

AN ACT

RELATING TO APPROPRIATIONS FOR HEALTH AND HUMAN SERVICES AND INCLUDING OTHER RELATED PROVISIONS AND APPROPRIATIONS, MAKING PENALTIES APPLICABLE, AND INCLUDING EFFECTIVE, RETROACTIVE, AND APPLICABILITY DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

DEPARTMENT ON AGING

Section 1. 2011 Iowa Acts, chapter 129, section 113, is amended to read as follows:

SEC. 113. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa's aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,151,288
		<u>10,342,086</u>
.....	FTEs	35.00
		<u>36.00</u>

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

~~2. The amount appropriated in this section includes additional funding of \$225,000 for delivery of long-term care services to seniors with low or moderate incomes.~~

3. Of the funds appropriated in this section, ~~\$89,973~~ \$179,946 shall be transferred to the ~~department of~~ economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

4. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds by area agencies on aging that require compliance with both state and federal laws, rules, and regulations, including but not limited to all of the following:

(1) Requiring that expenditures are incurred only for goods or services received or performed prior to the end of the fiscal period designated for use of the funds.

(2) Prohibiting prepayment for goods or services not received or performed prior to the end of the fiscal period designated for use of the funds.

(3) Prohibiting the prepayment for goods or services not defined specifically by good or service, time period, or recipient.

(4) Prohibiting the establishment of accounts from which future goods or services which are not defined specifically by good or service, time period, or recipient, may be purchased.

b. The procedures shall provide that if any funds are expended in a manner that is not in compliance with the procedures and applicable federal and state laws, rules, and regulations, and are subsequently subject to repayment, the area agency on aging expending such funds in contravention of such procedures, laws, rules and regulations, not the state, shall be liable for such repayment.

5. Of the funds appropriated in this section, \$100,000 shall be used to provide an additional local long-term care

resident's advocate to administer the certified volunteer long-term care resident's advocate program pursuant to section 231.45 as enacted in this 2012 Act.

6. The department shall develop recommendations for an implementation schedule, including funding projections, for the substitute decision maker program created pursuant to chapter 231E, and shall submit the recommendations to the individuals identified in this Act for submission of reports by December 15, 2012.

7. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under the purview of the department.

DIVISION II

DEPARTMENT OF PUBLIC HEALTH

Sec. 2. 2011 Iowa Acts, chapter 129, section 114, is amended to read as follows:

SEC. 114. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

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

.....	\$ 11,751,595
	<u>23,863,690</u>
.....	FTEs 13.00

a. (1) Of the funds appropriated in this subsection, ~~\$1,626,915~~ \$3,653,830 shall be used for the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A. The commission on tobacco use prevention and control established pursuant to section 142A.3 shall advise the director of public health in prioritizing funding needs and the allocation of moneys appropriated for the programs and activities of the initiative under this subparagraph (1) and shall make recommendations to the director in the development of budget requests relating to the initiative. Of the funds allocated

in this subparagraph (1), \$750,000 shall be used for support of Quitline Iowa.

(2) (a) Of the funds allocated in this paragraph "a", ~~\$226,915~~ \$453,830 shall be transferred to the alcoholic beverages division of the department of commerce for enforcement of tobacco laws, regulations, and ordinances in accordance with 2011 Iowa Acts, ~~House File 467, as enacted~~ chapter 63.

(b) For the fiscal year beginning July 1, 2012, and ending June 30, 2013, the terms of a chapter 28D agreement, entered into between the division of tobacco use prevention and control of the department of public health and the alcoholic beverages division of the department of commerce, governing compliance checks conducted to ensure licensed retail tobacco outlet conformity with tobacco laws, regulations, and ordinances relating to persons under eighteen years of age, shall restrict the number of such checks to one check per retail outlet, and one additional check for any retail outlet found to be in violation during the first check.

b. Of the funds appropriated in this subsection, ~~\$10,124,680~~ \$20,249,360 shall be used for problem gambling and substance abuse prevention, treatment, and recovery services, including a 24-hour helpline, public information resources, professional training, and program evaluation.

(1) Of the funds allocated in this paragraph "b", ~~\$8,566,254~~ \$17,132,508 shall be used for substance abuse prevention and treatment.

(a) Of the funds allocated in this subparagraph (1), ~~\$449,650~~ \$899,300 shall be used for the public purpose of a grant program to provide substance abuse prevention programming for children.

(i) Of the funds allocated in this subparagraph division (a), ~~\$213,769~~ \$427,539 shall be used for grant funding for organizations that provide programming for children by utilizing mentors. Programs approved for such grants shall be certified or will be certified within six months of receiving the grant award by the Iowa commission on volunteer services as utilizing the standards for effective practice for mentoring programs.

(ii) Of the funds allocated in this subparagraph division (a), ~~\$213,419~~ \$426,839 shall be used for grant funding for organizations that provide programming that includes youth development and leadership. The programs shall also be

recognized as being programs that are scientifically based with evidence of their effectiveness in reducing substance abuse in children.

(iii) The department of public health shall utilize a request for proposals process to implement the grant program.

(iv) All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

(v) Of the funds allocated in this subparagraph division (a), up to ~~\$22,461~~ \$44,922 may be used to administer substance abuse prevention grants and for program evaluations.

(b) Of the funds allocated in this subparagraph (1), ~~\$136,531~~ \$273,062 shall be used for culturally competent substance abuse treatment pilot projects.

(i) The department shall utilize the amount allocated in this subparagraph division (b) for at least three pilot projects to provide culturally competent substance abuse treatment in various areas of the state. Each pilot project shall target a particular ethnic minority population. The populations targeted shall include but are not limited to African American, Asian, and Latino.

(ii) The pilot project requirements shall provide for documentation or other means to ensure access to the cultural competence approach used by a pilot project so that such approach can be replicated and improved upon in successor programs.

(2) Of the funds allocated in this paragraph "b", up to ~~\$1,558,426~~ \$3,116,852 may be used for problem gambling prevention, treatment, and recovery services.

(a) Of the funds allocated in this subparagraph (2), ~~\$1,289,500~~ \$2,579,000 shall be used for problem gambling prevention and treatment.

(b) Of the funds allocated in this subparagraph (2), up to ~~\$218,926~~ \$437,852 may be used for a 24-hour helpline, public information resources, professional training, and program evaluation.

(c) Of the funds allocated in this subparagraph (2), up to ~~\$50,000~~ \$100,000 may be used for the licensing of problem gambling treatment programs.

(3) It is the intent of the general assembly that from the moneys allocated in this paragraph "b", persons with a dual diagnosis of substance abuse and gambling addictions shall be given priority in treatment services.

c. Notwithstanding any provision of law to the contrary,

to standardize the availability, delivery, cost of delivery, and accountability of problem gambling and substance abuse treatment services statewide, the department shall continue implementation of a process to create a system for delivery of treatment services in accordance with the requirements specified in 2008 Iowa Acts, chapter 1187, section 3, subsection 4. To ensure the system provides a continuum of treatment services that best meets the needs of Iowans, the problem gambling and substance abuse treatment services in any area may be provided either by a single agency or by separate agencies submitting a joint proposal.

(1) The system for delivery of substance abuse and problem gambling treatment shall include problem gambling prevention.

(2) The system for delivery of substance abuse and problem gambling treatment shall include substance abuse prevention by July 1, 2014.

(3) Of the funds allocated in paragraph "b", the department may use up to ~~\$50,000~~ \$100,000 for administrative costs to continue developing and implementing the process in accordance with this paragraph "c".

d. The requirement of section 123.53, subsection 5, is met by the appropriations and allocations made in this Act for purposes of substance abuse treatment and addictive disorders for the fiscal year beginning July 1, 2012.

e. The department of public health shall work with all other departments that fund substance abuse prevention and treatment services and all such departments shall, to the extent necessary, collectively meet the state maintenance of effort requirements for expenditures for substance abuse services as required under the federal substance abuse prevention and treatment block grant.

f. The department shall amend or otherwise revise departmental policies and contract provisions in order to eliminate free t-shirt distribution, banner production, and other unnecessary promotional expenditures.

g. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

2. HEALTHY CHILDREN AND FAMILIES

For promoting the optimum health status for children, adolescents from birth through 21 years of age, and families,

and for not more than the following full-time equivalent positions:

.....	\$	1,297,135
		<u>2,603,559</u>
.....	FTEs	10.00

a. Of the funds appropriated in this subsection, not more than ~~\$369,659~~ \$739,318 shall be used for the healthy opportunities to experience success (HOPES)-healthy families Iowa (HFI) program established pursuant to section 135.106. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2012.

0b. (1) In order to implement the legislative intent stated in sections 135.106 and 256I.9, that priority for home visitation program funding be given to programs using evidence-based or promising models for home visitation, it is the intent of the general assembly to phase-in the funding priority as follows:

(a) By July 1, 2013, 25 percent of state funds expended for home visiting programs are for evidence-based or promising program models.

(b) By July 1, 2014, 50 percent of state funds expended for home visiting programs are for evidence-based or promising program models.

(c) By July 1, 2015, 75 percent of state funds expended for home visiting programs are for evidence-based or promising program models.

(d) By July 1, 2016, 90 percent of state funds expended for home visiting programs are for evidence-based or promising program models. The remaining 10 percent of funds may be used for innovative program models that do not yet meet the definition of evidence-based or promising programs.

(2) For the purposes of this lettered paragraph, unless the context otherwise requires:

(a) "Evidence-based program" means a program that is based on scientific evidence demonstrating that the program model is effective. An evidence-based program shall be reviewed onsite and compared to program model standards by the model developer or the developer's designee at least every five years to ensure that the program continues to maintain fidelity with the program model. The program model shall have had demonstrated significant and sustained positive outcomes in an evaluation utilizing a well-designed and rigorous randomized

controlled research design or a quasi-experimental research design, and the evaluation results shall have been published in a peer-reviewed journal.

(b) "Family support programs" includes group-based parent education or home visiting programs that are designed to strengthen protective factors, including parenting skills, increasing parental knowledge of child development, and increasing family functioning and problem solving skills. A family support program may be used as an early intervention strategy to improve birth outcomes, parental knowledge, family economic success, the home learning environment, family and child involvement with others, and coordination with other community resources. A family support program may have a specific focus on preventing child maltreatment or ensuring children are safe, healthy, and ready to succeed in school.

(c) "Promising program" means a program that meets all of the following requirements:

(i) The program conforms to a clear, consistent family support model that has been in existence for at least three years.

(ii) The program is grounded in relevant empirically-based knowledge.

(iii) The program is linked to program-determined outcomes.

(iv) The program is associated with a national or state organization that either has comprehensive program standards that ensure high-quality service delivery and continuous program quality improvement or the program model has demonstrated through the program's benchmark outcomes that the program has achieved significant positive outcomes equivalent to those achieved by program models with published significant and sustained results in a peer-reviewed journal.

(v) The program has been awarded the Iowa family support credential and has been reviewed onsite at least every five years to ensure the program's adherence to the Iowa family support standards approved by the early childhood Iowa state board created in section 256I.3 or a comparable set of standards. The onsite review is completed by an independent review team that is not associated with the program or the organization administering the program.

(3) (a) The data reporting requirements applicable to the HOPES-HFI program services shall include the requirements adopted by the early childhood Iowa state board pursuant to section 256I.4 for the family support programs targeted

to families expecting a child or with newborn and infant children through age five and funded through the state board. The department of public health may specify additional data reporting requirements for the HOPES-HFI program services. The HOPES-HFI program services shall be required to participate in a state administered internet-based data collection system by July 1, 2013. The annual reporting concerning the HOPES-HFI program services shall include program outcomes beginning with the 2015 report.

(b) The data on families served that is collected by the HOPES-HFI program shall include but is not limited to basic demographic information, services received, funding utilized, and program outcomes for the children and families served.

(c) The HOPES-HFI program shall work with the early childhood Iowa state board in the state board's efforts to identify minimum competency standards for the employees and supervisors of family support programs funded. The HOPES-HFI program, along with the state board, shall submit recommendations concerning the standards to the governor and general assembly on or before January 1, 2014.

(d) On or before January 1, 2013, the HOPES-HFI program shall adopt criminal and child abuse record check requirements for the employees and supervisors of family support programs funded through the program.

