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REPORT OF THE CONFERENCE COMMITTEE

ON HOUSE FILE 2463

To the Speaker of the House of Representatives and the President of the Senate:

We, the undersigned members of the conference committee appointed to resolve the differences between the House of Representatives and the Senate on House File 2463, a bill for an Act relating to appropriations for health and human services and veterans and including other related provisions and appropriations, and including effective date and retroactive and other applicability date provisions, respectfully make the following report:

1. That the Senate recedes from its amendment, H-8289.

2. That House File 2463, as amended, passed, and reprinted by the House, is amended to read as follows:

1. Page 1, line 22, by striking <10,606,066> and inserting <11,419,732>

2. Page 1, line 23, by striking <28.00> and inserting <~~28.00~~ 31.00>

3. Page 3, line 1, by striking <subsection> and inserting <~~subsection~~ section>

4. Page 3, after line 4 by inserting:

<7. Of the funds appropriated in this section, $813,666 shall be used for the purposes of chapter 231E and section 231.56A, of which $288,666 shall be used to fund the initial reestablishment of the office of substitute decision maker pursuant to chapter 231E, and the remainder shall be distributed equally to the area agencies on aging to administer the prevention of elder abuse, neglect, and exploitation program pursuant to section 231.56A, in accordance with the requirements of the federal Older Americans Act of 1965, 42 U.S.C. §3001 et seq., as amended.

8. The department on aging shall analyze the meal programs coordinated through the area agencies on aging and shall submit

its findings by December 15, 2014, to the persons designated in this Act for submission of reports.>

5. Page 3, line 19, by striking <821,707> and inserting <929,315>

6. Page 3, line 21, by striking <11.00> and inserting <12.00>

7. Page 3, after line 27 by inserting:

<3. Of the funds appropriated in this section, $107,608 shall be used to provide a discharge specialist to assist residents and tenants with voluntary and involuntary discharges and evictions from health care facilities, elder group homes, and assisted living programs.>

8. Page 4, line 9, by striking <27,088,690> and inserting <27,263,690>

9. Page 4, line 12, by striking <5,073,361> and inserting <5,173,361>

10. Page 8, after line 16 by inserting:

<f. The department of public health shall engage stakeholders to review reimbursement provisions applicable to substance-related disorder providers. The issues considered shall include but not be limited to the adequacy of the reimbursement provisions, whether it is appropriate to rebase reimbursement, equity of the reimbursement provisions as compared to the reimbursement methodologies used for providers of similar behavioral health services, and the effect of health coverage expansion through the Iowa health and wellness plan on such providers. The department shall report its findings and recommendations to the general assembly on or before December 15, 2014.>

11. Page 8, line 23, by striking <3,671,602> and inserting <4,046,602>

12. Page 9, line 5, by striking <1,327,887> and inserting <1,627,887>

13. Page 10, line 4, by striking <137,768> and inserting

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<162,768>

14. Page 10, after line 31 by inserting:

<j. In preparation for the completion of the youth and young adult suicide prevention program (Y-YASP) project funded through the federal Garrett Lee Smith youth suicide prevention grant awarded to the department of public health, the department of public health and the department of education shall submit recommendations by December 15, 2014, to the governor and the general assembly regarding options for continuing the foundation established by the project beyond the project's completion.

k. Of the funds appropriated in this subsection, $50,000 shall be used to support the Iowa effort to address the survey of children who experience adverse childhood experiences known as ACEs.>

15. Page 11, line 2, by striking <5,040,692> and inserting <5,155,692>

16. Page 11, by striking lines 14 through 16 and inserting <basis. Of the amount allocated in this paragraph, ~~$47,500~~ $95,000 shall be used to fund one full-time equivalent position to serve as the state brain injury ~~service~~ services program manager.>

17. Page 11, line 23, by striking <$99,823> and inserting <$149,823>

18. Page 11, line 27, after <families.> by inserting <The amount allocated in this paragraph in excess of $100,000 shall be matched dollar for dollar by the organization specified.>

19. Page 12, line 32, by striking <175,263> and inserting <215,263>

20. Page 12, after line 35 by inserting:

<l. Of the funds appropriated in this subsection, $25,000 shall be used for implementation of chapter 124D, the medical cannabidiol Act, or other provision authorizing the compassionate medical use of cannabidiol, if enacted by the

2014 regular session of the eighty-fifth general assembly. If no such enactment occurs, the funding allocated by this lettered paragraph shall be transferred to the allocation made in this 2014 Act to implement reductions in the waiting lists of all medical assistance home and community-based services waivers to be used as specified in that allocation.>

21. Page 13, line 6, by striking <9,284,436> and inserting <8,737,910>

22. Page 15, by striking lines 30 through 33 and inserting:

<(8) For continuation of the safety net provider patient access to a specialty health care initiative as described in 2007 Iowa Acts, chapter 218, section 109:

..... $ ~~189,237~~ 378,474>

23. Page 16, line 13, by striking <175,900> and inserting <213,400>

24. Page 16, line 19, by striking <178,875> and inserting <216,375>

25. Page 17, line 10, by striking <150,000> and inserting <250,000>

26. Page 17, line 34, by striking <p.> and inserting <p. (1)>

27. Page 18, after line 18 by inserting:

<(2) The department of human services shall work with the Iowa collaborative safety net provider network and the Iowa primary care association to develop a long-term sustainability plan for the statewide regionally based network to provide the integrated approach to health care delivery as described in this lettered paragraph. The department shall pursue any appropriate payment mechanisms available such as a Medicaid program state plan amendment, Medicaid program waiver, state innovation model funding, or other funding through the centers for Medicare and Medicaid services of the United States department of health and human services to provide options

for long-term sustainability by incorporating funding of the network into any such appropriate payment mechanism.>

