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Finance: Arnould, Chair; Jochem and Krewson.

HOUSE FILE 641

BY COMMITTEE ON APPROPRIATIONS

MAY 3 1983

FINANCE

Passed House, Date 5-5-83 (p. 1843) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 95 Nays 1 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

### A BILL FOR

1 An Act relating to the administration and financing of  
 2 current programs other than correctional and mental  
 3 health programs under the jurisdiction of the department  
 4 of social services for the fiscal period beginning  
 5 July 1, 1983, and ending June 30, 1984.

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

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*HF 641*

1 Section 1. GENERAL ADMINISTRATION. There is appropriated  
2 from the general fund of the state for the fiscal year  
3 beginning July 1, 1983, and ending June 30, 1984, to the  
4 department of social services, the following amounts, or so  
5 much thereof as is necessary, to be used for the purposes  
6 designated:

7  
8 1983-1984  
Fiscal Year

9 1. For general administration,  
10 other than for the division of adult  
11 corrections, including salaries and  
12 support of not more than four hun-  
13 dred nine and one-third full-time  
14 equivalent positions annually, main-  
15 tenance, and miscellaneous purposes ..... \$ 7,545,000

16 a. The commissioner shall develop a proposal which, if  
17 implemented, would reduce the number of upper-level management  
18 positions in the department by at least five percent. In  
19 the proposal, at least five percent of the filled positions  
20 in the table of organization of the department shall be  
21 designated as being upper-level management positions and these  
22 designated positions shall be selected from among the top  
23 twenty-five percent of the highest salaried positions in the  
24 department. The proposal shall provide for the reduction  
25 by reorganization, consolidation, lay-off, attrition, or other  
26 means determined by the department, shall be based on a table  
27 of organization and the actual number of employees employed  
28 by the department on January 1, 1983, and shall be capable  
29 of implementation not later than July 1, 1984. In determining  
30 the actual number of management positions to be included in  
31 the reduction, a fractional number shall be increased or  
32 reduced to the nearest whole number. The reduction proposal  
33 may include recommendations which require legislative action,  
34 but the reduction shall be capable of implementation by July  
35 1, 1984. The reduction proposal shall be submitted to the

1 governor, the legislative council, and the members of the  
2 social services appropriations subcommittee by October 1,  
3 1983. The reduction proposal shall not include reductions  
4 of personnel engaged in direct client work or contact. As  
5 used in this section, "permanent, full-time position" means  
6 a position which requires more than twenty hours per week  
7 of work for more than four consecutive months.

8 b. If a separate department of corrections is established  
9 and if the department of social services is renamed the  
10 department of human services, the commissioner of human  
11 services shall work with the director of the department of  
12 corrections in providing for the transfer of necessary funding  
13 for staff and support from the department of human services  
14 to the department of corrections. If the separate department  
15 of corrections is established, the proposal required to be  
16 developed in paragraph a shall apply only to the staff who  
17 will continue to be employees of the department of human  
18 services.

19 2. For distribution of federal  
20 surplus commodities, including  
21 salaries and support, mainte-  
22 nance, and miscellaneous purposes ..... \$ 100,000

23 For the fiscal year beginning July 1, 1983, and ending  
24 June 30, 1984, the department may receive and there is  
25 appropriated, in addition to its appropriations from the  
26 general fund of the state, such funds from damages awarded  
27 to the state by the civil antitrust judgment involving the  
28 sale of chickens, to the department for use in the distribution  
29 of federal surplus commodities, if the judgment allows the  
30 funds received to be used for such purposes.

31 Sec. 2. FIELD OPERATIONS. There is appropriated from  
32 the general fund of the state for the fiscal year beginning  
33 July 1, 1983, and ending June 30, 1984, to the department  
34 of social services for the division of field operations,  
35 including salaries and support of not more than two thousand

1 one hundred seventy-one and one-half full-time equivalent  
2 positions annually, maintenance, and miscellaneous purposes  
3 the following amount, or so much thereof as is necessary:

4 1983-1984  
5 Fiscal Year  
6 \$ 21,060,000

7 Sec. 3. SPECIAL PROGRAMS. There is appropriated from  
8 the general fund of the state for the fiscal year beginning  
9 July 1, 1983, and ending June 30, 1984, to the department  
10 of social services, the following amounts, or so much thereof  
11 as is necessary, to be used for the purposes designated:

12 1983-1984  
13 Fiscal Year

14 SPECIAL PROGRAMS

15 1. For aid to families with  
16 dependent children ..... \$ 64,000,000

17 a. The department shall establish the schedule of basic  
18 needs for two persons at three hundred five dollars. The  
19 department shall establish the schedule of living costs for  
20 one person at one hundred fifty-four dollars, for two persons  
21 at four hundred dollars, for three persons at four hundred  
22 ninety-four dollars, for four persons at five hundred seventy-  
23 two dollars, for five persons at six hundred thirty-two  
24 dollars, for six persons at seven hundred three dollars, for  
25 seven persons at seven hundred seventy-three dollars, for  
26 eight persons at eight hundred forty-three dollars, for nine  
27 persons at nine hundred thirteen dollars, for ten persons  
28 at nine hundred eighty-three dollars, and for each additional  
29 person at seventy dollars per person.

30 The department shall not withhold an amount greater than  
31 ten percent of the schedule of basic needs in recouping an  
32 overpayment due to an error by a recipient under the aid to  
33 families with dependent children program, unless the recipient  
34 elects to have a greater amount withheld. If an overpayment  
35 is due to an error by the department, the department shall

1 not withhold an amount greater than one percent of the schedule  
2 of basic needs, unless the recipient elects to have a greater  
3 amount withheld. However, if in a case of departmental error  
4 the amount withheld will not recoup the overpayment within  
5 twenty-four months, the department may establish a recoupment  
6 schedule which will recoup the overpayment over a twenty-four  
7 month period, provided the amount withheld does not exceed  
8 five percent of the schedule of basic needs.

9 b. The department of social services shall provide benefits  
10 under an unemployed parent program under the aid to families  
11 with dependent children program. The department shall withdraw  
12 its waiver request to the United States department of health  
13 and human services and shall not limit grants under the  
14 unemployed parent program to six months for any eligible  
15 group. The department may require a participant to apply  
16 for a certain number of jobs either on a monthly or a weekly  
17 basis.

18 c. The department shall provide assistance under the aid  
19 to families with dependent children program to eighteen year  
20 old persons in accordance with federal regulations.

21 d. The department shall seek to operate a community work  
22 program in each county for unemployed parents by contracting  
23 at reasonable cost with county boards of supervisors or another  
24 local organization designated by both the county board of  
25 supervisors and the department. The county board of  
26 supervisors or the designated local organization may charge  
27 the entity responsible for a work site a reasonable fee to  
28 cover the cost of workers' compensation liability insurance  
29 provided by or through the board or organization, and the  
30 administrative costs in providing the insurance, to program  
31 participants employed at the work site. However, the fee  
32 shall be the actual cost of coverage, not to exceed fifty-  
33 five cents per hour per participant.

34 The work schedule of a participating unemployed parent  
35 who is employed in or obtains unsubsidized employment shall

1 be arranged so that the work schedule does not interfere with  
2 the participant's ability to retain the unsubsidized  
3 employment. A participant shall be required to work only  
4 during those hours normally worked by regular employees at  
5 the work site, but shall not be required to work between the  
6 hours of six o'clock p.m. and seven o'clock a.m., unless the  
7 participant voluntarily agrees to work between those hours.  
8 A participant shall not be required to work on Sundays, on  
9 legal federal holidays, or on state public holidays, unless  
10 the participant voluntarily agrees to work on those days.  
11 A participant shall not be required to work more than four  
12 days per week.

13 With the approval of the department, a participant may  
14 establish the participant's own work program by arranging  
15 and performing voluntary community service work with an  
16 approved nonprofit agency which agrees to meet all requirements  
17 of the program.

18 In addition to the basic grant under the aid to families  
19 with dependent children program, a recipient shall receive  
20 a monthly allowance for costs incurred while participating  
21 in a community work program as provided by departmental rule.  
22 If a participant's work expenses exceed twenty-five dollars  
23 per month, the number of hours the participant is required  
24 to work shall be reduced, unless the government entity or  
25 nonprofit agency pays the excess expenses. Mileage expenses  
26 shall be calculated at eighteen cents per mile under the  
27 program. Clothing, shoes, gloves, and health and safety  
28 equipment necessary for the performance of work at a work  
29 site under the program, which the participant does not already  
30 possess, shall be provided to the participant by the entity  
31 responsible for the work site. The items provided shall  
32 remain the property of the entity responsible for the work  
33 site, unless the participant and the entity responsible for  
34 the work site agree to a different arrangement. Work sites  
35 under the program are subject to the occupational safety and

1 health standards adopted pursuant to chapter 88 and federal  
2 law.

3 The department shall give each participant a copy of the  
4 rules and procedures governing the community work program.  
5 The procedures shall include notice of a participant's right  
6 to appeal any disqualification or decision affecting the  
7 participant under the program, the time limits for the appeal,  
8 and the conditions for continuance of the grant under the  
9 aid to families with dependent children program. The  
10 procedures shall also include a grievance procedure for the  
11 public for the resolution of complaints regarding the  
12 displacement of regular workers with participants. The  
13 department shall require the establishment of local impartial  
14 boards consisting of representatives of the legal profession,  
15 organized labor, private industry, and the department to hear  
16 and resolve the complaints. The department shall refer all  
17 complaints regarding violations of occupational safety and  
18 health standards to the labor commissioner.

19 Participation in a program funded under the federal Job  
20 Training Partnership Act, Pub. L. No. 97-300, meets the  
21 participation requirements of the community work program.

22 e. Of the funds appropriated in this subsection, one  
23 hundred sixty-five thousand (165,000) dollars, or so much  
24 thereof as is necessary, is appropriated to the department  
25 to continue the coordinated manpower services demonstration  
26 projects for recipients of aid to families with dependent  
27 children in two of the department's districts. The department  
28 shall continue the current monthly incentive allowances for  
29 participants in the coordinated manpower services demonstration  
30 projects.

31 The department shall administer the coordinated manpower  
32 services demonstration projects in such a manner as to assure  
33 the availability to the projects of the maximum amount of  
34 funds available to local service delivery areas under the  
35 federal Job Training Partnership Act, Pub. L. No. 97-300.

1 After March 31, 1984, funds appropriated in section 2 of this  
2 Act and allocated to the coordinated manpower services  
3 demonstration projects shall not be expended for job training.

4 2. For medical assistance, including reimbursement for  
5 abortion services, which shall be available under the medical  
6 assistance program only for those abortions which are medically  
7 necessary. Medically necessary abortions are those performed  
8 under any of the following conditions:

9 a. The attending physician certifies that continuing the  
10 pregnancy would endanger the life of the pregnant woman.

11 b. The attending physician certifies that the fetus is  
12 physically deformed, mentally deficient, or afflicted with  
13 a congenital illness.

14 c. The pregnancy is the result of a rape which is re-  
15 ported within forty-five days of the incident to a law en-  
16 forcement agency or public or private health agency which  
17 may include a family physician.

18 d. The pregnancy is the result of incest which is re-  
19 ported within one hundred fifty days of the incident to a  
20 law enforcement agency or public or private health agency  
21 which may include a family physician.

22 e. Any spontaneous abor-  
23 tion, commonly known as a mis-  
24 carriage, if not all of the  
25 products of conception are ex-  
26 pelled ..... \$129,050,000

27 Medical assistance shall be made available to children  
28 under twenty-one years of age who meet all eligibility criteria  
29 of the aid to families with dependent children program except  
30 that the children are not deprived of parental support.

31 The maximum co-payments allowed by federal law or regulation  
32 shall be placed on all optional services to all recipients  
33 under the medical assistance program. A fixed co-payment  
34 shall be established for each optional service. The co-pay  
35 requirement shall not apply to the services if federal law

1 or regulation prohibits application of the requirement.  
2 However, a co-payment shall not be imposed on services  
3 furnished to individuals in residential care facilities.

4 3. For contractual ser-  
5 vices-medical carrier ..... \$ 2,040,000

6 4. For work and training  
7 programs ..... \$ 42,000

8 5. For child support re-  
9 coveries, including salary  
10 and support of not more than  
11 ninety-six full-time equiva-  
12 lent positions annually,  
13 maintenance, and miscella-  
14 neous purposes ..... \$ 830,000

15 The commissioner of social services, within the limitations  
16 of the funds appropriated in this subsection or funds  
17 transferred from the aid to families with dependent children  
18 program for this purpose, may establish new positions and  
19 add additional employees to the child support recovery unit  
20 when the commissioner determines that additional employees  
21 can reasonably be expected to recover for the aid to families  
22 with dependent children program and the nonpublic assistance  
23 support recovery program more than twice the amount of money  
24 required to pay the salary and support for those additional  
25 employees. The department shall demonstrate the cost  
26 effectiveness of the additional employees by reporting to  
27 the social services appropriations subcommittee the ratio  
28 of the total amount of administrative costs for child support  
29 recoveries to the total amount of the child support recoveries.

30 6. For state supplementary  
31 assistance, including state  
32 supplementary assistance for  
33 the blind ..... \$ 7,250,000

34 The department of social services shall increase the  
35 personal needs allowance for eligible persons residing in

1 residential care facilities by two dollars on July 1, 1983.

2 7. For aid to Indians under  
3 section 252.43 ..... \$ 36,000

4 The tribal council shall not use more than ten percent  
5 of the funds for administrative expenses.

6 8. For home-based services ..... \$ 4,540,000

7 Of the funds appropriated by this subsection, nine hundred  
8 sixty thousand (960,000) dollars, or so much thereof as is  
9 necessary, is appropriated for the development and  
10 establishment of family-centered services in all districts  
11 of the department where such services are currently not  
12 available.

13 9. For foster care ..... \$ 20,950,000

14 The department, based on the recommendation of each district  
15 administrator, may transfer a portion of the funds appropriated  
16 by this subsection to the districts for use in providing in-  
17 home services designed to prevent the placement of children  
18 outside their own homes or to reunite children, who have been  
19 placed in foster care, with their parents. The commissioner  
20 of social services shall not transfer the funds unless the  
21 commissioner determines that the transfer will be cost  
22 effective.

23 No more than forty-five percent of all children in foster  
24 care funded under Title IV, Part E of the federal Social  
25 Security Act shall be in foster care for more than twenty-  
26 four months.

27 10. For community-based  
28 services ..... \$ 1,593,000

29 a. Of the funds appropriated by this subsection, two  
30 hundred seventy-five thousand (275,000) dollars, or so much  
31 thereof as is necessary, is appropriated to assist child care  
32 centers under section 237A.13.

33 Notwithstanding section 237A.13, subsection 4, funds unen-  
34 cumbered as of April 30, 1984, shall not be reallocated unless  
35 the unencumbered funds reclaimed exceed two thousand dollars.

1     b. Of the funds appropriated by this subsection, one  
2 hundred twenty thousand (120,000) dollars, or so much thereof  
3 as is necessary, is appropriated for child abuse prevention  
4 services.

5     c. Of the funds appropriated by this subsection, one  
6 hundred thousand (100,000) dollars, or so much thereof as  
7 is necessary, is appropriated for programs for displaced  
8 homemakers, and one hundred thousand (100,000) dollars, or  
9 so much thereof as is necessary, is appropriated for programs  
10 for victims of domestic abuse.

11     Funds appropriated by this paragraph for programs for  
12 displaced homemakers and for victims of domestic abuse may  
13 be used to provide start-up moneys for programs which will  
14 develop community support and establish means of support in-  
15 dependent of long-term state funding. Where possible, special  
16 programs receiving state funds under this paragraph for more  
17 than one year should be established to receive declining  
18 amounts of state funding after the first twelve months of  
19 full operation and to be supported locally after thirty-six  
20 months of operation. Special programs deviating from these  
21 guidelines shall be reported to the joint social services  
22 appropriations subcommittee. The department shall consult  
23 persons knowledgeable in the respective subjects of domestic  
24 abuse and displaced homemakers with respect to establishment  
25 and selection of the programs.

26     d. Of the funds appropriated by this subsection, five  
27 hundred thousand (500,000) dollars, or so much thereof as  
28 is necessary, is appropriated to provide grants for community-  
29 based juvenile services to reduce the need for long-term state  
30 juvenile institutional placements and to encourage home-based  
31 treatment programs as alternatives to state juvenile  
32 institutional care. The department shall approve grants for  
33 additional community-based residential beds only if the beds  
34 are designed specifically to reduce the population at state  
35 juvenile institutions.

1 The commissioner of social services shall pay from funds  
2 appropriated by this subsection, as the entitled aid from  
3 the state under section 232.142, subsection 4, one-half of  
4 one percent of the total cost of the establishment,  
5 improvements, operation, and maintenance of approved county  
6 or multicounty juvenile homes.

7 11. For county-based reimburse-  
8 ment under section 232.141, subsec-  
9 tion 4, paragraph d ..... \$ 1,600,000

10 A judge of the juvenile court shall certify the reasonable-  
11 ness of compensation paid to an attorney and charged to a  
12 county under section 232.141, subsection 1. The certification  
13 shall include a review of the hourly fee and the hours of  
14 service billed to the county.

15 The department shall collect information on expenses charged  
16 to the counties under section 232.141 and on the expenses  
17 reimbursed by the state under section 232.141, subsection  
18 4, paragraph d, and shall report the information to the social  
19 services appropriations subcommittee by January 15, 1984.  
20 The report shall include a breakdown of the services and  
21 expenses charged and reimbursed under section 232.141. The  
22 department shall recommend cost containment alternatives which  
23 limit reimbursements under section 232.141, subsection 4,  
24 paragraph d.

25 12. For operation of the state  
26 training school and the Iowa juve-  
27 nile home, including salaries and  
28 support of not more than two hundred  
29 one full-time equivalent positions  
30 annually at the state training  
31 school, and of not more than one  
32 hundred fifteen full-time equiva-  
33 lent positions annually at the  
34 Iowa juvenile home, maintenance,  
35 and miscellaneous purposes ..... \$ 7,505,000

1 Within the limitations of the funds appropriated in this  
2 subsection, the department may establish new positions for  
3 two youth service workers for night coverage and for responding  
4 to emergency situations at the Iowa juvenile home.

5 13. For volunteers ..... \$ 83,000

6 Sec. 4. BLOCK GRANT SUPPLEMENTATION. There is appropriated  
7 from the general fund of this state for the fiscal year begin-  
8 ning July 1, 1983, and ending June 30, 1984, to the department  
9 of social services for supplementation of federal social  
10 services block grant funds and for allocation to the various  
11 counties for the purchase of local services for eligible  
12 individuals, the following amount, or so much thereof as is  
13 necessary:

14	1983-1984
15	<u>Fiscal Year</u>
16	\$ 4,115,000

17 1. The department shall increase the current income  
18 guidelines for income eligible persons receiving services  
19 funded with federal social services block grant funds by five  
20 and one-half percent for the fiscal year beginning July 1,  
21 1983. The department shall allocate the funds appropriated  
22 by this section to the districts and then to the counties  
23 within the districts. Fifty percent of the allocation to  
24 each county shall be based on the county's allocation for  
25 the fiscal year beginning July 1, 1982, and the other fifty  
26 percent of the allocation shall be based on the federal poverty  
27 level in the county as determined by the United States census  
28 bureau. The county shall match every three dollars of funds  
29 allocated to the county with one dollar of local funds. The  
30 county board of supervisors shall determine, in accordance  
31 with departmental rules, the services which the county will  
32 fund. A county may use up to four percent of the federal  
33 social services block grant funds and funds allocated to the  
34 county under this section for the purchase of child day care  
35 services without matching the federal and state funds with

1 local funds.

