

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

Pursuant to the authority of Iowa Code section 217.6, the Department of Human Services amends Chapter 150, “Purchase of Service,” and Chapter 202, “Foster Care Placement and Services,” Iowa Administrative Code.

These amendments provide a rate increase of 5 percent to resource family recruitment and retention contractors, child welfare emergency services contractors, and supervised apartment living foster care providers. These amendments align Department administrative rules with 2015 Iowa Acts, Senate File 505, section 29, subsection 6, which states:

“For the fiscal year beginning July 1, 2015, the reimbursement rates for resource family recruitment and retention contractors, child welfare emergency services contractors, and supervised apartment living foster care providers shall be increased by 5 percent over the rates in effect on June 30, 2015.”

Notice of Intended Action was published in the Iowa Administrative Bulletin as **ARC 2124C** on September 2, 2015.

The Department received comments from one respondent during the comment period. A summary of the comments and the Department’s response are as follows:

Comments: The respondent requested that the 5 percent funding increase be reallocated or repealed because, according to the respondent, sufficient explanation is lacking as to how this increase would benefit children and families of Iowa.

The respondent questioned the statement that there would be “no potential cost to the state of Iowa as a whole” when \$659,184 is cited as coming from the 2016 and 2017 general fund.

According to the respondent, a drop in service requests to service providers was expected and desired when the Differential Response Program was initiated in 2014. The respondent observed this to be inconsistent with other language from the Department.

The respondent also made reference to “past lobbying by special interest groups who have personal relationships with members of the legislature or Department of Human Services” and suggested that “appropriations in this manner further undermine the public’s trust that funding is being appropriated in an ethical manner and for the best interest of children and families.”

The respondent offered additional appropriations that the respondent believes would better serve the children and families of Iowa:

- Kinship and/or guardianship care.
- Community services, which have increased since the implementation of Differential Response.
- Improved results.
- Child abuse prevention.

Department response: In this rule making, the Department is amending rules to implement the legislative appropriated action and, therefore, does not have authority to repeal or reallocate the funds appropriated for this purpose. In regard to the question about the cost of this change, there is a legislative appropriation for the rate increase, which represents a cost to the State of \$659,184. The Department did not make changes to the rule making in response to the respondent’s comments.

These amendments are identical to those published under Notice of Intended Action.

The Council on Human Services adopted these amendments on October 14, 2015.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 217.6 and 2015 Iowa Acts, Senate File 505, section 29(6).

These amendments will become effective February 10, 2016.

The following amendments are adopted.

ITEM 1. Amend subparagraph **150.3(5)“p”(1)** as follows:

(1) The combined service and maintenance reimbursement rate paid to a shelter care provider shall be based on the financial and statistical report submitted to the department. For the fiscal year beginning July 1, ~~2013~~ 2015, the maximum reimbursement rate shall be ~~\$96.98~~ \$101.83 per day, based on a 365-day year. If the department reimburses the provider at less than the maximum rate, the department shall adjust the provider’s reimbursement rate to the provider’s actual and allowable cost plus the inflation factor or to the maximum reimbursement rate, whichever is less.

ITEM 2. Amend paragraph **202.9(4)“e”** as follows:

e. Contractors providing a cluster setting shall be paid ~~\$500~~ \$551.25 per month per child in the setting for agency staffing costs, in addition to billable units of services provided to the child, but are eligible for this payment only when two or more children are in the setting. For a child who enters a cluster setting during the month, the prorated amount per day is ~~\$16.44~~ \$18.12. If a child exits the setting on or before the last day of the month, the ~~\$500~~ \$551.25 shall be prorated up to the date before the date of exit.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 1/6/16.