

Reprinted 1/88

JAN 20 1988
APPROPRIATIONS CALENDAR

HOUSE FILE 2082
BY COMMITTEE ON APPROPRIATIONS

Passed House, Date 1-21-88 (p.194) Passed Senate, Date 2/5/88 (p.280)

Vote: Ayes 62 Nays 30 Vote: Ayes 30 Nays 17

Approved *Stam* Retained Feb. 12, 1988

A BILL FOR

1 An Act relating to and making appropriations to the department of
2 human services and to the Iowa finance authority for the
3 remainder of the fiscal year ending June 30, 1988, allowing
4 carryover of certain funds to the next fiscal year, and
5 providing an effective date.

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

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HOUSE FILE 2082

H-5003

1 Amend House File 2082 as follows:

2 1. Page 6, by striking lines 19 through 22 and
3 inserting the following: "It is the intent of the".

H-5003 FILED JANUARY 20, 1988 BY MULLINS of Kossuth

Adopted 1/21/88

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1 APPROPRIATION REDUCTION

2 Section 1. 1987 Iowa Acts, chapter 234, section 202,
3 subsection 1, is amended to read as follows:

4 1. As a condition of this appropriation for field
5 operations, including salaries and support for not more than
6 two thousand four hundred thirty-three point eighty-eight
7 full-time equivalent positions, maintenance, and miscellaneous
8 purposes, the department shall provide an extensive
9 orientation program for newly employed social workers in the
10 area of community resource programs and shall provide
11 assistance to each county board of social welfare to identify
12 community resources in counties pursuant to section 234.11
13 \$ 29,000,000
14 27,550,856

15 The general assembly finds it necessary to reduce the
16 appropriation made by this subsection due to the decision of
17 the department of human services to fill no more than two
18 thousand two hundred thirteen full-time equivalent positions
19 in the community services division, even though the
20 appropriation made by this subsection was adequate to fill up
21 to two thousand three hundred twenty-one full-time equivalent
22 positions in the community services division.

23 AID TO DEPENDENT CHILDREN

24 Sec. 2. 1987 Iowa Acts, chapter 234, section 203, sub-
25 section 1, is amended by adding the following new paragraph:

26 NEW PARAGRAPH. j. As a condition of the appropriation
27 made in subsection 1, unnumbered paragraph 1, effective March
28 1, 1988, the department shall establish the schedule of basic
29 needs for one person at one hundred seventy-four dollars, for
30 two persons at three hundred forty-three dollars, for three
31 persons at four hundred six dollars, for four persons at four
32 hundred seventy-two dollars, for five persons at five hundred
33 twenty-two dollars, for six persons at five hundred eighty-one
34 dollars, for seven persons at six hundred thirty-eight
35 dollars, for eight persons at six hundred ninety-six dollars,

1 for nine persons at seven hundred fifty-three dollars, for ten
2 persons at eight hundred twenty-three dollars, and for each
3 additional person eighty-two dollars.

4 HOUSING TRUST FUND

5 Sec. 3. There is appropriated from the general fund of the
6 state to the Iowa finance authority for the fiscal period
7 beginning March 1, 1988, and ending June 30, 1988, one hundred
8 seventeen thousand (117,000) dollars, or so much thereof as is
9 necessary, for the rehabilitation, construction, or purchase
10 of transitional shelters for homeless families, under section
11 220.100, Code Supplement 1987. Any state funds may be used to
12 match federal funds if available.

13 MEDICAL ASSISTANCE

14 Sec. 4. 1987 Iowa Acts, chapter 234, section 203,
15 subsection 2, is amended by adding the following new
16 unnumbered paragraphs:

17 NEW UNNUMBERED PARAGRAPH. Effective June 1, 1988, the
18 department shall extend coverage to include caretaker
19 relatives under the medically needy program. Effective June
20 1, 1988, the department shall increase resource limitations
21 under the medically needy program to five thousand dollars for
22 a one-person household and seven thousand five hundred dollars
23 for a family of two or more persons. For the medically needy
24 program, the department shall be allowed to set the length of
25 the certification period, as authorized by federal
26 regulations.

27 NEW UNNUMBERED PARAGRAPH. Effective March 1, 1988, the
28 department shall extend medical assistance benefits for an
29 additional six months to individuals who lose assistance
30 through the aid to families with dependent children program
31 solely due to the loss of the thirty dollars and one-third
32 earned income disregard.

33 NEW UNNUMBERED PARAGRAPH. Effective March 1, 1988, the
34 department shall begin implementation planning for the
35 provision, as soon as is administratively feasible, of medical

1 assistance to all pregnant women, and infants and children up
2 to age five on an incremental basis; and to all individuals
3 who are aged, blind, or disabled, whose income does not exceed
4 one hundred percent of the federal poverty level. Resource
5 limitations shall be five thousand dollars for a one person
6 household and seven thousand five hundred dollars for a family
7 of two or more people. Aged, blind, or disabled individuals
8 shall have income and resources treated according to
9 supplemental security income methodologies. Pregnant women,
10 and infants and children shall have income and resources
11 treated according to aid to families with dependent children
12 methodologies. All other medical assistance program
13 requirements shall apply. Upon implementation, phased-in
14 coverage for children shall begin with children up to the age
15 of one and shall be continued through January 1, 1992.