(e) The HOPES-HFI program shall work with the early childhood Iowa state board in the state board's efforts to develop a plan to implement a coordinated intake and referral process for publicly funded family support programs in order to engage the families expecting a child or with newborn and infant children through age five in all communities in the state by July 1, 2015.

b. Of the funds appropriated in this subsection, ~~\$164,942~~ \$329,885 shall be used to continue to address the healthy mental development of children from birth through five years of age through local evidence-based strategies that engage both the public and private sectors in promoting healthy development, prevention, and treatment for children. The department shall work with the department of human services, Iowa Medicaid enterprise, to develop a plan to secure matching medical assistance program funding to provide services under this paragraph, which may include a per member per month payment to reimburse the care coordination and community outreach services component that links young children and their

families with identified service needs.

c. Of the funds appropriated in this subsection, ~~\$15,798~~ \$31,597 shall be distributed to a statewide dental carrier to provide funds to continue the donated dental services program patterned after the projects developed by the lifeline network to provide dental services to indigent elderly and disabled individuals.

d. Of the funds appropriated in this subsection, ~~\$56,338~~ \$112,677 shall be used for childhood obesity prevention.

e. Of the funds appropriated in this subsection, ~~\$81,880~~ \$163,760 shall be used to provide audiological services and hearing aids for children. The department may enter into a contract to administer this paragraph.

f. Of the funds appropriated in this subsection, \$25,000 shall be transferred to the university of Iowa college of dentistry for provision of primary dental services to children. State funds shall be matched on a dollar-for-dollar basis. The university of Iowa college of dentistry shall coordinate efforts with the department of public health, bureau of oral health, to provide dental care to underserved populations throughout the state.

g. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

3. CHRONIC CONDITIONS

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

.....	\$	1,680,828
		<u>3,905,429</u>
.....	FTEs	4.00

a. Of the funds appropriated in this subsection, ~~\$80,291~~ \$160,582 shall be used for grants to individual patients who have phenylketonuria (PKU) to assist with the costs of necessary special foods.

b. Of the funds appropriated in this subsection, ~~\$241,800~~ \$483,600 is allocated for continuation of the contracts for resource facilitator services in accordance with section 135.22B, subsection 9, and for brain injury training services and recruiting of service providers to increase the capacity within this state to address the needs of individuals with

brain injuries and such individuals' families.

c. Of the funds appropriated in this subsection, ~~\$249,437~~ \$550,000 shall be used as additional funding to leverage federal funding through the federal Ryan White Care Act, Tit. II, AIDS drug assistance program supplemental drug treatment grants.

d. Of the funds appropriated in this subsection, ~~\$15,627~~ \$50,000 shall be used for the public purpose of providing a grant to an existing national-affiliated organization to provide education, client-centered programs, and client and family support for people living with epilepsy and their families.

e. Of the funds appropriated in this subsection, ~~\$394,151~~ \$788,303 shall be used for child health specialty clinics.

f. Of the funds appropriated in this subsection, ~~\$248,533~~ \$497,065 shall be used for the comprehensive cancer control program to reduce the burden of cancer in Iowa through prevention, early detection, effective treatment, and ensuring quality of life. Of the funds allocated in this lettered paragraph, ~~\$75,000~~ \$150,000 shall be used to support a melanoma research symposium, a melanoma biorepository and registry, basic and translational melanoma research, and clinical trials.

g. Of the funds appropriated in this subsection, ~~\$63,225~~ \$126,450 shall be used for cervical and colon cancer screening, and \$500,000 shall be used to enhance the capacity of the cervical cancer screening program to include provision of recommended prevention and early detection measures to a broader range of low-income women.

h. Of the funds appropriated in this subsection, ~~\$264,417~~ \$528,834 shall be used for the center for congenital and inherited disorders.

i. Of the funds appropriated in this subsection, ~~\$64,968~~ \$129,937 shall be used for the prescription drug donation repository program created in chapter 135M.

j. No later than December 15, 2012, the department of public health, in collaboration with the department of education and other interested parties, shall develop guidelines for the management of chronic conditions that affect children to be made available to public schools and accredited nonpublic schools throughout the state.

k. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and

marketing, that shall be applied equitably to the programs under this subsection.

4. COMMUNITY CAPACITY

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

.....	\$	2,117,583
		<u>4,869,980</u>
.....	FTEs	14.00

a. Of the funds appropriated in this subsection, ~~\$50,000~~ \$100,000 is allocated for a child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with early childhood Iowa areas. The program shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph "a". The report shall include the objectives and results for the year of the program's implementation including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on service provided; and the continuing needs of the program.

b. Of the funds appropriated in this subsection, ~~\$55,654~~ \$111,308 is allocated for continuation of an initiative implemented at the university of Iowa and ~~\$50,246~~ \$100,493 is allocated for continuation of an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the department of public health, and the mental health and disability services commission to address the focus of the initiatives.

c. Of the funds appropriated in this subsection, ~~\$585,745~~ \$1,171,491 shall be used for essential public health services that promote healthy aging throughout the lifespan, contracted through a formula for local boards of health, to enhance health promotion and disease prevention services.

d. Of the funds appropriated in this section, ~~\$60,908~~ \$100,000 shall be deposited in the governmental public health system fund created in section 135A.8 to be used for the purposes of the fund.

e. Of the funds appropriated in this subsection, ~~\$72,271~~

\$144,542 shall be used for the mental health professional shortage area program implemented pursuant to section ~~135.80~~ 135.180.

f. Of the funds appropriated in this subsection, ~~\$19,131~~ \$38,263 shall be used for a grant to a statewide association of psychologists that is affiliated with the American psychological association to be used for continuation of a program to rotate intern psychologists in placements in urban and rural mental health professional shortage areas, as defined in section ~~135.80~~ 135.180.

g. Of the funds appropriated in this subsection, the following amounts shall be allocated to the Iowa collaborative safety net provider network established pursuant to section 135.153 to be used for the purposes designated. The following amounts allocated under this lettered paragraph shall be distributed to the specified provider and shall not be reduced for administrative or other costs prior to distribution:

(1) For distribution to the Iowa primary care association for statewide coordination of the Iowa collaborative safety net provider network:

..... \$ 66,290
146,563

(1A) For distribution to the Iowa primary care association to be used to establish a grant program for training sexual assault response team (SART) members, including representatives of law enforcement, victim advocates, prosecutors, and certified medical personnel:

..... \$ 50,000

(1B) For distribution to federally qualified health centers for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:

..... \$ 75,000

(2) For distribution to the local boards of health that provide direct services for pilot programs in three counties to assist patients in determining an appropriate medical home:

..... \$ 38,804
77,609

(3) For distribution to maternal and child health centers for pilot programs in three counties to assist patients in determining an appropriate medical home:

..... \$ 38,804
95,582

(4) For distribution to free clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:

..... \$ 62,025
274,050

(5) For distribution to rural health clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in determining an appropriate medical home:

..... \$ 55,215
142,192

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

..... \$ 130,000
310,000

(7) For continuation of the pharmaceutical infrastructure for safety net providers as described in 2007 Iowa Acts, chapter 218, section 108:

..... \$ 135,000
320,000

The Iowa collaborative safety net provider network may continue to distribute funds allocated pursuant to this lettered paragraph through existing contracts or renewal of existing contracts.

h. (1) Of the funds appropriated in this subsection, ~~\$74,500~~ \$149,000 shall be used for ~~continued implementation of the recommendations of the direct care worker task force established pursuant to 2005 Iowa Acts, chapter 88, based upon the report submitted to the governor and the general assembly in December 2006~~ continuation of the work of the direct care worker advisory council established pursuant to 2008 Iowa Acts, chapter 1188, section 69, in implementing the recommendations in the final report submitted by the advisory council to the governor and the general assembly in March 2012. The department may use a portion of the funds allocated in this ~~lettered paragraph~~ subparagraph (1) for an additional position to assist in the continued implementation.

i. (1) Of the funds appropriated in this subsection, ~~\$65,050~~ \$150,000 shall be used for allocation to an independent statewide direct care worker association under a continuation of the contract in effect during the fiscal year ending June

30, 2012, with terms determined by the director of public health relating to education, outreach, leadership development, mentoring, and other initiatives intended to enhance the recruitment and retention of direct care workers in health care and long-term care settings.

(2) Of the funds appropriated in this subsection, ~~\$29,000~~ \$75,000 shall be used to provide scholarships or other forms of subsidization for direct care worker educational conferences, training, or outreach activities.

j. Of the funds appropriated in this subsection, the department may use up to ~~\$29,259~~ \$58,518 for up to one full-time equivalent position to administer the volunteer health care provider program pursuant to section 135.24.

k. Of the funds appropriated in this subsection, ~~\$25,000~~ \$50,000 shall be used for a matching dental education loan repayment program to be allocated to a dental nonprofit health service corporation to develop the criteria and implement the loan repayment program.

l. Of the funds appropriated in this subsection, \$105,823 shall be transferred to the college student aid commission for deposit in the rural Iowa primary care trust fund created in section 261.115, as enacted by 2012 Iowa Acts, House File 2458, to be used for the purposes of the fund.

m. Of the funds appropriated in this subsection, \$50,000 shall be used for the purposes of the Iowa donor registry as specified in section 142C.18.

n. Of the funds appropriated in this subsection, \$50,000 shall be used for continuation of a grant to a nationally affiliated volunteer eye organization that has an established program for children and adults and that is solely dedicated to preserving sight and preventing blindness through education, nationally certified vision screening and training, and community and patient service programs. The organization shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph "n". The report shall include the objectives and results for the year of the program's implementation including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on service provided; and the continuing needs of the program.

o. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

5. HEALTHY AGING

To provide public health services that reduce risks and invest in promoting and protecting good health over the course of a lifetime with a priority given to older Iowans and vulnerable populations:

.....	\$ 3,648,571
	<u>7,297,142</u>

a. Of the funds appropriated in this subsection, ~~\$1,004,593~~ \$2,009,187 shall be used for local public health nursing services.

b. Of the funds appropriated in this subsection, ~~\$2,643,977~~ \$5,287,955 shall be used for home care aide services.

6. ENVIRONMENTAL HAZARDS

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

.....	\$ 406,888
	<u>803,870</u>
.....	FTEs 4.00

Of the funds appropriated in this subsection, ~~\$272,188~~ \$544,377 shall be used for childhood lead poisoning provisions.

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

7. INFECTIOUS DISEASES

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

.....	\$ 672,923
	<u>1,335,155</u>
.....	FTEs 4.00

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

8. PUBLIC PROTECTION

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

.....	\$	1,388,116
		<u>2,779,127</u>
.....	FTEs	125.00

a. Of the funds appropriated in this subsection, not more than ~~\$235,845~~ \$471,690 shall be credited to the emergency medical services fund created in section 135.25. Moneys in the emergency medical services fund are appropriated to the department to be used for the purposes of the fund.

b. Of the funds appropriated in this subsection, ~~\$105,309~~ \$210,619 shall be used for sexual violence prevention programming through a statewide organization representing programs serving victims of sexual violence through the department's sexual violence prevention program. The amount allocated in this lettered paragraph shall not be used to supplant funding administered for other sexual violence prevention or victims assistance programs.

c. Of the funds appropriated in this subsection, not more than ~~\$218,291~~ \$539,477 shall be used for the state poison control center.

d. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

9. RESOURCE MANAGEMENT

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

.....	\$	409,777
		<u>804,054</u>
.....	FTEs	7.00

a. The department shall review the operations of boards including professional licensing boards, commissions, committees, councils and other entities within the departmental organization and under the purview of the department and shall submit recommendations to increase efficiencies and reduce duplication of their operations to the individuals specified in this Act for submission of reports by December 15, 2012.

b. The amount appropriated in this subsection reflects

a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing budgeted for under this subsection.

The university of Iowa hospitals and clinics under the control of the state board of regents shall not receive indirect costs from the funds appropriated in this section. The university of Iowa hospitals and clinics billings to the department shall be on at least a quarterly basis.

DIVISION III

DEPARTMENT OF VETERANS AFFAIRS

Sec. 3. 2011 Iowa Acts, chapter 129, section 115, is amended to read as follows:

SEC. 115. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, including the war orphans educational assistance fund created in section 35.8, and for not more than the following full-time equivalent positions:

.....	\$	499,416
		<u>1,025,819</u>
.....	FTEs	16.34

The treasurer of state shall review the return on investment of the moneys in the veterans trust fund and shall submit findings and recommendations for improving the return to the individuals specified in this Act for submission of reports by December 17, 2012.

2. IOWA VETERANS HOME

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	4,476,075
		<u>8,025,714</u>

a. The Iowa veterans home billings involving the department of human services shall be submitted to the department on at least a monthly basis.

b. If there is a change in the employer of employees providing services at the Iowa veterans home under a collective bargaining agreement, such employees and the agreement shall be continued by the successor employer as though there had not

been a change in employer.

c. Within available resources and in conformance with associated state and federal program eligibility requirements, the Iowa veterans home may implement measures to provide financial assistance to or on behalf of veterans or their spouses who are participating in the community reentry program.

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

e. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this subsection.

3. STATE EDUCATIONAL ASSISTANCE — CHILDREN OF DECEASED VETERANS

For provision of educational assistance pursuant to section 35.9:

.....	\$	6,208
		<u>12,416</u>

4. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

.....	\$	<u>1,600,000</u>
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Sec. 4. 2011 Iowa Acts, chapter 129, section 116, is amended to read as follows:

SEC. 116. LIMITATION OF COUNTY COMMISSION OF VETERANS AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the amounts appropriated from the general fund of the state pursuant to that section for the following designated purposes shall not exceed the following amount:

For the county commissions of veterans affairs fund under section 35A.16:

.....	\$	495,000
		<u>990,000</u>

DIVISION IV

DEPARTMENT OF HUMAN SERVICES

Sec. 5. 2011 Iowa Acts, chapter 129, section 117, is amended to read as follows:

SEC. 117. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK

GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, and from moneys received under the emergency contingency fund for temporary assistance for needy families state program established pursuant to the federal American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 § 2101, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ ~~10,750,369~~
19,790,365

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

..... \$ ~~6,205,764~~
12,411,528

3. To be used for the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ ~~1,449,490~~
2,898,980

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, unless such moneys are encumbered or obligated on or before September 30, 2013, the moneys shall revert.

4. For field operations:

..... \$ ~~15,648,116~~
31,296,232

5. For general administration:

..... \$ ~~1,872,000~~
3,744,000

6. For state child care assistance:

..... \$ ~~8,191,343~~
16,382,687

The funds appropriated in this subsection shall be transferred to the child care and development block grant appropriation made pursuant to 2011 Iowa Acts, chapter 126, section 32, by the Eighty-fourth General Assembly, 2012 2011 Session, for the federal fiscal year beginning October 1, 2012, and ending September 30, 2013. Of this amount, ~~\$100,000~~ \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.

7. For distribution to counties for state case services for persons with mental health and illness, an intellectual disability, or a developmental disabilities community services disability in accordance with section 331.440:

..... \$ ~~2,447,026~~
4,894,052

8. For child and family services:

..... \$ ~~16,042,215~~
32,084,430

9. For child abuse prevention grants:

..... \$ ~~62,500~~
125,000

10. For pregnancy prevention grants on the condition that family planning services are funded:

..... \$ ~~965,033~~
1,930,067

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2012, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2012, if the programs are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve

areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.

11. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements:

..... \$ 518,593
1,037,186

12. To be credited to the state child care assistance appropriation made in this section to be used for funding of community-based early childhood programs targeted to children from birth through five years of age developed by early childhood Iowa areas as provided in section 256I.11:

..... \$ 3,175,000
6,350,000

The department shall transfer TANF block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection.

