

CHAPTER 1184

APPROPRIATIONS — HEALTH AND HUMAN SERVICES

H.F. 2734

AN ACT relating to and making appropriations to the department of human services, the department of elder affairs, the Iowa department of public health, the department of veterans affairs and the Iowa veterans home, the department of human rights, and the department of inspections and appeals, providing for fee increases, and including other related provisions and appropriations, and including effective, applicability, and retroactive applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I
GENERAL FUND AND BLOCK GRANT APPROPRIATIONS
ELDER AFFAIRS

Section 1. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the general fund of the state to the department of elder affairs for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department of elder affairs and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for the frail elderly only if the monthly cost per client for case management for the frail elderly services provided does not exceed an average of \$70, resident advocate committee coordination, employment, and other services which may include, but are not limited to, adult day services, respite care, chore services, telephone reassurance, information and assistance, and home repair services, and for the construction of entrance ramps which make residences accessible to the physically handicapped, and for salaries, support, administration, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions with the department of elder affairs:

.....	\$	4,262,660
.....	FTEs	30.50

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$2,788,223 shall be used for case management for the frail elderly. Of the funds allocated in this subsection, \$1,385,015 shall be transferred to the department of human services in equal amounts on a quarterly basis for reimbursement of case management services provided under the medical assistance elderly waiver. The department of human services shall adopt rules for case management services provided under the medical assistance elderly waiver in consultation with the department of elder affairs. The monthly cost per client for case management for the frail elderly services provided shall not exceed an average of \$70. It is the intent of the general assembly that the additional funding provided for case management for the frail elderly for the fiscal year beginning July 1, 2006, and ending June 30, 2007, shall be used to provide case management services for up to an additional 1,650 individuals. Notwithstanding any provision to the contrary, any savings realized in case management for the frail elderly that is not provided under the medical assistance elderly waiver shall be used for services for the frail elderly which may include substitute decision-making services pursuant to chapter 231E.

3. Of the funds appropriated in this section, the department shall use \$25,000 to provide

training to the members of boards of directors of area agencies on aging pursuant to section 231.23, as amended by this Act.

4. Of the funds appropriated in this section, \$200,198 shall be transferred to the department of economic development for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

HEALTH

Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the Iowa department of public health for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

.....	\$	1,761,036
.....	FTEs	4.35

The department and any grantee or subgrantee of the department shall not discriminate against a nongovernmental organization that provides substance abuse treatment and prevention services or applies for funding to provide those services on the basis that the organization has a religious character.

Of the moneys appropriated in this subsection, \$30,310 shall be used to continue to provide funding to local communities that have previously received funding from the centers for disease control and prevention of the United States department of health and human services for secondhand smoke education initiatives.

2. HEALTHY CHILDREN AND FAMILIES

For promoting the optimum health status for children, adolescents from birth through 21 years of age, and families and for not more than the following full-time equivalent positions:

.....	\$	2,361,264
.....	FTEs	8.60

Of the funds appropriated in this subsection, not more than \$645,917 shall be used for the healthy opportunities to experience success (HOPES) – healthy families Iowa (HFI) program established pursuant to section 135.106. The department shall transfer the funding allocated for the HOPES-HFI program to the Iowa empowerment board for distribution and shall assist the board in managing the contracting for the funding. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2006.

Of the funds appropriated in this subsection, \$150,000 shall be used for the access to baby and child dentistry (ABCD) program to improve child dental care by reaching all Iowa counties with a demonstrated oral health program for children from birth through five years of age.

Of the funds appropriated in this subsection, \$325,000 shall be used to address the healthy mental development of children from birth through five years of age through local evidence-based strategies that engage both the public and private sectors in promoting healthy development, prevention, and treatment for children.

Of the funds appropriated in this subsection, \$20,000 shall be used to implement a pilot demonstration project, in cooperation with the department of human services and the department of elder affairs, that utilizes a web-based system to allow a common intake, case management, and referral system and provides linkages with existing software programs at minimal cost to the agencies involved.

3. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

.....	\$	1,742,840
.....	FTEs	3.75

Of the funds appropriated in this subsection, not more than \$280,000 shall be used to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants.

Of the funds appropriated in this subsection, \$120,000 shall be used to implement and administer the prescription drug donation repository program authorized pursuant to chapter 135M. The department shall issue a request for proposals to select a contractor to implement and administer the program.

4. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

.....	\$	1,718,662
.....	FTEs	10.75

Of the funds appropriated in this subsection, \$100,000 is allocated for a child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with community empowerment areas.

Of the funds appropriated in this subsection, \$159,700 is allocated for an initiative implemented at the university of Iowa and \$140,300 is allocated for an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the Iowa department of public health and the mental health, mental retardation, developmental disabilities, and brain injury commission to address the focus of the initiatives. The department of human services, the Iowa department of public health, and the commission shall receive regular updates concerning the status of the initiatives.

5. ELDERLY WELLNESS

For optimizing the health of persons 60 years of age and older:

.....	\$	9,233,985
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6. ENVIRONMENTAL HAZARDS

For reducing the public's exposure to hazards in the environment, primarily chemical hazards, and for not more than the following full-time equivalent positions:

.....	\$	623,821
.....	FTEs	1.75

Of the amount appropriated in this subsection, \$100,000 is allocated for childhood lead poisoning prevention activities for counties not receiving federal funding for this purpose, \$80,000 is allocated to implement blood lead testing pursuant to section 135.105D,¹ as enacted in this Act, \$50,000 is allocated to continue the pilot project to address lead poisoning prevention and remediation activities in a three-county program in north central Iowa with a combined population of at least 50,000, and \$120,000 is allocated for lead hazard remediation. The department shall select at least two local childhood lead poisoning programs to receive the amount allocated for lead hazard remediation. The selection shall be based on the number of lead-poisoned children living in the service area of the local childhood lead poisoning prevention program, the capacity of the program to work with housing agencies to administer the lead hazard remediation program, and the lack of other resources available for lead hazard remediation in the service area of the program.

7. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

.....	\$	1,258,230
.....	FTEs	4.75

If House File 2493² or other legislation providing for a viral hepatitis program and study is enacted into law, of the funds appropriated in this subsection, \$158,000 is allocated for a viral hepatitis program and study.

8. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

.....	\$	7,941,473
.....	FTEs	113.80

¹ See §79 herein

² Chapter 1045 herein

Of the funds appropriated in this subsection, \$643,500 shall be credited to the emergency medical services fund created in section 135.25.

Of the funds appropriated in this subsection, \$50,000 is allocated for increased costs of the office of the state medical examiner laboratory.

9. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

.....	\$	1,016,420
.....	FTEs	3.00

10. IOWA COLLABORATIVE SAFETY NET PROVIDER NETWORK

For continuation of the formal network of safety net providers as provided in 2005 Iowa Acts, chapter 175, section 2, subsection 12. Of the amount appropriated in this division of this Act for the medical assistance program, \$1,100,000 is transferred to the appropriations made in this subsection.³ The amount transferred is allocated as follows:

a. To continue the contract for the program to develop an Iowa collaborative safety net provider network:

.....	\$	450,000
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b. For continuation of the incubation grant program to community health centers that receive a total score of 85 based on the evaluation criteria of the health resources and services administration of the United States department of health and human services:

.....	\$	650,000
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The university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section.

Sec. 3. DEPARTMENT OF PUBLIC HEALTH — ADDITIONAL PROVISIONS.

For the fiscal year beginning July 1, 2006, and ending June 30, 2007:

1. A local health care provider or nonprofit health care organization seeking grant moneys administered by the Iowa department of public health shall provide documentation that the provider or organization has coordinated its services with other local entities providing similar services.

2. a. The department shall apply for available federal funds for sexual abstinence education programs.

b. It is the intent of the general assembly to comply with the United States Congress' intent to provide education that promotes abstinence from sexual activity outside of marriage and reduces pregnancies, by focusing efforts on those persons most likely to father and bear children out of wedlock.

c. Any sexual abstinence education program awarded moneys under the grant program shall meet the definition of abstinence education in the federal law. Grantees shall be evaluated based upon the extent to which the abstinence program successfully communicates the goals set forth in the federal law.

Sec. 4. GAMBLING TREATMENT FUND — APPROPRIATION. In lieu of the appropriation made in section 135.150, subsection 1, there is appropriated from funds available in the gambling treatment fund created in section 135.150 to the Iowa department of public health for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

To be utilized for the benefit of persons with addictions:

.....	\$	1,690,000
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It is the intent of the general assembly that from the moneys appropriated in this subsection, persons with a dual diagnosis of substance abuse and gambling addictions shall be given priority in treatment services.

2. GAMBLING TREATMENT PROGRAM

The amount remaining in the gambling treatment fund after the appropriation made in sub-

³ The phrase "transferred to the Iowa department of public health for the appropriations made in this subsection" probably intended

section 1 is appropriated to the department to be used for funding of administrative costs and to provide programs which may include, but are not limited to, outpatient and follow-up treatment for persons affected by problem gambling, rehabilitation and residential treatment programs, information and referral services, education and preventive services, and financial management services. Of the amount appropriated in this subsection, up to \$100,000 may be used for the licensing of gambling treatment programs as provided in section 135.150.

DEPARTMENT OF VETERANS AFFAIRS

Sec. 5. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, miscellaneous purposes, including the war orphans educational aid fund established pursuant to chapter 35 and for not more than the following full-time equivalent positions:

.....	\$	522,114
.....	FTEs	6.50

Of the funds appropriated in this subsection, \$50,000 is allocated for outreach efforts utilizing retired and senior volunteers in programs established pursuant to chapter 15H. If possible, for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the department shall contract with individuals currently coordinating volunteers with existing programs. The department shall be responsible for ensuring individuals responsible for claims processing receive adequate training.

The department of veterans affairs shall report to the senate state government committee and to the veterans committee of the house of representatives by October 15, 2006, regarding employment of the additional field service officers authorized under this subsection.

2. IOWA VETERANS HOME

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

.....	\$	13,569,501
.....	FTEs	874.55

HUMAN SERVICES

Sec. 6. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, which are federally appropriated for the federal fiscal years beginning October 1, 2005, and ending September 30, 2006, and beginning October 1, 2006, and ending September 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

.....	\$	40,858,316
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2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program, and implementing family investment agreements, in accordance with chapter 239B:

.....	\$	17,128,861
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3. To be used for the family development and self-sufficiency grant program as provided under section 217.12 and this division of this Act:

.....	\$	2,698,675
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4. For field operations:	\$	17,707,495
5. For general administration:	\$	3,744,000
6. For local administrative costs:	\$	2,189,830
7. For state child care assistance:	\$	15,756,560
<p>a. Of the funds appropriated in this subsection, \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.</p>		
<p>b. The funds appropriated in this subsection shall be transferred to the child care and development block grant appropriation.</p>		
8. For mental health and developmental disabilities community services:	\$	4,894,052
9. For child and family services:	\$	32,084,430
10. For child abuse prevention grants:	\$	250,000
11. For pregnancy prevention grants on the condition that family planning services are funded:	\$	1,987,530
<p>Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2006, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2006, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.</p>		
12. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:	\$	1,037,186
13. For the healthy opportunities for parents to experience success (HOPES) program administered by the Iowa department of public health to target child abuse prevention:	\$	200,000
14. To be credited to the state child care assistance appropriation made in this section to be used for funding of community-based early childhood programs targeted to children from birth through five years of age, developed by community empowerment areas as provided in section 28.9:	\$	7,350,000
<p>The department shall transfer TANF block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection.</p>		
<p>15. For a pilot program to be established in one or more judicial districts, selected by the department and the judicial council, to provide employment and support services to delin-</p>		

quent child support obligors as an alternative to commitment to jail as punishment for contempt of court:

..... \$ 200,000

Of the amounts appropriated in this section, \$13,019,471 for the fiscal year beginning July 1, 2006, shall be transferred to the appropriation of the federal social services block grant for that fiscal year. If the federal government revises requirements to reduce the amount that may be transferred to the federal social services block grant, it is the intent of the general assembly to act expeditiously during the 2007 legislative session to adjust appropriations or the transfer amount or take other actions to address the reduced amount.

The department may transfer funds allocated in this section to the appropriations in this Act for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the family investment program from the general fund.

Sec. 7. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2006, and ending June 30, 2007, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions which are in addition to any other full-time equivalent positions authorized in this division of this Act:

..... FTEs 14.00

3. The department may transfer funds allocated in this section to the appropriations in this Act for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the family investment program from the general fund of the state.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2006, and ending June 30, 2007, are allocated as follows:

a. For the family development and self-sufficiency grant program as provided under section 217.12:

..... \$ 5,283,042

(1) Of the funds allocated for the family development and self-sufficiency grant program in this lettered paragraph, not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) The department may continue to implement the family development and self-sufficiency grant program statewide during FY 2006-2007.

b. For the diversion subaccount of the FIP account:

..... \$ 2,814,000

(1) A portion of the moneys allocated for the subaccount may be used for field operations salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program.

