

APR 24 1985

HOUSE FILE 771

BY COMMITTEE ON APPROPRIATIONS

APPROPRIATIONS CALENDAR

Passed House, Date 4-25-85 (P. 1855) Passed Senate, Date 4-26-85 (P. 1704)  
Vote: Ayes 89 Nays 9 Vote: Ayes 35 Nays 6  
Approved May 3, 1985 (P. 2307)

**A BILL FOR**

1 An Act relating to the administration and financing of services  
2 and programs under the jurisdiction of the department of  
3 human services, the state department of health, the foster  
4 care review board, and the commission on children, youth,  
5 and families for the fiscal year beginning July 1, 1985,  
6 and ending June 30, 1986.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
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HF 771

1 Section 1. GENERAL ADMINISTRATION. There is appropriated  
2 from the general fund of the state for the fiscal year  
3 beginning July 1, 1985, and ending June 30, 1986, to the  
4 department of human services for general administration,  
5 including salaries and support of not more than four hundred  
6 sixteen and three-quarters full-time equivalent positions  
7 annually, maintenance, and miscellaneous purposes, the  
8 following amount, or so much thereof as is necessary:

9	1985-1986
10	<u>Fiscal Year</u>
11	\$ 7,960,000

12 As a condition of the appropriation made by this section,  
13 the department, after consultation with provider and consumer  
14 organizations, shall adopt rules pursuant to chapter 17A to  
15 approve by April 1, 1986 community, supervised apartment  
16 living arrangements for per diem or per hour purchase-of-  
17 service reimbursements or for grants. For the fiscal year be-  
18 ginning July 1, 1985, and ending June 30, 1986, the department  
19 shall continue to reimburse on a per diem basis those  
20 providers of community, supervised apartment living  
21 arrangements which were reimbursed on a per diem basis during  
22 the fiscal year ending June 30, 1985.

23 Sec. 2. FIELD OPERATIONS AND VOLUNTEERS. There is  
24 appropriated from the general fund of the state for the fiscal  
25 year beginning July 1, 1985, and ending June 30, 1986, to the  
26 department of human services, the following amounts, or so  
27 much thereof as is necessary, to be used for the purposes  
28 designated:

29	1985-1986
30	<u>Fiscal Year</u>

31 1. For field operations,  
32 including salaries and sup-  
33 port of not more than two  
34 thousand two hundred thirty-  
35 six full-time equivalent po-

1 sitions annually, maintenance,  
2 and miscellaneous purposes ..... \$ 22,800,000

3 The state comptroller shall expedite the process for hiring  
4 protective service workers authorized under this section.

5 2. For development and  
6 coordination of volunteer  
7 services ..... \$ 72,000

8 Sec. 3. SPECIAL PROGRAMS. There is appropriated from the  
9 general fund of the state for the fiscal year beginning July  
10 1, 1985, and ending June 30, 1986, to the department of human  
11 services, the following amounts, or so much thereof as is  
12 necessary, to be used for the purposes designated:

13 1985-1986  
14 Fiscal Year

15 1. For aid to families with  
16 dependent children ..... \$ 63,850,000

17 a. As a condition of the appropriation, effective January  
18 1, 1986, the department shall establish the level of grant  
19 payments for one person at one hundred sixty-three dollars,  
20 for two persons at three hundred twenty-two dollars, for three  
21 persons at three hundred eighty-one dollars, for four persons  
22 at four hundred forty-three dollars, for five persons at four  
23 hundred ninety dollars, for six persons at five hundred forty-  
24 five dollars, for seven persons at five hundred ninety-nine  
25 dollars, for eight persons at six hundred fifty-three dollars,  
26 for nine persons at seven hundred seven dollars, for ten  
27 persons at seven hundred seventy-three dollars, and for each  
28 additional person at seventy-seven dollars.

29 b. The department shall study the recipient classi-  
30 fications under the aid to families with dependent children  
31 program and the federal-state food stamp program which are  
32 subject to the monthly reporting and retrospective budgeting  
33 requirements to determine if the classifications are  
34 appropriate and if the costs associated with the  
35 classifications are justified. The department shall report

1 its findings from the study to the general assembly by January  
2 1, 1986.

3 c. Effective July 1, 1985, the department shall eliminate  
4 the twenty percent copayment for school expenses under the  
5 special needs program of the aid to families with dependent  
6 children program.

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

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

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

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

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

25 e. Any spontaneous abor-  
26 tion, commonly known as a mis-  
27 carriage, if not all of the  
28 products of conception are ex-  
29 pelled ..... \$121,600,000

30 Of the funds appropriated by this subsection, not more than  
31 two hundred thousand (200,000) dollars may be transferred on  
32 or before December 31, 1985, to the state department of health  
33 for contingency state assistance for the federal women,  
34 infants, and children program in order to allow the state  
35 department of health to fully use available federal funds

1 under the program. The state department of health shall  
2 notify the commissioner of human services and the state  
3 comptroller when a portion of the funds identified by this  
4 subsection are needed for the federal women, infants, and  
5 children program.

6 The department shall conduct ex parte reviews of the cases  
7 of those persons whose aid to families with dependent  
8 children, supplemental security income, or medical assistance  
9 benefits have been terminated, in order to determine if the  
10 persons are eligible for medical assistance benefits under the  
11 medically needy program.

12 The department shall explore means to make full use of  
13 veterans' benefits for those medical assistance recipients in  
14 intermediate care facilities whose current eligibility for  
15 veterans' benefits has not been established.

16 The department shall seek to reduce the utilization of  
17 surgical procedures with high coefficients of variation, as  
18 determined through small area analysis, under the medical  
19 assistance program. The department may develop special  
20 utilization review efforts, physician education programs, or  
21 may mandate second opinions for selected surgical procedures  
22 in order to reduce utilization rates. The department shall  
23 collect information on the effectiveness of its efforts to  
24 reduce utilization for common surgical procedures with high  
25 coefficients of variation and shall report to the general  
26 assembly on the effectiveness of its efforts, with a  
27 preliminary report due February 1, 1986, and a revised report  
28 due January 1, 1987.

29 The department shall study the feasibility of implementing  
30 a comprehensive perinatal services and obstetrical access  
31 program under the medical assistance program similar to the  
32 program established in the state of California and shall  
33 review the cost effectiveness of implementing a bidding system  
34 for providing comprehensive medical coverage for medical  
35 assistance recipients under a case-management program. The

1 department shall report to the general assembly by February 1,  
2 1986, on the feasibility and cost-effectiveness of es-  
3 tablishing the programs. However, the department may apply  
4 for waivers from the federal government to implement the  
5 programs, if the department determines the programs will  
6 result in cost savings to the state and provide equivalent or  
7 improved levels of care for the populations the programs would  
8 serve. The department may continue to seek a waiver under the  
9 authority of 1984 Iowa Acts, chapter 1310, section 3,  
10 subsection 2, unnumbered paragraph 2.

11 If the department receives approval for a program of home  
12 and community-based services pursuant to a waiver under Title  
13 XIX of the federal Social Security Act, the program shall be  
14 funded with the appropriation made by this subsection. A  
15 county shall reimburse the department for the cost of services  
16 under the program, which is not paid from federal funds, to  
17 mentally retarded or mentally ill persons with legal settle-  
18 ment in the county at the same percentage which the county is  
19 required to reimburse the state for mentally retarded or men-  
20 tally ill persons receiving services at state institutions.

21 3. For medical contracts ..... \$ 1,970,000

22 The department shall study the reimbursement methodologies  
23 under the medical assistance program and the related systems  
24 of delivering services, with the objective of developing more  
25 equitable and less inflationary systems of delivering services  
26 and reimbursing providers for the services. The study shall  
27 include an examination of health maintenance organizations,  
28 preferred provider organizations, and other forms of  
29 capitation payments.

30 The department shall study new reimbursement methodologies  
31 under the medical assistance program which would establish a  
32 differential payment system for heavy care residents of inter-  
33 mediate care facilities. The department shall develop a heavy  
34 care reimbursement methodology for implementation by July 1,  
35 1986.

1 4. For child support re-  
 2 coveries, including salary  
 3 and support of not more than  
 4 one hundred eight full-time  
 5 equivalent positions annually,  
 6 maintenance, and miscellaneous  
 7 purposes ..... \$ 1,000,000

8 The commissioner of human services, within the limitations  
 9 of the funds appropriated in this subsection or funds  
 10 transferred from the aid to families with dependent children  
 11 program for this purpose, may establish new positions and add  
 12 additional employees to the child support recovery unit when  
 13 the commissioner determines that both the current and  
 14 additional employees together can reasonably be expected to  
 15 recover for the aid to families with dependent children  
 16 program and the nonpublic assistance support recovery program  
 17 more than twice the amount of money required to pay the  
 18 salaries and support for both the current and additional  
 19 employees. The department shall demonstrate the cost  
 20 effectiveness of the current and additional employees by  
 21 reporting to the human services appropriations subcommittee  
 22 the ratio of the total amount of administrative costs for  
 23 child support recoveries to the total amount of the child  
 24 support recoveries.

25 5. For state supplementary  
 26 assistance, including state  
 27 supplementary assistance for  
 28 the blind ..... \$ 9,850,000

29 6. For aid to Indians under  
 30 section 252.43 ..... \$ 37,000

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

33 7. For home-based services ..... \$ 5,350,000

34 a. Of the funds appropriated by this subsection, seven  
 35 hundred three thousand (703,000) dollars, or so much thereof

1 as is necessary, is allocated for subsidized adoptions,  
2 including the purchase of services for severely handicapped  
3 children and children in large sibling groups.

4 b. Of the funds appropriated by this subsection, two  
5 hundred thousand (200,000) dollars, or so much thereof as is  
6 necessary, is allocated for family planning.

7 c. Of the funds appropriated by this subsection, four  
8 million four hundred forty-seven thousand (4,447,000) dollars,  
9 or so much thereof as is necessary, is allocated for family  
10 centered services.

11 8. For foster care ..... \$ 25,175,000

12 a. The department may transfer a portion of the funds  
13 appropriated by this subsection for use in providing  
14 subsidized adoption services, if funds allocated under  
15 subsection 7 are insufficient to provide necessary subsidized  
16 adoption services.

17 b. No more than thirty-five percent of all children in  
18 foster care funded under Title IV, part E of the federal  
19 Social Security Act shall be in foster care for more than  
20 twenty-four months.

21 c. Of the funds appropriated by this subsection, thirty-  
22 six thousand (36,000) dollars, or so much thereof as is  
23 necessary, is allocated for foster parent training.

24 9. For community-based pro-  
25 grams ..... \$ 2,485,000

26 a. Of the funds appropriated by this subsection, one  
27 hundred twenty-five thousand (125,000) dollars, or so much  
28 thereof as is necessary, is allocated for displaced  
29 homemakers.

30 b. Of the funds appropriated by this subsection, four hun-  
31 dred fifty thousand (450,000) dollars, or so much thereof as  
32 is necessary, is allocated for child care center financial  
33 assistance.

34 Notwithstanding section 237A.13, subsection 4, funds  
35 unencumbered as of April 30, 1986, shall not be reallocated

1 unless the unencumbered funds reclaimed exceed two thousand  
2 dollars.

3 c. Of the funds appropriated by this subsection, one  
4 hundred eighty thousand (180,000) dollars, or so much thereof  
5 as is necessary, is allocated for the child abuse prevention  
6 grant program.

7 d. Of the funds appropriated by this subsection, one  
8 hundred twenty-five thousand (125,000) dollars, or so much  
9 thereof as is necessary is allocated for domestic abuse  
10 program grants.

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

17 f. Of the funds appropriated by this subsection, two  
18 hundred fifty-five thousand (255,000) dollars, or so much  
19 thereof as is necessary, is allocated for community-based  
20 juvenile services. These funds shall be used to reduce the  
21 need for long-term juvenile institutional and group foster  
22 care placements, and to encourage home-based treatment  
23 programs as alternatives to juvenile institutional care and  
24 group foster care. The department shall only approve grants  
25 for residential community-based services when such projects  
26 are designed to directly reduce the state juvenile  
27 institutional population or the number of children being  
28 placed in group foster care outside the state.

29 g. Of the funds appropriated by this subsection, five  
30 hundred twenty thousand (520,000) dollars, or so much thereof  
31 as is necessary, is allocated for state cases.

32 h. Of the funds appropriated by this subsection, eight  
33 hundred twenty thousand (820,000) dollars, or so much thereof  
34 as is necessary, is allocated for protective day care.

35 10. For county-based juvenile

1 justice reimbursement under sec-  
2 tion 232.141, subsection 4 ..... \$ 2,400,000

3 Sec. 4. ADDITIONAL CHILD AND DOMESTIC ABUSE GRANT

4 APPROPRIATIONS. In addition to the funds appropriated by sec-  
5 tion 3, subsection 9 of this Act, there is appropriated from  
6 the general fund of the state for the fiscal year beginning  
7 July 1, 1985, and ending June 30, 1986, one hundred fifty  
8 thousand (150,000) dollars, or so much thereof as is  
9 necessary, for child abuse prevention grants, and one hundred  
10 thousand (100,000) dollars, or so much thereof as is  
11 necessary, for domestic abuse program grants. In addition to  
12 the funds appropriated and the full-time equivalent positions  
13 authorized by section 2, subsection 1 of this Act, there is  
14 appropriated from the general fund of the state for the fiscal  
15 year beginning July 1, 1985, and ending June 30, 1986, one  
16 hundred thousand (100,000) dollars, or so much thereof as is  
17 necessary, for additional protective service workers.