2     2. A person receiving sheltered work or work activity  
3 services is eligible for funding under the federal social  
4 services block grant if the person's income, other than income  
5 from sheltered work or work activities, does not exceed the  
6 income eligibility standard for the person's family size,  
7 adopted by the department by rule. An eligible person may  
8 retain all income up to the income eligibility standard and  
9 one-third of all income above the standard. The eligible  
10 person shall pay the remaining two-thirds of the income to  
11 the provider as a client participation fee and the department's  
12 reimbursement to the provider shall be reduced by the same  
13 amount. If the required client participation fee equals or  
14 exceeds the department's reimbursement to the provider, the  
15 person is no longer eligible. However, if federal law or  
16 regulation prohibits the provider from collecting client  
17 participation fees, the department shall establish eligibility  
18 and income guidelines in accordance with the rules which were  
19 in effect immediately prior to July 1, 1983.

20     3. Notwithstanding 770 Iowa administrative code, rule  
21 132.4(2)(b), if a recipient under the aid to families with  
22 dependent children program who is eligible for the child care  
23 work expense deduction under the program declines to take  
24 the deduction, the recipient is eligible for child day care  
25 services if the services are funded in the county plan for  
26 use of federal social services block grant funds in the county  
27 in which the recipient resides.

28     Sec. 5. REIMBURSEMENT RATES.

29     1. The current reimbursement methodologies under the  
30 medical assistance program shall be retained. Except for  
31 inpatient and outpatient hospital services, skilled nursing  
32 facility services, intermediate care facility services,  
33 intermediate care facility services for the mentally retarded,  
34 home health agency services, rural health clinic services,  
35 and rehabilitation agency services, the current reimbursement

1 rates for medical assistance providers shall not be increased  
2 by more than six percent for the fiscal year beginning July  
3 1, 1983.

4 a. Physician fees reimbursed under the medical assistance  
5 program shall be limited to the amount of reimbursements under  
6 770 Iowa administrative code, rule 79.1(2), as effective on  
7 July 1, 1983, or to the amount of reimbursements allowed by  
8 application of the economic index under Title XVIII of the  
9 federal Social Security Act, whichever is less.

10 b. Medical assistance payments for all mandatory and  
11 optional services, except for hospital services, physician  
12 services, intermediate care facility services, intermediate  
13 care facility services for the mentally retarded, services  
14 provided to recipients in state mental health institutes,  
15 medical transportation services other than ambulance services,  
16 and the material costs of products which are reimbursed at  
17 the acquisition cost, shall be reduced by a factor of two  
18 and one-half percent.

19 c. Beginning July 1, 1983, the basis for establishing  
20 the maximum medical assistance reimbursement rate for inter-  
21 mediate care facilities shall be the seventy-fourth percentile  
22 of all facilities' per diems as calculated from the June 30,  
23 1981 compilation of unaudited financial and statistical  
24 reports, increased by a six percent inflation factor. The  
25 compilation is composed of facility cost reports received  
26 prior to May 1, 1981.

27 d. The department shall study the cost-effectiveness of  
28 establishing a limited formulary of nonlegend drugs prescribed  
29 by a physician and eligible for reimbursement under the medical  
30 assistance program and the appropriate reimbursement rate  
31 to pharmacists for providing these nonlegend drugs under the  
32 formulary. The department shall report the results of the  
33 study to the general assembly by January 15, 1984. However,  
34 the department may implement a reimbursement program under  
35 a formulary prior to January 15, 1984, if the department

1 determines that the program would be cost-effective.

2 2. For the fiscal year beginning July 1, 1983:

3 a. The maximum reimbursement rate for residential care  
4 facilities utilizing the cost-related reimbursement system  
5 shall be established at the point where fifty-one percent  
6 of all state supplementary assistance recipients who are  
7 residential care facility residents are receiving full cost  
8 coverage for care, based on actual facility rates on file  
9 with the department on August 1, 1982.

10 b. The flat reimbursement rate for residential care  
11 facilities shall be established at eleven dollars and eighty-  
12 five cents per day.

13 3. For the fiscal year beginning July 1, 1983, the current  
14 reimbursement rates for all foster family homes shall be in-  
15 creased, on the average, by six percent. However, that average  
16 increase shall be distributed in such a manner as to increase  
17 the reimbursements to all foster family age categories by  
18 the same dollar amount.

19 The department shall reimburse a licensed or approved  
20 public or private juvenile shelter care facility in this  
21 state, pursuant to rule, for the services provided by the  
22 facility for which the department is authorized to pay, subject  
23 to the maximum reimbursement rate established by rule. In  
24 lieu of the reimbursement for the actual services provided,  
25 a facility may choose to receive a uniform monthly payment.  
26 The department shall calculate a facility's uniform monthly  
27 payment rate by multiplying the facility's unit cost by either  
28 the actual average monthly utilization rate for the facility  
29 for the last completed twelve-month period or the projected  
30 average monthly utilization rate for the facility for the  
31 current twelve-month period, whichever is greater. The  
32 applicable utilization rate shall not exceed the licensed  
33 or approved capacity of the facility. If the uniform monthly  
34 payments to the facility exceed the facility's allowable  
35 costs, the facility shall reimburse the department the excess

1 amount. If a facility which receives a uniform monthly payment  
2 provides units of service in excess of the facility's  
3 applicable monthly utilization rate over a six-month period,  
4 the department shall semiannually pay the facility an amount  
5 calculated by multiplying the facility's unit cost by the  
6 number of excess units of service provided.

7 4. The current reimbursement rate for subsidized adoptions  
8 under section 3, subsection 8 of this Act shall be increased  
9 by six percent for the fiscal year beginning July 1, 1983  
10 and shall be distributed in the same manner as foster family  
11 home reimbursements.

12 5. For the fiscal year beginning July 1, 1983, the current  
13 reimbursement rates for purchase of service providers shall  
14 be increased by no more than six percent. If a provider's  
15 current reimbursement rate on June 30, 1983, is fifteen percent  
16 less than the provider's previous reimbursement rate, the  
17 department shall not apply the allowable percentage increase  
18 to the current rate, but shall apply the increase to the  
19 average of the provider's actual cost-based rates issued  
20 during the period beginning July 1, 1981, and ending June  
21 30, 1983. If a provider's current reimbursement rate is lower  
22 than the cost-based rate which the provider could charge,  
23 the department shall not apply the allowable percentage  
24 increase to the current rate, but shall apply the increase  
25 to the cost-based rate the provider could charge. The  
26 department, in conjunction with providers participating in  
27 the purchase of service system, shall study the current  
28 reimbursement system for purchase of services and shall  
29 recommend to the social services appropriations subcommittee  
30 changes in the system to make the system more equitable.

31 6. The department shall collect information relating to  
32 the method of reimbursing optometrists and psychologists under  
33 the medical assistance program and shall make a recommendation  
34 concerning the adoption of a percentile reimbursement  
35 methodology to the social services appropriations subcommittee

1 during the 1984 session of the general assembly. Optometrists  
2 and psychologists shall cooperate with the department in the  
3 collection of the information, and beginning July 1, 1983,  
4 shall include their usual, customary, and reasonable charges  
5 on their medical assistance reimbursement forms.

6 Sec. 6. INVOLUNTARY TRANSFERS. If a skilled nursing  
7 facility or an intermediate care facility receives payments  
8 under Title XIX of the federal Social Security Act for one  
9 or more patients in the facility, the facility shall not  
10 involuntarily transfer any patient to another facility if  
11 that patient had previously been receiving medical assistance  
12 under chapter 249A for care in the facility and has been  
13 disqualified for that medical assistance because of an increase  
14 in income, but agrees to pay all of the patient's income and  
15 resources not exempt under guidelines in Title XIX of the  
16 federal Social Security Act for continued care in the facility  
17 and that payment equals or exceeds the medical assistance  
18 reimbursement rate for the particular facility.

19 Sec. 7. WAIVER. The department, in conjunction with  
20 provider and consumer groups, shall develop a proposal for  
21 a statewide program of home and community-based services to  
22 be provided under a waiver under Title XIX of the federal  
23 Social Security Act. The department may include in the  
24 proposal one or more pilot projects or limited coverage  
25 programs of services funded under a Title XIX waiver if the  
26 costs of the community-based services provided to eligible  
27 persons will not exceed the costs of institutional services  
28 which would otherwise be provided to the eligible persons.  
29 The proposal shall include the provision of in-home health  
30 services under the state supplementary assistance program.  
31 The department shall report the plan to the general assembly  
32 in January, 1984. The department shall report its progress  
33 in developing the waiver proposal to the governor, to the  
34 legislative council, and to the members of the social services  
35 appropriations subcommittee by October 1, 1983. The report

1 shall include the impact of the waiver proposal on the funding  
2 of in-home health services under the state supplementary  
3 assistance program. The department shall seek to implement  
4 the waiver proposal no later than March 31, 1984.

5 Sec. 8. DISCLOSURE OF CERTAIN TAX INFORMATION AND ACCOUNTS-  
6 -PENALTY.

7 1. Notwithstanding statutes to the contrary, the department  
8 of revenue shall provide the department of social services  
9 with information relating to interest earning records of an  
10 applicant for or a recipient of public assistance provided  
11 by the state or administered by the state. The information  
12 shall be provided, if possible, in such a form as to allow  
13 the department of social services to identify the asset  
14 producing the interest earnings. The department shall hold  
15 the information confidential as provided in section 217.30,  
16 subsection 1.

17 2. Notwithstanding statutes to the contrary, the president  
18 or presiding officer of a financial institution as defined  
19 in section 422.61, subsection 1 shall provide the department  
20 of social services with information relating to the balance  
21 in the account and records of deposits, withdrawals, and  
22 interest for the account of an applicant for or a recipient  
23 of public assistance provided by the state or administered  
24 by the state. The department shall hold the information  
25 confidential as provided in section 217.30, subsection 1.

26 A person complying with this subsection is not civilly  
27 liable for actions taken to disclose the information to the  
28 department of social services.

29 A president or presiding officer of a financial institution  
30 who refuses to provide the information pursuant to this  
31 subsection shall pay a civil penalty of fifty dollars.  
32 Magistrates shall hear and determine violations of this  
33 subsection. Penalties shall be deposited in the general fund  
34 of the state.

35 3. The department shall seek an agreement with the federal

1 internal revenue service that would allow the department  
2 access to information relating to interest earning records  
3 of an applicant for or a recipient of public assistance  
4 provided by the state or administered by the state in order  
5 to allow the department to identify the asset producing the  
6 interest earnings.

7 Sec. 9. TRANSFERS. Except as provided in section 3,  
8 subsection 5 of this Act, funds appropriated under section  
9 3, subsections 1, 2, and 11 of this Act, shall not be  
10 transferred or used for any other purposes than specified  
11 in those subsections, notwithstanding section 8.39. However,  
12 funds appropriated under section 3, subsections 1, 2, and  
13 11 of this Act may be transferred under section 8.39 among  
14 those subsections and may be used for the purposes specified  
15 in those subsections.

16 Sec. 10. FEDERAL FUNDS. All federal grants to and the  
17 federal receipts of the department of social services are  
18 appropriated for the purposes set forth in the federal grants  
19 or receipts.

20 Sec. 11. CAPITAL IMPROVEMENTS EXCLUDED. Funds appropriated  
21 by this Act shall not be used for capital improvements.

22 Sec. 12. The department of social services shall adopt  
23 administrative rules under section 17A.4, subsection 2, and  
24 section 17A.5, subsection 2, paragraph b, relating to the  
25 recoupment of overpayments, the community work program, and  
26 the coordinated manpower services demonstration projects under  
27 the aid to families with dependent children program in section  
28 3, subsection 1, paragraphs a, d, and e of this Act, medical  
29 assistance co-payments in section 3, subsection 2 of this  
30 Act, allocations to the counties and sheltered work and work  
31 activity services under the social services block grant  
32 supplementation program in section 4 of this Act, and medical  
33 assistance, purchase of service provider, and other  
34 reimbursements in section 5 of this Act, and may adopt  
35 administrative rules under section 17A.4, subsection 2 and

1 section 17A.5, subsection 2, paragraph b, relating to the  
2 schedule of basic needs and the schedule of living costs,  
3 the unemployed parent program, and benefits to eighteen year  
4 old persons under the aid to families with dependent children  
5 program in section 3, subsection 1, paragraphs a, b, and c  
6 of this Act, medical assistance benefits to children under  
7 twenty-one years of age in section 3, subsection 2 of this  
8 Act, personal needs allowances under the state supplementary  
9 assistance program in section 3, subsection 6 of this Act,  
10 and child day care services under the social services block  
11 grant supplementation program in section 4 of this Act, and  
12 the rules shall become effective immediately upon filing,  
13 unless a later effective date is specified in the rules.

14

## EXPLANATION

15 This bill appropriates state funds to the department of  
16 social services for the 1983-1984 fiscal year. The major  
17 categories of appropriations are: general administration;  
18 field operations; aid to families with dependent children  
19 benefits; medical assistance benefits; child support recovery;  
20 state supplementary assistance; home-based services; foster  
21 care; community-based services; county-based juvenile services;  
22 state institutional services for juveniles; and supplementation  
23 of federal social services block grant funds. The bill also  
24 requires the disclosure to the department of certain tax  
25 information relating to applicants or recipients of public  
26 assistance. The bill takes effect July 1 following enactment.

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HOUSE FILE 641

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1 Amend House File 641 as follows:

2 1. Page 20, by inserting after line 13 the follow-  
3 ing:

4 "Section 1. Section 85.38, Code 1983, is amended  
5 by adding the following new subsection:  
6 NEW SUBSECTION. 3. SUBROGATION RIGHTS FOR MEDICAL  
7 ASSISTANCE PAYMENTS. If the department of social  
8 services, under chapter 249A, pays for care and  
9 services which are also required to be furnished by  
10 an employer to an employee under section 85.27, the  
11 department is subrogated, to the extent of the payments  
12 for care and services also required to be furnished  
13 under section 85.27, to the claim of the employee  
14 against the employer for the care and services.

15 Sec. 2. NEW SECTION. 217.34 OFFICE OF  
16 INVESTIGATIONS. The office of investigations shall  
17 provide assistance to set off against a person's  
18 income tax refund or rebate any debt which has ac-  
19 crued through written contract, subrogation,  
20 departmental recoupment procedures, or court judgment  
21 and which is in the form of a liquidated sum due and  
22 owing the department of social services. The  
23 department of social services shall adopt rules under  
24 chapter 17A necessary to assist the department of  
25 revenue in the implementation of the setoff under  
26 section 421.17, subsection 21.

27 Sec. 3. Section 234.39, Code 1983, is amended  
28 by adding the following new unnumbered paragraph:  
29 NEW UNNUMBERED PARAGRAPH. A dispositional order  
30 of the juvenile court requiring the provision of  
31 foster care shall establish, after notice and a  
32 reasonable opportunity to be heard is provided to  
33 a parent or guardian, the amount of the parent's or  
34 guardian's liability for the cost of foster care  
35 provided by the department. In establishing the  
36 amount of the liability, the court shall take into  
37 consideration the department's schedule of charges,  
38 and if the amount established deviates from the  
39 schedule of charges, the court shall explain the  
40 deviation in its order. The order shall direct the  
41 payment of the liability to the clerk of the district  
42 court for the use of the department's foster care  
43 recovery unit. The order shall be filed with the  
44 clerk and shall have the same force and effect as  
45 a judgment when entered in the judgment docket and  
46 lien index. The clerk shall disburse the payments  
47 pursuant to the order and enter the disbursements  
48 in a record book. If payments are not made as ordered,  
49 the clerk shall certify a default to the court and  
50 the court may, on its own motion, proceed under section

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1 598.22 or 598.23. A dispositional order establishing  
2 the amount of a parent's or guardian's liability for  
3 the cost of foster care shall not vacate a prior court  
4 order which establishes the parent's or guardian's  
5 child support obligation.

6 Sec. 4. NEW SECTION. 235B.1 ADULT ABUSE SERVICES.

7 1. As used in this section, "dependent adult  
8 abuse" means:

9 a. Any of the following as a result of the willful  
10 or negligent acts or omissions of a caretaker:

11 (1) Physical injury to or unreasonable confinement  
12 or cruel punishment of a dependent adult.

13 (2) The commission of a sexual offense under  
14 chapter 709 or section 726.2 with or against a  
15 dependent adult.

16 (3) Exploitation of a dependent adult which means  
17 the act or process of taking unfair advantage of a  
18 dependent adult or the adult's physical or financial  
19 resources for one's own personal or pecuniary profit  
20 by the use of undue influence, harassment, duress,  
21 deception, false representation, or false pretenses.

22 (4) The deprivation of the minimum food, shelter,  
23 clothing, supervision, physical and mental health  
24 care, and other care necessary to maintain a dependent  
25 adult's life or health.

26 b. The deprivation of the minimum food, shelter,  
27 clothing, supervision, physical and mental health  
28 care, and other care necessary to maintain a dependent  
29 adult's life or health as a result of the acts or  
30 omissions of the dependent adult.

31 Dependent adult abuse does not include:

32 (1) Depriving a dependent adult of medical  
33 treatment if the dependent adult holds a belief or  
34 is an adherent of a religion whose tenets and practices  
35 call for reliance on spiritual means in place of  
36 reliance on medical treatment.

37 (2) The withholding and withdrawing of health  
38 care from a dependent adult who is terminally ill  
39 in the opinion of a licensed physician, when the  
40 withholding and withdrawing of health care is done  
41 at the request of the dependent adult or at the request  
42 of the dependent adult's next-of-kin or guardian  
43 pursuant to the applicable procedures under chapter  
44 125, 222, 229, or 633.

45 2. The department of social services shall operate  
46 a program relating to the providing of services in  
47 cases of dependent adult abuse. The program shall  
48 emphasize the reporting and evaluation of dependent  
49 adult abuse of an adult who is unable to protect the  
50 adult's own interests or unable to perform or obtain

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1 essential services.

2 3. A person who believes that a dependent adult  
3 has suffered abuse may report the suspected abuse  
4 to the department of social services. The department  
5 shall receive dependent adult abuse reports and shall  
6 collect, maintain, and disseminate the reports pur-  
7 suant to sections 235A.12 through 235A.24 by expanding  
8 the central registry for child abuse to include reports  
9 of dependent adult abuse. The department shall  
10 evaluate the reports expeditiously. However, the  
11 state department of health is solely responsible for  
12 the evaluation and disposition of adult abuse cases  
13 within health care facilities and shall inform the  
14 department of social services of such evaluations  
15 and dispositions.

16 The department of social services shall inform  
17 the appropriate county attorneys of any reports.  
18 County attorneys, law enforcement agencies,  
19 multidisciplinary teams as defined in section 235A.13,  
20 subsection 7, and social services agencies in the  
21 state shall cooperate and assist in the evaluation  
22 upon the request of the department. County attorneys  
23 and appropriate law enforcement agencies shall also  
24 take any other lawful action necessary or advisable  
25 for the protection of the dependent adult.

26 Upon a showing of probable cause that a dependent  
27 adult has been abused, a district court may authorize  
28 a person, authorized by the department to make an  
29 evaluation, to enter the residence of, and to examine  
30 the dependent adult.

31 4. If, upon completion of the evaluation or upon  
32 referral from the state department of health, the  
33 department of social services determines that the  
34 best interests of the dependent adult require district  
35 court action, the department shall initiate action  
36 for the appointment of a guardian or conservator or  
37 for admission or commitment to an appropriate  
38 institution or facility pursuant to the applicable  
39 procedures under chapter 125, 222, 229, or 633. The  
40 appropriate county attorney shall assist the department  
41 in the preparation of the necessary papers to initiate  
42 the action and shall appear and represent the  
43 department at all district court proceedings.

44 The department shall assist the district court  
45 during all stages of court proceedings involving a  
46 suspected case of adult abuse.