13. a. Notwithstanding any provision to the contrary, including but not limited to requirements in section 8.41 or provisions in 2011 or 2012 Iowa Acts regarding the receipt and appropriation of federal block grants, federal funds from the ~~emergency contingency fund for temporary assistance for needy families state program established pursuant to the federal American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 § 2101, block grant received by the state during the fiscal year beginning July 1, 2011, and ending June 30, 2012,~~ not otherwise appropriated in this section and remaining available ~~as of~~ for the fiscal year beginning July 1, 2012, and received by the state during the fiscal year beginning July 1, 2012, and ending June 30, 2013, are appropriated to the department of human services to the extent as may be necessary to be used in the following priority order: the family investment program for the fiscal year and for state child care assistance program payments for individuals enrolled in the family investment program who are employed. The federal funds appropriated in this paragraph "a" shall be expended only after all other funds appropriated in subsection 1 for the assistance under the family investment program under chapter 239B have been expended.

b. The department shall, on a quarterly basis, advise the

legislative services agency and department of management of the amount of funds appropriated in this subsection that was expended in the prior quarter.

14. Of the amounts appropriated in this section, ~~\$6,481,004~~ \$12,962,008 for the fiscal year beginning July 1, 2012, shall be transferred to the appropriation of the federal social services block grant made for that fiscal year.

15. For continuation of the program allowing the department to maintain categorical eligibility for the food assistance program as required under the section of this division relating to the family investment account:

.....	\$	73,036
		<u>25,000</u>

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

Sec. 6. 2011 Iowa Acts, chapter 129, section 118, is amended to read as follows:

SEC. 118. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2012, and ending June 30, 2013, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes.

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

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2012, and ending June 30, 2013, are allocated as follows:

a. To be retained by the department of human services to be used for coordinating with the department of human rights to more effectively serve participants in the FIP program and

other shared clients and to meet federal reporting requirements under the federal temporary assistance for needy families block grant:

..... \$ ~~10,000~~
20,000

b. To the department of human rights for staffing, administration, and implementation of the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ ~~2,671,417~~
5,542,834

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

(2) The department of human rights may continue to implement the family development and self-sufficiency grant program statewide during fiscal year 2012-2013.

c. For the diversion subaccount of the FIP account:

..... \$ ~~849,200~~
1,698,400

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

d. For the food stamp employment and training program:

..... \$ ~~33,294~~
66,588

(1) The department shall amend the food stamp employment and training state plan in order to maximize to the fullest extent permitted by federal law the use of the 50-50 match provisions for the claiming of allowable federal matching funds from the United States department of agriculture pursuant to the federal food stamp employment and training program for providing education, employment, and training services for eligible food assistance program participants, including but not limited to related dependent care and transportation expenses.

(2) The department shall continue the categorical federal food assistance program eligibility at 160 percent of the federal poverty level and continue to eliminate the asset test from eligibility requirements, consistent with federal food assistance program requirements. The department shall include

as many food assistance households as is allowed by federal law. The eligibility provisions shall conform to all federal requirements including requirements addressing individuals who are incarcerated or otherwise ineligible.

e. For the JOBS program:

..... \$ ~~10,117,952~~
20,235,905

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation made in this division of this Act. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account, a portion may be used to increase recoveries, and a portion may be used to sustain cash flow in the child support payments account. If as a consequence of the appropriations and allocations made in this section the resulting amounts are insufficient to sustain cash assistance payments and meet federal maintenance of effort requirements, the department shall seek supplemental funding. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payment account.

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

Sec. 7. 2011 Iowa Acts, chapter 129, section 119, is amended to read as follows:

SEC. 119. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ ~~25,085,513~~
48,397,214

1. Of the funds appropriated in this section, ~~\$3,912,188~~ \$7,824,377 is allocated for the JOBS program.

2. Of the funds appropriated in this section, ~~\$1,231,927~~

\$2,663,854 is allocated for the family development and self-sufficiency grant program.

3. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2012, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

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

For distribution to counties for state case services for persons with mental illness, an intellectual disability, or a developmental disability in accordance with section 331.440.

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

4. Of the funds appropriated in this section, ~~\$97,839~~ \$195,678 shall be used for continuation of a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state.

5. Of the funds appropriated in this section, \$500,000 shall be used for distribution to a nonprofit, tax-exempt association that receives donations under section 170 of the Internal Revenue Code and whose members include Iowa food banks and

their affiliates that together serve all counties in the state, to be used to purchase food for distribution to food-insecure Iowans.

6. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this section.

7. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and field operations as necessary to administer this section and the overall family investment program.

Sec. 8. 2011 Iowa Acts, chapter 129, section 120, is amended to read as follows:

SEC. 120. 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, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	6,559,627
		<u>13,149,541</u>
.....	FTEs	475.00

1. The department shall expend up to ~~\$12,164~~ \$24,329, including federal financial participation, for the fiscal year beginning July 1, 2012, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

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

3. The appropriation made to the department for child support recovery may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for

cash flow management purposes the department may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

4. With the exception of the funding amount specified, the requirements established under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (3), shall be applicable to parental obligation pilot projects for the fiscal year beginning July 1, 2012, and ending June 30, 2013. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects, the rules shall remain in effect until June 30, 2013.

5. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing budgeted for under this section.

MEDICAL ASSISTANCE — DISPROPORTIONATE SHARE HOSPITAL

Sec. 9. 2011 Iowa Acts, chapter 129, section 122, subsection 11, paragraph a, unnumbered paragraph 1, is amended to read as follows:

Of the funds appropriated in this section, ~~\$7,425,684~~ \$7,678,245 is allocated for the state match for a disproportionate share hospital payment of \$19,133,430 to hospitals that meet both of the conditions specified in subparagraphs (1) and (2). In addition, the hospitals that meet the conditions specified shall either certify public expenditures or transfer to the medical assistance program an amount equal to provide the nonfederal share for a disproportionate share hospital payment of \$7,500,000. The hospitals that meet the conditions specified shall receive and retain 100 percent of the total disproportionate share hospital payment of \$26,633,430.

MEDICAL ASSISTANCE — IOWACARE TRANSFER

Sec. 10. 2011 Iowa Acts, chapter 129, section 122, subsection 13, is amended to read as follows:

13. Of the funds appropriated in this section, up to ~~\$4,480,304~~ \$8,684,329 may be transferred to the IowaCare account created in section 249J.24.

MEDICAL ASSISTANCE — COST CONTAINMENT STRATEGIES

Sec. 11. 2011 Iowa Acts, chapter 129, section 122, subsection 20, paragraphs a and d, are amended to read as follows:

a. The department may continue to implement cost containment strategies recommended by the governor, ~~and~~ for

the fiscal year beginning July 1, 2011, and shall implement new strategies for the fiscal year beginning July 1, 2012, as specified in this division of this 2012 Act. It is the intent of the general assembly that the cost containment strategies are implemented only to the extent necessary to achieve projected savings. The department may adopt emergency rules for such implementation.

d. If the savings to the medical assistance program for the fiscal year beginning July 1, 2012, exceed the cost, the department may transfer any savings generated for the fiscal year due to medical assistance program cost containment efforts initiated pursuant to 2010 Iowa Acts, chapter 1031, Executive Order No. 20, issued December 16, 2009, or cost containment strategies initiated pursuant to this subsection, to the appropriation made in this division of this Act for medical contracts or general administration to defray the increased contract costs associated with implementing such efforts.

Sec. 12. 2011 Iowa Acts, chapter 129, section 122, is amended by adding the following new subsections:

NEW SUBSECTION. 23. The department shall provide reimbursement for physician-administered drugs at the rates in effect on June 30, 2012, less 2 percent, in order to approximate payment at the average wholesale price, less 12 percent.

NEW SUBSECTION. 24. The department shall implement a hospital inpatient reimbursement policy to provide for the combining of an original claim for an inpatient stay with a claim for a subsequent inpatient stay when the patient is admitted within seven days of discharge from the original hospital stay for the same condition.

NEW SUBSECTION. 25. The department shall transition payment for and administration of services provided by psychiatric medical institutions for children to the Iowa plan.

NEW SUBSECTION. 26. The department shall adjust medical assistance reimbursement rates for physician services by applying a site-of-service differential to reflect the difference between the cost of physician services when provided in a health facility setting and the cost of physician services when provided in a physician's office. The adjustment shall be applied in a manner that does not exceed \$1 million in medical assistance program cost savings annually.

NEW SUBSECTION. 27. The department shall apply any edits to Medicare claims submitted for reimbursement under

the medical assistance program as necessary to ensure claims payment accuracy and to avoid overpayments, consistent with the existing medical assistance program reimbursement policy for such Medicare claims.

NEW SUBSECTION. 28. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this section.

MEDICAL ASSISTANCE FOR EMPLOYED PEOPLE WITH DISABILITIES

Sec. 13. 2011 Iowa Acts, chapter 129, section 122, is amended by adding the following new subsection:

NEW SUBSECTION. 29. The department of human services shall adopt rules for the Medicaid for employed people with disabilities program to provide that until such time as the department adopts rules, annually, to implement the most recently revised poverty guidelines published by the United States department of health and human services, the calculation of gross income eligibility and premium amounts shall not include any increase in unearned income attributable to a social security cost-of-living adjustment for an individual or member of the individual's family whose unearned income is included in such calculation.

STATE BALANCING INCENTIVE PAYMENTS PROGRAM

Sec. 14. 2011 Iowa Acts, chapter 129, section 122, is amended by adding the following new subsection:

NEW SUBSECTION. 30. a. The funds received through participation in the medical assistance state balancing incentive payments program created pursuant to section 10202 of the federal Patient Protection and Affordable Care Act of 2010, Pub. L. No. 111-148 (2010), as amended by the federal Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, shall be used by the department of human services to comply with the requirements of the program including developing a no wrong door single entry point system; providing a conflict-free case management system; providing core standardized assessment instruments; complying with data collection requirements relating to services, quality, and outcomes; meeting the applicable target spending percentage required under the program to rebalance long-term care spending under the medical assistance program between home and community-based services and institution-based services; and for new or expanded medical assistance program

non-institutionally based long-term care services and supports.

b. The department shall convene stakeholders to provide an ongoing advisory process to ensure that implementation is accomplished in a coordinated and integrated manner and without duplication. The department shall submit periodic progress reports regarding implementation to the individuals identified in this Act for submission of reports.

IOWACARE LODGING

Sec. 15. 2011 Iowa Acts, chapter 129, section 122, is amended by adding the following new subsection:

NEW SUBSECTION. 31. Of the funds appropriated in this section, \$250,000 shall be used for lodging expenses associated with patient care provided at the university of Iowa hospitals and clinics under chapter 249J. The department of human services shall establish the maximum number of overnight stays and the maximum rate reimbursed for overnight lodging, which may be based on the state employee rate established by the department of administrative services. The funds allocated under this subsection shall not be used as nonfederal share matching funds.

OUTPATIENT CLINICAL SERVICE FOR CHILDREN

Sec. 16. 2011 Iowa Acts, chapter 129, section 122, is amended by adding the following new subsection:

NEW SUBSECTION. 32. a. Of the funds appropriated in this section, not more than \$37,000 shall be used to provide cost-based reimbursement for 100 percent of the reasonable costs for provision of outpatient clinical services for children who are recipients of medical assistance. In order to be eligible for reimbursement under this subsection, a provider shall be an accredited, nonprofit agency that meets all of the following criteria on or before January 1, 2012:

(1) Provides clinical outpatient services to children of whom at least 60 percent are recipients of medical assistance.

(2) Provides inpatient services licensed under chapter 135H, outpatient services, psychiatric and psychological services, and behavioral health intervention services for children.

(3) Directly employs a full-time psychiatrist, psychologist, and licensed therapist.

b. The department of human services shall seek federal approval to amend the medical assistance program state plan and shall amend the contract with the department's managed care contractor for behavioral health services under the medical

assistance program to provide reimbursement as specified in this subsection. Implementation of this subsection is contingent upon receipt of such federal approval and total reimbursements are limited to the funding allocated under this subsection.

c. For the purposes of this subsection, "outpatient services" means psychiatric care, psychological care, and treatment services, but does not include behavioral health intervention services or child welfare services as defined for existing providers under the department's managed care contract for behavioral health services.

Sec. 17. 2011 Iowa Acts, chapter 129, section 123, is amended to read as follows:

SEC. 123. 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, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:
..... \$ 5,453,728
5,791,994

1. The department of inspections and appeals shall provide all state matching funds for survey and certification activities performed by the department of inspections and appeals. The department of human services is solely responsible for distributing the federal matching funds for such activities.

2. Of the funds appropriated in this section, ~~\$25,000~~ \$50,000 shall be used for continuation of home and community-based services waiver quality assurance programs, including the review and streamlining of processes and policies related to oversight and quality management to meet state and federal requirements.

3. Of the amount appropriated in this section, up to \$200,000 may be transferred to the appropriation for general administration in this division of this Act to be used for additional full-time equivalent positions in the development of key health initiatives such as cost containment, development and oversight of managed care programs, and development of health strategies targeted toward improved quality and reduced costs in the Medicaid program.

4. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases

of equipment, office equipment, printing and binding, and marketing budgeted for under this section.

Sec. 18. 2011 Iowa Acts, chapter 129, section 124, is amended to read as follows:

SEC. 124. STATE SUPPLEMENTARY ASSISTANCE.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

.....	\$ 8,425,373
	<u>15,450,747</u>

2. The department shall increase the personal needs allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living. The department may adopt emergency rules to implement this subsection.

3. If during the fiscal year beginning July 1, 2012, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-through requirement specified in Tit. XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. § 1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 19. 2011 Iowa Acts, chapter 129, section 125, is amended to read as follows:

SEC. 125. CHILDREN'S HEALTH INSURANCE PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the

purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit. XXI of the federal Social Security Act, which creates the children's health insurance program:

..... \$ ~~16,403,051~~
36,806,102

2. Of the funds appropriated in this section, ~~\$64,475~~ \$141,450 is allocated for continuation of the contract for outreach with the department of public health.