28. Page 18, line 20, by striking <3,000,000> and inserting <2,000,000>

29. Page 18, by striking lines 25 through 30 and inserting <as specified in section 135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.>

30. Page 19, by striking lines 3 through 10.

31. Page 20, line 4, by striking <3,420,027> and inserting <3,287,127>

32. Page 20, by striking lines 33 and 34.

33. By striking page 21, line 14, through page 22, line 13, and inserting:

<Sec. ___. 2013 Iowa Acts, chapter 138, section 134, subsection 1, is amended to read as follows:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

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

..... $ ~~546,754~~
1,095,951
..... FTEs 13.00

IOWA VETERANS HOME

Sec. ___. 2013 Iowa Acts, chapter 138, section 134, subsection 2, unnumbered paragraph 1, is amended to read as follows:

For salaries, support, maintenance, and miscellaneous purposes:

..... $ ~~3,762,857~~
7,594,996

Sec. ___. 2013 Iowa Acts, chapter 138, section 134,

subsection 2, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. The Iowa veterans home expenditure report shall be submitted monthly to the legislative services agency.

Sec. ___. 2013 Iowa Acts, chapter 138, section 134, subsection 3, is amended to read as follows:>

34. By striking page 24, line 25, through page 25, line 32.

35. Page 25, line 33, by striking <c.> and inserting <b.>

36. Page 29, line 17, by striking <6,042,834> and inserting <6,192,834>

37. Page 31, line 26, by striking <48,503,875> and inserting <48,693,875>

38. Page 31, line 30, by striking <3,163,854> and inserting <3,313,854>

39. Page 32, line 33, by striking <40,000> and inserting <80,000>

40. Page 33, line 3, after <responsibility> by inserting <headquartered>

41. Page 33, line 7, before <fatherhood> by inserting <multi-county>

42. Page 35, line 7, by striking <1,248,320,932> and inserting <1,250,658,393>

43. Page 36, line 10, by striking <$5,151,477> and inserting <$6,000,000>

44. Page 36, by striking lines 12 through 14 and inserting <community-based services waivers.>

45. Page 36, after line 27 by inserting:

<NEW SUBSECTION. 24. If authorized by the centers for Medicare and Medicaid services of the United States department of health and human services, the department of human services shall expand hospital presumptive eligibility as authorized under 42 C.F.R §435.1110, to include other provider types as qualified entities, including but not limited to federally qualified health centers, upon a center's or other entity's request.>

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46. Page 39, by striking lines 21 through 29.

47. Page 40, line 4, by striking <45,622,828> and inserting <47,132,080>

48. Page 40, line 6, by striking <37,903,401> and inserting <39,412,653>

49. Page 42, after line 26 by inserting:

<12. Of the funds appropriated in this section, $100,000 is transferred to the department of public health to be used for a program to assist parents in this state with costs resulting from the death of a child in accordance with this subsection. If it is less costly than administering the program directly, the department shall issue a request for proposals and issue a grant to an appropriate organization to administer the program.

a. The program funding shall be used to assist parents who reside in this state with costs incurred for a funeral, burial or cremation, cemetery costs, or grave marker costs associated with the unintended death of a child of the parent or a child under the care of a guardian or custodian. The department shall consider the following eligibility factors in developing program requirements:

(1) The child was a stillborn infant or was less than age eighteen at the time of death.

(2) The request for assistance was approved by the local board or department of health or the county general assistance director and may have been referred by a local funeral home.

(3) To be eligible, the parent, guardian, or custodian must have an annual household income that is less than 145 percent of the federal poverty level based on the number of people in the applicant's household as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

(4) The maximum amount of grant assistance provided to a parent, guardian, or custodian associated with the death of a child is $2,000. If the death is a multiple death and the

infants or children are being cremated, or buried together, the same limitation applies.

(5) To the extent the overall amount of assistance received by a recipient for the costs addressed under this subsection does not exceed the overall total of the costs, the recipient may receive other public or private assistance in addition to grant assistance under this section.

b. Notwithstanding section 8.33, moneys transferred by this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until expended.>

50. Page 43, line 5, by striking <788,531> and inserting <507,766>

51. Page 43, line 17, by striking <11,500,098> and inserting <12,358,285>

52. Page 43, after line 24 by inserting:

<Of the funds appropriated in this subsection, $858,187 shall be used for follow-up services identified by a juvenile court officer in conjunction with the state training school to support children who were placed at a state training school and remain under the jurisdiction of the state court and for expansion of the preparation for adult living program in accordance with section 234.46 as amended by this 2014 Act. The department shall contract for administration of the expansion. Of the amount allocated in this paragraph, $90,000 shall be used for the costs of implementing the youth council approach, known as achieving maximum potential, to provide a support network to males placed at the training school at Eldora.>

53. Page 44, by striking lines 6 through 10 and inserting <child in need of assistance:

..... $ 2,000,000

1. The funds appropriated in this section>

54. Page 44, by striking lines 15 through 20.

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55. Page 44, line 24, after <girls> by inserting <and boys and girls and boys adjudicated as a child in need of assistance who are hard-to-place>