18 However, appropriation of the additional amounts for child  
19 abuse prevention grants and additional protective service  
20 workers is contingent upon enactment of 1985 Iowa Acts, House  
21 File 451, or other legislation imposing a fee of at least ten  
22 dollars for the registration of a certificate of birth.

23 Appropriation of the additional amount for domestic abuse  
24 program grants is contingent upon enactment of 1985 Iowa Acts,  
25 House File 549, or other legislation imposing a fee of at  
26 least fifteen dollars for entering a final decree of  
27 dissolution of marriage.

28 Sec. 5. JUVENILE AND VETERANS INSTITUTIONS. There is  
29 appropriated from the general fund of the state for the fiscal  
30 year beginning July 1, 1985, and ending June 30, 1986, to the  
31 department of human services, the following amount, or so much  
32 thereof as is necessary, to be used for the purposes  
33 designated:

34	1985-1986
35	<u>Fiscal Year</u>

1 1. For the operation of  
 2 the state training school  
 3 and the Iowa juvenile home,  
 4 including salaries and sup-  
 5 port of not more than two  
 6 hundred six and one-half  
 7 full-time equivalent posi-  
 8 tions at the state train-  
 9 ing school and of not more  
 10 than one hundred eighteen  
 11 full-time equivalent posi-  
 12 tions at the Iowa juvenile  
 13 home, maintenance, and mis-  
 14 cellaneous purposes ..... \$ 8,080,000

15 Within the limitation of funds appropriated by this  
 16 subsection, the department shall establish at the state  
 17 training school and the Iowa juvenile home a chemical  
 18 dependency program in cooperation with existing community  
 19 programs.

20 One full-time equivalent position shall be established at  
 21 the Iowa juvenile home to provide career education to meet the  
 22 needs of older delinquent females.

23 2. For operation of the Iowa  
 24 veterans home, including sal-  
 25 aries and support of not more  
 26 than seven hundred seventy-five  
 27 full-time equivalent positions  
 28 annually, maintenance, and mis-  
 29 cellaneous purposes ..... \$ 19,430,000

30 With the funds appropriated by this subsection, and in  
 31 addition to the seven hundred seventy-five full-time  
 32 equivalent positions authorized as of July 1, 1985 by this  
 33 subsection, the department may create and staff thirty-three  
 34 full-time equivalent positions after January 1, 1986 in a unit  
 35 to care for residents with alzheimer's disease.

1 The department may use the gifts accepted by the commis-  
2 sioner of human services pursuant to section 218.96 and other  
3 resources available to the department for use at the Iowa  
4 veterans home for purposes identified by the department.

5 Sec. 6. MENTAL HEALTH INSTITUTES. There is appropriated  
6 from the general fund of the state for the fiscal year  
7 beginning July 1, 1985, and ending June 30, 1986, to the  
8 department of human services, for the state mental health  
9 institutes, the following amount, or so much thereof as is  
10 necessary:

11 1985-1986  
12 Fiscal Year

13 1. For salaries and sup-  
14 port, of not more than four  
15 hundred thirty-seven and three-  
16 tenths full-time equivalent po-  
17 sitions annually at Cherokee,  
18 not more than two hundred eleven  
19 and eighty-five hundredths full-  
20 time equivalent positions an-  
21 nually at Clarinda, not more  
22 than four hundred forty-three  
23 and one-half full-time equiva-  
24 lent positions annually at In-  
25 dependence, and not more than  
26 two hundred twenty and fifty-  
27 three hundredths full-time  
28 equivalent positions annually  
29 at Mount Pleasant, maintenance,  
30 and miscellaneous purposes ..... \$ 33,200,000

31 2. All funds received from client participation shall be  
32 deposited in the general fund of the state.

33 3. The superintendents of the state mental health  
34 institutes at Cherokee and Independence, in discharging the  
35 duties imposed by section 230.20, shall not include the costs

1 of the psychiatric residency and chaplain intern programs  
2 maintained at those institutes in computing the institutes'  
3 respective daily charges to patients.

4 4. A state mental health institute shall not accept  
5 physical custody of a child alleged to be a child in need of  
6 assistance, on guest status or otherwise, for more than thirty  
7 days. A child found to be a child in need of assistance shall  
8 not be placed in a state mental health institute or other  
9 appropriate secure facility unless the juvenile court finds  
10 that the standard for voluntary admission or involuntary  
11 commitment in chapter 229 has been met. The finding may be  
12 made by the court under section 232.103 at any time prior to  
13 the expiration of a dispositional order.

14 5. The department shall pursue all reasonable courses of  
15 action necessary to expand the recruitment and retention of  
16 psychiatrists at the state mental health institutions. The  
17 department shall aggressively recruit psychiatrists, when  
18 necessary by sending department representatives to events and  
19 locations where psychiatrists are likely to be recruited and  
20 by taking other similar actions which have the likelihood of  
21 contributing to the recruitment of psychiatrists. The  
22 department shall continue to explore and implement, if  
23 necessary, alternative approaches to retaining psychiatrists  
24 in the state hospital system, such as special contractual  
25 arrangements, expanded staff privileges, or improved  
26 educational opportunities for the medical staff.

27 Sec. 7. HOSPITAL-SCHOOLS. There is appropriated from the  
28 general fund of the state for the fiscal year beginning July  
29 1, 1985, and ending June 30, 1986, to the department of human  
30 services, for the state hospital-schools, the following  
31 amount, or so much thereof as is necessary:

32	1985-1986
33	<u>Fiscal Year</u>

34 1. For salaries and sup-  
35 port, of not more than one thou-

1 sand two hundred sixty and seven-  
2 tenths full-time equivalent posi-  
3 tions annually at Glenwood and  
4 not more than one thousand fifty-  
5 six and sixty-two hundredths  
6 full-time equivalent positions  
7 at Woodward, maintenance, and  
8 miscellaneous purposes ..... \$ 50,100,000

9 2. All funds received from client participation shall be  
10 deposited in the general fund of the state.

11 3. The state hospital-schools' per-patient-per-day cost as  
12 determined pursuant to section 222.73 shall be billed at  
13 eighty percent for the fiscal year, except as otherwise  
14 provided by subsection 4.

15 4. If more than twenty percent of the cost of a patient's  
16 care is initially paid from any source other than state-  
17 appropriated funds, the amount so paid shall be subtracted  
18 from the per-patient-per-day cost of that patient's care  
19 computed pursuant to section 222.73 and the patient's county  
20 of legal settlement shall be billed for the full balance of  
21 the cost so computed.

22 5. In the calculation of per diem rates, charges assessed  
23 to the county shall be credited with one hundred percent of  
24 client participation for eligible medical assistance patients  
25 at the state hospital-schools.

26 Sec. 8. MENTAL HEALTH AND RETARDATION SERVICES FUND.

27 There is appropriated from the general fund of the state for  
28 the fiscal year beginning July 1, 1985, and ending June 30,  
29 1986, to the state community mental health and mental  
30 retardation services fund established in section 225C.7, the  
31 following amount, or so much thereof as is necessary:

32	1985-1986
33	<u>Fiscal Year</u>
34	\$ 3,500,000

35 Sec. 9. BLOCK GRANT SUPPLEMENTATION. There is

1 appropriated from the general fund of this state for the  
2 fiscal year beginning July 1, 1985, and ending June 30, 1986,  
3 to the department of human services for supplementation of  
4 federal social services block grant funds and for allocation  
5 to the various counties for the purchase of local services and  
6 child day care services for eligible individuals, the  
7 following amount, or so much thereof as is necessary:

8	1985-1986
9	<u>Fiscal Year</u>
10	\$ 3,340,000

11 The funds appropriated by this section shall be allocated  
12 to the counties pursuant to the rules of the department in ef-  
13 fect on January 1, 1985. The department shall increase the  
14 income guidelines for income eligible persons receiving  
15 services funded with federal social services block grant funds  
16 for the fiscal year beginning July 1, 1985 by the same  
17 percentage and at the same time as federal social security  
18 benefits are increased due to a recognized increase in the  
19 cost of living.

20 Of the funds appropriated by this section, two million nine  
21 hundred forty thousand (2,940,000) dollars shall be earmarked  
22 for the purchase of local services and four hundred thousand  
23 (400,000) dollars shall be earmarked for child day care  
24 services.

25 In determining income eligibility for purchase of local  
26 services, the department shall disregard one third of the  
27 income of a disabled survivor who is a recipient of child's  
28 insurance benefits under the federal old-age, survivors, and  
29 disability insurance program established under title II of the  
30 federal Social Security Act.

31 A county may use up to four percent of the federal social  
32 services block grant funds and the state purchase of local  
33 services funds for the purchase of child day care services  
34 without matching the federal and state funds with local funds.

35 The department shall not require counties to match the

1 state child day care services funds with local funds but shall  
2 require that the counties allocate local funds for child day  
3 care services in an amount at least equal to the county  
4 expenditures for child day care services in the fiscal year  
5 ending June 30, 1983. The department shall reallocate state  
6 child day care services funds from counties which do not  
7 qualify for or do not utilize the funds to counties which do  
8 qualify for the funds.

9 If the department determines that funds earmarked under  
10 this section for child day care services will not be fully ex-  
11 pended, the department may increase the income guidelines in  
12 order to provide for the expenditure of all funds earmarked  
13 under this section for child day care services.

14 Sec. 10. REIMBURSEMENT RATES.

15 1. Except as provided in paragraphs "a" and "b" and except  
16 for medical assistance services provided to recipients in  
17 state mental health institutes and the veterans home,  
18 intermediate care facilities services for the mentally  
19 retarded, and the material costs of products which are  
20 reimbursed at the acquisition cost, the reimbursement and per  
21 diem rates for medical assistance providers for the fiscal  
22 year beginning July 1, 1985 shall be limited to the  
23 reimbursement and per diem rates for the providers in effect  
24 on June 30, 1985.

25 a. Beginning January 1, 1986, the basis for establishing  
26 the maximum medical assistance reimbursement rate for  
27 intermediate care facilities shall be no higher than the  
28 fifty-fifth percentile of all facility per diems as calculated  
29 from the September 30, 1985, unaudited compilation of  
30 financial and statistical reports.

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

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

5 2. Except for licensed or approved group foster care  
6 facilities and juvenile shelter care facilities, for the  
7 fiscal year beginning July 1, 1985, the reimbursement rates  
8 for the providers of the following social services shall be  
9 increased by one percent over their reimbursement rates in  
10 effect on June 30, 1985: subsidized adoptions, family  
11 planning, family centered services, foster family homes, state  
12 cases, protective day care, purchase of local services, and  
13 child day care services. The department shall follow its  
14 regular rate setting procedures in calculating the providers'  
15 reimbursement rates, except that the reimbursement rates for  
16 foster family homes and subsidized adoptions shall be  
17 increased on the average in such a manner as to increase the  
18 reimbursements to all foster family age categories by the same  
19 dollar amount.

20 Effective July 1, 1985, reimbursement rates for licensed or  
21 approved group foster care facilities and juvenile shelter  
22 care facilities shall be limited to a two percent increase  
23 over their rates in effect on June 30, 1985. However, no such  
24 facility shall be reimbursed in excess of sixty-five dollars  
25 and fifty cents per day. The department shall follow its  
26 regular rate setting procedures in calculating a facility's  
27 rate.

28 3. Effective July 1, 1985, reimbursement rates for  
29 residential care facilities which participate in the state  
30 supplemental assistance program and utilize the cost related  
31 reimbursement system, shall be limited to a two percent  
32 increase over their rates in effect on June 30, 1985.

33 However, no such facility shall be reimbursed in excess of  
34 seventeen dollars and eleven cents per day. The department  
35 shall follow its regular rate setting procedures in

1 calculating a facility's rate.

2 Sec. 11. PURCHASE OF SERVICE CONTRACTS.

3 1. The department shall adopt rules pursuant to chapter  
4 17A establishing policies and procedures to govern the use of  
5 requests for proposals as a tool for the selection of  
6 providers under purchase of service contracts.

7 2. The department may develop and implement a pilot  
8 project establishing a prospective payment system for purchase  
9 of service providers in no more than two departmental dis-  
10 tricts.

11 Sec. 12. EMPLOYEE DAMAGE REIMBURSEMENTS. Notwithstanding  
12 the dollar limitation in section 217.23, subsection 2, the  
13 department may reimburse an employee under that section an  
14 amount up to one hundred fifty dollars for each item damaged  
15 or destroyed.

16 Sec. 13. INVOLUNTARY TRANSFERS. If a skilled nursing  
17 facility or an intermediate care facility receives payments  
18 under title XIX of the federal Social Security Act for one or  
19 more patients in the facility, the facility shall not involun-  
20 tarily transfer any patient to another facility if that  
21 patient had previously been receiving medical assistance under  
22 chapter 249A for care in the facility and has been  
23 disqualified for that medical assistance because of an  
24 increase in income, but agrees to pay all of the patient's  
25 income and resources not exempt under guidelines in title XIX  
26 of the federal Social Security Act for continued care in the  
27 facility and that payment equals or exceeds the medical  
28 assistance reimbursement rate for the particular facility.

