

*House Revenue 3/21 2/18 4/1 (p. 946)*  
*" " 4/1 Amend (5527) & Do Pass 4/2 (p. 995)*

MAR 10 1986

HOUSE FILE 2423

Place On Calendar

BY COMMITTEE ON HUMAN RE-SOURCES

(Formerly House Study Bill 637)

Passed House, Date 3-18-86 (p. 874) Passed Senate, Date 4-9-86 (p. 1133)

Vote: Ayes 68 Nays 24 Vote: Ayes 42 Nays 2

Approved May 2, 1986 (p. 2320)

*Repassed House 4-16-86 (p. 1507)*  
*86-10*

*Motion to reconsider (p. 1144) w/d 4/9*

**A BILL FOR**

- 1 An Act relating to the monetary penalties for violation of the
- 2 health care facilities' licensing law.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

SENATE AMENDMENT TO HOUSE FILE 2423

H-5811

- 1 Amend House File 2423 as passed by the House as
- 2 follows:
- 3 1. Page 1, line 1, by striking the words and
- 4 figures "subsections 1 and 2" and inserting in lieu
- 5 thereof the word and figure "subsection 1".
- 6 2. By striking page 1, line 15 through page 2,
- 7 line 3.

H-5811 FILED APRIL 11, 1986 RECEIVED FROM THE SENATE

*House concurred 4/16 (p. 1506)*

HF 2423

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5564 1 Section 1. Section 135C.36, subsections 1 and 2, Code  
2 1985, are amended to read as follows:  
3 1. A Class I violation is one which presents an imminent  
4 danger or a substantial probability of resultant death or  
5 physical harm to the residents of the facility in which the  
6 violation occurs. A physical condition or one or more  
7 practices in a facility may constitute a Class I violation. A  
8 Class I violation shall be abated or eliminated immediately  
9 unless the department determines that a stated period of time,  
10 specified in the citation issued under section 135C.40, is  
11 required to correct the violation. A licensee ~~shall be~~ is  
12 subject to a penalty of not less than ~~five-hundred two~~  
13 thousand nor more than ~~five~~ ten thousand dollars for each  
14 Class I violation for which the licensee's facility is cited.

5564 15 2. A Class II violation is one which has a direct or  
16 immediate relationship to the health, safety, or security of  
17 residents of a health care facility, but which presents no  
18 imminent danger nor substantial probability of death or  
19 physical harm to them. A physical condition or one or more  
20 practices within a facility, including either physical abuse  
21 of any resident or failure to treat any resident with  
22 consideration, respect, and full recognition of the resident's  
23 dignity and individuality, in violation of a specific rule  
24 adopted by the department, may constitute a Class II  
25 violation. A violation of section 135C.14, subsection 8, or  
26 section 135C.31 ~~and rules~~ or a rule adopted under those  
27 sections ~~shall be~~ is at least a Class II violation and may be  
28 a Class I violation. A Class II violation shall be corrected  
29 within a stated period of time determined by the department  
30 and specified in the citation issued under section 135C.40.  
31 The stated period of time specified in the citation may  
32 subsequently be modified by the department for good cause  
33 shown. A licensee is subject to a penalty of not less than  
552734 ~~one five hundred~~ one thousand five hundred  
35 dollars for each Class II violation for which the licensee's

1 facility is cited; however, the commissioner may waive the  
2 penalty if the violation is corrected within the time  
5527 3 specified in the citation.

4 EXPLANATION

5 This bill increases the monetary penalties for violation of  
6 the health care facilities' licensing law.

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HOUSE FILE 2423

FISCAL NOTE

REQUESTED BY REPRESENTATIVE STURGEON

In compliance with a written request received March 5, 1986, a fiscal note for HOUSE FILE 2423 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 2423 increases the monetary penalties for violation of the Health Care Facilities' licensing law. A class I violation would increase from a minimum of \$500 and a maximum of \$5,000 to \$2,000 and \$10,000 respectively. A class II violation would increase from a minimum of \$100 and a maximum of \$500 to \$500 and \$1,500 respectively.

ASSUMPTIONS:

- a. There were 3 facilities which received Class I violations in FY 85.
- b. There were 74 facilities which received Class II and Class III violations in FY 85.
- c. There is a 5% increase assumed from FY 87 to FY 88.
- d. The fiscal effect is based upon current expenditures and income received from fines.

FISCAL EFFECT:

	F.Y. 1987			F.Y. 1988		
	Current Law	Proposed Law	Increase / (Decrease)	Current Law	Proposed Law	Increase / (Decrease)
<b>REVENUE</b>						
Penalties	\$ 29,200	\$ 44,200	\$ 15,000	\$ 30,660	\$ 46,410	\$ 15,750
<b>EXPENDITURES</b>						
Salaries	\$ 36,000	\$ 36,000	\$ 0	\$ 37,800	\$ 37,800	\$ 0
Support	7,000	7,000	0	7,350	7,350	0
Asst AG	28,000	28,000	0	29,400	29,400	0
TOTAL	\$ 71,000	\$ 71,000	\$ 0	\$ 71,000	\$ 71,000	\$ 0
<b>NET EFFECT</b>	<b>\$ -41,800</b>	<b>\$ -26,800</b>	<b>\$ 15,000</b>	<b>\$ -43,890</b>	<b>\$ -28,140</b>	<b>\$ 15,750</b>

Source: Department of Health

(LSB 7914H, RRS)

FILED MARCH 14, 1986

BY DENNIS PROUTY, FISCAL DIRECTOR

HOUSE FILE 2423

S-5527

1 Amend House File 2423 as passed by the House, as  
2 follows:

3 1. Page 1, by striking line 34 and inserting the  
4 following: "one hundred nor more than five-hundred  
5 one thousand".