47 In every case involving adult abuse which is  
48 substantiated by the department and which results  
49 in a judicial proceeding on behalf of the dependent  
50 adult, legal counsel shall be appointed by the court

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1 to represent the dependent adult in the proceedings.  
2 The court may also appoint a guardian ad litem to  
3 represent the dependent adult if necessary to protect  
4 the dependent adult's best interests. The same  
5 attorney may be appointed to serve both as legal  
6 counsel and as guardian ad litem. Before legal counsel  
7 or a guardian ad litem is appointed pursuant to this  
8 section, the court shall require the dependent adult  
9 and any person legally responsible for the support  
10 of the dependent adult to complete under oath a  
11 detailed financial statement. If, on the basis of  
12 that financial statement, the court deems that the  
13 dependent adult or the legally responsible person  
14 is able to bear all or a portion of the cost of the  
15 legal counsel or guardian ad litem, the court shall  
16 so order. In cases where the dependent adult or the  
17 legally responsible person is unable to bear the cost  
18 of the legal counsel or guardian ad litem, the expense  
19 shall be paid out of the court expense fund.

20 5. The department of social services shall complete  
21 an assessment of needed services and shall make  
22 appropriate referrals to services. The department  
23 may provide necessary protective services and may  
24 establish a sliding fee schedule for those persons  
25 able to pay a portion of the protective services.

26 6. A person participating in good faith in  
27 reporting or cooperating or assisting the department  
28 of social services in evaluating a case of dependent  
29 adult abuse has immunity from liability, civil or  
30 criminal, which might otherwise be incurred or imposed  
31 based upon the act of making the report or giving  
32 the assistance. The person has the same immunity  
33 with respect to participation in good faith in a  
34 judicial proceeding resulting from the report or  
35 assistance or relating to the subject matter of the  
36 report or assistance.

37 Sec. 5. Section 237A.5, Code 1983, is amended  
38 to read as follows:

39 237A.5 PERSONNEL. All personnel in licensed  
40 centers or registered facilities shall have good  
41 health as evidenced by a report following a pre-  
42 employment physical examination taken within six  
43 months prior to beginning employment, including  
44 communicable disease tests by a licensed physician  
45 as defined in section 135C.1, at the time of initial  
46 employment and every three years thereafter. No staff  
47 member of a licensed center or registered group home  
48 or a family day care home required to be registered  
49 pursuant to section 237A.3, subsection 1, with direct  
50 responsibility for child care and no person living

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1 in such registered group or family day care home shall  
2 have a conviction by any law of any state of a crime  
3 involving lascivious-acts-with mistreatment of a  
4 child, child-neglect or violence against a person,  
5 or shall have a record of substantiated child sexual  
6 abuse or a record of any other type of child abuse  
7 substantiated within three years prior to the check  
8 of the child abuse registry made by the department  
9 pursuant to this chapter.

10 Sec. 6. Section 237A.8, Code 1983, is amended  
11 to read as follows:

12 237A.8 SUSPENSION AND REVOCATION. The director,  
13 after notice and opportunity for an evidentiary  
14 hearing, may suspend or revoke a license or certificate  
15 of registration issued under ~~the provisions of~~ this  
16 chapter if the person to whom a license or certificate  
17 is issued violates any a provision of this chapter  
18 or if ~~a~~ the person makes false reports regarding the  
19 operation of the child day care facility to the  
20 director or a designee. The director shall notify  
21 the parent, guardian, or legal custodian of each child  
22 for whom the person provides child day care, if the  
23 license or certificate of registration is suspended  
24 or revoked or if there has been a substantiated child  
25 abuse case against an employee, owner, or operator  
26 of the child day care facility.

27 Sec. 7. Section 237A.20, Code 1983, is amended  
28 to read as follows:

29 237A.20 INJUNCTION. Any A person who establishes,  
30 conducts, manages, or operates a center without a  
31 license or a group day care home without a certificate  
32 of registration may be restrained by temporary or  
33 permanent injunction. The action may be instituted  
34 by the state, a political subdivision of the state,  
35 or an interested person.

36 Sec. 8. Section 239.1, subsection 3, Code 1983,  
37 is amended by striking the subsection and inserting  
38 in lieu thereof the following:

39 3. "Dependent child" means a needy child who is  
40 under the age of eighteen, or a needy person eighteen  
41 years of age who meets the additional eligibility  
42 criteria established by federal law or regulation,  
43 and who has been deprived of parental support or care  
44 by reason of death, continued absence from home,  
45 physical or mental incapacity, or partial or total  
46 unemployment of the parent, and who is living with  
47 a relative specified in 42 U.S.C. sec. 606 and in  
48 federal regulations adopted pursuant to that section.  
49 However, a child is not a dependent child solely by  
50 reason of a parent's absence from the home due to

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1 the parent's performance of active duty in the  
2 uniformed services of the United States.

3 Sec. 9. Section 239.9, Code 1983, is amended by  
4 striking the section and inserting in lieu thereof  
5 the following:

6 239.9 FUNERAL EXPENSES. The department may pay,  
7 from funds appropriated to it for the purpose, a  
8 maximum of four hundred dollars toward funeral expenses  
9 on the death of a child who is receiving or has been  
10 authorized to receive assistance under this chapter,  
11 provided:

12 1. The total expense of the child's funeral does  
13 not exceed one thousand dollars.

14 2. The decedent does not leave an estate which  
15 may be probated with sufficient proceeds to allow  
16 a funeral claim of at least one thousand dollars.

17 3. Payments which are due the decedent's estate  
18 or beneficiary by reason of the liability of a life  
19 insurance, death or funeral benefit company,  
20 association, or society, or in the form of United  
21 States social security, railroad retirement, or  
22 veterans' benefits upon the death of the decedent,  
23 are deducted from the department's liability under  
24 this section.

25 Sec. 10. Section 239.12, Code 1983, is amended  
26 to read as follows:

27 239.12 AID TO DEPENDENT CHILDREN ACCOUNT. There  
28 is hereby established in the state treasury an account  
29 to be known as the "Aid to Dependent Children Account"  
30 to which shall be credited all funds appropriated  
31 by the state for the payment of assistance and benefits  
32 under this chapter, and all other moneys received  
33 at any time for such purposes. Moneys assigned to  
34 the department under section 239.12 and received by  
35 the child support recovery unit pursuant to section  
36 252B.5 and 42 U.S.C. sec. 664 shall be credited to  
37 the account in the fiscal year in which the moneys  
38 are received. All assistance and benefits under this  
39 chapter shall be paid from ~~said~~ the account.

40 Sec. 11. Section 249.9, Code 1983, is amended  
41 to read as follows:

42 249.9 FUNERAL EXPENSES. The department may pay,  
43 from funds appropriated to it for the purpose, a  
44 maximum of four hundred dollars toward funeral expenses  
45 on the death of any a person receiving state  
46 supplementary assistance or who received assistance  
47 under a previous categorical assistance program prior  
48 to January 1, 1974, provided:

49 1. The total expense of the person's funeral does  
50 not exceed ~~six-hundred-fifty~~ one thousand dollars.

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1       2. ~~That-the~~ The decedent does not leave an estate  
2 which may be probated, with sufficient proceeds to  
3 allow a funeral claim of at least ~~six-hundred-fifty~~  
4 one thousand dollars.

5       3. ~~That-any-payment~~ Payments which ~~is~~ are due  
6 the decedent's estate or beneficiary by reason of  
7 the liability of any a life insurance ~~or,~~ death or  
8 funeral benefit company, association or society, or  
9 in the form of United States social security, railroad  
10 retirement, or veterans' benefits, upon the death  
11 of the decedent ~~shall-be,~~ are deducted from the  
12 department's liability under this section.

13       Sec. 12. Section 249A.4, subsection 7, Code 1983,  
14 is amended to read as follows:

15       7. Shall provide for the professional freedom  
16 of those licensed practitioners who determine the  
17 need for or provide medical care and services, and  
18 shall provide freedom of choice to recipients to  
19 select the provider of such care and services, and  
20 for-medical-direction-and-supervision-as-needed except  
21 when the recipient is eligible for participation  
22 in a health maintenance organization or prepaid health  
23 plan which limits provider selection and which is  
24 approved by the department, or when the department  
25 restricts the recipient's selection of providers to  
26 control the individual recipient's overuse of care  
27 and services.

28       Sec. 13. Section 249A.4, subsection 8, unnumbered  
29 paragraph 1, Code 1983, is amended to read as follows:

30       Shall advise and consult at least semiannually  
31 with a council composed of the president, or ~~his-or~~  
32 ~~her~~ the president's representative who is a member  
33 of the professional organization represented by the  
34 president, of the Iowa Medical-Society medical society,  
35 the Iowa Society society of Osteopathic-Physicians  
36 osteopathic physicians and Surgeons surgeons, the  
37 Iowa State-Dental-Society state dental society, the  
38 Iowa State-Nurses-Association state nurses association,  
39 the Iowa Pharmaceutical-Association pharmacists  
40 association, the Iowa Podiatry-Society podiatry  
41 society, the Iowa Optometric-Association optometric  
42 association, the community mental health centers  
43 association of Iowa, the Iowa psychological  
44 association, the Iowa Hospital-Association hospital  
45 association, the Iowa Osteopathic-Hospital-Association  
46 osteopathic hospital association, opticians'  
47 association of Iowa Ophthalmic-Dispensers, Inc.,  
48 ~~(opticians)-and~~ the Iowa Nursing-Home-Association  
49 health care association, the Iowa assembly of home  
health agencies, and the Iowa association of homes

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1 for the aging, together with one person designated  
2 by the Iowa state board of chiropractic examiners;  
3 one state representative from each of the two major  
4 political parties appointed by the speaker of the  
5 house, one state senator from each of the two major  
6 political parties appointed by the lieutenant governor,  
7 each for a term of two years; the president or the  
8 president's representative of the association for  
9 retarded citizens; four public representatives, two  
10 of whom shall be appointed each year by the governor  
11 for staggered terms of two years each, and none of  
12 whom shall be members of, or practitioners of or have  
13 a pecuniary interest in any of the professions or  
14 businesses represented by, any of the several  
15 professional groups and associations specifically  
16 represented on the council under this subsection,  
17 and at least one of whom shall be a recipient of  
18 medical assistance; the commissioner of public health,  
19 or a representative designated by him the commissioner,  
20 and the dean of the college of medicine, University  
21 university of Iowa, or a representative designated  
22 by him the dean.

23 Sec. 14. Section 249A.5, Code 1983, is amended  
24 to read as follows:

25 249A.5 RECOVERY OF PAYMENT. Medical assistance  
26 paid to, or on behalf of, any a recipient cannot be  
27 recovered from such beneficiary or paid to a provider  
28 of services is not recoverable unless such benefit  
29 had been the assistance was incorrectly paid. If,  
30 while receiving assistance, the recipient becomes  
31 possessed of any resource or income in excess of the  
32 amount stated in the application provided for in this  
33 chapter, it shall be the duty of the recipient  
34 immediately to notify the county board of the receipt  
35 or possession of such resource or income.--When it  
36 is found that any person has failed to so notify the  
37 board that he is or was possessed of any resource  
38 or income in excess of the amount allowed, or when  
39 it is found that, within five years prior to the date  
40 of his application, a recipient made an assignment  
41 or transfer of property for the purpose of rendering  
42 himself eligible for assistance under this chapter,  
43 any amount of assistance paid in excess of the amount  
44 to which the recipient was entitled shall constitute  
45 benefits incorrectly paid.--Any benefits Assistance  
46 incorrectly paid shall be is recoverable from the  
47 provider, or from the recipient, while living, as  
48 a debt due the state and, upon his the recipient's  
49 death, as a claim classified with taxes having  
50 preference under the laws of this state.

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1 Sec. 15. Section 249A.6, subsection 4, Code 1983,  
2 is amended to read as follows:

3 4. ~~In-the-event~~ If a recipient of assistance  
4 through the medical assistance program incurs the  
5 obligation to pay attorney fees and court costs for  
6 the purpose of enforcing a monetary claim to which  
7 the department is subrogated under this section, ~~the~~  
8 ~~amount-which-the-department-is-entitled-to-recover~~  
9 ~~under-subsection-1,-or-any-lesser-amount-which-the~~  
10 ~~department-may-agree-to-accept-in-compromise-of-its~~  
11 ~~claim,-shall-be-reduced-by-an-amount-which-bears-the~~  
12 ~~same-relation-to-the-total-amount-of-attorney-fees~~  
13 ~~and-court-costs-actually-paid-by-the-recipient-as~~  
14 ~~the-amount-actually-recovered-by-the-department,-~~  
15 ~~exclusive-of-the-reduction-for-attorney-fees-and-court~~  
16 ~~costs,-bears-to-the-total-amount-paid-by-the-third~~  
17 ~~party-to-the-recipient~~ upon the receipt of a judgment  
18 or settlement of the claim, the court costs and  
19 reasonable attorney fees shall first be deducted from  
20 the judgment or settlement. One-third of the remaining  
21 balance shall then be deducted and paid to the  
22 recipient. From the remaining balance, the claim  
23 of the department shall be paid. Any amount remaining  
24 shall be paid to the recipient. An attorney acting  
25 on behalf of a recipient of medical assistance for  
26 the purpose of enforcing a claim to which the  
27 department is subrogated shall not collect from the  
28 recipient any amount as attorney fees which is in  
29 excess of the amount which the attorney customarily  
30 would collect on claims not subject to this section.

31 Sec. 16. Section 249A.6, subsection 5, Code 1983,  
32 is amended to read as follows:

33 5. For purposes of this section the term "third  
34 party" includes any individual, institution,  
35 corporation, employer or employer's workers'  
36 compensation liability insurer, or public or private  
37 agency which is or may be liable to pay part or all  
38 of the medical costs incurred as a result of injury,  
39 disease or disability by or on behalf of an applicant  
40 for or recipient of assistance under the medical  
41 assistance program.

42 Sec. 17. Section 252B.4, Code 1983, is amended  
43 to read as follows:

44 252B.4 NONASSISTANCE CASES. The child support  
45 and paternity determination services established by  
46 the department pursuant to this Act chapter and other  
47 appropriate services provided by law including but  
48 not limited to the provisions of chapters 239, 252A,  
49 598 and 675 shall be made available by the unit to  
50 any an individual not otherwise eligible as a public

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1 assistance recipient upon application by the individual  
2 for the services. The application shall be filed  
3 with the department. The commissioner may require  
4 an application fee not to exceed twenty dollars as  
5 ~~determined-by-the-commissioner~~. The commissioner  
6 may require an additional fee to cover the costs  
7 incurred by the department in providing the support  
8 collection and paternity determination services.

9 The commissioner shall, by regulation rule, establish  
10 and make available to all applicants for support  
11 enforcement and paternity determination services a  
12 ~~fee schedule, however, the fee shall not exceed ten~~  
13 ~~percent of any support money recovered by department~~  
14 ~~action~~. The fee for support collection and paternity  
15 determination services charged to an applicant shall  
16 be agreed upon in writing by the individual requesting  
17 applicant, and shall be based upon the applicant's  
18 ability to pay for the services. The application  
19 fee and the additional fee for services provided may  
20 be deducted from the amount of the support money  
21 recovered by the department. Fees Seventy percent  
22 of the fees collected pursuant to this section shall  
23 may be retained by the department for use by the unit  
24 and thirty percent shall be remitted to the treasurer  
25 of state who shall deposit them it in the general  
26 fund of the state. The commissioner or a designee  
27 and the treasurer of state shall keep an accurate  
28 record of funds so retained, remitted, and deposited.

29 Sec. 18. Section 252B.6, subsection 5, Code 1983,  
30 is amended to read as follows:

31 5. Initiate any necessary civil proceedings-deemed  
32 necessary-by-the-department proceedings to secure  
33 reimbursement recover from the parent of a child,  
34 ~~for~~ money expended by the state in providing public  
35 assistance or services to the child, including support  
36 collection services.

37 Sec. 19. Section 252B.7, Code 1983, is amended  
38 to read as follows:

39 252B.7 LEGAL SERVICES.

40 1. The attorney general may perform the legal  
41 services for the child support recovery program and  
42 may enforce all laws for the recovery of child support  
43 from responsible relatives. The attorney general  
44 ~~shall have power to~~ may file and prosecute:

45 1 a. Contempt of court proceedings to enforce  
46 any order of court pertaining to child support.

47 2 b. Cases under chapter 252A, the Uniform Support  
48 of Dependents Law.

49 3 c. An information charging a violation of section  
50 726.3, 726.5 or 726.6.

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Page Eleven

1 4 d. Any other lawful action which will secure  
2 collection of support for minor children.

3 2. For the aforesaid purposes of subsection 1  
4 , the attorney general ~~shall have~~ has the same power  
5 to commence, file and prosecute any action or  
6 information in the proper jurisdiction, which the  
7 county attorney could file or prosecute in that  
8 jurisdiction. This ~~shall-in-no-way~~ section does not  
9 relieve any a county attorney from his-or-her the  
10 county attorney's duties, or the attorney general  
11 from the supervisory power of the attorney general,  
12 in the recovery of child support.

13 3. The unit may contract with a county attorney,  
14 the attorney general, a clerk of the district court,  
15 or another person or agency to collect support  
16 obligations and to administer the child support program  
17 established pursuant to this chapter. Notwithstanding  
18 section 13.7, the unit may contract with private  
19 attorneys for the prosecution of civil collection  
20 and recovery cases and may pay reasonable compensation  
21 and expenses to private attorneys for the prosecution  
22 services provided.

23 Sec. 20. NEW SECTION. 252B.11 RECOVERY OF COSTS  
24 OF COLLECTION SERVICES. The unit may initiate  
25 necessary civil proceedings to recover the unit's  
26 costs of support collection services provided to an  
27 individual, whether or not the individual is a public  
28 assistance recipient, from an individual who owes  
29 and is able to pay a support obligation but willfully  
30 fails to pay the obligation. The unit may seek a  
31 lump sum recovery of the unit's costs or may seek  
32 to recover the unit's costs through periodic payments  
33 which are in addition to periodic support payments.  
34 If the unit's costs are recovered from an individual  
35 owing a support obligation, the costs shall not be  
36 deducted from the amount of support money received  
37 from the individual. Seventy percent of the costs  
38 collected pursuant to this section may be retained  
39 by the department for use by the unit and thirty  
40 percent shall be remitted to the treasurer of state  
41 who shall deposit it in the general fund of the state.  
42 The commissioner or a designee and the treasurer of  
43 state shall keep an accurate record of funds so  
44 retained, remitted, and deposited.

45 Sec. 21. Section 421.17, subsection 21, Code 1983,  
46 is amended to read as follows:

47 21. To establish and maintain a procedure to set  
48 off against a debtor's income tax refund or rebate  
49 any debt, which is assigned to the department of  
50 social services, ~~or~~ which the child support recovery

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Page Twelve

1 unit is attempting to collect on behalf of any an  
2 individual not eligible as a public assistance  
3 recipient, or which the foster care recovery unit  
4 of the department of social services is attempting  
5 to collect on behalf of a child receiving foster care  
6 provided by the department of social services, which  
7 has accrued through written contract, subrogation,  
8 or court judgment and which is in the form of a  
9 liquidated sum due and owing for the care, support  
10 or maintenance of a child or which is owed to the  
11 state for public assistance overpayments which the  
12 office of investigations of the department of social  
13 services is attempting to collect on behalf of the  
14 state. For purposes of this subsection, "public  
15 assistance" means aid to dependent children, medical  
16 assistance, food stamps, foster care, and state  
17 supplementary assistance. The procedure shall meet  
18 the following conditions:

19 a. Before setoff all outstanding tax liabilities  
20 collectible by the department of revenue shall be  
21 satisfied except that no portion of a refund or rebate  
22 shall be credited against any tax liabilities which  
23 are not yet due.