(2) Of the funds allocated in this lettered paragraph, not more than \$250,000 shall be used to develop or continue community-level parental obligation pilot projects. The requirements established under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (3), shall remain applicable to the parental obligation pilot projects for fiscal year 2006-2007. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects the earlier of October 1, 2006, or when legislative authority is discontinued, the rules relating to the pilot projects shall remain in effect until June 30, 2007.

c. For the food stamp employment and training program:

..... \$ 64,278

d. For the JOBS program:

..... \$ 23,968,620

Of the funds allocated in this lettered paragraph, \$2,000,000 shall be used to maintain the mileage reimbursement rate for the JOBS program at the same rate used for the Medicaid program during the fiscal year.

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account and a portion may be used to increase recoveries. If child support collections assigned under FIP are greater than estimated, the state share of that greater portion may be transferred to the child support payments account.

6. The department may adopt emergency rules for the family investment, JOBS, family development and self-sufficiency grant, food stamp, and medical assistance programs if necessary to comply with federal requirements.

Sec. 8. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 42,599,885

1. Of the funds appropriated in this section, \$6,839,767 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$2,584,367 is allocated for the family development and self-sufficiency grant program as provided under section 217.12 and this division of this Act.

3. Of the funds appropriated in this section, \$200,000 shall be used to provide a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state. The grant shall be provided to an organization that has existing national foundation support for supplying such assistance that can also secure local charitable match funding.

4. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2006, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

- a. For the family investment program.
- b. For child care assistance.
- c. For child and family services.
- d. For field operations.
- e. For general administration.
- f. MH/MR/DD/BI community services (local purchase).

This subsection shall not be construed to prohibit existing state transfer authority for other purposes. The department shall report any transfers made pursuant to this subsection to the legislative services agency.

Sec. 9. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	8,214,690
.....	FTEs	450.00

1. The department shall expend up to \$31,000, including federal financial participation, for the fiscal year beginning July 1, 2006, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

2. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation site and mediation services.

Sec. 10. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2006, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

.....	\$	652,311,610
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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. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409, subsection 6. Of the funds allocated in this subsection, not more than \$5,000 may be expended for administrative purposes.

3. Of the funds appropriated to the Iowa department of public health for addictive disorders, \$950,000 for the fiscal year beginning July 1, 2006, shall be transferred to the department of human services for an integrated substance abuse managed care system.

4. Based upon a waiver from the federal centers for Medicare and Medicaid services, the department shall provide a period of 12 months of guaranteed eligibility for medical assistance family planning services only, regardless of the change in circumstances of a woman who was a medical assistance recipient when a pregnancy ended. The department shall also provide this eligibility to women of childbearing age with countable income at or below 200 percent

of the federal poverty level. The department may adopt emergency rules to implement this subsection.

5. a. The department shall aggressively pursue options for providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to policy process.

b. Of the funds appropriated in this section, \$100,000 shall be used for participation in one or more pilot projects operated by a private provider to allow the individual or individuals to receive service in the community in accordance with principles established in *Olmstead v. L.C.*, 527 U.S. 581 (1999), for the purpose of providing medical assistance or other assistance to individuals with special needs who become ineligible to continue receiving services under the early and periodic screening, diagnosis, and treatment program under the medical assistance program due to becoming 21 years of age, who have been approved for additional assistance through the department's exception to policy provisions, but who have health care needs in excess of the funding available through the exception to the policy provisions.

6. Of the funds appropriated in this section, up to \$3,050,082 may be transferred to the field operations or general administration appropriations in this Act for implementation and operational costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173.

7. The department shall initiate planning to address options available under the federal Family Opportunity Act enacted as part of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171. The options addressed shall include but are not limited to the option to allow families of children with disabilities to purchase Medicaid coverage, other health coverage options, and the option to apply to the centers for Medicare and Medicaid services of the United States department of health and human services for Iowa to participate in a demonstration project to develop home and community-based services as an alternative to psychiatric residential treatment for children with psychiatric disabilities who are enrolled in the Medicaid program. The department shall report by December 15, 2006, to the persons designated by this Act to receive reports regarding the planning activities and recommendations regarding the options.

8. The department shall apply to the centers for Medicare and Medicaid services of the United States department of health and human services to participate in the Medicaid transformation grants program as specified in section 6081 of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, for adoption of innovative methods to improve the effectiveness and efficiency in providing medical assistance. The innovative methods may include but are not limited to the use of electronic health records and personal health records by health care professionals and consumers to address the health needs specific to populations including but not limited to persons with brain injury, persons with dual diagnoses of mental illness and mental retardation or substance abuse and mental illness, and children with chronic conditions; the use of diagnostic techniques that promote the early diagnosis and treatment of chronic disease in adults including physical and mental health, hepatitis, behavioral health, and cancer; and review of the physical and mental health status of the medical assistance population to more effectively integrate and determine public health strategies and interventions to reduce the incidence of preventable diseases and chronic conditions in the medical assistance population including but not limited to those related to obesity and nutrition, smoking, and diabetes. The department shall submit a draft of the application to the medical assistance projections and assessment council for approval as expeditiously as possible, prior to submission to the centers for Medicare and Medicaid services of the United States department of health and human services. Any grant for which application is made under this subsection shall not require state matching funds. Any federal funding received shall be used in coordination with the purposes of the account for health care transformation pursuant to section 252J.23⁴ and shall be integrated with the IowaCare program pursuant to chapter 252J.⁵

⁴ Section "249J.23" probably intended

⁵ According to enrolled Act; the IowaCare program was enacted in 2005 Iowa Acts, chapter 167, and was codified in Code Supplement 2005 as chapter 249J

9. Of the amount appropriated in this section, \$250,000 shall be used for a dollar-for-dollar matching grant to a nonprofit organization of medical providers established to provide direction in promoting a health care culture of continuous improvement in quality, patient safety, and value through collaborative efforts by hospitals and physicians.

10. The department may amend the Medicaid state plan to provide medical assistance reciprocity for children who receive an adoption subsidy who are not eligible for funding under Title IV-E of the federal Social Security Act.

11. The department shall submit a medical assistance state plan amendment to the centers for Medicare and Medicaid services of the United States department of health and human services that is in substantially the form of the draft submitted by letter dated March 1, 2006, and published on the department website. The department shall adopt emergency rules effective July 1, 2006, to implement the state plan amendment.

12. The department shall review the impact of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, on the state's medical assistance program reimbursement policy for multiple source prescription drug products and the Act's impact on participating pharmacies. The department shall submit a report, including recommendations relating to adjustments to the medical assistance program pharmacy dispensing fee, to the governor and the general assembly no later than January 1, 2007.

Sec. 11. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For administration of the health insurance premium payment program, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	634,162
.....	FTEs	21.00

Sec. 12. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts, including salaries, support, maintenance, and miscellaneous purposes:

.....	\$	14,417,985
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Sec. 13. STATE SUPPLEMENTARY ASSISTANCE.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

.....	\$	18,710,335
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2. 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 income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

3. If during the fiscal year beginning July 1, 2006, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-along requirement specified in Title XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related

care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 14. CHILDREN’S HEALTH INSURANCE PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I for receipt of federal financial participation under Title XXI of the federal Social Security Act, which creates the state children’s health insurance program:
..... \$ 19,703,715

Sec. 15. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:
..... \$ 21,801,198

1. Of the funds appropriated in this section, \$18,850,674 shall be used for state child care assistance in accordance with section 237A.13.

2. 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 consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, \$525,524 is allocated for the statewide program for child care resource and referral services under section 237A.26. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, \$1,225,000 is allocated for child care quality improvement initiatives including but not limited to development and continuation of a quality rating system.

5. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department’s service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

6. A portion of the state match for the federal child care and development block grant shall be provided through the state general fund appropriation for child development grants and other programs for at-risk children in section 279.51.

7. Of the funds appropriated in this section, \$1,200,000 is transferred to the Iowa empowerment fund to be used for professional development for the system of early care, health, and education.

Sec. 16. 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, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For operation of the Iowa juvenile home at Toledo and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:

.....	\$	6,667,400
.....	FTEs	118.50

a. Of the funds appropriated in this subsection, at least \$25,000 is allocated for provision of books or other learning materials and activities associated with the education of children placed at the Iowa juvenile home.

b. It is the intent of the general assembly that effective July 1, 2009, placements at the Iowa juvenile home will be limited to females and that placements of boys at the home will be diverted to other options. The department shall utilize a study group to make recommendations on the options for diversion of placements of boys and the study group shall report on or before July 1, 2007, to the persons designated by this division of this Act to receive reports. Leadership for the study group shall be provided by the department of human services. The study group membership shall also include but is not limited to two departmental service area administrators or their designees, a representative of the division of the commission on the status of women of the department of human rights, a member of the council on human services, a departmental division administrator, two representatives of juvenile court services, a representative of the division of criminal and juvenile justice planning of the department of human rights, and two representatives of child welfare service provider agencies. In addition, the study group membership shall include four members of the general assembly so that the majority and minority parties of both chambers are represented. Legislative members are eligible for reimbursement of actual expenses paid under section 2.10.

2. For operation of the state training school at Eldora and for salaries, support, maintenance, and for not more than the following full-time equivalent positions:

.....	\$	10,608,148
.....	FTEs	196.55

Of the funds appropriated in this subsection, at least \$25,000 is allocated for provision of books or other learning materials and activities associated with the education of children placed at the state training school.

3. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2006.

Sec. 17. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

.....	\$	80,945,373
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In order to address a reduction of \$5,200,000 from the amount allocated under this appropriation in prior years for purposes of juvenile delinquent graduated sanction services, up to \$5,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services, shall be made available for purposes of juvenile delinquent graduated sanction services.

2. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

3. a. Of the funds appropriated in this section, up to \$37,084,884 is allocated as the state-wide expenditure target under section 232.143 for group foster care maintenance and services.

b. If at any time after September 30, 2006, annualization of a service area's current expendi-

tures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

c. Of the funds allocated in this subsection, \$1,510,661 is allocated as the state match funding for 50 highly structured juvenile program beds. If the number of beds provided for in this lettered paragraph is not utilized, the remaining funds allocated may be used for group foster care.

4. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative. Of the funds appropriated in this section, \$2,500,000 is allocated specifically for expenditure through the decategorization service funding pools and governance boards established pursuant to section 232.188. In addition, up to \$1,000,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of the decategorization initiative as provided in this subsection.

5. A portion of the funds appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project to stay together or to be reunified.

Notwithstanding section 234.35 or any other provision of law to the contrary, for the fiscal year beginning July 1, 2006, state funding for shelter care shall be limited to the amount necessary to fund 273 beds that are guaranteed and seven beds that are not guaranteed. The department shall submit an emergency services plan by December 15, 2006, to the persons designated by this division of this Act to receive reports. The plan shall identify crisis intervention and emergency services alternatives to shelter care and shall specify the numbers of shelter beds that are guaranteed and not guaranteed, as determined necessary by the department.

6. Federal funds received by the state during the fiscal year beginning July 1, 2006, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section, are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

7. Of the funds appropriated in this section, not more than \$442,100 is allocated to provide clinical assessment services as necessary to continue funding of children's rehabilitation services under medical assistance in accordance with federal law and requirements. The funding allocated is the amount projected to be necessary for providing the clinical assessment services.

8. Of the funds appropriated in this section, \$3,696,285 shall be used for protective child care assistance.

9. Of the funds appropriated in this section, up to \$3,002,844 is allocated for the payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this subsection, up to \$1,505,161 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

a. Notwithstanding section 232.141 or any other provision of law to the contrary, the amount allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination of the distribution amounts on or before June 15, 2006.

b. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court distribution amount to pay for the service. The chief juvenile court officer shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator to transfer funds between the districts' distribution amounts as prudent.

c. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

d. Of the funds allocated in this subsection, not more than \$100,000 may be used by the judicial branch for administration of the requirements under this subsection and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

10. Notwithstanding 2000 Iowa Acts, chapter 1228, section 43, the department may operate a subsidized guardianship program if the United States department of health and human services approves a waiver under Title IV-E of the federal Social Security Act or the federal Social Security Act is amended to allow Title IV-E funding to be used for subsidized guardianship, and the subsidized guardianship program can be operated without loss of Title IV-E funds.

11. Of the funds appropriated in this section, \$1,000,000 shall be transferred to the Iowa department of public health to be used for the child protection center grant program in accordance with section 135.118.

12. Of the funds appropriated in this section, \$148,000 shall be used for funding of one or more child welfare diversion and mediation pilot projects as provided in 2004 Iowa Acts, chapter 1130, section 1.