Sec. 20. 2011 Iowa Acts, chapter 129, section 126, is amended to read as follows:

SEC. 126. CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

..... \$ ~~26,618,831~~
62,264,342

1. Of the funds appropriated in this section, ~~\$25,948,041~~ \$60,894,915 shall be used for state child care assistance in accordance with section 237A.13.

2. Nothing in this section shall be construed or is intended as or shall imply a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, ~~\$216,226~~ \$432,453 is allocated for the statewide program for child care resource and referral services under section 237A.26. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, ~~\$468,487~~ \$936,974 is allocated for child care quality improvement initiatives including but not limited to the voluntary quality rating system in accordance with section 237A.30.

5. The department may use any of the funds appropriated

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

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

7. If a uniform reduction ordered by the governor under section 8.31 or other operation of law, transfer, or federal funding reduction reduces the appropriation made in this section for the fiscal year, the percentage reduction in the amount paid out to or on behalf of the families participating in the state child care assistance program shall be equal to or less than the percentage reduction made for any other purpose payable from the appropriation made in this section and the federal funding relating to it. The percentage reduction to the other allocations made in this section shall be the same as the uniform reduction ordered by the governor or the percentage change of the federal funding reduction, as applicable. If there is an unanticipated increase in federal funding provided for state child care assistance, the entire amount of the increase shall be used for state child care assistance payments. If the appropriations made for purposes of the state child care assistance program for the fiscal year are determined to be insufficient, it is the intent of the general assembly to appropriate sufficient funding for the fiscal year in order to avoid establishment of waiting list requirements.

8. Notwithstanding section 8.33, moneys ~~appropriated in this section or~~ advanced for purposes of the programs developed by early childhood Iowa areas, advanced for purposes of wraparound child care, or received from the federal appropriations made for the purposes of this section that

remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

9. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, that shall be applied equitably to the programs under this section.

Sec. 21. 2011 Iowa Acts, chapter 129, section 127, is amended to read as follows:

SEC. 127. 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, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For operation of the Iowa juvenile home at Toledo and for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
- | | | |
|-------|------|------------------|
| | \$ | 4,129,125 |
| | | <u>8,297,765</u> |
| | FTEs | 114.00 |

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing budgeted for under this subsection.

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

.....	\$	5,319,338
		<u>10,680,143</u>
.....	FTEs	164.30

a. Of the funds appropriated in this subsection, ~~\$45,575~~ \$91,150 shall be used for distribution to licensed classroom teachers at this and other institutions under the control of the department of human services based upon the average student yearly enrollment at each institution as determined by the department.

b. The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing budgeted for under this subsection.

3. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2012.

Sec. 22. 2011 Iowa Acts, chapter 129, section 128, is amended to read as follows:

SEC. 128. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

..... \$ ~~41,415,081~~
81,231,561

2. In order to address a reduction of \$5,200,000 from the amount allocated under the appropriation made for the purposes of this section in prior years for purposes of juvenile delinquent graduated sanction services, up to ~~\$2,600,000~~ \$5,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of juvenile delinquent graduated sanction services.

3. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program, state child care assistance program, or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for adoption subsidy to support the adjustment in reimbursement rates for specified child welfare providers as provided in this 2012 Act.

4. a. Of the funds appropriated in this section, up to ~~\$15,084,564~~ \$30,837,098 is allocated as the statewide expenditure target under section 232.143 for group foster care

maintenance and services. If the department projects that such expenditures for the fiscal year will be less than the target amount allocated in this lettered paragraph, the department may reallocate the excess to provide additional funding for shelter care or the child welfare emergency services addressed with the allocation for shelter care.

b. If at any time after September 30, 2012, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

5. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative during fiscal year 2012-2013. Of the funds appropriated in this section, ~~\$858,876~~ \$1,717,753 is allocated specifically for expenditure for fiscal year 2012-2013 through the decategorization service funding pools and governance boards established pursuant to section 232.188.

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

7. Notwithstanding section 234.35 or any other provision of law to the contrary, state funding for shelter care and the child welfare emergency services contracting implemented to provide for or prevent the need for shelter care shall be limited to ~~\$3,585,058~~ \$6,870,116. The department may continue or execute contracts that result from the department's request for proposal, bid number ACFS-11-114, to provide the range of child welfare emergency services described in the request for proposals, and any subsequent amendments to the request for proposals.

8. Federal funds received by the state during the fiscal year beginning July 1, 2012, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

~~9. Of the funds appropriated in this section, at least \$1,848,142 shall be used for protective child care assistance.~~

10. a. Of the funds appropriated in this section, up to ~~\$1,031,244~~ \$2,062,488 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this lettered paragraph, up to ~~\$778,143~~ \$1,556,287 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than ~~\$7,500~~ \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

b. Of the funds appropriated in this section, up to ~~\$374,492~~ \$748,985 is allocated for the payment of the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to section 232.141, subsection 4.

c. Notwithstanding section 232.141 or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department's division of child and family services. The state court administrator and the division administrator shall make the determination of the distribution amounts on or before June 15, 2012.

d. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant

to section 232.141 if there are insufficient court-ordered services funds available in the district court or departmental service area distribution amounts to pay for the service. The chief juvenile court officer and the departmental service area manager shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay for all court-related services during the entire year. The chief juvenile court officers and departmental service area managers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator or division administrator to transfer funds between the judicial districts' or departmental service areas' distribution amounts as prudent.

e. 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.

f. Of the funds allocated in this subsection, not more than ~~\$41,500~~ \$83,000 may be used by the judicial branch for administration of the requirements under this subsection.

g. Of the funds allocated in this subsection, ~~\$8,500~~ \$17,000 shall be used by the department of human services to support the interstate commission for juveniles in accordance with the interstate compact for juveniles as provided in section 232.173.

11. Of the funds appropriated in this section, ~~\$2,961,301~~ \$6,022,602 is allocated for juvenile delinquent graduated sanctions services. Any state funds saved as a result of efforts by juvenile court services to earn federal Tit. IV-E match for juvenile court services administration may be used for the juvenile delinquent graduated sanctions services.

12. Of the funds appropriated in this section, ~~\$494,142~~ \$1,288,285 shall be transferred to the department of public health to be used for the child protection center grant program in accordance with section 135.118. Of the amount allocated in this subsection, \$100,000 shall be used for a center for the Black Hawk county area.

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

participate in the waiver shall be considered to be placed in foster care.

14. Of the funds appropriated in this section, ~~\$1,534,916~~ \$3,092,375 is allocated for the preparation for adult living program pursuant to section 234.46.

15. Of the funds appropriated in this section, ~~\$260,075~~ \$520,150 shall be used for juvenile drug courts. The amount allocated in this subsection shall be distributed as follows:

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

a. Marshall county:		
.....	\$	<u>31,354</u>
		<u>62,708</u>
b. Woodbury county:		
.....	\$	<u>62,841</u>
		<u>125,682</u>
c. Polk county:		
.....	\$	<u>97,946</u>
		<u>195,892</u>
d. The third judicial district:		
.....	\$	<u>33,967</u>
		<u>67,934</u>
e. The eighth judicial district:		
.....	\$	<u>33,967</u>
		<u>67,934</u>

16. Of the funds appropriated in this section, ~~\$113,668~~ \$227,337 shall be used for the public purpose of ~~providing~~ continuing a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments, and referrals for victims of child abuse and their nonoffending family members.

17. Of the funds appropriated in this section, ~~\$62,795~~ \$200,590 is allocated for the ~~elevate~~ foster care youth council approach of providing a support network to children placed in foster care.

18. Of the funds appropriated in this section, ~~\$101,000~~ \$202,000 is allocated for use pursuant to section 235A.1 for continuation of the initiative to address child sexual abuse implemented pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection 21.

19. Of the funds appropriated in this section, ~~\$315,120~~ \$630,240 is allocated for the community partnership for child protection sites.

20. Of the funds appropriated in this section, ~~\$185,625~~ \$371,250 is allocated for the department's minority youth and family projects under the redesign of the child welfare system.

21. Of the funds appropriated in this section, ~~\$600,247~~ \$1,436,595 is allocated for funding of the ~~state-match-for~~ community circle of care collaboration for children and youth in northeast Iowa, formerly referred to as the federal substance abuse and mental health services administration (SAMHSA) system of care grant.

22. Of the funds appropriated in this section, at least ~~\$73,579~~ \$147,158 shall be used for the child welfare training academy.

23. Of the funds appropriated in this section, ~~\$12,500~~ \$25,000 shall be used for the public purpose of continuation of a grant to a child welfare services provider headquartered in a county with a population between 205,000 and 215,000 in the latest certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming, and an Asperger's syndrome program, to be used for support services for children with autism spectrum disorder and their families.

23A. Of the funds appropriated in this section, \$25,000 shall be used for the public purpose of providing a grant to a hospital-based provider headquartered in a county with a population between 90,000 and 95,000 in the latest certified federal census that provides multiple services including but not limited to diagnostic, therapeutic, and behavioral services to individuals with autism spectrum disorder across the lifespan. The grant recipient shall utilize the funds to implement a pilot project to determine the necessary support services for children with autism spectrum disorder and their families to be included in the children's disabilities services system. The grant recipient shall submit findings and recommendations based upon the results of the pilot project to the individuals specified in this division of this Act for submission of reports by December 31, 2012.

24. Of the funds appropriated in this section ~~\$125,000~~ \$327,947 shall be used for continuation of the central Iowa system of care program grant through June 30, 2013.

25. Of the funds appropriated in this section, ~~\$80,000~~ \$160,000 shall be used for the public purpose of the continuation of a system of care grant implemented in Cerro Gordo and Linn counties in accordance with this Act in FY 2011-2012.

26. Of the funds appropriated in this section, at least \$25,000 shall be used to continue and to expand the foster care respite pilot program in which postsecondary students in social work and other human services-related programs receive experience by assisting family foster care providers with respite and other support.

27. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing, and shall be applied equitably to the programs under this section.

Sec. 23. 2011 Iowa Acts, chapter 129, section 129, is amended to read as follows:

SEC. 129. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:

..... \$ ~~16,633,295~~
36,788,576

2. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for general administration for costs paid from the appropriation relating to adoption subsidy. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for child and family services to support the adjustment in reimbursement rates for specified child welfare providers as provided in this 2012 Act.

3. Federal funds received by the state during the fiscal year beginning July 1, 2012, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding section 8.33, moneys received in accordance

with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 24. 2011 Iowa Acts, chapter 129, section 131, is amended to read as follows:

SEC. 131. FAMILY SUPPORT SUBSIDY PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program subject to the enrollment restrictions in section 225C.37, subsection 3:

..... \$ 583,999
1,096,784

2. The department shall use at least ~~\$192,750~~ \$385,500 of the moneys appropriated in this section for the family support center component of the comprehensive family support program under section 225C.47. Not more than ~~\$12,500~~ \$25,000 of the amount allocated in this subsection shall be used for administrative costs.

3. If at any time during the fiscal year, the amount of funding available for the family support subsidy program is reduced from the amount initially used to establish the figure for the number of family members for whom a subsidy is to be provided at any one time during the fiscal year, notwithstanding section 225C.38, subsection 2, the department shall revise the figure as necessary to conform to the amount of funding available.

Sec. 25. 2011 Iowa Acts, chapter 129, section 132, is amended to read as follows:

SEC. 132. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ ~~16,811~~
33,622

Sec. 26. 2011 Iowa Acts, chapter 129, section 133, is amended to read as follows:

SEC. 133. 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, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	2,938,654
		<u>5,535,738</u>
.....	FTEs	168.50

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the mental health institute.

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

.....	\$	3,205,867
		<u>6,442,688</u>
.....	FTEs	86.10

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the mental health institute.

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

.....	\$	5,137,842
		<u>9,738,520</u>
.....	FTEs	233.00

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the mental health institute.

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

.....	\$	472,161
		<u>885,459</u>

..... FTEs 97.72

The amount appropriated in this subsection reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the mental health institute.

Sec. 27. 2011 Iowa Acts, chapter 129, section 134, is amended to read as follows:

SEC. 134. STATE RESOURCE CENTERS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... \$ 9,253,900
18,866,116

The amount appropriated in this paragraph "a" reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the state resource center.

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

..... \$ 6,392,829
13,033,115

The amount appropriated in this paragraph "b" reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the state resource center.

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

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

4. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added,

the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

5. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and begin implementing the service or addressing the special need during fiscal year 2012-2013.

Sec. 28. 2011 Iowa Acts, chapter 129, section 137, is amended to read as follows:

SEC. 137. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:	
.....	\$ 3,775,363
	<u>8,899,686</u>
..... FTEs	89.50
	<u>115.50</u>

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under

such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

3. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing budgeted for under this section.

Sec. 29. 2011 Iowa Acts, chapter 129, section 138, is amended to read as follows:

SEC. 138. 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, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$ 27,394,960
	<u>61,636,313</u>
.....	FTEs 1,781.00

1. Priority in filling full-time equivalent positions shall be given to those positions related to child protection services and eligibility determination for low-income families.

2. The amount appropriated in this section reflects a reduction in expenditures for office supplies, purchases of equipment, office equipment, printing and binding, and marketing under the purview of the department.

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.

Sec. 30. 2011 Iowa Acts, chapter 129, section 139, is amended to read as follows:

SEC. 139. 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, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

.....	\$ 7,298,372
-------	--------------

	16,100,684
..... FTEs	285.00
	295.00

1. Of the funds appropriated in this section, ~~\$19,271~~ \$38,543 allocated for the prevention of disabilities policy council established in section 225B.3.

2. The department shall report at least monthly to the legislative services agency concerning the department's operational and program expenditures.