29 Sec. 14. SEVERELY DISABLED POPULATION STUDY. The  
30 department shall study, in consultation with all relevant  
31 state agencies and with organizations representing the  
32 severely disabled population, and with the assistance of state  
33 agencies currently serving the severely disabled population,  
34 the feasibility of establishing a central registry or  
35 information system relating to the severely disabled

1 population in need of services. The study shall address data  
 2 collection, data usage, and confidentiality of data, and shall  
 3 include a review of alternative strategies for establishing  
 4 and implementing a central registry or information system and  
 5 estimate of the costs of the alternative strategies. The  
 6 department shall report the results of the study to the  
 7 general assembly by January 1, 1986.

8 Sec. 15. RULES. The department of human services may  
 9 adopt administrative rules under section 17A.4, subsection 2,  
 10 and section 17A.5, subsection 2, paragraph "b", relating to  
 11 subsidized adoption services in section 3, subsection 7,  
 12 paragraph "a" of this Act, county-based juvenile justice  
 13 reimbursements in section 3, subsection 10 of this Act,  
 14 supplementation of federal social services block grant funds  
 15 in section 9 of this Act, and reimbursements in section 10 of  
 16 this Act, and the rules shall become effective immediately  
 17 upon filing, unless a later effective date is specified in the  
 18 rules.

19 Sec. 16. MATERNAL AND CHILD HEALTH FUNDING. There is  
 20 appropriated from the general fund of the state for the fiscal  
 21 year beginning July 1, 1985, and ending June 30, 1986, to the  
 22 state department of health for use by the personal and family  
 23 health division to expand the geographical coverage of  
 24 maternal health centers and child health centers statewide,  
 25 the following amount, or so much thereof as is necessary:

26	1985-1986
27	<u>Fiscal Year</u>
28	\$ 375,000

29 Sec. 17. FOSTER CARE REVIEW BOARD. There is appropriated  
 30 from the general fund of the state for the fiscal year  
 31 beginning July 1, 1985, and ending June 30, 1986, to the  
 32 foster care review board, the following amount, or so much  
 33 thereof as is necessary:

34	1985-1986
35	<u>Fiscal Year</u>

1 For salaries and support of  
2 not more than four full-time  
3 equivalent positions annually,  
4 maintenance, and miscellaneous  
5 purposes ..... \$ 141,000

6 Sec. 18. COMMISSION ON CHILDREN, YOUTH, AND FAMILIES.

7 There is appropriated from the general fund of the state for  
8 the fiscal year beginning July 1, 1985, and ending June 30,  
9 1986, to the commission on children, youth, and families, the  
10 following amount, or so much thereof as is necessary:

11 1985-1986  
12 Fiscal Year

13 For salaries and support of  
14 not more than four full-time  
15 equivalent positions annually,  
16 maintenance, and miscellaneous  
17 purposes ..... \$ 100,000

18 Sec. 19. FEDERAL RECEIPTS. All federal grants to and the  
19 federal receipts of the department of human services, the  
20 foster care review board, and the commission on children,  
21 youth, and families are appropriated for the purposes set  
22 forth in the federal grants or receipts. The veterans per  
23 diem payable for veterans at the veterans home and funds  
24 received under Title XIX of the federal Social Security Act by  
25 the state mental health institutes and state hospital-schools  
26 shall be deposited in the general fund.

27 Sec. 20. CAPITAL EXPENDITURES EXCLUDED. Funds ap-  
28 propriated by this Act shall not be used for capital acqui-  
29 sitions or improvements.

30 Sec. 21. The amount of the funds appropriated under this  
31 Act for the fiscal year beginning July 1, 1985 and ending June  
32 30, 1986 shall be reduced by one percent, rounded to the  
33 nearest whole dollar, and the provisions of this section shall  
34 prevail over any other provision of this Act.

35 EXPLANATION

1 This bill appropriates moneys from the general fund of the  
2 state for the 1985-1986 fiscal year to the department of human  
3 services for its operating expenses and various programs and  
4 institutions, including but not limited to aid to families  
5 with dependent children, medical assistance, foster care,  
6 state supplementary assistance, the state mental health  
7 institutes and hospital-schools, the veterans home, and the  
8 state juvenile institutions.

9 The bill also appropriates operating funds to the depart-  
10 ment of health for maternal and child health centers, and to  
11 the foster care review board and the commission on children,  
12 youth, and families.

13 The bill reduces all appropriation line items by one  
14 percent.

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HOUSE FILE 771

H-4046

- 1 Amend House File 771 as follows:
- 2 1. Page 2, lines 18 and 19, by striking the words
- 3 "level of grant payments" and inserting the following:
- 4 "schedule of basic needs".

H-4046 FILED APRIL 25, 1985 BY CARL of Poweshiek  
ADOPTED (p. 1847)

HOUSE FILE 771

H-4049

- 1 Amend House File 771 as follows:
- 2 1. Page 12, by inserting after line 26 the
- 3 following:
- 4 "As long as there is a demonstrated need,
- 5 the department of human services shall continue to
- 6 operate a geriatric program at the state mental health
- 7 institute at Mount Pleasant. A reduction in the
- 8 patient population at the institute necessary as a
- 9 result of the correctional addition at the institute
- 10 shall not be achieved by eliminating a specific
- 11 program, unless the institute's citizens' advisory
- 12 board or the general assembly determines that there is
- 13 no longer a demonstrable need for the specific
- 14 program. If the department decides to reduce the
- 15 catchment area for Mount Pleasant mental health
- 16 institute, they shall consider the reduction temporary
- 17 until further population trends are clarified."

BY CARTER of Henry  
COREY of Louisa  
SPEAR of Lee  
BAXTER of Des Moines  
SULLIVAN of Van Buren

H-4049 FILED APRIL 25, 1985  
ADOPTED (p. 1848)

HOUSE FILE 771

H-4052

- 1 Amend House File 771 as follows:
- 2 1. Page 7, line 25, by striking the figure
- 3 "2,485,000" and inserting the following: "2,335,000".
- 4 2. Page 7, by striking lines 30 and 31 and
- 5 inserting the following:
- 6 "b. Of the funds appropriated by this subsection,
- 7 three hundred thousand (300,000) dollars, or so much
- 8 thereof as".

BY VAN MAANEN of Mahaska  
WELDEN of Hardin

H-4052 FILED APRIL 25, 1985  
WITHDRAWN (p. 1853)

HOUSE FILE 771

H-4042

1 Amend House File 771 as follows:

2 1. Page 5, by inserting after line 10 the  
3 following:

4 "In addition, the department, the university of  
5 Iowa hospitals and clinics, representatives of health  
6 provider organizations, the state department of  
7 health, and the Iowa state association of counties  
8 shall cooperate in a study of the applicability of the  
9 state of Colorado's medically indigent program to the  
10 state of Iowa. The study shall include consideration  
11 of all potential funding sources to defray the costs  
12 of a comprehensive perinatal services and obstetrical  
13 access program if such a program is proven to be  
14 economically feasible for the state of Iowa. The  
15 department shall present the results of the study to  
16 the chairpersons of the general assembly's human  
17 services and education appropriations subcommittees by  
18 January 15, 1986."

BY MULLINS of Kossuth  
CARL of Poweshiek  
H-4042 FILED APRIL 24, 1985

VARN of Johnson  
WELDEN of Hardin  
JOCHUM of Dubuque

*Adopted 4/25/85 (p. 1848)*

HOUSE FILE 771

H-4043

1 Amend House File 771 as follows:

2 1. Page 14, line 10, by striking the figure  
3 "3,340,000" and inserting the figure "3,190,000".

4 2. Page 14, line 22, by striking the words "four  
5 hundred" and inserting the following: "two hundred  
6 fifty".

7 3. Page 14, line 23, by striking the figure  
8 "400,000" and inserting the following: "250,000".

H-4043 FILED APRIL 24, 1985

BY VAN MAANEN of Mahaska  
WELDEN of Hardin

*Local 4/25/85 (p. 1853)*

HOUSE FILE 771

H-4050

- 1 Amend House File 771 as follows:  
2 1. Page 1, line 11, by striking the figure  
3 "7,960,000" and inserting the following: "7,809,250".  
4 2. Page 2, line 2, by striking the figure  
5 "22,800,000" and inserting the following:  
6 "22,319,495".  
7 3. Page 6, line 7, by striking the figure  
8 "1,000,000" and inserting the following: "996,123".  
9 4. Page 7, line 11, by striking the figure  
10 "25,175,000" and inserting the following:  
11 "24,846,288".  
12 5. Page 10, line 14, by striking the figure  
13 "8,080,000" and inserting the following: "8,024,145".  
14 6. Page 10, line 29, by striking the figure  
15 "19,430,000" and inserting the following:  
16 "19,304,550".  
17 7. Page 11, line 30, by striking the figure  
18 "33,200,000" and inserting the following:  
19 "33,045,782".  
20 8. Page 13, line 8, by striking the figure  
21 "50,100,000" and inserting the following:  
22 "49,645,014".  
23 9. Page 19, line 5, by striking the figure  
24 "141,000" and inserting the following: "136,065".  
25 10. Page 19, line 17, by striking the figure  
26 "100,000" and inserting the following: "98,002".

H-4050 FILED APRIL 25, 1985 BY JOCHUM of Dubuque  
ADOPTED (p. 1847)

HOUSE FILE 771

H-4057

- 1 Amend the amendment, H-4048, to House File 771 as  
2 follows:  
3 1. Page 1, by striking line 2 and inserting the  
4 following:  
5 "\_\_\_\_. Page 3, line 6, by inserting after the word  
6 "program" the following: "which are either set by the  
7 school or for which program recipients have no choice  
8 in the amount of the expenses"."

H-4057 FILED APRIL 25, 1985 BY CLARK of Cerro Gordo  
LOST (p. 1853)

HOUSE FILE 771

H-4051

1 Amend House File 771 as follows:  
2 1. Page 2, by striking lines 17 through 28 and  
3 inserting the following:  
4 "a. As a condition of the appropriation, effective  
5 July 1, 1985, the department shall establish the  
6 schedule of basic needs for one person at one hundred  
7 fifty-nine dollars, for two persons at three hundred  
8 fourteen dollars, for three persons at three hundred  
9 seventy dollars, for four persons at four hundred  
10 thirty-one dollars, for five persons at four hundred  
11 seventy-seven dollars, for six persons at five hundred  
12 thirty dollars, for seven persons at five hundred  
13 eighty-three dollars, for eight persons at six hundred  
14 thirty-five dollars, for nine persons at six hundred  
15 eighty-eight dollars, for ten persons at seven hundred  
16 fifty-two dollars, and for each additional person at  
17 seventy-five dollars."

BY VAN MAANEN of Mahaska  
WELDEN of Hardin

H-4051 FILED APRIL 25, 1985  
LOST (p. 1850)

HOUSE FILE 771

H-4053

1 Amend House File 771 as follows:  
2 1. Page 14, lines 11 through 13, by striking the  
3 words "The funds appropriated by this section shall be  
4 allocated to the counties pursuant to the rules of the  
5 department in effect on January 1, 1985." and  
6 inserting the following: "The funds appropriated by  
7 this section and the federal social services block  
8 grant funds which the state funds appropriated by this  
9 section supplement, shall be distributed to the  
10 counties based equally on the following factors: the  
11 county's proportion of the state's population; the  
12 county's proportion of the state's poverty population;  
13 and the county's proportion of the previous fiscal  
14 year's local purchase state allocation."

H-4053 FILED APRIL 25, 1985 BY HAVERLAND of Polk  
LOST (p. 1852)

HOUSE FILE 771

H-4048

1 Amend House File 771 as follows:  
2 1. Page 3, by striking lines 3 through 6.

H-4048 FILED APRIL 25, 1985 BY GRANDIA of Marion  
LOST (p. 1853)

HOUSE FILE 771

BY COMMITTEE ON APPROPRIATIONS

*Substituted for S.F. 571*

(As Amended and Passed by the House April 25, 1985)

Re Passed House, Date 4-30-85 (p. 2041) Passed Senate, Date 4-26-85 (p. 1704)

Vote: Ayes 82 Nays 17 Vote: Ayes 35 Nays 6

Approved May 3, 1985 (p. 2307)

*Repassed Senate 4-30-85 (p. 1814)*  
24-5

## A BILL FOR

1 An Act relating to the administration and financing of services  
2 and programs under the jurisdiction of the department of  
3 human services, the state department of health, the foster  
4 care review board, and the commission on children, youth,  
5 and families for the fiscal year beginning July 1, 1985,  
6 and ending June 30, 1986.

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

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House Amendments \_\_\_\_\_

1 Section 1. GENERAL ADMINISTRATION. There is appropriated  
 2 from the general fund of the state for the fiscal year  
 3 beginning July 1, 1985, and ending June 30, 1986, to the  
 4 department of human services for general administration,  
 5 including salaries and support of not more than four hundred  
 6 sixteen and three-quarters full-time equivalent positions  
 7 annually, maintenance, and miscellaneous purposes, the  
 8 following amount, or so much thereof as is necessary:

9	1985-1986
10	<u>Fiscal Year</u>
11	\$ <u>7,809,250</u>

12 As a condition of the appropriation made by this section,  
 13 the department, after consultation with provider and consumer  
 14 organizations, shall adopt rules pursuant to chapter 17A to  
 15 approve by April 1, 1986 community, supervised apartment  
 16 living arrangements for per diem or per hour purchase-of-  
 17 service reimbursements or for grants. For the fiscal year be-  
 18 ginning July 1, 1985, and ending June 30, 1986, the department  
 19 shall continue to reimburse on a per diem basis those  
 20 providers of community, supervised apartment living  
 21 arrangements which were reimbursed on a per diem basis during  
 22 the fiscal year ending June 30, 1985.