13. If the department receives federal approval to implement a waiver under Title IV-E of the federal Social Security Act to enable providers to serve children who remain in the children's families and communities, for purposes of eligibility under the medical assistance program children who participate in the waiver shall be considered to be placed in foster care.

14. a. Funds appropriated in this section may be used to provide continued support for young adults who are age eighteen and graduate from high school or complete a graduation equivalency diploma after May 1, 2006, have a self-sufficiency plan, and are continuing their education, working, or are in work training. The department may amend existing contracts to provide the additional services to this population. The department may adopt emergency rules to implement the provisions of this subsection.

b. Of the funds appropriated in this section, \$854,012 is allocated for the program described in this subsection for young adults who leave foster care services at age 18 provided legislation is enacted by the Eighty-first General Assembly, 2006 Session, to codify requirements for the program.⁶ If enacted, the program shall commence as early as possible in the fiscal year. The department may adopt emergency rules to implement the program.

15. Of the funds appropriated in this section, \$50,000 is allocated for a grant to expand an existing program operated by a nonprofit organization providing family treatment and community education services in a nine-county area.

16. Of the funds appropriated in this section, \$1,000,000 shall be used for juvenile drug courts to replace lost federal grants and to expand juvenile drug courts. The amount allocated in this subsection shall be distributed as follows:

a. To the judicial branch for salaries to assist with the operation of juvenile drug court programs operated in the following jurisdictions:

(1) Marshall county:	\$	60,000
.....		
(2) Woodbury county:		
.....	\$	120,254

⁶ See Chapter 1159, §7 herein

(3) Polk county:	\$	187,434
.....		
(4) For establishing a program in the eighth judicial district and in another judicial district:	\$	130,000
.....		
b. For court-ordered services to support substance abuse and related services provided to the juveniles participating in the juvenile drug court programs listed in paragraph "a" and the juveniles' families:	\$	502,312
.....		

The state court administrator shall allocate the funding designated in this paragraph among the programs.

17. Of the funds appropriated in this section, \$100,000 is allocated to establish a multidimensional treatment level foster care program provided House File 25677 or other legislation requiring the department to establish the program is enacted by the Eighty-first General Assembly, 2006 Session.

18. During the fiscal year beginning July 1, 2006, the department shall continue funding one or more child welfare diversion and mediation pilot projects implemented pursuant to 2004 Iowa Acts, chapter 1130, section 1. The department shall do all of the following in continuing the pilot projects:

a. If an agency providing mediation services under the pilot project has not demonstrated the ability to deliver services throughout the entire fiscal year within the funding allocated, the department shall not renew the contract with the agency.

b. If a contract is not renewed as provided in paragraph "a", the department shall select a replacement provider agency with the experience and capacity to provide mediation services in the county or counties served by the provider agency whose contract was not renewed. Whenever possible in selecting a replacement provider agency, the department shall select a provider agency whose primary operations office is located within the largest county served by the pilot project.

19. Of the funds appropriated in this section, \$230,000 shall be used for a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments and referrals for victims of child abuse and their nonoffending family members.

Sec. 18. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:	\$	31,446,063
.....		

2. The department may transfer funds appropriated in this section to the appropriations in this Act for child and family services to be used for adoptive family recruitment and other services to achieve adoption.

3. Federal funds received by the state during the fiscal year beginning July 1, 2006, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section, are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 19. JUVENILE DETENTION HOME FUND. Moneys deposited in the juvenile detention home fund created in section 232.142 during the fiscal year beginning July 1, 2006, and ending June 30, 2007, are appropriated to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, for distribution as follows:

⁷ Chapter 1123 herein

1. An amount equal to 10 percent of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the fiscal year beginning July 1, 2005. Moneys appropriated for distribution in accordance with this subsection shall be allocated among eligible detention homes, prorated on the basis of an eligible detention home's proportion of the costs of all eligible detention homes in the fiscal year beginning July 1, 2005. Notwithstanding section 232.142, subsection 3, the financial aid payable by the state under that provision for the fiscal year beginning July 1, 2006, shall be limited to the amount appropriated for the purposes of this subsection.

2. For renewal of a grant to a county with a population between 189,000 and 196,000 in the latest preceding certified federal census for implementation of the county's runaway treatment plan under section 232.195:

..... \$ 80,000

3. For continuation and expansion of the community partnership for child protection sites:
..... \$ 318,000

4. For continuation of the department's minority youth and family projects under the redesign of the child welfare system:
..... \$ 375,000

5. For funding of the state match for the federal substance abuse and mental health services administration (SAMSHA)⁸ system of care grant:
..... \$ 67,600

If the federal grant is not approved on or before January 1, 2007, the amount designated in this subsection shall be allocated as provided in subsection 6.

6. The remainder for additional allocations to county or multicounty juvenile detention homes, in accordance with the distribution requirements of subsection 1.

Sec. 20. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

..... \$ 1,936,434

1. The department shall use at least \$333,312 of the moneys appropriated in this section to continue the children-at-home program in current counties, and if funds are available after exhausting the family support subsidy waiting list, to expand the program to additional counties. Not more than \$20,000 of the amount allocated in this subsection shall be used for administrative costs.

2. Notwithstanding contrary provisions of section 225C.38, subsection 1, the monthly family support subsidy payment amount for the fiscal year beginning July 1, 2006, shall be determined by the department in consultation with the council created in section 225C.48, not to exceed the amount in effect on June 30, 2006.

Sec. 21. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871 (S.D. Iowa, July 14, 1994):

..... \$ 42,623

Sec. 22. 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, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

⁸ The abbreviation "(SAMHSA)" probably intended

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	4,893,698
.....	FTEs	215.00

Of the funds appropriated in this subsection, at least \$5,000 is allocated for provision of books or other learning materials and activities associated with the education of children placed in facilities operated at the state mental health institute at Cherokee.

2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	6,179,344
.....	FTEs	101.15

3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	9,006,899
.....	FTEs	286.40

Of the funds appropriated in this subsection, at least \$5,000 is allocated for provision of books or other learning materials and activities associated with the education of children placed in facilities located at the state mental health institute at Independence.

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	1,046,074
.....	FTEs	102.84

The department shall implement a new 20-bed substance abuse treatment unit beginning October 1, 2006.

Sec. 23. STATE RESOURCE CENTERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	14,006,583
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2. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	8,590,761
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3. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of ICFMR services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

4. The state resource centers may expand the time limited assessment and respite services during the fiscal year.

5. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

6. If existing capacity limitations are reached in operating units, a waiting list is in effect for

a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and to begin implementing the service or addressing the special need during fiscal year 2006-2007.

Sec. 24. MI/MR/DD STATE CASES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:

..... \$ 12,286,619

2. For the fiscal year beginning July 1, 2006, and ending June 30, 2007, \$200,000 is allocated for state cases from the amounts appropriated from the fund created in section 8.41 to the department of human services from the funds received from the federal government under 42 U.S.C., chapter 6A, subchapter XVII, relating to the community mental health center block grant, for the federal fiscal years beginning October 1, 2004, and ending September 30, 2005, beginning October 1, 2005, and ending September 30, 2006, and beginning October 1, 2006, and ending September 30, 2007. The allocation made in this subsection shall be made prior to any other distribution allocation of the appropriated federal funds.

Sec. 25. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES — COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the mental health and developmental disabilities community services fund created in section 225C.7 for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health and developmental disabilities community services in accordance with this division of this Act:

..... \$ 18,017,890

1. Of the funds appropriated in this section, \$17,727,890 shall be allocated to counties for funding of community-based mental health and developmental disabilities services. The monies shall be allocated to a county as follows:

a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

b. Fifty percent based upon the county's proportion of the state's general population.

2. a. A county shall utilize the funding the county receives pursuant to subsection 1 for services provided to persons with a disability, as defined in section 225C.2. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

b. A county shall use at least 50 percent of the funding the county receives under subsection 1 for contemporary services provided to persons with a disability, as described in rules adopted by the department.

3. Of the funds appropriated in this section, \$30,000 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.

4. a. Funding appropriated for purposes of the federal social services block grant is allocated for distribution to counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

b. The funds allocated in this subsection shall be expended by counties in accordance with the county's approved county management plan. A county without an approved county management plan shall not receive allocated funds until the county's management plan is approved.

c. The funds provided by this subsection shall be allocated to each county as follows:

(1) Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

(2) Fifty percent based upon the amount provided to the county for local purchase of services in the preceding fiscal year.

5. A county is eligible for funds under this section if the county qualifies for a state payment as described in section 331.439.

6. Of the funds appropriated in this section, \$260,000 is allocated to the department for development of an assessment process for use beginning in a subsequent fiscal year as authorized specifically by a statute to be enacted in a subsequent fiscal year, determining on a consistent basis the needs and capacities of persons seeking or receiving mental health, mental retardation, developmental disabilities, or brain injury services that are paid for in whole or in part by the state or a county. The assessment process shall be developed with the involvement of counties and the mental health, mental retardation, developmental disabilities, and brain injury commission.

Sec. 26. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,750,704
.....	FTEs	73.66

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 27. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	57,044,250
.....	FTEs	1,897.87

Priority in filling full-time equivalent positions shall be given to those positions related to child protection services. The full-time equivalent positions authorized in this section include clinical consultation positions relating to child protection services.

Sec. 28. 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, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	14,528,679
.....	FTEs	311.00

1. Of the funds appropriated in this section, \$57,000 is allocated for the prevention of disabilities policy council established in section 225B.3.

2. Of the funds appropriated in this section, \$30,000 is allocated to the department of human services for a statewide coordinator for the program of all-inclusive care for the elderly as defined in section 249H.3. The coordinator shall work in collaboration with the department of elder affairs in carrying out the coordinator’s duties.

3. Of the funds appropriated in this section, \$500,000 is allocated for salary and technical assistance expenses for the department to reestablish a separate division to which the appropriate departmental duties addressing mental health, mental retardation, developmental disabilities, and brain injury services shall be assigned.

Sec. 29. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services: \$ 109,568

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

1. a. (1) For the fiscal year beginning July 1, 2006, nursing facilities shall be reimbursed at 100 percent of the modified price-based case-mix reimbursement rate. Nursing facilities reimbursed under the medical assistance program shall submit annual cost reports and additional documentation as required by rules adopted by the department.

(2) For the fiscal year beginning July 1, 2006, the total state funding amount for the nursing facility budget shall not exceed \$177,701,264. The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount. Any temporary enhanced federal financial participation that may become available to the Iowa medical assistance program during the fiscal year shall not be used in projecting the nursing facility budget. Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph “c”, and subsection 3, paragraph “a”, subparagraph (2), if the state funding expenditures for the nursing facility budget for the fiscal year beginning July 1, 2006, are projected to exceed the amount specified in this subparagraph, the department shall adjust the skilled nursing facility market basket inflation factor of the reimbursement rate calculation for only the nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount.

(3) For the fiscal year beginning July 1, 2006, the patient-day-weighted medians used in rate setting for nursing facilities shall be recalculated and the rates adjusted to provide an increase in nursing facility rates not to exceed \$162,315,695. The skilled nursing facility market basket inflation factor applied from the mid-point of the cost report to the first day of the state fiscal year rate period shall not be less than zero percent.

b. For the fiscal year beginning July 1, 2006, the department shall reimburse pharmacy dispensing fees using a single rate of \$4.52 per prescription, or the pharmacy’s usual and customary fee, whichever is lower.

c. For the fiscal year beginning July 1, 2006, reimbursement rates for inpatient and outpatient hospital services shall be increased by 3 percent over the rates in effect on June 30, 2006. The department shall continue the outpatient hospital reimbursement system based upon ambulatory patient groups implemented pursuant to 1994 Iowa Acts, chapter 1186, section 25, subsection 1, paragraph “f”. In addition, the department shall continue the revised medical assistance payment policy implemented pursuant to that paragraph to provide reimbursement

for costs of screening and treatment provided in the hospital emergency room if made pursuant to the prospective payment methodology developed by the department for the payment of outpatient services provided under the medical assistance program. Any rebasing of hospital inpatient or outpatient rates shall not increase total payments for inpatient and outpatient services beyond the percentage increase provided in this paragraph.

d. For the fiscal year beginning July 1, 2006, reimbursement rates for rural health clinics, hospices, independent laboratories, and acute mental hospitals shall be increased in accordance with increases under the federal Medicare program or as supported by their Medicare audited costs.

e. (1) For the fiscal year beginning July 1, 2006, reimbursement rates for home health agencies shall be increased by 3 percent over the rates in effect on June 30, 2006, not to exceed a home health agency's actual allowable cost.