56. Page 44, line 28, after <facilities;> by inserting <the efforts made by and with private providers to ensure the providers can provide adequate services to children adjudicated delinquent or as a child in need of assistance who are hard-to-place;>

57. Page 44, line 29, after <necessary.> by inserting <The department shall engage with representatives designated by the chief juvenile court officers, by the division of criminal and juvenile justice planning of the department of human rights, and by the coalition for family and children's services in Iowa to develop and implement a tracking information system concerning the children adjudicated as delinquent or as a child in need of assistance under chapter 232. The purpose of the system is to identify the outcomes experienced by the children during and immediately following placement in an out-of-home setting and during the two-year period following a child's last such placement. The information shall include but is not limited to demographic information, the types of criminal activity and behavioral health characteristics that contributed to or resulted in the adjudication, the other interventions provided to the children and their families before, during, and after placement, the status of the children following placement, and identification of any patterns identified from the data. The department shall report the data to the general assembly and the governor on or before December 15, 2014, and annually on December 15 thereafter, and at other times upon request.>

58. Page 45, line 15, by striking <95,535,703> and inserting <94,857,554>

59. Page 45, line 32, by striking <36,967,216> and inserting <35,745,187>

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60. Page 51, line 32, by striking <110,000> and inserting <135,000>

61. Page 52, line 6, by striking <$160,000> and inserting <$110,000>

62. Page 52, after line 16 by inserting:

<28. The department shall perform a review of the feasibility of and benefits associated with expanding foster care, kinship guardianships, and subsidized adoptions to be available on a voluntary basis to young adults who become age 18 while receiving child welfare services. The purpose of the review is to determine the extent to which the expansion is covered under the federal Fostering Connections to Success and Increasing Adoptions Act of 2008, Pub. L. No. 110-351, and would draw additional federal support under the Title IV-E of the federal Social Security Act, allow the state to expand the preparation for adult living program to additional young adults, and enhance the services and supports available under the program. The department shall engage national and state experts in structuring such programs under the federal fostering connections Act in addition to young persons with experience in the state's foster care system in performing the review. If the department determines the expansion can be implemented within existing state appropriations and produces additional benefits for the young adults who would be served under the expansion, the department may implement changes to expand the availability of foster care, kinship guardianships, and subsidized adoptions for eligible young adults who become age 21.>

63. Page 57, line 26, by striking <66,670,976> and inserting <65,170,976>

64. Page 58, line 20, by striking <16,304,602> and inserting <16,072,302>

65. Page 58, line 26, by striking <$132,300> and inserting <$150,000>

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66. Page 59, by striking line 21 and inserting <exceed ~~$268,712,511~~ $284,128,824. Of this amount, not more than $1,250,000 shall be used for reimbursement of nursing facilities to supplement the shortfall attributable to the rebasing of nursing facility rates in accordance with this 2013 Act, section 29, subsection 1, paragraph "a", subparagraph (2), beginning July 1, 2014.>

67. Page 61, line 13, by striking <2014> and inserting <~~2014~~ 2015>

68. Page 61, after line 31 by inserting:

<Sec. ___. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph q, is amended to read as follows:

q. For the fiscal year beginning July 1, 2014, the reimbursement rate for emergency medical service providers shall be increased by 10 percent over the ~~rate~~ rates in effect on June 30, 2014.>

69. Page 62, lines 10 and 11, by striking <For the fiscal year beginning> and inserting <Effective>

70. Page 62, lines 18 and 19, by striking <for the fiscal year beginning> and inserting <effective>

71. By striking page 62, line 22, through page 63, line 3, and inserting:

<(1) For service level, community - D1, the daily rate shall be at least $84.17.

(2) For service level, comprehensive - D2, the daily rate shall be at least $119.09.

(3) For service level, enhanced - D3, the daily rate shall be at least $131.09.>

72. Page 66, line 6, after <APPROPRIATIONS> by inserting <AND OTHER PRIOR PROVISIONS>

73. Page 66, after line 6 by inserting:

<SAFETY NET — CARE COORDINATION

Sec. ___. 2013 Iowa Acts, chapter 138, section 3, subsection 4, paragraph p, is amended to read as follows:

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p. Of the funds appropriated in this section, $1,158,150 is allocated to the Iowa collaborative safety net provider network established pursuant to section 135.153 to be used for the development and implementation of a statewide regionally based network to provide an integrated approach to health care delivery through care coordination that supports primary care providers and links patients with community resources necessary to empower patients in addressing biomedical and social determinants of health to improve health outcomes. The Iowa collaborative safety net provider network shall work in conjunction with the department of human services to align the integrated network with the health care delivery system model developed under the state innovation models initiative grant. The Iowa collaborative safety net provider network shall submit a progress report to the individuals designated in this Act for submission of reports by December 31, 2013, including progress in developing and implementing the network, how the funds were distributed and used in developing and implementing the network, and the remaining needs in developing and implementing the network. Notwithstanding section 8.33, moneys allocated in this paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.>

74. Page 66, by striking lines 16 through 21 and inserting <135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.>

75. Page 66, after line 31 by inserting:

<DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

Sec. ___. 2013 Iowa Acts, chapter 138, section 12, is amended by adding the following new subsection:

NEW SUBSECTION. 25. The department of human services shall adopt rules pursuant to chapter 17A to require or provide for all of the following relating to qualifications for disproportionate share hospital payments:

a. That only hospitals, including those defined as a children's hospital, located in the state may qualify for disproportionate share hospital payments.

