

Dear Madam Secretary:

I hereby transmit Senate File 2348, an Act relating to and making appropriations to the justice system for the fiscal year beginning July 1, 1992, and providing an effective date.

Senate File 2348 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Section 7, subsection 3, and Sections 18, 19, 25 and 26, in their entirety. These sections appropriate funds and establish program guidelines for a new Child Custody Pilot Program. The State has received a Federal Family Support Act grant which is being used to study such issues as mediation, family counseling and visitations. The State should review the results of this study before establishing a new program.

I am unable to approve the items designated as Sections 13, 22, and 23, in their entirety. These sections would extend the sunset on the Farmers Mediation and Farmers Legal Assistance programs from July 1, 1993, to July 1, 1995. These programs were developed to address the farm crisis of the 1980's. Extensions of these programs should be examined annually.

I am unable to approve the items designated as Sections 14, 15, and 16, in their entirety. These sections would require the Department of Human Services and the Department of Corrections to receive approval from the General Assembly prior to the sale of any farmland. These departments should retain the authority to dispose of real property under their control.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2348 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*

CHAPTER 1241

APPROPRIATIONS – HUMAN SERVICES

S.F. 2355

AN ACT relating to appropriations for the department of human services and the prevention of disabilities policy council and including other provisions and appropriations involving health care and providing for effective and applicability dates.

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

Section 1. **AID TO FAMILIES WITH DEPENDENT CHILDREN.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to families with dependent children:
..... \$ 46,470,000

1. The department may fund the employee portion of the cash bonus program from unspent funds under the appropriation made in this section.

2. The department shall continue to contract for services in developing and monitoring a demonstration waiver program to facilitate providing assistance in self-employment investment to aid to dependent children families. The demonstration waiver program shall be provided for the fiscal period beginning July 1, 1992, and ending June 30, 1993, or for as long as federal approval of the program continues. Of the funds appropriated in this section, up to \$99,400

shall be used to provide technical assistance for aid to dependent children families seeking self-employment. The technical assistance may be provided through the department or through a contract with the division of job training of the Iowa department of economic development.

3. The department shall apply the self-employment investment demonstration waiver project statewide during the fiscal period delineated in the federal waiver submitted to operate the Iowa Self-employed Household Incentive Program (ISHIP) waiver project statewide, provided training is available to a recipient through a recognized self-employment training program.

4. The department shall continue the special needs program under the aid to families with dependent children program.

5. The department shall contract with the corporation for enterprise development for Iowa's second year of participation in the two-year study phase of a "state human investment policy" demonstration project. Of the funds appropriated in this section, up to \$75,000 shall be used for costs associated with Iowa's participation in the project. The department shall make efforts to obtain additional private and federal funding for the project, and shall submit reports on the status of the project to the legislative fiscal bureau.

6. Notwithstanding section 239.6, the department is not required to reconsider eligibility of aid to dependent children recipients every six months if a federal waiver is granted.

Sec. 2. EMERGENCY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For emergency assistance to families with dependent children under Title IV-A of the federal Social Security Act to match federal funding for homeless prevention programs:

..... \$ 883,750

The emergency assistance provided for in this section shall be available beginning October 1, 1992, and shall be provided only if all other publicly funded resources have been exhausted. The emergency assistance includes, but is not limited to, assisting people who face eviction, potential eviction, or foreclosure, utility shutoff or fuel shortage, loss of heating energy supply or equipment, homelessness, utility or rental deposits, or other specified crisis which threatens family or living arrangements. The emergency assistance shall be available to migrant families who would otherwise meet eligibility criteria. The department shall report quarterly, beginning October 1, 1992, and continuing through the period that emergency assistance funding is provided, to the legislative fiscal committee concerning the emergency assistance.

*Sec. 3. 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$ 276,670,000

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.

*Item veto; see message at end of the Act

e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. Of the funds appropriated in this section, \$100,000 is allocated until January 31, 1993, for contingency assistance for the federal nutrition program for women, infants, and children and shall be transferred to the Iowa department of public health as necessary in order to fully utilize funding available for the program. Any moneys allocated in this subsection which are unexpended or unobligated on January 31, 1993, shall be available during the remainder of the fiscal year to the department of human services for the purposes of this section.

3. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services pursuant to the appropriation made in this Act for mental health, mental retardation, and developmental disabilities services under medical assistance which are jointly funded by the state and county, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes for which the funds were appropriated in this section.

4. If implementing a procedure of purchase and distribution of vaccines to physicians participating in the medical assistance program is determined by the department of human services to be cost-effective for the department, the department of human services may use moneys appropriated in this section to contract with the Iowa department of public health for this purpose. In implementing the procedure, the department shall adopt rules requiring physicians to obtain vaccines from the Iowa department of public health for immunization of medical assistance recipients. The department may adopt emergency rules to implement the provisions of this subsection.

5. The department shall seek federal approval of a medical assistance waiver in order to expand the availability of the MediPASS program to an additional 27,000 enrollees. If federal approval is granted, the department may adopt emergency rules to implement the provisions of this subsection.

6. Of the funds appropriated in this section, \$60,000 shall be used by the department for the fiscal year 1992-1993 costs to establish and operate an HIV and AIDS insurance continuation assistance pilot program. The pilot program shall be administered by the medical services division to provide insurance continuation assistance to persons with AIDS or HIV-related illnesses who are unable to maintain health insurance premium payments due to illness. The pilot program shall operate for a two-year period beginning October 1, 1992. The funds shall be made available in a manner that provides the assistance, as needed, to recipients at any time until the end of the pilot program or until the appropriated funding is exhausted.

a. The department shall publicize the program for enrollment of potential participants through provision of information through the Iowa department of public health, the regional AIDS coalitions funded by the Iowa department of public health, physicians, hospitals, social workers, and social service providers, and other groups identified by the coalitions.

b. The program shall provide all of the following:

(1) That an applicant is eligible for participation in the program if all of the following conditions are met:

(a) The applicant is a resident of the state.

(b) The applicant suffers from AIDS or an HIV-related illness.

(c) The applicant has an income of not more than 300 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 and cash assets of not more than \$10,000.

(d) The applicant is enrolled in an individual or group private health insurance plan.

(e) The applicant is or will be unable, due to AIDS or the HIV-related illness, to continue employment in the applicant's current position or the applicant must significantly reduce hours of employment.

(f) Enrollment in the program is the most cost-effective, available means of providing the applicant with health insurance coverage.

(2) That an applicant is required to provide the following to verify eligibility for participation in the program:

(a) Documentation of income and assets, as required by rule of the department.

(b) Documentation through submission of a statement by the applicant's physician that the applicant suffers from AIDS or an HIV-related illness and that the applicant is, or will within a period of six months be, unable to continue employment or be required to significantly reduce hours of employment.

(3) An expedited eligibility determination process to ensure that an eligible applicant is not denied coverage under the applicant's existing policy due to nonpayment of premiums during the determination process period. This may include but is not limited to accepting preapplications from any HIV-infected person or the making of payments based on preliminary determinations.

(4) A requirement that following enrollment in the program, a person must apply for medical assistance, if the department determines that the person is likely to be eligible for payment of premiums under the medical assistance program.

(5) That all information relating to an applicant is confidential information and the provisions of chapter 141 are applicable to the information.

(6) Insurance premiums and medical expenses for which the applicant has no coverage, which are incurred in the month of application, shall be deducted from the applicant's gross income for the purpose of determining eligibility for the program.

c. The department shall provide a preliminary report to the general assembly by January 1, 1993, and a final report to the general assembly by January 1, 1994, regarding the cost-effectiveness of the pilot program, the impact of the requirements of federal law on the pilot program, and the current and projected costs to the state for payment of medical assistance for the health care costs of persons with AIDS or HIV-related illnesses.

d. For the purposes of this subsection, "AIDS" and "HIV" mean "AIDS" and "HIV" as defined in section 141.21.

e. For the purposes of this subsection, "health insurance plan" includes nonprofit health service corporation contracts regulated under chapter 514 and health maintenance organization evidences of coverage regulated under chapter 514B.

f. Of the funds allocated in this subsection, the department may transfer not more than \$10,000 to the appropriation made in this Act for general administration to be used for administrative costs associated with this program. The department is authorized a 0.5 FTE position in addition to the positions authorized in the appropriation made in this Act for general administration in order to administer the program.

g. The program shall start by October 1, 1992, and the department is authorized to adopt emergency rules to implement the provisions of this section by that date.

7. The department shall take action to provide for the continuing medical assistance eligibility without a spend down requirement for those persons whose eligibility is related to federal supplemental security income eligibility and who are eligible for the medically needy program without a spend down requirement. If providing for the continuing eligibility is permitted under federal requirements, the department may adopt emergency rules to implement the eligibility.

8. The department of human services shall work cooperatively with the department of elder affairs and the area agencies on aging to expedite and improve the assessment and eligibility determination process used for the medical assistance home and community-based waiver program for the elderly.

9. It is the intent of the general assembly that copayments shall not be charged to recipients for services which are mandatory under federal requirements for the medical assistance program.

10. The department shall actively pursue the potential to fund child welfare services under the early and periodic screening, diagnosis, and treatment (EPSDT) option of the medical assistance program. If the funding is implemented, the department may transfer moneys appropriated in this Act for foster care or home-based services as necessary to pay the non-federal costs of services reimbursed under EPSDT which are provided to children who would otherwise receive services paid under those appropriations. The department may adopt emergency rules to implement the provisions of this subsection.

11. Except as otherwise provided in the appropriation made in this Act for mental health, mental retardation, and developmental disabilities services provided under medical assistance, if a medical assistance recipient is receiving care which is reimbursed under a federally approved home and community-based services waiver but would otherwise be approved for care in an intermediate care facility for the mentally retarded, the recipient's county of legal settlement shall reimburse the department on a monthly basis for the portion of the recipient's cost of care which is not paid from federal funds.

12. The department shall develop program standards, admission criteria, and reimbursement rates which are consistent with the day treatment needs of children and adolescents with severe psychiatric and behavioral disorders. The department may adopt emergency rules to implement the provisions of this subsection.

13. Administrative rules adopted by the department establishing intermediate care facility for the mentally retarded (ICFMR) standards relating to family scale and size, location, and community inclusion, including, but not limited to, rules adopted pursuant to 1991 Iowa Acts, chapter 267, section 103, subsection 5, and Senate File 2311, as enacted by the Seventy-fourth General Assembly, 1992 Session, shall not prohibit any ICFMR with eight beds or less.*

Sec. 4. 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 4,830,000

The department shall continue to contract for drug utilization review under the medical assistance program.

Sec. 5. STATE SUPPLEMENTARY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For state supplementary assistance:

..... \$ 19,040,000

1. 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 the provisions of this subsection.

2. The department shall report to the members of the joint human services appropriations subcommittee concerning the actions taken by the department to implement uniform reporting of maintenance and service costs for the financial reports used by service providers for reimbursement under the state supplementary assistance program and for reimbursement of purchase of service contracts under the social services block grant. The actions may include but are not limited to the development of uniform rules and consolidated cost reports. This report shall be submitted on or before October 1, 1992.

3. In determining an individual's eligibility or the amount of assistance provided under the state supplementary assistance program or the federal social services block grant, the department shall not consider moneys received by that individual under the federal Social Security

*Item veto; see message at end of the Act

Persons Achieving Self-Sufficiency (PASS) program or the Income-Related Work Expense (IRWE) program to be income. The department shall adopt emergency rules to implement the provisions of this subsection.

4. In determining the amount of state supplementary assistance provided to a resident of a licensed residential care facility which has a "Section 8" program contract with the United States department of housing and urban development, the moneys which the resident must pay under the "Section 8" program shall not be considered as income.

Sec. 6. AID TO NATIVE AMERICANS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to Native Americans under section 252.43:

..... \$ 36,765

The tribal council shall not use more than 5 percent of the funds for administration purposes. The department shall report quarterly to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau concerning aid to Native Americans and in addition shall submit an annual report.

Sec. 7. CHILD DAY 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For protective child day care assistance and state child care assistance:

..... \$ 7,460,000

1. It is the intent of the general assembly that \$3,107,695 of the funds appropriated in this section be used for protective child day care assistance.

2. It is the intent of the general assembly that \$2,293,412 of the funds appropriated in this section be used for state child care assistance.