16 DISPLACED HOMEMAKER PROGRAMS

17 Sec. 5. 1987 Iowa Acts, chapter 234, section 203, subsec-
18 tion 11, is amended by adding the following new paragraph:

19 NEW PARAGRAPH. i. Of the funds appropriated in this
20 subsection, forty thousand (40,000) dollars, or so much
21 thereof as is necessary, is allocated for displaced homemaker
22 programs. Notwithstanding section 8.33, unobligated or
23 unencumbered funds appropriated by this section and allocated
24 by this paragraph shall not revert to the general fund of this
25 state on June 30, 1988, but shall be available for expenditure
26 under this section and paragraph during the fiscal year
27 beginning July 1, 1988, and ending June 30, 1989.

28 SUPPLEMENTAL APPROPRIATIONS

29 Sec. 6. There is appropriated from the general fund of the
30 state for the fiscal year beginning July 1, 1987, and ending
31 June 30, 1988, to the department of human services, the
32 following amounts, or so much thereof as is necessary, to sup-
33 plement prior appropriations:

34 1. For medical assistance to be used for the same purposes
35 and to supplement funds appropriated by 1987 Iowa Acts,

1 chapter 234, section 203, subsection 2:
2 \$ 10,500,000

3 2. For state supplementary assistance to be used for the
4 same purpose and to supplement funds appropriated by 1987 Iowa
5 Acts, chapter 234, section 203, subsection 6:

6 \$ 1,500,000

7 3. For foster care to be used for the same purpose and to
8 supplement funds appropriated by 1987 Iowa Acts, chapter 234,
9 section 203, subsection 9:

10 \$ 8,000,000

11 MENTAL HEALTH INSTITUTES

12 Sec. 7. 1987 Iowa Acts, chapter 234, section 205, is
13 amended by adding the following new subsection:

14 NEW SUBSECTION. 8. The department shall pursue all
15 reasonable courses of action necessary to expand the
16 recruitment and retention of psychiatrists at the state mental
17 health institutes. The department shall aggressively recruit
18 psychiatrists, when necessary by sending department
19 representatives to events and locations where psychiatrists
20 are likely to be recruited and by taking other similar actions
21 which have the likelihood of contributing to the recruitment
22 of psychiatrists. The department shall continue to explore
23 and implement, if necessary, alternative approaches to
24 retaining psychiatrists in the state hospital system, such as
25 special contractual arrangements, expanded staff privileges,
26 or improved educational opportunities for the medical staff.

27 RURAL MENTAL HEALTH SERVICES

28 Sec. 8. There is appropriated from the general fund of the
29 state to the department of human services for the fiscal
30 period beginning March 1, 1988, and ending June 30, 1988, as a
31 condition of the appropriation made in 1987 Iowa Acts, chapter
32 234, section 205, thirty-three thousand (33,000) dollars, or
33 so much thereof as is necessary, for rural mental health
34 services. The division of mental health, mental retardation,
35 and developmental disabilities of the department of human

1 services shall allocate these funds to continue or expand
2 existing special allocation project grants providing outreach
3 services to Iowans affected by the continued rural economic
4 decline. The division shall award these funds to agencies
5 that have participated in the 1988 fiscal year mental health
6 and mental retardation services funds special allocation grant
7 application process. Notwithstanding section 8.33,
8 unobligated or unencumbered funds appropriated by this section
9 shall not revert to the general fund of this state on June 30,
10 1988, but shall be available for expenditure under this
11 section during the fiscal year beginning July 1, 1988, and
12 ending June 30, 1989.

13 ENHANCED MENTAL HEALTH/MENTAL RETARDATION/DEVELOPMENTAL
14 DISABILITIES SERVICES

15 Sec. 9. There is appropriated from the general fund of the
16 state to the department of human services, for the fiscal
17 period beginning March 1, 1988, and ending June 30, 1988, five
18 hundred thirty-seven thousand eight hundred thirty-five
19 (537,835) dollars, or so much thereof as is necessary, for
20 administrative support and for service coordination and
21 diagnosis and evaluation.