3. Of the funds appropriated in this section, ~~\$66,150~~ \$132,300 shall be used to continue the contract for the provision of a program to provide technical assistance, support, and consultation to providers of habilitation services and home and community-based services waiver services for adults with disabilities under the medical assistance program.

4. Of the funds appropriated in this section, ~~\$88,200~~ \$176,400 shall be used to continue the contract to expand the provision of nationally accredited and recognized internet-based training to include mental health and disability services providers.

~~5. Of the funds appropriated in this section, \$250,000 shall be used for continuation of child protection system improvements addressed in 2011 Iowa Acts, House File 562, as enacted.~~

6. Of the funds appropriated in this section, not more than \$463,000 shall be used by the department of human services to pay the costs for appropriate placement of any individual who is placed in a transitional release program under chapter 229A or is discharged from commitment as a sexually violent predator under chapter 229A because the individual is in need of medical treatment. The department of human services shall implement this subsection in cooperation with the department of corrections and any judicial district department of correctional services involved with such an individual. The requirements of this subsection apply in lieu of the requirements of the judicial district departments of correctional services under 2011 Iowa Acts, chapter 134, section 34, subsection 1A, if enacted by 2012 Iowa Acts, House File 2335.

7. Of the funds appropriated in this section, \$50,000 shall be transferred to the Iowa finance authority to be used for administrative support of the council on homelessness established in section 16.100A and for the council to fulfill

its duties in addressing and reducing homelessness in the state.

8. Of the funds appropriated in this section, \$653,940 shall be distributed equitably among the state mental health institutes, state juvenile institutions, the unit located at the state mental health institute at Cherokee for the commitment and treatment of sexually violent predators, and the state resource centers for salary adjustment.

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

Sec. 31. 2011 Iowa Acts, chapter 129, section 140, is amended to read as follows:

SEC. 140. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:	
.....	\$ 42,330
	<u>84,660</u>

PROVIDER REIMBURSEMENT — NURSING FACILITIES

Sec. 32. 2011 Iowa Acts, chapter 129, section 141, subsection 1, paragraph a, subparagraph (1), is amended to read as follows:

(1) For the fiscal year beginning July 1, 2012, the total state funding amount for the nursing facility budget shall not exceed ~~\$225,457,724~~ \$237,226,901.

PROVIDER REIMBURSEMENT — PHARMACY, HOME HEALTH AGENCIES, PMICS, HCBS WAIVER

Sec. 33. 2011 Iowa Acts, chapter 129, section 141, subsection 1, paragraphs b, f, i, and q, are amended to read as follows:

b. (1) For the fiscal year beginning July 1, 2012, the department shall reimburse pharmacy dispensing fees using a ~~single rate of range between~~ \$4.34 and \$11.10 per prescription or the pharmacy's usual and customary fee, whichever is lower. The actual dispensing fee set within the range shall be determined by a cost of dispensing survey performed by the department and required to be completed by all medical assistance program participating pharmacies. However,

~~the department shall adjust the dispensing fee specified in this paragraph to distribute an additional \$2,981,980 in reimbursements for pharmacy dispensing fees under this paragraph for the fiscal year.~~

(2) The department shall implement an average acquisition cost reimbursement methodology for all drugs covered under the medical assistance program. The methodology shall utilize a survey of pharmacy invoices in determining the average acquisition cost component of pharmacy reimbursement. Pharmacies and providers that are enrolled in the medical assistance program shall make available drug acquisition cost invoice information, product availability information if known, and other information deemed necessary by the department to assist the department in monitoring and revising the reimbursement rates and for efficient operation of the pharmacy benefit. The department shall provide a process for pharmacies to address average acquisition cost prices that are not reflective of the actual cost of a drug. With regard to speciality pharmacy products as defined by the department, the department shall consider the population served, the current delivery system, and the standard of care relative to these products, and may adjust the product reimbursement rate or dispensing fee to prevent problems with access to these products and their associated speciality services.

(a) A pharmacy or provider shall produce and submit the requested information in the manner and format requested by the department or its designee at no cost to the department or its designee.

(b) A pharmacy or provider shall submit information to the department or its designee within the time frame indicated following receipt of a request for information unless the department or its designee grants an extension upon written request of the pharmacy or provider.

(3) Any dispensing fee expenses or acquisition cost information required to be submitted to the department under this paragraph "b" that specifically identifies a pharmacy's or provider's individual costs shall remain strictly confidential.

(4) No later than December 15, 2012, the department shall report to the individuals specified in this Act for submission of reports, providing recommendations for adjusting pharmacy dispensing fees between completion of surveys to ensure fair and adequate reimbursement for pharmacies.

f. For the fiscal year beginning July 1, 2012, reimbursement

rates for home health agencies shall ~~remain at~~ be increased by 2 percent over the rates in effect on June 30, 2012, not to exceed a home health agency's actual allowable cost.

i. (1) For the fiscal year beginning July 1, 2012, state-owned psychiatric medical institutions for children shall receive cost-based reimbursement for 100 percent of the actual and allowable costs for the provision of services to recipients of medical assistance.

(2) For the nonstate-owned psychiatric medical institutions for children, reimbursement rates shall be based on the reimbursement methodology developed by the department as required for federal compliance.

(3) As a condition of participation in the medical assistance program, enrolled providers shall accept the medical assistance reimbursement rate for any covered goods or services provided to recipients of medical assistance who are children under the custody of a psychiatric medical institution for children.

q. ~~For the fiscal year beginning July 1, 2012, the department shall adjust the rates in effect on June 30, 2012, reimbursement rates for providers of home and community-based services waiver services to distribute an additional \$1,500,000 in reimbursements to such providers for the fiscal year shall be increased beginning January 1, 2013, by 2 percent over the rates in effect on June 30, 2012.~~

PROVIDER REIMBURSEMENT — SPECIFIED CHILD WELFARE PROVIDERS

Sec. 34. 2011 Iowa Acts, chapter 129, section 141, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. For the fiscal year beginning July 1, 2012, the department shall adjust the foster family basic daily maintenance rate, the maximum adoption subsidy rates for children, the family-centered service providers rate, the family foster care service providers rate, the group foster care service providers rate, and the resource family recruitment and retention contractor rate, as such rates are identified in this section and were in effect on June 30, 2012, in order to distribute an additional \$1,535,256 in state reimbursements equitably to such providers for the fiscal year.

PROVIDER REIMBURSEMENT — CHILD CARE

Sec. 35. 2011 Iowa Acts, chapter 129, section 141, subsection 10, is amended to read as follows:

10. For the fiscal year beginning July 1, 2012, for child care providers reimbursed under the state child care assistance

program, the department shall set provider reimbursement rates based on the rate reimbursement survey completed in December 2004. Effective July 1, 2012, the child care provider reimbursement rates shall ~~remain at~~ be increased beginning January 1, 2013, by 2 percent over the rates in effect on June 30, 2012. The department shall set rates in a manner so as to provide incentives for a nonregistered provider to become registered by applying the increase only to registered and licensed providers.

REBASING STUDY — MEDICAID HOME HEALTH AND HCBS WAIVER SERVICE PROVIDERS

Sec. 36. 2011 Iowa Acts, chapter 129, section 141, is amended by adding the following new subsection:

NEW SUBSECTION. 10A. The department of human services, Iowa Medicaid enterprise, shall review reimbursement of home health agency and home and community-based services waiver services providers and shall submit a recommendation for a rebasing methodology applicable to such providers to the individuals identified in this Act for receipt of reports by December 31, 2012.

ELDERLY WAIVER

Sec. 37. 2011 Iowa Acts, chapter 129, section 141, is amended by adding the following new subsection:

NEW SUBSECTION. 10B. The department shall increase the monthly reimbursement cap for the medical assistance home and community-based services waiver services for the elderly to \$1,300 per month.

REPORTS

Sec. 38. 2011 Iowa Acts, chapter 129, section 143, is amended to read as follows:

SEC. 143. REPORTS. Any reports or other information required to be compiled and submitted under this Act shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

DIVISION V

HEALTH CARE ACCOUNTS AND FUNDS

PHARMACEUTICAL SETTLEMENT ACCOUNT

Sec. 39. 2011 Iowa Acts, chapter 129, section 145, is amended to read as follows:

SEC. 145. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is

appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriations made in this Act for medical contracts under the medical assistance program for the fiscal year beginning July 1, 2012, and ending June 30, 2013:

..... \$ ~~2,716,807~~
4,805,804

IOWACARE ACCOUNT APPROPRIATIONS — UNIVERSITY OF IOWA HOSPITALS AND CLINICS

Sec. 40. 2011 Iowa Acts, chapter 129, section 146, subsection 1, paragraph c, is amended to read as follows:

c. The university of Iowa hospitals and clinics shall certify public expenditures in an amount equal to provide the nonfederal share on total expenditures not to exceed ~~\$20,000,000~~ \$32,000,000.

Sec. 41. 2011 Iowa Acts, chapter 129, section 146, subsection 2, unnumbered paragraph 2, is amended to read as follows:

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

..... \$ ~~44,226,279~~
45,654,133

IOWACARE ACCOUNT — PUBLICLY OWNED ACUTE CARE TEACHING HOSPITAL

Sec. 42. 2011 Iowa Acts, chapter 129, section 146, subsection 4, unnumbered paragraph 2, is amended to read as follows:

For distribution to a publicly owned acute care teaching hospital located in a county with a population over 350,000 for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ ~~65,000,000~~
71,000,000

IOWACARE ACCOUNT — PUBLICLY OWNED ACUTE CARE HOSPITAL ALLOCATIONS

Sec. 43. 2011 Iowa Acts, chapter 129, section 146,

subsection 4, paragraphs a and b, are amended to read as follows:

a. Notwithstanding any provision of law to the contrary, the amount appropriated in this subsection shall be distributed based on claims submitted, adjudicated, and paid by the Iowa Medicaid enterprise plus a monthly disproportionate share hospital payment. Any amount appropriated in this subsection in excess of ~~\$60,000,000~~ \$65,000,000 shall be distributed only if the sum of the expansion population claims adjudicated and paid by the Iowa Medicaid enterprise plus the estimated disproportionate share hospital payments exceeds ~~\$60,000,000~~ \$65,000,000. The amount paid in excess of ~~\$60,000,000~~ \$65,000,000 shall not adjust the original monthly payment amount but shall be distributed monthly based on actual claims adjudicated and paid by the Iowa Medicaid enterprise plus the estimated disproportionate share hospital amount. Any amount appropriated in this subsection in excess of ~~\$60,000,000~~ \$65,000,000 shall be allocated only if federal funds are available to match the amount allocated. Pursuant to paragraph "b", of the amount appropriated in this subsection, not more than \$4,000,000 shall be distributed for prescription drugs, and podiatry services, optometric services, and durable medical equipment.

b. Notwithstanding any provision of law to the contrary, the hospital identified in this subsection, shall be reimbursed for outpatient prescription drugs, and podiatry services, optometric services, and durable medical equipment provided to members of the expansion population pursuant to all applicable medical assistance program rules, in an amount not to exceed \$4,000,000.

IOWACARE ACCOUNT — REGIONAL PROVIDER NETWORK

Sec. 44. 2011 Iowa Acts, chapter 129, section 146, subsection 5, unnumbered paragraph 2, is amended to read as follows:

For payment to the regional provider network specified by the department pursuant to section 249J.7 for provision of covered services to members of the expansion population pursuant to chapter 249J:

..... \$ ~~3,472,176~~
4,986,366

ACCOUNT FOR HEALTH CARE TRANSFORMATION

Sec. 45. 2011 Iowa Acts, chapter 129, section 148, is amended to read as follows:

SEC. 148. APPROPRIATIONS FROM ACCOUNT FOR HEALTH CARE TRANSFORMATION — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary, there is appropriated from the account for health care transformation created in section 249J.23 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the provision of an IowaCare nurse helpline for the expansion population as provided in section 249J.6:
 \$ 50,000
100,000
2. For other health promotion partnership activities pursuant to section 249J.14:
 \$ 300,000
600,000
3. For the costs related to audits, performance evaluations, and studies required pursuant to chapter 249J:
 \$ 62,500
125,000
4. For administrative costs associated with chapter 249J:
 \$ 566,206
1,132,412
5. For planning and development, in cooperation with the department of public health, of a phased-in program to provide a dental home for children in accordance with section 249J.14:
 \$ 500,000
1,000,000
6. For continuation of the establishment of the tuition assistance for individuals serving individuals with disabilities pilot program, as enacted in 2008 Iowa Acts, chapter 1187, section 130:
 \$ 25,000
50,000
7. For medical contracts:
 \$ ~~1,000,000~~
2,400,000
8. For payment to the publicly owned acute care teaching hospital located in a county with a population of over 350,000 that is a participating provider pursuant to chapter 249J:
 \$ ~~145,000~~
540,000

Disbursements under this subsection shall be made monthly.

The hospital shall submit a report following the close of the fiscal year regarding use of the funds appropriated in this subsection to the persons specified in this Act to receive reports.

9. For transfer to the department of public health to be used for the costs of medical home system advisory council established pursuant to section 135.159:

..... \$ 116,679
233,357

10. For continued implementation of a uniform cost report:

..... \$ 75,000
150,000

11. For continued implementation of an electronic medical records system:

..... \$ 50,000
100,000

Notwithstanding section 8.33, funds allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available in succeeding fiscal years to be used for the purposes designated.

12. For transfer to the department of public health to support the department's activities relating to health and long-term care access as specified pursuant to chapter 135, division XXIV:

..... \$ 67,107
134,214

13. For continuation of an accountable care organization pilot project:

..... \$ 50,000
100,000

15. For transfer to the department of public health to be used as state matching funds for the health information technology ~~system~~ network developed by the department of public health:

..... \$ 181,993
363,987

~~16. To supplement the appropriation for medical assistance:~~
~~..... \$ 1,956,245~~

Any funds remaining in the health care transformation account at the close of the fiscal year beginning July 1, 2012, and ending June 30, 2013, are appropriated to the department of human services to supplement the medical assistance program

appropriation made in this Act.