3. a. The funds allocated in this section for protective and state child care assistance shall be allocated to the department of human services regions and each region shall distribute the allocation to the counties within the region. If a region determines that a specified portion of the funds provided to a county in that region is sufficient to meet the county's current demand and projected growth, the region may transfer the excess amount of funds to another county in that region. If the region determines that a specified portion of the funds provided to the region is sufficient to meet the region's current demand and projected growth for the remainder of the fiscal year, the excess amount may be transferred for use in another region.

b. For state child care assistance, eligibility shall be limited to children whose family income is equal to or less than 155 percent of the federal office of management and budget poverty guidelines. However, on or after October 1, 1992, the department may increase the income eligibility limit to be equal to or less than 75 percent of the Iowa median family income. Every effort shall be made to provide assistance for the entire fiscal year to families remaining eligible before providing assistance to eligible families who have not received assistance previously. For the entire fiscal year, the department shall utilize the priority ranking of requirements for families who receive assistance developed pursuant to 1991 Iowa Acts, chapter 267, section 109, subsection 3, paragraph "b", with special priority given to foster care families within the income guidelines.

c. The department may adopt emergency rules necessary to qualify to receive funding from the federal child care development block grant and the federal at-risk child care program. If required as a condition of receiving these funds, the rules may provide for eligibility, health and safety requirements, parental access to children, reimbursement rates, types of service provided, licensing standards, complaint registration procedures, or other rules necessary to establish a simplified or consolidated child day care policy.

*Item veto; see message at end of the Act

d. 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 requirements of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

4. Of the funds appropriated in this section, \$633,931 is allocated for the fiscal year beginning July 1, 1992, for the statewide program for child day care resource and referral services under section 237A.26.

5. The department may use any of the funds appropriated in this section as a match to obtain federal grants for use in expanding child day care assistance and related programs.

6. Of the funds appropriated in this section, \$866,265 shall be used to increase the reimbursement rate paid for child day care provided by child care centers in order to enhance the quality of child care centers. However, any reimbursement increase provided under this subsection shall not cause the provider's reimbursement rate to exceed the provider's actual and allowable cost plus the inflationary increase authorized in the section of this Act relating to provider reimbursement. The department may adopt emergency rules to implement the provisions of this subsection.

7. Of the funds appropriated in this section, the department shall use \$233,735, or so much thereof as is necessary, to increase the department's staff in order to meet federal requirements.

8. a. It is the intent of the general assembly that \$324,962 of the funds appropriated in this section shall be used for transitional child care assistance.

b. Notwithstanding section 239.21, the department of human services shall provide the transitional child care assistance in accordance with the federal Family Support Act of 1988, Pub. L. No. 100-485, § 302, and applicable federal regulations. Reimbursement for services shall be limited to registered or licensed child day care providers and programs providing care, supervision, or guidance of a child which is not included under the definition of "child day care" pursuant to section 237A.1, subsection 4.

9. The department shall consider the feasibility of establishing a school-age child care pilot program involving regular contact between children and elder Iowans who are nursing home residents. The areas of consideration may include but are not limited to identifying potential nursing home or adult day care sites, school-age child day care providers, and transportation, safety, program, staff, and facility requirements. The department shall report to the governor and the general assembly on or before January 15, 1993, concerning the feasibility of establishing a pilot program during the 1993-1994 fiscal year.

Sec. 8. JOBS PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the federal-state job opportunities and basic skills (JOBS) program, food stamp employment and training program, and family development and self-sufficiency grants, in accordance with this section:

..... \$ 4,960,000

1. Of the funds appropriated in this section, \$4,050,701 is allocated for the JOBS program.

2. Of the funds appropriated in this section, \$129,985 is allocated for the food stamp employment and training program.

3. The department shall work with family development and self-sufficiency grantees and the state's community action agencies to develop an administrative process for initiatives which raise local funds to match federal funds under the JOBS program in order to expand or to develop additional family development program initiatives.

4. Of the funds appropriated in this section, \$779,314 is allocated to the family development and self-sufficiency grant program as provided under section 217.12.

a. Not more than 5 percent of the funds allocated in this subsection shall be used for the administration of the grant program.

b. Federal funding matched by state, county, or other funding which is not appropriated in this section shall be deposited in the department's JOBS account. If the match funding is generated by a family development and self-sufficiency grantee, the federal funding received shall be used to expand the family development and self-sufficiency grant program. If the match funding is generated by another source, the federal funding received shall be used to expand the grant program or the JOBS program. The department may adopt emergency rules to implement the provisions of this paragraph.

c. Of the funding allocated in this subsection, the family development and self-sufficiency council may use up to \$200,000 to increase existing grants in an amount which does not exceed 110 percent of the fiscal year 1991-1992 grant amount and to award not more than two new grants. The council shall award new grants in a manner to expand the program into areas which document a strong commitment to family development and self-sufficiency and are not currently receiving a grant. The expansion grants shall be awarded on or before January 1, 1993, for a period ending June 30, 1993.

d. Based upon the annual evaluation report concerning each grantee funded by this allocation, the family development and self-sufficiency council may use funds allocated to renew grants.

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, 1992, and ending June 30, 1993, 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, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,750,000
.....	FTEs	255.49

1. The director of human services, within the limitations of the funds appropriated in this section, or funds transferred from the aid to families with dependent children program for this purpose, shall establish new positions and add additional employees to the child support recovery unit if the director determines that both the current and additional employees together can reasonably be expected to maintain or increase net state revenue at or beyond the budget level. If the director adds additional employees, the department shall demonstrate the cost-effectiveness of the current and additional employees by reporting to the joint human services appropriations subcommittee the ratio of the total amount of administrative costs for child support recoveries to the total amount of the child support recovered.

2. Notwithstanding section 252B.4, nonpublic assistance application and user fees received by the child support recovery program are appropriated and shall be used for the purposes of the child support recovery program. The director of human services may exceed the full-time equivalent position limit authorized in this section if fees collected relating to the new positions are sufficient to pay the salaries and support for the positions. The director shall report any new positions added pursuant to this subsection to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau. If a statute enacted by the Seventy-fourth General Assembly, 1992 Session, authorizes the department to charge an annual cost recovery fee to nonpublic assistance users of child support recovery services, the fee may be deducted from support paid in fiscal year 1992-1993, unless the user elects to pay the fee directly. The department shall continue to provide child support recovery services to persons who were notified during fiscal year 1991-1992 that services would not be continued if an annual cost recovery fee was not paid. The department may adopt emergency rules as necessary to implement the provisions of this subsection.

3. The director of human services, in consultation with the department of management and the legislative fiscal committee, is authorized to receive and deposit state child support incentive earnings in the manner specified under applicable federal requirements.

4. The director of human services may establish new positions and add additional state employees to the child support recovery unit if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or

nonrenewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions, the positions are necessary to ensure continued federal funding of the program, or the new positions can reasonably be expected to recover more than twice the amount of money to pay the salaries and support for the new positions.

5. Funding is provided within the appropriation made in this section for the department's expenses relating to a child support public awareness campaign. The department shall cooperate with the attorney general as necessary for implementation of the campaign.

Sec. 10. 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, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of the state training school and the Iowa juvenile home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

For the state juvenile institutions:

.....	\$	11,810,000
.....	FTEs	327.69

1. The following amount of the funds appropriated and FTEs authorized in this section are allocated for the Iowa juvenile home at Toledo:

.....	\$	4,340,000
.....	FTEs	119.47

2. The following amount of the funds appropriated and full-time equivalent positions authorized in this section are allocated for the state training school at Eldora:

.....	\$	7,470,000
.....	FTEs	208.22

3. It is the intent of the general assembly that during the fiscal year beginning July 1, 1992, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21. It is also the intent of the general assembly that each state juvenile institution shall apply for an adolescent pregnancy prevention grant for the fiscal year beginning July 1, 1992.

4. Within the funds appropriated in this section, the department may reallocate funds as necessary to best fulfill the needs of the institutions provided for in this appropriation.

5. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

Sec. 11. CHILD WELFARE TASK FORCE.

1. DUTIES. An interdisciplinary child welfare task force is established to present recommendations to the governor and the general assembly relating to the design of a financing system for child welfare, juvenile justice, and mental health services for children which provides a family-centered, community-based, and prevention-oriented response to families with children currently served in out-of-home placements. The task force shall complete its duties on or before June 30, 1994. The task force shall do all of the following:

a. Develop a more flexible state financing system for child welfare that allows funding which is currently available only for out-of-home placements to be used for alternative services that can prevent the need for out-of-home placements.

b. Develop a flexible financing system within the range of options available for out-of-home placements which provide sufficient support to maintain children, who currently are generally placed in remote and institutional settings, in more community-based and family-like settings.

c. Recommend ways to redirect existing expenditures in order to meet the best interests of children, preserve families, and employ the least restrictive placements.

d. Outline the long-term needs of Iowa for the following services: family-centered; family preservation; day treatment; protective day care and crisis nursery; family foster care emphasizing reunification; family foster care supporting children with special health care needs; family foster care providing therapeutic support to troubled and troubling children; adoption; subsidized adoption; independent living; residential treatment; enhanced residential treatment; psychiatric medical institution for children; state psychiatric hospitalization; state training school; Iowa juvenile home; private psychiatric hospitalization; shelter care; detention; residential juvenile substance abuse treatment; and nonresidential juvenile substance abuse treatment. In developing this outline, attention should be given to reducing the overall needs for institutional care through greater development of alternatives to that care.

e. Identify financing options that can make use of greater federal financial participation in the development of alternatives to institutional placement.

f. Develop a financial process to reward counties involved in the demonstration program to decategorize child welfare funding for their efforts to reduce the number of children placed in state institutions.

g. Monitor the efforts of the regional out-of-state placement committees, as established in House File 2480,* if enacted by the Seventy-fourth General Assembly, 1992 Session, to reduce out-of-state placements by 25 percent by June 30, 1994.

h. Investigate the efforts used by other states to return children who have been placed out-of-state, including any training programs.

i. Investigate the potential of using funding currently expended for children placed out-of-state as matching funding for services in this state in order to retain those children in this state.

j. Investigate the potential of using medical assistance funding available under section 1915a of the federal Social Security Act in decategorization counties as a model for developing a flexible financing system.

2. MEMBERSHIP. The interdisciplinary task force membership shall include the following persons:

a. The administrator of the division of adult, children, and family services of the department of human services.

b. The administrator of the division of mental health, mental retardation, and developmental disabilities of the department of human services.

c. A juvenile court judge or referee appointed by the chief justice.

d. A juvenile court officer appointed by the chief justice.

e. Two members of county boards of supervisors appointed by the Iowa state association of counties.

f. A county attorney appointed by the Iowa county attorney's association.

g. A protective service investigator, a protective service treatment worker, a family preservation worker, and a foster care worker, appointed by the director of human services.

h. A director of a community mental health center appointed by the community mental health centers association of Iowa.

i. Two providers offering both residential and nonresidential services to families appointed by the coalition for children and family services.

j. A director of a rehabilitation or residential facility appointed by the Iowa association of rehabilitation and residential facilities.

k. A member of the general assembly appointed by the legislative council.

l. Representatives from other state agencies, and from business, legal services, and child advocacy interests approved by the task force.

The appointing organizations shall be responsible for providing any per diem and travel and meal expenses for the members of the task force.

3. ORGANIZATION. The task force may establish subcommittees and work groups as deemed necessary to perform its duties. The task force may expand its membership or utilize other interested persons on its subcommittees and work groups, as deemed appropriate. The

*Chapter 1229 herein

department of human services shall seek outside support from foundations and other organizations to provide technical assistance and to carry out the management of the task force. The task force shall hold an initial meeting no later than July 30, 1992.

4. REPORTS. The task force shall issue an initial report by December 15, 1992, which shall include preliminary recommendations regarding the establishment of a more flexible financing system for child welfare services in the state and the identification of the types of services to serve children and families that will be needed in the long-term. The report shall include additional recommendations and a work plan. The task force shall complete an additional report by September 15, 1993.

Sec. 12. FOSTER CARE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For foster care:

..... \$ 47,520,000

1. a. For fiscal year 1992-1993, the statewide target, as provided for in section 232.143, if enacted in House File 2480* by the Seventy-fourth General Assembly, 1992 Session, for the average number of children placed in group foster care in any day of the fiscal year which are a charge upon or are paid for by the state, shall be 1,405. The department may adopt emergency rules in order to implement the provisions of this subsection on July 1, 1992.

b. If section 232.143 is enacted, in each quarter of the fiscal year, the department shall compare the actual number of group foster care placements in a region and the targets allocated to the region for that quarter. The department shall develop a methodology to provide, within the funds allocated in this subsection, fiscal incentives to regions which have reduced the number or length of group foster care placements below the targeted levels. The fiscal incentives shall be used by a region to maintain or further the region's reduction in the number or length of group foster care placements.

c. The department shall report quarterly to the legislative fiscal bureau concerning the status of each region's efforts to limit the number of group foster care placements in accordance with the regional plan established pursuant to section 232.143.

d. It is the intent of the general assembly that the average reimbursement rates paid for placement of children out-of-state shall not exceed the maximum reimbursement rate paid to providers in this state.

2. The department may transfer a portion of the funds appropriated in this section to provide subsidized adoption services, purchase adoption services, or to provide less restrictive treatment programs than foster care, if funds allocated under the appropriation in this Act for home-based services are insufficient.

3. On or before April 1, 1993, the department and state court administrator shall enter into a chapter 28E agreement which enables the state to receive funding for eligible cases under the federal Social Security Act, Title IV-E. The agreement shall provide for adequate compensation to the court for any additional administrative costs necessary to secure the funding and shall not limit the discretion of the court in making determinations in the best interests of a child.

