

March 23, 1961.

House File 470
By COMMITTEE ON PUBLIC HEALTH
AND PHARMACY.
(As passed by the House.)

Passed House, Date 3-23-61

Passed Senate, Date 4-28-61

Vote: Ayes 88 Nays 15

Vote: Ayes 42 Nays 5

Approved.....

House Concurred
99 Yeas 3

A BILL FOR

An Act relating to medical assistance for the aged.

1 Section 1. This chapter may be cited as the Medical Assistance
2 for the Aged Act of 1961.

3 Sec. 2. The terms "state board" and "county board" are used in
4 this chapter as they are defined in section two hundred thirty-four
5 point one (234.1) of the Code, and as used in this chapter.

6 "Recipient" means a person who receives assistance under this
7 chapter.

8 "Assistance" means money payments to, or for medical care and
9 services on behalf of, a recipient.

10 "Residence" shall mean the place where a person lives for other
11 than a temporary purpose.

12 Sec. 3. Assistance may be granted under the provisions of this
13 chapter to any person who:

- 14 1. Is sixty-five (65) years of age or over.
- 15 2. Is a resident of the state of Iowa including those residents
16 who are temporarily absent from the state.
- 17 3. Is not an inmate of a public institution (except as a
18 patient in a medical institution) or who is not a patient in an
19 institution for tuberculosis or mental diseases.
- 20 4. Is not a recipient of old age assistance.

10 5. Is in need of medical care and services available under
11 this chapter, such need having been determined by an attending
12 licensed practitioner of the healing arts acting within the scope
13 of his license.

14 6. Has not sufficient income or other resources, of his own
15 or available to him, to provide himself with such needed medical
16 care and services.

17 7. Has no spouse, child, other person, agency or political
18 subdivision of state or federal government, association, society
19 or corporation legally or contractually responsible under the
20 law of this state and found by the state board able to provide
21 him with such needed medical care and services.

1 Sec. 4. The amount of assistance shall be fixed with due regard
2 to income and resources of the recipient or available to him in
3 conformance to the rules, regulations and standards of the state
4 board.

1 Sec. 5. The state board shall:

2 1. Be the responsible authority for the effective and impartial
3 administration of this chapter. To this end the state board shall
4 formulate and establish such rules and regulations, outline such
5 policies, prescribe such procedures, and delegate such powers as
6 may be necessary or desirable to carry out the provisions of this
7 chapter. The state board may enter into arrangements with other
8 state agencies or private organizations whereby such agency or
9 organization can act as the agent of the state board in arranging
10 for the provision of medical care and services or for agreement
11 with suppliers or for arrangements as to payment of suppliers,
12 and the state board may make expenditures for prepayment health
13 plans or insurance premiums for medical or any other type of

14 remedial care or the cost thereof.

15 2. Adopt by appropriate rules and regulations the definition
16 of medical assistance for the aged by specifying the items for
17 which assistance may be granted, provided, however, that such
18 definition may not include any item or service which is not
19 listed and provided for in Title I, Section 6 (b) of the Social
20 Security Act as amended.

21 3. Adopt appropriate rules and regulations governing the
22 payment of medical assistance for the aged rendered to any
23 applicant prior to the date his application is filed.

24 4. Co-operate with any agency of the federal government in
25 any manner as may be necessary to qualify for federal aid and
26 assistance for medical assistance for the aged in conformity with
27 the provisions of this chapter, including the making of such reports
28 in such form and containing such information as any agency of the
29 federal government may formulate and find necessary to insure
30 qualification and verification of such reports.

31 5. Provide for the professional freedom of those licensed
32 practitioners who determine the need for or provide medical care
33 and services, the optimum freedom of choice to recipients to
34 select the provider of such care and services and for medical
35 direction and supervision as needed.

36 6. Advise and consult at least semi-annually with a council
37 composed of the president, or his or her representative, of the
38 Iowa State Medical Society, the Iowa Society of Osteopathic
39 Physicians and Surgeons, the Iowa State Dental Society, the Iowa
40 State Nurses Association, the Iowa Pharmaceutical Association,
41 the Iowa Chiropody Association, the Iowa Optometric Association,
the Iowa Hospital Association, the Iowa Osteopathic Hospital

43 Association, and the Iowa Nursing Home Association, together with
44 one person designated by the Iowa State Board of Chiropractic
45 Examiners, one state representative (or his alternate) appointed
46 by the speaker of the house, one state senator (or his alternate)
47 appointed by the lieutenant governor, and one public representative
48 (or his alternate) appointed by the state board.