(2) The department shall establish a fixed-fee reimbursement schedule for home health agencies under the medical assistance program beginning July 1, 2007.

f. For the fiscal year beginning July 1, 2006, federally qualified health centers shall receive cost-based reimbursement for 100 percent of the reasonable costs for the provision of services to recipients of medical assistance.

g. Beginning July 1, 2006, the reimbursement rates for dental services shall be increased by 3 percent over the rates in effect on June 30, 2006.

h. Beginning July 1, 2006, the reimbursement rates for community mental health centers shall be increased by 3 percent over the rates in effect on June 30, 2006.

i. For the fiscal year beginning July 1, 2006, the maximum reimbursement rate for psychiatric medical institutions for children shall be \$160.71 per day.

j. For the fiscal year beginning July 1, 2006, unless otherwise specified in this Act, all non-institutional medical assistance provider reimbursement rates shall be increased by 3 percent over the rates in effect on June 30, 2006, except for area education agencies, local education agencies, infant and toddler services providers, and those providers whose rates are required to be determined pursuant to section 249A.20.

k. Notwithstanding section 249A.20, for the fiscal year beginning July 1, 2006, the average reimbursement rate for health care providers eligible for use of the federal Medicare resource-based relative value scale reimbursement methodology under that section shall be increased by 3 percent over the rate in effect on June 30, 2006; however, this rate shall not exceed the maximum level authorized by the federal government.

l. Beginning July 1, 2006, the department shall increase the personal needs allowance under the medical assistance program which may be retained by a resident of a nursing facility to fifty dollars.

2. For the fiscal year beginning July 1, 2006, the reimbursement rate for residential care facilities shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

3. For the fiscal year beginning July 1, 2006, the reimbursement rate for providers reimbursed under the in-home-related care program shall not be less than the minimum payment level as established by the federal government to meet the federally mandated maintenance of effort requirement.

4. Unless otherwise directed in this section, when the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 2002.

5. For the fiscal year beginning July 1, 2006, the foster family basic daily maintenance rate paid in accordance with section 234.38 and the maximum adoption subsidy rate for children ages 0 through 5 years shall be \$15.31, the rate for children ages 6 through 11 years shall be \$15.99, the rate for children ages 12 through 15 years shall be \$17.57, and the rate for children ages 16 and older shall be \$17.73.

6. For the fiscal year beginning July 1, 2006, the maximum reimbursement rates for social service providers shall be increased by 3 percent over the rates in effect on June 30, 2006, or to the provider's actual and allowable cost plus inflation for each service, whichever is less. The rates may also be adjusted under any of the following circumstances:

a. If a new service was added after June 30, 2006, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

b. If a social service provider loses a source of income used to determine the reimbursement rate for the provider, the provider's reimbursement rate may be adjusted to reflect the loss of income, provided that the lost income was used to support actual and allowable costs of a service purchased under a purchase of service contract.

7. The group foster care reimbursement rates paid for placement of children out of state shall be calculated according to the same rate-setting principles as those used for in-state providers unless the director of human services or the director's designee determines that appropriate care cannot be provided within the state. The payment of the daily rate shall be based on the number of days in the calendar month in which service is provided.

8. For the fiscal year beginning July 1, 2006, the reimbursement rates for rehabilitative treatment and support services providers shall be increased by 3 percent over the rates in effect on June 30, 2006.

9. a. For the fiscal year beginning July 1, 2006, the combined service and maintenance components of the reimbursement rate paid for shelter care services purchased under a contract shall be based on the financial and statistical report submitted to the department. The maximum reimbursement rate shall be \$88.79 per day. The department shall reimburse a shelter care provider at the provider's actual and allowable unit cost, plus inflation, not to exceed the maximum reimbursement rate.

b. Notwithstanding section 232.141, subsection 8, for the fiscal year beginning July 1, 2006, the amount of the statewide average of the actual and allowable rates for reimbursement of juvenile shelter care homes that is utilized for the limitation on recovery of unpaid costs shall be increased by \$2.59 over the amount in effect for this purpose in the preceding fiscal year.

10. For the fiscal year beginning July 1, 2006, the department shall calculate reimbursement rates for intermediate care facilities for persons with mental retardation at the 80th percentile.

11. For the fiscal year beginning July 1, 2006, effective January 1, 2007, for child care providers reimbursed under the state child care assistance program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 2004. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered.

12. For the fiscal year beginning July 1, 2006, reimbursements for providers reimbursed by the department of human services may be modified if appropriated funding is allocated for that purpose from the senior living trust fund created in section 249H.4, or as specified in appropriations from the healthy Iowans tobacco trust created in section 12.65.

13. The department shall apply the three percent reimbursement rate increase prescribed for specified providers for the fiscal year beginning July 1, 2005, pursuant to 2005 Iowa Acts, chapter 175, separately from the three percent reimbursement rate increase prescribed for specified providers for the fiscal year beginning July 1, 2006, under this Act.

14. The department shall adopt rules pursuant to chapter 17A to provide reimbursement for covered services provided by psychology interns and psychology residents to recipients of medical assistance, subject to limitations and exclusions the department finds necessary on the basis of federal laws and regulations.

15. The department may adopt emergency rules to implement this section.

Sec. 31. EMERGENCY RULES. If specifically authorized by a provision of this division of this Act, the department of human services or the mental health, mental retardation, developmental disabilities, and brain injury commission may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review

committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 5, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 32. REPORTS. Any reports or information required to be compiled and submitted under this division of this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

Sec. 33. LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM — SUPPLEMENTAL APPROPRIATION.

1. There is appropriated from the general fund of the state to the division of community action agencies of the department of human rights for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For supplementation of the appropriation made for the low-income home energy assistance program made in 2005 Iowa Acts, chapter 164, section 10:

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

2. Of the moneys appropriated in this section, \$150,000 shall not be expended in the fiscal year for which appropriated, but shall be transferred in the succeeding fiscal year to the department of human services to be used for the family development and self-sufficiency grant program. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

3. The legislative council is requested to authorize a review of the low-income home energy assistance program and weatherization program by the fiscal committee of the legislative council or other body during the 2006 legislative interim. The issues reviewed shall include but are not limited to financial assistance, the application and intake processes, and the community action agencies assessment and resolution proposal. The review shall also include involving the department of human services in the administration of the programs to enable low-income persons to access additional assistance programs through a single location.

Sec. 34. Section 16.183, subsections 1 and 3, Code 2005, are amended to read as follows:

1. A home and community-based services revolving loan program fund is created within the authority to further the goals specified in section 231.3, adult day services, respite services, and congregate meals, health and wellness, health screening, and nutritional assessments. The moneys in the home and community-based services revolving loan program fund shall be used by the authority for the development and operation of a revolving loan program to develop and expand facilities and infrastructure that provide adult day services, respite services, and congregate meals, and programming space for health and wellness, health screening, and nutritional assessments that address the needs of persons with low incomes.

3. The authority, in cooperation with the department of elder affairs, shall annually allocate moneys available in the home and community-based services revolving loan program fund to develop and expand facilities and infrastructure that provide adult day services, respite services, and congregate meals, and programming space for health and wellness, health screening, and nutritional assessments that address the needs of persons with low incomes.

Sec. 35. 2005 Iowa Acts, chapter 175, section 2, subsection 4, unnumbered paragraph 2, is amended to read as follows:

Of the funds appropriated in this subsection, not more than \$100,000 shall be used to lever-

age federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants. Notwithstanding section 8.33, moneys allocated in this subparagraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 36. 2005 Iowa Acts, chapter 175, section 2, subsection 12, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 37. 2005 Iowa Acts, chapter 175, section 3, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 38. 2005 Iowa Acts, chapter 175, section 4, subsection 2, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33 and section 35D.18, subsection 5, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure in succeeding fiscal years. Of the amount remaining available for expenditure under this paragraph, the first \$1,000,000 shall be used for Iowa veterans home operations in the immediately succeeding fiscal year and the balance shall be transferred to any appropriation made for the fiscal year beginning July 1, 2006, for purposes of capital improvements, renovations, or new construction at the Iowa veterans home. However, if an appropriation is not made for such purposes for that fiscal year by the Eighty-first General Assembly, 2006 Session, the balance shall remain available to be used to supplement an appropriation made for such purposes for a subsequent fiscal year.

Sec. 39. 2005 Iowa Acts, chapter 175, section 9, unnumbered paragraph 2, is amended to read as follows:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2005, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$ 519,040,317
538,040,317

Sec. 40. 2005 Iowa Acts, chapter 175, section 9, is amended by adding the following new subsection:

NEW SUBSECTION. 15. Notwithstanding section 8.33, \$500,000 of the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the operational costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. No. 108-173, until the close of the succeeding fiscal year.

Sec. 41. 2005 Iowa Acts, chapter 175, section 12, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, \$1,100,000 of the moneys appropri-

ated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 42. 2005 Iowa Acts, chapter 175, section 14, subsection 2, is amended to read as follows:

2. Of the funds appropriated in this section, \$900,000 shall be used for implementation of a quality rating system for child care providers, in accordance with legislation enacted to authorize implementation of the rating system. Notwithstanding section 8.33, \$125,000 of the moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 43. 2005 Iowa Acts, chapter 175, section 16, is amended by adding the following new subsection:

NEW SUBSECTION. 18. Notwithstanding section 8.33, \$1,000,000 of the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 44. 2005 Iowa Acts, chapter 175, section 17, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Notwithstanding section 8.33, \$2,000,000 of the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 45. 2005 Iowa Acts, chapter 175, section 21, subsection 3, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, revenues that are directly attributable to the psychiatric medical institution for children beds operated by the state at the state mental health institute at Independence in accordance with section 226.9B, that are received as repayment receipts and are attributed to the fiscal year beginning July 1, 2005, shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 46. 2005 Iowa Acts, chapter 175, section 22, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. a. Notwithstanding sections 8.33 and 222.92, of the revenues available to the state resource centers that remain unencumbered or unobligated at the close of the fiscal year the indicated amounts shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year:

(1) For the state resource center at Glenwood, \$1,250,000.

(2) For the state resource center at Woodward, \$750,000.

b. Of the amounts designated in paragraph "a", \$250,000 at each resource center shall be used to continue the procurement and installation of the electronic medical records system initiated in the fiscal year beginning July 1, 2005.

Sec. 47. 2005 Iowa Acts, chapter 175, section 23, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Notwithstanding section 8.33, \$400,000 of the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 48. 2005 Iowa Acts, chapter 175, section 26, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. Notwithstanding section 8.33, the moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 49. 2005 Iowa Acts, chapter 175, section 29, subsection 1, paragraph a, subparagraph (2), is amended to read as follows:

(2) For the fiscal year beginning July 1, 2005, the total state funding amount for the nursing facility budget shall not exceed ~~\$161,600,000~~ \$168,156,999. The department, in cooperation with nursing facility representatives, shall review projections for state funding expenditures for reimbursement of nursing facilities on a quarterly basis and the department shall determine if an adjustment to the medical assistance reimbursement rate is necessary in order to provide reimbursement within the state funding amount. Any temporary enhanced federal financial participation that may become available to the Iowa medical assistance program during the fiscal year shall not be used in projecting the nursing facility budget. Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "c", and subsection 3, paragraph "a", subparagraph (2), if the state funding expenditures for the nursing facility budget for the fiscal year beginning July 1, 2005, are projected to exceed the amount specified in this subparagraph, the department shall adjust the skilled nursing facility market basket inflation factor of the reimbursement rate calculation for only the nursing facilities reimbursed under the case-mix reimbursement system to maintain expenditures of the nursing facility budget within the specified amount.

Sec. 50. 2005 Iowa Acts, chapter 175, section 29, subsection 1, paragraph a, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) For the period of April 1, 2006, through June 30, 2006, the department shall apply one-third of the skilled nursing facility market basket index to the midpoint of the rate period beginning July 1, 2005. The department may adopt emergency rules to implement this subparagraph.

Sec. 51. NONREVERSION — FY 2007-2008 BASE BUDGET. For purposes of the budget process under section 8.23 for the fiscal year beginning July 1, 2007, the base budget amounts for the appropriations made to the department of human services for the purposes designated in this division of this Act shall be adjusted to include the amounts of the appropriations made for the same purposes for the fiscal year beginning July 1, 2005, that, pursuant to this division of this Act, do not revert and remain available for expenditure in the succeeding fiscal year.

Sec. 52. EFFECTIVE DATES. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The provision under the appropriation for medical assistance relating to the submission of a medical assistance state plan amendment to the centers for Medicare and Medicaid services of the United States department of health and human services.

2. The provision under the appropriation for medical assistance relating to the directive to the department of human services to apply for participation in the Medicaid transformation grants program as specified in the federal Deficit Reduction Act of 2005.