4. Not more than 25 percent of the children placed in foster care funded under the federal Social Security Act, Title IV-E, shall be placed in foster care for a period of more than 24 months.

5. The department may use up to \$828,000 of the funds appropriated in this section to develop additional therapeutic foster care programs in the state. The programs shall provide respite and special support services to foster parents to enable them to serve in an active treatment capacity with the children under their care. Funding allocated in this subsection shall also be used to reimburse foster parents for their services. The funding is intended to serve at least 60 more children than were served in therapeutic foster care in fiscal year 1991-1992. The department may adopt emergency rules relating to program standards for therapeutic foster care.

*Chapter 1229 herein

6. Of the funds appropriated in this section, up to \$987,393 may be used to develop and maintain the state's implementation of the national adoption and foster care information system pursuant to the requirements of Pub. L. No. 99-509. In developing the system the department shall involve representatives of the court, service providers, advocates, and other persons interested in the adoption and foster care process.

7. Of the funds appropriated in this section, \$104,625 may be used to contract to develop a statewide system for recruiting, retaining, and supporting foster care families consistent with the recommendation of the department's family foster care advisory committee. The department shall involve the family foster care advisory committee in developing a request for proposals for the contract. The committee shall also be involved in reviewing proposals, overseeing the work of the contractor, and further defining needs in the system. The department shall also involve the committee in seeking new financial support for enhancing the family foster care system, including government and foundation grants.

8. The department shall continue the demonstration program to decategorize child welfare services in the five counties in which the program has commenced. The department may approve additional applications from a county or cluster of counties to initiate a demonstration program provided the department, the boards of supervisors in the counties, and the affected judicial districts agree to implement the program. The schedule for implementing the demonstration program in additional counties shall provide that the program be implemented on or after January 1, 1993. The department shall establish for the demonstration program counties a child welfare fund composed of all or part of the amount that would otherwise be expected to be used for residents of the counties for foster care, family-centered services, subsidized adoption, child day care, local purchase of services, state juvenile institution care, mental health institute care, state hospital-school care, juvenile detention, department-direct services, and court-ordered evaluation and treatment of juvenile services. Notwithstanding any other provision of law, the fund shall be considered encumbered. Notwithstanding other service funding provisions in law, the department shall establish the fund by transferring funds from the budgets affected, except for the funds appropriated for the state mental health institutes, the state hospital-schools, the state training school, and the Iowa juvenile home which shall remain on account for the county at these institutions. By June 15, 1992, the department shall inform each demonstration program county of the estimated amount that will be available in the county's child welfare fund and on account at the institutions for that county during the ensuing fiscal year. The department shall confirm each county's budgeted amount by October 1, 1992. A limited amount of the fund may be used to support services and reimbursement rates not allowable within historical program or service categories and administrative rules. In addition, a limited amount of the child welfare fund may be used for emergency family assistance to provide resources for a family to remain together or to be unified. It is the intent of the general assembly that the demonstration program be designed to operate in a county for a three-year period. The three-year time period for a decategorization project in Dubuque, Linn, Polk, Pottawattamie, or Scott county shall be considered to begin on January 1 in the first year following the year in which the county's decategorization project was approved by the department.

9. The department shall implement changes in group foster care maintenance and service definitions to be consistent with the definitions under Title IV-E of the federal Social Security Act. State funding saved in excess of the amount budgeted for federal financial participation provided under Title IV-E which is received as a result of the definition changes, shall be used to implement the system changes recommended by the family foster care advisory committee pursuant to subsection 7. Notwithstanding any provision of law to the contrary, any state funding identified as saved in excess of the amount budgeted for the federal financial participation shall be considered encumbered, for the purposes of this subsection, at the time of identification.

10. The department shall draw from the reasonable efforts model court project in continuing training seminars for child welfare practitioners throughout the state on the use of reasonable efforts to prevent or eliminate the need for removal of a child from the child's home. In

addition, the department shall draw upon the reasonable efforts model court project in working with the supreme court to provide ongoing instruction and technical assistance in selected counties in the state concerning application of reasonable efforts. Counties shall be selected by targeting those with a high rate of placing children outside the children's homes. The recipients of technical assistance shall include court officials, department of human services referral workers, and child welfare service providers. Trainers shall include respected peers and colleagues of the training recipients. The department shall use up to \$63,160 of the funds appropriated in this section for the contract. The department shall seek assistance from the national conference of state legislatures and private foundations in implementing the provisions of this subsection.

11. The department shall incorporate family-centered approaches to serving families into the department's general child welfare training for all child welfare workers. The training shall include an introduction to family preservation and family-centered services and these services' usages as alternatives to out-of-home care. In addition, the department shall develop specific training concerning these services for those workers who are involved with referrals of children to foster care. The department shall work with the judicial department in order to make the training applicable and available to court officers involved with referrals of children to foster care. In developing the training, the department shall seek assistance from the child welfare league of America and the national association of family-based services and shall draw from successful initiatives used in other states. In implementing the provisions of this subsection, the department may use up to \$110,530 of the funds appropriated in this section.

12. The department shall allocate up to \$1,050,000 of the funds appropriated in this section among the department's regions to be used for wrap-around services. The moneys shall be used by each region to reduce the number or length of group foster care placements ordered by that region. For the purposes of this subsection, "wrap-around services" means coordinated, highly individualized, and community-based services directed to the basic human needs of a child and child's family which are developed and approved by an interdisciplinary team and focused upon the strengths of the child and the child's family. The department may transfer funds allocated in this subsection in addition to other funds appropriated in this Act that are used to provide wrap-around services. The department may adopt emergency rules to implement the provisions of this subsection.

13. Of the funds appropriated in this section, up to \$1,000,000 is allocated for continued foster care services to a child who is 18 years of age or older in accordance with the provisions of section 234.35, subsection 4, paragraph "c", if enacted in House File 2480* by the Seventy-fourth General Assembly, 1992 Session. The department shall distribute the moneys allocated in this subsection to the departmental regions based on each region's proportion of the total number of children placed in foster care on March 31, 1992, who, during the fiscal year beginning July 1, 1992, would no longer be eligible for foster care due to age. The department may adopt emergency rules to implement the provisions of this subsection.

14. The provisions of this section constitute a significant change in state policy involving child welfare. In order to determine whether the change in policy has the intended effect and to provide information for future decision making, adequate information is required. During the fiscal period of this appropriation, the department shall track those out-of-home placements of children in which the state or a county is financially involved. The department, in coordination with the legislative fiscal bureau and the judicial department, shall develop a system for providing the tracking information. The tracking information shall be provided in a manner by which it can be determined whether the limitations on group foster care enacted by the Seventy-fourth General Assembly, 1992 Session, have resulted in increased use of out-of-home placements of children other than group foster care. The tracking information shall be submitted quarterly to the governor, the chairpersons and ranking members of the joint human services appropriations subcommittee, and the legislative fiscal bureau and shall include all of the following information for each departmental region:

*Chapter 1229 herein

a. The number of placements of children within each of the following age ranges: 0 through 5; 6 through 10; 11 through 15; and 16 through 21.

b. The number of children placed in each of the following: family foster care, residential foster care, state training school, Iowa juvenile home, psychiatric medical institutions for children (PMICs), residential substance abuse treatment programs, hospitals for acute psychiatric care, state mental health institutes, shelter care, juvenile detention, adult correctional facilities, state hospital-schools, intermediate care facilities for the mentally retarded (ICF/MR), residential care facilities for the mentally retarded (RCF/MR).

15. Notwithstanding section 232.142, subsection 3, the financial aid paid by the state shall be limited to 0.5 percent of the total cost of the establishment, improvements, operation, and maintenance of a county or multicounty juvenile detention home.

Sec. 13. FOSTER CARE SSI DETERMINATIONS. The amount of the appropriation in this Act for foster care is based upon expansion of the number of children in foster care who are eligible for federal supplemental security income (SSI). The department may use up to \$500,000 of that appropriation to enter into a performance-based contract to secure SSI benefits for children placed in foster care. In selecting a vendor, the department shall give preference to a vendor who is capable of beginning services on July 1, 1992. The contract shall include provisions for training of department of human services and juvenile court staff, completion of applications, tracking of application results, and representation during the appeals process whenever an appeal is necessary to secure SSI benefits. Notwithstanding section 217.30 and section 232.2, subsection 11, and any other provision of law to the contrary, the custodian of a child in foster care may release medical, mental health, substance abuse, or any other information necessary only to determine the child's eligibility for SSI benefits, and may sign releases for the information. In any release of information made pursuant to this subsection, confidentiality shall be maintained to the maximum extent possible. The provisions of this section shall take effect upon enactment.

Sec. 14. HOME-BASED SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For home-based services on the condition that family planning services are funded, provided that if the department changes any allocation to a program funded under this section, the department shall promptly notify the legislative fiscal bureau of the change:

..... \$ 22,530,000

1. Of the funds appropriated in this section, \$30,000 shall be used by the department to contract with universities to provide ongoing research and evaluation assistance to programs and initiatives of the department involving family-centered services and foster care. The contracts shall make maximum use of any matching resources available from the universities with which the department contracts.

2. a. Of the funds appropriated in this section, \$5,565,972 shall be used for family preservation and reunification services and training. A limited amount of the funds may be used for emergency family assistance to provide other resources required for a family participating in a project to stay together or to be reunified. The payment system for the project shall not be based upon units of time, but may be based upon the cost to serve a family, including adjustments according to the provider's performance and the outcome of the services provided to each family. The department shall use the statewide family preservation and decategorization committee to assist in selecting additional projects. In addition, a portion of the funds appropriated in this section shall be used for the jurisdictions receiving reasonable efforts training pursuant to the requirements provided in the appropriation in this Act for foster care.

b. The department shall seek federal financial participation for family preservation under Title IV-A of the federal Social Security Act. The nonfederal share of the costs shall be paid from funds appropriated in this section. Any federal funds received pursuant to this paragraph

are appropriated for the purposes for which the funds are appropriated in this section. The department may adopt emergency rules to implement the provisions of this paragraph.

3. Of the funds appropriated in this section, up to \$3,027,717 shall be used for family-centered services for families with children with mental retardation or other developmental disability who would otherwise be placed in group foster care or are currently placed in group foster care. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 15. COMMUNITY-BASED PROGRAMS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For community-based programs, on the condition that family planning services are funded, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent position:

.....	\$	1,620,000
.....	FTEs	1.0

1. Of the funds appropriated in this section, \$438,713 shall be used for adolescent pregnancy prevention grants. At least 75 percent of the funds shall be used for programs which incorporate family planning and pregnancy prevention services as the major component of the program. The department shall not expend more than 8 percent of the funds for administrative costs. A grant may be awarded to a public school corporation, a maternal and child health center, an adolescent services provider, a project involving the state juvenile institutions, or a nonprofit organization which is involved in adolescent issues. Grants shall be awarded for a one-year period and shall be based on the demonstrated need for adolescent pregnancy prevention and adolescent parent services. Preference in awarding grants shall be given to each of the projects for children placed at a state juvenile institution and projects which utilize a variety of community resources and agencies.

a. As used in this subsection, "adolescent" means a person who is less than 18 years of age or a person who is attending an accredited high school or pursuing a course of study which will lead to a high school diploma or its equivalent. The department shall establish guidelines which permit a grant recipient to continue providing services to a person who receives services under the grant as an adolescent and becomes 18 years of age or older.

b. A grant shall only be awarded to a project which provides one or more of the following services:

- (1) Workshops and information programs for adolescents and parents of adolescents to improve communication between children and parents regarding human sexuality issues.
- (2) Development and distribution of informational material designed to discourage adolescent sexual activity, to provide information regarding acquired immune deficiency syndrome and sexually transmitted diseases, and to encourage male and female adolescents to assume responsibility for their sexual activity and parenting.
- (3) Early pregnancy detection, prenatal services including chlamydia testing, and counseling regarding decision-making options for pregnant adolescents.
- (4) Case management and child care services provided to male and female adolescent parents.

c. Additional services may be offered by a grantee pursuant to a purchase of service contract with the department including child day care services; child development and parenting instruction; services to support high school completion, job training, and job placement; prevention of additional pregnancies during adolescence; and other personal services.

2. Of the funds appropriated in this section, at least \$209,512 shall be used to provide grants administered in accordance with the provisions for adolescent pregnancy prevention grants, except for requirements to target certain specific geographic areas of the state. The grants shall be awarded to fund any of the following purposes:

a. Programs targeted to children. A program shall include the following: components for parental involvement; parental education, including techniques for encouraging sexual

abstinence; outreach services for recruiting parents and children into the program; and the provision of transportation to program staff and participants necessary for recruiting and encouraging program participation.

b. Programs intended to prevent an additional pregnancy by a parent who is less than 19 years of age. Preference in grant awards shall be given to programs which provide financial incentives to clients for their program participation and success in avoiding an additional pregnancy.

c. Providing additional pregnancy prevention grants. Preference in grant awards shall be given to programs which, in addition to other services, provide counseling to mixed gender groups of adolescents.

d. Programs intended to educate adolescents concerning the risks associated with alcohol and other drug use during pregnancy, including health, financial, emotional, and other potential long-term effects for mother and child.