22 1. The funds provided under this section shall be used by
23 the department of human services for the following:

24 a. No more than eighty-eight percent of the funds shall be
25 used for the establishment of service coordination units for
26 persons with mental retardation, developmental disabilities,
27 or chronic mental illness for the provision of specialized
28 service coordination. It is the intent of the general
29 assembly that these units be established no later than June
30 30, 1988, in each of the department's human service districts.
31 The department shall report to the general assembly by June
32 30, 1988, on the establishment of the service coordination
33 units. Priority shall be given to individuals who require
34 service coordination in preventing a placement that would be
35 inconsistent with the person's identified needs. Persons

1 performing service coordination shall be given caseloads no
2 greater than thirty for clients with mental retardation,
3 developmental disabilities, or chronic mental illness.

4 b. No more than twelve percent of the funds shall be used
5 for the provision of diagnosis and evaluation services for
6 persons with mental retardation, developmental disabilities,
7 or chronic mental illness. Priority shall be given to
8 individuals who have not received a diagnosis and evaluation
9 within the past five years.

10 The available funds shall be allocated to the department of
11 human service districts based on the bill of rights
12 enumeration study. Within the funds available under this
13 section, case management and diagnosis and evaluation shall be
14 made available proportional to the bill of rights populations
15 within each district as cited in the enumeration study.

16 The department shall seek to draw down additional funds
17 through the federal medical assistance program in the
18 provision of these services.

19 It is the intent of the general assembly that the state
20 impose standards for construction of intermediate care
21 facilities for the mentally retarded that are no more
22 stringent than federal standards. It is the intent of the
23 general assembly that recognition be given to reducing the
24 cost for potential conversion of residential care facilities
25 for the mentally retarded to intermediate care facilities for
26 the mentally retarded without imposing more restrictive
27 construction and renovation standards than absolutely
28 essential.

29 It is the intent of the general assembly that greater use
30 of federal support through vocational rehabilitation funding
31 be provided for the bill of rights population. The department
32 shall work with the department of education in seeking to make
33 greater use of vocational rehabilitation support for the bill
34 of rights population, and shall report to the general assembly
35 by June 30, 1988, on the feasibility of obtaining additional

1 federal assistance.

2 The department shall develop a proposal to assist
3 individuals in obtaining Social Security and Title XIX
4 benefits.

5 2. Nothing in this Act is intended by the general assembly
6 to be the provision of a fair and equitable funding formula
7 specified in 1985 Iowa Acts, chapter 249, section 9. Nothing
8 in this Act shall be construed, is intended, or shall imply a
9 claim of entitlement to any programs or services specified in
10 section 225C.28.

11 REIMBURSEMENT RATES

12 Sec. 10. 1987 Iowa Acts, chapter 234, section 213, is
13 amended by adding the following new subsections:

14 NEW SUBSECTION. 11. Beginning March 1, 1988, the basis
15 for establishing the maximum medical assistance rate for
16 intermediate care facilities shall be the sixty-sixth
17 percentile of all facility per diems as calculated from the
18 June 30, 1987, unaudited compilation of cost and statistical
19 data.

20 NEW SUBSECTION. 12. Beginning March 1, 1988, skilled
21 nursing facility payment rates shall be increased by two and
22 nine-tenths percent, rural health clinic rates shall be
23 increased in accordance with increases under the federal
24 Medicare program, pursuant to Title XVIII of the federal
25 Social Security Act.

26 NEW SUBSECTION. 13. Effective March 1, 1988, the three
27 and eighty-five hundredths percent will no longer apply to
28 residential care facilities. Furthermore, the maximum
29 reimbursement rate for residential care facilities shall be
30 increased by four percent making the maximum rate seventeen
31 dollars and ninety-seven cents. The new flat rate for
32 facilities electing not to file cost reports shall be twelve
33 dollars and eighty-four cents.

34 NEW SUBSECTION. 14. Effective March 1, 1988, the three
35 and eighty-five hundredths percent reduction shall not be

1 applied in the in-home health related care program.
2 Furthermore, the maximum reimbursement rate for the in-home
3 health related care program shall be increased by four
4 percent.

5 NEW SUBSECTION. 15. For services given by social service
6 providers on or after March 1, 1988, reductions to invoices or
7 rates shall be discontinued. In addition, for services given
8 between March 1, 1988, and June 30, 1988, rates shall be
9 automatically increased by four percent over the unreduced
10 rates in effect on June 30, 1987. Rates for foster group care
11 and shelter care services shall not exceed sixty-eight dollars
12 and eighty cents per day. This automatic increase is intended
13 to be a one-time exception to policy for the fiscal period
14 beginning March 1, 1988, and ending June 30, 1988, only and is
15 not intended to eliminate regular submission of cost reports.

16 ASSISTANCE TO GAMBLERS

17 Sec. 11. The department shall use funds deposited in the
18 gamblers assistance fund established in section 99E.10 only
19 for programs to assist gamblers. Any unspent funds shall
20 remain in the fund and shall not be transferred or reverted to
21 the general fund.

22 The department shall use gamblers assistance fund moneys
23 for two full-time equivalent positions to support this
24 program.