23 Sec. 2. FIELD OPERATIONS AND VOLUNTEERS. There is  
 24 appropriated from the general fund of the state for the fiscal  
 25 year beginning July 1, 1985, and ending June 30, 1986, to the  
 26 department of human services, the following amounts, or so  
 27 much thereof as is necessary, to be used for the purposes  
 28 designated:

29	1985-1986
30	<u>Fiscal Year</u>

31 1. For field operations,  
 32 including salaries and sup-  
 33 port of not more than two  
 34 thousand two hundred thirty-  
 35 six full-time equivalent po-

1 sitions annually, maintenance,  
2 and miscellaneous purposes ..... \$ 22,319,495

3 The state comptroller shall expedite the process for hiring  
4 protective service workers authorized under this section.

5 2. For development and  
6 coordination of volunteer  
7 services ..... \$ 72,000

8 Sec. 3. SPECIAL PROGRAMS. There is appropriated from the  
9 general fund of the state for the fiscal year beginning July  
10 1, 1985, and ending June 30, 1986, to the department of human  
11 services, the following amounts, or so much thereof as is  
12 necessary, to be used for the purposes designated:

13 1985-1986  
14 Fiscal Year

15 1. For aid to families with  
16 dependent children ..... \$ 63,850,000

17 a. As a condition of the appropriation, effective January  
18 1, 1986, the department shall establish the schedule of basic  
19 needs for one person at one hundred sixty-three dollars, for  
20 two persons at three hundred twenty-two dollars, for three  
21 persons at three hundred eighty-one dollars, for four persons  
22 at four hundred forty-three dollars, for five persons at four  
23 hundred ninety dollars, for six persons at five hundred forty-  
24 five dollars, for seven persons at five hundred ninety-nine  
25 dollars, for eight persons at six hundred fifty-three dollars,  
26 for nine persons at seven hundred seven dollars, for ten  
27 persons at seven hundred seventy-three dollars, and for each  
28 additional person at seventy-seven dollars.

29 b. The department shall study the recipient classi-  
30 fications under the aid to families with dependent children  
31 program and the federal-state food stamp program which are  
32 subject to the monthly reporting and retrospective budgeting  
33 requirements to determine if the classifications are  
34 appropriate and if the costs associated with the  
35 classifications are justified. The department shall report

1 its findings from the study to the general assembly by January  
2 1, 1986.

3 c. Effective July 1, 1985, the department shall eliminate  
4 the twenty percent copayment for school expenses under the  
5 special needs program of the aid to families with dependent  
6 children program.

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

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

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

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

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

25 e. Any spontaneous abor-  
26 tion, commonly known as a mis-  
27 carriage, if not all of the  
28 products of conception are ex-  
29 pelled ..... \$121,600,000

30 Of the funds appropriated by this subsection, not more than  
31 two hundred thousand (200,000) dollars may be transferred on  
32 or before December 31, 1985, to the state department of health  
33 for contingency state assistance for the federal women,  
34 infants, and children program in order to allow the state  
35 department of health to fully use available federal funds

1 under the program. The state department of health shall  
2 notify the commissioner of human services and the state  
3 comptroller when a portion of the funds identified by this  
4 subsection are needed for the federal women, infants, and  
5 children program.

6 The department shall conduct ex parte reviews of the cases  
7 of those persons whose aid to families with dependent  
8 children, supplemental security income, or medical assistance  
9 benefits have been terminated, in order to determine if the  
10 persons are eligible for medical assistance benefits under the  
11 medically needy program.

12 The department shall explore means to make full use of  
13 veterans' benefits for those medical assistance recipients in  
14 intermediate care facilities whose current eligibility for  
15 veterans' benefits has not been established.

16 The department shall seek to reduce the utilization of  
17 surgical procedures with high coefficients of variation, as  
18 determined through small area analysis, under the medical  
19 assistance program. The department may develop special  
20 utilization review efforts, physician education programs, or  
21 may mandate second opinions for selected surgical procedures  
22 in order to reduce utilization rates. The department shall  
23 collect information on the effectiveness of its efforts to  
24 reduce utilization for common surgical procedures with high  
25 coefficients of variation and shall report to the general  
26 assembly on the effectiveness of its efforts, with a  
27 preliminary report due February 1, 1986, and a revised report  
28 due January 1, 1987.

29 The department shall study the feasibility of implementing  
30 a comprehensive perinatal services and obstetrical access  
31 program under the medical assistance program similar to the  
32 program established in the state of California and shall  
33 review the cost effectiveness of implementing a bidding system  
34 for providing comprehensive medical coverage for medical  
35 assistance recipients under a case-management program. The

1 department shall report to the general assembly by February 1,  
2 1986, on the feasibility and cost-effectiveness of es-  
3 tablishing the programs. However, the department may apply  
4 for waivers from the federal government to implement the  
5 programs, if the department determines the programs will  
6 result in cost savings to the state and provide equivalent or  
7 improved levels of care for the populations the programs would  
8 serve. The department may continue to seek a waiver under the  
9 authority of 1984 Iowa Acts, chapter 1310, section 3,  
10 subsection 2, unnumbered paragraph 2.

11 In addition, the department, the university of Iowa  
12 hospitals and clinics, representatives of health provider  
13 organizations, the state department of health, and the Iowa  
14 state association of counties shall cooperate in a study of  
15 the applicability of the state of Colorado's medically  
16 indigent program to the state of Iowa. The study shall  
17 include consideration of all potential funding sources to  
18 defray the costs of a comprehensive perinatal services and  
19 obstetrical access program if such a program is proven to be  
20 economically feasible for the state of Iowa. The department  
21 shall present the results of the study to the chairpersons of  
22 the general assembly's human services and education  
23 appropriations subcommittees by January 15, 1986.

24 If the department receives approval for a program of home  
25 and community-based services pursuant to a waiver under Title  
26 XIX of the federal Social Security Act, the program shall be  
27 funded with the appropriation made by this subsection. A  
28 county shall reimburse the department for the cost of services  
29 under the program, which is not paid from federal funds, to  
30 mentally retarded or mentally ill persons with legal settle-  
31 ment in the county at the same percentage which the county is  
32 required to reimburse the state for mentally retarded or men-  
33 tally ill persons receiving services at state institutions.

34 3. For medical contracts ..... \$ 1,970,000

35 The department shall study the reimbursement methodologies

1 under the medical assistance program and the related systems  
2 of delivering services, with the objective of developing more  
3 equitable and less inflationary systems of delivering services  
4 and reimbursing providers for the services. The study shall  
5 include an examination of health maintenance organizations,  
6 preferred provider organizations, and other forms of  
7 capitation payments.

8 The department shall study new reimbursement methodologies  
9 under the medical assistance program which would establish a  
10 differential payment system for heavy care residents of inter-  
11 mediate care facilities. The department shall develop a heavy  
12 care reimbursement methodology for implementation by July 1,  
13 1986.

14 4. For child support re-  
15 coveries, including salary  
16 and support of not more than  
17 one hundred eight full-time  
18 equivalent positions annually,  
19 maintenance, and miscellaneous  
20 purposes ..... \$ 996,123

21 The commissioner of human services, within the limitations  
22 of the funds appropriated in this subsection or funds  
23 transferred from the aid to families with dependent children  
24 program for this purpose, may establish new positions and add  
25 additional employees to the child support recovery unit when  
26 the commissioner determines that both the current and  
27 additional employees together can reasonably be expected to  
28 recover for the aid to families with dependent children  
29 program and the nonpublic assistance support recovery program  
30 more than twice the amount of money required to pay the  
31 salaries and support for both the current and additional  
32 employees. The department shall demonstrate the cost  
33 effectiveness of the current and additional employees by  
34 reporting to the human services appropriations subcommittee  
35 the ratio of the total amount of administrative costs for

1 child support recoveries to the total amount of the child  
2 support recoveries.

3 5. For state supplementary  
4 assistance, including state  
5 supplementary assistance for  
6 the blind ..... \$ 9,850,000

7 6. For aid to Indians under  
8 section 252.43 ..... \$ 37,000

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

11 7. For home-based services ..... \$ 5,350,000

12 a. Of the funds appropriated by this subsection, seven  
13 hundred three thousand (703,000) dollars, or so much thereof  
14 as is necessary, is allocated for subsidized adoptions,  
15 including the purchase of services for severely handicapped  
16 children and children in large sibling groups.

17 b. Of the funds appropriated by this subsection, two  
18 hundred thousand (200,000) dollars, or so much thereof as is  
19 necessary, is allocated for family planning.

20 c. Of the funds appropriated by this subsection, four  
21 million four hundred forty-seven thousand (4,447,000) dollars,  
22 or so much thereof as is necessary, is allocated for family  
23 centered services.

24 8. For foster care ..... \$ 24,846,288

25 a. The department may transfer a portion of the funds  
26 appropriated by this subsection for use in providing  
27 subsidized adoption services, if funds allocated under  
28 subsection 7 are insufficient to provide necessary subsidized  
29 adoption services.

30 b. No more than thirty-five percent of all children in  
31 foster care funded under Title IV, part E of the federal  
32 Social Security Act shall be in foster care for more than  
33 twenty-four months.

34 c. Of the funds appropriated by this subsection, thirty-  
35 six thousand (36,000) dollars, or so much thereof as is

1 necessary, is allocated for foster parent training.

2 9. For community-based pro-

3 grams ..... \$ 2,485,000

4 a. Of the funds appropriated by this subsection, one  
5 hundred twenty-five thousand (125,000) dollars, or so much  
6 thereof as is necessary, is allocated for displaced  
7 homemakers.

8 b. Of the funds appropriated by this subsection, four hun-  
9 dred fifty thousand (450,000) dollars, or so much thereof as  
10 is necessary, is allocated for child care center financial  
11 assistance.

12 Notwithstanding section 237A.13, subsection 4, funds  
13 unencumbered as of April 30, 1986, shall not be reallocated  
14 unless the unencumbered funds reclaimed exceed two thousand  
15 dollars.

16 c. Of the funds appropriated by this subsection, one  
17 hundred eighty thousand (180,000) dollars, or so much thereof  
18 as is necessary, is allocated for the child abuse prevention  
19 grant program.

20 d. Of the funds appropriated by this subsection, one  
21 hundred twenty-five thousand (125,000) dollars, or so much  
22 thereof as is necessary is allocated for domestic abuse  
23 program grants.

24 e. The commissioner of human services shall pay from funds  
25 appropriated by this subsection, as the entitled aid from the  
26 state under section 232.142, subsection 4, one half of one  
27 percent of the total cost of the establishment, improvements,  
28 operation, and maintenance of approved county or multicounty  
29 juvenile homes.

30 f. Of the funds appropriated by this subsection, two  
31 hundred fifty-five thousand (255,000) dollars, or so much  
32 thereof as is necessary, is allocated for community-based  
33 juvenile services. These funds shall be used to reduce the  
34 need for long-term juvenile institutional and group foster  
35 care placements, and to encourage home-based treatment

1 programs as alternatives to juvenile institutional care and  
2 group foster care. The department shall only approve grants  
3 for residential community-based services when such projects  
4 are designed to directly reduce the state juvenile  
5 institutional population or the number of children being  
6 placed in group foster care outside the state.

7 g. Of the funds appropriated by this subsection, five  
8 hundred twenty thousand (520,000) dollars, or so much thereof  
9 as is necessary, is allocated for state cases.

10 h. Of the funds appropriated by this subsection, eight  
11 hundred twenty thousand (820,000) dollars, or so much thereof  
12 as is necessary, is allocated for protective day care.

13 10. For county-based juvenile  
14 justice reimbursement under sec-  
15 tion 232.141, subsection 4 ..... \$ 2,400,000

16 Sec. 4. ADDITIONAL CHILD AND DOMESTIC ABUSE GRANT

17 APPROPRIATIONS. In addition to the funds appropriated by sec-  
18 tion 3, subsection 9 of this Act, there is appropriated from  
19 the general fund of the state for the fiscal year beginning  
20 July 1, 1985, and ending June 30, 1986, one hundred fifty  
21 thousand (150,000) dollars, or so much thereof as is  
22 necessary, for child abuse prevention grants, and one hundred  
23 thousand (100,000) dollars, or so much thereof as is  
24 necessary, for domestic abuse program grants. In addition to  
25 the funds appropriated and the full-time equivalent positions  
26 authorized by section 2, subsection 1 of this Act, there is  
27 appropriated from the general fund of the state for the fiscal  
28 year beginning July 1, 1985, and ending June 30, 1986, one  
29 hundred thousand (100,000) dollars, or so much thereof as is  
30 necessary, for additional protective service workers.

31 However, appropriation of the additional amounts for child  
32 abuse prevention grants and additional protective service  
33 workers is contingent upon enactment of 1985 Iowa Acts, House  
34 File 451, or other legislation imposing a fee of at least ten  
35 dollars for the registration of a certificate of birth.

