

331.439 Eligibility for state payment.

1. The state payment to eligible counties under [this section](#) shall be made as provided in [sections 331.438](#) and [426B.2](#). A county is eligible for the state payment, as defined in [section 331.438](#), for a fiscal year if the director of human services, in consultation with the state commission, determines for a specific fiscal year that all of the following conditions are met:

a. The county accurately reported by December 1 the county's expenditures for mental health, mental retardation, and developmental disabilities services and the information required under [section 225C.6A, subsection 2](#), paragraph "c", for the previous fiscal year on forms prescribed by rules adopted by the state commission. If the department determines good cause exists, the department may extend a deadline otherwise imposed under [this chapter](#), [chapter 225C](#), or [chapter 426B](#) for a county's reporting concerning mental health, mental retardation, or developmental disabilities services or related revenues and expenditures.

b. The county developed and implemented a county management plan for the county's mental health, mental retardation, and developmental disabilities services in accordance with the provisions of this paragraph "b". The plan shall comply with the administrative rules adopted for this purpose by the state commission and is subject to the approval of the director of human services in consultation with the state commission. The plan shall include a description of the county's service management provision for mental health, mental retardation, and developmental disabilities services. For mental retardation and developmental disabilities service management, the plan shall describe the county's development and implementation of a managed system of cost-effective individualized services and shall comply with the provisions of paragraph "f". The goal of this part of the plan shall be to assist the individuals served to be as independent, productive, and integrated into the community as possible. The service management provisions for mental health shall comply with the provisions of paragraph "e". A county is subject to all of the following provisions in regard to the county's management plan and planning process:

(1) The county shall have in effect an approved policies and procedures manual for the county's services fund. The county management plan shall be defined in the manual. The manual submitted by the county as part of the county's management plan for the fiscal year beginning July 1, 2000, as approved by the director of human services, shall remain in effect, subject to amendment. An amendment to the manual shall be submitted to the department of human services at least forty-five days prior to the date of implementation. Prior to implementation of any amendment to the manual, the amendment must be approved by the director of human services in consultation with the state commission.

(2) For informational purposes, the county shall submit a management plan review to the department of human services by December 1 of each year. The annual review shall incorporate an analysis of the data associated with the services managed during the preceding fiscal year by the county or by a managed care entity on behalf of the county. The annual review shall also identify measurable outcomes and results showing the county's progress in fulfilling the purposes listed in paragraph "c", and in achieving the disability services outcomes and indicators identified by the commission pursuant to [section 225C.6](#).

(3) For informational purposes, every three years the county shall submit to the department of human services a three-year strategic plan. The strategic plan shall describe how the county will proceed to attain the plan's goals and objectives, and the measurable outcomes and results necessary for moving the county's service system toward an individualized, community-based focus in accordance with paragraph "c". The three-year strategic plan shall be submitted by April 1, 2000, and by April 1 of every third year thereafter.

c. The county implements its county management plan under paragraph "b" and other service management functions in a manner that seeks to achieve all of the following purposes identified in [section 225C.1](#) for persons who are covered by the plan or are otherwise subject to the county's service management functions:

(1) The service system seeks to empower persons to exercise their own choices about the amounts and types of services and other support received.

(2) The service system seeks to empower the persons to accept responsibility, exercise choices, and take risks.

(3) The service system seeks to provide services and other support that are individualized, provided to produce results, flexible, and cost-effective.

(4) The service system seeks to provide services and other supports in a manner which supports the ability of the persons to live, learn, work, and recreate in communities of their choice.

d. Commencing with the fiscal year beginning July 1, 2007, the county management plan under paragraph "c" shall do both of the following:

(1) Describe how the county will provide services and other support that are individualized, provided to produce results, flexible, and cost-effective in accordance with paragraph "c", subparagraph (3).

(2) Describe how the ability of the individuals covered by the plan to live, learn, work, and recreate in communities of the individuals' choice will be enhanced as provided in paragraph "c", subparagraph (4).

e. (1) For mental health service management, the county may either directly implement a system of service management and contract with service providers, or contract with a private entity to manage the system, provided all requirements of this lettered paragraph are met by the private entity. The mental health service management shall incorporate a central point of coordination and clinical assessment process developed in accordance with the provisions of [section 331.440](#).

(2) A managed care system for mental health proposed by a county shall include but is not limited to all of the following elements which shall be specified in administrative rules adopted by the state commission:

- (a) The enrollment and eligibility process.
- (b) The scope of services included.
- (c) The method of plan administration.
- (d) The process for managing utilization and access to services and other assistance.
- (e) The quality assurance process.
- (f) The risk management provisions and fiscal viability of the provisions, if the county contracts with a private managed care entity.

f. For mental retardation and developmental disabilities services management, the county must either develop and implement a managed system of care which addresses a full array of appropriate services and cost-effective delivery of services or contract with a state-approved managed care contractor or contractors. Any system or contract implemented under this paragraph shall incorporate a central point of coordination and clinical assessment process developed in accordance with the provisions of [section 331.440](#). The elements of the county managed system of care shall be specified in rules developed by the department of human services in consultation with and adopted by the state commission.

