishes application procedures and criteria for developing and implementing water quality protection projects -- \$500,000 has been allocated from Lottery funds. Gulliford informed Priebe that about 20 applications were in the developmental No Committee recommendations.

COMMITTEE BUSINESS

There was Committee consensus that the next ARRC meeting should be held Monday, February 13, beginning at 8 a.m.

Racing Commission Motion to Delay 70 Days

Chairman Priebe called up rules of the Racing Commission which had been delayed until January 9, 1989. [ARC 9470, IAB 11/30/88] Doyle moved that Racing Commission rules 10.4(19)"6", 10.4(14) and 10.6 be delayed 70 days from their effective date of January 4, 1989. Motion carried.

Royce Salary Doyle moved that Joseph A. Royce be retained as legal counsel for this Committee and that his salary be increased to Grade 34, Step 3, beginning with the next pay period [1-6-89]. Motion carried.

Motion -Chairman & man

Schrader moved that Senator Priebe be retained as Chairman of the Administrative Rules Review Committee and that Vice Chair- Representative Emil Pavich be selected as Vice Chairman. Seconded by Clark. It was clarified that all terms of the ARRC would expire April 30, 1991, at which time the full committee would be reorganized. Motion carried.

Telephone Credit Cards

Doyle moved that appropriate telephone credit cards be made available to ARRC members, including Pavich and Schrader. Motion carried.

REVENUE DEPARTMENT Carl Castelda, Deputy, was present for the following:

In a matter not before the Committee, Castelda provided an update on the status of rule 701--18.48(2)e. At its October 12, 1988, meeting, the ARRC voted an objection to the provision since it did not include "domesticated fowl" in the definition of "livestock." On December 23, 1988, the Department filed an emergency amendment to include "fowl" in 18.48(2)e, effective January 2, 1989. The Department has completed a concise statement which addresses the reasons they believe "poultry" should be excluded from the definition of livestock. Castelda said the change was made on direction from the Governor's Pavich moved to lift the objection imposed against Revenue rule 18.48(2)e. Seconded by Clark. Motion carried.

Motion

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REVENUE DEPARTMENT Continued 10.2(8) 12.10(3) No questions with respect to 10.2(8).

Discussion of amendments to 12.10(3) a et al. John Clark, Iowa Utility Association, commented briefly on their interest in utilities which seek assistance in calculating taxable usage and making a determination as to exemption. Castelda pointed out that the public has the right to petition the Department for modification of any rule. He stressed that the Department would continue to work with utilities and manufacturers.

Priebe mentioned numerous questions he had received regarding sales tax exemption for repair parts for certain farm machinery. He felt the law was not specific and that the matter should be referred to the General Assembly for study.

Castelda stated that the Department changed to an "essential standard" when they realized that "depreciable use" was not workable. The Department has also worked with the Implement Dealers Association. Castelda spoke of the repair issue as being "extremely factual." was his opinion there were two ways "to go" and he was doubtful that either one could be "sold:" Establish a dollar amount for the repair. If the repair exceeds that amount, it would be exempt; below, it would be taxable. Problems with this approach would occur when the customer has purchases which would fall into both categories. Castelda pondered whether exemption on parts really provides significant annual savings to the farmer. added that it was much simpler to add "big ticket" items to the statute than to start "quessing about filters, fan belts, mufflers, etc."

Priebe cited \$4000 costs of repair parts for a large tractor.

Motion

Doyle moved that Royce send a letter to the Speaker of the House and President of the Senate requesting study of Code subsection 422.45(26). He asked that a copy of the letter be sent to the Farm Bureau, also. Motion carried.

Vote

In response to Doyle as to the status of tax on use or rental of VCRs, it was Castelda's understanding that the VCR industry would be lobbying for statutory change. The Department has discontinued auditing. However, they take the position that unless retroactive legislation is passed, tax is due on those gudits where protests were not filed.