1 Appropriation of the additional amount for domestic abuse  
2 program grants is contingent upon enactment of 1985 Iowa Acts,  
3 House File 549, or other legislation imposing a fee of at  
4 least fifteen dollars for entering a final decree of  
5 dissolution of marriage.

6 Sec. 5. JUVENILE AND VETERANS INSTITUTIONS. There is  
7 appropriated from the general fund of the state for the fiscal  
8 year beginning July 1, 1985, and ending June 30, 1986, to the  
9 department of human services, the following amount, or so much  
10 thereof as is necessary, to be used for the purposes  
11 designated:

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1985-1986  
Fiscal Year

1. For the operation of  
the state training school  
and the Iowa juvenile home,  
including salaries and sup-  
port of not more than two  
hundred six and one-half  
full-time equivalent posi-  
tions at the state train-  
ing school and of not more  
than one hundred eighteen  
full-time equivalent posi-  
tions at the Iowa juvenile  
home, maintenance, and mis-  
cellaneous purposes ..... \$ 8,024,145

Within the limitation of funds appropriated by this  
subsection, the department shall establish at the state  
training school and the Iowa juvenile home a chemical  
dependency program in cooperation with existing community  
programs.

One full-time equivalent position shall be established at  
the Iowa juvenile home to provide career education to meet the  
needs of older delinquent females.

1 2. For operation of the Iowa  
2 veterans home, including sal-  
3 aries and support of not more  
4 than seven hundred seventy-five  
5 full-time equivalent positions  
6 annually, maintenance, and mis-  
7 cellaneous purposes ..... \$ 19,304,550

8 With the funds appropriated by this subsection, and in  
9 addition to the seven hundred seventy-five full-time  
10 equivalent positions authorized as of July 1, 1985 by this  
11 subsection, the department may create and staff thirty-three  
12 full-time equivalent positions after January 1, 1986 in a unit  
13 to care for residents with alzheimer's disease.

14 The department may use the gifts accepted by the commis-  
15 sioner of human services pursuant to section 218.96 and other  
16 resources available to the department for use at the Iowa  
17 veterans home for purposes identified by the department.

18 Sec. 6. MENTAL HEALTH INSTITUTES. There is appropriated  
19 from the general fund of the state for the fiscal year  
20 beginning July 1, 1985, and ending June 30, 1986, to the  
21 department of human services, for the state mental health  
22 institutes, the following amount, or so much thereof as is  
23 necessary:

24 1985-1986  
25 Fiscal Year

26 1. For salaries and sup-  
27 port, of not more than four  
28 hundred thirty-seven and three-  
29 tenths full-time equivalent po-  
30 sitions annually at Cherokee,  
31 not more than two hundred eleven  
32 and eighty-five hundredths full-  
33 time equivalent positions an-  
34 nually at Clarinda, not more  
35 than four hundred forty-three

1 and one-half full-time equiva-  
2 lent positions annually at In-  
3 dependence, and not more than  
4 two hundred twenty and fifty-  
5 three hundredths full-time  
6 equivalent positions annually  
7 at Mount Pleasant, maintenance,  
8 and miscellaneous purposes ..... \$ 33,045,782

9 2. All funds received from client participation shall be  
10 deposited in the general fund of the state.

11 3. The superintendents of the state mental health  
12 institutes at Cherokee and Independence, in discharging the  
13 duties imposed by section 230.20, shall not include the costs  
14 of the psychiatric residency and chaplain intern programs  
15 maintained at those institutes in computing the institutes'  
16 respective daily charges to patients.

17 4. A state mental health institute shall not accept  
18 physical custody of a child alleged to be a child in need of  
19 assistance, on guest status or otherwise, for more than thirty  
20 days. A child found to be a child in need of assistance shall  
21 not be placed in a state mental health institute or other  
22 appropriate secure facility unless the juvenile court finds  
23 that the standard for voluntary admission or involuntary  
24 commitment in chapter 229 has been met. The finding may be  
25 made by the court under section 232.103 at any time prior to  
26 the expiration of a dispositional order.

27 5. The department shall pursue all reasonable courses of  
28 action necessary to expand the recruitment and retention of  
29 psychiatrists at the state mental health institutions. The  
30 department shall aggressively recruit psychiatrists, when  
31 necessary by sending department representatives to events and  
32 locations where psychiatrists are likely to be recruited and  
33 by taking other similar actions which have the likelihood of  
34 contributing to the recruitment of psychiatrists. The  
35 department shall continue to explore and implement, if

1 necessary, alternative approaches to retaining psychiatrists  
2 in the state hospital system, such as special contractual  
3 arrangements, expanded staff privileges, or improved  
4 educational opportunities for the medical staff.

5 6. As long as there is a demonstrated need, the department  
6 of human services shall continue to operate a geriatric  
7 program at the state mental health institute at Mount  
8 Pleasant. A reduction in the patient population at the  
9 institute necessary as a result of the correctional addition  
10 at the institute shall not be achieved by eliminating a  
11 specific program, unless the institute's citizens' advisory  
12 board or the general assembly determines that there is no  
13 longer a demonstrable need for the specific program. If the  
14 department decides to reduce the catchment area for Mount  
15 Pleasant mental health institute, they shall consider the  
16 reduction temporary until further population trends are  
17 clarified.

18 Sec. 7. HOSPITAL-SCHOOLS. There is appropriated from the  
19 general fund of the state for the fiscal year beginning July  
20 1, 1985, and ending June 30, 1986, to the department of human  
21 services, for the state hospital-schools, the following  
22 amount, or so much thereof as is necessary:

23 1985-1986  
24 Fiscal Year

25 1. For salaries and sup-  
26 port, of not more than one thou-  
27 sand two hundred sixty and seven-  
28 tenths full-time equivalent posi-  
29 tions annually at Glenwood and  
30 not more than one thousand fifty-  
31 six and sixty-two hundredths  
32 full-time equivalent positions  
33 at Woodward, maintenance, and  
34 miscellaneous purposes ..... \$ 49,645,014

35 2. All funds received from client participation shall be

1 deposited in the general fund of the state.

2 3. The state hospital-schools' per-patient-per-day cost as  
3 determined pursuant to section 222.73 shall be billed at  
4 eighty percent for the fiscal year, except as otherwise  
5 provided by subsection 4.

6 4. If more than twenty percent of the cost of a patient's  
7 care is initially paid from any source other than state-  
8 appropriated funds, the amount so paid shall be subtracted  
9 from the per-patient-per-day cost of that patient's care  
10 computed pursuant to section 222.73 and the patient's county  
11 of legal settlement shall be billed for the full balance of  
12 the cost so computed.

13 5. In the calculation of per diem rates, charges assessed  
14 to the county shall be credited with one hundred percent of  
15 client participation for eligible medical assistance patients  
16 at the state hospital-schools.

17 Sec. 8. MENTAL HEALTH AND RETARDATION SERVICES FUND.

18 There is appropriated from the general fund of the state for  
19 the fiscal year beginning July 1, 1985, and ending June 30,  
20 1986, to the state community mental health and mental  
21 retardation services fund established in section 225C.7, the  
22 following amount, or so much thereof as is necessary:

23	1985-1986
24	<u>Fiscal Year</u>
25	\$ 3,500,000

26 Sec. 9. BLOCK GRANT SUPPLEMENTATION. There is  
27 appropriated from the general fund of this state for the  
28 fiscal year beginning July 1, 1985, and ending June 30, 1986,  
29 to the department of human services for supplementation of  
30 federal social services block grant funds and for allocation  
31 to the various counties for the purchase of local services and  
32 child day care services for eligible individuals, the  
33 following amount, or so much thereof as is necessary:

34	1985-1986
35	<u>Fiscal Year</u>

1 § 3,340,000

2 The funds appropriated by this section shall be allocated  
3 to the counties pursuant to the rules of the department in ef-  
4 fect on January 1, 1985. The department shall increase the  
5 income guidelines for income eligible persons receiving  
6 services funded with federal social services block grant funds  
7 for the fiscal year beginning July 1, 1985 by the same  
8 percentage and at the same time as federal social security  
9 benefits are increased due to a recognized increase in the  
10 cost of living.

11 Of the funds appropriated by this section, two million nine  
12 hundred forty thousand (2,940,000) dollars shall be earmarked  
13 for the purchase of local services and four hundred thousand  
14 (400,000) dollars shall be earmarked for child day care  
15 services.

16 In determining income eligibility for purchase of local  
17 services, the department shall disregard one third of the  
18 income of a disabled survivor who is a recipient of child's  
19 insurance benefits under the federal old-age, survivors, and  
20 disability insurance program established under title II of the  
21 federal Social Security Act.

22 A county may use up to four percent of the federal social  
23 services block grant funds and the state purchase of local  
24 services funds for the purchase of child day care services  
25 without matching the federal and state funds with local funds.

26 The department shall not require counties to match the  
27 state child day care services funds with local funds but shall  
28 require that the counties allocate local funds for child day  
29 care services in an amount at least equal to the county  
30 expenditures for child day care services in the fiscal year  
31 ending June 30, 1983. The department shall reallocate state  
32 child day care services funds from counties which do not  
33 qualify for or do not utilize the funds to counties which do  
34 qualify for the funds.

35 If the department determines that funds earmarked under

1 this section for child day care services will not be fully ex-  
2 pended, the department may increase the income guidelines in  
3 order to provide for the expenditure of all funds earmarked  
4 under this section for child day care services.

5 Sec. 10. REIMBURSEMENT RATES.

6 1. Except as provided in paragraphs "a" and "b" and except  
7 for medical assistance services provided to recipients in  
8 state mental health institutes and the veterans home,  
9 intermediate care facilities services for the mentally  
10 retarded, and the material costs of products which are  
11 reimbursed at the acquisition cost, the reimbursement and per  
12 diem rates for medical assistance providers for the fiscal  
13 year beginning July 1, 1985 shall be limited to the  
14 reimbursement and per diem rates for the providers in effect  
15 on June 30, 1985.

16 a. Beginning January 1, 1986, the basis for establishing  
17 the maximum medical assistance reimbursement rate for  
18 intermediate care facilities shall be no higher than the  
19 fifty-fifth percentile of all facility per diems as calculated  
20 from the September 30, 1985, unaudited compilation of  
21 financial and statistical reports.

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

31 2. Except for licensed or approved group foster care  
32 facilities and juvenile shelter care facilities, for the  
33 fiscal year beginning July 1, 1985, the reimbursement rates  
34 for the providers of the following social services shall be  
35 increased by one percent over their reimbursement rates in

1 effect on June 30, 1985: subsidized adoptions, family  
2 planning, family centered services, foster family homes, state  
3 cases, protective day care, purchase of local services, and  
4 child day care services. The department shall follow its  
5 regular rate setting procedures in calculating the providers'  
6 reimbursement rates, except that the reimbursement rates for  
7 foster family homes and subsidized adoptions shall be  
8 increased on the average in such a manner as to increase the  
9 reimbursements to all foster family age categories by the same  
10 dollar amount.

11 Effective July 1, 1985, reimbursement rates for licensed or  
12 approved group foster care facilities and juvenile shelter  
13 care facilities shall be limited to a two percent increase  
14 over their rates in effect on June 30, 1985. However, no such  
15 facility shall be reimbursed in excess of sixty-five dollars  
16 and fifty cents per day. The department shall follow its  
17 regular rate setting procedures in calculating a facility's  
18 rate.

19 3. Effective July 1, 1985, reimbursement rates for  
20 residential care facilities which participate in the state  
21 supplemental assistance program and utilize the cost related  
22 reimbursement system, shall be limited to a two percent  
23 increase over their rates in effect on June 30, 1985.  
24 However, no such facility shall be reimbursed in excess of  
25 seventeen dollars and eleven cents per day. The department  
26 shall follow its regular rate setting procedures in  
27 calculating a facility's rate.

28 Sec. 11. PURCHASE OF SERVICE CONTRACTS.

29 1. The department shall adopt rules pursuant to chapter  
30 17A establishing policies and procedures to govern the use of  
31 requests for proposals as a tool for the selection of  
32 providers under purchase of service contracts.

33 2. The department may develop and implement a pilot  
34 project establishing a prospective payment system for purchase  
35 of service providers in no more than two departmental dis-

1 tricts.

2 Sec. 12. EMPLOYEE DAMAGE REIMBURSEMENTS. Notwithstanding  
3 the dollar limitation in section 217.23, subsection 2, the  
4 department may reimburse an employee under that section an  
5 amount up to one hundred fifty dollars for each item damaged  
6 or destroyed.

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

20 Sec. 14. SEVERELY DISABLED POPULATION STUDY. The  
21 department shall study, in consultation with all relevant  
22 state agencies and with organizations representing the  
23 severely disabled population, and with the assistance of state  
24 agencies currently serving the severely disabled population,  
25 the feasibility of establishing a central registry or  
26 information system relating to the severely disabled  
27 population in need of services. The study shall address data  
28 collection, data usage, and confidentiality of data, and shall  
29 include a review of alternative strategies for establishing  
30 and implementing a central registry or information system and  
31 estimate of the costs of the alternative strategies. The  
32 department shall report the results of the study to the  
33 general assembly by January 1, 1986.

