

MAR 12 1974

HOUSE FILE 1411

Place On Calendar

BY COMMITTEE ON HUMAN RESOURCES

*See Human Resources 419, Jan 4/74*

Passed House, Date 4-11-74 (1984) Passed Senate, Date 5-3-74 (1982)

Vote: Ayes 88 Nays 0 Vote: Ayes 44 Nays 0

Approved 5-11-74

*Senate received from amendment and reported  
5-3-74 (1981)  
42-0*

## A BILL FOR

1 An Act relating to authority of the department of social  
2 services to provide state supplementary cash payments  
3 to certain persons, revising the state medical assistance  
4 act, and providing a penalty.

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

- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1 Section 1. Chapter two hundred forty-nine (249), Code  
2 1973, as amended by Acts of the Sixty-fifth General Assembly,  
3 1973 Session, chapter one hundred eighty-six (186), is amended  
4 by adding the following new section:

5 NEW SECTION. FRAUD. Any person who obtains assistance  
6 under this chapter by misrepresentation or by failure with  
7 fraudulent intent to bring forth all of the facts required  
8 of an applicant for assistance under this chapter, or any  
9 person who shall knowingly make false statements concerning  
10 an applicant's eligibility for assistance under this chap-  
11 ter, is guilty of a misdemeanor.

12 Sec. 2. Acts of the Sixty-fifth General Assembly, 1973  
13 Session, chapter one hundred eighty-six (186), section four  
14 (4), is amended by striking subsection two (2) and inserting  
15 in lieu thereof the following:

16 2. Any person who meets the criteria established by para-  
17 graphs a, b and c of this subsection:

18 a. Is receiving either:

19 (1) Care in a licensed adult foster home, boarding home  
20 or custodial home, as defined by section one hundred thirty-  
21 five C point one (135C.1) of the Code, or in another type  
22 of protective living arrangement as defined by the department;  
23 or

24 (2) Nursing care in his own home, certified by a physi-  
25 cian as being required, so long as the cost of the nursing  
26 care does not exceed standards established by the department.

27 b. Is in fact receiving or would, except for income in  
28 excess of applicable maximums, be receiving federal supple-  
29 mental security income.

30 c. Does not have sufficient income to meet the cost of  
31 care in one of the living arrangements defined in paragraph  
32 a of this subsection, which cost of care shall not exceed  
33 the amount established by the rules of the department for  
34 each of those living arrangements.

35 3. Any person living in any living arrangement other than

1 as a patient or resident of a facility licensed under chap-  
2 ter one hundred thirty-five C (135C) of the Code, who meets  
3 the criteria established by paragraphs a, b and c of this  
4 subsection:

5 a. Has living with him a dependent spouse, parent, child  
6 or adult child who is sharing the recipient's living  
7 arrangement, so long as the person continues in the  
8 relationship of dependent spouse, parent, child or adult child  
9 to the recipient and to be in financial need according to  
10 standards established by the department.

11 b. Is in fact receiving or would, except for income in  
12 excess of applicable maximums, be receiving federal supple-  
13 mental security income.

14 c. Does not have sufficient income to meet the cost of  
15 providing for the dependent spouse, parent, child or adult  
16 child, according to standards established by the department.

17 Sec. 3. Section two hundred forty-nine A point two  
18 (249A.2), subsections five (5) and six (6), Code 1973, as  
19 amended by Acts of the Sixty-fifth General Assembly, 1973  
20 Session, chapter one hundred eighty-six (186), section eighteen  
21 (18), is amended to read as follows:

22 5. "Medical assistance" shall mean payment of all or part  
23 of the costs of the care and services enumerated in Title  
24 XIX, United States Social Security Act, section 1905(a),  
25 paragraphs (1) through (5), inclusive [Title XLII, United  
26 States Code, section 1396d(a), paragraphs (1) through (5),  
27 inclusive], as amended to January ~~47-4973~~ 15, 1974.

28 6. "Additional medical assistance" shall mean payment  
29 of all or part of the costs of any or all of the care and  
30 services enumerated in Title XIX, United States Social Se-  
31 curity Act, section 1905(a), paragraphs (6), (7), and (9)  
32 through (17), inclusive [Title XLII, United States Code,  
33 section 1396d(a), paragraphs (6), (7), and (9) through (17),  
34 inclusive], as amended to January ~~47-4973~~ 15, 1974.