b. That, if a hospital is defined as a children's hospital, the children's hospital may qualify for disproportionate share hospital payments if among other criteria the hospital is a member of, but is not required to be a voting member of, the children's hospital association.>

76. Page 67, after line 28 by inserting:

<FIELD OPERATIONS

Sec. ___. 2013 Iowa Acts, chapter 138, section 26, is amended by adding the following new subsection:

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

NURSING FACILITY OPEN OR UNSETTLED COST REPORTS

Sec. ___. 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph a, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (5) For any open or unsettled nursing facility cost report for a fiscal year prior to and including the fiscal year beginning July 1, 2012, including any cost report remanded on judicial review for inclusion of prescription drug, laboratory, or x-ray costs, the department shall offset all reported prescription drug, laboratory, and x-ray costs with any revenue received from Medicare or other revenue source for any purpose. For purposes of this subparagraph, a nursing facility cost report is not

considered open or unsettled if the facility did not initiate an administrative appeal under chapter 17A or if any appeal rights initiated have been exhausted.>

77. Page 68, after line 35 by inserting:

<Sec. ___. APPLICABILITY. The rules adopted under the section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 12, by enacting subsection 25, relating to disproportionate share hospital payments, shall be applicable beginning October 1, 2014.

Sec. ___. RETROACTIVE APPLICABILITY. The section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph "a", by enacting new subparagraph (5), relating to open or unsettled cost reports, is retroactively applicable to July 1, 2005.>

78. Page 69, line 15, after <this section> by inserting <, and subject to the Medicaid offset amendments in section 426B.3, subsection 5, as amended by this division of this 2014 Act, and related provisions of this division of this Act>

79. Page 71, line 7, after <division.> by inserting <The protocols and program models shall not include provisions that would interfere with the ability of any mental health and disability services region approved under section 331.389 operating as an employment network for the federal social security administration's ticket to work program for persons with disabilities to collect any milestone or outcome payments.>

80. Page 71, after line 13 by inserting:

<Sec. ___. PROVISIONAL REGIONALIZATION AUTHORIZATION.

1. During the time period beginning on the effective date of this section and ending June 30, 2015, upon receiving an application from Mahaska and Marion counties, the director of human services may authorize the counties to form and operate a mental health and disability services region on a provisional basis for up to 12 months in accordance with this section.

2. Unless the director grants an exception to policy allowing the counties and their region, during the provisional operation time period, to meet a requirement through an alternative means, the counties and their region shall comply with all of the requirements applicable to a mental health and disability services region under chapter 331 and other law applicable to regions including but not limited to the exemption provisions in 441 IAC 25.91.

3. Prior to the end of the provisional operation time period, the director may reauthorize on a one-time basis the region to operate provisionally for an additional time period of up to 12 months.

4. If the director determines the two counties and their region are not in compliance with the requirements under subsection 2 during any provisional operation time period and that compliance will not be achieved through a corrective action plan, the director may assign each county to a region contiguous to the county. The region assigned shall amend its chapter 28E agreement and other operating requirements and policies to accept the assigned county.>

81. By striking page 71, line 14, through page 72, line 2.

82. Page 72, by striking lines 11 and 12 and inserting <persons with serious mental illness. The study shall>

83. Page 72, before line 23 by inserting:

<Sec. ___. Section 230.1, subsection 1, Code 2014, is amended to read as follows:

1. The necessary and legal costs and expenses attending the taking into custody, care, investigation, admission, commitment, and support of a person with mental illness admitted or committed to a state hospital shall be paid by a county or by the state as follows:

a. If the person is eighteen years of age or older, as follows:

(1) The costs attributed to mental illness shall be paid by

the regional administrator on behalf of the person's county of residence.

(2) The costs attributed to a substance-related disorder shall be paid by the person's county of residence.

(3) The costs attributable to a dual diagnosis of mental illness and a substance-related disorder may be split as provided in section 226.9C.

b. By the state as a state case if such person has no residence in this state, if the person's residence is unknown, or if the person is under eighteen years of age.>

84. Page 73, after line 10 by inserting:

<Sec. ___. Section 331.393, subsection 2, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *h.* The financial eligibility requirements for service under the regional service system. A plan that otherwise incorporates the financial eligibility requirements of section 331.395 but allows eligibility for persons with resources above the minimum resource limitations adopted pursuant to section 331.395, subsection 1, paragraph "*c*", who were eligible under resource limitations in effect prior to July 1, 2014, or are authorized by the region as an exception to policy, shall be deemed by the department to be in compliance with financial eligibility requirements of section 331.395.>

85. Page 73, after line 28 by inserting:

<Sec. ___. Section 331.424A, subsection 7, unnumbered paragraph 1, Code 2014, is amended to read as follows:

Notwithstanding subsection 5, for the fiscal years beginning July 1, 2013, ~~and~~ July 1, 2014, and July 1, 2015, county revenues from taxes levied by the county and credited to the county services fund shall not exceed the lower of the following amounts:

Sec. ___. Section 426B.3, subsection 1, Code 2014, is amended to read as follows:

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1. For the fiscal years beginning July 1, 2013, ~~and~~ July 1, 2014, and July 1, 2015, the state and county funding for the mental health and disability services administered or paid for by counties shall be provided based on a statewide per capita expenditure target amount computed in accordance with this section and section 331.424A.>

86. By striking page 74, line 22, through page 75, line 26, and inserting:

<Sec. ___. Section 426B.3, subsection 5, Code 2014, is amended by striking the subsection and inserting in lieu thereof the following:

5. *a.* For the purposes of this subsection, unless the context otherwise requires:

(1) *"Base year"* means the fiscal year prior to the fiscal year for which a Medicaid offset amount is calculated.