3. Of the funds appropriated in this section, \$532,789 shall be used by the department for child abuse prevention grants.

Sec. 16. COURT-ORDERED SERVICES PROVIDED TO JUVENILES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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:

..... \$ 3,990,000

1. Notwithstanding section 232.141 or any other provision of law, the funds appropriated in this section shall be allocated to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination on the allocations on or before June 15, 1992.

2. Each judicial district shall continue the planning group for the court-ordered services for juveniles provided in that district which was established pursuant to 1991 Iowa Acts, chapter 267, section 119. A planning group shall continue to perform its duties as specified in that law. Reimbursement rates for providers of court-ordered evaluation and treatment services paid under section 232.141, subsection 4, shall be negotiated with providers by each judicial district's planning group.

Each district planning group shall submit an annual report in January 1993 to the state court administrator and the department of human services. The report shall cover the preceding fiscal year and shall include a preliminary report on the current fiscal year. The administrator and the department shall compile these reports and submit the reports to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau.

3. The department of human services shall develop policies and procedures to ensure that the funds appropriated in this section are spent only after all other reasonable actions have been taken to utilize other funding sources and community-based services. The policies and procedures shall be designed to achieve the following objectives relating to services provided under chapter 232:

a. Maximize the utilization of funds which may be available from the medical assistance program including usage of the early and periodic screening, diagnosis, and treatment (EPSDT) program.

b. Recover payments from any third-party insurance carrier which is liable for coverage of the services, including health insurance coverage.

c. Pursue development of agreements with regularly utilized out-of-state service providers which are intended to reduce per diem costs paid to those providers.

4. The department of human services, in consultation with the state court administrator and the judicial district planning groups, shall compile a monthly report describing spending in the districts for court-ordered services for juveniles, including the utilization of the medical

assistance program. The reports shall be submitted on or before the twentieth day of each month to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau.

5. Notwithstanding chapter 232 or any other provision of law, a district or juvenile court in a department of human services district 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 allocation to pay for the service. The chief juvenile court officer shall work with the judicial district planning group to encourage use of the funds appropriated in this section such that there are sufficient funds to pay for all court-related services during the entire year. The eight chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the allocations and shall cooperatively request the state court administrator to transfer funds between the districts' allocations as prudent.

6. 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.

7. Of the funds appropriated in this section, up to \$200,000 may be used by the judicial department for administration of the requirements under this section and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

Sec. 17. CHILD PROTECTIVE SYSTEM IMPROVEMENTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For improvements in the state system for child protection:
..... \$ 543,251

The funding appropriated in this section shall be used as determined by the department for any of the following purposes:

1. For general administration of the department to improve staff training efforts.
2. For oversight of termination of parental rights and permanency planning efforts on a statewide basis on the condition that regular reports regarding the statewide program efforts shall be provided to the legislative fiscal bureau.
3. For use by the department in general administration to promote innovative treatment programs, write grants to obtain federal and private funding, and promote public and private efforts to treat and prevent child abuse.
4. For personnel, assigned by the attorney general, to provide additional services relating to termination of parental rights and child in need of assistance cases.
5. For funding of the state multidisciplinary team to assist with difficult cases within the child abuse and foster care system and with respect to child protective investigation and initial case planning and to develop and coordinate local multidisciplinary teams.
6. For use by the department in conducting outcome-oriented evaluations of child protection, prevention, and treatment programs.
7. For specialized foster care permanency planning field operations staff.

Sec. 18. IOWA VETERANS HOME. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For operation of the Iowa veterans home, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... \$ 26,510,000
..... FTEs 700.61

1. The department may use the gifts accepted by the director of human services pursuant to section 218.96 and other resources available to the department for use at the Iowa veterans home for purposes identified by the department.

2. The department shall consider implementing a policy limiting the amount of subsidy to a patient to the subsidy that would be provided to that patient in a comparable facility receiving medical assistance reimbursement.

3. a. The department may adopt emergency rules to provide for medical assistance reimbursement for the care and treatment of medical assistance-eligible individuals admitted to the Iowa veterans home. If the rules result in medical assistance reimbursement to the Iowa veterans home which exceeds the amount budgeted for that purpose in the fiscal year beginning July 1, 1992, and ending June 30, 1993, the department may expend the excess amounts to exceed the number of full-time equivalent positions authorized in this section for the purpose of meeting related certification requirements or to provide additional beds.

b. An amount equal to the nonfederal share of the cost to determine the medical assistance eligibility for individuals pursuant to this subsection shall be transferred from moneys reimbursed to the Iowa veterans home pursuant to paragraph "a" and used in addition to moneys appropriated in this Act for field operations. The department may exceed the number of full-time equivalent positions authorized in the field operations appropriation for the purpose of providing medical assistance eligibility determinations pursuant to this subsection.

c. The first \$2,372,481 of reimbursements received from a source other than the state, as a result of the Iowa veterans home reclassifying 147 beds under the medical assistance program and opening previously closed beds, shall be retained by the home and used for costs associated with the reclassification and reopening of the beds. The moneys retained by the home pursuant to this paragraph are in addition to state funds appropriated to the home in this section.

Sec. 19. 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, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	41,860,000
.....	FTEs	1,058.13

1. The funds appropriated and full-time equivalent positions authorized in this section are allocated as follows:

a. State mental health institute at Cherokee:

.....	\$	14,690,000
.....	FTEs	381.41

b. State mental health institute at Clarinda:

.....	\$	5,660,000
.....	FTEs	138.11

c. State mental health institute at Independence:

.....	\$	16,500,000
.....	FTEs	435.61

d. State mental health institute at Mount Pleasant:

.....	\$	5,010,000
.....	FTEs	103.00

2. Within the funds appropriated in this section, the department may reallocate funds as necessary to best fulfill the needs of the institutions provided for in this appropriation.

3. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

4. As part of the discharge planning process at the state mental health institutes, the department shall provide assistance in obtaining eligibility for federal supplemental security income (SSI) to those individuals whose care at a state mental health institute is the financial responsibility of the state.

Sec. 20. HOSPITAL-SCHOOLS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	64,260,000
.....	FTEs	1,831.25

1. The funds appropriated and full-time equivalent positions authorized in this section are allocated as follows:

a. State hospital-school at Glenwood:

.....	\$	34,680,000
.....	FTEs	995.00

b. State hospital-school at Woodward:

.....	\$	29,580,000
.....	FTEs	836.25

2. Within the funds appropriated in this section, the department may reallocate funds as necessary to best fulfill the needs of the institutions provided for in this appropriation.

3. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

Sec. 21. MENTAL HEALTH – MENTAL RETARDATION – DEVELOPMENTAL DISABILITIES SPECIAL SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, and developmental disabilities special services:

.....	\$	370,069
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1. The department and the Iowa finance authority shall develop methods to implement the financing for existing community-based facilities and to implement financing for small community-based facilities, including those facilities which may be developed under a federally approved home and community-based waiver for services provided under the medical assistance program. The department shall develop criteria for these facilities which may include provisions to restrict placements to current state hospital-school clients or to avert the placement of persons in a state hospital-school. The department shall assure that clients are referred to these facilities upon their development.

2. Of the funds appropriated in this section, \$248,862 is allocated to provide supplemental per diems to community-based residential care facilities and community living arrangements. The per diem is restricted to clients placed from the state hospital-schools and persons averted from placement in a state hospital-school who meet the appropriate level of functioning for this type of care.

3. Of the funds appropriated in this section, \$121,207 is allocated to provide funds for construction and start-up costs to develop community living arrangements to provide for persons who are mentally ill and homeless. These funds may be used to match federal Stewart B. McKinney Homeless Assistance Act grant funds.

Sec. 22. 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program:

.....	\$	1,000,000
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Sec. 23. SPECIAL NEEDS GRANTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability: \$ 53,212

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. A grant may provide up to \$5,000 per person for costs associated with an assistive animal. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency. Regular reports regarding the special needs grants with the family support subsidy program and an annual report concerning the characteristics of the grantees shall be provided to the legislative fiscal bureau.

Sec. 24. MH/MR/DD STATE CASES – NON-MH/MR/DD LOCAL PURCHASES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purchase of local mental health, mental retardation, and developmental disabilities services where the client has no established county of legal settlement and for allocation to the various counties for the purchase of local services not related to mental health, mental retardation, or developmental disabilities: \$ 4,980,000

Sec. 25. MENTAL HEALTH – MENTAL RETARDATION – DEVELOPMENTAL DISABILITIES – BRAIN INJURY – COMMUNITY SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, developmental disabilities, and brain injury community services in accordance with the provisions of this Act: \$ 27,280,000

1. Of the funds appropriated in this section, \$12,278,889 shall be allocated to counties for funding of community-based mental health, mental retardation, developmental disabilities, and brain injury services. The moneys 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.

A county shall utilize the funding the county receives pursuant to this subsection for services provided to persons with mental illness, mental retardation, developmental disability, or brain injury. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

For the fiscal year beginning July 1, 1992, a county shall use at least 50 percent of the funding the county receives under this subsection for the following contemporary services to persons with mental illness, mental retardation, a developmental disability, or brain injury:

- (1) Case management.
- (2) Supported employment.
- (3) Community-based housing, including but not limited to group homes with five beds or less which promote quality support services, appropriate levels of independence, and community inclusion for residents. However, expenditures relating to a group home with more than five beds or a group home which does not comply with the location requirements of section

358A.25, subsection 3, or section 414.22, subsection 3, are not eligible for reimbursement. Expenditures for housing provided in intermediate care facilities for the mentally retarded with ten beds or less which received a certificate of need under chapter 135 on or before July 1, 1991, are eligible for payment under this allocation until July 1, 1997.

(4) Individual support services provided to individuals living in community-based housing or an independent living arrangement or to individuals and individuals' families when an individual is living with the individual's family. The support services are any service deemed necessary by a county to support an individual in a community-based housing or other living arrangement described in this lettered paragraph, and include any employment, training, crisis intervention, or educational program. The support services may also include provision of or payment for the costs of food, medical services, clothing, and counseling.

(5) Day programming provided to individuals living in community-based housing, an independent living arrangement, or with the individual's family.

The mental health, mental retardation, and developmental disabilities commission shall adopt rules pursuant to chapter 17A describing the services listed in subparagraphs (1) through (5) of this subsection.

2. 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.

3. The department shall submit an annual report concerning each population served and each service funded in this section to the chairpersons and ranking members of the joint human services appropriation subcommittee and the legislative fiscal bureau.

4. a. Provision of funding under subsection 1 is contingent upon counties establishing mental illness, mental retardation, developmental disabilities, and brain injury (MI/MR/DD/BI) planning councils. The counties shall meet in consultation with service providers, consumers, and advocates, the department, and other interested parties in establishing the planning councils. A planning council's planning area shall, to the extent possible, utilize the borders of the county clusters as established pursuant to section 217.42, if enacted in Senate File 2342,* and shall include a population of at least 40,000 and include counties with a historical pattern of cooperation in providing MI/MR/DD/BI services. The councils shall be established on or before September 1, 1992.

b. The membership of a planning council shall include a member of the county board of supervisors of each county comprising the planning council and a sufficient number of MI/MR/DD/BI service providers and service consumers or family members of service consumers to provide for adequate representation of the providers and consumers or family members. The board of supervisors of the counties comprising the planning council shall determine the size and membership of the planning council.

c. If a county does not establish a planning council arrangement by September 1, 1992, in accordance with the criteria provided in paragraph "b", the department shall assign that county to a planning council.

d. A planning council shall develop plans for the provision of services in the fiscal year beginning July 1, 1993, to persons with MI/MR/DD/BI in the county or counties comprising the planning council. The plans shall be submitted to the department on or before December 1, 1992.

****5. Of the funds appropriated in this section, \$20,000, or so much thereof as is necessary, shall be transferred to the legislative service bureau and used to contract for the consultant and facilitator required for the task force established in section 26 of this Act.****

6. Of the funds appropriated in this section, \$1,912,335, or so much thereof as is necessary, is allocated to reimburse eligible counties for their expenditures for services provided to persons with mental retardation, a developmental disability, or chronic mental illness during the fiscal year beginning July 1, 1991, and ending June 30, 1992, in accordance with the provisions of section 27, subsection 5 of this Act.