35 Sec. 4. Section two hundred forty-nine A point three

1 (249A.3), Code 1973, as amended by Acts of the Sixty-fifth  
2 General Assembly, 1973 Session, chapter one hundred eighty-  
3 six (186), section nineteen (19), is amended to read as  
4 follows:

5 249A.3 ELIGIBILITY. The extent of and the limitations  
6 upon eligibility for assistance under this chapter shall be  
7 as prescribed by this section, and by laws appropriating funds  
8 therefor.

9 1. Medical assistance shall be provided to, or on behalf  
10 of, any individual or family residing in the state of Iowa,  
11 including those residents who are temporarily absent from  
12 the state, who ~~is~~ is :

13 a. Is a recipient of federal supplementary security in-  
14 come or who would be eligible for federal supplemental se-  
15 curity income if living in their own home, as defined in  
16 section two (2) of this Act, or is.

17 b. Is a recipient of aid to dependent children payments  
18 under chapter two hundred thirty-nine (239) of the Code, and  
19 having no spouse or parent responsible under the law of this  
20 state and found by the county board to be able to provide  
21 him or them with needed medical care and services.

22 c. Was a recipient of one of the previous categorical  
23 assistance programs as of December 31, 1973, and would con-  
24 tinue to meet the eligibility requirements for one of the  
25 previous categorical assistance programs as the requirements  
26 existed on that date.

27 2. Medical assistance may also, within the limits of  
28 available funds and in accordance with section 249A.4, sub-  
29 sections 1 and 2 be provided to, or on behalf of, other in-  
30 dividuals and families who are not excluded under subsec-  
31 tion 4 of this section and whose incomes and resources are  
32 insufficient to meet the cost of necessary medical care and  
33 services, ~~and who have no spouse or parent responsible under~~  
34 ~~the law of this state and found by the county board to be~~  
35 ~~able to provide him or them with such necessary medical care~~

1 ~~and services~~, in accordance with the following order of pri-  
2 orities:

3 a. Individuals who are receiving care in a hospital or  
4 in a basic nursing home, intermediate nursing home, skilled  
5 nursing home or extended care facility, as defined by section  
6 one hundred thirty-five C point one (135C.1) of the Code,  
7 and who meet all eligibility requirements for federal sup-  
8 plementary security income except that their income exceeds  
9 the allowable maximum therefor, but whose income is not in  
10 excess of the maximum established by subsection four (4) of  
11 this section for eligibility for medical assistance and is  
12 insufficient to meet the full cost of their care in the hos-  
13 pital or health care facility on the basis of standards es-  
14 tablished by the department, ~~and who were receiving assist-~~  
15 ance under a previous categorical assistance program during  
16 the month of December, 1973.

17 b. Individuals under twenty-one years of age living in  
18 a licensed foster home, or in a private home pursuant to a  
19 subsidized adoption arrangement, for whom the department ac-  
20 cepts financial responsibility in whole or in part and who  
21 are not eligible under subsection one (1) of this section.

22 c. Individuals and families whose incomes and resources  
23 are such that they are eligible for federal supplementary  
24 security income or aid to dependent children, but who are  
25 not actually receiving such public assistance.

26 d. Individuals who are receiving state supplementary as-  
27 sistance as defined by section two (2) of this Act, or other  
28 persons whose needs are considered in computing the recipi-  
29 ent's assistance grant.

30 e. Individuals and families who are ineligible under  
31 paragraph c of this subsection solely because of their in-  
32 comes and resources, but who would otherwise be eligible under  
33 paragraph c of this subsection.

34 f. Persons under twenty-one years of age who qualify on  
35 a financial basis for, but who are otherwise ineligible to

1 receive aid to dependent children.

2 g. Individuals who have attained the age of twenty-one  
3 but have not yet attained the age of sixty-five who qualify  
4 on a financial basis for, but who are otherwise ineligible  
5 to receive, federal supplementary security income or aid to  
6 dependent children.

7 3. Additional medical assistance may, within the limits  
8 of available funds and in accordance with section 249A.4,  
9 subsections 1 and 2, be provided to, or on behalf of, either:

10 a. Only those individuals and families described in sub-  
11 section 1 of this section; or

12 b. Those individuals and families described in both sub-  
13 section 1 and subsection 2 of this section.

14 4. No assistance shall be granted under this chapter to:

15 a. Any individual or family whose income, exclusive of  
16 the value of gifts or services contributed in kind to the  
17 individual or family, exceeds the following maximums:

18 (1) For an individual, after deduction of health care  
19 expenses incurred by the applicant, exceeds-one two thousand  
20 eight four hundred dollars annually, or.