3. The provision under the appropriation for child and family services, relating to requirements of section 232.143 for representatives of the department of human services and juvenile court services to establish a plan for continuing group foster care expenditures for the 2006-2007 fiscal year.

4. The provision enacting a supplemental appropriation to the department of human rights for purposes of the low-income home energy assistance program.

5. The provision amending 2005 Iowa Acts, chapter 175, section 2, subsection 4.

- 6. The provision amending 2005 Iowa Acts, chapter 175, section 2, subsection 12.
- 7. The provision amending 2005 Iowa Acts, chapter 175, section 3.
- 8. The provision amending 2005 Iowa Acts, chapter 175, section 4.
- 9. The provisions amending 2005 Iowa Acts, chapter 175, section 9.
- 10. The provision amending 2005 Iowa Acts, chapter 175, section 12.
- 11. The provision amending 2005 Iowa Acts, chapter 175, section 14, subsection 2.
- 12. The provision amending 2005 Iowa Acts, chapter 175, section 16.
- 13. The provision amending 2005 Iowa Acts, chapter 175, section 17.
- 14. The provision amending 2005 Iowa Acts, chapter 175, section 21, subsection 3.
- 15. The provision amending 2005 Iowa Acts, chapter 175, section 22.
- 16. The provision amending 2005 Iowa Acts, chapter 175, section 23.
- 17. The provision amending 2005 Iowa Acts, chapter 175, section 26.
- 18. The provision amending 2005 Iowa Acts, chapter 175, section 29, subsection 1, paragraph "a", subparagraph (2).

Sec. 53. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. The provision of this division of this Act amending 2005 Iowa Acts, chapter 175, section 29, subsection 1, paragraph "a", by enacting new subparagraph (4), being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to April 1, 2006.

DIVISION II
 SENIOR LIVING TRUST FUND,
 ENDOWMENT FOR IOWA'S HEALTH ACCOUNT,
 PHARMACEUTICAL SETTLEMENT ACCOUNT,
 IOWACARE ACCOUNT, AND HEALTH CARE
 TRANSFORMATION ACCOUNT

Sec. 54. DEPARTMENT OF ELDER AFFAIRS. There is appropriated from the senior living trust fund created in section 249H.4 to the department of elder affairs for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the development and implementation of a comprehensive senior living program, including case management only if the monthly cost per client for case management for the frail elderly services provided does not exceed an average of \$70, and including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	8,296,730
.....	FTEs	3.00

1. Of the funds appropriated in this section, \$2,196,967 shall be used for case management for the frail elderly. Of the funds allocated in this subsection, \$1,010,000 shall be transferred to the department of human services in equal amounts on a quarterly basis for reimbursement of case management services provided under the medical assistance elderly waiver. The monthly cost per client for case management for the frail elderly services provided shall not exceed an average of \$70. It is the intent of the general assembly that the additional funding provided for case management for the frail elderly for the fiscal year beginning July 1, 2006, and ending June 30, 2007, shall be used to provide case management services for up to an additional 1,650 individuals.

2. Notwithstanding section 249H.7, the department of elder affairs shall distribute up to \$400,000 of the funds appropriated in this section in a manner that will supplement and maximize federal funds under the federal Older Americans Act and shall not use the amount distributed for any administrative purposes of either the department of elder affairs or the area agencies on aging.

Sec. 55. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the senior living trust fund created in section 249H.4 to the department of inspections and ap-

peals for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the inspection and certification of assisted living facilities and adult day care services, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	758,474
.....	FTEs	5.00

Sec. 56. DEPARTMENT OF HUMAN SERVICES. There is appropriated from the senior living trust fund created in section 249H.4 to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purpose designated:

1. To supplement the medical assistance appropriation, including program administration and costs associated with implementation, salaries, support, maintenance, and miscellaneous purposes and for not more than the following full-time equivalent positions:

.....	\$	65,000,000
.....	FTEs	5.00

2. Notwithstanding sections 249H.4 and 249H.5, the department of human services may use moneys from the senior living trust fund for cash flow purposes to make payments under the nursing facility or hospital upper payment limit methodology. The amount of any moneys so used shall be refunded to the senior living trust fund within the same fiscal year and in a prompt manner.

In order to carry out the purposes of this section, the department may transfer funds appropriated in this section to supplement other appropriations made to the department of human services.

Sec. 57. IOWA FINANCE AUTHORITY. There is appropriated from the senior living trust fund created in section 249H.4 to the Iowa finance authority for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

.....	\$	700,000
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To provide reimbursement for rent expenses to eligible persons:
Participation in the rent subsidy program shall be limited to only those persons who meet the nursing facility level of care for home and community-based services waiver services as established on or after July 1, 2006.

Sec. 58. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT — SENIOR LIVING TRUST FUND. There is appropriated from the endowment for Iowa's health account of the tobacco settlement trust fund created in section 12E.12 to the senior living trust fund created in section 249H.4 for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount:

.....	\$	25,000,000
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Sec. 59. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To supplement the appropriations made for medical contracts under the medical assistance program:

.....	\$	379,000
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Sec. 60. APPROPRIATIONS FROM IOWACARE ACCOUNT.
1. There is appropriated from the IowaCare account created in section 249J.24 to the state board of regents for distribution to the university of Iowa hospitals and clinics for the fiscal

year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, equipment, and miscellaneous purposes, for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 27,284,584

a. The university of Iowa hospitals and clinics shall, when medically appropriate, make reasonable efforts to extend the university of Iowa hospitals and clinics' use of home telemedicine and other technologies to reduce the frequency of visits to the hospital required by indigent patients.

b. The university of Iowa hospitals and clinics shall submit quarterly a report regarding the portion of the appropriation in this subsection expended on medical education. The report shall be submitted in a format jointly developed by the university of Iowa hospitals and clinics, the legislative services agency, and the department of management, and shall delineate the expenditures and purposes of the funds.

c. Funds appropriated in this subsection shall not be used to perform abortions except medically necessary abortions, and shall not be used to operate the early termination of pregnancy clinic except for the performance of medically necessary abortions. For the purpose of this subsection, an abortion is the purposeful interruption of pregnancy with the intention other than to produce a live-born infant or to remove a dead fetus, and a medically necessary abortion is one performed under one of the following conditions:

(1) The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

(2) The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

(3) 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.

(4) 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.

(5) The abortion is a spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled.

2. There is appropriated from the IowaCare account created in section 249J.24 to the department of human services for distribution to a publicly owned acute care teaching hospital located in a county with a population over three hundred fifty thousand for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 40,000,000

Notwithstanding any provision of law to the contrary, of the amount appropriated in this subsection, \$37,000,000 shall be allocated in twelve equal monthly payments as provided in section 249J.24. Any amount appropriated in this subsection in excess of \$37,000,000 shall be allocated only if federal funds are available to match the amount allocated.

3. There is appropriated from the IowaCare account created in section 249J.24 to the department of human services for the state hospitals for persons with mental illness designated in section 226.1 for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state mental health institute at Cherokee, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 9,098,425

b. For the state mental health institute at Clarinda, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 1,977,305

c. For the state mental health institute at Independence, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population pursuant to chapter 249J:

..... \$ 9,045,894

d. For the state mental health institute at Mount Pleasant, for salaries, support, maintenance, and miscellaneous purposes, including services to members of the expansion population designation pursuant to chapter 249J:

..... \$ 5,752,587

Sec. 61. APPROPRIATIONS FROM ACCOUNT FOR HEALTH CARE TRANSFORMATION. There is appropriated from the account for health care transformation created in section 249J.23, to the department of human services, for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the costs of medical examinations and development of personal health improvement plans for the expansion population pursuant to section 249J.6:

..... \$ 556,800

2. For the provision of a medical information hotline for the expansion population as provided in section 249J.6:

..... \$ 150,000

3. For the insurance cost subsidy program pursuant to section 249J.8:

..... \$ 1,500,000

4. For the health care account program option pursuant to section 249J.8:

..... \$ 400,000

5. For the use of electronic medical records by medical assistance program and expansion population provider network providers pursuant to section 249J.14:

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

6. For other health partnership activities pursuant to section 249J.14:

..... \$ 550,000

7. For the costs related to audits, performance evaluations, and studies required pursuant to chapter 249J:

..... \$ 100,000

8. For administrative costs associated with chapter 249J:

..... \$ 930,352

9. For development of a case-mix acuity-based reimbursement system for intermediate care facilities for persons with mental retardation:

..... \$ 150,000

10. For development of a provider incentive payment program to reward performance and quality of service:

..... \$ 50,000

Notwithstanding section 8.39, subsection 1, without the prior written consent and approval of the governor and the director of the department of management, the director of human services may transfer funds among the appropriations made in this section, as necessary to carry out the purposes of the account for health care transformation. The department shall report any transfers made pursuant to this section to the legislative services agency.

Sec. 62. TRANSFER FROM ACCOUNT FOR HEALTH CARE TRANSFORMATION. There is transferred from the account for health care transformation created pursuant to section 249J.23, to the IowaCare account created in section 249J.24, a total of \$3,000,000 for the fiscal year beginning July 1, 2006, and ending June 30, 2007.

Sec. 63. MEDICAL ASSISTANCE PROGRAM — REVERSION TO SENIOR LIVING TRUST FUND FOR FY 2006-2007. Notwithstanding section 8.33, if moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2006, and ending June 30, 2007, from the general fund of the state, the senior living trust fund, and the healthy Iowans tobacco trust fund are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall be transferred to the senior living trust fund created in section 249H.4. **Unless otherwise provided in this Act, moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2006, and ending June 30, 2007, are not subject to transfer under section 8.39 or other provision of law except as authorized in this section.**

Sec. 64. Section 249H.11, Code 2005, is amended to read as follows:
 249H.11 ~~FUTURE REPEAL GRANTS — NONREVERSION.~~

1. ~~Section 249H.6 is repealed on June 30, 2005. However, Nursing facility conversion and long-term care services development grants awarded and moneys appropriated for grants on or before June 30, 2005, shall be disbursed to eligible applicants after that date if necessary.~~
2. Notwithstanding section 8.33, moneys committed from the senior living trust fund to grantees under contract to provide for conversion to assisted living programs or for development of long-term care alternatives that remain unexpended at the close of any fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes of the contract.

Sec. 65. 2006 Iowa Acts, House File 2347,⁹ section 5, is amended to read as follows:

SEC. 5. ~~APPROPRIATION TRANSFER — HEALTH CARE TRANSFORMATION ACCOUNT.~~ There is ~~appropriated~~ transferred from the account for health care transformation created in section 249J.23, to the ~~department of human services IowaCare account created in section 249J.24.~~ \$2,000,000 for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, for the purposes designated:

For payments to the university of Iowa hospitals and clinics for provision of services pursuant to and for costs associated with chapter 249J:

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

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert, but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 66. 2005 Iowa Acts, chapter 167, section 63, subsection 1, is amended to read as follows:

1. There is appropriated from the ~~Iowacare~~ IowaCare account created in section 249J.23 to the university of Iowa hospitals and clinics for the fiscal year beginning July 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, equipment, and miscellaneous purposes, for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, as enacted in this Act, and for medical education:

..... \$ 27,284,584
 37,862,932

Notwithstanding any provision of this Act to the contrary, of the amount appropriated in this subsection, \$27,284,584 shall be allocated in twelve equal monthly payments as provided in section 249J.23, as enacted in this Act. Any amount appropriated in this subsection in excess of \$27,284,584 shall be allocated only if federal funds are available to match the amount allo-

* Item veto; see message at end of the Act
⁹ Chapter 1169 herein

cated. Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert, but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 67. 2005 Iowa Acts, chapter 175, section 48, is amended to read as follows:

SEC. 48. MEDICAL ASSISTANCE PROGRAM — REVERSION TO SENIOR LIVING TRUST FUND FOR FY 2005-2006. Notwithstanding section 8.33, if moneys appropriated in this Act for purposes of the medical assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, from the general fund of the state, the senior living trust fund, the hospital trust fund, or the healthy Iowans tobacco trust fund are in excess of actual expenditures for the medical assistance program and remain unencumbered or unobligated at the close of the fiscal year, the excess moneys shall not revert but shall be transferred to the senior living trust fund created in section 249H.4. Unless otherwise provided in this Act, moneys appropriated for purposes of the medical assistance program for the fiscal year beginning July 1, 2005, and ending June 30, 2006, are not subject to transfer under section 8.39 or other provision of law except as authorized in this section.

Sec. 68. EFFECTIVE DATE. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The provision amending 2005 Iowa Acts, chapter 167, section 63.
2. The provision amending 2005 Iowa Acts, chapter 175, section 48.
3. The provision amending section 249H.11.

Sec. 69. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. The section of this division of this Act amending 2006 Iowa Acts, House File 2347,¹⁰ section 5, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to March 9, 2006.