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

QUALITY ASSURANCE TRUST FUND

Sec. 46. 2011 Iowa Acts, chapter 129, section 151, is amended to read as follows:

SEC. 151. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance:

..... \$ ~~29,000,000~~
26,500,000

HOSPITAL HEALTH CARE ACCESS TRUST FUND

Sec. 47. 2011 Iowa Acts, chapter 129, section 152, is amended to read as follows:

SEC. 152. HOSPITAL HEALTH CARE ACCESS TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the hospital health care access trust fund created in section 249M.4 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance:

..... \$ ~~39,223,800~~
33,898,400

2. For deposit in the nonparticipating provider reimbursement fund created in section 249J.24A to be used for

the purposes of the fund:

.....	\$ 776,200
	<u>801,600</u>

MISCELLANEOUS PROVISIONS

Sec. 48. REPEAL. 2011 Iowa Acts, chapter 129, sections 149 and 150, are repealed.

DIVISION VI

CHILDREN'S HEALTH INSURANCE PROGRAM — CHILD ENROLLMENT CONTINGENCY FUND

Sec. 49. CHILDREN'S HEALTH INSURANCE PROGRAM — CHILD ENROLLMENT CONTINGENCY FUND — DIRECTIVES FOR USE OF FUNDS — FY 2011-2012.

1. Moneys received from the federal government through the child enrollment contingency fund established pursuant to section 103 of the federal Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, are appropriated to the department of human services for the fiscal year beginning July 1, 2011, and ending June 30, 2012, to be used in addition to any other amounts appropriated for the same purposes for the fiscal year as follows:

- a. For adoption subsidy payments and services:
..... \$ 2,177,355
- b. For child care programs:
..... \$ 1,212,432
- c. For transfer to the department of public health to be used for tobacco use prevention, cessation, and treatment through support of Quitline Iowa:
..... \$ 275,000

2. Notwithstanding section 8.39, and to the extent that funds appropriated in this section are unexpended or unobligated for the purposes specified in subsection 1, the department of human services may transfer funds within or between any of the appropriations made in this section for the following purposes:

- a. For adoption subsidy payments and services.
- b. For child care assistance.

Sec. 50. CHILDREN'S HEALTH INSURANCE PROGRAM — CHILD ENROLLMENT CONTINGENCY FUND — DIRECTIVES FOR USE OF FUNDS — FY 2012-2013. Moneys received from the federal government through the child enrollment contingency fund established pursuant to section 103 of the federal Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, are appropriated to the department of human services for

the fiscal year beginning July 1, 2012, and ending June 30, 2013, to be used in addition to any other amounts appropriated for the same purposes for the fiscal year as follows:

- 1. For mental health and disability services redesign technical assistance services:
..... \$ 500,000
- 2. For the field operations integrity claims unit:
..... \$ 961,100
- 3. For the child welfare resources fund created pursuant to this subsection:
..... \$ 1,000,000

A child welfare resources fund is created under the control of the department of human services. Notwithstanding section 8.33, moneys credited to the fund shall not revert to any other fund and are appropriated to the department to be used as provided in this subsection. The department shall distribute the moneys credited to the fund as grants to child welfare service providers to support infrastructure projects, supplies, equipment, renovations, and other one-time expenses in connection with publicly funded child welfare services.

Sec. 51. EFFECTIVE DATE PROVISIONS. The section of this division of this Act appropriating moneys received through the federal Child Enrollment Contingency Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012, being deemed of immediate importance, takes effect upon enactment.

Sec. 52. RETROACTIVE APPLICABILITY. The section of this division of this Act appropriating moneys received through the federal Child Enrollment Contingency Fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012, applies retroactively to July 1, 2011.

DIVISION VII

MENTAL HEALTH AND DISABILITY SERVICES REDESIGN FUNDING FOR
FY 2012-2013

Sec. 53. RISK POOL APPROPRIATION FOR MEDICAL ASSISTANCE PROGRAM. All moneys remaining in the risk pool of the property tax relief fund on June 30, 2012, following the distributions made pursuant to 2012 Iowa Acts, Senate File 2071, are appropriated to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, to be used for the purpose designated:

To be credited to the appropriation made for the medical assistance program in 2011 Iowa Acts, chapter 129, section 122.

Sec. 54. MENTAL HEALTH AND DISABILITY SERVICES

REDESIGN. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To be credited to the mental health and disability services redesign fund created in this division of this Act:

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

Sec. 55. REPLACEMENT GENERATION TAX REVENUES — LEVY RATES FOR FY 2012-2013.

1. a. For the fiscal year beginning July 1, 2012, and ending June 30, 2013, the replacement generation tax revenues required to be deposited in the property tax relief fund pursuant to section 437A.8, subsection 4, paragraph "d", and section 437A.15, subsection 3, paragraph "f", shall instead be credited to the mental health and disability services redesign fund created in this division of this Act.

b. If this section of this division of this Act is enacted after the department of management has reduced county certified budgets and revised rates of taxation pursuant to section 426B.2, subsection 3, paragraph "b", to reflect anticipated replacement generation tax revenues, and the enactment date is during the period beginning May 1, 2012, and ending June 30, 2012, the reductions and revisions shall be rescinded and the department of management shall expeditiously report that fact to the county auditors.

2. Except as otherwise provided in subsection 1 for department of management reductions of certified budgets and revisions of tax rates and rescinding of those reductions and revisions, the budgets and tax rates certified for a county services fund under section 331.424A, for the fiscal year beginning July 1, 2012, shall remain in effect, notwithstanding section 426B.3, subsection 1, the property tax relief fund payment and other services fund financing changes made in this division of this Act, or other statutory amendments affecting county services funds for the fiscal year to the contrary.

Sec. 56. MENTAL HEALTH AND DISABILITY SERVICES REDESIGN FUND — FY 2012-2013.

1. A mental health and disability services redesign fund is created in the state treasury on the effective date of this section to be used as provided in this section for the fiscal year beginning July 1, 2012, and ending June 30, 2013. The redesign fund is under the control of the department of human

services. Moneys remaining in the redesign fund at the close of the fiscal year beginning July 1, 2012, shall be transferred to the mental health and disability regional services fund created in section 225C.7A, if enacted by 2012 Iowa Acts, Senate File 2315.

2. Moneys available in the mental health and disability services redesign fund created in this section are appropriated to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, to be used as provided in this section.

3. Moneys appropriated in this section shall be used to pay the nonfederal share of medical assistance program services costs that would be billed to counties, if the amendments to sections 249A.12 and 249A.26 were not enacted by this division of this Act, for the following services provided in the fiscal year beginning July 1, 2012:

- a. Habilitation.
- b. Targeted case management.
- c. Home-based and community-based services waiver services for persons with intellectual disabilities and brain injury.
- d. Community-based intermediate care facilities for persons with mental retardation (ICF/MR).
- e. The state resource centers.

4. The nonfederal share of the medical assistance services costs for the services specified in subsection 3 provided for the fiscal year beginning July 1, 2012, shall be paid from the mental health and disability services redesign fund and shall not be billed to counties.

5. Of the funds appropriated in this section, for the fiscal year beginning July 1, 2012, \$500,000 shall be used to implement the children's mental health home project proposed by the department of human services and reported to the general assembly's mental health and disability services study committee in December 2011. Of this amount up to \$50,000 may be transferred by the department to the appropriation made to the department for the fiscal year for general administration to be used for associated administrative expenses and for not more than one full-time equivalent position, in addition to those authorized for the fiscal year, to be assigned to implementing the project.

6. Of the funds appropriated in this section, up to \$400,000 may be transferred by the department to the appropriation made to the department for the fiscal year for general

administration to support redesign and balancing incentive planning and implementation activities. The funds may be used for contracts or for personnel in addition to the amounts appropriated for and the positions authorized for general administration for the fiscal year.

7. Of the funds appropriated in this section, up to \$3,000,000 may be transferred by the department to the appropriations made to the department for the fiscal year for general administration or medical contracts to be used to support the development and implementation of standardized assessment tools for persons with mental illness, an intellectual disability, a developmental disability, or a brain injury.

8. Moneys credited to the redesign fund are not subject to section 8.33.

Sec. 57. SERVICES FUND CASH FLOW TRANSFER.

Notwithstanding section 331.424A, subsection 5, and section 331.432, subsection 3, for the fiscal year beginning July 1, 2012, and ending June 30, 2013, a county may temporarily transfer moneys from other funds of the county to the county's services fund created in section 331.424A, for cash flow purposes. Moneys transferred pursuant to this section shall be returned to the fund from which the transfer was made by the close of the fiscal year.

Sec. 58. Section 249A.12, Code 2011, is amended to read as follows:

249A.12 Assistance to persons with mental retardation — ~~state cases.~~

1. Assistance may be furnished under this chapter to an otherwise eligible recipient who is a resident of a health care facility licensed under chapter 135C and certified as an intermediate care facility for persons with mental retardation.

~~2. A county shall reimburse the department on a monthly basis for that portion of the cost of assistance provided under this section to a recipient with legal settlement in the county, which is not paid from federal funds, if the recipient's placement has been approved by the appropriate review organization as medically necessary and appropriate. The department's goal for the maximum time period for submission of a claim to a county is not more than sixty days following the submission of the claim by the provider of the service to the department. The department's goal for completion and crediting of a county for cost settlement for~~

~~the actual costs of a service under a home and community-based services waiver is within two hundred seventy days of the close of a fiscal year for which cost reports are due from providers. The department shall place all reimbursements from counties in the appropriation for medical assistance, and may use the reimbursed funds in the same manner and for any purpose for which the appropriation for medical assistance may be used.~~

~~3.~~ 2. If a county reimburses ~~reimbursed~~ the department for medical assistance provided under this section, Code 2011, and the amount of medical assistance is subsequently repaid through a medical assistance income trust or a medical assistance special needs trust as defined in section 633C.1, the department shall reimburse the county on a proportionate basis. The department shall adopt rules to implement this subsection.

~~4.~~ 3. *a.* Effective July 1, 1995, the state shall be responsible for all of the nonfederal share of the costs of intermediate care facility for persons with mental retardation services provided under medical assistance to minors. Notwithstanding ~~subsection 2~~ and contrary provisions of section 222.73, Code 2011, effective July 1, 1995, a county is not required to reimburse the department and shall not be billed for the nonfederal share of the costs of such services provided to minors.

b. The state shall be responsible for all of the nonfederal share of medical assistance home and community-based services waivers for persons with intellectual disabilities services provided to minors, and a county is not required to reimburse the department and shall not be billed for the nonfederal share of the costs of the services.

c. Effective February 1, 2002, the state shall be responsible for all of the nonfederal share of the costs of intermediate care facility for persons with mental retardation services provided under medical assistance attributable to the assessment fee for intermediate care facilities for individuals with mental retardation imposed pursuant to section 249A.21. Notwithstanding ~~subsection 2~~, effective Effective February 1, 2003, a county is not required to reimburse the department and shall not be billed for the nonfederal share of the costs of such services attributable to the assessment fee.

~~5.~~ 4. *a.* The mental health and disability services commission shall recommend to the department the actions necessary to assist in the transition of individuals being served in an intermediate care facility for persons with

mental retardation, who are appropriate for the transition, to services funded under a medical assistance home and community-based services waiver for persons with intellectual disabilities in a manner which maximizes the use of existing public and private facilities. The actions may include but are not limited to submitting any of the following or a combination of any of the following as a request for a revision of the medical assistance home and community-based services waiver for persons with intellectual disabilities:

(1) Allow for the transition of intermediate care facilities for persons with mental retardation licensed under chapter 135C, to services funded under the medical assistance home and community-based services waiver for persons with intellectual disabilities. The request shall be for inclusion of additional persons under the waiver associated with the transition.

(2) Allow for reimbursement under the waiver for day program or other service costs.

(3) Allow for exception provisions in which an intermediate care facility for persons with mental retardation which does not meet size and other facility-related requirements under the waiver in effect on June 30, 1996, may convert to a waiver service for a set period of time such as five years. Following the set period of time, the facility would be subject to the waiver requirements applicable to services which were not operating under the exception provisions.

b. In implementing the provisions of this subsection, the mental health and disability services commission shall consult with other states. The waiver revision request or other action necessary to assist in the transition of service provision from intermediate care facilities for persons with mental retardation to alternative programs shall be implemented by the department in a manner that can appropriately meet the needs of individuals at an overall lower cost to counties, the federal government, and the state. In addition, the department shall take into consideration significant federal changes to the medical assistance program in formulating the department's actions under this subsection. The department shall consult with the mental health and disability services commission in adopting rules for oversight of facilities converted pursuant to this subsection. A transition approach described in paragraph "a" may be modified as necessary to obtain federal waiver approval.

~~6.~~ 5. *a.* The provisions of the home and community-based services waiver for persons with intellectual disabilities shall include adult day care, prevocational, and transportation services. Transportation shall be included as a separately payable service.

b. The department of human services shall seek federal approval to amend the home and community-based services waiver for persons with intellectual disabilities to include day habilitation services. Inclusion of day habilitation services in the waiver shall take effect upon receipt of federal approval.

~~*c.* The person's county of legal settlement shall pay for the nonfederal share of the cost of services provided under the waiver, and the state shall pay for the nonfederal share of such costs if the person has no legal settlement or the legal settlement is unknown so that the person is deemed to be a state case.~~

~~*d.* The county of legal settlement shall pay for one hundred percent of the nonfederal share of the costs of care provided for adults which is reimbursed under a home and community-based services waiver that would otherwise be approved for provision in an intermediate care facility for persons with mental retardation provided under the medical assistance program.~~

~~7.~~ 6. When paying the necessary and legal expenses for intermediate care facility for persons with mental retardation services, the cost requirements of section 222.60 shall be considered fulfilled when payment is made in accordance with the medical assistance payment rates established by the department for intermediate care facilities for persons with mental retardation, and the state ~~or a county of legal settlement~~ shall not be obligated for any amount in excess of the rates.

