

**COMMITTEE MINUTES for  
HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE**

**Date:** February 24, 2009

**Place:** Room 116

**Convended:** 2/24/2009  
10:10 AM

**Recessed:**

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**Adjourned:** 2/24/2009  
11:45 AM

**Present:** Senators Hatch-CH, Ragan-VC, Hartsuch, Schmitz  
Representatives Heddens-CH, Thede-VC, Heaton-RM, Miller, L., Rayhons, Schulte,  
Shomshor, Smith, Wessel-Kroeschell

**Absent:** None

**Excused:** Senator Johnson-RM

Representative Lisa Heddens called the subcommittee meeting to order at 10:10 am. Roll call was taken and attendance recorded.

The minutes of the February 19th meeting were approved.

Rep. Heddens stated subcommittee members will be determining the priorities for the budget. As soon as the budget targets come out, the committee will look at areas it wants to continue funding.

Both subcommittees, Mental Health and Resource Centers, will provide updates at Thursday's meeting (Feb. 26th).

Rep. Heddens passed out a brochure, Medicaid for Kids with Special Needs.

The directors of the Dept. of Human Services, Dept. of Public Health and the Dept. of Elder Affairs provided an updated on the federal stimulus budget impact.

Director Tom Newton, Dept. of Public Health provided a brief assessment of the budget impact, along with a handout, Federal Stimulus Assessment for IDPH. Subcommittee members asked questions about promotion of a medical EBT card which is compatible with office technology, what additional assistance the legislature can provide for the Dept. to obtain health technology funds, medical homes not mentioned in the stimulus bill, availability of stimulus funding to assist county programs, training for health care providers, and time limits on stimulus funding through FY 2010. Director Gessow and Director Newton agreed to have a conversation with legislators about an electronic Medicaid card.

Director John McCalley, Director of Elder Affairs, talked about funding for nutrition programs and Senior Community Service Employment programs. His department is monitoring the Preventive Wellness Program and the World Community Facilities Program. Subcommittee members asked about additional programs for rural Iowa and asked whether additional competitive grants were required for nutrition programs.

Director Gene Gessow, Dept. of Human Services, provided a handout -- American Recovery and Reinvestment Act of 2009 - Human Service Impact. He also provided information on the increased FMAP rates and the time limitations included in the stimulus bill. He stated there are minimum opportunities to expand programs and states are precluded from reducing eligibility for existing programs. DHS has received some guidance from their federal offices; however, DHS has lots of unanswered questions. The increased FMAP rate will reduce the projected costs of some of the medical programs. Because of Iowa's relative low unemployment rate, compared to the rest of the nation, Iowa may not qualify for any additional funding through the stimulus bill. Director Gessow said DHS' next steps are to go reflect the increased FMAP rates in the Governor's budget and the DHS' projected budget. Subcommittee members asked questions about the match rate affecting state spending, how the ongoing economic downturn will impact FY 11, federal restrictions on federal match rate, restrictions on reimbursement rates, impact on Rainy Day Fund or reserve funds. Director Gessow said his department is willing to discuss the impact

of the ongoing economic downturn and the FY 11 budget projections.

Greg Boattenhamer, Iowa Hospital Association, provided a packet of information about Medicaid provider rates related to nurses' salaries. Senator Hatch read the language from SF 2425 regarding the 1% increase for nurses' salaries and read excerpts from letters written by Senate President Gronstal and House Speaker Murphy regarding the intent of the language in SF 2425. Senator Hatch questioned if the Iowa Hospital Association's handouts reflected the 1% increase in nurses salaries. There was discussion about the intent of the legislative language and additional questions asked about the percentage of salary increase reflected on the handout, the need of a Medicare Parity to assist rural areas on reimbursements, comparison of increased Medicare reimbursement rates to that of Medicaid reimbursement rates, volume of questions received from nurses, bonuses rather than a subsidy, no time frame for the Iowa Hospital Association to submit a report to the Legislature. Senator Hatch requested additional documentation from the Iowa Hospital Association showing the hospitals have provided the 1% increase to nurses' salaries. Senator Hartsuch asked that Senator Hatch provide subcommittee members with copies of the letters from Speaker Murphy and Majority Leader Gronstal.

Jess Benson, LSA, provided a spreadsheet for the Department of Public Health, FY 2010 Governor Recommendations.

Meeting adjourned at 11:42 am.

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Representative Lisa Heddens

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Doris Taylor, Committee Secretary