6 2. Page 2, line 3, by inserting after the word  
7 "citation" the following: ", except that the  
8 commissioner shall not waive the penalty if the  
9 licensee's facility is cited more than once for the  
10 same violation and shall impose a minimum penalty of  
11 five hundred dollars for each repeat violation".

S-5527 Filed April 2, 1986

BY COMM. ON HUMAN RESOURCES, HANNON, CHAIR

*Placed o/c 4/9 (p. 1133)*

HOUSE FILE 2423

S-5564

1 Amend House File 2423 as passed by the House as  
2 follows:

3 1. Page 1, line 1, by striking the words and  
4 figures "subsections 1 and 2" and inserting in lieu  
5 thereof the word and figure "subsection 1".

6 2. By striking page 1, line 15 through page 2,  
7 line 3.

S-5564 Filed April 3, 1986

BY COLEMAN

*Adopted 4/7 (p. 1133)*

HOUSE FILE 2423

S-5642

1 Amend the amendment, S-5527, to House File 2423, as  
2 passed by the House as follows:

3 1. Page 1, line 9, by inserting after the word  
4 "once" the following: "in any two-year period".

S-5642 Filed April 8, 1986

BY HANNON

*Adopted 4/9 (p. 1132)*

HSB 637

Study Bill 637

HUMAN RESOURCES

Human Resources: Zimmerman, Chair; Hester, Mullins, Ollie and Peick.

*now*  
HF 2423

HOUSE FILE 2423

BY (PROPOSED COMMITTEE ON  
HUMAN RESOURCES BILL)

Passed House, Date \_\_\_\_\_

Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the monetary penalties for violation of the  
2 health care facilities' licensing law.

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

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1 Section 1. Section 135C.36, subsections 1 and 2, Code  
2 1985, are amended to read as follows:

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4 danger or a substantial probability of resultant death or  
5 physical harm to the residents of the facility in which the  
6 violation occurs. A physical condition or one or more  
7 practices in a facility may constitute a Class I violation. A  
8 Class I violation shall be abated or eliminated immediately  
9 unless the department determines that a stated period of time,  
10 specified in the citation issued under section 135C.40, is  
11 required to correct the violation. A licensee ~~shall be~~ is  
12 subject to a penalty of not less than ~~five-hundred two~~  
13 thousand nor more than ~~five ten~~ ten thousand dollars for each  
14 Class I violation for which the licensee's facility is cited.

15 2. A Class II violation is one which has a direct or  
16 immediate relationship to the health, safety, or security of  
17 residents of a health care facility, but which presents no  
18 imminent danger nor substantial probability of death or  
19 physical harm to them. A physical condition or one or more  
20 practices within a facility, including either physical abuse  
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22 consideration, respect, and full recognition of the resident's  
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24 adopted by the department, may constitute a Class II  
25 violation. A violation of section 135C.14, subsection 8, or  
26 section 135C.31 ~~and-rules~~ or a rule adopted under those  
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28 a Class I violation. A Class II violation shall be corrected  
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30 and specified in the citation issued under section 135C.40.  
31 The stated period of time specified in the citation may  
32 subsequently be modified by the department for good cause  
33 shown. A licensee is subject to a penalty of not less than  
34 one five hundred nor more than one thousand five hundred  
35 dollars for each Class II violation for which the licensee's

1 facility is cited; however, the commissioner may waive the  
2 penalty if the violation is corrected within the time  
3 specified in the citation.

4 EXPLANATION

5 This bill increases the monetary penalties for violation of  
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HOUSE FILE 2423

AN ACT  
RELATING TO THE MONETARY PENALTIES FOR VIOLATION OF THE HEALTH  
CARE FACILITIES' LICENSING LAW.

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

Section 1. Section 135C.36, subsection 1, Code 1985, is amended to read as follows:

1. A Class I violation is one which presents an imminent danger or a substantial probability of resultant death or physical harm to the residents of the facility in which the violation occurs. A physical condition or one or more practices in a facility may constitute a Class I violation. A Class I violation shall be abated or eliminated immediately unless the department determines that a stated period of time, specified in the citation issued under section 135C.40, is required to correct the violation. A licensee ~~shall be~~ is subject to a penalty of not less than five-hundred two

\_\_\_\_\_  
DONALD D. AVENSON  
Speaker of the House

\_\_\_\_\_  
ROBERT T. ANDERSON  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2423, Seventy-first General Assembly.

\_\_\_\_\_  
JOSEPH O'HERN  
Chief Clerk of the House  
Approved May 2, 1986

\_\_\_\_\_  
TERRY E. BRANSTAD  
Governor