~~8.~~ 7. If a person with mental retardation has no legal settlement or the legal settlement is unknown so that the person is deemed to be a state case and services associated with the mental retardation can be covered under a medical assistance home and community-based services waiver or other medical assistance program provision, the nonfederal share of the medical assistance program costs for such coverage shall be paid from the appropriation made for the medical assistance program.

Sec. 59. Section 249A.26, subsection 2, Code 2011, is amended to read as follows:

2. *a.* Except as provided for disallowed costs in section 249A.27, ~~the county of legal settlement shall pay for fifty percent of the nonfederal share of the cost and the state shall have responsibility for the remaining fifty~~ pay one hundred percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness. For purposes of this section, persons with mental disorders resulting from Alzheimer's disease or ~~substance abuse~~ a substance-related disorder shall not be considered ~~chronically mentally ill~~ to be persons with chronic mental illness. ~~To the maximum extent allowed under federal law and regulations, the department shall consult with and inform a county of legal settlement's central point of coordination process, as defined in section 331.440, regarding the necessity for and the provision of any service for which the county is required to provide reimbursement under this subsection.~~

b. The state shall pay for one hundred percent of the nonfederal share of the costs of case management provided for adults, day treatment, partial hospitalization, and the home and community-based services waiver services for persons who have no ~~legal settlement~~ residence in this state or ~~the legal settlement~~ whose residence is unknown so that the persons are deemed to be state cases.

c. The case management services specified in this subsection shall be paid for by a county only if the services are provided outside of a managed care contract.

Sec. 60. Section 249A.26, subsections 3, 4, 7, and 8, Code 2011, are amended to read as follows:

3. ~~To the maximum extent allowed under federal law and regulations, a person with mental illness or mental retardation shall not be eligible for any service which is funded in whole or in part by a county share of the nonfederal portion of medical assistance funds unless the person is referred through the central point of coordination process, as defined in section 331.440. However, to the extent federal law allows referral of a medical assistance recipient to a service without approval of the central point of coordination process, the county of legal settlement shall be billed for the nonfederal share of costs for any adult person for whom the county would otherwise be responsible.~~

4. ~~The county of legal settlement~~ state shall pay ~~for~~ one hundred percent of the nonfederal share of the cost of services provided to adult persons with chronic mental illness who qualify for habilitation services in accordance with the rules adopted for the services. ~~The state shall pay for one hundred percent of the nonfederal share of the cost of such services provided to such persons who have no legal settlement or the legal settlement is unknown so that the persons are deemed to be state cases.~~

7. ~~Unless a county has paid or is paying for the nonfederal share of the costs of a person's home and community-based waiver services or placement in an intermediate care facility for persons with mental retardation under the county's mental health, mental retardation, and developmental disabilities services fund, or unless a county of legal settlement would become liable for the costs of services for a person at the level of care provided in an intermediate care facility for persons with mental retardation due to the person reaching the age of majority, the~~ The state shall pay ~~for~~ the nonfederal share of the costs of an eligible person's services under the home and community-based services waiver for persons with brain injury.

8. If a dispute arises between different counties or between the department and a county as to the legal settlement of a person who ~~receives~~ received medical assistance for which the nonfederal share ~~is~~ was payable in whole or in part by a county of legal settlement in accordance with Code 2011, and cannot be resolved by the parties, the dispute shall be resolved as provided in section 225C.8, Code 2011.

Sec. 61. Section 445.5, subsection 1, paragraph h, Code Supplement 2011, is amended by striking the paragraph.

Sec. 62. 2011 Iowa Acts, chapter 129, section 43, subsection 2, paragraphs d and e, are amended to read as follows:

d. If moneys from a distribution made under this subsection are not expended by a county by ~~November 1, 2012~~ June 30, 2013, for services provided ~~prior to July 1, 2012~~ by that date, the county shall reimburse the unexpended moneys to the department by ~~November 30, 2012~~ August 30, 2013, and the moneys reimbursed shall be credited to the risk pool in the property tax relief fund.

e. The risk pool board shall submit ~~a report~~ reports to the governor and general assembly on or before December 31, 2012 and 2013, regarding the expenditure of funds distributed under

this subsection.

Sec. 63. 2011 Iowa Acts, chapter 129, section 135, is amended to read as follows:

SEC. 135. MI/MR/DD STATE CASES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

~~For distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities in accordance with section 331.440~~
To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:

..... \$ 6,084,741
11,150,820

2. For the fiscal year beginning July 1, 2012, and ending June 30, 2013, ~~\$100,000~~ \$200,000 is allocated for state case services from the amounts appropriated from the fund created in section 8.41 to the department of human services from the funds received from the federal government under 42 U.S.C. ch. 6A, subch. XVII, relating to the community mental health center block grant, for the federal fiscal years beginning October 1, 2010, and ending September 30, 2011, beginning October 1, 2011, and ending September 30, 2012, and beginning October 1, 2012, and ending September 30, 2013. The allocation made in this subsection shall be made prior to any other distribution allocation of the appropriated federal funds.

~~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.~~

Sec. 64. 2011 Iowa Acts, chapter 129, section 136, is amended to read as follows:

SEC. 136. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES — COMMUNITY SERVICES FUND. There is appropriated from the general fund of the state to the ~~mental health and developmental disabilities community services fund created in section 225C.7~~ department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

~~For mental health and developmental disabilities community services in accordance with this division of this Act~~ To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:

..... \$ 14,211,100

~~1. Of the funds appropriated in this section, \$14,187,556 shall be allocated to counties for funding of community-based mental health and developmental disabilities 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.~~

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

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

~~3. Of the funds appropriated in this section, \$23,544 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.~~

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

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

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

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

~~federal office of management and budget.~~

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

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

~~6. The most recent population estimates issued by the United States bureau of the census shall be applied for the population factors utilized in this section.~~

Sec. 65. 2011 Iowa Acts, chapter 129, section 154, is amended to read as follows:

SEC. 154. MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES PROPERTY TAX RELIEF. Notwithstanding In lieu of the standing appropriation in section 426B.1, subsection 2, for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the amount there is appropriated from the general fund of the state pursuant to that provision shall not exceed to the department of human services the following amount or so much thereof as is necessary to be used for the purposes designated:

To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:

..... \$ 81,199,911

Sec. 66. 2011 Iowa Acts, chapter 129, section 155, is amended to read as follows:

SEC. 155. ADULT MH/MR/DD SERVICES ALLOWED GROWTH FUNDING — FY 2012-2013.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

~~For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment for fiscal year 2012-2013 as provided in this section in lieu of the allowed growth factor provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B~~ To be credited to the mental health and disability services redesign fund created by this division of this 2012 Act:

..... \$ 74,697,893

~~2. Of the amount appropriated in this section, \$38,000,000~~

~~shall be distributed as provided in this subsection.~~

~~a. To be eligible to receive a distribution under this subsection, a county must meet the following requirements:~~

~~(1) The county is levying for the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for taxes due and payable in the fiscal year beginning July 1, 2012, or the county is levying for at least 90 percent of the maximum amount allowed for the county's services fund and that levy rate is more than \$2 per \$1,000 of the assessed value of all taxable property in the county.~~

~~(2) In the fiscal year beginning July 1, 2010, the county's mental health, mental retardation, and developmental disabilities services fund ending balance under generally accepted accounting principles was equal to or less than 15 percent of the county's actual gross expenditures for that fiscal year.~~

~~b. The amount of a county's distribution from the allocation made in this subsection shall be determined based upon the county's proportion of the general population of the counties eligible to receive a distribution under this subsection. The most recent population estimates issued by the United States bureau of the census shall be applied in determining population for the purposes of this paragraph.~~

~~c. The distributions made pursuant to this subsection are subject to the distribution provisions and withholding requirements established in this section for the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment for the fiscal year beginning July 1, 2012.~~

~~3. The following amount of the funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2012-2013, and shall be credited to the allowed growth funding pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 1:~~

~~..... \$ 36,697,893~~

~~4. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for the allowed growth factor adjustment for fiscal year 2012-2013 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:~~

~~a. For calculation of a distribution amount for eligible~~

~~counties from the allowed growth funding pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:~~

~~..... \$ 49,773,346~~

~~b. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in the appropriation made for the MH/DD community services fund for the fiscal year beginning July 1, 2012:~~

~~..... \$ 14,187,556~~

~~5. a. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 4 for purposes of producing preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. In order to be eligible for a distribution under this section, a county must be levying 90 percent or more of the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for taxes due and payable in the fiscal year for which the distribution is payable.~~

~~b. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2010, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. If a county borrowed moneys for purposes of providing services from the county's services fund on or before July 1, 2010, and the county's services fund ending balance for that fiscal year includes the loan proceeds or an amount designated in the county budget to service the loan for the borrowed moneys, those amounts shall not be considered to be part of the county's ending balance for purposes of calculating an ending balance percentage under this subsection.~~

~~c. For purposes of calculating withholding factors and for ending balance amounts used for other purposes under law, the county ending balances shall be adjusted, using forms developed for this purpose by the county finance committee, to disregard the temporary funding increase provided to the counties for the fiscal year through the federal American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5. In addition, a~~

~~county may adjust the ending balance amount by rebating to the department all or a portion of the allowed growth and MH/DD services fund moneys the county received for the fiscal year beginning July 1, 2011, in accordance with this Act, or from any other services fund moneys available to the county. The rebate must be remitted to the department on or before June 1, 2012, in order to be counted. The amount rebated by a county shall be subtracted dollar for dollar from the county's ending balance amount for the fiscal year beginning July 1, 2010, for purposes of calculating the withholding factor and for other ending balance purposes for the fiscal year beginning July 1, 2012. The rebates received by the department shall be credited to the property tax relief fund and distributed as additional funding for the fiscal year beginning July 1, 2012, in accordance with the formula provisions in this section.~~

~~d. The withholding factor for a county shall be the following applicable percent:~~

~~(1) For an ending balance percentage of less than 5 percent, a withholding factor of 0 percent. In addition, a county that is subject to this lettered paragraph shall receive an inflation adjustment equal to 3 percent of the gross expenditures reported for the county's services fund for the fiscal year.~~

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

~~(3) For an ending balance percentage of 10 percent or more but less than 25 percent, a withholding factor of 25 percent. However, for counties with an ending balance of 10 percent or more but less than 15 percent, the amount withheld shall be limited to the amount by which the county's ending balance was in excess of the ending balance percentage of 10 percent.~~

~~(4) For an ending balance percentage of 25 percent or more, a withholding percentage of 100 percent.~~

~~6. The total withholding amounts applied pursuant to subsection 5 shall be equal to a withholding target amount of \$13,075,453. If the department of human services determines that the amount appropriated is insufficient or the amount to be withheld in accordance with subsection 5 is not equal to the target withholding amount, the department shall adjust the~~

~~withholding factors listed in subsection 5 as necessary to achieve the target withholding amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall only adjust the zero withholding factor or the inflation adjustment percentages specified in subsection 5, paragraph "d", when the amount appropriated is insufficient.~~

Sec. 67. 2012 Iowa Acts, Senate File 2071, section 6, subsections 5 and 6, are amended to read as follows:

5. If moneys from a distribution made under this section are not expended by a county by ~~November 1, 2012~~ June 30, 2013, for services provided ~~prior to July 1, 2012~~ by that date, the county shall reimburse the unexpended moneys to the department by ~~November 30, 2012~~ August 30, 2013, and the moneys reimbursed shall be credited to the risk pool in the property tax relief fund.

6. The risk pool board shall submit ~~a report~~ reports to the governor and general assembly on or before December 31, 2012 and 2013, regarding the expenditure of funds distributed under this section.

Sec. 68. 2012 Iowa Acts, Senate File 2071, section 7, is amended to read as follows:

SEC. 7. PROPERTY TAX RELIEF — FY 2012-2013. There is appropriated from the Iowa economic emergency fund to the department of human services for the fiscal year beginning July 1, 2011, and ending June 30, 2012, notwithstanding section 8.55, subsection 1, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To be credited to the ~~property tax relief~~ mental health and disability services redesign fund ~~to be used to restore the amount of the standing appropriation made from the general fund of the state in section 426B.1, subsection 1, for the fiscal year beginning July 1, 2012, in the amount of the reduction applied pursuant to 2011 Iowa Acts, chapter 129, section 154 created by this division of this 2012 Act:~~

..... \$ 7,200,089

Sec. 69. REPEAL. The sections of 2012 Iowa Acts, Senate File 2315, if enacted, amending sections 249A.12 and 249A.26 are repealed.

Sec. 70. EFFECTIVE DATE. The following provision or provisions of this division of this Act take effect July 1, 2013, if the amendments to chapter 426B in 2012 Iowa Acts,

Senate File 2315, are enacted:

1. The section of this Act amending section 445.5.

Sec. 71. EFFECTIVE UPON ENACTMENT. The following provisions of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The section of this Act relating to replacement generation tax revenues and county levy rates for the fiscal year beginning July 1, 2012.

2. The section of this Act creating the mental health and disability services redesign fund.

3. The section of this Act amending 2012 Iowa Acts, Senate File 2071, section 7.

DIVISION VIII

PRIOR APPROPRIATIONS AND RELATED CHANGES

INJURED VETERANS GRANT PROGRAM

Sec. 72. 2008 Iowa Acts, chapter 1187, section 69, unnumbered paragraph 1, as amended by 2009 Iowa Acts, chapter 182, section 83, 2010 Iowa Acts, chapter 1192, section 56, and 2011 Iowa Acts, chapter 129, section 53, is amended to read as follows:

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, ~~2011~~ 2012.