25 EFFECTIVE DATE

26 Sec. 12. This Act, being deemed of immediate importance,
27 takes effect upon enactment.

28 EXPLANATION

29 This bill makes appropriations and supplemental
30 appropriations to the department of human services and to the
31 Iowa finance authority for the remainder of the 1987-1988
32 fiscal year. Certain moneys are deappropriated. Certain
33 appropriations are allowed to be carried over into the next
34 fiscal year.

35 The appropriations made relate to the following: shelters

1 for the homeless, rural mental health services, programs
2 relating to certain disabled populations, and assistance to
3 gamblers.

4 The supplemental appropriations made relate to the
5 following: medical assistance, state supplementary
6 assistance, and foster care. Moneys are also deappropriated
7 for field operations of the department of human services.

8 Other major portions of the bill relate to appropriations
9 to the department of human services for the following programs
10 or purposes: aid to dependent children, medical assistance,
11 displaced homemaker programs, and the mental health
12 institutes.

13 SIMILAR TO LSB 4699XH

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HOUSE FILE 2082

H-5006

- 1 Amend House File 2082 as follows:
- 2 1. Page 5, line 1, by striking the words "or
- 3 expand".
- 4 2. Page 5, lines 3 and 4, by striking the words
- 5 "continued rural economic decline" and inserting the
- 6 following: "current rural economic situation".

H-5006 FILED JANUARY 21, 1988 BY VAN MAANEN of Mahaska
ADOPTED (p. 122)

HOUSE FILE 2082

H-5007

- 1 Amend House File 2082 as follows:
- 2 1. By striking page 1, line 1 through page 3,
- 3 line 27.
- 4 2. By striking page 4, line 11 through page 8,
- 5 line 24.
- 6 3. By renumbering as necessary.

H-5007 FILED JANUARY 21, 1988 BY HALVORSON of Clayton
LOST (p. 122) HARBOR of Mills

HOUSE FILE 2082

H-5008

- 1 Amend House File 2082 as follows:
- 2 1. Page 8, by inserting after line 24 the
- 3 following:
- 4 "Sec. ____ . STATE FINANCING. Within funds
- 5 appropriated, all programs and services authorized by
- 6 this Act shall be financed with state or federal
- 7 funds. Except as specifically required by statute or
- 8 except as specifically required by administrative
- 9 rules which are in effect before the effective date of
- 10 this Act, the counties shall have no additional
- 11 responsibility to support the programs and services
- 12 authorized by this Act."
- 13 2. By renumbering as necessary.

H-5008 FILED JANUARY 21, 1988 BY HALVORSON of Clayton
LOST (p. 122) HARBOR of Mills

HOUSE FILE 2082

H-5014

- 1 Amend House File 2082 as follows:
- 2 1. Page 3, by striking lines 22 through 27 and
- 3 inserting the following: "programs."
- 4 2. Page 5, by striking lines 7 through 12 and
- 5 inserting the following: "application process."

H-5014 FILED JANUARY 21, 1988 BY HALVORSON of Clayton
LOST (p. 122) VAN MAANEN of Mahaska
HARBOR of Mills

HOUSE FILE 2082

H-5016

1 Amend House File 2082 as follows:

2 1. By striking page 1, line 26 through page 2,
3 line 3 and inserting the following:

4 "NEW PARAGRAPH. j. Effective March 1, 1988, the
5 department shall make supplemental assistance for
6 child care expenses available to recipients of aid to
7 dependent children benefits who have become gainfully
8 employed. Eligibility for the supplemental assistance
9 shall be determined under a sliding-fee schedule based
10 on recipient income. The eligibility period for
11 supplemental assistance shall be the twelve-month
12 period following a recipient's loss of eligibility for
13 aid to dependent children benefits due to gainful
14 employment.

15 Effective March 1, 1988, adult recipients of aid to
16 dependent children benefits shall be required to
17 participate or cooperate in a program intended to
18 assist them in attaining a high school diploma, a high
19 school equivalency diploma, or adult basic literacy,
20 if the particular adult recipient has not attained any
21 of the three."

22 2. Page 2, by striking lines 27 through 32 and
23 inserting the following:

24 "NEW UNNUMBERED PARAGRAPH. Effective March 1,
25 1988, the department shall extend medical assistance
26 benefits for an additional three months to individuals
27 who lose assistance through the aid to families with
28 dependent children program due to gainful employment."

BY HALVORSON of Clayton
HARBOR of Mills
McKEAN of Jones

H-5016 FILED JANUARY 21, 1988
LOST ()

HOUSE FILE 2082

H-5018

1 Amend House File 2082 as follows:

2 1. Page 7, line 16, by striking the word "sixty-
3 sixth" and inserting the following: "seventy-fourth".