24 b. Before setoff the child support recovery unit  
25 established pursuant to section 252B.2, the foster  
26 care recovery unit, and the office of investigations  
27 shall obtain and forward to the department of revenue  
28 the full name and social security number of the debtor.  
29 The department of revenue shall co-operate in the  
30 exchange of relevant information with the child support  
31 recovery unit as provided in section 252B.9, with  
32 the foster care recovery unit, and with the office  
33 of investigations. However, only relevant information  
34 required by the child support unit, by the foster  
35 care recovery unit, or by the office of investigations  
36 shall be provided by the department of revenue. The  
37 information shall be held in confidence and shall  
38 be used for purposes of setoff only.

39 c. The child support recovery unit, the foster  
40 care recovery unit, and the office of investigations  
41 shall, at least annually, submit to the department  
42 of revenue for setoff the above-mentioned debts  
43 described in this subsection, which are at least fifty  
44 dollars, on a date or dates to be specified by the  
45 department of social services by rule.

46 d. Upon submission of a claim the department of  
47 revenue shall notify the child support recovery unit,  
48 the foster care recovery unit, or the office of  
49 investigations as to whether the debtor is entitled  
50 to a refund or rebate of-at-least-fifty-dollars and

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Page Thirteen

1 if so entitled shall notify the unit or office of  
2 the amount of the refund or rebate and of the debtor's  
3 address on the income tax return.

4 e. Upon notice of entitlement to a refund or  
5 rebate the child support recovery unit, the foster  
6 care recovery unit, or the office of investigations  
7 shall send written notification to the debtor, and  
8 a copy of the notice to the department of revenue,  
9 of the unit's or office's assertion of its rights  
10 or the rights of an individual not eligible as a  
11 public assistance recipient to all or a portion of  
12 the debtor's refund or rebate and the entitlement  
13 to recover the debt through the setoff procedure,  
14 the basis of the assertion, the opportunity to request  
15 that a joint income tax refund or rebate be divided  
16 between spouses, the debtor's opportunity to give  
17 written notice of intent to contest the claim, and  
18 the fact that failure to contest the claim by written  
19 application for a hearing will result in a waiver  
20 of the opportunity to contest the claim, causing final  
21 setoff by default. The Upon application filed with  
22 the department within fifteen days from the mailing  
23 of the notice of entitlement to a refund or rebate,  
24 the child support recovery unit, the foster care  
25 recovery unit, or the office of investigations shall  
26 upon application grant a hearing pursuant to chapter  
27 17A. Any An appeal taken from the decision of a  
28 hearing officer and any subsequent appeals shall be  
29 taken pursuant to chapter 17A.

30 f. Upon the timely request of a debtor or a  
31 debtor's spouse to the child support recovery unit,  
32 the foster care recovery unit, or the office of  
33 investigations, filed within fifteen days from the  
34 mailing of the notice of entitlement to a refund or  
35 rebate, and upon receipt of the full name and social  
36 security number of the debtor's spouse, the unit or  
37 office shall notify the department of revenue of the  
38 request to divide a joint income tax refund or rebate.  
39 The department of revenue shall upon receipt of the  
40 notice divide a joint income tax refund or rebate  
41 between the debtor and the debtor's spouse in  
42 proportion to each spouse's net income as determined  
43 under section 422.7.

44 g. The department of revenue shall, after notice  
45 has been sent to the debtor by the child support  
46 recovery unit, the foster care recovery unit, or the  
47 office of investigations, set off the above-mentioned  
48 debt against the debtor's income tax refund or rebate  
49 ~~if both the debt and the refund or rebate are at least~~  
50 ~~fifty dollars.~~ However, if a debtor has made all

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Page Fourteen

1 current child support or foster care payments in  
2 accordance with a court order or an assessment of  
3 foster care liability for the twelve months preceding  
4 the proposed setoff and has regularly made delinquent  
5 child support or foster care payments during those  
6 twelve months, the child support or foster care  
7 recovery unit shall notify the department of revenue  
8 not to setoff set off the debt against the debtor's  
9 income tax refund or rebate. If a debtor has made  
10 all current repayment of public assistance in  
11 accordance with a court order or voluntary repayment  
12 agreement for the twelve months preceding the proposed  
13 setoff and has regularly made delinquent payments  
14 during those twelve months, the office of  
15 investigations shall notify the department of revenue  
16 not to set off the debt against the debtor's income  
17 tax refund or rebate. The department shall refund  
18 any balance of the income tax refund or rebate to  
19 the debtor. The department of revenue shall  
20 periodically transfer the amount set off to the child  
21 support recovery unit, the foster care recovery unit,  
22 or the office of investigations. If the debtor gives  
23 timely written notice of intent to contest the claim  
24 the department of ~~social-services~~ revenue shall hold  
25 the refund or rebate until final disposition of the  
26 contested claim pursuant to chapter 17A or by court  
27 judgment. The child support recovery unit, the foster  
28 care recovery unit, or the office of investigations  
29 shall notify the debtor in writing upon completion  
30 of setoff.

31 Sec. 22. Section 421.17, subsection 25, Code 1983,  
32 is amended by striking the subsection and inserting  
33 in lieu thereof the following:

34 25. To provide that in the case of multiple claims  
35 to refunds or rebates filed under subsections 21 and  
36 23, that priority shall be given to claims filed by  
37 the child support recovery unit or the foster care  
38 recovery unit under subsection 21, next priority shall  
39 be given to claims filed by the college aid commission  
40 under subsection 23, and last priority shall be given  
41 to claims filed by the office of investigations under  
42 subsection 21.

43 Sec. 23. Section 692.3, subsection 2, Code 1983,  
44 is amended to read as follows:

45 2. Notwithstanding subsection 1, paragraph "a",  
46 the department of social services may shall  
47 redisseminate criminal history data obtained pursuant  
48 to section 692.2, subsection 1, paragraph "c", to  
49 persons licensed or registered under chapters 237  
50 and 237A for the purposes of section 237.8, subsection

1.2 and section 237A.5. Licensees and registrants under  
2 either chapter 237 or chapter 237A who receive  
3 information pursuant to this subsection shall not  
4 use the information other than for purposes of section  
5 237.8, subsection 2 or section 237A.5. A licensee  
6 or registrant who uses the information for other  
7 purposes or who communicates the information to another  
8 except for the purposes of section 237.8, subsection  
9 2 or section 237A.5 is guilty of an aggravated  
10 misdemeanor."

11 2. By renumbering as necessary.

BY CARL of Poweshiek  
VAN MAAEN of Mahaska  
CLARK of Cerro Gordo  
FEY of Scott  
DAVITT of Warren  
GRANDIA of Marion

AND BY PARKER of Jasper  
CHAPMAN of Linn  
TORRENCE of Muscatine  
HOFFMANN-BRIGHT of Muscatine  
ARNOULD of Scott  
HAVERLAND of Polk

H-4017 FILED MAY 4, 1983

4/12 5/5/83 (p 1842)

HOUSE FILE 641

H-4005

1 Amend House File 641 as follows:

2 1. Page 13, by striking lines 2 through 19 and  
3 inserting in lieu thereof the following:

4 "2. The department, in establishing eligibility  
5 standards for sheltered work and work activity  
6 services, shall disregard the first sixty-five dollars  
7 of income from sheltered work or work activity services  
8 and fifty percent of any income from sheltered work  
9 or work activity services above sixty-five dollars."

H-4005 FILED MAY 4, 1983

BY VAN MAANEN of Mahaska

*Loat 5/5 (p. 1841)*

HOUSE FILE 641

H-4006

1 Amend House File 641 as follows:

2 1. Page 13, by inserting after line 27 the  
3 following:

4 "4. The social services block grant state advisory  
5 committee, formerly known as the Title XX state  
6 advisory committee, and the social services block  
7 grant district advisory committees, formerly known  
8 as the Title XX district advisory committees, shall  
9 continue to advise the department of policy matters  
10 with respect to the social services block grant funds  
11 allocated by the federal government to this state  
12 through June 30, 1984."

H-4006 FILED MAY 4, 1983

BY VAN MAANEN of Mahaska

*Loat 5/5 (p. 1841)*

HOUSE FILE 641

H-4009

1 Amend House File 641 as follows:

2 1. Page 2, by inserting after line 22 the  
3 following:

4 "The department shall adopt rules pursuant to  
5 chapter 17A excluding from eligibility for federal  
6 surplus commodities those individuals who are residents  
7 of an institution which makes available to the  
8 individuals seventy percent or more of three meals,  
9 seven days per week."

*Loat 5/5 (p. 1835)*

H-4009 FILED MAY 4 1983

BY CLARK of Cerro Gordo

JOSEPH MANN BRIGHT of Mahaska

HOUSE FILE 641

H-4047

Amend House File 641 as follows:

1. Page 1, line 15, by striking the figure  
"7,545,000" and inserting in lieu thereof the figure  
"7,528,800".

2. Page 2, by inserting after line 18 the  
following:

For purchases of motor  
fuel and special fuel ..... \$12,825".

3. By striking page 2, line 35, through page 3,  
line 6 and inserting in lieu thereof the following:  
"the following amounts, or so much thereof as is  
necessary:

1983-1984  
Fiscal Year

1. For salaries and  
support of not more than  
two thousand one hundred  
seventy-one and one-half  
full-time equivalent  
positions annually, main-  
tenance, and miscellaneous  
purposes ..... \$21,005,100

2. For purchases of  
motor fuel and special  
fuel ..... \$ 43,463".

4. Page 11, by striking lines 27 through 35 and  
inserting in lieu thereof the following: "nile home:

a. For salaries and support  
of not more than two hundred  
one full-time equivalent positions  
annually at the state training  
school, and of not more than one  
hundred fifteen full-time equiva-  
lent positions annually at the  
Iowa juvenile home, maintenance,  
and miscellaneous purposes ..... \$ 7,478,000

b. For purchases of motor  
fuel and special fuel ..... \$ 21,375".

5. By renumbering as necessary.

BY OSTERBERG of Linn  
BRANSTAD of Winnebago  
OXLEY of Linn  
McINTEE of Black Hawk  
KOENIGS of Mitchell

H-4047 FILED MAY 5, 1983

ADOPTED (p. 1835)  
*Reconsidered, Amended by 4057 & 6 adopted (p. 1842)*  
HOUSE FILE 641

H-4023

Amend House File 641 as follows:

1. Page 19, line 30, by inserting after the word  
"Act," the words "raising income guidelines for income  
eligible persons,".

H-4023 FILED MAY 5, 1983

BY CARL of Poweshiek

ADOPTED (p. 1842)

HOUSE FILE 641

H-4018

1 Amend House File 641 as follows:  
2 1. Page 14, line 26, by inserting after the figure  
3 "1981." the following: "If the department of social  
4 services determines that adequate funding is available,  
5 the department shall, on January 1, 1984, establish  
6 the maximum reimbursement rate for intermediate care  
7 facilities at the seventy-fourth percentile of all  
8 facilities' per diems as calculated from the December  
9 31, 1983 compilation of unaudited financial and  
10 statistical reports. This compilation is composed  
11 of facility cost reports received prior to November  
12 1, 1983."

BY SKOW of Guthrie  
MENKE of O'Brien  
FOGARTY of Palo Alto  
BRANSTAD of Winnebago  
MUHLBAUER or Crawford  
MAULSBY of Calhoun  
HUGHES of Union

H-4018 FILED MAY 4, 1983  
*Adopted 5/5/83 (p. 1842)*

HOUSE FILE 641

H-4019

1 Amend House File 641 as follows:  
2 1. Page 12, line 16, by striking the figure  
3 "4,115,000" and inserting in lieu thereof the figure  
4 "3,115,000".

H-4019 FILED MAY 5, 1983 BY CARL of Poweshiek  
ADOPTED (*p. 1840*)

HOUSE FILE 641

H-4020

1 Amend House File 641 as follows:  
2 1. Page 3, line 31, by striking the word "ten"  
3 and inserting in lieu thereof the word "five".  
4 2. Page 4, by striking lines 3 through 8 and  
5 inserting in lieu thereof the words "amount withheld."

H-4020 FILED MAY 5, 1983 BY VAN CAMP of Scott  
LOST (*p. 1837*)

HOUSE FILE 641

H-4022

1 Amend House File 641 as follows:  
2 1. Page 4, line 32, by inserting after the word  
3 "coverage" the words "and administration".

H-4022 FILED MAY 5, 1983 BY VAN MAANEN of Mahaska  
ADOPTED (*p. 1837*)

HOUSE FILE 641

H-4044

1 Amend House File 641 as follows:

2 1. Page 5, line 8, by striking the word "Sundays"  
3 and inserting in lieu thereof the words "the  
4 participant's sabbath".

5 2. Page 18, by striking lines 7 through 16.

6 3. Page 18, by striking lines 29 and 30 and  
7 inserting in lieu thereof the following:

8 "A financial institution which refuses to provide  
9 the information pursuant to this".

10 4. By striking page 18, line 35 through page 19,  
11 line 6 and inserting in lieu thereof the following:

12 "\_\_\_\_. The department of social services, in  
13 cooperation with the department of revenue and the  
14 federal internal revenue service, shall study the  
15 feasibility of obtaining information, relating to  
16 interest earnings records of an applicant for or a  
17 recipient of public assistance provided by the state  
18 or administered by the state, which would identify  
19 the applicant's or recipient's assets producing the  
20 interest earnings. The study shall pay strict  
21 attention to the confidentiality of the interest  
22 earnings records. If the department of social  
23 services, the department of revenue, and the federal  
24 internal revenue service agree on the method for  
25 obtaining the information, the department of social  
26 services shall implement a program to identify assets  
27 producing interest earnings."

H-4044 FILED MAY 5, 1983

BY CARL of Poweshiek

ADOPTED (p. 1838)

HOUSE FILE 641

H-4057

1 Amend the amendment, H-4047, to House File 641  
2 as follows:

3 1. Page 1, line 18, by striking the words "seventy-  
4 one and one-half" and inserting in lieu thereof the  
5 word "ninety-four".

H-4057 FILED MAY 5, 1983

BY HOFFMANN-BRIGHT of Muscatine

ADOPTED (p. 1872)

HOUSE FILE 641

H-4058

1 Amend the amendment, H-4044, to House File 641,  
2 as follows:

3 1. Page 1, by striking lines 6 through 9 and  
4 inserting in lieu thereof the following:

5 "3. Page 18, by striking lines 17 through 34."

H-4058 FILED MAY 5, 1983

BY SKOW of Guthrie

LOST (p. 1838)

HOUSE FILE 641

H-4049

- 1 Amend House File 641 as follows:  
2 1. Page 1, line 15, by striking the figure  
3 "7,545,000" and inserting in lieu thereof the figure  
4 "7,240,000".  
5 2. Page 3, line 6, by striking the figure  
6 "21,060,000" and inserting in lieu thereof the figure  
7 "19,062,800".  
8 3. Page 9, line 13, by striking the figure  
9 "20,950,000" and inserting in lieu thereof the figure  
10 "20,223,400".  
11 4. Page 12, line 5, by striking the figure "83,000"  
12 and inserting in lieu thereof the figure "63,200".  
13 5. Page 12, line 16, by striking the figure  
14 "4,115,000" and inserting in lieu thereof the figure  
15 "2,559,300".

BY WELDEN of Hardin  
VAN MAANEN of Mahaska

H-4049 FILED MAY 5, 1983  
DIVISION A - OUT OF ORDER, B - LOST (p. 1834)

HOUSE FILE 641

H-4048

- 1 Amend House File 641 as follows:  
2 1. Page 1, by striking lines 13 and 14 and  
3 inserting in lieu thereof the following: "dred twenty-  
4 four and seven-tenths full-time equivalent positions  
5 annually not including positions in general  
6 administration relating to corrections, main-".  
7 2. Page 3, line 1, by striking the words "seventy-  
8 one and one-half" and inserting in lieu thereof the  
9 word "ninety-four".  
10 3. Page 8, line 12, by inserting after the word  
11 "annually," the words "except as otherwise provided  
12 in this subsection,".

H-4048 FILED MAY 5, 1983 BY HOFFMANN-BRIGHT of Muscatine

ADOPTED (p. 1833)  
*Lower 1 line of placed use of order upon adoption of 40475*

HOUSE FILE 641

H-4051

- 1 Amend House File 641 as follows:  
2 1. Page 7, line 26, by striking the figure  
3 "129,050,000" and inserting in lieu thereof the figure  
4 "129,328,000".  
5 2. Page 7, by inserting after line 30 the  
6 following:  
7 "Medical assistance shall be made available for  
8 the provision of long-term rehabilitation services  
9 to eligible, brain-damaged individuals."

BY McINTEE of Black Hawk  
DIEMER of Black Hawk  
VAN GERPEN of Black Hawk  
SHOULTZ of Black Hawk

H-4051 FILED MAY 5, 1983  
LOST (p. 1839)

HOUSE FILE 641

BY COMMITTEE ON APPROPRIATIONS

(As Amended and Passed by the House)  
*Substituted for S.F. 536 5/10/83*

*Re*Passed House, Date 5-11-83 (p. 2035) Passed Senate, Date 5-10-83 (p. 1637)

Vote: Ayes 98 Nays 0 Vote: Ayes 47 Nays 0

Approved June 8 1983

*Motion to reconsider 5/11 failed  
Opposed Senate as further amended  
By House 5-12-83 (p. 1697)  
48-0*

# A BILL FOR

1 An Act relating to the administration and financing of  
2 current programs other than correctional and mental  
3 health programs under the jurisdiction of the department  
4 of social services for the fiscal period beginning  
5 July 1, 1983, and ending June 30, 1984.

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

7  
8  
9  
10  
11  
12  
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House Amendments \_\_\_\_\_

Deleted Language \*

1 Section 1. GENERAL ADMINISTRATION. There is appropriated  
2 from the general fund of the state for the fiscal year  
3 beginning July 1, 1983, and ending June 30, 1984, to the  
4 department of social services, the following amounts, or so  
5 much thereof as is necessary, to be used for the purposes  
6 designated:

1983-1984  
Fiscal Year

7  
8  
9 1. For general administration,  
10 other than for the division of adult  
11 corrections, including salaries and  
12 support of not more than four hun-  
13 dred twenty-four and seven-tenths  
14 full-time equivalent positions annually  
15 not including positions in  
16 general administration relating  
17 to corrections, main-  
18 tenance, and miscellaneous purposes ..... \$ 7,528,800

19 a. The commissioner shall develop a proposal which, if  
20 implemented, would reduce the number of upper-level management  
21 positions in the department by at least five percent. In  
22 the proposal, at least five percent of the filled positions  
23 in the table of organization of the department shall be  
24 designated as being upper-level management positions and these  
25 designated positions shall be selected from among the top  
26 twenty-five percent of the highest salaried positions in the  
27 department. The proposal shall provide for the reduction  
28 by reorganization, consolidation, lay-off, attrition, or other  
29 means determined by the department, shall be based on a table  
30 of organization and the actual number of employees employed  
31 by the department on January 1, 1983, and shall be capable  
32 of implementation not later than July 1, 1984. In determining  
33 the actual number of management positions to be included in  
34 the reduction, a fractional number shall be increased or  
35 reduced to the nearest whole number. The reduction proposal

1 may include recommendations which require legislative action,  
2 but the reduction shall be capable of implementation by July  
3 1, 1984. The reduction proposal shall be submitted to the  
4 governor, the legislative council, and the members of the  
5 social services appropriations subcommittee by October 1,  
6 1983. The reduction proposal shall not include reductions  
7 of personnel engaged in direct client work or contact. As  
8 used in this section, "permanent, full-time position" means  
9 a position which requires more than twenty hours per week  
10 of work for more than four consecutive months.

