

222.73 Billing of patient charges — computation of actual costs — cost settlement.

1. The superintendent of each resource center shall compute by February 1 the average daily patient charge and outpatient treatment charges for which each county will be billed for services provided to patients chargeable to the county during the fiscal year beginning the following July 1. The department shall certify the amount of the charges and notify the counties of the billing charges.

a. The superintendent shall compute the average daily patient charge for a resource center for services provided in the following fiscal year, in accordance with generally accepted accounting procedures, by totaling the expenditures of the resource center for the immediately preceding calendar year, by adjusting the expenditures by a percentage not to exceed the percentage increase in the consumer price index for all urban consumers for the immediately preceding calendar year, and by dividing the adjusted expenditures by the total inpatient days of service provided during the immediately preceding calendar year.

b. The department shall compute the outpatient treatment charges, in accordance with generally accepted accounting procedures, on the basis of the actual cost of the outpatient treatment provided during the immediately preceding calendar year.

2. a. The superintendent shall certify to the department the billings to each county for services provided to patients chargeable to the county during the preceding calendar quarter. The county billings shall be based on the average daily patient charge and outpatient treatment charges computed pursuant to [subsection 1](#), and the number of inpatient days and outpatient treatment service units chargeable to the county. The billings to a county of residence are subject to adjustment for all of the following circumstances:

(1) The county billing for a patient shall be reduced by the amount received for the patient's care from a source other than state appropriated funds.

(2) If more than twenty percent of the cost of a patient's care is initially paid from a source other than state appropriated funds, the amount paid shall be subtracted from the average per-patient-per-day cost of that patient's care and the patient's county shall be billed for the full balance of the cost so computed.

(3) The county of a patient who is eligible for reimbursement under the medical assistance program shall be responsible for the costs which are not reimbursed by the medical assistance program, regardless of the level of care provided to the patient.

(4) A county shall be responsible for eighty percent of the cost of care of a patient who is not eligible for reimbursement under the medical assistance program.

(5) The billings for counties shall be credited with one hundred percent of the client participation for patients eligible for medical assistance in the calculation of the per diem rate for patients.

(6) A mental health and disability services region shall not be billed for the cost of a patient unless the patient's admission is authorized through the applicable regional administrator. The state resource center and the regional administrator shall work together to locate appropriate alternative placements and services and to educate patients and the family members of patients regarding such alternatives.

b. The per diem costs billed to each mental health and disability services region shall not exceed the per diem costs billed to the region in the fiscal year beginning July 1, 2016.

3. The superintendent shall compute in January the actual per-patient-per-day cost for each resource center for the immediately preceding calendar year, in accordance with generally accepted accounting procedures, by totaling the actual expenditures of the resource center for the calendar year and by dividing the total actual expenditures by the total inpatient days of service provided during the calendar year.

4. The department shall certify to the counties by February 1 the actual per-patient-per-day costs, as computed pursuant to [subsection 3](#), and the actual costs owed by each county for the immediately preceding calendar year for patients chargeable to the county. If the actual costs owed by the county are greater than the charges billed to the county pursuant to [subsection 2](#), the department shall bill the county for the difference with the billing for the quarter ending June 30. If the actual costs owed by the county are less than the charges billed to the county

pursuant to [subsection 2](#), the department shall credit the county for the difference starting with the billing for the quarter ending June 30.

5. A superintendent of a resource center may request that the director enter into a contract with a person for the resource center to provide consultation or treatment services or for fulfilling other purposes which are consistent with the purposes stated in [section 222.1](#). The contract provisions shall include charges which reflect the actual cost of providing the services. Any income from a contract authorized under [this subsection](#) may be retained by the resource center to defray the costs of providing the services or fulfilling the other purposes. Except for a contract voluntarily entered into by a county under [this subsection](#), the costs or income associated with a contract authorized under [this subsection](#) shall not be considered in computing charges and per diem costs in accordance with the provisions of [subsections 1 and 3](#).*

[SS15, §2727-a96; C24, 27, 31, 35, 39, §3469; C46, 50, 54, 58, 62, §223.5; C66, 71, 73, 75, 77, 79, 81, §222.73]

86 Acts, ch 1169, §1; 88 Acts, ch 1249, §6; 88 Acts, ch 1276, §38; 95 Acts, ch 82, §4; 96 Acts, ch 1183, §6 – 8; 98 Acts, ch 1155, §9; 2000 Acts, ch 1112, §51; 2001 Acts, ch 155, §15 – 17; 2004 Acts, ch 1090, §33; 2009 Acts, ch 41, §263; 2012 Acts, ch 1120, §86, 130; 2015 Acts, ch 69, §16, 17; 2017 Acts, ch 109, §1, 20, 21; 2023 Acts, ch 19, §436; 2024 Acts, ch 1161, §174, 180

Referred to in [§222.74](#), [331.381](#)

For future strike of subsections 2 and 4, effective July 1, 2025, see 2024 Acts, ch 1161, §44, 137

*Reference to “subsections 1 through 4” probably intended; corrective legislation is pending

Section amended and editorially internally renumbered