7. a. Of the funds appropriated in this section, \$13,038,776 is allocated for distribution to counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

*Chapter 1079 herein

**Item veto; see message at end of the Act

b. The funds allocated in this subsection shall be expended by counties in accordance with eligibility guidelines established in the department's rules outlining general provisions for service administration. Services eligible for payment with funds allocated in this subsection are limited to any of the following which are provided in accordance with the department's administrative rules for the services: community supervised apartment living arrangements, residential services for adults, sheltered work, supported employment, supported work training, transportation, and work activity.

c. In purchasing services with funds allocated in this subsection, a county shall designate a person to provide for eligibility determination and development of a case plan for individuals for whom the services are purchased. The designated person shall be a medical assistance case manager serving the person's county of residence. If an individual does not have a case manager, the individual's eligibility shall be determined by a social services caseworker of the department serving the individual's county of residence. The case plan shall be developed in accordance with the department's rules outlining general provisions for service administration.

d. Services purchased with funds allocated in this subsection must be the result of a referral by the person who identified the services in developing the individual's case plan.

e. Services purchased with funds allocated in this subsection must be under a purchase of service contract established in accordance with the department's administrative rules for purchase of service.

f. 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 services under the federal social services block grant in the fiscal year beginning July 1, 1991.

g. Each county shall submit to the department a plan for funding of the services eligible for payment under this subsection. The plan may provide for allocation of the funds for one or more of the eligible services. The plan shall identify the funding amount the county allocates for each service and the time period for which the funding will be available. Only those services which have funding allocated in the plan are eligible for payment with funds provided in this subsection.

h. A county shall provide advance notice to the individual receiving services, the service provider, and the person responsible for developing the case plan of the date the county determines that funding will no longer be available for a service.

i. Moneys allocated to a county pursuant to paragraph "f" shall be provided to the county as claims are submitted to the state.

j. The moneys provided under this subsection do not establish an entitlement to the services funded under this subsection.

Sec. 26. TASK FORCE ESTABLISHED.

1. For the fiscal year beginning July 1, 1992, there is established a task force to develop a plan for restructuring the service delivery system for persons with mental illness, mental retardation and other developmental disabilities, and brain injury. The task force shall consist of individuals appointed by all of the following entities:

a. Iowa state association of counties.

b. Iowa association of rehabilitation and residential facilities.

c. Alliance for the mentally ill of Iowa.

d. Association for retarded citizens of Iowa.

e. Community mental health centers association of Iowa.

f. Iowa governor's planning council for persons with developmental disabilities.

g. Iowa farm bureau federation.

h. Iowa federation of labor.

i. Iowa association of business and industry.

j. Iowa citizen action network.

- k. Iowa psychiatric society.
- l. Iowa hospital association.
- m. Department of human services.
- n. Iowa coalition.
- o. Iowa protection and advocacy service.
- p. Coalition for persons with disabilities.
- q. Prevention of disabilities policy council.
- r. Iowa head-injury association.
- s. Department of management.
- t. Governor.
- u. A member of the senate appointed by the legislative council.
- v. A member of the house of representatives appointed by the legislative council.

2. The task force shall present a plan to the legislative council, the department of human services, and the governor, by December 1, 1992, which will implement a restructuring of the mental health, mental retardation, and developmental disabilities service system to be effective July 1, 1993. However, the funding portion of the plan referred to in paragraph "b" of this subsection is to be effective July 1, 1994. The plan shall address, but not be limited to, all of the following:

- a. Multi-county structures for planning.
- b. The funding responsibilities and the funding relationship between the state and counties, including but not limited to, the per diem reimbursement paid at the state mental health institutes.
- c. The structure for service delivery.
- d. Targeting services for state funding which are aimed at implementing the service quality standards in section 225C.28A and rights in section 225C.28B.

The task force shall be assisted by a consultant and facilitator in carrying out its responsibilities under this section.

3. It is the intent of the general assembly that the plan developed by the task force created in this section shall be considered for enactment during the 1994 Legislative Session.

Sec. 27. MH/MR/DD SERVICES UNDER MEDICAL ASSISTANCE — JOINT STATE AND COUNTY FUNDING. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, and developmental disabilities provided under the medical assistance program and jointly funded by the state and counties:

..... \$ 2,860,000

1. The enhanced mental health, mental retardation, and developmental disabilities services plan oversight committee is continued, as established under section 249A.25, for the fiscal year which begins July 1, 1992, and ends June 30, 1993. The oversight committee shall issue a final decision regarding any issue of disagreement between a county and the department relating to expenditures for candidate services or the county's maintenance of effort.

2. For purposes of this section, "candidate services" means day treatment, partial hospitalization, and case management.

3. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization, and 100 percent of the nonfederal share of the cost of care which is reimbursed under a federally approved home and community-based waiver that would otherwise be approved for provision in an intermediate care facility for the mentally retarded, provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness. The state shall have responsibility for the remaining 50 percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial

hospitalization. For persons without a county of legal settlement, the state shall have responsibility for 100 percent of the nonfederal share of the cost of case management provided to adults, day treatment, partial hospitalization, and the home and community-based waiver services.

b. If the department has contracted with a county or a consortium of counties to be the provider of case management services, the department is responsible for any costs included within the unit rate for case management services which are disallowed for reimbursement pursuant to Title XIX of the federal Social Security Act by the federal health care financing administration. The department shall use funds appropriated under this section to credit a county for the county's share of any amounts overpaid due to the disallowed costs. If certain costs are disallowed due to requirements or preferences of a particular county in the provision of case management services the county shall not receive credit for the amount of the costs.

c. The state shall pay the entire nonfederal share of the costs for case management services provided to persons 18 years of age or younger who are served in a medical assistance home and community-based waiver program for persons with mental retardation.

4. A county is responsible to continue to expend at least the agreed upon amount expended for services in the fiscal year which ended June 30, 1987, for the fiscal year beginning July 1, 1992, for services to persons with mental retardation, a developmental disability, or chronic mental illness. Notwithstanding section 8.33, if a county does not expend the agreed upon amount in the fiscal year, the balance not expended shall not revert to the general fund of the county, but shall be carried over to the next fiscal year to be expended for the provision of services to persons with mental retardation, a developmental disability, or mental illness including, but not limited to, the chronically mentally ill, and shall be used as additional funds. The additional funds shall be used, to the greatest extent possible, to meet unmet needs of persons with mental retardation, a developmental disability, or mental illness. This subsection does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

5. The department, in conjunction with the oversight committee, and with the agreement of each county, shall establish the actual amount expended for each candidate service for persons with mental retardation, a developmental disability, or chronic mental illness in the fiscal year which ended June 30, 1987, and this amount shall be deemed each county's base year expenditure for the candidate service. A disagreement between the department and a county as to the actual amount expended shall be decided by the oversight committee.

The department, in conjunction with the oversight committee, and with the agreement of each county, shall determine the expenditures in the fiscal year beginning July 1, 1991, by each county for the candidate services, including the amount the county contributes under subsection 3. If the expenditures in the fiscal year beginning July 1, 1991, exceed the base year expenditures for candidate services, then the county shall receive from the funds appropriated under this section the least amount of the following:

a. The difference between the total expenditures for the candidate services in the fiscal year beginning July 1, 1991, and the base year expenditures.

b. The amount expended by the county under subsection 3 for candidate services in the fiscal year beginning July 1, 1991.

c. The amount by which total expenditures for persons with mental retardation, a developmental disability, or chronic mental illness for the fiscal year beginning July 1, 1991, less any carryover amount from the fiscal year which began July 1, 1990, exceed the maintenance of effort expenditures under subsection 4.

The department may utilize a debit-credit approach in order to implement the financial transactions with counties required by this subsection. It is the intent of the general assembly that reimbursement to counties in accordance with the provisions of this subsection shall be discontinued for succeeding fiscal years.

6. Notwithstanding section 225C.20, case management services shall be provided by the department except when a county or a consortium of counties contracts with the department

to provide the services. A county or consortium of counties may contract to be the provider at any time and the department shall agree to the contract so long as the contract meets the standards for case management adopted by the department. The county or consortium of counties may subcontract for the provision of case management services if the subcontract meets the same standards. A mental health, mental retardation, and developmental disabilities coordinating board may change the provider of individual case management services at any time. If the current or proposed contract is with the department, the coordinating board shall provide written notification of a proposed change to the department on or before August 15 and written notification of an approved change on or before October 15 in the fiscal year which precedes the fiscal year in which the change will take effect.

7. This section does not relieve the county from any other funding obligations required by law, including but not limited to the obligations in section 222.60.

8. Nothing in this Act is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing in this division shall be construed as, is intended as, or shall imply a claim of entitlement to any programs or services specified in section 225C.28.

9. For the purposes of this section only, persons with mental disorders resulting from Alzheimer's disease or substance abuse shall not be considered chronically mentally ill.

10. Where the department contracts with a county or consortium of counties to provide case management services, the state shall appear and defend the department's employees and agents acting in an official capacity on the department's behalf and the state shall indemnify the employees and agents for acts within the scope of their employment. The state's duties to defend and indemnify shall not apply if the conduct upon which any claim is based constitutes a willful and wanton act or omission or malfeasance in office.

11. Medical assistance funding for case management services for eligible persons 18 years of age and under shall also be provided to persons residing in counties with decategorization projects, provided these projects have included these persons in their service plan and the decategorization project county is willing to provide the nonfederal share of costs.

12. The department shall explore the feasibility of obtaining federal approval of additional medical assistance home and community-based waivers for services to persons with a developmental disability. The department shall also explore the feasibility of implementing an option under the medical assistance program for rehabilitative services to persons with chronic mental illness. If either item is determined to be feasible, implementation of any new provision shall be deferred until fiscal year 1993-1994.

Sec. 28. 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$	37,840,000
.....	FTEs	2,180.50

1. Staff who are designated as "Title XIX case management staff" are considered to be in addition to the limit for full-time equivalent positions and the funds appropriated for field operations. The department shall report quarterly to the chairpersons and ranking members of the legislative fiscal committee of the legislative council, the members of the joint human services appropriations subcommittee, and the legislative fiscal bureau regarding the total number of Title XIX case management staff positions filled, including the number of positions which were filled by persons who were already employed by the department in another capacity.

2. Upon the request of a county, the department shall work with the county to develop a funding plan for persons with mental retardation, a developmental disability, or chronic mental illness who are not eligible to receive case management provided under the medical assistance

program and are receiving service management. With an agreed upon funding plan, the department is authorized to combine state funds that would otherwise be expended on service management with county funds to upgrade services provided to the persons from service management to case management. Staff required to implement this subsection are not subject to the limitations on full-time equivalent positions and funds appropriated for field operations.

3. If the field operations staffing level meets the funded full-time equivalent position limit authorized in this section and a region identifies a critical position vacancy or a position with a caseweight factor greater than 120 percent of the budgeted caseweight factor for the position, the director of human services may exceed the full-time equivalent position limit imposed under this section in the amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the budgeted level. For purposes of this subsection, "critical position vacancy" includes a clerical position in an office limited to a single clerical staff position. The maximum caseweight factor for the fiscal year beginning July 1, 1992, and ending June 30, 1993, is 213 for income maintenance workers and 208 for service workers. If the department is able to increase federal financial participation relating to field operations, the moneys shall be used to reduce the budgeted caseweight factor funded by the appropriation in this section for income maintenance and service workers. In addition, if the field operations staffing level meets the funded full-time equivalent position limit imposed in this section and there is a critical position vacancy in the state or the statewide average caseweight factor for a particular type of position exceeds 105 percent of the maximum caseweight factor for that type of position, the director of human services may exceed the full-time equivalent position limit imposed in this section in an amount necessary to fill the critical position vacancy or to reduce the caseweight factor to the maximum level. If expenditures remain within the amount appropriated in this section, the department may exceed the full-time equivalent position limit imposed in this section. The department shall report monthly to the chairpersons and ranking members of the joint human services appropriations subcommittee and to the legislative fiscal bureau regarding caseweight factor computations in each region, the statewide average caseweight factor, the existence of a critical position vacancy in any region, and action taken by the department to address any critical position vacancy problem or excess caseweight factor.

4. Notwithstanding the full-time equivalent position limit imposed in this section, a county implementing a decategorization project, consistent with the county's decategorization plan, may modify the staffing level in the county's human services office and the modification shall not affect other county or regional human services staffing levels and shall not be considered to be subject to the full-time equivalent position limit imposed in this section.

5. If the amount of the nonfederal portion of a field operations income maintenance worker's salary, benefits, and support costs are paid to the department by a hospital or health center, the costs associated with that worker and that worker shall be considered to be in addition to the amount appropriated and full-time equivalent positions authorized in this appropriation for field operations.

6. If a county supplements a full or partial full-time equivalent position, the supplemented position is considered to be in addition to the amount appropriated and full-time equivalent positions authorized in this appropriation for field operations.

Sec. 29. 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, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:	\$	8,710,000
.....	FTEs	359.01

1. Full-time equivalent positions which are funded entirely with federal, public, or private grants are exempt from the limits on the number of full-time equivalent positions provided in this section, but are approved only for the period of time for which the federal funds or grants are available for the position.

2. The department shall continue its activities in applying to the Robert Wood Johnson foundation for a grant to investigate the feasibility of establishing a system with a single state authority and regional subauthorities for the planning, funding, and administration of services for persons with mental illness. The application process shall be coordinated with the requirements of the federal Mental Health Planning Act, Pub. L. No. 99-660, and federal mental health law amendments enacted in 1990. The department shall work with legislators, advocacy groups, county representatives, and service providers as necessary in developing the grant application. The department shall report to the joint human services appropriations subcommittee on or before January 11, 1993.