(2) *"Base year amount"* means the actual amount expended from a county's services fund during the base year for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan under chapter 249N.

(3) *"Calculation year"* means the fiscal year for which a Medicaid offset amount is calculated.

(4) *"Calculation year amount"* means the actual amount expended from a county's services fund during the calculation year for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan under chapter 249N.

(5) *"Code set"* means the set of current procedural terminology (CPT) medical code set codes and the international classification of diseases, ninth revision (ICD-9) codes identified in accordance with this subsection for calculation of Medicaid offset amounts.

(6) *"Services fund"* means a county's mental health and disabilities services fund created in accordance with section

b. The department and representatives of mental health and disability services region regional administrators shall identify and agree to a code set for the services and supports provided under regional service management plans for the class of persons eligible for the Iowa health and wellness plan. The initial code set shall be identified and agreed to on or before June 30, 2014. The code set may be modified from time to time by agreement of the department and representatives of mental health and disability services region regional administrators.

c. Commencing with the fiscal year beginning July 1, 2013, and continuing in any succeeding fiscal year in which appropriations are enacted for distribution of equalization payments in the succeeding fiscal year in accordance with subsection 4, Medicaid offset amounts shall be calculated for the counties in accordance with this subsection. The calculation of county Medicaid offset amounts for a fiscal year shall be made and communicated to the counties by the department on or before October 15 following the calculation year. If rules are deemed to be necessary to provide further detail concerning calculation and administration of the Medicaid offset amounts, the rules shall be adopted by the mental health and disability services commission in consultation with the department and representatives of mental health and disability services region regional administrators.

d. (1) A county's Medicaid offset amount for a fiscal year shall be equal to eighty percent of the excess of the county's base year amount over the county's calculation year amount.

(2) In lieu of subparagraph (1), for the fiscal year beginning July 1, 2013, a county's Medicaid offset amount shall be calculated by identifying the excess in the actual amount expended from a county's services fund for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan during the

period beginning July 1, 2013, and ending December 31, 2013, over such actual amount expended for the same services and supports for such persons during the period beginning January 1, 2014, and ending June 30, 2014, and doubling the excess identified. A county's Medicaid offset amount for the fiscal year beginning July 1, 2013, shall be equal to eighty percent of the result.

e. A county shall address the county's Medicaid offset amount for a fiscal year in the fiscal year following the calculation year as follows:

(1) If the county receives an equalization payment in the fiscal year following the calculation year, the county shall repay the Medicaid offset amount to the state from that equalization payment. A county's repayment pursuant to this subparagraph shall be remitted on or before January 1 of the fiscal year in which the equalization payment is received and the repayment shall be credited to the property tax relief fund. Moneys credited to the property tax relief fund in accordance with this subparagraph are subject to appropriation by the general assembly to support mental health and disability services administered by the regional system. The department of human services' annual budget shall include recommendations for reinvestment of the amounts credited to the fund to address core and additional core services administered by the regional system.

(2) If the county does not receive an equalization payment in the fiscal year following the calculation year or the equalization payment is less than the Medicaid offset amount, the county shall, for the subsequent fiscal year, reduce the dollar amount certified for the county's services fund levy by the amount of the insufficiency. The initial year for such a reduction to be applied shall be the fiscal year beginning July 1, 2015.>

87. Page 76, after line 15 by inserting:

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<Sec. ___. 2013 Iowa Acts, chapter 138, section 185, is amended to read as follows:

SEC. 185. EMERGENCY RULES. The department of human services may adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", during the period beginning July 1, 2013, and ending March 31, 2014, to implement the provisions of this division of this Act and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 7, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. ___. EFFECTIVE UPON ENACTMENT. The following sections of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The section providing a provisional regionalization authorization.

2. The section amending 2013 Iowa Acts, chapter 136, section 11.

3. The section amending section 331.393, subsection 2.

4. The section amending section 426B.3.

5. The section amending 2013 Iowa Acts, chapter 138, section 185.

Sec. ___. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply

retroactively to July 1, 2013:

1. The section amending 2013 Iowa Acts, chapter 138, section 185.>

88. Page 76, after line 21 by inserting:

<Sec. ___. Section 249A.4, subsection 10, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* (1) A nursing facility that utilizes the supplementation option and receives supplementation under this subsection during any calendar year, shall report to the department of human services, annually, by January 15, the following information for the preceding calendar year:

(a) The total number of nursing facility beds available at the nursing facility, the number of such beds available in private rooms, and the number of such beds available in other types of rooms.

(b) The average occupancy rate of the facility on a monthly basis.

(c) The total number of residents for which supplementation was utilized.

(d) The average private pay charge for a private room in the nursing facility.

(e) For each resident for whom supplementation was utilized, the total charge to the resident for the private room, the portion of the total charge reimbursed under the Medicaid program, and the total charge reimbursed through supplementation.