1 Sec. 6. The county board shall:

2 1. Perform all services and duties as are prescribed by this
3 chapter and the rules and regulations of the state board.

4 2. Report to the state board at such time and in such manner
5 and form as the state board may from time to time direct.

1 Sec. 7. Applications for assistance under this chapter shall
2 be filed with the county board of the county in which the applicant
3 resides, in the manner prescribed by the state board. A certification
4 of medical eligibility shall be required in all but exceptional
5 cases, as determined by rules and regulations of the state board,
6 and shall be made by an attending licensed practitioner of the
7 healing arts, acting within the scope of his license, as to the
8 item or items of medical assistance for which the applicant has
9 need. The county board shall make investigation as may be
10 required by the rules of the state board and shall determine
11 whether the applicant is eligible for assistance under this
12 chapter. The applicant shall be notified promptly of this
13 decision.

1 Sec. 8. Any assistance granted under the provisions of this
2 chapter may include any service within the definition of medical
3 assistance for the aged; provided, however, that the applicant
4 was eligible at the time said service was rendered.

1 Sec. 9. Assistance granted under this chapter shall not be

2 transferable or assignable at law or in equity, and none of the
3 money payable under this chapter shall be subject to execution,
4 levy, attachment, garnishment or other legal process, or to the
5 operation of any bankruptcy or insolvency law.

1 Sec. 10. If any application is not acted upon by the county
2 board within a reasonable time after the filing of the application,
3 or if the application or assistance is denied in the whole or in
4 part, modified or cancelled under any provision of this chapter,
5 the applicant or recipient, or his personal representative, may
6 appeal to the state board in the manner or form prescribed by the
7 state board. The state board shall, upon receipt of such appeal,
8 give the applicant or recipient, or his personal representative,
9 reasonable notice and opportunity for a fair hearing before the
10 state board or its duly prescribed representative or representatives.
11 An applicant whose application for assistance has been rejected
12 or a recipient whose assistance has been modified or cancelled in
13 whole or in part, or his personal representative, after a review
14 hearing hereinabove provided, within thirty (30) days after notice
15 of such action is given, may appeal from the decision of the
16 state board to the district court of the county in which the
17 applicant or recipient resides, by serving ten (10) days notice
18 of such appeal upon the state department of social welfare or
19 upon any member of the state board in the manner required by the
20 service of an original notice in any civil action. Upon the
21 service of such notice, the state board shall furnish the
22 appellant with a copy of the application and all supporting
23 papers, a transcript of the testimony taken at the hearing, if
24 any, and a copy of its decision. The district court shall act

25 as an appellate court to review the decision of the state board
26 to determine whether or not it has therein committed fraud or
27 abused its discretion. The costs may be taxed to the appellant
28 or may be remitted where the appeal is affirmed.

1 Sec. 11. For the purpose of any such hearing, the state
2 board or county board shall have the power to compel, by subpoena,
3 the attendance and testimony of any witness and the production
4 of all books and papers. All witnesses shall be examined on oath,
5 and any member of the state board or its duly prescribed
6 representative may administer said oath. The cost incurred in
7 connection with any such hearing or examination shall be paid by
8 the state board or county, whichever issues the subpoenas; and
9 the witnesses shall be entitled to claim a two-dollar (\$2.00)
10 fee and mileage expense of seven cents (7¢) per mile.

1 Sec. 12. All eligibility determinations under this chapter
2 shall be reviewed by the county board as frequently as may be
3 required by the rules of the state board.

1 Sec. 13. If, while receiving assistance, the recipient
2 becomes possessed of any resource or income in excess of the
3 amount stated in the application provided for in this chapter,
4 it shall be the duty of the recipient immediately to notify the
5 county board of the receipt or possession of such resource or
6 income. When it is found that any person has failed so to notify
7 the board that he is or was possessed of property or income in
8 excess of the amount allowed, or when it is found that, within
9 five (5) years prior to the date of his application, a recipient
10 made an assignment or transfer of property for the purpose of
11 rendering himself eligible for assistance under this chapter,
12 any amount of assistance paid in excess of the amount to which

13 the recipient was entitled may be recovered from him while living
14 as a debt due the state and upon his death as a claim of the
15 second class against his estate. The amount so received shall
16 be transferred to the fund for medical assistance for the aged.