DIVISION III
 MENTAL HEALTH, MENTAL RETARDATION,
 DEVELOPMENTAL DISABILITIES,
 AND BRAIN INJURY SERVICES
 ALLOWED GROWTH FUNDING —
 FISCAL YEAR 2006-2007

Sec. 70. 2005 Iowa Acts, chapter 179, section 1, subsection 1, is amended to read as follows:

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2006, and ending June 30, 2007, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

	\$	35,788,041
		38,888,041

Sec. 71. 2005 Iowa Acts, chapter 179, section 1, subsection 2, paragraph a, is amended to read as follows:

- a. For distribution to counties for fiscal year ~~2005-2006~~ 2006-2007 in accordance with the formula in section 331.438, subsection 2, paragraph “b”:

	\$	12,000,000
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¹⁰ Chapter 1169 herein

Sec. 72. 2005 Iowa Acts, chapter 179, section 1, subsection 2, paragraphs b and c, are amended to read as follows:

b. For deposit in the per capita expenditure target pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 1:

.....	\$	19,361,148
		<u>24,461,148</u>

c. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2:

.....	\$	2,000,000
		<u>0</u>

Sec. 73. 2005 Iowa Acts, chapter 179, section 1, is amended by adding the following new subsections:

NEW SUBSECTION. 3. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2006-2007 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b":

.....	\$	12,000,000
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b. For calculation of a distribution amount for eligible counties from the per capita expenditure target pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

.....	\$	32,125,724
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c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in the appropriation made for the MH/DD community services fund for the fiscal year beginning July 1, 2006:

.....	\$	17,727,890
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NEW SUBSECTION. 4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 3 for purposes of producing preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2005, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. If a county borrowed moneys for purposes of providing services from the county's services fund on or before July 1, 2005, and the county's services fund ending balance for that fiscal year includes the loan proceeds or an amount designated in the county budget to service the loan for the borrowed moneys, those amounts shall not be considered to be part of the county's ending balance for purposes of calculating an ending balance percentage under this subsection. The withholding factor for a county shall be the following applicable percent:

a. For an ending balance percentage of less than 5 percent, a withholding factor of 0 percent. In addition, a county that is subject to this lettered paragraph shall receive an inflation adjustment equal to 3 percent of the gross expenditures reported for the county's services fund for the fiscal year.

b. For an ending balance percentage of 5 or more but less than 10 percent, a withholding factor of 0 percent. In addition, a county that is subject to this lettered paragraph shall receive an inflation adjustment equal to 2 percent of the gross expenditures reported for the county's services fund for the fiscal year.

c. For an ending balance percentage of 10 or more but less than 25 percent, a withholding factor of 25 percent. However, the amount withheld shall be limited to the amount by which the county's ending balance was in excess of the ending balance percentage of 10 percent.

d. For an ending balance percentage of 25 percent or more, a withholding percentage of 100 percent.

NEW SUBSECTION. 5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of \$7,664,576. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor or the inflation adjustment percentage specified in subsection 4, paragraph “a”.

Sec. 74. EFFECTIVE DATE. The section of this division of this Act amending 2005 Iowa Acts, chapter 179, section 1, subsection 2, paragraph “a”, being deemed of immediate importance, takes effect upon enactment.

DIVISION IV MISCELLANEOUS PROVISIONS

Sec. 75. Section 135.2, Code 2005, is amended to read as follows:

135.2 APPOINTMENT OF DIRECTOR AND ACTING DIRECTOR.

1. a. The governor shall appoint the director of the department, subject to confirmation by the senate. The director shall serve at the pleasure of the governor. The director is exempt from the merit system provisions of chapter 8A, subchapter IV. The governor shall set the salary of the director within the range established by the general assembly.

b. The director shall possess education and experience in public health.

2. The director may appoint an employee of the department to be acting director, who shall have all the powers and duties possessed by the director. The director may appoint more than one acting director but only one acting director shall exercise the powers and duties of the director at any time.

Sec. 76. NEW SECTION. 135.12 OFFICE OF MULTICULTURAL HEALTH — ESTABLISHED — DUTIES.

The office of multicultural health is established within the department. The office shall be responsible for all of the following:

1. Providing comprehensive management strategies to address culturally and linguistically appropriate services, including strategic goals, plans, policies, and procedures, and designating staff responsible for implementation.

2. Requiring and arranging for ongoing education and training for administrative, clinical, and other appropriate staff in culturally and linguistically competent health care and service delivery.

3. Utilizing formal mechanisms for community and consumer involvement and coordinating with other state agencies to identify resources and programs that affect the health service delivery systems.

Sec. 77. Section 135.22A, subsection 3, Code Supplement 2005, is amended to read as follows:

3. The council shall be composed of a minimum of nine members appointed by the governor in addition to the ex officio members, and the governor may appoint additional members. Insofar as practicable, the council shall include persons with brain injuries, family members of persons with brain injuries, representatives of industry, labor, business, and agriculture, representatives of federal, state, and local government, and representatives of religious, charitable, fraternal, civic, educational, medical, legal, veteran, welfare, and other professional groups and organizations. Members shall be appointed representing every geographic and

employment area of the state and shall include members of both sexes. A simple majority of the members appointed by the governor shall constitute a quorum.

Sec. 78. Section 135.63, subsection 2, paragraph o, Code 2005, is amended to read as follows:

o. The change in ownership, licensure, organizational structure, or designation of the type of institutional health facility if the health services offered by the successor institutional health facility are unchanged. This exclusion is applicable only if the institutional health facility consents to the change in ownership, licensure, organizational structure, or designation of the type of institutional health facility and ceases offering the health services simultaneously with the initiation of the offering of health services by the successor institutional health facility.

Sec. 79. NEW SECTION. 135.105D BLOOD LEAD TESTING — PROVIDER EDUCATION — PAYOR OF LAST RESORT.

1. For purposes of this section:

a. “Blood lead testing” means taking a capillary or venous sample of blood and sending it to a laboratory to determine the level of lead in the blood.

b. “Capillary” means a blood sample taken from the finger or heel for lead analysis.

c. “Health care provider” means a physician who is licensed under chapter 148, 150, or 150A, or a person who is licensed as a physician assistant under chapter 148C, or as an advanced registered nurse practitioner.

d. “Venous” means a blood sample taken from a vein in the arm for lead analysis.

2. The department shall work with health care provider associations to educate health care providers regarding requirements for testing children who are enrolled in certain federally funded programs and regarding department recommendations for testing other children for lead poisoning.

3. The department shall implement blood lead testing for children under six years of age who are not eligible for the testing services to be paid by a third-party source. The department shall contract with one or more public health laboratories to provide blood lead analysis for such children. The department shall establish by rule the procedures for health care providers to submit samples to the contracted public health laboratories for analysis. The department shall also establish by rule a method to reimburse health care providers for drawing blood samples from such children and the dollar amount that the department will reimburse health care providers for the service. Payment for blood lead analysis and drawing blood samples shall be limited to the amount appropriated for the program in a fiscal year.

Sec. 80. Section 135.109, subsection 3, paragraph b, Code 2005, is amended to read as follows:

b. A licensed physician or nurse who is knowledgeable concerning domestic abuse injuries and deaths, including suicides.

Sec. 81. Section 135.109, subsection 4, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. j. The director of the state law enforcement academy.

Sec. 82. Section 135.110, subsection 1, paragraph a, unnumbered paragraph 1, Code 2005, is amended to read as follows:

Prepare ~~an annual~~ a biennial report for the governor, supreme court, attorney general, and the general assembly concerning the following subjects:

Sec. 83. Section 135.140, subsection 6, paragraph a, Code Supplement 2005, is amended by adding the following new subparagraphs:

NEW SUBPARAGRAPH. (6) A natural occurrence or incident, including but not limited to fire, flood, storm, drought, earthquake, tornado, or windstorm.

NEWSUBPARAGRAPH. (7) A man-made occurrence or incident, including but not limited to an attack, spill, or explosion.

Sec. 84. Section 137.6, subsection 2, paragraph a, Code 2005, is amended to read as follows:

a. Rules of a county board shall become effective upon approval by the county board of supervisors by a motion or resolution as defined in section 331.101, subsection 13, and publication in a newspaper having general circulation in the county.

Sec. 85. NEW SECTION. 139A.13A ISOLATION OR QUARANTINE — EMPLOYMENT PROTECTION.

1. An employer shall not discharge an employee, or take or fail to take action regarding an employee's promotion or proposed promotion, or take action to reduce an employee's wages or benefits for actual time worked, due to the compliance of an employee with a quarantine or isolation order issued by the department or a local board.

2. An employee whose employer violates this section may petition the court for imposition of a cease and desist order against the person's employer and for reinstatement to the person's previous position of employment. This section does not create a private cause of action for relief of money damages.

Sec. 86. Section 147.82, subsection 3, Code Supplement 2005, is amended to read as follows:

3. The department may annually retain and expend not more than one hundred thousand dollars for reduction of the number of days necessary to process medical license requests and for reduction of the number of days needed for consideration of malpractice cases from fees collected pursuant to section 147.80 by the board of medical examiners ~~in the fiscal year beginning July 1, 2005, and ending June 30, 2006.~~ Fees retained by the department pursuant to this subsection shall be considered repayment receipts as defined in section 8.2 and shall be used for the purposes described in this subsection.

Sec. 87. Section 147.153, subsection 3, Code 2005, is amended to read as follows:

3. Pass an examination administered as determined by the board ~~to assure the applicant's professional competence in speech pathology or audiology by rule.~~

Sec. 88. Section 147.155, Code 2005, is amended to read as follows:

147.155 TEMPORARY CLINICAL LICENSE.

Any person who has fulfilled all of the requirements for licensure under this division, except for having completed the nine months clinical experience requirement as provided in section 147.153, subsection 1 or 2, and the examination as provided in section 147.153, subsection 3, may apply to the board for a temporary clinical license. The license shall be designated "temporary clinical license in speech pathology" or "temporary clinical license in audiology" and shall authorize the licensee to practice speech pathology or audiology under the supervision of a licensed speech pathologist or licensed audiologist, as appropriate. The license shall be valid for one year and may be renewed once at the discretion of the board. The fee for a temporary clinical license shall be set by the board to cover the administrative costs of issuing the license, and if renewed, a renewal fee as set by the board shall be required. A temporary clinical license shall be issued only upon evidence satisfactory to the board that the applicant will be supervised by a person licensed as a speech pathologist or audiologist, as appropriate. ~~The board shall revoke any temporary clinical license at any time it determines either that the work done by the temporary clinical licensee or the supervision being given the temporary clinical licensee does not conform to reasonable standards established by the board.~~

Sec. 89. NEW SECTION. 147A.15 AUTOMATED EXTERNAL DEFIBRILLATOR EQUIPMENT — PENALTY.

Any person who damages, wrongfully takes or withholds, or removes any component of au-

tomated external defibrillator equipment located in a public or privately owned location, including batteries installed to operate the equipment, is guilty of a serious misdemeanor.

Sec. 90. Section 148.2, subsection 5, Code 2005, is amended to read as follows:

5. Physicians and surgeons of the United States army, navy, ~~or air force, marines,~~ public health service, ~~or other uniformed service~~ when acting in the line of duty in this state, and holding a current, active permanent license in good standing in another state, district, or territory of the United States, or physicians and surgeons licensed in another state, when incidentally called into this state in consultation with a physician and surgeon licensed in this state.

Sec. 91. Section 149.3, Code 2005, is amended to read as follows:

149.3 LICENSE.

Every applicant for a license to practice podiatry shall:

1. Be a graduate of an accredited high school of podiatry.
2. Present a diploma an official transcript issued by a school of podiatry approved by the board of podiatry examiners.
3. Pass an examination ~~in the subjects of anatomy, chemistry, dermatology, diagnosis, pharmacy and materia medica, pathology, physiology, histology, bacteriology, neurology, practical and clinical podiatry, foot orthopedics, and others, as prescribed by the board of podiatry examiners~~ as determined by the board by rule.
4. Have successfully completed a ~~one-year residency or preceptorship approved by the board of podiatry examiners~~ as determined by the board by rule. This subsection applies to all applicants who graduate from podiatric college on or after January 1, 1995.

Sec. 92. Section 149.7, unnumbered paragraph 2, Code 2005, is amended to read as follows:

The temporary certificate shall be issued for one year and may be renewed, but a person shall not be entitled to practice podiatry in excess of three years while holding a temporary certificate. The fee for this certificate shall be set by the podiatry examiners and if extended beyond one year a renewal fee per year shall be set by the podiatry examiners. The fees shall be based on the administrative costs of issuing and renewing the certificates. ~~The podiatry examiners may cancel a temporary certificate at any time, without a hearing, for reasons deemed sufficient to the podiatry examiners.~~

Sec. 93. Section 149.7, unnumbered paragraphs 3 and 4, Code 2005, are amended by striking the unnumbered paragraphs.