(2) The department shall compile the information received and shall submit the compilation to the general assembly, annually by May 1.>

89. Page 76, by striking lines 24 through 31 and inserting:

<PREPARATION FOR ADULT LIVING SERVICES (PALS)

Sec. ___. Section 234.46, subsection 1, paragraph c, Code 2014, is amended to read as follows:

c. At the time the person became age eighteen, the person

received foster care services that were paid for by the state under section 234.35, services at a state training school, services at a juvenile shelter care home, or services at a juvenile detention home and the person is no longer receiving such services.

Sec. ___. Section 234.46, subsection 2, unnumbered paragraph 1, Code 2014, is amended to read as follows:

The division shall establish a preparation for adult living program directed to young adults. The purpose of the program is to assist persons who are leaving foster care and other court-ordered services at age eighteen or older in making the transition to self-sufficiency. The department shall adopt rules necessary for administration of the program, including but not limited to eligibility criteria for young adult participation and the services and other support available under the program. The rules shall provide for participation of each person who meets the definition of young adult on the same basis, regardless of whether federal financial participation is provided. The services and other support available under the program may include but are not limited to any of the following:>

90. Page 76, before line 32 by inserting:

<Sec. ___. MEDICAID AND HAWK-I STATE PLAN AMENDMENTS AND WAIVERS — NOTIFICATION. The department of human services shall notify the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the chairpersons and ranking members of the committees on human resources of the senate and house of representatives, the legislative services agency, and the legislative caucus staffs prior to submission of any Medicaid or hawk-i program state plan amendment or waiver to the centers for Medicare and Medicaid services of the United States department of health and human services.

Sec. ___. CHILD WELFARE SERVICES COMMITTEE.

CCH-2463

1. The legislative council is requested to establish a child welfare services committee.

2. The committee membership shall include the following persons:

a. The director of human services or the director's designee.

b. The administrator of child welfare programs under the department of human services or the administrator's designee.

c. The administrator of the division of criminal and juvenile justice planning in the department of human rights or the administrator's designee.

d. The administrator of the child advocacy board in the department of inspections and appeals or the administrator's designee.

e. The chief justice of the supreme court or the chief justice's designee.

f. The director of the department of education or the director's designee.

g. The executive director of the Iowa foster and adoptive parent association or the executive director's designee.

h. The executive director of the coalition for family and children's services in Iowa or the executive director's designee.

i. The presiding officer of the Iowa juvenile court services association or the presiding officer's designee.

j. The director of the child health specialty clinics at the university of Iowa or the director's designee.

k. A youth member of the achieving maximum potential program designated by the program's director.

l. The director of the child and family policy center or the director's designee.

m. Members of the general assembly appointed by the legislative council.

n. Other persons designated by the legislative council.

3. The committee shall perform the following duties:

a. Review the array of child welfare services in the state.

b. Identify options for improving the coordination and collaboration between the public and private entities involved with child welfare services.

c. Direct special attention to children's mental and behavioral health services.

d. Identify policies to support the growth and expansion of community-based pediatric integrated health homes.

e. Identify options to support continuous improvement of pediatric mental health services and innovation by service providers of such services at the state and community levels.

f. Consider proposals for creation of a center of collaborative children's mental and behavioral health services.

g. Evaluate the adequacy of the public funding of child welfare services and identify options to address shortfalls and for shifting resources.

4. The committee shall submit a final report with findings and recommendations to the governor and general assembly for action in the 2015 legislative session.>

91. Page 78, line 14, after <limited> by inserting <to>

92. Page 78, after line 26 by inserting:

<DIVISION ___

STATE CHILD CARE ASSISTANCE

Sec. ___. Section 237A.13, subsection 7, paragraphs a and c, Code 2014, are amended to read as follows:

a. Families with an income at or below one hundred percent of the federal poverty level whose members ~~are employed~~, for at least twenty-eight hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program, and parents with a family income at or below one hundred percent of the federal poverty level who are under the age of twenty-one years and are participating in an educational program leading to a

high school diploma or the equivalent.

c. Families with an income of more than one hundred percent but not more than one hundred forty-five percent of the federal poverty level whose members ~~are employed~~, for at least twenty-eight hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.

Sec. ___. IMPLEMENTATION. The department of human services shall adopt rules and take other actions as necessary to implement, as state child care assistance program eligibility provisions, the amendments to section 237A.13 in this division of this Act, on July 1, 2014.>

93. By striking page 78, line 27, through page 90, line 2, and inserting:

<DIVISION ___

PRIOR AUTHORIZATION

Sec. ___. NEW SECTION. **505.26 Prior authorization for prescription drug benefits — standard process and form.**

1. As used in this section:

a. *"Facility"*, *"health benefit plan"*, *"health care professional"*, *"health care provider"*, *"health care services"*, and *"health carrier"* mean the same as defined in section 514J.102.

b. *"Pharmacy benefits manager"* means the same as defined in section 510B.1.

2. The commissioner shall develop, by rule, a process for use by each health carrier and pharmacy benefits manager that requires prior authorization for prescription drug benefits pursuant to a health benefit plan, to submit, on or before January 1, 2015, a single prior authorization form for approval by the commissioner, that each health carrier or pharmacy benefits manager shall be required to use beginning on July 1, 2015. The process shall provide that if a prior authorization form submitted to the commissioner by a health carrier or

pharmacy benefits manager is not approved or disapproved within thirty days after its receipt by the commissioner, the form shall be deemed approved.