1 Sec. 14. On the death of a person receiving or who has
2 received assistance under this chapter or of the survivor of a
3 married couple, either or both of whom were so assisted, the
4 total amount paid as assistance shall be allowed as a claim of
5 the second class against the estate of such decedent in the
6 event the estate is admitted to probate. An action may be
7 brought in the name of the state to recover the same at any
8 time within five (5) years after the death of the person receiving
9 aid or after the death of the survivor of a married couple, either
10 or both of whom have received assistance under the provisions of
11 this chapter.

1 Sec. 15. Any person who shall obtain assistance or payments
2 for medical assistance to the aged under this chapter by
3 misrepresentation or failure with fraudulent intent to bring
4 forth all the facts required of an applicant for aid under the
5 provisions of this chapter and any person who shall knowingly
6 make false statements concerning the applicant's eligibility
7 for aid under this chapter shall be guilty of a misdemeanor,
8 punishable as such.

1 Sec. 16 There is hereby established in the state treasury a
2 fund to be known as the "Fund for Medical Assistance for the Aged"
3 to which shall be credited all funds appropriated by the state
4 for the payment of administrative expenses, assistance and benefits
5 under this chapter and all moneys received from the federal
6 government for such purposes. All assistance and benefits under

7 this chapter and the administrative expenses incidental thereto,
8 so far as the same are payable by the state board, shall be paid
9 from such funds. Any unexpended balance which remains in the
10 fund for medical assistance for the aged at the end of each
11 biennium shall revert to the general fund of the state.

1 Sec. 17. This chapter is not to be so construed as to exclude
2 a recipient under the provisions of this chapter, his spouse,
3 minor children, or other dependents from receiving other forms of
4 relief, aid or assistance paid through any agency of the state or
5 any of its political subdivisions, provided, however, that the
6 recipient may not receive old age assistance.

1 Sec. 18. All applications, information, and records concerning
2 any applicant or recipient of medical assistance for the aged under
3 the provisions of this chapter shall be confidential and shall not
4 be disclosed nor used for any purpose not directly connected with
5 the administration of medical assistance for the aged. The
6 violation of this provision is hereby made a misdemeanor and is
7 punishable as such.

EXPLANATION OF HOUSE FILE 470

This is a simple enabling act which will permit Iowa to establish a program of medical assistance for aged individuals who are not recipients of old age assistance but whose income and resources are insufficient to meet the costs of necessary medical care and services.

This bill does not carry an appropriation.

All funds appropriated by the General Assembly to implement this medical assistance for the aged program will be matched by federal funds (Iowa, 41.52 per cent—U. S. 58.48 per cent) under the provisions of the Kerr-Mills law (Public Law 86-778.)

HOUSE FILE 470

- 1 Amend House File 470 as follows:
- 2 1. Amend section three (3) subsection six (6) by
- 3 adding the following: "However, the provisions of this Act
- 4 shall not apply to any one applicant until after he has paid
- 5 the sum of fifty dollars (\$50.00) for medical assistance
- 6 during the twelve month period prior to the date of his
- 7 application".
- 8 2. Amend section three (3) subsection seven (7) by
- 9 striking the second word "state" in line twenty (20) and
- 10 inserting in lieu thereof the word "county".
- 11 3. Amend section four (4) by adding the following:
- 12 "No assistance shall be granted to:
- 13 1. Any unmarried applicant whose income exceeds one
- 14 thousand five hundred dollars (\$1,500.00) annually, or to
- 15 any married applicant and spouse living together whose
- 16 combined income exceeds two thousand two hundred dollars
- 17 (\$2,200.00). Income shall not include the shelter value of
- 18 a residence occupied by the applicant nor the value of
- 19 gifts or services contributed in kind to the applicant.
- 20 2. Any unmarried applicant whose resources exceed two
- 21 thousand dollars (\$2,000.00), or any married applicant and
- 22 spouse living together whose combined resources exceed three
- 23 thousand dollars (\$3,000.00). The value of resources shall
- 24 be the current market value minus any encumbrances against
- 25 such resource or resources. In determining the foregoing,
- 26 the following resources shall be excluded: real property
- 27 occupied as a residence, household goods and furnishings,
- 28 an automobile, personal effects and tools necessary for the
- 29 pursuit of a trade, occupation or profession."
- 30 4. Amend section seven (7) line four (4) by striking
- 31 the word "eligibility" and inserting in lieu thereof the
- 32 word "need".
- 33 5. Amend section eight (8) line three (3) by adding
- 34 after the word "aged" the following: "rendered prior to
- 35 the date of application".
- 36 6. Amend section thirteen (13) line seven (7) by
- 37 striking the word "property" and inserting in lieu thereof
- 38 the words "any resource".