11 b. If a separate department of corrections is established  
12 and if the department of social services is renamed the  
13 department of human services, the commissioner of human  
14 services shall work with the director of the department of  
15 corrections in providing for the transfer of necessary funding  
16 for staff and support from the department of human services  
17 to the department of corrections. If the separate department  
18 of corrections is established, the proposal required to be  
19 developed in paragraph a shall apply only to the staff who  
20 will continue to be employees of the department of human  
21 services.

22 2. For purchases of motor  
23 fuel and special fuel ..... \$ 12,825

24 3. For distribution of federal  
25 surplus commodities, including  
26 salaries and support, mainte-  
27 nance, and miscellaneous purposes ..... \$ 100,000

28 For the fiscal year beginning July 1, 1983, and ending  
29 June 30, 1984, the department may receive and there is  
30 appropriated, in addition to its appropriations from the  
31 general fund of the state, such funds from damages awarded  
32 to the state by the civil antitrust judgment involving the  
33 sale of chickens, to the department for use in the distribution  
34 of federal surplus commodities, if the judgment allows the  
35 funds received to be used for such purposes.

1 Sec. 2. FIELD OPERATIONS. There is appropriated from  
2 the general fund of the state for the fiscal year beginning  
3 July 1, 1983, and ending June 30, 1984, to the department  
4 of social services for the division of field operations, the  
5 following amounts, or so much thereof as is necessary:

	<u>1983-1984</u>
	<u>Fiscal Year</u>
6	
7	
8 <u>1. For salaries and</u>	
9 <u>support of not more than</u>	
10 <u>two thousand one hundred</u>	
11 <u>ninety-four</u>	
12 <u>full-time equivalent</u>	
13 <u>positions annually, main-</u>	
14 <u>tenance, and miscellaneous</u>	
15 <u>purposes .....</u>	\$ 21,005,100
16 <u>2. For purchases of</u>	
17 <u>motor fuel and special</u>	
18 <u>fuel .....</u>	\$ 43,463

19 Sec. 3. SPECIAL PROGRAMS. There is appropriated from  
20 the general fund of the state for the fiscal year beginning  
21 July 1, 1983, and ending June 30, 1984, to the department  
22 of social services, the following amounts, or so much thereof  
23 as is necessary, to be used for the purposes designated:

	1983-1984
	<u>Fiscal Year</u>
24	
25	
26 SPECIAL PROGRAMS	
27 1. For aid to families with	
28 dependent children .....	\$ 64,000,000

29 a. The department shall establish the schedule of basic  
30 needs for two persons at three hundred five dollars. The  
31 department shall establish the schedule of living costs for  
32 one person at one hundred fifty-four dollars, for two persons  
33 at four hundred dollars, for three persons at four hundred  
34 ninety-four dollars, for four persons at five hundred seventy-  
35 two dollars, for five persons at six hundred thirty-two

1 dollars, for six persons at seven hundred three dollars, for  
2 seven persons at seven hundred seventy-three dollars, for  
3 eight persons at eight hundred forty-three dollars, for nine  
4 persons at nine hundred thirteen dollars, for ten persons  
5 at nine hundred eighty-three dollars, and for each additional  
6 person at seventy dollars per person.

7 The department shall not withhold an amount greater than  
8 ten percent of the schedule of basic needs in recouping an  
9 overpayment due to an error by a recipient under the aid to  
10 families with dependent children program, unless the recipient  
11 elects to have a greater amount withheld. If an overpayment  
12 is due to an error by the department, the department shall  
13 not withhold an amount greater than one percent of the schedule  
14 of basic needs, unless the recipient elects to have a greater  
15 amount withheld. However, if in a case of departmental error  
16 the amount withheld will not recoup the overpayment within  
17 twenty-four months, the department may establish a recoupment  
18 schedule which will recoup the overpayment over a twenty-four  
19 month period, provided the amount withheld does not exceed  
20 five percent of the schedule of basic needs.

21 b. The department of social services shall provide benefits  
22 under an unemployed parent program under the aid to families  
23 with dependent children program. The department shall withdraw  
24 its waiver request to the United States department of health  
25 and human services and shall not limit grants under the  
26 unemployed parent program to six months for any eligible  
27 group. The department may require a participant to apply  
28 for a certain number of jobs either on a monthly or a weekly  
29 basis.

30 c. The department shall provide assistance under the aid  
31 to families with dependent children program to eighteen year  
32 old persons in accordance with federal regulations.

33 d. The department shall seek to operate a community work  
34 program in each county for unemployed parents by contracting  
35 at reasonable cost with county boards of supervisors or another

1 local organization designated by both the county board of  
2 supervisors and the department. The county board of  
3 supervisors or the designated local organization may charge  
4 the entity responsible for a work site a reasonable fee to  
5 cover the cost of workers' compensation liability insurance  
6 provided by or through the board or organization, and the  
7 administrative costs in providing the insurance, to program  
8 participants employed at the work site. However, the fee  
9 shall be the actual cost of coverage and administration, not  
10 to exceed fifty-five cents per hour per participant.

11 The work schedule of a participating unemployed parent  
12 who is employed in or obtains unsubsidized employment shall  
13 be arranged so that the work schedule does not interfere with  
14 the participant's ability to retain the unsubsidized  
15 employment. A participant shall be required to work only  
16 during those hours normally worked by regular employees at  
17 the work site, but shall not be required to work between the  
18 hours of six o'clock p.m. and seven o'clock a.m., unless the  
19 participant voluntarily agrees to work between those hours.  
20 A participant shall not be required to work on the  
21 participant's sabbath, on legal federal holidays, or on state  
22 public holidays, unless the participant voluntarily agrees  
23 to work on those days. A participant shall not be required  
24 to work more than four days per week.

25 With the approval of the department, a participant may  
26 establish the participant's own work program by arranging  
27 and performing voluntary community service work with an  
28 approved nonprofit agency which agrees to meet all requirements  
29 of the program.

30 In addition to the basic grant under the aid to families  
31 with dependent children program, a recipient shall receive  
32 a monthly allowance for costs incurred while participating  
33 in a community work program as provided by departmental rule.  
34 If a participant's work expenses exceed twenty-five dollars  
35 per month, the number of hours the participant is required

1 to work shall be reduced, unless the government entity or  
2 nonprofit agency pays the excess expenses. Mileage expenses  
3 shall be calculated at eighteen cents per mile under the  
4 program. Clothing, shoes, gloves, and health and safety  
5 equipment necessary for the performance of work at a work  
6 site under the program, which the participant does not already  
7 possess, shall be provided to the participant by the entity  
8 responsible for the work site. The items provided shall  
9 remain the property of the entity responsible for the work  
10 site, unless the participant and the entity responsible for  
11 the work site agree to a different arrangement. Work sites  
12 under the program are subject to the occupational safety and  
13 health standards adopted pursuant to chapter 88 and federal  
14 law.

15 The department shall give each participant a copy of the  
16 rules and procedures governing the community work program.  
17 The procedures shall include notice of a participant's right  
18 to appeal any disqualification or decision affecting the  
19 participant under the program, the time limits for the appeal,  
20 and the conditions for continuance of the grant under the  
21 aid to families with dependent children program. The  
22 procedures shall also include a grievance procedure for the  
23 public for the resolution of complaints regarding the  
24 displacement of regular workers with participants. The  
25 department shall require the establishment of local impartial  
26 boards consisting of representatives of the legal profession,  
27 organized labor, private industry, and the department to hear  
28 and resolve the complaints. The department shall refer all  
29 complaints regarding violations of occupational safety and  
30 health standards to the labor commissioner.

31 Participation in a program funded under the federal Job  
32 Training Partnership Act, Pub. L. No. 97-300, meets the  
33 participation requirements of the community work program.

34 e. Of the funds appropriated in this subsection, one  
35 hundred sixty-five thousand (165,000) dollars, or so much

1 thereof as is necessary, is appropriated to the department  
2 to continue the coordinated manpower services demonstration  
3 projects for recipients of aid to families with dependent  
4 children in two of the department's districts. The department  
5 shall continue the current monthly incentive allowances for  
6 participants in the coordinated manpower services demonstration  
7 projects.

8 The department shall administer the coordinated manpower  
9 services demonstration projects in such a manner as to assure  
10 the availability to the projects of the maximum amount of  
11 funds available to local service delivery areas under the  
12 federal Job Training Partnership Act, Pub. L. No. 97-300.  
13 After March 31, 1984, funds appropriated in section 2 of this  
14 Act and allocated to the coordinated manpower services  
15 demonstration projects shall not be expended for job training.

16 2. For medical assistance, including reimbursement for  
17 abortion services, which shall be available under the medical  
18 assistance program only for those abortions which are medically  
19 necessary. Medically necessary abortions are those performed  
20 under any of the following conditions:

21 a. The attending physician certifies that continuing the  
22 pregnancy would endanger the life of the pregnant woman.

23 b. The attending physician certifies that the fetus is  
24 physically deformed, mentally deficient, or afflicted with  
25 a congenital illness.

26 c. The pregnancy is the result of a rape which is re-  
27 ported within forty-five days of the incident to a law en-  
28 forcement agency or public or private health agency which  
29 may include a family physician.

30 d. The pregnancy is the result of incest which is re-  
31 ported within one hundred fifty days of the incident to a  
32 law enforcement agency or public or private health agency  
33 which may include a family physician.

34 e. Any spontaneous abor-  
35 tion, commonly known as a mis-

1 carriage, if not all of the  
2 products of conception are ex-  
3 pelled ..... \$129,050,000

4 Medical assistance shall be made available to children  
5 under twenty-one years of age who meet all eligibility criteria  
6 of the aid to families with dependent children program except  
7 that the children are not deprived of parental support.

8 The maximum co-payments allowed by federal law or regulation  
9 shall be placed on all optional services to all recipients  
10 under the medical assistance program. A fixed co-payment  
11 shall be established for each optional service. The co-pay  
12 requirement shall not apply to the services if federal law  
13 or regulation prohibits application of the requirement.  
14 However, a co-payment shall not be imposed on services  
15 furnished to individuals in residential care facilities.

16 3. For contractual ser-  
17 vices-medical carrier ..... \$ 2,040,000

18 4. For work and training  
19 programs ..... \$ 42,000

20 5. For child support re-  
21 coveries, including salary  
22 and support of not more than  
23 ninety-six full-time equiva-  
24 lent positions annually, except as otherwise  
25 provided in this subsection,  
26 maintenance, and miscella-  
27 neous purposes ..... \$ 830,000

28 The commissioner of social services, within the limitations  
29 of the funds appropriated in this subsection or funds  
30 transferred from the aid to families with dependent children  
31 program for this purpose, may establish new positions and  
32 add additional employees to the child support recovery unit  
33 when the commissioner determines that additional employees  
34 can reasonably be expected to recover for the aid to families  
35 with dependent children program and the nonpublic assistance

1 support recovery program more than twice the amount of money  
2 required to pay the salary and support for those additional  
3 employees. The department shall demonstrate the cost  
4 effectiveness of the additional employees by reporting to  
5 the social services appropriations subcommittee the ratio  
6 of the total amount of administrative costs for child support  
7 recoveries to the total amount of the child support recoveries.

8 6. For state supplementary  
9 assistance, including state  
10 supplementary assistance for  
11 the blind ..... \$ 7,250,000

12 The department of social services shall increase the  
13 personal needs allowance for eligible persons residing in  
14 residential care facilities by two dollars on July 1, 1983.

15 7. For aid to Indians under  
16 section 252.43 ..... \$ 36,000

17 The tribal council shall not use more than ten percent  
18 of the funds for administrative expenses.

19 8. For home-based services ..... \$ 4,540,000

20 Of the funds appropriated by this subsection, nine hundred  
21 sixty thousand (960,000) dollars, or so much thereof as is  
22 necessary, is appropriated for the development and  
23 establishment of family-centered services in all districts  
24 of the department where such services are currently not  
25 available.

26 9. For foster care ..... \$ 20,950,000

27 The department, based on the recommendation of each district  
28 administrator, may transfer a portion of the funds appropriated  
29 by this subsection to the districts for use in providing in-  
30 home services designed to prevent the placement of children  
31 outside their own homes or to reunite children, who have been  
32 placed in foster care, with their parents. The commissioner  
33 of social services shall not transfer the funds unless the  
34 commissioner determines that the transfer will be cost  
35 effective.

1 No more than forty-five percent of all children in foster  
2 care funded under Title IV, Part E of the federal Social  
3 Security Act shall be in foster care for more than twenty-  
4 four months.

5 10. For community-based  
6 services ..... \$ 1,593,000

7 a. Of the funds appropriated by this subsection, two  
8 hundred seventy-five thousand (275,000) dollars, or so much  
9 thereof as is necessary, is appropriated to assist child care  
10 centers under section 237A.13.

11 Notwithstanding section 237A.13, subsection 4, funds unen-  
12 cumbered as of April 30, 1984, shall not be reallocated unless  
13 the unencumbered funds reclaimed exceed two thousand dollars.

14 b. Of the funds appropriated by this subsection, one  
15 hundred twenty thousand (120,000) dollars, or so much thereof  
16 as is necessary, is appropriated for child abuse prevention  
17 services.

18 c. Of the funds appropriated by this subsection, one  
19 hundred thousand (100,000) dollars, or so much thereof as  
20 is necessary, is appropriated for programs for displaced  
21 homemakers, and one hundred thousand (100,000) dollars, or  
22 so much thereof as is necessary, is appropriated for programs  
23 for victims of domestic abuse.

24 Funds appropriated by this paragraph for programs for  
25 displaced homemakers and for victims of domestic abuse may  
26 be used to provide start-up moneys for programs which will  
27 develop community support and establish means of support in-  
28 dependent of long-term state funding. Where possible, special  
29 programs receiving state funds under this paragraph for more  
30 than one year should be established to receive declining  
31 amounts of state funding after the first twelve months of  
32 full operation and to be supported locally after thirty-six  
33 months of operation. Special programs deviating from these  
34 guidelines shall be reported to the joint social services  
35 appropriations subcommittee. The department shall consult

1 persons knowledgeable in the respective subjects of domestic  
2 abuse and displaced homemakers with respect to establishment  
3 and selection of the programs.

4 d. Of the funds appropriated by this subsection, five  
5 hundred thousand (500,000) dollars, or so much thereof as  
6 is necessary, is appropriated to provide grants for community-  
7 based juvenile services to reduce the need for long-term state  
8 juvenile institutional placements and to encourage home-based  
9 treatment programs as alternatives to state juvenile  
10 institutional care. The department shall approve grants for  
11 additional community-based residential beds only if the beds  
12 are designed specifically to reduce the population at state  
13 juvenile institutions.

14 The commissioner of social services shall pay from funds  
15 appropriated by this subsection, as the entitled aid from  
16 the state under section 232.142, subsection 4, one-half of  
17 one percent of the total cost of the establishment,  
18 improvements, operation, and maintenance of approved county  
19 or multicounty juvenile homes.

20 11. For county-based reimburse-  
21 ment under section 232.141, subsec-  
22 tion 4, paragraph d ..... \$ 1,600,000

23 A judge of the juvenile court shall certify the reasonable-  
24 ness of compensation paid to an attorney and charged to a  
25 county under section 232.141, subsection 1. The certification  
26 shall include a review of the hourly fee and the hours of  
27 service billed to the county.

28 The department shall collect information on expenses charged  
29 to the counties under section 232.141 and on the expenses  
30 reimbursed by the state under section 232.141, subsection  
31 4, paragraph d, and shall report the information to the social  
32 services appropriations subcommittee by January 15, 1984.  
33 The report shall include a breakdown of the services and  
34 expenses charged and reimbursed under section 232.141. The  
35 department shall recommend cost containment alternatives which

1 limit reimbursements under section 232.141, subsection 4,  
2 paragraph d.

3 12. For operation of the state  
4 training school and the Iowa juve-  
5 nile home:

6 a. For salaries and support  
7 of not more than two hundred  
8 one full-time equivalent positions  
9 annually at the state training  
10 school, and of not more than one  
11 hundred fifteen full-time equiva-  
12 lent positions annually at the  
13 Iowa juvenile home, maintenance,  
14 and miscellaneous purposes ..... \$ 7,478,000

15 b. For purchases of motor  
16 fuel and special fuel ..... \$ 21,375

17 Within the limitations of the funds appropriated in this  
18 subsection, the department may establish new positions for  
19 two youth service workers for night coverage and for responding  
20 to emergency situations at the Iowa juvenile home.

21 13. For volunteers ..... \$ 83,000

22 Sec. 4. BLOCK GRANT SUPPLEMENTATION. There is appropriated  
23 from the general fund of this state for the fiscal year begin-  
24 ning July 1, 1983, and ending June 30, 1984, to the department  
25 of social services for supplementation of federal social  
26 services block grant funds and for allocation to the various  
27 counties for the purchase of local services for eligible  
28 individuals, the following amount, or so much thereof as is  
29 necessary:

30	1983-1984
31	<u>Fiscal Year</u>
32	<u>\$ 3,115,000</u>

33 1. The department shall increase the current income  
34 guidelines for income eligible persons receiving services  
35 funded with federal social services block grant funds by five

1 and one-half percent for the fiscal year beginning July 1,  
2 1983. The department shall allocate the funds appropriated  
3 by this section to the districts and then to the counties  
4 within the districts. Fifty percent of the allocation to  
5 each county shall be based on the county's allocation for  
6 the fiscal year beginning July 1, 1982, and the other fifty  
7 percent of the allocation shall be based on the federal poverty  
8 level in the county as determined by the United States census  
9 bureau. The county shall match every three dollars of funds  
10 allocated to the county with one dollar of local funds. The  
11 county board of supervisors shall determine, in accordance  
12 with departmental rules, the services which the county will  
13 fund. A county may use up to four percent of the federal  
14 social services block grant funds and funds allocated to the  
15 county under this section for the purchase of child day care  
16 services without matching the federal and state funds with  
17 local funds.

18 2. A person receiving sheltered work or work activity  
19 services is eligible for funding under the federal social  
20 services block grant if the person's income, other than income  
21 from sheltered work or work activities, does not exceed the  
22 income eligibility standard for the person's family size,  
23 adopted by the department by rule. An eligible person may  
24 retain all income up to the income eligibility standard and  
25 one-third of all income above the standard. The eligible  
26 person shall pay the remaining two-thirds of the income to  
27 the provider as a client participation fee and the department's  
28 reimbursement to the provider shall be reduced by the same  
29 amount. If the required client participation fee equals or  
30 exceeds the department's reimbursement to the provider, the  
31 person is no longer eligible. However, if federal law or  
32 regulation prohibits the provider from collecting client  
33 participation fees, the department shall establish eligibility  
34 and income guidelines in accordance with the rules which were  
35 in effect immediately prior to July 1, 1983.

1 3. Notwithstanding 770 Iowa administrative code, rule  
2 132.4(2)(b), if a recipient under the aid to families with  
3 dependent children program who is eligible for the child care  
4 work expense deduction under the program declines to take  
5 the deduction, the recipient is eligible for child day care  
6 services if the services are funded in the county plan for  
7 use of federal social services block grant funds in the county  
8 in which the recipient resides.

9 Sec. 5. REIMBURSEMENT RATES.

10 1. The current reimbursement methodologies under the  
11 medical assistance program shall be retained. Except for  
12 inpatient and outpatient hospital services, skilled nursing  
13 facility services, intermediate care facility services,  
14 intermediate care facility services for the mentally retarded,  
15 home health agency services, rural health clinic services,  
16 and rehabilitation agency services, the current reimbursement  
17 rates for medical assistance providers shall not be increased  
18 by more than six percent for the fiscal year beginning July  
19 1, 1983.

20 a. Physician fees reimbursed under the medical assistance  
21 program shall be limited to the amount of reimbursements under  
22 770 Iowa administrative code, rule 79.1(2), as effective on  
23 July 1, 1983, or to the amount of reimbursements allowed by  
24 application of the economic index under Title XVIII of the  
25 federal Social Security Act, whichever is less.