BY STROMER of Hancock
BEAMAN of Clarke
DE GROOT of Lyon
TYRRELL of Iowa
H-5018 FILED JANUARY 21, 1988
LOST ()

MAULSBY of Calhoun
VAN CAMP of Scott
PETERSEN of Muscatine
PLATT of Muscatine
SIEGRIST of Pottawattamie

HOUSE FILE 2082

H-5015

1 Amend House File 2082 as follows:

2 1. Page 8, by inserting after line 24 the
3 following:

4 "Sec. ____ . INTERIM STUDY. The legislative council
5 shall establish an interim study committee to review
6 issues relating to the medical assistance and other
7 reimbursement rates for health care facilities,
8 including the medical assistance reimbursement rates
9 for intermediate care facilities. The committee shall
10 make its report and any recommendations to the
11 legislative council and the general assembly meeting
12 in January 1989."

13 2. By renumbering as necessary.

H-5015 FILED JANUARY 21, 1988 BY VAN MAANEN of Mahaska
LOST (p. 142)

HOUSE FILE 2082

H-5017

1 Amend House File 2082 as follows:

2 1. Page 7, line 19, by inserting after the word
3 "data." the following: "It is the intent of the
4 general assembly that the maximum medical assistance
5 rate for intermediate care facilities be increased
6 incrementally over the next five fiscal years so that
7 by July 1, 1992, the maximum medical assistance rate
8 will equal the average charges of intermediate care
9 facilities participating in the medical assistance
0 program to private pay patients."

BY VAN MAANEN of Mahaska
PAULIN of Plymouth
HUMMEL of Benton
KREMER of Buchanan
HESTER of Pottawattamie
HERMANN of Scott
MAULSBY of Calhoun
PELLETT of Cass
RENKEN of Grundy
GARMAN of Story
MILLER of Cherokee
DE GROOT of Lyon
McKEAN of Jones
VAN CAMP of Scott
PETERSEN of Muscatine
BEAMAN of Clarke

MULLINS of Kossuth
HARBOR of Mills
PLASIER of Sioux
EDDIE of Buena Vista
STUELAND of Clinton
SWEARINGEN of Keokuk
SCHNEKLOTH of Scott
ROYER of Page
TYRRELL of Iowa
COREY of Louisa
BRANSTAD of Winnebago
SIEGRIST of Pottawattamie
SHONING of Sioux
METCALF of Polk
LAGESCHULTE of Bremer
HALVORSON of Clayton

H-5017 FILED JANUARY 21, 1988
WITHDRAWN (p. 142)

HOUSE FILE 2082
BY COMMITTEE ON APPROPRIATIONS

(As Amended and Passed by the House January 21, 1988)

Passed House, Date 1-21-88 (p. 144) Passed Senate, Date 2/5/88 (p. 580)

Vote: Ayes 62 Nays 30 Vote: Ayes 30 Nays 17

Approved Sec 6, 12, (Amended 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 2/12 (p. 359))
Revised to comply with (p. 469)
Failed 3/2 (p. 539)

A BILL FOR

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Deleted Language *
House Amendments _____

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30 period beginning March 1, 1988, and ending June 30, 1988, as a
31 condition of the appropriation made in 1987 Iowa Acts, chapter
32 234, section 205, thirty-three thousand (33,000) dollars, or
33 so much thereof as is necessary, for rural mental health
34 services. The division of mental health, mental retardation,
35 and developmental disabilities of the department of human

* 1 services shall allocate these funds to continue existing
2 special allocation project grants providing outreach services
3 to Iowans affected by the current rural economic situation.
4 The division shall award these funds to agencies that have
5 participated in the 1988 fiscal year mental health and mental
6 retardation services funds special allocation grant
7 application process. Notwithstanding section 8.33,
8 unobligated or unencumbered funds appropriated by this section
9 shall not revert to the general fund of this state on June 30,
10 1988, but shall be available for expenditure under this
11 section during the fiscal year beginning July 1, 1988, and
12 ending June 30, 1989.

13 ENHANCED MENTAL HEALTH/MENTAL RETARDATION/DEVELOPMENTAL
14 DISABILITIES SERVICES

15 Sec. 9. There is appropriated from the general fund of the
16 state to the department of human services, for the fiscal
17 period beginning March 1, 1988, and ending June 30, 1988, five
18 hundred thirty-seven thousand eight hundred thirty-five
19 (537,835) dollars, or so much thereof as is necessary, for
20 administrative support and for service coordination and
21 diagnosis and evaluation.

22 1. The funds provided under this section shall be used by
23 the department of human services for the following:

24 a. No more than eighty-eight percent of the funds shall be
25 used for the establishment of service coordination units for
26 persons with mental retardation, developmental disabilities,
27 or chronic mental illness for the provision of specialized
28 service coordination. It is the intent of the general
29 assembly that these units be established no later than June
30 30, 1988, in each of the department's human service districts.
31 The department shall report to the general assembly by June
32 30, 1988, on the establishment of the service coordination
33 units. Priority shall be given to individuals who require
34 service coordination in preventing a placement that would be
35 inconsistent with the person's identified needs. Persons

1 performing service coordination shall be given caseloads no
2 greater than thirty for clients with mental retardation,
3 developmental disabilities, or chronic mental illness.