CHILD WELFARE DECATEGORIZATION

FY 2009-2010 NONREVERSION

Sec. 73. 2009 Iowa Acts, chapter 182, section 14, subsection 5, unnumbered paragraph 2, as enacted by 2011 Iowa Acts, chapter 129, section 55, is amended to read as follows:

Notwithstanding section 232.188, subsection 5, moneys from the allocations made in this subsection or made from any other source for the decategorization of child welfare and juvenile justice funding initiative under section 232.188 for the fiscal year beginning July 1, 2009, that are designated as carryover funding that remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2010, shall not revert but shall be transferred in the amount of \$1,000,000 to the supportive and residential services competitive grant program fund created in section 16.185A, as enacted in this 2012 Act, and the remainder shall be transferred to the community housing and services for persons with disabilities revolving loan program fund created in section 16.185, as enacted by this

division of this Act.

IOWA VETERANS HOME

Sec. 74. 2011 Iowa Acts, chapter 129, section 3, subsection 2, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. The funds appropriated in this subsection to the Iowa veterans home that remain available for expenditure for the succeeding fiscal year pursuant to section 35D.18, subsection 5, shall be distributed to be used in the succeeding fiscal year in accordance with this lettered paragraph. The first \$500,000 shall remain available to be used for the purposes of the Iowa veterans home. Any remaining balance shall be credited to the appropriation in this Act for the fiscal year beginning July 1, 2012, for medical assistance.

FAMILY INVESTMENT PROGRAM — GENERAL FUND

Sec. 75. 2011 Iowa Acts, chapter 129, section 7, is amended by adding the following new subsection:

NEW SUBSECTION. 5. 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.

MEDICAL ASSISTANCE

Sec. 76. 2011 Iowa Acts, chapter 129, section 10, subsection 20, paragraph d, is amended to read as follows:

d. If the savings to the medical assistance program exceed the cost, the department may transfer any savings generated for the fiscal year due to medical assistance program cost containment efforts initiated pursuant to 2010 Iowa Acts, chapter 1031, Executive Order No. 20, issued December 16, 2009, or cost containment strategies initiated pursuant to this subsection, to the ~~appropriation~~ appropriations made in this division of this Act for medical contracts or general administration to defray the increased contract costs associated with implementing such efforts.

BEHAVIORAL HEALTH SERVICES ACCOUNT — MEDICAL ASSISTANCE

Sec. 77. 2011 Iowa Acts, chapter 129, section 10, is amended by adding the following new subsection:

NEW SUBSECTION. 26. Notwithstanding 2009 Iowa Acts, chapter 182, section 9, subsection 16, paragraph "b", as amended by 2010 Iowa Acts, chapter 1192, section 63, as amended by 2011 Iowa Acts, chapter 129, section 54, funds in the account that remain unencumbered or unobligated at the end of the fiscal year beginning July 1, 2011, are appropriated to

the department of human services to be used for the medical assistance program for the succeeding fiscal year.

STATE SUPPLEMENTARY ASSISTANCE

Sec. 78. 2011 Iowa Acts, chapter 129, section 11, is amended by adding the following new subsection:

NEW SUBSECTION. 4. 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.

JUVENILE INSTITUTIONS

Sec. 79. 2011 Iowa Acts, chapter 129, section 14, is amended by adding the following new subsection:

NEW SUBSECTION. 4. 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.

MENTAL HEALTH INSTITUTES

Sec. 80. 2011 Iowa Acts, chapter 129, section 20, is amended by adding the following new unnumbered paragraph 2:

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

STATE RESOURCE CENTERS

Sec. 81. 2011 Iowa Acts, chapter 129, section 21, is amended by adding the following new subsection:

NEW SUBSECTION. 6. 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.

SEXUALLY VIOLENT PREDATORS

Sec. 82. 2011 Iowa Acts, chapter 129, section 24, 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.

FIELD OPERATIONS

Sec. 83. 2011 Iowa Acts, chapter 129, section 25, is amended by adding the following new unnumbered paragraph:

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

CHILD PROTECTION SYSTEM IMPROVEMENTS

Sec. 84. 2011 Iowa Acts, chapter 129, section 26, subsection 5, is amended to read as follows:

5. Of the funds appropriated in this section, \$500,000 shall be used for implementation of child protection system improvements addressed in 2011 Iowa Acts, ~~House File 562, as enacted~~ chapter 28. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

GENERAL ADMINISTRATION

Sec. 85. 2011 Iowa Acts, chapter 129, section 26, is amended by adding the following new subsection:

NEW SUBSECTION. 6. 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.

IOWACARE DISTRIBUTIONS

Sec. 86. 2011 Iowa Acts, chapter 129, section 35, subsection 2, unnumbered paragraph 2, is amended to read as follows:

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

..... \$ ~~44,226,279~~
56,226,279

Sec. 87. 2011 Iowa Acts, chapter 129, section 35, subsection 4, paragraph a, is amended to read as follows:

a. Notwithstanding any provision of law to the contrary, the amount appropriated in this subsection shall be distributed based on claims submitted, adjudicated, and paid by the Iowa Medicaid enterprise plus a monthly disproportionate share hospital payment. Any amount appropriated in this subsection

in excess of ~~\$60,000,000~~ \$57,000,000 shall be distributed only if the sum of the expansion population claims adjudicated and paid by the Iowa Medicaid enterprise plus the estimated disproportionate share hospital payments exceeds ~~\$60,000,000~~ \$57,000,000. The amount paid in excess of ~~\$60,000,000~~ \$57,000,000 shall not adjust the original monthly payment amount but shall be distributed monthly based on actual claims adjudicated and paid by the Iowa Medicaid enterprise plus the estimated disproportionate share hospital amount. Any amount appropriated in this subsection in excess of ~~\$60,000,000~~ \$57,000,000 shall be allocated only if federal funds are available to match the amount allocated. Pursuant to paragraph "b", of the amount appropriated in this subsection, not more than \$4,000,000 shall be distributed for prescription drugs and podiatry services.

Sec. 88. 2011 Iowa Acts, chapter 129, section 35, subsection 4, paragraph d, subparagraph (2), is amended to read as follows:

(2) Notwithstanding the amount collected and distributed for deposit in the IowaCare account pursuant to section 249J.24, subsection 4, paragraph "a", subparagraph (2), the first \$19,000,000 in collections pursuant to section 347.7 between January 1, 2012, and June 30, 2012, shall be distributed to the treasurer of state for deposit in the IowaCare account and collections during this time period in excess of \$19,000,000 shall be distributed to the acute care teaching hospital identified in this subsection. ~~Of the collections in excess of the \$19,000,000 received by the acute care teaching hospital under this subparagraph (2), \$2,000,000 shall be distributed by the acute care teaching hospital to the treasurer of state for deposit in the IowaCare account in the month of July 2012, following the January 1 through June 30, 2012, period.~~

Sec. 89. IMMEDIATE EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 90. RETROACTIVE APPLICABILITY. The following sections of this division of this Act apply retroactively to July 1, 2011:

1. The section relating to the transfer of funds from costs savings under the medical assistance program to appropriations for medical contracts or general administration for the fiscal year beginning July 1, 2011, and ending June 30, 2012.

2. The section relating to the nonreversion of decategorization of child welfare and juvenile justice funds.

3. The section relating to the distribution of IowaCare program funds.

DIVISION IX
MISCELLANEOUS

Sec. 91. Section 8A.512A, subsection 3, Code Supplement 2011, is amended to read as follows:

3. a. For purposes of this section, "*executive branch employee*" means an employee of the executive branch as defined in section 7E.2, other than a member or employee of the state board of regents and institutions under the control of the state board of regents.

b. For purposes of this section, "*out-of-state travel*" does not include out-of-state travel incidental to travel between a travel departure point in this state and a travel destination point in the city of Carter Lake.

Sec. 92. NEW SECTION. 16.185A Supportive and residential services for individuals who meet the psychiatric medical institution for children level of care — competitive grant program fund.

1. A supportive and residential services competitive grant program fund is created within the authority to further the availability of supportive and residential services for individuals who meet the psychiatric medical institution for children level of care under the medical assistance program. The moneys in the fund are appropriated to the authority to be used for the development and operation of a competitive grant program to provide financing to construct supportive housing or develop the infrastructure in which to provide supportive services, including through new construction, acquisition and rehabilitation of existing housing or infrastructure, or conversion or adaptive reuse.

2. Moneys transferred by the authority for deposit in the competitive grant program fund, moneys appropriated to the competitive grant program, and any other moneys available to and obtained or accepted by the authority for placement in the fund shall be credited to the fund. Additionally, payment of interest, recaptures of awards, and other repayments to the fund shall be credited to the fund. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund. Notwithstanding section 8.33, moneys credited to the fund from any other fund that remain

unencumbered or unobligated at the close of the fiscal year shall not revert to the other fund.

3. The authority shall allocate moneys in the fund to the extent available for the development of supportive housing or the infrastructure in which to provide supportive services for individuals who meet the psychiatric medical institution for children level of care under the medical assistance program. Moneys allocated to such projects shall be in the form of competitive grants. An application submitted shall contain a commitment of at least a dollar-for-dollar match of the grant assistance.

4. *a.* A project shall demonstrate written approval of the project by the department of human services to the authority prior to application for funding under this section.

b. In order to be approved by the department of human services for application for funding under this section, a project shall include all of the following components:

(1) Provision of services to individuals who meet the psychiatric medical institution for children level of care under the medical assistance program.

(2) Policies and procedures that prohibit discharge of the individual from the services provided by the project provider unless an alternative placement that is acceptable to the client or the client's guardian is identified.

5. Housing provided through a project under this section is exempt from the requirements of chapter 1350.

6. The authority, in collaboration with the department of human services, shall adopt rules pursuant to chapter 17A to administer this section.

Sec. 93. Section 97B.39, Code 2011, is amended to read as follows:

97B.39 Rights not transferable or subject to legal process — exceptions.

The right of any person to any future payment under this chapter is not transferable or assignable, at law or in equity, and the moneys paid or payable or rights existing under this chapter are not subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law except for the purposes of enforcing child, spousal, or medical support obligations or marital property orders, or for recovery of medical assistance payments pursuant to section 249A.5. For the purposes of enforcing child, spousal, or medical support

obligations, the garnishment or attachment of or the execution against compensation due a person under this chapter shall not exceed the amount specified in 15 U.S.C. § 1673(b). The system shall comply with the provisions of a marital property order requiring the selection of a particular benefit option, designated beneficiary, or contingent annuitant if the selection is otherwise authorized by this chapter and the member has not received payment of the member's first retirement allowance. However, a marital property order shall not require the payment of benefits to an alternative payee prior to the member's retirement, prior to the date the member elects to receive a lump sum distribution of accumulated contributions pursuant to section 97B.53, or in an amount that exceeds the benefits the member would otherwise be eligible to receive pursuant to this chapter.

Sec. 94. Section 135H.10, subsection 3, Code 2011, is amended by striking the subsection.

Sec. 95. Section 144D.4, as enacted by 2012 Iowa Acts, House File 2165, section 5, is amended by adding the following new subsection:

NEW SUBSECTION. 10. A POST form executed between July 1, 2008, and June 30, 2012, as part of the patient autonomy in health care decisions pilot project created pursuant to 2008 Iowa Acts, chapter 1188, section 36, as amended by 2010 Iowa Acts, chapter 1192, section 58, shall remain effective until revoked or until a new POST form is executed pursuant to this chapter.

Sec. 96. Section 225B.8, Code Supplement 2011, is amended to read as follows:

225B.8 Repeal.

This chapter is repealed July 1, ~~2012~~ 2015.

Sec. 97. NEW SECTION. **231.45 Certified volunteer long-term care resident's advocate program.**

1. The department shall establish a certified volunteer long-term care resident's advocate program in accordance with the federal Act to provide assistance to the state and local long-term care resident's advocates.

2. The department shall develop and implement a certification process for volunteer long-term care resident's advocates including but not limited to an application process, provision for background checks, classroom or on-site training, orientation, and continuing education.

3. The provisions of section 231.42 relating to local

long-term care resident's advocates shall apply to certified volunteer long-term care resident's advocates.

4. The department shall adopt rules pursuant to chapter 17A to administer this section.

Sec. 98. NEW SECTION. **239B.2C Absence from home — incarceration.**

An individual family member who is absent from the home for more than three months because the individual is incarcerated in jail or a correctional facility shall not be included in the family unit for purposes of assistance.

Sec. 99. Section 384.22, subsection 2, paragraph b, unnumbered paragraph 1, if enacted in 2012 Iowa Acts, House File 2460, is amended to read as follows:

The report required under this subsection shall include all of the following as of June 30 of the most recently ended fiscal year or the information for such fiscal year, as applicable:

Sec. 100. **SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS — PRIVATE AGENCY RESIDENTIAL TREATMENT SERVICES.** For the school year beginning July 1, 2012, the department of education shall administer the costs of special education instructional programs funded under section 256B.9, subsection 7, when contracted with a private agency that provides residential treatment services to include the costs of general administration, health services, attendance officers, plant operation, and plant maintenance, regular and special instructional costs, overhead costs, and the costs of purchase of equipment, transportation, and insurance to meet the special needs of children requiring special education.

Sec. 101. **SPECIAL EDUCATION COSTS — LEGISLATIVE STUDY.** The legislative council is requested to establish an interim study committee during the 2012 interim to examine the payment of special education costs associated with student services provided in residential treatment facilities and whether the planning for and costs of such services would be more appropriately administered by the department of education or the department of human services.

Sec. 102. **CIVIL MONETARY PENALTIES — NURSING FACILITY TRAINING.** Of the funds received by the department of human services through civil monetary penalties from nursing facilities, during the fiscal year beginning July 1, 2012, and ending June 30, 2013, \$250,000 shall be used for initial training of nursing facility staff for the care of individuals

who were placed in a nursing facility from a commitment as a sexually violent predator under chapter 229A, residents of nursing facilities who have difficult to manage behaviors, and individuals who are difficult for a nursing facility to accept for placement.

JOHN P. KIBBIE
President of the Senate

KRAIG PAULSEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2336, Eighty-fourth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2012

TERRY E. BRANSTAD
Governor