34 Sec. 15. RULES. The department of human services may  
35 adopt administrative rules under section 17A.4, subsection 2,

1 and section 17A.5, subsection 2, paragraph "b", relating to  
2 subsidized adoption services in section 3, subsection 7,  
3 paragraph "a" of this Act, county-based juvenile justice  
4 reimbursements in section 3, subsection 10 of this Act,  
5 supplementation of federal social services block grant funds  
6 in section 9 of this Act, and reimbursements in section 10 of  
7 this Act, and the rules shall become effective immediately  
8 upon filing, unless a later effective date is specified in the  
9 rules.

10 Sec. 16. MATERNAL AND CHILD HEALTH FUNDING. There is  
11 appropriated from the general fund of the state for the fiscal  
12 year beginning July 1, 1985, and ending June 30, 1986, to the  
13 state department of health for use by the personal and family  
14 health division to expand the geographical coverage of  
15 maternal health centers and child health centers statewide,  
16 the following amount, or so much thereof as is necessary:

17	1985-1986
18	<u>Fiscal Year</u>
19	\$ 375,000

20 Sec. 17. FOSTER CARE REVIEW BOARD. There is appropriated  
21 from the general fund of the state for the fiscal year  
22 beginning July 1, 1985, and ending June 30, 1986, to the  
23 foster care review board, the following amount, or so much  
24 thereof as is necessary:

25	1985-1986
26	<u>Fiscal Year</u>

27	For salaries and support of	
28	not more than four full-time	
29	equivalent positions annually,	
30	maintenance, and miscellaneous	
31	purposes .....	\$ <u>136,065</u>

32 Sec. 18. COMMISSION ON CHILDREN, YOUTH, AND FAMILIES.  
33 There is appropriated from the general fund of the state for  
34 the fiscal year beginning July 1, 1985, and ending June 30,  
35 1986, to the commission on children, youth, and families, the

1 following amount, or so much thereof as is necessary:

2  
3 1985-1986  
Fiscal Year

4 For salaries and support of  
5 not more than four full-time  
6 equivalent positions annually,  
7 maintenance, and miscellaneous  
8 purposes ..... \$ 98,002

9 Sec. 19. FEDERAL RECEIPTS. All federal grants to and the  
10 federal receipts of the department of human services, the  
11 foster care review board, and the commission on children,  
12 youth, and families are appropriated for the purposes set  
13 forth in the federal grants or receipts. The veterans per  
14 diem payable for veterans at the veterans home and funds  
15 received under Title XIX of the federal Social Security Act by  
16 the state mental health institutes and state hospital-schools  
17 shall be deposited in the general fund.

18 Sec. 20. CAPITAL EXPENDITURES EXCLUDED. Funds ap-  
19 propriated by this Act shall not be used for capital acqui-  
20 sitions or improvements.

21 Sec. 21. The amount of the funds appropriated under this  
22 Act for the fiscal year beginning July 1, 1985 and ending June  
23 30, 1986 shall be reduced by one percent, rounded to the  
24 nearest whole dollar, and the provisions of this section shall  
25 prevail over any other provision of this Act.

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Amend House File 771 as follows:

1. Page 20, by inserting after line 25 the following:
- "There is appropriated for the fiscal year beginning July 1, 1986 and ending June 30, 1987 to the agencies and for the purposes specified the same amounts that are appropriated under this Act for the fiscal year beginning July 1, 1985 and ending June 30, 1986."
2. Renumber sections and correct internal references as necessary in accordance with this amendment,

*4/26 (p. 1704)*

S-4030 Filed April 26, 1985

By JUNKINS

S-4041

HOUSE FILE 771

- Amend House File 771 as amended, passed and reprinted by the House as follows:
1. Page 3, by striking lines 3 through 6.

S-4041 Filed April 26, 1985

By WALDSTEIN, PRIEBE,  
A. MILLER & VANDE HOEF

*Done 4/26 (p. 1703)*

S-4046

HOUSE FILE 771

- Amend House File 771 as follows:
1. Page 2, by striking lines 17 through 28 and inserting the following:
- "a. As a condition of the appropriation, effective July 1, 1985, the department shall establish the schedule of basic needs for one person at one hundred fifty-nine dollars, for two persons at three hundred fourteen dollars, for three persons at three hundred seventy dollars, for four persons at four hundred thirty-one dollars, for five persons at four hundred seventy-seven dollars, for six persons at five hundred thirty dollars, for seven persons at five hundred eighty-three dollars, for eight persons at six hundred thirty-five dollars, for nine persons at six hundred eighty-eight dollars, for ten persons at seven hundred fifty-two dollars, and for each additional person at seventy-five dollars."

*Done 4/26 (p. 1702)*

S-4046 Filed April 26, 1985

By VANDE HOEF, HESTER,  
RITSEMA & WALDSTEIN

SENATE 24  
APRIL 29, 1985

S-4040

HOUSE FILE 771

- 1 Amend House File 771 as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 11, by striking the figure
- 4 "7,809,250" and inserting the following: "7,960,000".
- 5 2. Page 1, by striking lines 12 through 22.
- 6 3. Page 2, line 2, by striking the figure
- 7 "22,319,495" and inserting the following:
- 8 "22,800,000".
- 9 4. Page 2, lines 18 and 19, by striking the words
- 10 "schedule of basic needs" and inserting the following:
- 11 "level of grant payments".
- 12 5. Page 5, by striking lines 11 through 23.
- 13 6. Page 6, line 20, by striking the figure
- 14 "996,123" and inserting the following: "1,000,000".
- 15 7. Page 7, line 24, by striking the figure
- 16 "24,846,288" and inserting the following:
- 17 "25,250,000".
- 18 8. Page 10, line 27, by striking the figure
- 19 "8,024,145" and inserting the following: "8,080,000".
- 20 9. Page 11, line 7, by striking the figure
- 21 "19,304,550" and inserting the following:
- 22 "19,430,000".
- 23 10. Page 12, line 8, by striking the figure
- 24 "33,045,782" and inserting the following:
- 25 "33,200,000".
- 26 11. Page 13, by striking lines 5 through 17.
- 27 12. Page 13, line 34, by striking the figure
- 28 "49,645,014" and inserting the following:
- 29 "50,100,000".
- 30 13. Page 17, lines 15 and 16, by striking the
- 31 words "sixty-five dollars and fifty" and inserting the
- 32 following: "sixty-six dollars and fifteen".
- 33 14. Page 17, line 25, by striking the word
- 34 "eleven" and inserting the following: "twenty-eight".
- 35 15. Page 19, line 31, by striking the figure
- 36 "136,065" and inserting the following: "141,000".
- 37 16. Page 20, line 8, by striking the figure
- 38 "98,002" and inserting the following: "100,000".
- 39 17. Page 20, by striking lines 21 through 25.

*w/d 4/26 (p. 1701)*

S-4040 Filed April 26, 1985

By DELUHERY

1 Amend House File 771, as amended, passed, and  
2 reprinted by the House, as follows:

- 3 1. Page 4, by striking lines 17 and 18 and  
4 inserting the following: "surgical procedures with ...  
5 high coefficients of variation under the medical".
- 6 2. Page 4, line 22, by striking the word "The"  
7 and inserting the following: "Subject to the  
8 limitation of funds available for this purpose, the".
- 9 3. Page 5, by striking lines 4 through 7 and  
10 inserting the following: "for a waiver from the  
11 federal government to implement the comprehensive  
12 perinatal services and obstetrical access program, if  
13 the department determines the program will result in  
14 cost savings to the state and provide equivalent or  
15 improved levels of care and access for the populations  
16 the program would".

*Adopted 4/26/85 (p. 1703)*

S-4065 Filed April 26, 1985

By BRUNER & DELUHERY

S-4069

HOUSE FILE 771

1 Amend House File 771, as amended, passed, and  
2 reprinted by the House, as follows:

- 3 1. Page 20, by inserting after line 25 the  
4 following new section:  
5 "Sec. \_\_\_\_ . There is appropriated for the fiscal  
6 year beginning July 1, 1986 and ending June 30, 1987  
7 to the agencies and for the purposes specified the  
8 same amounts that are appropriated under this Act for  
9 the fiscal year beginning July 1, 1985 and ending June  
10 30, 1986."
- 11 2. Renumber sections and correct internal  
12 references as necessary in accordance with this  
13 amendment.

S-4069 Filed April 26, 1985

By JUNKINS

*Adopted 4/26/85 (p. 1704)*

S-4085

HOUSE FILE 771

1 Amend House File 771 as amended, passed, and  
2 reprinted by the House as follows:

- 3 1. Page 16, line 20, by striking the word and  
4 figure "September 30" and inserting the following:  
5 "December 31".

*Adopted 4/26/85 (p. 1704)*

S-4085 Filed April 29, 1985

By PRIEBE

S-4066

HOUSE FILE 771

1 Amend House File 771 as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, line 11, by striking the figure  
4 "7,809,250" and inserting the following: "7,860,000".  
5 2. Page 2, line 2, by striking the figure  
6 "22,319,495" and inserting the following:  
7 "22,500,000".  
8 3. Page 3, line 29, by striking the figure  
9 "121,600,000" and inserting the following:  
10 "120,600,000".  
11 4. Page 6, line 20, by striking the figure  
12 "996,123" and inserting the following: "1,000,000".  
13 5. Page 7, line 24, by striking the figure  
14 "24,846,288" and inserting the following:  
15 "25,250,000".  
16 6. Page 10, line 27, by striking the figure  
17 "8,024,145" and inserting the following: "8,080,000".  
18 7. Page 11, line 7, by striking the figure  
19 "19,304,550" and inserting the following:  
20 "19,330,000".  
21 8. Page 12, line 8, by striking the figure  
22 "33,045,782" and inserting the following:  
23 "33,100,000".  
24 9. Page 13, line 34, by striking the figure  
25 "49,645,014" and inserting the following:  
26 "50,000,000".  
27 10. Page 17, lines 15 and 16, by striking the  
28 words "sixty-five dollars and fifty" and inserting the  
29 following: "sixty-six dollars and fifteen".  
30 11. Page 17, line 25, by striking the word  
31 "eleven" and inserting the following: "twenty-eight".

*Adopted 4/26/85 (p. 1702)*  
S-4066 Filed April 26, 1985

By DELUHERY

SENATE AMENDMENT TO HOUSE FILE 771

H-4114

- 1 Amend House File 771 as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 11, by striking the figure
- 4 "7,809,250" and inserting the following: "7,860,000".
- 5 2. Page 2, line 2, by striking the figure
- 6 "22,319,495" and inserting the following:
- 7 "22,500,000".
- 8 3. Page 3, line 29, by striking the figure
- 9 "121,600,000" and inserting the following:
- 10 "120,600,000".
- 11 4. Page 4, by striking lines 17 and 18 and
- 12 inserting the following: "surgical procedures with
- 13 high coefficients of variation under the medical".
- 14 5. Page 4, line 22, by striking the word "The"
- 15 and inserting the following: "Subject to the
- 16 limitation of funds available for this purpose, the".
- 17 6. Page 5, by striking lines 4 through 7 and
- 18 inserting the following: "for a waiver from the
- 19 federal government to implement the comprehensive
- 20 perinatal services and obstetrical access program, if
- 21 the department determines the program will result in
- 22 cost savings to the state and provide equivalent or
- 23 improved levels of care and access for the populations
- 24 the program would".
- 25 7. Page 6, line 20, by striking the figure
- 26 "996,123" and inserting the following: "1,000,000".
- 27 8. Page 7, line 24, by striking the figure
- 28 "24,846,288" and inserting the following:
- 29 "25,250,000".
- 30 9. Page 10, line 27, by striking the figure
- 31 "8,024,145" and inserting the following: "8,080,000".
- 32 10. Page 11, line 7, by striking the figure
- 33 "19,304,550" and inserting the following:
- 34 "19,330,000".
- 35 11. Page 12, line 8, by striking the figure
- 36 "33,045,782" and inserting the following:
- 37 "33,100,000".
- 38 12. Page 13, line 34, by striking the figure
- 39 "49,645,014" and inserting the following:
- 40 "50,000,000".
- 41 13. Page 16, line 20, by striking the word and
- 42 figure "September 30" and inserting the following:
- 43 "December 31".
- 44 14. Page 17, lines 15 and 16, by striking the
- 45 words "sixty-five dollars and fifty" and inserting the
- 46 following: "sixty-six dollars and fifteen".
- 47 15. Page 17, line 25, by striking the word
- 48 "eleven" and inserting the following: "twenty-eight".
- 49 16. Page 20, by inserting after line 25 the
- 50 following new section:

H-4114

Page Two

1 "Sec. \_\_\_\_ . There is appropriated for the fiscal  
2 year beginning July 1, 1986 and ending June 30, 1987  
3 to the agencies and for the purposes specified the  
4 same amounts that are appropriated under this Act for  
5 the fiscal year beginning July 1, 1985 and ending June  
6 30, 1986."

7 17. By renumbering, relettering, or redesignating  
8 and correcting internal references as necessary.

H-4114 FILED APRIL 29, 1985 RECEIVED FROM THE SENATE

*House amended (4142) 8*  
*Conferred 4-30-85 (p. 2041)*

HOUSE FILE 771

H-4142

1 Amend the amendment, H-4114, to House File 771, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 2, by striking lines 1 through 6 and  
5 inserting the following:

6 "Sec. \_\_\_\_ . Total appropriations specified in this  
7 Act for the fiscal year beginning July 1, 1985 and  
8 ending June 30, 1986 shall not be exceeded in the  
9 fiscal year beginning July 1, 1986 and ending June 30,  
10 1987 unless revenue growth as estimated by the  
11 legislative fiscal bureau in its December 31, 1985  
12 quarterly report exceeds four and one-half percent."