3. The department, in consultation with the child development coordinating council and the family development and self-sufficiency council, shall consider the feasibility of developing a proposal for submission to the federal family support administration for a state family resource and support program grant under the federal Claude Pepper Young Americans Act of 1990, Pub. L. No. 101-501 § 933, as codified in 42 U.S.C. § 12339. The department may also apply for a planning grant under that Act. In making application for a grant, the department shall build upon existing effective programs in Iowa provided through the child development coordinating council, the family development and self-sufficiency council, adolescent pregnancy prevention grants, and child abuse prevention grants.

Sec. 30. PREVENTION OF DISABILITIES* POLICY COUNCIL. There is appropriated from the general fund of the state to the prevention of disabilities policy council established in section 225B.3 for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For performance of the council's duties in accordance with chapter 225B:
 \$ 27,090

Sec. 31. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:
 \$ 85,793

Sec. 32. "X-PERT" PUBLIC ASSISTANCE BENEFIT ELIGIBILITY DETERMINATION SYSTEM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the first year development costs of the "X-PERT" knowledge-based computer software package for public assistance benefit eligibility determination, including salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 453,204
 FTEs 17.0

The department shall complete all of the following requirements relating to implementation of the X-PERT system:

1. Complete an assessment of the relative appropriateness and cost-effectiveness of the various options for developing the X-PERT system. The assessment shall include an evaluation of the relative merits of using various computer hardware platforms including, but not limited to, mainframe computers, distributed processing, and personal microcomputers. The department shall utilize experts and resources from the private sector and shall ensure that the assessment is independent of influence from potential system vendors. The department shall report to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau no later than October 1, 1992.

2. Complete a detailed work plan for the development, testing, pilot implementation, and full implementation of the X-PERT system by August 1, 1994. The work plan shall contain

*According to enrolled Act

an assessment of the fiscal and staff resources required to meet this time frame and the availability of these resources. The work plan shall be completed on or before September 1, 1992.

3. Develop, in cooperation with the legislative fiscal bureau, a methodology for measuring costs and savings resulting from the development and implementation of the X-PERT system. The methodology shall provide for separate measurement of both actual reductions in expenditures and avoidance of increased expenditures. The department shall implement the methodology during the development of the system and shall report quarterly regarding implementation of the methodology to the chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau.

Sec. 33. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.

1. a. For the fiscal year beginning July 1, 1992, the department of human services may allocate any increases for durable medical products and supplies so that equipment and supplies which have greater wholesale cost increases may be reimbursed at a higher rate and those which have a lower or no wholesale cost increase may be reimbursed at a lower rate or have no increase.

b. For the fiscal year beginning July 1, 1992, the following shall have their medical assistance reimbursement rates increased by 10 percent over the rates in effect on June 30, 1992: early and periodic screening, diagnosis, and treatment program providers, providers of obstetric services when provided by physicians or certified nurse-midwives, and pediatric services.

c. The department shall revise the reimbursement methodology used for clinics, including family planning clinics, from a rate paid per visit based upon cost to a fixed fee schedule.

d. The dispensing fee for pharmacists shall remain at the rate in effect on June 30, 1992. The reimbursement policy for drug product costs shall be in accordance with federal requirements. Total adjustments to reimbursements for prescription drugs shall remain within funds appropriated.

e. Reimbursement rates for in-patient hospital services shall be increased by 1 percent over the rates in effect on June 30, 1992.

f. Reimbursement rates for rural health clinics shall be increased in accordance with increases under the federal medicare program.

g. Home health agencies certified for the federal medicare program, hospice services, and acute care mental hospitals shall be reimbursed for their current federal medicare audited costs.

h. The basis for establishing the maximum medical assistance reimbursement rate for nursing facilities shall be the 70th percentile of facility costs as calculated from the June 30, 1992, unaudited compilation of cost and statistical data.

i. The department may revise the fee schedule used for physician reimbursement.

j. Federally qualified health centers shall be reimbursed at 100 percent of reasonable costs as determined by the department in accordance with federal requirements.

k. The department shall review and utilize small area analysis to identify differences in utilization of physician and hospital services. Within funds appropriated, the department shall seek to revise reimbursement methodologies for providers and shall seek to equalize reimbursement rates between providers. In addition, the department shall identify incentives to reward efficient, effective, and quality care.

2. For the fiscal year beginning July 1, 1992, the maximum cost reimbursement rate for residential care facilities reimbursed by the department shall be \$19.62 per day. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be \$14.03 per day. For the fiscal year beginning July 1, 1992, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be \$390.15 per month.

3. If 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, 1991.

4. a. The department of human services shall make reimbursement payments directly to foster parents for services provided to children pursuant to section 234.6, subsection 6, paragraph "b", or section 234.35. For each of the following fiscal years, the reimbursement rate shall be based upon the indicated percentage of the current United States department of agriculture estimate of the cost to raise a child: 1992-1993, 65 percent; 1993-1994, 75 percent; and 1994-1995, 80 percent. The department may pay an additional stipend for a child with special needs.

b. In the 1992-1993 fiscal year, the basic maintenance rate for children ages 0 through 5 years shall be \$258, the rate for children ages 6 through 11 years shall be \$289, the rate for children ages 12 through 15 years shall be \$328, and the rate for children ages 16 and older shall be \$356. The department shall increase the monthly allowance for children in independent living from \$300 to \$400. The department may adopt emergency rules to implement the provisions of this subsection.

5. For the fiscal year beginning July 1, 1992, the maximum reimbursement rates for social service providers other than child day care providers shall be the same as the rates in effect on June 30, 1991, except under any of the following circumstances:

a. If a new service was added after June 30, 1991, 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.

6. The department may adopt emergency rules to implement the provisions of this section.

Sec. 34. ASSISTANCE TO GAMBLERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the gamblers assistance program:

..... \$ 250,000

The Iowa lottery board and the state racing and gaming commission shall cooperate with the gamblers assistance program to incorporate information regarding the gamblers assistance program and its toll-free telephone number in printed materials distributed by the board and commission. The commission may require licensees to have the information available in a conspicuous place as a condition of licensure.

Sec. 35. FULL-TIME EQUIVALENT LIMIT NOTIFICATION. The Iowa veterans home, the state mental health institutes, and the state hospital-schools may exceed the number of full-time equivalent positions authorized in this Act if the additional positions are specifically related to licensing, certification, or accreditation standards or citations. The department shall notify the co-chairpersons and ranking members of the joint human services appropriations subcommittee and the legislative fiscal bureau if the specified number is exceeded. The notification shall include an estimate of the number of full-time equivalent positions added and the fiscal effect of the addition.

Sec. 36. MEDICAL ASSISTANCE STUDY. The department of management shall utilize a task force to perform a study of the medical assistance program. The study parameters shall include but are not limited to reimbursement rates, accuracy and improvement of fiscal projections, scope of covered services, cost containment provisions, relative growth of the program, and the relationship with other health coverages. The task force membership shall include consumers, service providers, affected governmental agencies, and four legislators appointed by the majority and minority leader of the senate and the speaker and minority leader of the house of representatives. The study findings and recommendations shall be submitted to the governor and the general assembly on or before January 1, 1993.

*Item veto; see message at end of the Act

Sec. 37. HEALTH DATA COMMISSION STUDY. The health data commission shall study the feasibility of creating an electronic network to transmit all claims payable to third-party payors and the feasibility of using this data transmission network to establish a statewide health data repository. The commission shall submit a report of the findings of the study to the general assembly by January 1, 1993.

Sec. 38. COMPUTERIZATION — ASSESSMENT OF FINANCIAL IMPACT. In order to assess the financial impact of computerizing functions within the department of human services, the department of general services, information services division, shall monitor the utilization of the central processing unit resources maintained by the division, and shall provide quarterly reports to the legislative fiscal committee of the legislative council and the legislative fiscal bureau. The quarterly reports shall contain an analysis of the central processing unit resources utilized by the department of human services by each computerized application within the department. The reports shall also contain information on computerized applications which are under development, and shall project the central processing unit utilization which will occur in 6, 12, 18, and 24 months. The reports shall be designed to enable the legislative fiscal committee and the legislative fiscal bureau to assess the fiscal impact of various computerized applications, with emphasis upon the need for the division to purchase additional computer hardware.

Sec. 39. STATE INSTITUTIONS — CLOSINGS AND REDUCTIONS. If a state institution administered by the department of human services is to be closed or reduced in size, prior to the closing or reduction the department shall initiate and coordinate efforts in cooperation with the Iowa department of economic development to develop new jobs in the area in which the state institution is located.

*Sec. 40. FAMILY PLANNING — REPRODUCTIVE HEALTH SERVICES INTEGRATION WITH SUBSTANCE ABUSE PROGRAMS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For the provision of family planning services to eligible women as specified in this subsection:

..... \$ 350,000

To be eligible for family planning services under this subsection, the following criteria apply: the woman has an income which is equal to or less than 185 percent of the federal poverty level as defined by the most recently published guidelines issued by the United States department of health and human services; the woman was receiving medical assistance at the time the child was born; the woman is no longer eligible for medical assistance; and the woman is not covered by health insurance for family planning services. The family planning services shall be provided for not more than 12 months from the date of expiration of an eligible woman's postpartum medical assistance coverage. The department shall include information concerning the availability of the family planning services at the time the department notifies a recipient that her 60 days of postpartum medical assistance coverage will expire. The department may adopt emergency rules to implement the provisions of this subsection.

2. For the use of the Iowa department of public health, division of substance abuse and health promotion, for the integration of reproductive health services with substance abuse programs:

..... \$ 100,000

To be eligible for funding under this subsection, a program shall be a residential treatment provider which provides services to a large number of women of childbearing age.

3. 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 services in accordance with the provisions of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.*

*Item veto; see message at end of the Act

**Sec. 41. MEDICAL ASSISTANCE — ENHANCED SERVICES FOR HIGH-RISK PREGNANCIES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, to be used for the purpose designated:*

1. For provider costs to perform risk assessments for pregnant women eligible for medical assistance:

..... \$ 71,000

2. For medical assistance costs to provide enhanced services for high-risk pregnancies in accordance with this section:

..... \$ 72,000

*The department of human services and the Iowa department of public health shall jointly develop risk assessment criteria which shall be applied to all pregnant women eligible for medical assistance. If a pregnant woman is determined to have a high-risk pregnancy by use of the risk assessment, enhanced services shall be made available to the woman. Enhanced services shall include care coordination, health education, social services, nutrition education, and a postpartum home visit. The department of human services may adopt emergency rules to implement the provisions of this section.**

**Sec. 42. INFANT MORTALITY AND MORBIDITY PREVENTION PILOT PROJECT. The Iowa department of public health shall award grants to establish an infant mortality and morbidity prevention pilot project beginning October 1, 1992, and ending June 30, 1995, in the designated areas of Polk, Scott, and Woodbury counties. The recipient of a grant shall establish a resource mothers program or coordinate existing resource mothers programs in the targeted areas and shall do all of the following:*

1. Identify barriers to positive birth outcomes and encourage cooperation in the targeted area to reduce infant mortality and morbidity.

2. Develop an inventory of existing community resources, including both public and private organizations, which are designed to reduce infant mortality.

*3. Collaborate with local chambers of commerce, businesses, and civic organizations, including both public and private organizations, to establish a coupon bonus program for pregnant women residing in the targeted area to encourage the pregnant women to seek prenatal care and to encourage mothers of children through one year of age to utilize the early and periodic screening, diagnosis, and treatment program. The coupon bonus program shall provide for the validation of coupons by health care providers, following the provision of prenatal care or care provided to a child through one year of age, which may be exchanged for the provision of goods or services by sponsors within the community.**

**Sec. 43. PRENATAL TO PRESCHOOL FAMILY AND CHILD PROTECTION SERVICES PROGRAM.*

1. The Iowa department of public health shall develop a program for the awarding of a grant to a statewide child abuse prevention organization for the development and implementation of the prenatal to preschool family and child protection services program to be implemented beginning October 1, 1992, and ending October 1, 1995, in at least three urban and three rural counties, three of which shall be coordinated with the existing infant mortality and morbidity programs in Polk, Scott, and Woodbury counties, and all of which shall be implemented through the use of existing nonprofit home health programs. The department shall make a request for proposals application available to any organization requesting an application by August 1, 1992, and shall require the completed application to be returned to the department by September 1, 1992.

2. The department shall adopt rules which establish the criteria for the awarding of a grant to an applicant. The criteria shall include but are not limited to the required match of one dollar provided by the organization for each two dollars provided by the state.

3. A grant recipient shall do all of the following:

a. Implement the proposed program by October 1, 1992.

**Item veto; see message at end of the Act*

b. Coordinate the program with the infant mortality and morbidity prevention programs in existence in Polk, Scott, and Woodbury counties.

c. To the maximum extent possible, utilize existing programs and services necessary for implementation of the program.

d. Utilize nonprofit home health programs in the development and implementation of the program.