4 b. No more than twelve percent of the funds shall be used
5 for the provision of diagnosis and evaluation services for
6 persons with mental retardation, developmental disabilities,
7 or chronic mental illness. Priority shall be given to
8 individuals who have not received a diagnosis and evaluation
9 within the past five years.

10 The available funds shall be allocated to the department of
11 human service districts based on the bill of rights
12 enumeration study. Within the funds available under this
13 section, case management and diagnosis and evaluation shall be
14 made available proportional to the bill of rights populations
15 within each district as cited in the enumeration study.

16 The department shall seek to draw down additional funds
17 through the federal medical assistance program in the
18 provision of these services.

19 It is the intent of the general assembly that recognition
20 be given to reducing the cost for potential conversion of
21 residential care facilities for the mentally retarded to
22 intermediate care facilities for the mentally retarded without
23 imposing more restrictive construction and renovation
24 standards than absolutely essential.

25 It is the intent of the general assembly that greater use
26 of federal support through vocational rehabilitation funding
27 be provided for the bill of rights population. The department
28 shall work with the department of education in seeking to make
29 greater use of vocational rehabilitation support for the bill
30 of rights population, and shall report to the general assembly
31 by June 30, 1988, on the feasibility of obtaining additional
32 federal assistance.

33 The department shall develop a proposal to assist
34 individuals in obtaining Social Security and Title XIX
35 benefits.

1 2. Nothing in this Act is intended by the general assembly
2 to be the provision of a fair and equitable funding formula
3 specified in 1985 Iowa Acts, chapter 249, section 9. Nothing
4 in this Act shall be construed, is intended, or shall imply a
5 claim of entitlement to any programs or services specified in
6 section 225C.28.

7 REIMBURSEMENT RATES

8 Sec. 10. 1987 Iowa Acts, chapter 234, section 213, is
9 amended by adding the following new subsections:

10 NEW SUBSECTION. 11. Beginning March 1, 1988, the basis
11 for establishing the maximum medical assistance rate for
12 intermediate care facilities shall be the sixty-sixth
13 percentile of all facility per diems as calculated from the
14 June 30, 1987, unaudited compilation of cost and statistical
15 data.

16 NEW SUBSECTION. 12. Beginning March 1, 1988, skilled
17 nursing facility payment rates shall be increased by two and
18 nine-tenths percent, rural health clinic rates shall be
19 increased in accordance with increases under the federal
20 Medicare program, pursuant to Title XVIII of the federal
21 Social Security Act.

22 NEW SUBSECTION. 13. Effective March 1, 1988, the three
23 and eighty-five hundredths percent will no longer apply to
24 residential care facilities. Furthermore, the maximum
25 reimbursement rate for residential care facilities shall be
26 increased by four percent making the maximum rate seventeen
27 dollars and ninety-seven cents. The new flat rate for
28 facilities electing not to file cost reports shall be twelve
29 dollars and eighty-four cents.

30 NEW SUBSECTION. 14. Effective March 1, 1988, the three
31 and eighty-five hundredths percent reduction shall not be
32 applied in the in-home health related care program.
33 Furthermore, the maximum reimbursement rate for the in-home
34 health related care program shall be increased by four
35 percent.

1 NEW SUBSECTION. 15. For services given by social service
2 providers on or after March 1, 1988, reductions to invoices or
3 rates shall be discontinued. In addition, for services given
4 between March 1, 1988, and June 30, 1988, rates shall be
5 automatically increased by four percent over the unreduced
6 rates in effect on June 30, 1987. Rates for foster group care
7 and shelter care services shall not exceed sixty-eight dollars
8 and eighty cents per day. This automatic increase is intended
9 to be a one-time exception to policy for the fiscal period
10 beginning March 1, 1988, and ending June 30, 1988, only and is
11 not intended to eliminate regular submission of cost reports.

12 ASSISTANCE TO GAMBLERS

13 Sec. 11. The department shall use funds deposited in the
14 gamblers assistance fund established in section 99E.10 only
15 for programs to assist gamblers. Any unspent funds shall
16 remain in the fund and shall not be transferred or reverted to
17 the general fund.

18 The department shall use gamblers assistance fund moneys
19 for two full-time equivalent positions to support this
20 program.