26 b. Medical assistance payments for all mandatory and  
27 optional services, except for hospital services, physician  
28 services, intermediate care facility services, intermediate  
29 care facility services for the mentally retarded, services  
30 provided to recipients in state mental health institutes,  
31 medical transportation services other than ambulance services,  
32 and the material costs of products which are reimbursed at  
33 the acquisition cost, shall be reduced by a factor of two  
34 and one-half percent.

35 c. Beginning July 1, 1983, the basis for establishing

1 the maximum medical assistance reimbursement rate for inter-  
2 mediate care facilities shall be the seventy-fourth percentile  
3 of all facilities' per diems as calculated from the June 30,  
4 1981 compilation of unaudited financial and statistical  
5 reports, increased by a six percent inflation factor. The  
6 compilation is composed of facility cost reports received  
7 prior to May 1, 1981. If the department of social services  
8 determines that adequate funding is available, the department  
9 shall, on January 1, 1984, establish the maximum reimbursement  
10 rate for intermediate care facilities at the seventy-fourth  
11 percentile of all facilities' per diems as calculated from  
12 the December 31, 1983 compilation of unaudited financial and  
13 statistical reports. This compilation is composed of facility  
14 cost reports received prior to November 1, 1983.

15 d. The department shall study the cost-effectiveness of  
16 establishing a limited formulary of nonlegend drugs prescribed  
17 by a physician and eligible for reimbursement under the medical  
18 assistance program and the appropriate reimbursement rate  
19 to pharmacists for providing these nonlegend drugs under the  
20 formulary. The department shall report the results of the  
21 study to the general assembly by January 15, 1984. However,  
22 the department may implement a reimbursement program under  
23 a formulary prior to January 15, 1984, if the department  
24 determines that the program would be cost-effective.

25 2. For the fiscal year beginning July 1, 1983:

26 a. The maximum reimbursement rate for residential care  
27 facilities utilizing the cost-related reimbursement system  
28 shall be established at the point where fifty-one percent  
29 of all state supplementary assistance recipients who are  
30 residential care facility residents are receiving full cost  
31 coverage for care, based on actual facility rates on file  
32 with the department on August 1, 1982.

33 b. The flat reimbursement rate for residential care  
34 facilities shall be established at eleven dollars and eighty-  
35 five cents per day.

1 3. For the fiscal year beginning July 1, 1983, the current  
2 reimbursement rates for all foster family homes shall be in-  
3 creased, on the average, by six percent. However, that average  
4 increase shall be distributed in such a manner as to increase  
5 the reimbursements to all foster family age categories by  
6 the same dollar amount.

7 The department shall reimburse a licensed or approved  
8 public or private juvenile shelter care facility in this  
9 state, pursuant to rule, for the services provided by the  
10 facility for which the department is authorized to pay, subject  
11 to the maximum reimbursement rate established by rule. In  
12 lieu of the reimbursement for the actual services provided,  
13 a facility may choose to receive a uniform monthly payment.  
14 The department shall calculate a facility's uniform monthly  
15 payment rate by multiplying the facility's unit cost by either  
16 the actual average monthly utilization rate for the facility  
17 for the last completed twelve-month period or the projected  
18 average monthly utilization rate for the facility for the  
19 current twelve-month period, whichever is greater. The  
20 applicable utilization rate shall not exceed the licensed  
21 or approved capacity of the facility. If the uniform monthly  
22 payments to the facility exceed the facility's allowable  
23 costs, the facility shall reimburse the department the excess  
24 amount. If a facility which receives a uniform monthly payment  
25 provides units of service in excess of the facility's  
26 applicable monthly utilization rate over a six-month period,  
27 the department shall semiannually pay the facility an amount  
28 calculated by multiplying the facility's unit cost by the  
29 number of excess units of service provided.

30 4. The current reimbursement rate for subsidized adoptions  
31 under section 3, subsection 8 of this Act shall be increased  
32 by six percent for the fiscal year beginning July 1, 1983  
33 and shall be distributed in the same manner as foster family  
34 home reimbursements.

35 5. For the fiscal year beginning July 1, 1983, the current

1 reimbursement rates for purchase of service providers shall  
2 be increased by no more than six percent. If a provider's  
3 current reimbursement rate on June 30, 1983, is fifteen percent  
4 less than the provider's previous reimbursement rate, the  
5 department shall not apply the allowable percentage increase  
6 to the current rate, but shall apply the increase to the  
7 average of the provider's actual cost-based rates issued  
8 during the period beginning July 1, 1981, and ending June  
9 30, 1983. If a provider's current reimbursement rate is lower  
10 than the cost-based rate which the provider could charge,  
11 the department shall not apply the allowable percentage  
12 increase to the current rate, but shall apply the increase  
13 to the cost-based rate the provider could charge. The  
14 department, in conjunction with providers participating in  
15 the purchase of service system, shall study the current  
16 reimbursement system for purchase of services and shall  
17 recommend to the social services appropriations subcommittee  
18 changes in the system to make the system more equitable.

19 6. The department shall collect information relating to  
20 the method of reimbursing optometrists and psychologists under  
21 the medical assistance program and shall make a recommendation  
22 concerning the adoption of a percentile reimbursement  
23 methodology to the social services appropriations subcommittee  
24 during the 1984 session of the general assembly. Optometrists  
25 and psychologists shall cooperate with the department in the  
26 collection of the information, and beginning July 1, 1983,  
27 shall include their usual, customary, and reasonable charges  
28 on their medical assistance reimbursement forms.

29 Sec. 6. INVOLUNTARY TRANSFERS. If a skilled nursing  
30 facility or an intermediate care facility receives payments  
31 under Title XIX of the federal Social Security Act for one  
32 or more patients in the facility, the facility shall not  
33 involuntarily transfer any patient to another facility if  
34 that patient had previously been receiving medical assistance  
35 under chapter 249A for care in the facility and has been

1 disqualified for that medical assistance because of an increase  
2 in income, but agrees to pay all of the patient's income and  
3 resources not exempt under guidelines in Title XIX of the  
4 federal Social Security Act for continued care in the facility  
5 and that payment equals or exceeds the medical assistance  
6 reimbursement rate for the particular facility.

7     Sec. 7. WAIVER. The department, in conjunction with  
8 provider and consumer groups, shall develop a proposal for  
9 a statewide program of home and community-based services to  
10 be provided under a waiver under Title XIX of the federal  
11 Social Security Act. The department may include in the  
12 proposal one or more pilot projects or limited coverage  
13 programs of services funded under a Title XIX waiver if the  
14 costs of the community-based services provided to eligible  
15 persons will not exceed the costs of institutional services  
16 which would otherwise be provided to the eligible persons.  
17 The proposal shall include the provision of in-home health  
18 services under the state supplementary assistance program.  
19 The department shall report the plan to the general assembly  
20 in January, 1984. The department shall report its progress  
21 in developing the waiver proposal to the governor, to the  
22 legislative council, and to the members of the social services  
23 appropriations subcommittee by October 1, 1983. The report  
24 shall include the impact of the waiver proposal on the funding  
25 of in-home health services under the state supplementary  
26 assistance program. The department shall seek to implement  
27 the waiver proposal no later than March 31, 1984.

28     Sec. 8. DISCLOSURE OF CERTAIN TAX INFORMATION AND ACCOUNTS-  
29 -PENALTY.

\* 30     1. Notwithstanding statutes to the contrary, the president  
31 or presiding officer of a financial institution as defined  
32 in section 422.61, subsection 1 shall provide the department  
33 of social services with information relating to the balance  
34 in the account and records of deposits, withdrawals, and  
35 interest for the account of an applicant for or a recipient

1 of public assistance provided by the state or administered  
2 by the state. The department shall hold the information  
3 confidential as provided in section 217.30, subsection 1.

4 A person complying with this subsection is not civilly  
5 liable for actions taken to disclose the information to the  
6 department of social services.

7 A financial institution which refuses to provide the  
8 information pursuant to this subsection shall pay a civil  
9 penalty of fifty dollars. Magistrates shall hear and determine  
10 violations of this subsection. Penalties shall be deposited  
11 in the general fund of the state.

12 2. The department of social services, in cooperation with  
13 the department of revenue and the federal internal revenue  
14 service, shall study the feasibility of obtaining information,  
15 relating to interest earnings records of an applicant for  
16 or a recipient of public assistance provided by the state  
17 or administered by the state, which would identify the  
18 applicant's or recipient's assets producing the interest  
19 earnings. The study shall pay strict attention to the  
20 confidentiality of the interest earnings records. If the  
21 department of social services, the department of revenue,  
22 and the federal internal revenue service agree on the method  
23 for obtaining the information, the department of social  
24 services shall implement a program to identify assets producing  
25 interest earnings.

26 Sec. 9. TRANSFERS. Except as provided in section 3,  
27 subsection 5 of this Act, funds appropriated under section  
28 3, subsections 1, 2, and 11 of this Act, shall not be  
29 transferred or used for any other purposes than specified  
30 in those subsections, notwithstanding section 8.39. However,  
31 funds appropriated under section 3, subsections 1, 2, and  
32 11 of this Act may be transferred under section 8.39 among  
33 those subsections and may be used for the purposes specified  
34 in those subsections.

35 Sec. 10. FEDERAL FUNDS. All federal grants to and the

1 federal receipts of the department of social services are  
2 appropriated for the purposes set forth in the federal grants  
3 or receipts.

4 Sec. 11. CAPITAL IMPROVEMENTS EXCLUDED. Funds appropriated  
5 by this Act shall not be used for capital improvements.

6 Sec. 12. The department of social services shall adopt  
7 administrative rules under section 17A.4, subsection 2, and  
8 section 17A.5, subsection 2, paragraph b, relating to the  
9 recoupment of overpayments, the community work program, and  
10 the coordinated manpower services demonstration projects under  
11 the aid to families with dependent children program in section  
12 3, subsection 1, paragraphs a, d, and e of this Act, medical  
13 assistance co-payments in section 3, subsection 2 of this  
14 Act, raising income guidelines for income eligible persons,  
15 allocations to the counties and sheltered work and work  
16 activity services under the social services block grant  
17 supplementation program in section 4 of this Act, and medical  
18 assistance, purchase of service provider, and other  
19 reimbursements in section 5 of this Act, and may adopt  
20 administrative rules under section 17A.4, subsection 2 and  
21 section 17A.5, subsection 2, paragraph b, relating to the  
22 schedule of basic needs and the schedule of living costs,  
23 the unemployed parent program, and benefits to eighteen year  
24 old persons under the aid to families with dependent children  
25 program in section 3, subsection 1, paragraphs a, b, and c  
26 of this Act, medical assistance benefits to children under  
27 twenty-one years of age in section 3, subsection 2 of this  
28 Act, personal needs allowances under the state supplementary  
29 assistance program in section 3, subsection 6 of this Act,  
30 and child day care services under the social services block  
31 grant supplementation program in section 4 of this Act, and  
32 the rules shall become effective immediately upon filing,  
33 unless a later effective date is specified in the rules.

34

35

SENATE 27  
MAY 10, 1983

HOUSE FILE 641

S-3870

- 1 Amend House File 641 as passed by the House as follows:
- 2 1. Page 18, by striking line 5 through page 19,
- 3 line 6.

S-3870 FILED

MAY 9, 1983

*Out of order 5/10/83 (p. 1634)*

BY MILO COLTON

TOM MANN, JR.

BERL E. PRIEBE

DONALD DOYLE

WALLY E. HORN

JAMES WELLS

JACK RIFE

C. JOSEPH COLEMAN

HOUSE FILE 641

S-3871

- 1 Amend House File 641 as follows:
- 2 1. Page 13, by striking lines 13 through 35 and
- 3 inserting in lieu thereof the following:
- 4 "2. The department, in establishing eligibility
- 5 standards for sheltered work and work activity
- 6 services, shall disregard the first sixty-five dollars
- 7 of income from sheltered work or work activity services
- 8 and fifty percent of any income from sheltered work
- 9 or work activity services above sixty-five dollars."

S-3871 FILED

MAY 10, 1983

WITHDRAWN *(p. 1634)*

BY WILLIAM W. DIELEMAN

RICHARD VANDE HOEF

HOUSE FILE 641

S-3876

- 1 Amend House File 641 as amended, passed and reprint-
- 2 ed by the House as follows:
- 3 1. Page 18, by striking line 28 through page 19,
- 4 line 25.

S-3876 FILED

MAY 10, 1983

RULED OUT OF ORDER *(p. 1634)*

BY MILO COLTON

TOM MANN, JR.

DONALD DOYLE

JAMES WELLS

C. JOSEPH COLEMAN

BERL E. PRIEBE

WALLY E. HORN

JACK RIFE

HOUSE FILE 641

S-3891

- 1 Amend House File 641 as follows:
- 2 1. Page 13, by striking lines 18 through 35 and
- 3 inserting in lieu thereof the following:
- 4 "2. The department, in establishing eligibility
- 5 standards for sheltered work and work activity
- 6 services, shall disregard the first sixty-five dollars
- 7 of income from sheltered work or work activity services
- 8 and fifty percent of any income from sheltered work
- 9 or work activity services above sixty-five dollars."

S-3891 FILED

MAY 10, 1983

WITHDRAWN *(p. 1634)*

BY RICHARD VANDE HOEF

FORREST SCHWENGELS

S-3893

1 Amend the amendment S-3887 to House File 641 as  
2 amended, passed and reprinted by the House as follows:  
3 1. Page 1, by striking lines 9 through 43 and  
4 inserting in lieu thereof the following:  
5 "3. Page 18, by striking line 28 through page 19,  
6 line 25."

S-3893 FILED & ADOPTED BY MILO COLTON  
MAY 10, 1983 (p. 1632)

HOUSE FILE 641

S-3894

1 Amend the amendment, S-3892, to House File 641,  
2 as amended, passed, and reprinted by the House, as  
3 follows:  
4 1. Page 1, by inserting after line 33 the  
5 following:  
6 "Sec. \_\_\_\_ . Section 249C.16, Code 1983, is amended  
7 by adding the following new unnumbered paragraph:  
8 NEW UNNUMBERED PARAGRAPH. A participant in a work  
9 and training program established pursuant to section  
10 249C.5, subsection 3, is exempt from the provisions  
11 of chapter 96, under section 96.19, subsection 6,  
12 paragraph a, subparagraph (6), and is hereby exempted  
13 from the provisions of chapters 19A, 97B, and 400."

S-3894 FILED & ADOPTED BY CALVIN O. HULTMAN  
MAY 10, 1983 (p. 1634)

HOUSE FILE 641

S-3896

1 Amend the amendment, S-3886, to House File 641,  
2 as amended, passed and reprinted by the House, as  
3 follows:  
4 1. Page 1, by striking lines 27 and 28 and  
5 inserting in lieu thereof the following:  
6 "8. Page 6, line 24, by striking the word "The"  
7 and inserting in lieu thereof the words "Upon the  
8 filing of a complaint, the"."

S-3896 FILED & ADOPTED BY ARNE WALDSTEIN  
MAY 10, 1983 (p. 1634) CHARLES BRUNER

HOUSE FILE 641

S-3897

1 Amend House File 641 as amended, passed and reprinted  
2 ed by the House as follows:  
3 1. Page 13, line 25, by striking the word "one-third"  
4 and inserting in lieu thereof the word "one-half".  
5 2. Page 13, line 26, by striking the word "two-thirds"  
6 and inserting in lieu thereof the word "one-half".  
7 3. Page 13, line 31, by inserting after the word  
8 "eligible." the following: "The department shall  
9 establish eligibility guidelines in accordance with  
10 rules in effect prior to July 1, 1983."

S-3897 FILED  
MAY 10, 1983

DIVISION A - ADOPTED (p. 1637)  
DIVISION B - WITHDRAWN (1637)

BY CHARLES BRUNER  
FORREST SCHWENGELS  
RICHARD VANDE HOEF  
WILLIAM DIELEMAN  
ARNE WALDSTEIN

S-3882

1 Amend House File 641 as amended, passed and  
2 reprinted by the House, as follows:

3 1. Page 20, by inserting after line 33 the  
4 following:

5 "Sec. \_\_\_\_\_. Section 85.36, subsection 10, Code  
6 1983, is amended by adding the following new lettered  
7 paragraph:

8 NEW LETTERED PARAGRAPH. e. In computing the  
9 compensation to be paid to a participant in a work  
10 and training program established pursuant to section  
11 249C.5, subsection 3, the participant's earnings shall  
12 be disregarded and the participant shall be paid an  
13 amount equal to sixty-six and two-thirds percent of  
14 the statewide average weekly wage in effect at the  
15 time of the injury.

16 Sec. \_\_\_\_\_. Section 85.61, subsection 1, Code 1983,  
17 is amended to read as follows:

18 1. "Employer" includes and applies to any person,  
19 firm, association, or corporation, state, county,  
20 municipal corporation, school corporation, area  
21 education agency, township as an employer of volunteer  
22 firemen only, benefited fire district, and the legal  
23 representatives of a deceased employer, and the  
24 government entity or nonprofit agency responsible  
25 for a work site of a work and training program  
26 established pursuant to section 249C.5, subsection  
27 3.

28 Sec. \_\_\_\_\_. Section 85.61, subsection 2, unnumbered  
29 paragraph 2, Code 1983, is amended to read as follows:

30 "Worker" or "employee" includes an inmate as defined  
31 in section 85.59 and a participant in a work and  
32 training program established pursuant to section  
33 249C.5, subsection 3."

3894 34 2. By renumbering as necessary.

S-3882 FILED BY ARNE WALDSTEIN  
MAY 10, 1983 RAY TAYLOR  
AMENDED AND LOST (p. 1634)

## HOUSE FILE 641

S-3889

1 Amend the amendment S-3887 to House File 641 as  
2 amended, passed and reprinted by the House as follows:

3 1. Page 1, by striking lines 9 through 36.

S-3889 FILED BY MILO COLTON  
MAY 10, 1983 TOM MANN  
WITHDRAWN (p. 1632)

## HOUSE FILE 641

S-3890

1 Amend the amendment S-3887 to House File 641 as  
2 amended, passed and reprinted by the House as follows:

3 1. Page 1, by striking lines 9 through 43.

S-3890 FILED BY MILO COLTON  
MAY 10, 1983 TOM MANN  
WITHDRAWN (p. 1632)

MAY 11, 1983

HOUSE FILE 641

S-3883

1 Amend House File 641, as amended, passed and  
2 reprinted as follows:

3 1. Page 8, by inserting after line 15 the  
4 following:

5 "The maximum co-payments allowed by federal law  
6 or regulation shall be placed on all mandatory services  
7 under the medical assistance program. A fixed co-  
8 payment shall be established for each mandatory  
9 service. The co-pay requirement shall not apply to  
10 the services if federal law or regulation prohibits  
11 application of the requirement. However, a co-payment  
12 shall not be imposed on services furnished to  
13 individuals under age twenty-one; services furnished  
14 to pregnant women; services furnished to an individual  
15 who is an inpatient in a hospital, skilled nursing  
16 facility, intermediate care facility, intermediate  
17 care facility for the mentally retarded, state mental  
18 health institute, or other medical institution, or  
19 residential care facility, if the individual is  
20 required, as a condition of receiving services in  
21 the institution, to spend all but a minimal amount  
22 of income required for personal needs for the cost  
23 of medical care; emergency services; family planning  
24 services and supplies; or services furnished by a  
25 health maintenance organization in which an individual  
26 is enrolled."

27 2. Page 15, line 5, by striking the word "six"  
28 and inserting in lieu thereof the words "seven and  
29 ninety-two hundredths".