4. The Iowa department of public health shall submit an evaluation of the program, by January 15, annually, to the governor and the general assembly.*

*Sec. 44. APPROPRIATION — INFANT MORTALITY AND MORBIDITY — HEALTHY FAMILY PROGRAM. There is appropriated from the general fund of the state to the Iowa department of public health, for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary, for the purposes designated:

..... \$ 665,000

1. Of the moneys appropriated in this section, not more than \$165,000 shall be used to award grants to establish infant mortality and morbidity prevention pilot projects in Polk, Scott, and Woodbury counties in the areas designated by the Iowa department of public health as areas with the highest infant mortality rates. Of the amount appropriated, not more than 15 percent shall be used for administrative expenses.

2. Of the moneys appropriated in this section, not more than \$335,000 shall be used to award a grant to a statewide child abuse prevention organization for the development and implementation of the prenatal to preschool family and child protection services program to be implemented beginning October 1, 1992.

3. Of the moneys appropriated in this section, not more than \$25,000 shall be used for departmental staff support of a multidisciplinary team conducting research concerning the causes of individual infant deaths in the state. Funding of the multidisciplinary team concerning an individual case shall be used solely for research purposes.

4. Of the moneys appropriated under this section, not more than \$140,000 shall be used to increase the use of mid-level practitioners to improve access to prenatal health care. The funds shall be used to issue three grants in equal amounts to hospitals, public health programs, or maternal health clinics to develop programs to provide services to pregnant women, utilizing nurse midwives with hospital privileges and physician support, in areas of the state with insufficient availability of obstetrical services.*

*Sec. 45. IOWA CENTER FOR HEALTH ISSUES — ESTABLISHED. There is appropriated from moneys collected by the division of insurance pursuant to section 505.7, subsection 3, from the amount collected in excess of \$310,815, to the division of insurance for the fiscal year beginning July 1, 1992, and ending June 30, 1993, the following amount, or so much thereof as is necessary to be used for the purposes designated:

For the awarding of a grant, by the division, to a private institution to establish a center for use as a forum for the purposes of community discussion and consensus building, public education, and research in the area of health care and health-related issues, particularly in the area of ethical decision making:

..... \$ 75,000

Criteria for the awarding of a grant includes but is not limited to:

1. That the recipient be a private institution which is centrally located in the state, which does not directly provide medical or health services, and which has developed credibility among the health care and business community.

2. That the institution is able to draw from a variety of disciplines including but not limited to the health services, law, sociology, insurance, economics, education, and public administration in carrying out the purpose of the center.

3. That the institution provide physical space for the holding of meetings, forums, and other activities of the center, and that the institution be capable of holding meetings, forums, and other activities throughout the state.

*Item veto; see message at end of the Act

4. That the institution provide or develop independent funding, in an amount which is one dollar for every state dollar provided, from sources including but not limited to private contributions or federal funding.

The grant recipient shall cooperate with the division in establishing the center. The division shall perform ongoing evaluation of the activities of the center and shall make recommendations to the grant recipient regarding improved effectiveness of the activities of the center.*

*Sec. 46. **VERIFICATION OF SPENDING REDUCTIONS.** The department of human services, the Iowa department of public health, and the commissioner of insurance, shall submit reports to the governor and the general assembly by January 15, 1993, regarding the effectiveness or proposed effectiveness of the initiatives established in sections 40 through 45 and 47 of this Act in reducing health care costs.*

*Sec. 47. **NEW SECTION. 135.106 IOWA HEALTHY FAMILY PROGRAM — ESTABLISHED.**

1. The Iowa department of public health shall establish an Iowa healthy family program to provide services to families and children during the prenatal through preschool years. The program shall be designed to promote optimal child development, improve family coping skills and functioning, and promote positive parenting skills and intrafamilial interaction, with the goal of prevention of child abuse and neglect.

2. The program shall include the following components which shall be developed and implemented to provide for coordination of services to the greatest extent possible:

a. An infant mortality and morbidity prevention program.

b. A prenatal to preschool family and child protection services program.

3. The infant mortality and morbidity prevention program shall include, but is not limited to, the following components:

a. The establishment of pilot projects, through the awarding of grants, in three counties of the state which have areas with the state's highest infant mortality rates, to identify barriers to positive birth outcomes, to encourage collaboration and cooperation among providers of health care, social services, and other services to pregnant women and infants, and to encourage pregnant women and women of childbearing years to seek health care and other services which result in positive birth outcomes.

b. The establishment of a resource mothers program to provide pregnant and postpartum women with individual guidance, information, and access to health care. As used in this section, "resource mothers program" means a community outreach program which provides for home visits by women who have experience as mothers and who have knowledge of health care services, social services, or related fields of services and who provide pregnant and postpartum women with information and access to health care and other services necessary for positive birth outcomes.

4. The prenatal to preschool family and child protection services program shall be developed and implemented by the recipient of a grant awarded by the department and shall include but is not limited to all of the following components:

a. Systematic hospital-based screening for the highest percent of high-risk families of newborns in specific geographic areas. The systematic hospital-based screening component shall provide that a resource mother identifies hospital admissions data for childbirths to determine high-risk families, based upon risk indicators developed by rule of the department. The woman who is a member of a family which is identified to be at high-risk shall be interviewed by the resource mother to encourage the woman to accept services including but not limited to home visits, support services, and instruction in child care and development.

b. Community-based home visiting family support services. Following identification of a family as high-risk and acceptance of a family of services under the program, the resource mother shall initiate home visits to assess the needs of the family and to refer the family to appropriate services.

*Item veto; see message at end of the Act

c. Individualization of the intensity of services based upon the family's need and level of risk. The resource mother shall assess the specific needs of the participating family to ensure appropriate access to services and necessary frequency of services.

d. Linkage to a "medical home". The resource mother shall assist participating families in the selection of a primary care provider in order to promote preventive health care and positive child development. The resource mother assigned to a family shall track the scheduling and completion of and the provision of transportation to health care visits. The resource mother shall also review the results of health care visits and coordinate future visits or referrals to necessary services.

e. Coordination of a range of health and social services for at-risk families, including the provision of the appropriate levels or types of immunizations to children participating in the program.

f. Continuous follow-up with the family until the identified child reaches age three, except in the case of high-risk families in which case the follow-up shall continue to age four.

g. A structured training program in the dynamics of abuse and neglect. The grant recipient shall provide a training program to establish uniform standards for service delivery.

h. Provision of crisis child care through utilization of existing child care services to participants in the program.

i. Evaluation of the program, including an evaluation of the effects on the reduction in risk factors for the participants, an evaluation of the services provided, and recommendations for changes in or expansion of the program.

j. To the extent possible, private party, third party, and medical assistance including the early and periodic screening, diagnosis, and treatment (EPSDT) program, shall be utilized as a reimbursement to defray the costs of services provided.

5. The department shall adopt rules to establish and implement the healthy family program which address all of the following:

a. The entering of an interagency agreement with the department of human services by which the department may refer a family at high-risk, based upon reports to the department of human services, of the need for services.

b. The criteria for the awarding of a grant for the development and implementation of the infant mortality and morbidity prevention pilot program and for the development and implementation of the prenatal to preschool family and child protection services program.

c. The components required of a grant applicant for inclusion in an infant mortality and morbidity prevention pilot program proposal and in a prenatal to preschool family and child protection services program proposal.

d. Establishment of risk indicators to be used in the systematic hospital-based screening component of the prenatal to preschool family and child protection services program.

e. Designation of the areas of the counties selected for implementation of the infant mortality and morbidity prevention pilot program which have the highest infant mortality rate based on census tracts.

f. Designation, in cooperation with the grant recipient, of the counties of the state for implementation of the prenatal to preschool family and child protection services program.*

Sec. 48. Section 135C.2, subsection 5, paragraph b, Code Supplement 1991, is amended to read as follows:

b. A facility must be located in an area zoned for single or multiple-family housing or in an unincorporated area and must be constructed in compliance with applicable local housing codes requirements and the rules adopted for the special classification by the state fire marshal in accordance with the concept of the least restrictive environment for the facility residents. The rules adopted by the state fire marshal for the special classification shall be no more restrictive than the rules adopted by the state fire marshal for demonstration waiver project facilities pursuant to 1986 Iowa Acts, chapter 1246, section 206, subsection 2. Local housing codes requirements shall not be more restrictive than the rules adopted for the special classification by the state fire marshal and the state building code requirements for single or multiple-family housing.

*Item veto; see message at end of the Act

***Sec. 49. NEW SECTION. 148E.1 DEFINITIONS.**

As used in this chapter, unless the context otherwise requires:

1. "Acupuncture" means promoting, maintaining, or restoring health based on traditional oriental medical concepts of treating specific areas of the human body, known as acupuncture points or meridians, by performing any of the following practices:

- a. Inserting acupuncture needles.
- b. Moxibustion.
- c. Applying manual, conductive thermal, or electrical stimulation through use of acupuncture needles or any other secondary therapeutic technique except for use of other electromagnetic or ultrasound energy sources.

2. "Acupuncturist" means a person who is engaged in the practice of acupuncture.

3. "Board" means the board of medical examiners established in chapter 147.

4. "Department" means the Iowa department of public health.*

***Sec. 50. NEW SECTION. 148E.2 REGISTRATION AND RENEWAL REQUIRED.**

*A person shall not engage in the practice of acupuncture unless the person has registered with the board and received a certificate of registration pursuant to this chapter. Registration shall be renewed annually. The board shall charge a fee for renewal.**

***Sec. 51. NEW SECTION. 148E.3 REGISTRATION REQUIREMENTS AND RECIPROCAL AGREEMENTS.**

1. *A person shall be registered as an acupuncturist and issued a certificate of registration by the board, if the person does all of the following:*

a. *Submits a completed application form as provided by the board and the application fee as required by the board.*

b. *Successfully completes and passes the certification and examination process of the national commission for the certification of acupuncture.*

c. *Successfully completes a training program which conforms to standards established by the national commission for the certification of acupuncture.*

2. *The board may register a person as an acupuncturist and issue a certificate of registration based upon a reciprocal agreement pursuant to chapter 147.**

***Sec. 52. NEW SECTION. 148E.4 DISPLAY OF CERTIFICATE AND DISCLOSURE OF INFORMATION TO PATIENTS.**

An acupuncturist shall display the certificate of registration issued pursuant to section 148E.3 in a conspicuous place in the acupuncturist's place of business. An acupuncturist shall provide to each patient upon initial contact with the patient the following information in written form:

1. *The name, business address, and business phone number of the acupuncturist.*

2. *A fee schedule.*

3. *A listing of the acupuncturist's education, experience, degrees, certificates, or credentials related to acupuncture awarded by professional acupuncture organizations, the length of time required to obtain the degrees or credentials, and experience.*

4. *A statement indicating any license, certificate, or registration in a health care occupation which was revoked by any local, state, or national health care agency.*

5. *A statement that the acupuncturist is complying with rules adopted by the department or the board, including a statement that only presterilized, disposable needles are used by the acupuncturist.*

6. *A statement indicating that the practice of acupuncture is regulated by the department.**

***Sec. 53. NEW SECTION. 148E.5 USE AND DISPOSAL OF NEEDLES.**

*An acupuncturist shall use only presterilized, disposable needles, and shall provide for adequate disposal of used needles.**

*Item veto; see message at end of the Act

***Sec. 54. NEW SECTION. 148E.6 REVOCATION OR SUSPENSION OF CERTIFICATE AND REGISTRATION.**

In addition to the grounds for revocation or suspension referred to in section 147.55, the registration and certificate of registration to practice acupuncture shall be revoked or suspended when the acupuncturist is guilty of any of the following acts or offenses:

- 1. Failure to provide information as required in section 148E.4 or provision of false information to patients.*
- 2. Acceptance of remuneration for referral of a patient to other health professionals.*
- 3. Offering of or giving of remuneration for the referral of patients, not including paid advertisements or marketing services.*
- 4. Failure to comply with this chapter, rules adopted pursuant to this chapter, or applicable provisions of chapter 147.*
- 5. Engaging in sexual activity or genital contact with a patient while acting or purporting to act within the scope of practice, whether or not the patient consented to the sexual activity or genital contact.*
- 6. Disclosure of confidential information regarding the patient.**

***Sec. 55. NEW SECTION. 148E.7 ACCIDENT AND HEALTH INSURANCE COVERAGE.**

*This chapter shall not be construed to require accident and health insurance coverage for acupuncture services under an existing or future contract or policy for insurance issued or issued for delivery in this state, unless otherwise provided by the contract or policy.**

***Sec. 56. NEW SECTION. 148E.8 SCOPE OF CHAPTER.**

*This chapter does not apply to a person who is licensed as a physician, as defined in section 135.1, or as a dentist.**

***Sec. 57. NEW SECTION. 148E.9 STANDARD OF CARE.**

*A person registered under this chapter shall be held to the same standard of care as a person licensed to practice medicine and surgery, osteopathy, or osteopathic medicine and surgery.**

***Sec. 58. NEW SECTION. 148E.10 EVALUATION OF CONDITION REQUIRED.**

*A person registered under this chapter shall not engage in the performance of acupuncture upon another person until the person's condition has been evaluated by a physician, as defined in section 135.1, or by a dentist.**

***Sec. 59. Section 147.1, subsections 2 and 3, Code Supplement 1991, are amended to read as follows:**

2. "Licensed" or "certified" when applied to a physician and surgeon, podiatrist, osteopath, osteopathic physician and surgeon, physician assistant, psychologist or associate psychologist, chiropractor, nurse, dentist, dental hygienist, optometrist, speech pathologist, audiologist, pharmacist, physical therapist, occupational therapist, practitioner of cosmetology, practitioner of barbering, funeral director, dietitian, marital and family therapist, mental health counselor, or social worker, or acupuncturist means a person licensed or certified under this title.