2. The county management plan shall address the county's criteria for serving persons with chronic mental illness, including any rationale used for decision making regarding this population.

3. a. For the fiscal year beginning July 1, 1996, and succeeding fiscal years, the county's mental health, mental retardation, and developmental disabilities service expenditures for a fiscal year are limited to a fixed budget amount. The fixed budget amount shall be the amount identified in the county's management plan and budget for the fiscal year. The county shall be authorized an allowed growth factor adjustment as established by statute for services paid from the county's services fund under [section 331.424A](#) which is in accordance with the county's management plan and budget, implemented pursuant to [this section](#). The statute establishing the allowed growth factor adjustment shall establish the adjustment for the fiscal year which commences two years from the beginning date of the fiscal year in progress at the time the statute is enacted.

b. Based upon information contained in county management plans and budgets and proposals made by representatives of counties, the state commission shall recommend an allowed growth factor adjustment to the governor by November 15 for the fiscal year which commences two years from the beginning date of the fiscal year in progress at the time the recommendation is made. The allowed growth factor adjustment shall address costs associated with new consumers of service, service cost inflation, and investments

for economy and efficiency. In developing the service cost inflation recommendation, the state commission shall consider the cost trends indicated by the gross expenditure amount reported in the expenditure reports submitted by counties pursuant to [subsection 1](#), paragraph “a”. The governor shall consider the state commission’s recommendation in developing the governor’s recommendation for an allowed growth factor adjustment for such fiscal year. The governor’s recommendation shall be submitted at the time the governor’s proposed budget for the succeeding fiscal year is submitted in accordance with [chapter 8](#).

c. The amount of the appropriation required to fund the allowed growth factor adjustment for a fiscal year shall be calculated by applying the adjustment established by statute for that fiscal year to the sum of the following:

(1) The total amount of base year expenditures for all counties.

(2) The total amount of the appropriations for allowed growth factor adjustments made to all counties in all of the fiscal years prior to that fiscal year.

4. A county may provide assistance to service populations with disabilities to which the county has historically provided assistance but who are not included in the service management provisions required under [subsection 1](#), subject to the availability of funding.

5. a. A county shall implement the county’s management plan in a manner so as to provide adequate funding for the entire fiscal year by budgeting for ninety-nine percent of the funding anticipated to be available for the plan. A county may expend all of the funding anticipated to be available for the plan.

b. If a county determines that the county cannot provide services in accordance with the county’s management plan and remain in compliance with the budgeting requirement of paragraph “a” for the fiscal year, the county may implement a waiting list for the services. The procedures for establishing and applying a waiting list shall be specified in the county’s management plan. If a county implements a waiting list for services, the county shall notify the department of human services. The department shall maintain on the department’s internet website an up-to-date listing of the counties that have implemented a waiting list and the services affected by each waiting list.

6. The director’s approval of a county’s mental health, mental retardation, and developmental disabilities services management plan shall not be construed to constitute certification of the county’s budget.

7. A county shall annually report data concerning the services managed by the county. At a minimum, the data reported shall indicate the number of different individuals who utilized services in a fiscal year and the various types of services. Data reported under [this subsection](#) shall be submitted with the county’s expenditure report required under [subsection 1](#), paragraph “a”.

8. A county’s management plans submitted under [this section](#) shall provide for services to children from community mental health centers and other mental health service providers accredited under [chapter 225C](#).

9. The county management plan shall designate at least one hospital licensed under [chapter 135B](#) that the county has contracted with to provide services covered under the plan. If the designated hospital does not have a bed available to provide the services, the county is responsible for the cost of covered services provided at an alternate hospital licensed under [chapter 135B](#).

94 Acts, ch 1163, §3; 95 Acts, ch 206, §15; 96 Acts, ch 1205, §3, 11; 97 Acts, ch 169, §22 – 25; 97 Acts, ch 198, §4; 97 Acts, ch 206, §18, 24; 98 Acts, ch 1100, §53, 54; 98 Acts, ch 1181, §18, 20; 99 Acts, ch 160, §13 – 16; 2002 Acts, ch 1146, §12 – 17; 2004 Acts, ch 1090, §24 – 29, 33; 2005 Acts, ch 179, §59; 2006 Acts, ch 1115, §9, 10; 2007 Acts, ch 218, §80, 88, 92; 2008 Acts, ch 1187, §57

Referred to in [§222.60](#), [222.73](#), [225C.6](#), [230.20](#), [231.56A](#), [235A.15](#), [235B.6](#), [331.424A](#), [331.438](#), [331.440](#), [426B.2](#), [426B.5](#)

For specific exceptions to payments, expenditures, and reporting requirements provided under this section, see appropriations and other noncodified enactments in the annual Acts of the general assembly

2007 amendment to subsection 1, paragraph a, takes effect May 29, 2007, and applies retroactively to and after December 1, 2006, for information collected as of that date; deadline for submission of data for preceding fiscal year; penalties; report regarding transfer of funds to county services fund or utilization of nonreversion authority for decategorization project funding; 2007 Acts, ch 218, §92, 96