Sec. 94. Section 151.12, Code 2005, is amended to read as follows:

151.12 TEMPORARY CERTIFICATE.

The chiropractic examiners may, in their discretion, issue a temporary certificate authorizing the licensee to practice chiropractic if, in the opinion of the chiropractic examiners, a need exists and the person possesses the qualifications prescribed by the chiropractic examiners for the license, which shall be substantially equivalent to those required for licensure under this chapter. The chiropractic examiners shall determine in each instance those eligible for this license, whether or not examinations shall be given, and the type of examinations, and the duration of the license. No requirements of the law pertaining to regular permanent licensure are mandatory for this temporary license except as specifically designated by the chiropractic examiners. The granting of a temporary license does not in any way indicate that the person so licensed is eligible for regular licensure, nor are the chiropractic examiners in any way obligated to so license the person.

The temporary certificate shall be issued for one year and at the discretion of the chiropractic examiners may be renewed, but a person shall not practice chiropractic in excess of three years while holding a temporary certificate. The fee for this license shall be set by the chiropractic examiners and if extended beyond one year a renewal fee per year shall be set by the

chiropractic examiners. The fees for the temporary license shall be based on the administrative costs of issuing and renewing the licenses. The chiropractic examiners may cancel a temporary certificate at any time, without a hearing, for reasons deemed sufficient to the chiropractic examiners.

When the chiropractic examiners cancel a temporary certificate they shall promptly notify the licensee by registered mail, at the licensee's last-named address, as reflected by the files of the chiropractic examiners, and the temporary certificate is terminated and of no further force and effect three days after the mailing of the notice to the licensee.

Sec. 95. Section 154.3, subsection 1, Code 2005, is amended to read as follows:

1. Every applicant for a license to practice optometry shall:
 - a. ~~Present satisfactory evidence of a preliminary education equivalent to at least four years study in an accredited high school or other secondary school. Be a graduate of an accredited school of optometry.~~
 - b. Present a diploma from an official transcript issued by an accredited school of optometry.
 - c. Pass an examination prescribed by the optometry examiners in the subjects of physiology of the eye, optical physics, anatomy of the eye, ophthalmology, and practical optometry as determined by the board by rule.

Sec. 96. Section 154B.6, subsection 3,¹¹ Code 2005, is amended to read as follows:

3. Have not failed the examination required in subsection 2 within ~~the six months next~~ sixty days preceding the date of the subsequent examination.

The examinations required in this section may, at the discretion of the board, be waived for holders by examination of licenses or certificates from states whose requirements are substantially equivalent to those of this chapter, and for holders by examination of specialty diplomas from the American board of professional psychology.

~~Any person who within one year after July 1, 1975, meets the requirements specified in subsection 1 shall receive licensure without having passed the examination required in subsection 2 if application for licensure is filed with the board of psychology examiners before July 1, 1977. Any person holding a certificate as a psychologist from the board of examiners of the Iowa psychological association on July 1, 1977, who applies for certification before July 1, 1975, shall receive certification.~~

Sec. 97. Section 154D.2, subsection 2, paragraph b, Code Supplement 2005, is amended to read as follows:

- b. Has at least two years of supervised clinical experience or its equivalent in assessing mental health needs and problems and in providing appropriate mental health services as approved by the board. Standards for supervision, including the required qualifications for supervisors, shall be determined by the board by rule.

Sec. 98. NEW SECTION. 154E.3A TEMPORARY LICENSE.

Beginning July 1, 2007, an individual who does not meet the requirements for licensure by examination pursuant to section 154E.3 may apply for or renew a temporary license. The temporary license shall authorize the licensee to practice as a sign language interpreter or transliterator under the direct supervision of a sign language interpreter or transliterator licensed pursuant to section 154E.3. The temporary license shall be valid for two years and may only be renewed one time in accordance with standards established by rule. An individual shall not practice for more than a total of four years under a temporary license. The board may revoke a temporary license if it determines that the temporary licensee has violated standards established by rule. The board may adopt requirements for temporary licensure to implement this section.

Sec. 99. Section 154E.4, subsection 2, Code Supplement 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. Students enrolled in a school of interpreting may interpret only un-

¹¹ The phrase "subsection 3 and unnumbered paragraphs 2 and 3" probably intended

der the direct supervision of a permanently licensed interpreter as part of the student's course of study.

Sec. 100. Section 157.2, subsection 1, paragraph e, Code Supplement 2005, is amended to read as follows:

e. Employees ~~and residents~~ of hospitals, health care facilities, orphans' homes, juvenile homes, and other similar facilities who ~~shampoo, arrange, dress, or curl the hair of~~ perform cosmetology services for any resident without receiving direct compensation from the person receiving the service.

Sec. 101. Section 157.2, subsection 1, Code Supplement 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. ee. Volunteers for and residents of health care facilities, orphans' homes, juvenile homes, and other similar facilities who shampoo, arrange, dress, or curl the hair, apply makeup, or polish the nails of any resident without receiving compensation from the person receiving the service.

Sec. 102. Section 157.10, subsection 1, Code 2005, is amended to read as follows:

1. The course of study required for licensure for the practice of cosmetology shall be two thousand one hundred clock hours, or seventy semester credit hours or the equivalent thereof as determined pursuant to administrative rule and regulations promulgated by the United States department of education. The clock hours, and equivalent number of semester credit hours or the equivalent thereof as determined pursuant to administrative rule and regulations promulgated by the United States department of education, of a course of study required for licensure for the practices of electrology, esthetics, and nail technology, manicuring, and pedicuring shall be established by the board. The board shall adopt rules to define the course and content of study for each practice of cosmetology arts and sciences.

Sec. 103. Section 157.13, subsection 1, Code Supplement 2005, is amended by striking the subsection and inserting in lieu thereof the following:

1. It is unlawful for a person to employ an individual to practice cosmetology arts and sciences unless that individual is licensed or has obtained a temporary permit under this chapter. It is unlawful for a licensee to practice with or without compensation in any place other than a licensed salon, a licensed school of cosmetology arts and sciences, or a licensed barbershop as defined in section 158.1. The following exceptions to this subsection shall apply:

a. A licensee may practice at a location which is not a licensed salon, school of cosmetology arts and sciences, or licensed barbershop under extenuating circumstances arising from physical or mental disability or death of a customer.

b. Notwithstanding section 157.12, when the licensee is employed by a physician and provides cosmetology services at the place of practice of a physician and is under the supervision of a physician licensed to practice pursuant to chapter 148, 150, or 150A.

c. When the practice occurs in a facility licensed pursuant to chapter 135B or 135C.

Sec. 104. Section 157.13, Code Supplement 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. It is unlawful for a licensee to claim to be a licensed barber, however a licensed cosmetologist may work in a licensed barbershop. It is unlawful for a person to employ a licensed cosmetologist, esthetician, or electrologist to perform the services described in section 157.3A if the licensee has not received the additional training and met the other requirements specified in section 157.3A.

Sec. 105. Section 225B.8, Code 2005, is amended to read as follows:

225B.8 REPEAL.

This chapter is repealed July 1, ~~2006~~ 2011.

Sec. 106. Section 231.23, Code Supplement 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 13. Provide annual training for area agency on aging board of directors members.

NEW SUBSECTION. 14. Establish a procedure for an area agency on aging to use in selection of members of the agency's board of directors. The selection procedure shall be incorporated into the bylaws of the board of directors and shall include a nomination process by which nominations are submitted to the department, objections to a nominee may be submitted to the department by a date certain, and if at least twenty-five objections to a nominee are received by the department, the nominee shall be eliminated from nomination for that term of membership.

NEW SUBSECTION. 15. Provide oversight to ensure that the composition of the area agency on aging board of directors complies with the rules of the department.

Sec. 107. Section 231.33, Code Supplement 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 19. Require the completion by board of directors members, annually, of four hours of training, provided by the department of elder affairs.

NEW SUBSECTION. 20. Incorporate into the bylaws of the area agency's board of directors and comply with the procedure established by the department for selection of members to the board of directors as provided in section 231.23.

Sec. 108. Section 237A.5, subsection 2, paragraph a, subparagraph (1), Code 2005, is amended to read as follows:

(1) "Person subject to an evaluation" a record check means a person who has committed a transgression and who is described by any of the following:

(a) The person is being considered for licensure or registration or is registered or licensed under this chapter.

(b) The person is being considered by a child care facility for employment involving direct responsibility for a child or with access to a child when the child is alone or is employed with such responsibilities.

(c) The person will reside or resides in a child care facility.

(d) The person has applied for or receives public funding for providing child care.

(e) The person will reside or resides in a child care home that is not registered under this chapter but that receives public funding for providing child care.

Sec. 109. Section 237A.5, subsection 2, paragraph a, Code 2005, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (1A) "Person subject to an evaluation" means a person subject to a record check whose record indicates that the person has committed a transgression.

Sec. 110. Section 237A.5, subsection 2, Code 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. aa. If an individual person subject to a record check is being considered for employment by a child care facility or child care home, in lieu of requesting a record check to be conducted by the department under paragraph "b", the child care facility or child care home may access the single contact repository established pursuant to section 135C.33 as necessary to conduct a criminal and child abuse record check of the individual. A copy of the results of the record check conducted through the single contact repository shall also be provided to the department. If the record check indicates the individual is a person subject to an evaluation, the child care facility or child care home may request that the department perform an evaluation as provided in this subsection. Otherwise, the individual shall not be employed by the child care facility or child care home.

Sec. 111. Section 237A.5, subsection 2, paragraph b, Code 2005, is amended to read as follows:

b. ~~The~~ Unless a record check has already been conducted in accordance with paragraph "aa", the department shall conduct a criminal and child abuse record checks check in this state for a person who is subject to a record check and may conduct ~~these checks~~ such a check in other states. In addition, the department may conduct a dependent adult abuse, sex offender registry, and or other public or civil offense record checks check in this state or in other states for a person who is subject to a record check. ~~If the department a record check performed pursuant to this paragraph~~ identifies an individual as a person subject to an evaluation, an evaluation shall be performed to determine whether prohibition of the person's involvement with child care is warranted. The evaluation shall be performed in accordance with procedures adopted for this purpose by the department.

Prior to performing an evaluation, the department shall notify the affected person, licensee, registrant, or child care home applying for or receiving public funding for providing child care, that an evaluation will be conducted to determine whether prohibition of the person's involvement with child care is warranted.

Sec. 112. Section 249J.5, Code Supplement 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 9. Following initial enrollment, an expansion population member shall reenroll annually by the last day of the month preceding the month in which the expansion population member initially enrolled. The department may provide a process for automatic reenrollment of expansion population members.

Sec. 113. Section 249J.6, subsection 2, paragraph a, Code Supplement 2005, is amended to read as follows:

a. ~~Beginning no later than March 1, 2006, within ninety days of enrollment in the expansion population, each~~ Each expansion population member who enrolls or reenrolls in the expansion population on or after January 31, 2007, shall participate, in conjunction with receiving a single comprehensive medical examination and completing a personal health improvement plan, in a health risk assessment coordinated by a health consortium representing providers, consumers, and medical education institutions. ~~An expansion population member who enrolls in the expansion population prior to March 1, 2006, shall participate in the health risk assessment, receive the single comprehensive medical examination, and complete the personal health improvement plan by June 1, 2006.~~ The criteria for the health risk assessment, the comprehensive medical examination, and the personal health improvement plan shall be developed and applied in a manner that takes into consideration cultural variations that may exist within the expansion population. The health risk assessment shall utilize a gender-specific approach. In developing the queries unique to women, a clinical advisory team shall be utilized that includes women's health professionals including but not limited to those with specialties in obstetrics and gynecology, endocrinology, mental health, behavioral health, oncology, cardiology, and rheumatology.

Sec. 114. Section 249J.6, subsection 2, Code Supplement 2005, is amended by adding the following new paragraphs:

NEW PARAGRAPH. d. Following completion of an initial health risk assessment, comprehensive medical examination, and personal health improvement plan, an expansion population member may complete subsequent assessments, examinations, or plans with the recommendation and approval of a provider specified in paragraph "c".

NEW PARAGRAPH. e. Refusal of an expansion population member to participate in a health risk assessment, comprehensive medical examination, or personal health improvement plan shall not be a basis for ineligibility for or disenrollment from the expansion population.