3. The commissioner shall develop, by rule, a standard prior authorization process which meets all of the following requirements:

a. Health carriers and pharmacy benefits managers shall allow health care providers to submit a prior authorization request electronically.

b. Health carriers and pharmacy benefits managers shall provide that approval of a prior authorization request shall be valid for a minimum length of time in accordance with the rules adopted under this section. In adopting the rules, the commissioner may consult with health care professionals who seek prior authorization for particular types of drugs, and as the commissioner determines to be appropriate, negotiate standards for such minimum time periods with individual health carriers and pharmacy benefits managers.

c. Health carriers and pharmacy benefits managers shall make the following available and accessible on their internet sites:

(1) Prior authorization requirements and restrictions, including a list of drugs that require prior authorization.

(2) Clinical criteria that are easily understandable to health care providers, including clinical criteria for reauthorization of a previously approved drug after the prior authorization period has expired.

(3) Standards for submitting and considering requests, including evidence-based guidelines, when possible, for making prior authorization determinations.

d. Health carriers shall provide a process for health care providers to appeal a prior authorization determination as provided in chapter 514J. Pharmacy benefits managers shall provide a process for health care providers to appeal a prior authorization determination that is consistent with the process

provided in chapter 514J.

4. In adopting a standard prior authorization process, the commissioner shall consider national standards pertaining to electronic prior authorization, such as those developed by the national council for prescription drug programs.

5. A prior authorization form approved by the commissioner shall meet all of the following requirements:

a. Not exceed two pages in length, except that a prior authorization form may exceed that length as determined to be appropriate by the commissioner.

b. Be available in electronic format.

c. Be transmissible in an electronic format or a fax transmission.

6. Beginning on July 1, 2015, each health carrier and pharmacy benefits manager shall use and accept the prior authorization form that was submitted by that health carrier or pharmacy benefits manager and approved for the use of that health carrier or pharmacy benefits manager by the commissioner pursuant to this section. Beginning on July 1, 2015, health care providers shall use and submit the prior authorization form that has been approved for the use of a health carrier or pharmacy benefits manager, when prior authorization is required by a health benefit plan.

7. *a.* If a health carrier or pharmacy benefits manager fails to use or accept the prior authorization form that has been approved for use by the health carrier or pharmacy benefits manager pursuant to this section, or to respond to a health care provider's request for prior authorization of prescription drug benefits within seventy-two hours of the health care provider's submission of the form, the request for prior authorization shall be considered to be approved.

b. However, if the prior authorization request is incomplete or additional information is required, the health carrier or pharmacy benefits manager may request the additional

information within the seventy-two-hour period and once the additional information is submitted the provisions of paragraph *"a"* shall again apply.

c. Notwithstanding paragraphs *"a"* and *"b"*, the commissioner may develop, by rule, minimum time periods for a health carrier or pharmacy benefits manager to respond to a health care provider's request for prior authorization of prescription drug benefits or for additional information, that are less than, but in no case exceed seventy-two hours, as the commissioner deems appropriate under the circumstances.

Sec. ___. Section 510B.3, subsection 2, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* A process for the submission of forms.

Sec. ___. NEW SECTION. **510B.9 Submission, approval, and use of prior authorization form.**

A pharmacy benefits manager shall file with and have approved by the commissioner a single prior authorization form as provided in section 505.26. A pharmacy benefits manager shall use the single prior authorization form as provided in section 505.26.

Sec. ___. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.>

94. Page 90, before line 3 by inserting:

<DIVISION ___

POISON CONTROL CENTER

Sec. ___. POISON CONTROL CENTER — FEDERAL APPROVAL. The department of human services shall request approval from the centers for Medicare and Medicaid services of the United States department of health and human services to utilize administrative funding under the federal Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, to provide the maximum federal matching funds available to implement a new health services initiative as provided under

section 2105(a)(1)(D)(ii) of the federal Social Security Act, to fund the state poison control center.

Sec. ___. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION ___

AGING AND LONG-TERM CARE DELIVERY INTERIM COMMITTEE

Sec. ___. INTERIM COMMITTEE ON AGING AND LONG-TERM CARE DELIVERY.

1. The legislative council is requested to establish a study committee for the 2014 interim to examine issues relating to aging Iowans and long-term care. The interim committee shall comprehensively review the existing long-term care delivery system and make recommendations to create a sustainable, person-centered approach that increases health and life outcomes; supports maximum independence by providing the appropriate level of care and services through a balance of facility-based and home and community-based options; addresses medical and social needs in a coordinated, integrated manner; provides for sufficient resources including a stable, well-qualified workforce; and is fiscally accountable.

2. The interim committee shall provide a forum for open and constructive dialogue among stakeholders representing individuals involved in the delivery and financing of long-term care services and supports, consumers and families of consumers in need of such services and supports, legislators, and representatives of agencies responsible for oversight, funding, and regulation of such services and supports.

3. The interim committee shall specifically address the cost and financing of long-term care and services, the coordination of services among providers, the availability of and access to a well-qualified workforce including both the compensated workforce and family and other uncompensated caregivers, and the balance between facility-based and home and

community-based care and services. In addition, the interim committee shall consider methods to educate consumers and enhance engagement of consumers in the broader conversation regarding long-term care issues, including their experiences with, concerns about, and expectations and recommendations for action regarding the long-term care delivery system in the state.

4. Members of the interim committee shall include all of the following:

a. Five members of the senate and five members of the house of representatives including the following:

(1) The chairpersons and ranking members of the committees on human resources of the senate and house of representatives, or a member of the committee designated by the chairperson or ranking member.