At the request of Doyle, Royce discussed a letter from a chemical supplier. Royce described the issue as a "son of video cassettes" in terms of when the businessman must pay sales tax on materials purchased. In the case of a lawn chemical company which services lawns, they purchase fertilizer and other chemicals for application.

REVENUE DEPARTMENT

If they bill the customer in a lump sum for lawn care, the businessman will owe tax on fertilizer and chemicals purchased. If there are separate bills for materials and service, there would be no sales tax due since it was a purchase for resale. Royce continued that many small business operators do not understand these esoteric issues. The bookkeeping system determines whether or not tax is due.

Castelda stated that he plans to meet with the chemical suppliers later in January. He recalled that the Department has sought legislative action on this matter for the last four years. Castelda continued that the Department has gone before the Iowa Supreme Court and their position has generally been upheld. The Department relies on case law and dictum of the courts when analyzing various situations and Castelda cited many examples. There was general consensus that there were no simple resolutions.

Doyle and Castelda discussed local option taxes and related problems for cities and counties. Castelda anticipated 40,000 to 50,000 local option returns in calendar year 1989. He pointed out that they have no additional staff for processing returns. Most other states receive some fee for collecting that tax--ranging from actual cost to two to three percent. According to Tieden, retailers in his area have asked for some consideration for collecting this tax. Tieden and Castelda discussed tax tables, collection and reporting. No other discussion.

No Agency Reps

No agency representatives requested to appear for:

CAMPAIGN FINANCE DISCLOSURE COMMISSION[121] Petitions for rule making, declaratory rulings, chs 8 and 9 ARC 9525	F 12/28/88
EMPLOYMENT APPEAL BOARD[486] INSPECTIONS AND APPEALS DEPARTMENT[481] "umbrells" Agency procedure for rule making, ch 9 ARC 9524	
ENGINEERING AND LAND SURVEYING EXAMINING BOARD[193C] Professional Licensing and Regulation Division[193] COMMERCE DEPARTMEN([181] "umbrella" Administration, 1.9 ARC 9543.	
HISTORICAL DIVISION[223] CHATHRAL AFFAIRS DEPARTMENT[221] rumbrells* Description of organization; programs and services, 13.5(6)"d" to "h," 14.8, 14.8 (see notice ARC 9485, IAB 11/30/88) ARC 9560.	N 12/28/88
LAW ENFORCEMENT ACADEMY[501] Mandatory in-service training requirements, 1.1, ch 8 ARC 9496	12/14/88
Certification of law enforcement officers, 3.1, 8.9 ARC 9495	. 🔊 12/14/88
PROFESSIONAL LICENSURE DIVISION[645]	
Barber examiners, 20.101(1), 20.109(2)°b," 20.110(2)°d"(5), 20.214(8), 20.214(9) ARC 0401	12/14/88 12/14/88
PUBLIC EMPLOYMENT RELATIONS BOARD[621] Administrative law judge, amendments to cha 1 to 4, 9 and 11 ARC 9563	. N 12/28/88
TRANSPORTATION DEPARTMENT[761] Vehicle registration and certificate of title, 400.1(9), 400.1(10), 400.3, 400.3(1), 400.3(5), 400.3(6), 400.3(2), 400.4(2), 400.4(2), 400.6(1) to 400.6(19) 400.16(5), 400.16(6), 400.17(6), 400.17(6), 400.41(2)"f" ARC 9522	K 12/28/88
UTILITIES DIVISION[199]	
COMMERCE DEPARTMENT[181] "umbrells" Customer contribution (and 1914-2015 ARC 9544	12/28/88
Customer contribution fund, 19.14, 20.15 ARC 9544	Y 12/14/88

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1-5-89

Adjourned Chairman Priebe adjourned the meeting at 12:55 p.m.

February The next meeting was scheduled for Monday, February Meeting 13, 1989, 8 a.m.

Respectfully submitted,

Phyllis Barry, Secretary
Assisted by Vivian Haag and
Bonnie King

APPROVED:

CHAIRMAN