21 EFFECTIVE DATE

22 Sec. 12. This Act, being deemed of immediate importance,
23 takes effect upon enactment.

24 SIMILAR TO LSB 4699XH

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HOUSE FILE 2082

S-5034

1 Amend House File 2082 as amended, passed, and
2 reprinted by the House, as follows:

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

5 "Section 1. 1987 Iowa Acts, chapter 233, section
6 204, subsection 1, unnumbered paragraph 1, is amended
7 to read as follows:

8 For salaries, support, maintenance, and
9 miscellaneous purposes:

10 \$ 10,749,223
11 10,073,174"

12 2. Page 8, by inserting after line 20 the following:

13 "Sec. 101. Section 97B.43, unnumbered paragraph 2,
14 Code 1987, is amended to read as follows:

15 Any person with a record of thirty years as a
16 public employee in the state of Iowa prior to July 1,
17 1947, and who is not eligible for prior service credit
18 under other provisions of this section, is entitled to
19 a credit for years of prior service in the
20 determination of the retirement allowance payment
21 under this chapter, provided the public employee makes
22 application to the department of personnel for credit
23 for prior public service, accompanied by such
24 verification of the person's claim as the department
25 may require. The person's allowance for prior service
26 credits shall be computed in the same manner as
27 otherwise provided in this section, but shall not
28 exceed the sum of four hundred fifty dollars nor be
29 less than three hundred dollars per annum. Any such
30 person is entitled to receive retirement allowances
31 computed as provided by this chapter, effective from
32 the date of application to the department, provided
33 such application is approved. However, beginning July
34 1, 1975 the amount of such person's retirement
35 allowance payment received during June, 1975, as
36 computed under this section shall be increased by two
37 hundred percent and the allowance for prior service
38 credits shall not exceed one thousand three hundred
39 fifty dollars nor be less than nine hundred dollars
40 per annum. There Effective July 1, 1987, there is
41 appropriated for each fiscal year from the general
42 Iowa public employees' retirement fund of-the-state
43 created in section 97B.7 to the department of
44 personnel from-funds-not-otherwise-appropriated an
45 amount sufficient to fund the provisions-of retirement
46 allowance increases paid under this paragraph.
47 Effective July 1, 1980, a person with a record of
48 thirty years as a public employee in the state of Iowa
49 prior to July 1, 1947 receiving retirement allowances
50 under this chapter shall receive the monthly increase

S-5034 Pg. 2

1 in benefits provided in section 97B.49, subsection 11.

2 Sec. 102. Section 97B.49, subsection 3, Code

3 Supplement 1987, is amended to read as follows:

4 3. For each member employed before January 1,
5 1976, who has qualified for prior service credit in
6 accordance with the first paragraph of section 97B.43,
7 there shall be determined a benefit of eight-tenths of
8 one percent per year of prior service credit
9 multiplied by the monthly rate of the member's total
10 remuneration not in excess of three thousand dollars
11 annually during the twelve consecutive months of the
12 member's prior service for which that total
13 remuneration was the highest. An additional three-
14 tenths of one percent of the remuneration not in
15 excess of three thousand dollars annually shall be
16 payable for prior service during each year in which
17 the accrued liability for benefit payments created by
18 the abolished system is funded by appropriation from
19 the ~~general fund of the state~~ Iowa public employees'
20 retirement fund.

21 Sec. 103. Section 97B.49, subsection 6, unnumbered
22 paragraph 1, Code Supplement 1987, is amended to read
23 as follows:

24 On January 1, 1976, for each member who retired
25 before January 1, 1976, the amount of regular monthly
26 retirement allowance attributable to membership
27 service and prior service that was payable to the
28 member for December, 1975 is increased by ten percent
29 for the first calendar year or portion of a calendar
30 year the member was retired, and by an additional five
31 percent for each calendar year after the first
32 calendar year the member was retired through the
33 calendar year beginning January 1, 1975. The total
34 increase shall not exceed one hundred percent. ~~There~~
35 Effective July 1, 1987, there is appropriated for each
36 fiscal year from the general Iowa public employees'
37 retirement fund of the state created in section 97B.7
38 to the department of personnel from funds not
39 otherwise appropriated an amount sufficient to fund
40 the provisions of monthly retirement allowance
41 increases paid under this subsection.

42 Sec. 104. Section 294.15, unnumbered paragraph 4,
43 Code 1987, is amended to read as follows:

44 For the purpose of paying the teachers' retirement
45 allowance payments granted under this section,
46 effective July 1, 1987, there is hereby appropriated
47 out-of-any-funds-in-the-state-treasury-not-otherwise
48 appropriated, a sum for each fiscal year from the Iowa
49 public employees' retirement fund to the department of
50 personnel, an amount sufficient therefor to make the

S-5034 Pg. 3

1 payments granted under this section.

2 Sec. _____. The treasurer of state shall transfer
3 from the Iowa public employees' retirement fund to the
4 general fund of the state an amount equal to the total
5 of payments made from the general fund of the state
6 under sections 97B.43, 97B.49, subsections 3 and 6,
7 and 294.15 from July 1, 1987, to the effective date of
8 this Act.

9 Sec. _____. Section 427A.13, Code 1987, is amended
10 to read as follows:

11 427A.13 APPROPRIATION.