21 (2) For any family living together whose-combined-income,  
22 after deduction of health care expenses incurred by the fam-  
23 ily, exceeds-one two thousand eight four hundred dollars  
24 annually for the first adult member plus nine one thousand  
25 two hundred dollars for the second member and six nine hun-  
26 dred seventy-five dollars annually for each additional mem-  
27 ber of the family. Income-shall-not-include-the-value-of  
28 gifts-or-services-contributed-in-kind-to-the-individual-or  
29 family.

30 (3) For any individual receiving care in a hospital, any  
31 health care facility as defined in section one hundred thirty-  
32 five C point one (135C.1) of the Code, or in another type  
33 of protective living arrangement, an amount equal to the cost  
34 of care in the hospital, facility or other arrangement, based  
35 on the department's standards.

1        b. Any individual whose resources, after deduction of  
2 health care expenses incurred by the applicant, exceeds two  
3 thousand dollars, or any family living together whose com-  
4 bined resources exceed two thousand dollars for the first  
5 member, one thousand dollars for the second member, plus two  
6 hundred dollars for each additional member. The value of  
7 resources shall be the current market value minus any encum-  
8 brances against such resource or resources. In determining  
9 the foregoing, the following resources shall be excluded:  
10 Real property occupied as a residence, household goods and  
11 furnishings, an automobile, personal effects and tools nec-  
12 essary for the pursuit of a trade, occupation or profession  
13 of a market value not to exceed six thousand dollars and the  
14 cash surrender value of life insurance not to exceed one thou-  
15 sand dollars, however, if the face value of such individual's  
16 life insurance does not exceed one thousand dollars, it shall  
17 be excluded without necessity for determining its cash sur-  
18 render value.

19        Sec. 5. Section two hundred forty-nine A point four  
20 (249A.4), subsection six (6), Code 1973, as amended by Acts  
21 of the Sixty-fifth General Assembly, 1973 Session, chapter  
22 one hundred eighty-six (186), section twenty-one (21), is  
23 amended to read as follows:

24        6. Shall co-operate with any agency of the state or fed-  
25 eral government in any manner as may be necessary to qualify  
26 for federal aid and assistance for medical assistance in con-  
27 formity with the provisions of chapter two hundred forty-nine  
28 (249) of the Code, this chapter and Titles sixteen (XVI) and  
29 XIX of the federal Social Security Act, as amended.

30        Sec. 6. This Act, being deemed of immediate importance,  
31 shall take effect and be in force from and after its publi-  
32 cation in The Hawk Eye, a newspaper published in Burlington,  
33 Iowa, and in The New Iowa Bystander, a newspaper published  
34 in Des Moines, Iowa.

35

EXPLANATION

1  
 2 This bill permits the Department of Social Services to  
 3 make state supplementary cash payments, and to provide Medic-  
 4 aid coverage, to persons who would have become eligible for  
 5 Old Age Assistance, Blind Assistance, or Aid to the Disabled  
 6 after January 1, 1974 if those programs were still in exis-  
 7 tence, but who are not eligible for federal Supplementary  
 8 Security Income payments under the program initiated by the  
 9 federal government on January 1, 1974. Under the law passed  
 10 in 1973, coverage is provided to persons who were recipients  
 11 of one of the former programs on or before December 31, 1973,  
 12 but not to those who would have become eligible after that  
 13 date if they are not now eligible for the federal program.

14 Technically, this bill extends coverage to persons who  
 15 are eligible for federal Supplemental Security Income in all  
 16 respects except that their income is slightly above the maxi-  
 17 mum allowable for recipients of federal assistance. The bill  
 18 will cover persons whose income falls below the levels of  
 19 payment established by the Department of Social Services for  
 20 care in nursing homes, custodial homes, boarding homes, lodg-  
 21 ing homes and adult foster homes. It also allows supplemental  
 22 state payments to eligible recipients to cover the cost of  
 23 other identified persons sharing a living arrangement with  
 24 the recipient--for example, a spouse or adult child without  
 25 whose presence the recipient could not remain in his or her  
 26 own home.

S-2866

1 Amend House File 1411, as amended and passed by the  
 2 House, as follows:

3 1. Page 6, by adding the following un-  
 4 numbered paragraph following line 6:

5 "Notwithstanding the provisions of this  
 6 subsection establishing priorities for individuals  
 7 and families to receive medical assistance, the  
 8 department may determine, within the priorities  
 9 listed in this subsection, persons to receive  
 10 medical assistance based on income levels as  
 11 established by the department, subject to the  
 12 limitations provided in subsection four (4) of  
 13 this section."