H-4142 FILED APRIL 30, 1985 BY NOPLAND of Worth  
ADOPTED (p. 2041)

HOUSE AMENDMENT TO SENATE  
AMENDMENT TO HOUSE FILE 771

1 Amend the amendment, H-4114, to House File 771, as  
2 amended, passed, and reprinted by the House, as  
3 follows:

4 1. Page 2, by striking lines 1 through 6 and  
5 inserting the following:

6 "Sec. \_\_\_\_ Total appropriations specified in this  
7 Act for the fiscal year beginning July 1, 1985 and  
8 ending June 30, 1986 shall not be exceeded in the  
9 fiscal year beginning July 1, 1986 and ending June 30,  
10 1987 unless revenue growth as estimated by the  
11 legislative fiscal bureau in its December 31, 1985  
12 quarterly report exceeds four and one-half percent."

S-4151 Filed April 30, 1985

RECEIVED FROM THE HOUSE

*Senate concurred 4-30-85 (7.1814)*

1 Amend House File 771 as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 20, by inserting after line 17 the  
 4 following new section:  
 5 "Sec. \_\_\_\_ . Any standing appropriation from the  
 6 general fund of the state for programs under the  
 7 control or supervision of any agency appropriated  
 8 funds under this Act shall be reduced by one percent,  
 9 rounded to the nearest whole dollar, for the fiscal  
 10 year beginning July 1, 1985 and ending June 30, 1986.  
 11 Any reduction in funds from the general fund of the  
 12 state to a political subdivision of the state shall  
 13 reduce the budget of the political subdivision and the  
 14 political subdivision shall not replace funds reduced  
 15 from the general fund of the state with funds received  
 16 from any property taxes levied by the political  
 17 subdivision."  
 18 2. Renumber sections and correcting internal  
 19 references as necessary in accordance with this  
 20 amendment.

*Lost 4/26 (p 1704)*

S-4071 Filed April 26, 1985

By HOLDEN

1 Amend House File 771 as amended, passed, and  
 2 reprinted by the House, as follows:  
 3 1. Page 20, by inserting after line 25 the  
 4 following new section:  
 5 "Sec. \_\_\_\_ . Any standing appropriation from the  
 6 general fund of the state for programs under the  
 7 control or supervision of any agency appropriated  
 8 funds under this Act which are reduced for the fiscal  
 9 year beginning July 1, 1985 and ending June 30, 1986  
 10 shall be appropriated in the same amounts for the  
 11 fiscal year beginning July 1, 1986 and ending June 30,  
 12 1987. Any reduction in funds from the general fund of  
 13 the state to a political subdivision of the state  
 14 shall reduce the budget of the political subdivision  
 15 and the political subdivision shall not replace funds  
 16 reduced from the general fund of the state with funds  
 17 received from any property taxes levied by the  
 18 political subdivision."  
 19 2. Renumber sections and correcting internal  
 20 references as necessary in accordance with this  
 21 amendment.

*Revised not germane 4/26 (p 1704)*

S-4078 Filed April 26, 1985

By HOLDEN, HULTMAN, LIND,  
 READINGER, TAYLOR & HOLT

HOUSE FILE 771

AN ACT

RELATING TO THE ADMINISTRATION AND FINANCING OF SERVICES AND PROGRAMS UNDER THE JURISDICTION OF THE DEPARTMENT OF HUMAN SERVICES, THE STATE DEPARTMENT OF HEALTH, THE FOSTER CARE REVIEW BOARD, AND THE COMMISSION ON CHILDREN, YOUTH, AND FAMILIES FOR THE FISCAL YEAR BEGINNING JULY 1, 1985, AND ENDING JUNE 30, 1986.

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, 1985, and ending June 30, 1986, to the department of human services for general administration, including salaries and support of not more than four hundred sixteen and three-quarters full-time equivalent positions annually, maintenance, and miscellaneous purposes, the following amount, or so much thereof as is necessary:

1985-1986  
Fiscal Year  
\$ 7,860,000

As a condition of the appropriation made by this section, the department, after consultation with provider and consumer organizations, shall adopt rules pursuant to chapter 17A to approve by April 1, 1986 community, supervised apartment living arrangements for per diem or per hour purchase-of-service reimbursements or for grants. For the fiscal year beginning July 1, 1985, and ending June 30, 1986, the department shall continue to reimburse on a per diem basis those providers of community, supervised apartment living arrangements which were reimbursed on a per diem basis during the fiscal year ending June 30, 1985.

Sec. 2. FIELD OPERATIONS AND VOLUNTEERS. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the department of human services, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1985-1986  
Fiscal Year

1. For field operations, including salaries and support of not more than two thousand two hundred thirty-six full-time equivalent positions annually, maintenance, and miscellaneous purposes ..... \$ 22,500,000

The state comptroller shall expedite the process for hiring protective service workers authorized under this section.

2. For development and coordination of volunteer services ..... \$ 72,000

Sec. 3. SPECIAL PROGRAMS. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the department of human services, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1985-1986  
Fiscal Year

1. For aid to families with dependent children ..... \$ 63,850,000

a. As a condition of the appropriation, effective January 1, 1986, the department shall establish the schedule of basic needs for one person at one hundred sixty-three dollars, for two persons at three hundred twenty-two dollars, for three persons at three hundred eighty-one dollars, for four persons at four hundred forty-three dollars, for five persons at four

hundred ninety dollars, for six persons at five hundred forty-five dollars, for seven persons at five hundred ninety-nine dollars, for eight persons at six hundred fifty-three dollars, for nine persons at seven hundred seven dollars, for ten persons at seven hundred seventy three dollars, and for each additional person at seventy-seven dollars.

b. The department shall study the recipient classifications under the aid to families with dependent children program and the federal-state food stamp program which are subject to the monthly reporting and retrospective budgeting requirements to determine if the classifications are appropriate and if the costs associated with the classifications are justified. The department shall report its findings from the study to the general assembly by January 1, 1986.

c. Effective July 1, 1985, the department shall eliminate the twenty percent copayment for school expenses under the special needs program of the aid to families with dependent children program.

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 ..... \$120,600,000

Of the funds appropriated by this subsection, not more than two hundred thousand (200,000) dollars may be transferred on or before December 31, 1985, to the state department of health for contingency state assistance for the federal women, infants, and children program in order to allow the state department of health to fully use available federal funds under the program. The state department of health shall notify the commissioner of human services and the state comptroller when a portion of the funds identified by this subsection are needed for the federal women, infants, and children program.

The department shall conduct ex parte reviews of the cases of those persons whose aid to families with dependent children, supplemental security income, or medical assistance benefits have been terminated, in order to determine if the persons are eligible for medical assistance benefits under the medically needy program.

The department shall explore means to make full use of veterans' benefits for those medical assistance recipients in intermediate care facilities whose current eligibility for veterans' benefits has not been established.

The department shall seek to reduce the utilization of surgical procedures with high coefficients of variation under the medical assistance program. The department may develop special utilization review efforts, physician education programs, or may mandate second opinions for selected surgical procedures in order to reduce utilization rates. Subject to the limitation of funds available for this purpose, the

department shall collect information on the effectiveness of its efforts to reduce utilization for common surgical procedures with high coefficients of variation and shall report to the general assembly on the effectiveness of its efforts, with a preliminary report due February 1, 1986, and a revised report due January 1, 1987.

The department shall study the feasibility of implementing a comprehensive perinatal services and obstetrical access program under the medical assistance program similar to the program established in the state of California and shall review the cost-effectiveness of implementing a bidding system for providing comprehensive medical coverage for medical assistance recipients under a case management program. The department shall report to the general assembly by February 1, 1986, on the feasibility and cost-effectiveness of establishing the programs. However, the department may apply for a waiver from the federal government to implement the comprehensive perinatal services and obstetrical access program, if the department determines the program will result in cost savings to the state and provide equivalent or improved levels of care and access for the populations the program would serve. The department may continue to seek a waiver under the authority of 1984 Iowa Acts, chapter 1310, section 3, subsection 2, unnumbered paragraph 2.

In addition, the department, the university of Iowa hospitals and clinics, representatives of health provider organizations, the state department of health, and the Iowa state association of counties shall cooperate in a study of the applicability of the state of Colorado's medically indigent program to the state of Iowa. The study shall include consideration of all potential funding sources to defray the costs of a comprehensive perinatal services and obstetrical access program if such a program is proven to be economically feasible for the state of Iowa. The department shall present the results of the study to the chairpersons of

the general assembly's human services and education appropriations subcommittees by January 15, 1986.

If the department receives approval for a program of home and community-based services pursuant to a waiver under Title XIX of the federal Social Security Act, the program shall be funded with the appropriation made by this subsection. A county shall reimburse the department for the cost of services under the program, which is not paid from federal funds, to mentally retarded or mentally ill persons with legal settlement in the county at the same percentage which the county is required to reimburse the state for mentally retarded or mentally ill persons receiving services at state institutions.

3. For medical contracts ..... \$ 1,970,000

The department shall study the reimbursement methodologies under the medical assistance program and the related systems of delivering services, with the objective of developing more equitable and less inflationary systems of delivering services and reimbursing providers for the services. The study shall include an examination of health maintenance organizations, preferred provider organizations, and other forms of capitation payments.

The department shall study new reimbursement methodologies under the medical assistance program which would establish a differential payment system for heavy care residents of intermediate care facilities. The department shall develop a heavy care reimbursement methodology for implementation by July 1, 1986.

4. For child support recoveries, including salary and support of not more than one hundred eight full-time equivalent positions annually, maintenance, and miscellaneous purposes ..... \$ 1,000,000

The commissioner of human 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 both the current and additional employees together 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 salaries and support for both the current and additional employees. The department shall demonstrate the cost effectiveness of the current and additional employees by reporting to the human 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.

5. For state supplementary assistance, including state supplementary assistance for the blind ..... \$ 9,850,000

6. For aid to Indians under section 252.43 ..... \$ 37,000

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

7. For home-based services ..... \$ 5,350,000

a. Of the funds appropriated by this subsection, seven hundred three thousand (703,000) dollars, or so much thereof as is necessary, is allocated for subsidized adoptions, including the purchase of services for severely handicapped children and children in large sibling groups.

b. Of the funds appropriated by this subsection, two hundred thousand (200,000) dollars, or so much thereof as is necessary, is allocated for family planning.

c. Of the funds appropriated by this subsection, four million four hundred forty-seven thousand (4,447,000) dollars, or so much thereof as is necessary, is allocated for family centered services.

8. For foster care ..... \$ 25,250,000

a. The department may transfer a portion of the funds appropriated by this subsection for use in providing subsidized adoption services, if funds allocated under subsection 7 are insufficient to provide necessary subsidized adoption services.

b. No more than thirty-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.

c. Of the funds appropriated by this subsection, thirty-six thousand (36,000) dollars, or so much thereof as is necessary, is allocated for foster parent training.

9. For community-based programs ..... \$ 2,485,000

a. Of the funds appropriated by this subsection, one hundred twenty-five thousand (125,000) dollars, or so much thereof as is necessary, is allocated for displaced homemakers.

b. Of the funds appropriated by this subsection, four hundred fifty thousand (450,000) dollars, or so much thereof as is necessary, is allocated for child care center financial assistance.

Notwithstanding section 237A.13, subsection 4, funds unencumbered as of April 30, 1986, shall not be reallocated unless the unencumbered funds reclaimed exceed two thousand dollars.

c. Of the funds appropriated by this subsection, one hundred eighty thousand (180,000) dollars, or so much thereof as is necessary, is allocated for the child abuse prevention grant program.

d. Of the funds appropriated by this subsection, one hundred twenty-five thousand (125,000) dollars, or so much thereof as is necessary is allocated for domestic abuse program grants.

e. The commissioner of human 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.

f. Of the funds appropriated by this subsection, two hundred fifty-five thousand (255,000) dollars, or so much thereof as is necessary, is allocated for community-based juvenile services. These funds shall be used to reduce the need for long-term juvenile institutional and group foster care placements, and to encourage home-based treatment programs as alternatives to juvenile institutional care and group foster care. The department shall only approve grants for residential community-based services when such projects are designed to directly reduce the state juvenile institutional population or the number of children being placed in group foster care outside the state.

g. Of the funds appropriated by this subsection, five hundred twenty thousand (520,000) dollars, or so much thereof as is necessary, is allocated for state cases.

h. Of the funds appropriated by this subsection, eight hundred twenty thousand (820,000) dollars, or so much thereof as is necessary, is allocated for protective day care.