S-3883 FILED

MAY 10, 1983

DIVISION A - LOST (p. 1634?)  
DIVISION B - LOST (p. 1633)

BY ARNE WALDSTEIN

RAY TAYLOR

RICHARD VANDE HOEF

BERL E. PRIEBE

LEE HOLT

ARTHUR GRATIAS

JAMES WELLS

JACK RIFE

BASS VAN GILST

RICHARD FORREST SCHWENGELS

WILLIAM W. DIELEMAN

JOHN W. JENSEN

JOHN N. NYSTROM

JACK W. HESTER

HOUSE FILE 641

S-3884

1 Amend House File 641, as amended, passed and  
2 reprinted by the House, as follows:

3 1. Page 4, by inserting after line 6 the following:

4 "If eligibility under the aid to dependent children  
5 program is based on the incapacity or unemployment  
6 of one parent, the other parent shall be excluded  
7 from the eligible group if the parents are not legally  
8 married to each other, either pursuant to the  
9 provisions of chapter 595 or pursuant to the  
10 nonexistence of present intent and agreement to be  
11 married, continuous cohabitation, and public  
12 declaration that the parties are husband and wife,  
13 as recognized by the courts of this state."

S-3884 FILED & LOST  
MAY 10, 1983 (p. 1630)

BY ARNE WALDSTEIN

RAY TAYLOR

S-3887

1 Amend House File 641, as amended, passed and  
2 reprinted by the House, as follows:

A 3 1. Page 5, line 6, by inserting after the word  
4 "organization" the words "which is not reimbursed  
5 through federal participation".

B 6 2. Page 15, by striking lines 7 through 14 and  
7 inserting in lieu thereof the words and figures "prior  
8 to May 1, 1981."

9 3. Page 18, line 32, by inserting after the figure  
10 "1" the words ", upon request,".

11 4. Page 18, line 34, by striking the word "account"  
12 and inserting in lieu thereof the word "accounts".

13 5. Page 18, line 35, by striking the word "account"  
14 and inserting in lieu thereof the word "accounts".

C 15 6. Page 19, by striking lines 2 and 3 and inserting  
16 in lieu thereof the words "by the state, if the balance  
17 in the applicant's or recipient's accounts, in the  
18 aggregate, exceeds five thousand dollars. A financial  
19 institution may charge the department of social  
20 services a reasonable fee to cover the costs of  
21 providing the information.

22 The department and financial institutions shall  
23 hold the information strictly confidential. Any use  
24 of the information for a purpose other than determining  
25 eligibility for public assistance or identifying  
26 assets for the determination of repayments of public  
27 assistance overpayments, is prohibited. A violation  
28 of the confidentiality requirements of this subsection  
29 is a simple misdemeanor."

30 7. Page 19, line 4, by striking the word "person"  
31 and inserting in lieu thereof the words "financial  
32 institution".

33 8. Page 19, line 25, and by inserting after the  
34 word "earnings" the words "which are substantially  
35 in excess of those assets allowed for eligibility  
36 purposes under public assistance programs".

37 9. Page 19, by inserting after line 25 the  
38 following:

39 "3. The department of social services shall adopt  
40 rules pursuant to chapter 17A to establish a waiver  
41 and notification procedure for public assistance  
42 applicants and recipients regarding asset determination  
43 checks."

44 10. Page 19, by inserting after line 34 the  
45 following:

D 46 "Sec. \_\_\_\_ . ADDITIONAL STAFF. Notwithstanding  
47 the limitations on full-time equivalent positions  
48 in section 1, subsection 1, section 2, subsection  
49 1, and section 3, subsections 5 and 12 of this Act,  
50 the department of social services may add staff above

1 the limitations if the department receives additional  
 2 federal funding not originally anticipated and  
 3 budgeted, including but not limited to increased  
 4 federal funding from the Emergency Jobs Appropriations  
 5 Act, Pub. L. No. 98-8."

6 11. By renumbering as necessary.

S-3887 FILED  
 MAY 10, 1983

BY CHARLES BRUNER

DIVISION A - ADOPTED (p.1631)  
 DIVISION B - ADOPTED (1632)  
 DIVISION C - ADOPTED (1632) as amended by 3893  
 DIVISION D - ADOPTED (1633)

HOUSE FILE 641

S-3886

1 Amend House File 641 as amended, passed and  
 2 reprinted by the House, as follows:

A 3 1. Page 4, by striking lines 23 through 27 and  
 4 inserting in lieu thereof the words "with dependent  
 5 children program. The department may require a  
 6 participant to apply".

B 7 2. Page 5, by striking lines 13 and 14 and  
 8 inserting in lieu thereof the words "not interfere  
 9 with the participant's unsubsidized".

C 10 3. Page 5, by striking lines 15 through 24, and  
 11 inserting in lieu thereof the word "employment".

D 12 4. By striking page 5, line 34, through page 6  
 13 line 2, and inserting in lieu thereof the words "A  
 14 participant's work expenses in excess of twenty-five  
 15 dollars per month shall be paid by the government  
 16 entity or nonprofit agency. Mileage expenses".

E 17 5. Page 6 line 15, by striking the words "give  
 18 each participant a copy" and inserting in lieu thereof  
 19 the words "inform participants".

F 20 6. Page 6 by striking lines 19 through 21 and  
 21 inserting in lieu thereof the words "participant under  
 22 the program. The".

I 23 7. Page 6 by striking lines 22 and 23 and inserting  
 24 in lieu thereof the words "procedures shall include  
 25 a grievance procedure for public complaints regarding  
 26 the".

G 27 8. Page 6 line 25, by striking the word "shall"  
 28 and inserting in lieu thereof the word "may".

H 29 9. Page 8, line 5, by striking the word "twenty-  
 30 one" and inserting in lieu thereof the word "nineteen".

S-3886 FILED  
 MAY 10, 1983

BY ARNE WALDSTEIN  
 RAY TAYLOR

DIVISION A - LOST (p.1630)  
 DIVISION B - WITHDRAWN (p.1630)  
 DIVISION C - LOST (p.1631)  
 DIVISION D - WITHDRAWN (p.1631)  
 DIVISION E - LOST (p.1631)  
 DIVISION F - LOST (1631)  
 DIVISION G - ADOPTED AS AMENDED by 3896 (p.1635)  
 DIVISION H - LOST (1631)  
 DIVISION I - ADOPTED (p.1631)

MAY 11, 1983

PAGE TWENTY-TEN

SENATE AMENDMENT TO HOUSE FILE 641

H-4152

Amend House File 641 as amended, passed and reprinted by the House as follows:

1. Page 5, line 6, by inserting after the word "organization" the words "which is not reimbursed through federal participation".
2. Page 6, by striking lines 22 and 23 and inserting in lieu thereof the words "procedures shall include a grievance procedure for public complaints regarding the".
3. Page 6, line 24, by striking the word "The" and inserting in lieu thereof the words "Upon the filing of a complaint, the".
4. Page 13, line 25, by striking the word "one-third" and inserting in lieu thereof the word "one-half".
5. Page 13, line 26, by striking the word "two-thirds" and inserting in lieu thereof the word "one-half".
6. Page 15, by striking lines 7 through 14 and inserting in lieu thereof the words and figures "prior to May 1, 1981."
7. Page 18, by striking line 28 through page 19, line 25.
8. Page 19, by inserting after line 34 the following:  
"Sec. \_\_\_\_ . ADDITIONAL STAFF. Notwithstanding the limitations on full-time equivalent positions in section 1, subsection 1, section 2, subsection 1, and section 3, subsections 5 and 12 of this Act, the department of social services may add staff above the limitations if the department receives additional federal funding not originally anticipated and budgeted, including but not limited to increased federal funding from the Emergency Jobs Appropriations Act, Pub. L. No. 98-8."
9. By renumbering as necessary.

H-4152 FILED MAY 10, 1983

RECEIVED FROM THE SENATE

*House amendment concurred 5/11/83 (y 2035)*

1 Amend the Senate amendment, H-4152, to House File  
2 641, as amended, passed and reprinted by the House,  
3 as follows:

4 1. Page 1, by inserting after line 35 the  
5 following:

6 "\_\_\_\_. Page 20, by inserting after line 33 the  
7 following:

8 "Sec. \_\_\_\_ . Section 249A.4, subsection 8, unnumbered  
9 paragraph 1, Code 1983, is amended to read as follows:

10 Shall advise and consult at least semiannually  
11 with a council composed of the president, or ~~his or~~  
12 ~~her~~ the president's representative who is a member  
13 of the professional organization represented by the  
14 president, of the Iowa Medical-Society medical society,  
15 the Iowa Society society of Osteopathic-Physicians  
16 osteopathic physicians and Surgeons surgeons, the  
17 Iowa State-Dental-Society state dental society, the  
18 Iowa State-Nurses-Association state nurses association,  
19 the Iowa Pharmaceutical-Association pharmacists  
20 association, the Iowa Podiatry-Society podiatry  
21 society, the Iowa Optometric-Association optometric  
22 association, the community mental health centers  
23 association of Iowa, the Iowa psychological  
24 association, the Iowa Hospital-Association hospital  
25 association, the Iowa Osteopathic-Hospital-Association  
26 osteopathic hospital association, opticians'  
27 association of Iowa Ophthalmic-Dispensers, Inc.,  
28 ~~(opticians)-~~and the Iowa Nursing-Home-Association  
29 health care association, the Iowa assembly of home  
30 health agencies, the Iowa council of health care  
31 centers, and the Iowa association of homes for the  
32 aging, together with one person designated by the  
33 Iowa state board of chiropractic examiners; one state  
34 representative from each of the two major political  
35 parties appointed by the speaker of the house, one  
36 state senator from each of the two major political  
37 parties appointed by the lieutenant governor, each  
38 for a term of two years; the president or the  
39 president's representative of the association for  
40 retarded citizens; four public representatives, ~~two~~  
41 ~~of whom shall be~~ appointed each year by the governor  
42 for staggered terms of two years each, and none of  
43 whom shall be members of, or practitioners of or have  
44 a pecuniary interest in any of the professions or  
45 businesses represented by; any of the several  
46 professional groups and associations specifically  
47 represented on the council under this subsection,  
48 and at least one of whom shall be a recipient of  
49 medical assistance; the commissioner of public health,  
50 or a representative designated by him the commissioner,

Page Two

1 and the dean of the college of medicine, University  
2 university of Iowa, or a representative designated  
3 by him the dean."

HOUSE AMENDMENT TO SENATE AMENDMENT TO  
HOUSE FILE 641

S-3921

1 Amend the Senate amendment, H-4152, to House File  
2 641, as amended, passed and reprinted by the House,  
3 as follows:

4 1. Page 1, by inserting after line 35 the  
5 following:

6 "\_\_\_\_. Page 20, by inserting after line 33 the  
7 following:

8 "Sec. \_\_\_\_ Section 249A.4, subsection 8, unnumbered  
9 paragraph 1, Code 1983, is amended to read as follows:

10 Shall advise and consult at least semiannually  
11 with a council composed of the president, or ~~his or~~  
12 ~~her~~ the president's representative who is a member  
13 of the professional organization represented by the  
14 president, of the Iowa Medical-Society medical society,  
15 the Iowa Society society of Osteopathic-Physicians  
16 osteopathic physicians and Surgeons surgeons, the  
17 Iowa State-Dental-Society state dental society, the  
18 Iowa State-Nurses-Association state nurses association,  
19 the Iowa Pharmaceutical-Association pharmacists  
20 association, the Iowa Podiatry-Society podiatry  
21 society, the Iowa Optometric-Association optometric  
22 association, the community mental health centers  
23 association of Iowa, the Iowa psychological  
24 association, the Iowa Hospital-Association hospital  
25 association, the Iowa Osteopathic-Hospital-Association  
26 osteopathic hospital association, opticians'  
27 association of Iowa Ophthalmic-Dispensers, Inc.,  
28 ~~(opticians)-and~~ the Iowa Nursing-Home-Association  
29 health care association, the Iowa assembly of home  
30 health agencies, the Iowa council of health care  
31 centers, and the Iowa association of homes for the  
32 aging, together with one person designated by the  
33 Iowa state board of chiropractic examiners; one state  
34 representative from each of the two major political  
35 parties appointed by the speaker of the house, one  
36 state senator from each of the two major political  
37 parties appointed by the lieutenant governor, each  
38 for a term of two years; the president or the  
39 president's representative of the association for  
40 retarded citizens; four public representatives, two  
41 of whom shall be appointed each year by the governor  
42 for staggered terms of two years each, and none of  
43 whom shall be members of, or practitioners of or have  
44 a pecuniary interest in any of the professions or  
45 businesses represented by, any of the several  
46 professional groups and associations specifically  
47 represented on the council under this subsection,  
48 and at least one of whom shall be a recipient of  
49 medical assistance; the commissioner of public health,  
50 or a representative designated by him the commissioner,

SENATE 14  
MAY 13, 1983

S-3921

1 and the dean of the college of medicine, University  
2 university of Iowa, or a representative designated  
3 by him the dean.""

S-3921 FILED  
MAY 12, 1983  
SENATE CONCURRED

RECEIVED FROM THE HOUSE

*Senate concurred 5/12/83 (p. 1697)*

HOUSE FILE 641

AN ACT

RELATING TO THE ADMINISTRATION AND FINANCING OF CURRENT PROGRAMS OTHER THAN CORRECTIONAL AND MENTAL HEALTH PROGRAMS UNDER THE JURISDICTION OF THE DEPARTMENT OF SOCIAL SERVICES FOR THE FISCAL PERIOD BEGINNING JULY 1, 1983, AND ENDING JUNE 30, 1984.

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

Section 1. GENERAL ADMINISTRATION. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1983, and ending June 30, 1984, to the department of social services, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1983-1984  
Fiscal Year

1. For general administration, other than for the division of adult corrections, including salaries and support of not more than four hundred twenty-four and seven-tenths full-time equivalent positions annually not including positions in general administration relating to corrections, maintenance, and miscellaneous purposes ..... \$ 7,528,800

a. The commissioner shall develop a proposal which, if implemented, would reduce the number of upper-level management positions in the department by at least five percent. In the proposal, at least five percent of the filled positions in the table of organization of the department shall be designated as being upper-level management positions and these designated positions shall be selected from among the top twenty-five percent of the highest salaried positions in the department. The proposal shall provide for the reduction by reorganization, consolidation, layoff, attrition, or other means determined by the department, shall be based on a table of organization and the actual number of employees employed by the department on January 1, 1983, and shall be capable of implementation not later than July 1, 1984. In determining the actual number of management positions to be included in the reduction, a fractional number shall be increased or reduced to the nearest whole number. The reduction proposal may include recommendations which require legislative action, but the reduction shall be capable of implementation by July 1, 1984. The reduction proposal shall be submitted to the governor, the legislative council, and the members of the social services appropriations subcommittee by October 1, 1983. The reduction proposal shall not include reductions of personnel engaged in direct client work or contact. As used in this section, "permanent, full-time position" means a position which requires more than twenty hours per week of work for more than four consecutive months.

b. If a separate department of corrections is established and if the department of social services is renamed the department of human services, the commissioner of human services shall work with the director of the department of corrections in providing for the transfer of necessary funding for staff and support from the department of human services to the department of corrections. If the separate department of corrections is established, the proposal required to be developed in paragraph a shall apply only to the staff who

H.F. 641

will continue to be employees of the department of human services.

- 2. For purchases of motor fuel and special fuel ..... \$ 12,825
- 3. For distribution of federal surplus commodities, including salaries and support, maintenance, and miscellaneous purposes ..... \$ 100,000

For the fiscal year beginning July 1, 1983, and ending June 30, 1984, the department may receive and there is appropriated, in addition to its appropriations from the general fund of the state, such funds from damages awarded to the state by the civil antitrust judgment involving the sale of chickens, to the department for use in the distribution of federal surplus commodities, if the judgment allows the funds received to be used for such purposes.

Sec. 2. FIELD OPERATIONS. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1983, and ending June 30, 1984, to the department of social services for the division of field operations, the following amounts, or so much thereof as is necessary:

1983-1984  
Fiscal Year

- 1. For salaries and support of not more than two thousand one hundred ninety-four full-time equivalent positions annually, maintenance, and miscellaneous purposes ..... \$ 21,005,100
- 2. For purchases of motor fuel and special fuel ..... \$ 43,463

Sec. 3. SPECIAL PROGRAMS. There is appropriated from the general fund of the state for the fiscal year beginning

July 1, 1983, and ending June 30, 1984, to the department of social services, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1983-1984  
Fiscal Year

SPECIAL PROGRAMS

- 1. For aid to families with dependent children ..... \$ 64,000,000

a. The department shall establish the schedule of basic needs for two persons at three hundred five dollars. The department shall establish the schedule of living costs for one person at one hundred fifty-four dollars, for two persons at four hundred dollars, for three persons at four hundred ninety-four dollars, for four persons at five hundred seventy-two dollars, for five persons at six hundred thirty-two dollars, for six persons at seven hundred three dollars, for seven persons at seven hundred seventy-three dollars, for eight persons at eight hundred forty-three dollars, for nine persons at nine hundred thirteen dollars, for ten persons at nine hundred eighty-three dollars, and for each additional person at seventy dollars per person.

The department shall not withhold an amount greater than ten percent of the schedule of basic needs in recouping an overpayment due to an error by a recipient under the aid to families with dependent children program, unless the recipient elects to have a greater amount withheld. If an overpayment is due to an error by the department, the department shall not withhold an amount greater than one percent of the schedule of basic needs, unless the recipient elects to have a greater amount withheld. However, if in a case of departmental error the amount withheld will not recoup the overpayment within twenty-four months, the department may establish a recoupment schedule which will recoup the overpayment over a twenty-four month period, provided the amount withheld does not exceed five percent of the schedule of basic needs.

b. The department of social services shall provide benefits under an unemployed parent program under the aid to families with dependent children program. The department shall withdraw its waiver request to the United States department of health and human services and shall not limit grants under the unemployed parent program to six months for any eligible group. The department may require a participant to apply for a certain number of jobs either on a monthly or a weekly basis.

c. The department shall provide assistance under the aid to families with dependent children program to eighteen year old persons in accordance with federal regulations.

d. The department shall seek to operate a community work program in each county for unemployed parents by contracting at reasonable cost with county boards of supervisors or another local organization designated by both the county board of supervisors and the department. The county board of supervisors or the designated local organization may charge the entity responsible for a work site a reasonable fee to cover the cost of workers' compensation liability insurance provided by or through the board or organization which is not reimbursed through federal participation, and the administrative costs in providing the insurance, to program participants employed at the work site. However, the fee shall be the actual cost of coverage and administration, not to exceed fifty-five cents per hour per participant.

The work schedule of a participating unemployed parent who is employed in or obtains unsubsidized employment shall be arranged so that the work schedule does not interfere with the participant's ability to retain the unsubsidized employment. A participant shall be required to work only during those hours normally worked by regular employees at the work site, but shall not be required to work between the hours of six o'clock p.m. and seven o'clock a.m., unless the participant voluntarily agrees to work between those hours. A participant shall not be required to work on the

participant's sabbath, on legal federal holidays, or on state public holidays, unless the participant voluntarily agrees to work on those days. A participant shall not be required to work more than four days per week.

With the approval of the department, a participant may establish the participant's own work program by arranging and performing voluntary community service work with an approved nonprofit agency which agrees to meet all requirements of the program.

In addition to the basic grant under the aid to families with dependent children program, a recipient shall receive a monthly allowance for costs incurred while participating in a community work program as provided by departmental rule. If a participant's work expenses exceed twenty-five dollars per month, the number of hours the participant is required to work shall be reduced, unless the government entity or nonprofit agency pays the excess expenses. Mileage expenses shall be calculated at eighteen cents per mile under the program. Clothing, shoes, gloves, and health and safety equipment necessary for the performance of work at a work site under the program, which the participant does not already possess, shall be provided to the participant by the entity responsible for the work site. The items provided shall remain the property of the entity responsible for the work site, unless the participant and the entity responsible for the work site agree to a different arrangement. Work sites under the program are subject to the occupational safety and health standards adopted pursuant to chapter 88 and federal law.