Sec. 115. Section 249J.8, subsections 1 and 2, Code Supplement 2005, are amended to read as follows:

1. Beginning July 1, 2005, each expansion population member whose family income equals or exceeds one hundred percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services shall pay a monthly premium not to exceed one-twelfth of five percent of the member's annual family income, and each expansion population member whose family income is less than one hundred percent of the federal poverty level as defined by the most recently revised poverty income guidelines published by the United States department of health and human services shall pay a monthly premium not to exceed one-twelfth of two percent of the member's annual family income. All premiums shall be paid on the last day of the month of coverage. The department shall deduct the amount of any monthly premiums paid by an expansion population member for benefits under the healthy and well kids in Iowa program when computing the amount of monthly premiums owed under this subsection. An expansion population member shall pay the monthly premium during the entire period of the member's enrollment. ~~However, regardless~~ Regardless of the length of enrollment, the member is subject to payment of the premium for a minimum of four consecutive months. However, an expansion population member who complies with the requirement of payment of the premium for a minimum of four consecutive months during a consecutive twelve-month period of enrollment shall be deemed to have complied with this requirement for the subsequent consecutive twelve-month period of enrollment and shall only be subject to payment of the monthly premium on a month-by-month basis. Timely payment of premiums, including any arrearages accrued from prior enrollment, is a condition of receiving any expansion population services. Premiums collected under this subsection shall be deposited in the premiums subaccount of the account for health care transformation created pursuant to section 249J.23. An expansion population member shall also pay the same copayments required of other adult recipients of medical assistance.

2. The department may reduce the required out-of-pocket expenditures for an individual expansion population member based upon the member's increased wellness activities such as smoking cessation or compliance with the personal health improvement plan completed by the member. The department shall also waive the required out-of-pocket expenditures for an individual expansion population member based upon a hardship that would accrue from imposing such required expenditures. Information regarding the premium payment obligation and the hardship exemption, including the process by which a prospective enrollee may apply for the hardship exemption, shall be provided to a prospective enrollee at the time of application. The prospective enrollee shall acknowledge, in writing, receipt and understanding of the information provided.

Sec. 116. Section 249J.20, subsection 5, Code Supplement 2005, is amended to read as follows:

5. The department of human services, the department of management, and the legislative services agency shall utilize a joint process to arrive at an annual consensus projection for medical assistance program and expansion population expenditures for submission to the council. By December 15 of each fiscal year, the council shall ~~agree to a~~ review the consensus projection of expenditures for the fiscal year beginning the following July 1, ~~based upon the consensus projection submitted.~~

Sec. 117. Section 249J.24, subsections 1 and 6, Code Supplement 2005, are amended to read as follows:

1. An IowaCare account is created in the state treasury under the authority of the department of human services. Moneys appropriated from the general fund of the state to the account, moneys received as federal financial participation funds under the expansion population provisions of this chapter and credited to the account, moneys received for dispropo-

portionate share hospitals and credited to the account, moneys received for graduate medical education and credited to the account, proceeds ~~transferred distributed~~ from the county treasurer as specified in subsection 6, and moneys from any other source credited to the account shall be deposited in the account. Moneys deposited in or credited to the account shall be used only as provided in appropriations or distributions from the account for the purposes specified in the appropriation or distribution. Moneys in the account shall be appropriated to the university of Iowa hospitals and clinics, to a publicly owned acute care teaching hospital located in a county with a population over three hundred fifty thousand, and to the state hospitals for persons with mental illness designated pursuant to section 226.1 for the purposes provided in the federal law making the funds available or as specified in the state appropriation and shall be distributed as determined by the department.

6. a. Notwithstanding any provision to the contrary, ~~from each semiannual for the~~ collection of taxes levied under section 347.7 for which the collection is performed after July 1, 2005, the county treasurer of a county with a population over three hundred fifty thousand in which a publicly owned acute care teaching hospital is located shall ~~transfer distribute~~ the proceeds collected pursuant to section 347.7 in a total amount of thirty-four million dollars annually, which would otherwise be distributed to the county hospital, to the treasurer of state for deposit in the IowaCare account under this section as follows:

(1) The first seventeen million dollars in collections pursuant to section 347.7 between July 1 and December 31 annually shall be distributed to the treasurer of state for deposit in the IowaCare account and collections during this time period in excess of seventeen million dollars shall be distributed to the acute care teaching hospital identified in this subsection.

(2) The first seventeen million dollars in collections pursuant to section 347.7 between January 1 and June 30 annually shall be distributed to the treasurer of state for deposit in the IowaCare account and collections during this time period in excess of seventeen million dollars shall be distributed to the acute care teaching hospital identified in this subsection.

b. The board of trustees of the acute care teaching hospital identified in this subsection and the department shall execute an agreement under chapter 28E by July 1, 2005, and annually by July 1, thereafter, to specify the requirements relative to ~~transfer distribution~~ of the proceeds and the distribution of moneys to the hospital from the IowaCare account. The agreement shall include provisions relating to exceptions to the deadline for submission of clean claims as required pursuant to section 249J.7 and provisions relating to data reporting requirements regarding the expansion population. The agreement may also include a provision allowing such hospital to limit access to such hospital by expansion population members based on residency of the member, if such provision reflects the policy of such hospital regarding indigent patients existing on April 1, 2005, as adopted by its board of hospital trustees pursuant to section 347.14, subsection 4.

c. Notwithstanding the specified amount of proceeds to be ~~transferred distributed~~ under this subsection, if the amount allocated that does not require federal matching funds under an appropriation in a subsequent fiscal year to such hospital for medical and surgical treatment of indigent patients, for provision of services to expansion population members, and for medical education, is reduced from the amount allocated that does not require federal matching funds under the appropriation for the fiscal year beginning July 1, 2005, the amount of proceeds required to be ~~transferred distributed~~ under this subsection in that subsequent fiscal year shall be reduced in the same amount as the amount allocated that does not require federal matching funds under that appropriation.

Sec. 118. NEW SECTION. 263.23 OBLIGATIONS TO INDIGENT PATIENTS.

The university of Iowa hospitals and clinics shall continue the obligation existing on April 1, 2005, to provide care or treatment at the university of Iowa hospitals and clinics to indigent patients and to any inmate, student, patient, or former inmate of a state institution as specified in sections 263.21 and 263.22, with the exception of the specific obligation to committed indigent patients pursuant to section 255.16, Code 2005.

Sec. 119. Section 272C.1, subsection 6, Code Supplement 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. ad. The director of public health in certifying emergency medical care providers and emergency medical care services pursuant to chapter 147A.

Sec. 120. Section 691.6, Code Supplement 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 8. To retain tissues, organs, and bodily fluids as necessary to determine the cause and manner of death or as deemed advisable by the state medical examiner for medical or public health investigation, teaching, or research. Tissues, organs, and bodily fluids shall be properly disposed of by following procedures and precautions for handling biologic material and blood-borne pathogens as established by rule.

Sec. 121. CHILD SUPPORT RECOVERY UNIT REPORT — LIMITATION. If 2006 Iowa Acts, House File 2332,¹² is enacted, the section of the Act relating to the child support recovery unit submitting a report on the effects of the nonsupport provision under section 726.5, as amended in that Act, shall be limited in scope to cases in which the child support recovery unit is providing services pursuant to chapter 252B.

Sec. 122. 2004 Iowa Acts, chapter 1175, section 432, subsection 3, is amended to read as follows:

3. Applicants issued a temporary license pursuant to this section shall pass a licensure examination approved by the board on or before July 1, 2007, in order to ~~remain licensed as an interpreter~~ qualify to be licensed by examination.

*Sec. 123. TRAVEL POLICY.

1. For the fiscal year beginning July 1, 2006, each department or independent agency receiving an appropriation in this Act shall review the employee policy for daily or short-term travel including but not limited to the usage of motor pool vehicles under the department of administrative services, employee mileage reimbursement for the use of a personal vehicle, and the usage of private automobile rental companies. Following the review, the department or agency shall implement revisions in the employee policy for daily or short-term travel as necessary to maximize cost savings.

2. Each department or independent agency subject to subsection 1 shall report to the general assembly's standing committees on government oversight regarding the policy revisions implemented and the savings realized from the changes. An initial report shall be submitted on or before December 1, 2006, and a follow-up report shall be submitted on or before December 1, 2007.*

Sec. 124. VETERANS TRUST FUND — FEDERAL REPLACEMENT FUNDS. If funds are received from the United States department of veterans affairs for the establishment and operation of a veterans cemetery in this state, a portion of those funds, not to exceed \$500,000, shall be credited to the general fund of the state, and the remainder is appropriated to and shall be deposited in the veterans trust fund established in section 35A.13, subject to the requirements of this section and consistent with any federal requirements associated with such funds. The portion deposited in the veterans trust fund shall be equal to moneys expended for the establishment and operation of a veterans cemetery from moneys appropriated for that purpose pursuant to 2004 Iowa Acts, chapter 1175, section 288, subsection 16.

Sec. 125. SINGLE POINT OF ENTRY LONG-TERM LIVING SYSTEM INTERIM STUDY COMMITTEE. The legislative council is requested to establish an interim study committee to make recommendations for establishing a single point of entry to the long-term living system. The membership of the interim study committee shall include four members of the senate,

¹² Chapter 1119, §9 herein

* Item veto; see message at end of the Act

three members of the house of representatives, and not more than four members of the public. The study committee shall report its findings and recommendations, including recommendations for coordinating state efforts to provide access to informational and educational resources to assist individuals in making informed choices to address their long-term living needs and recommendations for funding the single point of entry, to the general assembly for consideration during the 2007 Legislative Session.

Sec. 126. Section 157.5A, Code 2005, is repealed.

Sec. 127. EFFECTIVE DATE. The provisions of this division of this Act amending sections 249J.5, 249J.8, 249J.20, and 249J.24, being deemed of immediate importance, take effect upon enactment.

Sec. 128. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. The sections of this division of this Act amending section 249J.6, being deemed of immediate importance, take effect upon enactment and are retroactively applicable to March 1, 2006.

Approved June 2, 2006, with exceptions noted.

THOMAS J. VILSACK, *Governor*

Dear Mr. Secretary:

I hereby transmit House File 2734, an Act relating to and making appropriations to the Department of Human Services, the Department of Elder Affairs, the Iowa Department of Public Health, the Department of Veterans Affairs and the Iowa Veterans Home, the Department of Human Rights, and the Department of Inspections and Appeals, providing for fee increases, and including other related provisions and appropriations, and including effective, applicability, and retroactive applicability date provisions.

House File 2734 is approved on this date with the following exceptions, which I hereby disapprove:

I am unable to approve the bracketed portions of the item identified as Section 63. This section restricts the flexibility of the executive branch to transfer funds so that it can meet the priorities of Iowa's citizens. Accordingly, this provision threatens the ability to efficiently and effectively provide health care security, opportunities through job creation, and a world-class education that Iowans expect and deserve.

I am unable to approve the item designated as Section 123 in its entirety. Not only does this language create an unnecessary bureaucratic step in the efficient operation of state government, but it also calls into question the cost-savings produced by the state motor pool while disregarding the benefits that the state of Iowa derives from maintaining a state motor pool.

The cost-savings of maintaining a state motor pool are clear. In meetings with legislators and the private sector this legislative session and prior legislative sessions, the Department of Administrative Services (DAS) has continually shown that it provides a cost-effective service and the private sector has not shown that they can provide a similar service for the same or a lesser amount. It should also be noted that the state motor pool is a marketplace service that currently competes with the private sector for its state customer business.

In addition, this language only addresses the fiscal impact of the state motor pool and does not

recognize other benefits of maintaining a state motor pool. The State of Iowa benefits greatly from having accessibility to a full service, on-site motor pool team with the sole responsibility of maintaining the state motor pool, which ensures convenience to the motor pool's customers, state agencies. In signing Executive Order 41, I requested that DAS take the initiative to move its fleet towards flexible fuel vehicles (vehicles that can either use E-85 or soy biodiesel). By December of 2007, 90% of eligible motor pool vehicles will be flexible fuel vehicles, which will encourage and contribute to the use of renewable fuels.

The state motor pool consistently provides cost-effective services to state agencies that enhance the ability of state government to operate efficiently and promotes Iowa's image as a leader in renewable energy.

For the above reasons, I respectfully disapprove of the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in House File 2734 are hereby approved this date.

Sincerely,
THOMAS J. VILSACK, *Governor*

CHAPTER 1185

STATE AND LOCAL GOVERNMENT FINANCIAL AND REGULATORY MATTERS — APPROPRIATIONS AND MISCELLANEOUS CHANGES

H.F. 2797

AN ACT relating to state and local finances by providing for funding of property tax credits and reimbursements, by making, increasing, reducing, and transferring appropriations, providing for salaries and compensation of state employees, providing for fees and penalties, providing tax exemptions, and providing for properly related matters, and including effective and retroactive applicability date provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I MH/MR/DD ALLOWED GROWTH FUNDING

Section 1. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ALLOCATIONS — FISCAL YEAR 2007-2008.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2007, and ending June 30, 2008, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the