adopted 3/22/61

adopted 3/22/61

adopted as amended 3/22/61

adopted as amended 3/22/61

adopted 3/22/61

adopted 3/22/61

adopted 3/22/61

Filed
March 21, 1961.

DEN HERDER of Sioux.
EDGINGTON of Franklin.

HOUSE FILE 470

- 1 Amend House File 470 by striking all after the enacting
- 2 clause and inserting in lieu thereof the following:
- 3 "The state board of social welfare, as defined and established
- 4 in chapter two hundred thirty-four (234) of the Code, is hereby
- 5 empowered to establish and maintain a program of medical
- 6 assistance to the aged as provided for in Public Law No. 788
- 7 of the 86th Congress and to secure any and all federal funds
- 8 available with respect to such program.
- 9 There is hereby appropriated to the old-age assistance fund
- 10 created by section two hundred forty-nine point thirty-six
- 11 (249.36) of the Code, the sum of \$..... to carry out
- 12 the purposes of this Act."

Filed
March 22, 1961.

SWISHER of Johnson.

HOUSE FILE 470

- 1 Amend the Den Herder and Edginton amendment to House File 470
- 2 filed March 21, 1961, by striking the period in line twenty-nine
- 3 (29) and adding the following: ", and the cash surrender value
- 4 of life insurance."

Filed, lost, reconsidered and adopted
March 22, 1961.

DEN HERDER of Sioux.

HOUSE FILE 470

- 1 Amend House File 470 as follows:
- 2 Amend section five (5), line thirty-seven (37), by inserting
- 3 after the word "representative," the words "who is a member
- 4 of the professional organization represented by the president,".

Filed
March 22, 1961.

ELY of Linn.

adopted 3/22/61

HOUSE FILE 470

- 1 Amend House File 470 as follows:
2 1. Amend section three (3), subsection six (6), as amended,
3 by inserting in line four (4) after the word "paid" the words
4 "or obligated himself to pay".
5 2. Amend section three (3), line eleven (11), by striking
6 the words "an attending" and inserting in lieu thereof the word
7 "a".
8 3. Amend section three (3), line twelve (12), by striking
9 the words "of the healing arts".
10 4. Amend section three (3) by striking all of subsection
11 seven (7).
12 5. Amend section seven (7) by striking all of said section
13 and inserting in lieu thereof the following:
14 "Applications for assistance under this chapter shall be
15 filed with the county board. The county board shall make such
16 investigation as may be required by the rules of the state board
17 and shall determine whether the applicant is eligible for assistance
18 under this chapter. The applicant shall be notified promptly of
19 this decision."
20 6. Amend section eight (8), as amended, by striking all of
21 said section and inserting in lieu thereof the following:
22 "Medical services shall be rendered upon certification by the
23 attending licensed doctor, that medical service is required. Any
24 assistance granted under the provisions of this chapter may include
25 any service within the definition of medical assistance for the
26 aged rendered prior to the date of application."
27 7. Amend section sixteen (16) by striking all of said section
28 and inserting in lieu thereof the following:
29 "All funds appropriated by the state for the payment of
30 administrative expenses, assistance and benefits under this
31 chapter and all moneys received from the federal government
32 for such purposes shall be credited to the old-age assistance
33 fund, as provided by section two hundred forty-nine point
34 thirty-six (249.36). All assistance and benefits under this
35 chapter, and the administrative expenses incidental thereto,
36 so far as the same are payable by the state board, shall be
37 paid from such funds.
38 Any unobligated balance of the fund appropriated or allocated
39 by the state which remains in the fund for medical assistance
40 to the aged at the end of each biennium shall revert to the
41 general fund of the state."