The department shall give each participant a copy of the rules and procedures governing the community work program. The procedures shall include notice of a participant's right to appeal any disqualification or decision affecting the participant under the program, the time limits for the appeal, and the conditions for continuance of the grant under the aid to families with dependent children program. The

procedures shall include a grievance procedure for public complaints regarding the displacement of regular workers with participants. Upon the filing of a complaint, the department shall require the establishment of local impartial boards consisting of representatives of the legal profession, organized labor, private industry, and the department to hear and resolve the complaints. The department shall refer all complaints regarding violations of occupational safety and health standards to the labor commissioner.

Participation in a program funded under the federal Job Training Partnership Act, Pub. L. No. 97-300, meets the participation requirements of the community work program.

e. Of the funds appropriated in this subsection, one hundred sixty-five thousand (165,000) dollars, or so much thereof as is necessary, is appropriated to the department to continue the coordinated manpower services demonstration projects for recipients of aid to families with dependent children in two of the department's districts. The department shall continue the current monthly incentive allowances for participants in the coordinated manpower services demonstration projects.

The department shall administer the coordinated manpower services demonstration projects in such a manner as to assure the availability to the projects of the maximum amount of funds available to local service delivery areas under the federal Job Training Partnership Act, Pub. L. No. 97-300. After March 31, 1984, funds appropriated in section 2 of this Act and allocated to the coordinated manpower services demonstration projects shall not be expended for job training.

2. For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary. Medically necessary abortions are those performed under any of the following conditions:

a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.

b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.

c. The pregnancy is the result of a rape which is reported within forty-five days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

d. The pregnancy is the result of incest which is reported within one hundred fifty days of the incident to a law enforcement agency or public or private health agency which may include a family physician.

e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled ..... \$129,050,000

Medical assistance shall be made available to children under twenty-one years of age who meet all eligibility criteria of the aid to families with dependent children program except that the children are not deprived of parental support.

The maximum co-payments allowed by federal law or regulation shall be placed on all optional services to all recipients under the medical assistance program. A fixed co-payment shall be established for each optional service. The co-payment requirement shall not apply to the services if federal law or regulation prohibits application of the requirement. However, a co-payment shall not be imposed on services furnished to individuals in residential care facilities.

- 3. For contractual services-medical carrier ..... \$ 2,040,000
- 4. For work and training programs ..... \$ 42,000
- 5. For child support recoveries, including salary and support of not more than ninety-six full-time equiva-

lent positions annually, except as otherwise provided in this subsection, maintenance, and miscellaneous purposes ..... \$ 830,000

The commissioner of social services, within the limitations of the funds appropriated in this subsection or funds transferred from the aid to families with dependent children program for this purpose, may establish new positions and add additional employees to the child support recovery unit when the commissioner determines that additional employees can reasonably be expected to recover for the aid to families with dependent children program and the nonpublic assistance support recovery program more than twice the amount of money required to pay the salary and support for those additional employees. The department shall demonstrate the cost effectiveness of the additional employees by reporting to the social services appropriations subcommittee the ratio of the total amount of administrative costs for child support recoveries to the total amount of the child support recoveries.

6. For state supplementary assistance, including state supplementary assistance for the blind ..... \$ 7,250,000

The department of social services shall increase the personal needs allowance for eligible persons residing in residential care facilities by two dollars on July 1, 1983.

7. For aid to Indians under section 252.43 ..... \$ 36,000

The tribal council shall not use more than ten percent of the funds for administrative expenses.

8. For home-based services ..... \$ 4,540,000

Of the funds appropriated by this subsection, nine hundred sixty thousand (960,000) dollars, or so much thereof as is necessary, is appropriated for the development and establishment of family-centered services in all districts of the department where such services are currently not

available.

9. For foster care ..... \$ 20,950,000

The department, based on the recommendation of each district administrator, may transfer a portion of the funds appropriated by this subsection to the districts for use in providing in-home services designed to prevent the placement of children outside their own homes or to reunite children, who have been placed in foster care, with their parents. The commissioner of social services shall not transfer the funds unless the commissioner determines that the transfer will be cost effective.

No more than forty-five percent of all children in foster care funded under Title IV, Part E of the federal Social Security Act shall be in foster care for more than twenty-four months.

10. For community-based services ..... \$ 1,593,000

a. Of the funds appropriated by this subsection, two hundred seventy-five thousand (275,000) dollars, or so much thereof as is necessary, is appropriated to assist child care centers under section 237A.13.

Notwithstanding section 237A.13, subsection 4, funds unencumbered as of April 30, 1984, shall not be reallocated unless the unencumbered funds reclaimed exceed two thousand dollars.

b. Of the funds appropriated by this subsection, one hundred twenty thousand (120,000) dollars, or so much thereof as is necessary, is appropriated for child abuse prevention services.

c. Of the funds appropriated by this subsection, one hundred thousand (100,000) dollars, or so much thereof as is necessary, is appropriated for programs for displaced homemakers, and one hundred thousand (100,000) dollars, or so much thereof as is necessary, is appropriated for programs for victims of domestic abuse.

Funds appropriated by this paragraph for programs for displaced homemakers and for victims of domestic abuse may

be used to provide start-up moneys for programs which will develop community support and establish means of support independent of long-term state funding. Where possible, special programs receiving state funds under this paragraph for more than one year should be established to receive declining amounts of state funding after the first twelve months of full operation and to be supported locally after thirty-six months of operation. Special programs deviating from these guidelines shall be reported to the joint social services appropriations subcommittee. The department shall consult persons knowledgeable in the respective subjects of domestic abuse and displaced homemakers with respect to establishment and selection of the programs.

d. Of the funds appropriated by this subsection, five hundred thousand (500,000) dollars, or so much thereof as is necessary, is appropriated to provide grants for community-based juvenile services to reduce the need for long-term state juvenile institutional placements and to encourage home-based treatment programs as alternatives to state juvenile institutional care. The department shall approve grants for additional community-based residential beds only if the beds are designed specifically to reduce the population at state juvenile institutions.

The commissioner of social services shall pay from funds appropriated by this subsection, as the entitled aid from the state under section 232.142, subsection 4, one-half of one percent of the total cost of the establishment, improvements, operation, and maintenance of approved county or multicounty juvenile homes.

11. For county-based reimbursement under section 232.141, subsection 4, paragraph d ..... \$ 1,600,000

A judge of the juvenile court shall certify the reasonableness of compensation paid to an attorney and charged to a county under section 232.141, subsection 1. The certification shall include a review of the hourly fee and the hours of service billed to the county.

The department shall collect information on expenses charged to the counties under section 232.141 and on the expenses reimbursed by the state under section 232.141, subsection 4, paragraph d, and shall report the information to the social services appropriations subcommittee by January 15, 1984. The report shall include a breakdown of the services and expenses charged and reimbursed under section 232.141. The department shall recommend cost containment alternatives which limit reimbursements under section 232.141, subsection 4, paragraph d.

12. For operation of the state training school and the Iowa juvenile home:

a. For salaries and support of not more than two hundred one full-time equivalent positions annually at the state training school, and of not more than one hundred fifteen full-time equivalent positions annually at the Iowa juvenile home, maintenance, and miscellaneous purposes ..... \$ 7,478,000

b. For purchases of motor fuel and special fuel ..... \$ 21,375

Within the limitations of the funds appropriated in this subsection, the department may establish new positions for two youth service workers for night coverage and for responding to emergency situations at the Iowa juvenile home.

13. For volunteers ..... \$ 83,000

Sec. 4. BLOCK GRANT SUPPLEMENTATION. There is appropriated from the general fund of this state for the fiscal year beginning July 1, 1983, and ending June 30, 1984, to the department of social services for supplementation of federal social services block grant funds and for allocation to the various counties for the purchase of local services for eligible individuals, the following amount, or so much thereof as is

necessary:

1983-1984  
Fiscal Year  
 \$ 3,115,000

1. The department shall increase the current income guidelines for income eligible persons receiving services funded with federal social services block grant funds by five and one-half percent for the fiscal year beginning July 1, 1983. The department shall allocate the funds appropriated by this section to the districts and then to the counties within the districts. Fifty percent of the allocation to each county shall be based on the county's allocation for the fiscal year beginning July 1, 1982, and the other fifty percent of the allocation shall be based on the federal poverty level in the county as determined by the United States census bureau. The county shall match every three dollars of funds allocated to the county with one dollar of local funds. The county board of supervisors shall determine, in accordance with departmental rules, the services which the county will fund. A county may use up to four percent of the federal social services block grant funds and funds allocated to the county under this section for the purchase of child day care services without matching the federal and state funds with local funds.

2. A person receiving sheltered work or work activity services is eligible for funding under the federal social services block grant if the person's income, other than income from sheltered work or work activities, does not exceed the income eligibility standard for the person's family size, adopted by the department by rule. An eligible person may retain all income up to the income eligibility standard and one-half of all income above the standard. The eligible person shall pay the remaining one-half of the income to the provider as a client participation fee and the department's reimbursement to the provider shall be reduced by the same amount. If the required client participation fee equals or

exceeds the department's reimbursement to the provider, the person is no longer eligible. However, if federal law or regulation prohibits the provider from collecting client participation fees, the department shall establish eligibility and income guidelines in accordance with the rules which were in effect immediately prior to July 1, 1983.

3. Notwithstanding 770 Iowa administrative code, rule 132.4(2)(b), if a recipient under the aid to families with dependent children program who is eligible for the child care work expense deduction under the program declines to take the deduction, the recipient is eligible for child day care services if the services are funded in the county plan for use of federal social services block grant funds in the county in which the recipient resides.

#### Sec. 5. REIMBURSEMENT RATES.

1. The current reimbursement methodologies under the medical assistance program shall be retained. Except for inpatient and outpatient hospital services, skilled nursing facility services, intermediate care facility services, intermediate care facility services for the mentally retarded, home health agency services, rural health clinic services, and rehabilitation agency services, the current reimbursement rates for medical assistance providers shall not be increased by more than six percent for the fiscal year beginning July 1, 1983.

a. Physician fees reimbursed under the medical assistance program shall be limited to the amount of reimbursements under 770 Iowa administrative code, rule 79.1(2), as effective on July 1, 1983, or to the amount of reimbursements allowed by application of the economic index under Title XVIII of the federal Social Security Act, whichever is less.

b. Medical assistance payments for all mandatory and optional services, except for hospital services, physician services, intermediate care facility services, intermediate care facility services for the mentally retarded, services provided to recipients in state mental health institutes,

medical transportation services other than ambulance services, and the material costs of products which are reimbursed at the acquisition cost, shall be reduced by a factor of two and one-half percent.

c. Beginning July 1, 1983, the basis for establishing the maximum medical assistance reimbursement rate for intermediate care facilities shall be the seventy-fourth percentile of all facilities' per diems as calculated from the June 30, 1981 compilation of unaudited financial and statistical reports, increased by a six percent inflation factor. The compilation is composed of facility cost reports received prior to May 1, 1981.

d. The department shall study the cost-effectiveness of establishing a limited formulary of nonlegend drugs prescribed by a physician and eligible for reimbursement under the medical assistance program and the appropriate reimbursement rate to pharmacists for providing these nonlegend drugs under the formulary. The department shall report the results of the study to the general assembly by January 15, 1984. However, the department may implement a reimbursement program under a formulary prior to January 15, 1984, if the department determines that the program would be cost-effective.

2. For the fiscal year beginning July 1, 1983:

a. The maximum reimbursement rate for residential care facilities utilizing the cost-related reimbursement system shall be established at the point where fifty-one percent of all state supplementary assistance recipients who are residential care facility residents are receiving full cost coverage for care, based on actual facility rates on file with the department on August 1, 1982.

b. The flat reimbursement rate for residential care facilities shall be established at eleven dollars and eighty-five cents per day.

3. For the fiscal year beginning July 1, 1983, the current reimbursement rates for all foster family homes shall be increased, on the average, by six percent. However, that average

increase shall be distributed in such a manner as to increase the reimbursements to all foster family age categories by the same dollar amount.

The department shall reimburse a licensed or approved public or private juvenile shelter care facility in this state, pursuant to rule, for the services provided by the facility for which the department is authorized to pay, subject to the maximum reimbursement rate established by rule. In lieu of the reimbursement for the actual services provided, a facility may choose to receive a uniform monthly payment. The department shall calculate a facility's uniform monthly payment rate by multiplying the facility's unit cost by either the actual average monthly utilization rate for the facility for the last completed twelve-month period or the projected average monthly utilization rate for the facility for the current twelve-month period, whichever is greater. The applicable utilization rate shall not exceed the licensed or approved capacity of the facility. If the uniform monthly payments to the facility exceed the facility's allowable costs, the facility shall reimburse the department the excess amount. If a facility which receives a uniform monthly payment provides units of service in excess of the facility's applicable monthly utilization rate over a six-month period, the department shall semiannually pay the facility an amount calculated by multiplying the facility's unit cost by the number of excess units of service provided.

4. The current reimbursement rate for subsidized adoptions under section 3, subsection 8 of this Act shall be increased by six percent for the fiscal year beginning July 1, 1983 and shall be distributed in the same manner as foster family home reimbursements.

5. For the fiscal year beginning July 1, 1983, the current reimbursement rates for purchase of service providers shall be increased by no more than six percent. If a provider's current reimbursement rate on June 30, 1983, is fifteen percent less than the provider's previous reimbursement rate, the

department shall not apply the allowable percentage increase to the current rate, but shall apply the increase to the average of the provider's actual cost-based rates issued during the period beginning July 1, 1981, and ending June 30, 1983. If a provider's current reimbursement rate is lower than the cost-based rate which the provider could charge, the department shall not apply the allowable percentage increase to the current rate, but shall apply the increase to the cost-based rate the provider could charge. The department, in conjunction with providers participating in the purchase of service system, shall study the current reimbursement system for purchase of services and shall recommend to the social services appropriations subcommittee changes in the system to make the system more equitable.

6. The department shall collect information relating to the method of reimbursing optometrists and psychologists under the medical assistance program and shall make a recommendation concerning the adoption of a percentile reimbursement methodology to the social services appropriations subcommittee during the 1984 session of the general assembly. Optometrists and psychologists shall cooperate with the department in the collection of the information, and beginning July 1, 1983, shall include their usual, customary, and reasonable charges on their medical assistance reimbursement forms.

Sec. 6. INVOLUNTARY TRANSFERS. If a skilled nursing facility or an intermediate care facility receives payments under Title XIX of the federal Social Security Act for one or more patients in the facility, the facility shall not involuntarily transfer any patient to another facility if that patient had previously been receiving medical assistance under chapter 249A for care in the facility and has been disqualified for that medical assistance because of an increase in income, but agrees to pay all of the patient's income and resources not exempt under guidelines in Title XIX of the federal Social Security Act for continued care in the facility and that payment equals or exceeds the medical assistance reimbursement rate for the particular facility.

Sec. 7. WAIVER. The department, in conjunction with provider and consumer groups, shall develop a proposal for a statewide program of home and community-based services to be provided under a waiver under Title XIX of the federal Social Security Act. The department may include in the proposal one or more pilot projects or limited coverage programs of services funded under a Title XIX waiver if the costs of the community-based services provided to eligible persons will not exceed the costs of institutional services which would otherwise be provided to the eligible persons. The proposal shall include the provision of in-home health services under the state supplementary assistance program. The department shall report the plan to the general assembly in January, 1984. The department shall report its progress in developing the waiver proposal to the governor, to the legislative council, and to the members of the social services appropriations subcommittee by October 1, 1983. The report shall include the impact of the waiver proposal on the funding of in-home health services under the state supplementary assistance program. The department shall seek to implement the waiver proposal no later than March 31, 1984.

Sec. 8. TRANSFERS. Except as provided in section 3, subsection 5 of this Act, funds appropriated under section 3, subsections 1, 2, and 11 of this Act, shall not be transferred or used for any other purposes than specified in those subsections, notwithstanding section 8.39. However, funds appropriated under section 3, subsections 1, 2, and 11 of this Act may be transferred under section 8.39 among those subsections and may be used for the purposes specified in those subsections.

Sec. 9. ADDITIONAL STAFF. Notwithstanding the limitations on full-time equivalent positions in section 1, subsection 1, section 2, subsection 1, and section 3, subsections 5 and 12 of this Act, the department of social services may add staff above the limitations if the department receives additional federal funding not originally anticipated and

budgeted, including but not limited to increased federal funding from the Emergency Jobs Appropriations Act, Pub. L. No. 98-6.

Sec. 10. FEDERAL FUNDS. All federal grants to and the federal receipts of the department of social services are appropriated for the purposes set forth in the federal grants or receipts.

Sec. 11. CAPITAL IMPROVEMENTS EXCLUDED. Funds appropriated by this Act shall not be used for capital improvements.

Sec. 12. The department of social services shall adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph b, relating to the recoupment of overpayments, the community work program, and the coordinated manpower services demonstration projects under the aid to families with dependent children program in section 3, subsection 1, paragraphs a, d, and e of this Act, medical assistance co-payments in section 3, subsection 2 of this Act, raising income guidelines for income eligible persons, allocations to the counties and sheltered work and work activity services under the social services block grant supplementation program in section 4 of this Act, and medical assistance, purchase of service provider, and other reimbursements in section 5 of this Act, and may adopt administrative rules under section 17A.4, subsection 2 and section 17A.5, subsection 2, paragraph b, relating to the schedule of basic needs and the schedule of living costs, the unemployed parent program, and benefits to eighteen year old persons under the aid to families with dependent children program in section 3, subsection 1, paragraphs a, b, and c of this Act, medical assistance benefits to children under twenty-one years of age in section 3, subsection 2 of this Act, personal needs allowances under the state supplementary assistance program in section 3, subsection 6 of this Act, and child day care services under the social services block grant supplementation program in section 4 of this Act, and the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules.

Sec. 13. Section 249A.4, subsection 8, unnumbered paragraph 1, Code 1983, is amended to read as follows:

Shall advise and consult at least semiannually with a council composed of the president, or ~~his or her~~ the president's representative who is a member of the professional organization represented by the president, of the Iowa Medical Society medical society, the Iowa Society society of Osteopathic-Physicians osteopathic physicians and Surgeons surgeons, the Iowa State-Dental-Society state dental society, the Iowa State-Nurses-Association state nurses association, the Iowa Pharmaceutical-Association pharmacists association, the Iowa Podiatry-Society podiatry society, the Iowa Optometric Association optometric association, the community mental health centers association of Iowa, the Iowa psychological association, the Iowa Hospital-Association hospital association, the Iowa Osteopathic-Hospital-Association osteopathic hospital association, opticians' association of Iowa Ophthalmic-Dispensers, Inc., (opticians)-and the Iowa Nursing-Home-Association health care association, the Iowa assembly of home health agencies, the Iowa council of health care centers, and the Iowa association of homes for the aging, together with one person designated by the Iowa state board of chiropractic examiners; one state representative from each of the two major political parties appointed by the speaker of the house, one state senator from each of the two major political parties appointed by the lieutenant governor, each for a term of two years; the president or the president's representative of the association for retarded citizens; four public representatives, ~~two of whom shall be~~ appointed each year by the governor for staggered terms of two years each, and none of whom shall be members of, or practitioners of or have a pecuniary interest in any of the professions or businesses represented by any of the several professional groups and associations specifically represented on the council under this subsection, and at least one of whom shall be a recipient of medical assistance; the commissioner of public

health, or a representative designated by him the commissioner,  
and the dean of the college of medicine, University university  
of Iowa, or a representative designated by him the dean.

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DONALD D. AVENSON  
Speaker of the House

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ROBERT T. ANDERSON  
President of the Senate

I hereby certify that this bill originated in the House and  
is known as House File 641, Seventieth General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved June 8, 1983

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TERRY E. BRANSTAD  
Governor