*3. "Profession" means medicine and surgery, podiatry, osteopathy, osteopathic medicine and surgery, practice as a physician assistant, psychology, chiropractic, nursing, dentistry, dental hygiene, optometry, speech pathology, audiology, pharmacy, physical therapy, occupational therapy, cosmetology, barbering, mortuary science, marital and family therapy, mental health counseling, social work, or dietetics, or acupuncture.**

***Sec. 60. Section 147.13, subsection 1, Code Supplement 1991, is amended to read as follows:**

*1. For medicine and surgery, and osteopathy, and osteopathic medicine and surgery, and acupuncture, medical examiners.**

***Sec. 61. Section 147.74, Code Supplement 1991, is amended by adding the following new subsection after subsection 16 and renumbering the remaining subsection:**

*Item veto; see message at end of the Act

NEW SUBSECTION. 17. *An acupuncturist registered under chapter 148E may use the words "registered acupuncturist" after the person's name.**

**Sec. 62. Section 147.80, Code Supplement 1991, is amended by adding the following new subsection after subsection 23 and renumbering the remaining subsections:*

NEW SUBSECTION. 24. *Registration to practice acupuncture, registration to practice acupuncture under a reciprocal agreement, or renewal of registration to practice acupuncture.**

Sec. 63. Section 225C.25, Code 1991, is amended to read as follows:
225C.25 SHORT TITLE.

Sections 225C.25 through ~~225C.28~~ 225C.28B shall be known as "the bill of rights and service quality standards of persons with mental retardation, developmental disabilities, brain injury, or chronic mental illness".

Sec. 64. Section 225C.26, Code 1991, is amended to read as follows:
225C.26 SCOPE.

These rights and service quality standards apply to any person with mental retardation, a developmental disability, brain injury, or chronic mental illness who receives services which are funded in whole or in part by public funds or services which are permitted under Iowa law.

Sec. 65. Section 225C.27, unnumbered paragraph 1, Code 1991, is amended to read as follows:

Sections 225C.25 through ~~225C.28~~ 225C.28B shall be liberally construed and applied to promote their purposes and the stated rights and service quality standards. The division, in coordination with appropriate agencies, shall adopt rules to implement the purposes of sections ~~225C.25 through 225C.28~~ section 225C.28B, subsections 3 and 4, which include, but are not limited to the following:

Sec. 66. **NEW SECTION. 225C.28A SERVICE QUALITY STANDARDS.**

As the state participates more fully in funding services to persons with mental retardation, developmental disabilities, brain injury, or chronic mental illness, it is the intent of the general assembly that the state shall seek to attain the following quality standards in the provision of the services:

1. Provide comprehensive evaluation and diagnosis adapted to the cultural background, primary language, and ethnic origin of the person.
2. Provide an individual treatment, habilitation, and program plan.
3. Provide individualized treatment, habilitation, and program services as appropriate.
4. Provide periodic review of the individual plan.
5. Provide for the least restrictive environment and age-appropriate services.
6. Provide appropriate training and employment opportunities so that the person's ability to contribute to and participate in the community is maximized.

Sec. 67. **NEW SECTION. 225C.28B RIGHTS OF PERSONS WITH MENTAL RETARDATION, DEVELOPMENTAL DISABILITIES, BRAIN INJURY, OR CHRONIC MENTAL ILLNESS.**

All of the following rights shall apply to a person with mental retardation, a developmental disability, brain injury, or chronic mental illness:

1. Wage protection. A person with mental retardation, a developmental disability, brain injury, or chronic mental illness engaged in work programs shall be paid wages commensurate with the going rate for comparable work and productivity.
2. Insurance protection. Pursuant to section 507B.4, subsection 7, a person or designated group of persons shall not be denied insurance coverage by reason of mental retardation, a developmental disability, brain injury, or chronic mental illness.
3. Due process. A person with mental retardation, a developmental disability, brain injury, or chronic mental illness retains the right to citizenship in accordance with the laws of the state.
4. Participation in planning activities. If an individual treatment, habilitation, and program plan is developed for a person with mental retardation, a developmental disability, brain injury, or chronic mental illness, the person has the right to participate in the formulation of the plan.

Sec. 68. Section 225C.29, Code 1991, is amended to read as follows:
225C.29 COMPLIANCE.

Except for a violation of section ~~225C.28, subsection 9~~ 225C.28B, subsection 2, the sole remedy for violation of a rule adopted by the division to ~~enforce or implement this Act sections 225C.25 through 225C.28B~~ shall be by a proceeding for compliance initiated by request to the division pursuant to chapter 17A. Any decision of the division shall be in accordance with due process of law and is subject to appeal to the Iowa district court pursuant to sections 17A.19 and 17A.20 by any aggrieved party. Either the division or a party in interest may apply to the Iowa district court for an order to enforce the decision of the division. ~~Neither this Act nor any~~ Any rules adopted by the division to ~~implement sections 225C.25 through 225C.28B~~ do not create any right, entitlement, property or liberty right or interest, or private cause of action for damages against a ~~municipality as defined in chapter 613A the state or a political subdivision of the state~~ or for which ~~such municipality the state or a political subdivision of the state~~ would be responsible. Any violation of section ~~225C.28, subsection 9,~~ 225C.28B, subsection 2, shall solely be subject to the enforcement by the commissioner of insurance and penalties granted by chapter 507B for a violation of section 507B.4, subsection 7.

Sec. 69. Section 226.7, Code 1991, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. If the district court commits a patient to a state mental health institute and a bed for the patient is not available, the institute shall assist the court in locating an alternative placement for the patient.

Sec. 70. Section 230A.14, Code 1991, is amended to read as follows:
230A.14 SUPPORT OF CENTER — FEDERAL FUNDS.

The board of supervisors of any county served by a community mental health center established or continued in operation as authorized by section 230A.1 may expend money from county funds, ~~federal revenue-sharing funds, or other federal matching funds~~ designated by the board of supervisors for that purpose, without a vote of the electorate of the county, to pay the cost of any services described in section 230A.2 which are provided by the center or by an affiliate under contract with the center, or to pay the cost of or grant funds for establishing, reconstructing, remodeling, or improving any facility required for the center. ~~However, the county board shall not expend money from that fund, except for designated revenue-sharing or other federal matching funds, for mental health treatment obtained outside a state institution in an amount exceeding eight dollars per capita in any county having less than forty thousand population.~~

Sec. 71. Section 234.40, Code 1991, is amended to read as follows:
234.40 CORPORAL PUNISHMENT.

The department of human services shall ~~not adopt or enforce any rule or policy~~ rules prohibiting ~~limited~~ corporal punishment of foster children by foster parents licensed by the department. ~~This paragraph shall not prevent promulgation of rules prohibiting malicious, willful and wanton conduct by a foster parent which causes injury or damage to a foster child, or exposes the foster child to danger of such injury or damage.~~ The rules shall allow foster parents to use reasonable physical force to restrain a foster child in order to prevent injury to the foster child, injury to others, the destruction of property, or extremely disruptive behavior. For the purposes of this section, "corporal punishment" means the intentional physical punishment of a foster child. A foster parent's physical contact with the body of a foster child shall not be considered corporal punishment if the contact is reasonable and necessary under the circumstances and is not designed or intended to cause pain or if the foster parent uses reasonable force, as defined under section 704.1.

Sec. 72. Section 249A.25, subsection 4, paragraph i, Code Supplement 1991, is amended by striking the paragraph.

Sec. 73. Section 249A.25, subsection 4, paragraph j, Code Supplement 1991, is amended to read as follows:

j. Issue a final advisory decision regarding any issue of disagreement between a county and the department relating to expenditures for candidate services or the county's maintenance of effort.

Sec. 74. Section 249A.26, subsection 3, Code Supplement 1991, is amended by striking the subsection.

Sec. 75. Section 331.438, Code 1991, is amended to read as follows:
331.438 COUNTY MENTAL HEALTH SERVICES EXPENDITURES FROZEN.

In the event the ~~Seventy-fourth~~ General Assembly does not enact legislation to implement a funding formula for state participation in funding of mental health, mental retardation, and developmental disabilities services which takes effect in the fiscal year beginning July 1, 1992 1996, the mental health, mental retardation, and developmental disabilities services expenditures of counties shall be frozen in the amount the counties expended for those services in the fiscal year beginning July 1, 1991 1995. The expenses in excess of the frozen amount shall be paid for by the state in a timely manner that is not disruptive to persons providing or receiving services.

Sec. 76. 1992 Iowa Act, Senate File 2366,* section 9, subsection 3, paragraphs c and e, if enacted by the Seventy-fourth General Assembly, 1992 Session, are amended to read as follows:
c. Foster care:

.....	\$	4,257,392
.....	\$	14,262,340
e. Local administrative costs and other local services:		
.....	\$	11,142,810
.....	\$	1,137,862

Sec. 77. 1992 Iowa Acts, Senate File 2366,* section 50, subsection 60, if enacted by the Seventy-fourth General Assembly, 1992 Session, is amended to read as follows:

60. For block grant supplementation <u>foster care</u> , grant number 13667:	\$	10,004,948
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Sec. 78. EMERGENCY RULES. If specifically authorized by a provision of this Act, the department of human services 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, unless a later effective date is specified in the rules. In addition, the department may adopt administrative rules in accordance with the provisions of this section as necessary to comply with federal requirements or to adjust to a change in the level of federal funding which affect refugee programs during the fiscal period beginning July 1, 1992, and ending June 30, 1993. 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. 79. REPEAL. Section 225C.28 is repealed.

Sec. 80. EFFECTIVE DATE. Section 12, subsection 8, relating to the demonstration program to decategorize child welfare services, section 13 of this Act, relating to foster care SSI eligibility determinations, and section 16, subsection 1, relating to a determination of allocations by the state court administrator, being deemed of immediate importance, take effect upon enactment.

Approved June 3, 1992, except the items which I hereby disapprove and which are designated as Section 3 in its entirety; Section 5, subsection 4 in its entirety; Section 25, subsection 5 in its entirety; Section 33, subsection 4, paragraph a in its entirety; Sections 40, 41, 42, 43, 44, 45, 46, and 47 in their entirety; and Sections 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60,

*Chapter 1234 herein

61, and 62 in their entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.

TERRY E. BRANSTAD, *Governor*

Dear Madam Secretary:

I hereby transmit Senate File 2355, an Act relating to appropriations for the department of human services and the prevention of disabilities policy council and including other provisions and appropriations involving health care and providing for effective and applicability dates.

Senate File 2355 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 3, in its entirety. This provision appropriates \$276 million for medical assistance programs. It is imperative that the State of Iowa address the issue of escalating costs for medical services. Without adequate cost containment, we will be unable to bring the state budget under control.

I am unable to approve the item designated as Section 5, subsection 4, in its entirety. This provision would require the state to pay an additional \$940,000 annually to residential care facilities for residents under the supplementary assistance program. Because this funding requirement has not been incorporated into the appropriation for state supplementary assistance, this item cannot be approved.

I am unable to approve the item designated as Section 25, subsection 5, in its entirety. This subsection transfers \$20,000 from the appropriation for mental health/mental retardation/development disabilities/brain injury community services to the Legislative Service Bureau to develop a plan to restructure the MH/MR/DD system. Because the Legislative Service Bureau is one of the few remaining agencies which have a standing unlimited appropriation, funding for this purpose should come from that agency's budget. By disapproving this item, the Department of Human Services will revert \$20,000 to the general fund of the state at the end of fiscal year 1993.

I am unable to approve the item designated as Section 33, subsection 4, paragraph a, in its entirety. This provides for future increases in reimbursement payments to foster parents. Because House File 2480, as amended by House File 2486, provides for an increase in reimbursement payments, I am unable to approve this section.

I am unable to approve the items designated as Sections 40 through 47, in their entirety. Given current financial constraints, I am unable to approve the expenditure of \$1.3 million for the new programs established by these sections.

I am unable to approve the items designated as Sections 49 through 62, in their entirety. These sections provide for registration, licensing and certification of acupuncturists. This issue requires additional study and cannot be approved.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 2355 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*