Filed
March 22, 1961.

DENMAN of Polk.

HOUSE FILE 470

- 1 Amend the Den Herder and Edgington amendment to House File 470
2 filed March 21, 1961, as follows:
3 1. Amend line thirteen (13) by inserting after the word
4 "income" the words ", after deduction of medical expenses
5 incurred by the applicant,".
6 2. Amend line sixteen (16) by inserting after the word
7 "income" the words ", after deduction of medical expenses in-
8 curred by the applicant and his spouse,".

Filed and adopted
March 22, 1961.

STANLEY of Muscatine.

HOUSE FILE 470

- 1 Amend House File 470 by adding to subsection seven (?)
2 of section three (3) the following:
3 "For the purpose of determining whether a child is responsible
4 to provide such medical care and services, such child shall not
5 in any event be deemed responsible therefor if such child is
6 not receiving a net income sufficient to require him to make
7 an income tax payment to the state."

Filed and adopted
March 23, 1961.

RILEY of Linn.
STANLEY of Muscatine.

HOUSE FILE 470

- 1 Amend House File 470, section three (3), subsection seven (7),
- 2 by adding thereto the following: "The state board or the court
- 3 in determining the responsibility of a child for the support of
- 4 a claimant or a recipient, shall deem liability to begin when
- 5 said child is receiving a net income from whatever source,
- 6 commensurate with that upon which he would make an income tax
- 7 payment to this state."

Filed, adopted, reconsidered and lost
March 23, 1961.

GOODE of Davis.

HOUSE FILE 470

- 1 Amend the amendment to House File 470 filed by Denman of Polk
- 2 on March 22, 1961, by striking lines ten (10) and eleven (11)
- 3 thereof and inserting in lieu thereof the following:
- 4 Amend section three (3) by striking all of subsection seven
- 5 (7) and inserting in lieu thereof the following: "7. Has no
- 6 spouse able to provide such needed medical care and services."

Filed and lost
March 23, 1961.

RILEY of Linn.

HOUSE FILE 470

- 1 Amend House File 470 as follows:
- 2 1. Amend section five (5), line forty-eight (48), by striking
- 3 the words "state board" and inserting in lieu thereof the word
- 4 "governor".
- 5 2. Amend section fourteen (14), lines two (2) and nine (9),
- 6 by striking the word "or" and inserting in lieu thereof the
- 7 word "and".

Filed and adopted
March 23, 1961.

GOODE of Davis.

HOUSE FILE 470

1 Amend House File 470, section 5, as follows:

2 1. By striking all of line 5 and inserting in lieu thereof the
3 following: "policies and prescribe such procedures as".

4 2. By striking in line 7 the words "enter into arrangements"
5 and insert in lieu thereof the word "contract".

6 3. By striking all of lines 9 through 14 and inserting in lieu
7 thereof the following:

8 "organization may handle the processing of and the payment
9 of claims for services rendered under the provisions of
10 this Act and under such rules and regulations as shall
11 be promulgated by said board."

Filed
April 14, 1961.

advised
4-28-61
has commenced
5-4-61
By NOLAN.

HOUSE FILE 470

1 Amend House File 470 by adding thereto the following additional
2 section:

3 "Sec. 19. In the event that any provision or provisions of
4 this Act shall be in conflict with Title VI—Medical Services for
5 the Aged, being amendments of Title 1 of the Social Security Act,
6 being Public Law 86-778, 86th Congress, H. R. 12580, dated September
7 13,

8 1960, providing a state plan for medical assistance for the aged;
9 under which, if this Act were not in conflict, the state would be
10 entitled to receive contributions from the United States for
11 medical aid to the aged, such provision or provisions of this
12 Act so in conflict with such law of the United States shall be
13 considered as suspended and non-effective until fifty days after
14 convening of the legislative assembly in the year 1963 so as to
15 enable the state to qualify and participate in such contributions
16 for medical assistance to the aged from the United States."

Filed
April 18, 1961.

advised
4-28-61
has commenced
5-4-61
By MINCKS.

HOUSE FILE 470

1 Amend House File 470 by striking subsection 6 of section 5.

Filed and lost
April 28, 1961.

By NOLAN.