HOUSE FILE 1411

H--2855

1 Amend House File 1411 as follows:

Division H--2855A

2 1. Page 7, by inserting after line 29 the follow-  
3 ing new section:

4 Sec. \_\_\_\_ 1. The department of social services is  
5 authorized to reimburse any county for money actually  
6 expended by the county from its tax funds, between  
7 January 1, 1974 and the effective date of this Act,  
8 to provide care to persons who during that period of  
9 time were not eligible for state supplementary  
10 assistance under Acts of the Sixty-fifth General As-  
11 sembly, 1973 Session, chapter one hundred eighty-six  
12 (186), section four (4), but who are made eligible  
13 for state supplementary assistance by that section as  
14 amended by section two (2) of this Act. The reimburse-  
15 ment to the county under this subsection for funds  
16 expended by the county on behalf of any individual shall  
17 not exceed the amount of state supplementary assistance  
18 which the department would have paid that individual  
19 had section two (2) of this Act been in effect on  
20 January 1, 1974.

Division H--2855B

21 2. The department of social services is authorized  
22 to reimburse any individual for money actually ex-  
23 pended by that individual from his or her own funds,  
24 between January 1, 1974 and the effective date of this  
25 Act, to provide care to any person who during that  
26 period of time was not eligible for state supplementary  
27 assistance under Acts of the Sixty-fifth General As-  
28 sembly, 1973 Session, chapter one hundred eighty-six  
29 (186), section four (4), but who is made eligible for  
30 state supplementary assistance by that section as  
31 amended by section two (2) of this Act. The reim-  
32 bursement to an individual under this subsection for  
33 funds expended by that individual on behalf of any  
34 person shall not exceed the amount of state  
35 supplementary assistance which the department would  
36 have paid that person had section two (2) of this  
37 Act been in effect on January 1, 1974.

38 3. There is appropriated from the general fund  
39 of the state to the department of social services  
40 for the period beginning on the effective date of  
41 this Act and ending June 30, 1975, to implement sub-  
42 section two (2) of this section, the sum of one hun-  
43 dred thousand (100,000) dollars.

44 2. Page 1, by striking line 4 and inserting in  
45 lieu thereof the following:

46 "act, providing a penalty, and making an appropria-  
47 tion."

H--2855 Filed  
Division H--2855A lqst  
Division H--2855B withdrawn  
April 11, 1974

By MONROE of Des Moines

SENATE AMENDMENT TO HOUSE FILE 1411

1 Amend House File 1411, as amended and passed by the  
2 House, as follows:  
3 1. Page 6, by adding the following unnumbered  
4 paragraph following line 6:  
5 "Notwithstanding the provisions of this sub-  
6 section establishing priorities for individuals  
7 and families to receive medical assistance,  
8 the department may determine, within the priorities  
9 listed in this subsection, persons to receive  
10 medical assistance based on income levels as  
11 established by the department, subject to the  
12 limitations provided in subsection four (4) of  
13 this section."

Received from the Senate  
May 3, 1974

*House referred to  
committee 5/3  
Senate received 5/3*

H-2840

1 Amend House File 1411 as follows:  
2 1. Page 7, after line 29, by adding the follow-  
3 ing:  
4 Sec. \_\_\_\_\_. Section two hundred forty-nine A point <sup>A</sup> *accepted 4/11*  
5 six (249A.6), Code 1973, is repealed.  
6 Sec. \_\_\_\_\_. Any lien existing on the effective date <sup>B</sup>  
7 of this Act, which lien was perfected under the pro- *withdrawn*  
8 visions of section two hundred forty-nine A point *4/11 (1973)*  
9 six (249A.6) of the Code as it appeared in the Code  
10 of 1973 and prior Codes, and which lien has not been  
11 satisfied, is void. Any assignment of personal  
12 property which was made under the provisions of sec-  
13 tion two hundred forty-nine A point six (249A.6) of  
14 the Code is void. The commissioner of social ser-  
15 vices may in furtherance of this section release  
16 any lien or claim created or existing under section  
17 two hundred forty-nine A point six (249A.6) of the  
18 Code. Each release made pursuant to this section  
19 shall be executed and acknowledged by the commissioner  
20 or his authorized agent and when recorded shall be  
21 conclusive in favor of any third person dealing with  
22 or concerning the property affected by the release  
23 in reliance upon such record.  
24 2. Page 1, amend the title by inserting in line <sup>A</sup>  
25 4 after the comma the words "relating to claims for *accepted 4/11*  
26 medical assistance,".

H-2848 Filed  
April 10, 1974

By OAKLEY of Clinton