(2) The co-chairpersons and ranking members of the joint appropriations subcommittee on health and human services of the senate and house of representatives, or a member of the subcommittee designated by the chairperson or ranking member.

b. Five members of the general public who are individual consumers or a member of a consumer's family, one each to be selected by the following:

(1) The older Iowans legislature.

(2) The Iowa alliance of retired Americans.

(3) The Iowa association of area agencies on aging.

(4) The Iowa caregivers association.

(5) AARP Iowa.

c. The director of the department on aging, or the director's designee.

d. The state long-term care ombudsman, or the ombudsman's designee.

e. Five members who represent those involved in the delivery of long-term care services.

5. The interim committee may request from state agencies

including the department of human services, the department of public health, the department on aging, the office of long-term care ombudsman, the department of inspections and appeals, the insurance division of the department of commerce, and the department of workforce development, information and assistance as needed to complete its work.

6. The interim committee shall submit its findings and recommendations to the general assembly for consideration during the 2015 legislative session.

DIVISION ___

HEALTHIEST CHILDREN INITIATIVE

Sec. ___. NEW SECTION. **135.181 Iowa healthiest children initiative.**

1. The Iowa healthiest children initiative is established in the department. The purpose of the initiative is to develop and implement a plan for Iowa children to become the healthiest children in the nation by January 1, 2020. The areas of focus addressed by the initiative shall include improvement of physical, dental, emotional, behavioral, and mental health and wellness; access to basic needs such as food security, appropriate nutrition, safe and quality child care settings, and safe and stable housing, neighborhoods, and home environments; and promotion of healthy, active lifestyles by addressing adverse childhood events, reducing exposures to environmental toxins, decreasing exposures to violence, advancing tobacco-free and drug abuse-free living, increasing immunization rates, and improving family well-being.

2. The department shall create a task force, including members who are child health experts external to the department, to develop an implementation plan to achieve the purpose of the initiative. The implementation plan, including findings, recommendations, performance benchmarks, data collection provisions, budget needs, and other implementation provisions shall be submitted to the governor and general

assembly on or before December 15, 2014.

Sec. ___. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION ___

POTENTIAL MEDICAID STATE PLAN AMENDMENT — ELDERS

Sec. ___. MEDICAID — POTENTIAL STATE PLAN AMENDMENT — HOME AND COMMUNITY-BASED SERVICES FOR ELDERS. The department of human services shall engage stakeholders with interest or expertise in issues relating to elders to review the potential for development and submission of a Medicaid program state plan amendment in accordance with section 2402 of the federal Patient Protection and Affordable Care Act to cover home and community-based services for eligible elders 65 years of age or older. The department shall make recommendations on or before December 15, 2014, to the governor and the general assembly, detailing provisions for incorporation into such a potential Medicaid program state plan amendment relating to financial eligibility; benefits, including whether individuals receiving such Medicaid services should be eligible for full Medicaid benefits; available services; and the needs-based level of care criteria for determination of eligibility under the state plan amendment.

DIVISION ___

DENTAL COVERAGE — EXTERNAL REVIEW

Sec. ___. Section 514J.102, subsection 1, Code 2014, is amended to read as follows:

1. *a.* *"Adverse determination"* means a determination by a health carrier that an admission, availability of care, continued stay, or other health care service, other than a dental care service, that is a covered benefit has been reviewed and, based upon the information provided, does not meet the health carrier's requirements for medical necessity, appropriateness, health care setting, level of care, or

effectiveness, and the requested service or payment for the service is therefore denied, reduced, or terminated.

b. For the purposes of denial of a dental care service, "*adverse determination*" means a determination by a health carrier that a dental care service that is a covered benefit has been reviewed and, based upon the information provided, does not meet the health carrier's requirements for medical necessity, and the requested service or payment for the service is therefore denied, reduced, or terminated in whole or in part.

c. "*Adverse determination*" does not include a denial of coverage for a service or treatment specifically listed in plan or evidence of coverage documents as excluded from coverage.

Sec. ___. Section 514J.102, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 11A. "*Dental care services*" means diagnostic, preventive, maintenance, and therapeutic dental care that is provided in accordance with chapter 153.

Sec. ___. Section 514J.102, subsection 22, Code 2014, is amended to read as follows:

22. "*Health care services*" means services for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease. "*Health care services*" includes dental care services.

Sec. ___. Section 514J.103, subsection 2, paragraph a, Code 2014, is amended to read as follows:

a. A policy or certificate that provides coverage only for a specified disease, specified accident or accident-only, credit, disability income, hospital indemnity, long-term care, ~~dental care,~~ vision care, or any other limited supplemental benefit.

Sec. ___. REVIEW OF BASES USED FOR EXTERNAL REVIEW OF ADVERSE DETERMINATIONS. The commissioner of insurance shall engage stakeholders to review the differences in the bases used for external review of adverse determinations under chapter

514J as applied to health care services relative to dental care services. The commissioner of insurance shall report findings and recommendations to the governor and the general assembly by December 15, 2014.>

95. Title page, line 3, after <appropriations,> by inserting <extending the duration of county mental health and disabilities services fund per capita levy provisions,>

96. By renumbering as necessary.

ON THE PART OF THE HOUSE:	ON THE PART OF THE SENATE:
DAVE HEATON, CHAIRPERSON	JACK HATCH, CHAIRPERSON
JOHN FORBES	JOE BOLKCOM
JOEL FRY	AMANDA RAGAN
LISA HEDDENS	
LINDA MILLER	