10. For county-based juvenile justice reimbursement under section 232.141, subsection 4 ..... \$ 2,400,000

Sec. 4. ADDITIONAL CHILD AND DOMESTIC ABUSE GRANT APPROPRIATIONS. In addition to the funds appropriated by section 3, subsection 9 of this Act, there is appropriated from the general fund of the state for the fiscal year beginning

July 1, 1985, and ending June 30, 1986, one hundred fifty thousand (150,000) dollars, or so much thereof as is necessary, for child abuse prevention grants, and one hundred thousand (100,000) dollars, or so much thereof as is necessary, for domestic abuse program grants. In addition to the funds appropriated and the full-time equivalent positions authorized by section 2, subsection 1 of this Act, there is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, one hundred thousand (100,000) dollars, or so much thereof as is necessary, for additional protective service workers. However, appropriation of the additional amounts for child abuse prevention grants and additional protective service workers is contingent upon enactment of 1985 Iowa Acts, House File 451, or other legislation imposing a fee of at least ten dollars for the registration of a certificate of birth. Appropriation of the additional amount for domestic abuse program grants is contingent upon enactment of 1985 Iowa Acts, House File 549, or other legislation imposing a fee of at least fifteen dollars for entering a final decree of dissolution of marriage.

Sec. 5. JUVENILE AND VETERANS INSTITUTIONS. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the department of human services, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1985-1986  
Fiscal Year

1. For the operation of the state training school and the Iowa juvenile home, including salaries and support of not more than two hundred six and one-half

full-time equivalent positions at the state training school and of not more than one hundred eighteen full-time equivalent positions at the Iowa juvenile home, maintenance, and miscellaneous purposes ..... \$ 8,080,000

Within the limitation of funds appropriated by this subsection, the department shall establish at the state training school and the Iowa juvenile home a chemical dependency program in cooperation with existing community programs.

One full-time equivalent position shall be established at the Iowa juvenile home to provide career education to meet the needs of older delinquent females.

2. For operation of the Iowa veterans home, including salaries and support of not more than seven hundred seventy-five full-time equivalent positions annually, maintenance, and miscellaneous purposes ..... \$ 19,330,000

With the funds appropriated by this subsection, and in addition to the seven hundred seventy-five full-time equivalent positions authorized as of July 1, 1985 by this subsection, the department may create and staff thirty-three full-time equivalent positions after January 1, 1986 in a unit to care for residents with Alzheimer's disease.

The department may use the gifts accepted by the commissioner of human services pursuant to section 218.96 and other resources available to the department for use at the Iowa veterans home for purposes identified by the department.

Sec. 6. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state for the fiscal year

beginning July 1, 1985, and ending June 30, 1986, to the department of human services, for the state mental health institutes, the following amount, or so much thereof as is necessary:

1985-1986  
Fiscal Year

1. For salaries and support, of not more than four hundred thirty-seven and three-tenths full-time equivalent positions annually at Cherokee, not more than two hundred eleven and eighty-five hundredths full-time equivalent positions annually at Clarinda, not more than four hundred forty-three and one-half full-time equivalent positions annually at Independence, and not more than two hundred twenty and fifty-three hundredths full-time equivalent positions annually at Mount Pleasant, maintenance, and miscellaneous purposes ..... \$ 33,100,000

2. All funds received from client participation shall be deposited in the general fund of the state.

3. The superintendents of the state mental health institutes at Cherokee and Independence, in discharging the duties imposed by section 230.20, shall not include the costs of the psychiatric residency and chaplain intern programs maintained at those institutes in computing the institutes' respective daily charges to patients.

4. A state mental health institute shall not accept physical custody of a child alleged to be a child in need of assistance, on quest status or otherwise, for more than thirty

days. A child found to be a child in need of assistance shall not be placed in a state mental health institute or other appropriate secure facility unless the juvenile court finds that the standard for voluntary admission or involuntary commitment in chapter 229 has been met. The finding may be made by the court under section 232.103 at any time prior to the expiration of a dispositional order.

5. The department shall pursue all reasonable courses of action necessary to expand the recruitment and retention of psychiatrists at the state mental health institutions. The department shall aggressively recruit psychiatrists, when necessary by sending department representatives to events and locations where psychiatrists are likely to be recruited and by taking other similar actions which have the likelihood of contributing to the recruitment of psychiatrists. The department shall continue to explore and implement, if necessary, alternative approaches to retaining psychiatrists in the state hospital system, such as special contractual arrangements, expanded staff privileges, or improved educational opportunities for the medical staff.

6. As long as there is a demonstrated need, the department of human services shall continue to operate a geriatric program at the state mental health institute at Mount Pleasant. A reduction in the patient population at the institute necessary as a result of the correctional addition at the institute shall not be achieved by eliminating a specific program, unless the institute's citizens' advisory board or the general assembly determines that there is no longer a demonstrable need for the specific program. If the department decides to reduce the catchment area for Mount Pleasant mental health institute, they shall consider the reduction temporary until further population trends are clarified.

Sec. 7. HOSPITAL-SCHOOLS. There is appropriated from the general fund of the state for the fiscal year beginning July

1, 1985, and ending June 30, 1986, to the department of human services, for the state hospital-schools, the following amount, or so much thereof as is necessary:

1985-1986  
Fiscal Year

1. For salaries and support, of not more than one thousand two hundred sixty and seven-tenths full-time equivalent positions annually at Glenwood and not more than one thousand fifty-six and sixty-two hundredths full-time equivalent positions at Woodward, maintenance, and miscellaneous purposes ..... \$ 50,000,000

2. All funds received from client participation shall be deposited in the general fund of the state.

3. The state hospital-schools' per-patient-per-day cost as determined pursuant to section 222.73 shall be billed at eighty percent for the fiscal year, except as otherwise provided by subsection 4.

4. If more than twenty percent of the cost of a patient's care is initially paid from any source other than state-appropriated funds, the amount so paid shall be subtracted from the per-patient-per-day cost of that patient's care computed pursuant to section 222.73 and the patient's county of legal settlement shall be billed for the full balance of the cost so computed.

5. In the calculation of per diem rates, charges assessed to the county shall be credited with one hundred percent of client participation for eligible medical assistance patients at the state hospital-schools.

Sec. 8. MENTAL HEALTH AND RETARDATION SERVICES FUND. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30,

H.F. 771

1986, to the state community mental health and mental retardation services fund established in section 225C.7, the following amount, or so much thereof as is necessary:

1985-1986
<u>Fiscal Year</u>
\$ 3,500,000

Sec. 9. BLOCK GRANT SUPPLEMENTATION. There is appropriated from the general fund of this state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the department of human services for supplementation of federal social services block grant funds and for allocation to the various counties for the purchase of local services and child day care services for eligible individuals, the following amount, or so much thereof as is necessary:

1985-1986
<u>Fiscal Year</u>
\$ 3,340,000

The funds appropriated by this section shall be allocated to the counties pursuant to the rules of the department in effect on January 1, 1985. The department shall increase the income guidelines for income eligible persons receiving services funded with federal social services block grant funds for the fiscal year beginning July 1, 1985 by the same percentage and at the same time as federal social security benefits are increased due to a recognized increase in the cost of living.

Of the funds appropriated by this section, two million nine hundred forty thousand (2,940,000) dollars shall be earmarked for the purchase of local services and four hundred thousand (400,000) dollars shall be earmarked for child day care services.

In determining income eligibility for purchase of local services, the department shall disregard one third of the income of a disabled survivor who is a recipient of child's insurance benefits under the federal old-age, survivors, and

disability insurance program established under Title II of the federal Social Security Act.

A county may use up to four percent of the federal social services block grant funds and the state purchase of local services funds for the purchase of child day care services without matching the federal and state funds with local funds.

The department shall not require counties to match the state child day care services funds with local funds but shall require that the counties allocate local funds for child day care services in an amount at least equal to the county expenditures for child day care services in the fiscal year ending June 30, 1981. The department shall reallocate state child day care services funds from counties which do not qualify for or do not utilize the funds to counties which do qualify for the funds.

If the department determines that funds earmarked under this section for child day care services will not be fully expended, the department may increase the income guidelines in order to provide for the expenditure of all funds earmarked under this section for child day care services.

#### Sec. 10. REIMBURSEMENT RATES.

1. Except as provided in paragraphs "a" and "b" and except for medical assistance services provided to recipients in state mental health institutes and the veterans home, intermediate care facilities services for the mentally retarded, and the material costs of products which are reimbursed at the acquisition cost, the reimbursement and per diem rates for medical assistance providers for the fiscal year beginning July 1, 1985 shall be limited to the reimbursement and per diem rates for the providers in effect on June 30, 1985.

a. Beginning January 1, 1986, the basis for establishing the maximum medical assistance reimbursement rate for intermediate care facilities shall be no higher than the fifty-fifth percentile of all facility per diems as calculated

from the December 31, 1985, unaudited compilation of financial and statistical reports.

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, rural health clinics, 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.

2. Except for licensed or approved group foster care facilities and juvenile shelter care facilities, for the fiscal year beginning July 1, 1985, the reimbursement rates for the providers of the following social services shall be increased by one percent over their reimbursement rates in effect on June 30, 1985: subsidized adoptions, family planning, family centered services, foster family homes, state cases, protective day care, purchase of local services, and child day care services. The department shall follow its regular rate setting procedures in calculating the providers' reimbursement rates, except that the reimbursement rates for foster family homes and subsidized adoptions shall be increased on the average in such a manner as to increase the reimbursements to all foster family age categories by the same dollar amount.

Effective July 1, 1985, reimbursement rates for licensed or approved group foster care facilities and juvenile shelter care facilities shall be limited to a two percent increase over their rates in effect on June 30, 1985. However, no such facility shall be reimbursed in excess of sixty-six dollars and fifteen cents per day. The department shall follow its regular rate setting procedures in calculating a facility's rate.

3. Effective July 1, 1985, reimbursement rates for residential care facilities which participate in the state supplemental assistance program and utilize the cost related reimbursement system, shall be limited to a two percent increase over their rates in effect on June 30, 1985. However, no such facility shall be reimbursed in excess of seventeen dollars and twenty-eight cents per day. The department shall follow its regular rate setting procedures in calculating a facility's rate.

Sec. 11. PURCHASE OF SERVICE CONTRACTS.

1. The department shall adopt rules pursuant to chapter 17A establishing policies and procedures to govern the use of requests for proposals as a tool for the selection of providers under purchase of service contracts.

2. The department may develop and implement a pilot project establishing a prospective payment system for purchase of service providers in no more than two departmental districts.

Sec. 12. EMPLOYEE DAMAGE REIMBURSEMENTS. Notwithstanding the dollar limitation in section 217.23, subsection 2, the department may reimburse an employee under that section an amount up to one hundred fifty dollars for each item damaged or destroyed.

Sec. 13. 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. 14. SEVERELY DISABLED POPULATION STUDY. The department shall study, in consultation with all relevant state agencies and with organizations representing the severely disabled population, and with the assistance of state agencies currently serving the severely disabled population, the feasibility of establishing a central registry or information system relating to the severely disabled population in need of services. The study shall address data collection, data usage, and confidentiality of data, and shall include a review of alternative strategies for establishing and implementing a central registry or information system and estimate of the costs of the alternative strategies. The department shall report the results of the study to the general assembly by January 1, 1986.

Sec. 15. RULES. The department of human services may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", relating to subsidized adoption services in section 3, subsection 7, paragraph "a" of this Act, county-based juvenile justice reimbursements in section 3, subsection 10 of this Act, supplementation of federal social services block grant funds in section 9 of this Act, and reimbursements in section 10 of this Act, and the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules.

Sec. 16. MATERNAL AND CHILD HEALTH FUNDING. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the state department of health for use by the personal and family health division to expand the geographical coverage of maternal health centers and child health centers statewide, the following amount, or so much thereof as is necessary:

	1985-1986
	Fiscal Year
	\$ 195,000

Sec. 17. FOSTER CARE REVIEW BOARD. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the foster care review board, the following amount, or so much thereof as is necessary:

	1985-1986
	Fiscal Year

For salaries and support of not more than four full-time equivalent positions annually, maintenance, and miscellaneous purposes .....	\$ 135,065
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Sec. 18. COMMISSION ON CHILDREN, YOUTH, AND FAMILIES. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1985, and ending June 30, 1986, to the commission on children, youth, and families, the following amount, or so much thereof as is necessary:

	1985-1986
	Fiscal Year

For salaries and support of not more than four full-time equivalent positions annually, maintenance, and miscellaneous purposes .....	\$ 98,002
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Sec. 19. FEDERAL RECEIPTS. All federal grants to and the federal receipts of the department of human services, the foster care review board, and the commission on children, youth, and families are appropriated for the purposes set forth in the federal grants or receipts. The veterans per diem payable for veterans at the veterans home and funds received under Title XIX of the federal Social Security Act by the state mental health institutes and state hospital schools shall be deposited in the general fund.

Sec. 20. CAPITAL EXPENDITURES EXCLUDED. Funds appropriated by this Act shall not be used for capital acquisitions or improvements.

Sec. 21. The amount of the funds appropriated under this Act for the fiscal year beginning July 1, 1985 and ending June 30, 1986 shall be reduced by one percent, rounded to the nearest whole dollar, and the provisions of this section shall prevail over any other provision of this Act.

Sec. 22. Total appropriations specified in this Act for the fiscal year beginning July 1, 1985 and ending June 30, 1986 shall not be exceeded in the fiscal year beginning July 1, 1986 and ending June 30, 1987 unless revenue growth as estimated by the legislative fiscal bureau in its December 31, 1985 quarterly report exceeds four and one-half percent.

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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 771, Seventy-first General Assembly.

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JOSEPH O'HERN  
Chief Clerk of the House

Approved May 3, 1985

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TERRY E. BRANSTAD  
Governor

H.F. 771