12 There is appropriated from the general fund of the
13 state to the personal property tax replacement fund
14 the following sums, or so much thereof as may be
15 necessary, to carry out the provisions of this chapter
16 as amended by this division. For the fiscal year
17 beginning July 1, 1973, and ending June 30, 1974,
18 there is appropriated the sum of thirty-one million
19 nine hundred thousand dollars. For the fiscal year
20 beginning July 1, 1974, and ending June 30, 1975, and
21 each succeeding fiscal year, there is appropriated the
22 sum of thirty-five million seven hundred thousand
23 dollars. For each year of the fiscal period beginning
24 July 1, 1977 and ending June 30, 1979 the total
25 appropriation shall be thirty-eight million six
26 hundred thousand dollars. For the fiscal year
27 beginning July 1, 1983 and ending June 30, 1984, the
28 total appropriation shall be forty-six million two
29 hundred thousand dollars. For the fiscal year
30 beginning July 1, 1984 and ending June 30, 1985, the
31 total appropriation shall be twenty-three million one
32 hundred thousand dollars. For the fiscal year
33 beginning July 1, 1985 and ending June 30, 1986, and
34 each succeeding fiscal year, the total appropriation
35 shall be an amount equal to the amount paid on May 15
36 of the preceding fiscal year plus one-half of the
37 amount needed to fund the additional personal property
38 tax credit payable in that fiscal year. In each
39 fiscal year for which an increase in the additional
40 personal property tax credit becomes effective as
41 provided in this division, the appropriation under
42 this section shall be increased by three million eight
43 hundred thousand dollars, and this increased
44 appropriation shall continue for each succeeding
45 fiscal year. For the fiscal year beginning July 1,
46 1987 the total appropriation shall be fifty-nine
47 fifty-seven million five hundred thousand dollars.
48 For the fiscal year beginning July 1, 1988, and for
49 each succeeding fiscal year, the total appropriation
50 shall be sixty-eight sixty-five million dollars per

S-5034 Pg. 4

1 year."
2 3. Page 8, by inserting after line 21 the
3 following:
4 "Sec. ____ Sections 101, 102, 103, and 104 of this
5 Act are retroactive to July 1, 1987, and are
6 applicable on and after that date."
7 4. Amend the title, lines 1 through 4, by
8 striking the words "to the department of human
9 services and to the Iowa finance authority for the
10 remainder of the fiscal year ending June 30, 1988,
11 allowing carryover of certain funds to the next fiscal
12 year," and inserting the following: "for state
13 programs for the fiscal year ending June 30, 1988,
14 making certain reallocations of revenue permanent for
15 future fiscal years, allowing carryover of certain
16 funds to the next fiscal year, providing for
17 retroactive applicability,".

S-5034
Filed February 4, 1988
4-12 2/5 (4, 278)

BY COMMITTEE ON APPROPRIATIONS
JOE J. WELSH, Chairperson

S-5051

HOUSE FILE 2082

1 Amend the Committee on Appropriations amendment, S-
2 5034, to House File 2082, as amended, passed, and
3 reprinted by the House, as follows:
4 1. Page 1, by inserting after line 11 the fol-
5 lowing:
6 "
7 Page 3, by striking lines 22 through 29 and
8 inserting the following: "programs."
9 Page 5, by striking lines 7 through 12 and
10 inserting the following: "application process."
11 2. Page 3, line 50, by striking the words "sixty-
12 ~~eight sixty-five~~" and inserting the following:
13 "sixty-eight".

S-5051
Filed February 5, 1988

LOST *(p. 218)*

BY JIM LIND

HOUSE FILE 2082

5040

1 Amend House File 2082, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 4, by inserting after line 11, the
4 following:

5 "Sec. _____. Notwithstanding section 8.33, moneys
6 appropriated pursuant to 1986 Iowa Acts, chapter 1246,
7 section 1, subsection 6, as amended by 1987 Iowa Acts,
8 chapter 233, section 305, to the department of
9 economic development for the establishment and
10 maintenance of an export finance program for the
11 fiscal year beginning July 1, 1986, and ending June
12 30, 1987, which remain unexpended or unencumbered
13 shall carry forward to the fiscal year beginning July
14 1, 1987, and ending June 30, 1988, and the fiscal year
15 beginning July 1, 1988, and ending July 1, 1989, and
16 may be used to establish additional international
17 trade activities including a program to encourage and
18 increase participation in trade shows and trade
19 missions by providing financial assistance to
20 businesses for a percentage of their costs of
21 participating in trade shows and trade missions,
22 lease/sublease showcase space in existing world trade
23 centers, provide temporary office space for foreign
24 buyers, international prospects, and potential reverse
25 investors, and other promotional and assistance
26 activities.

27 Sec. _____. There is appropriated from the
28 administrative contribution surcharge fund of the
29 state to the department of employment services for the
30 fiscal year beginning July 1, 1987, and ending June
31 30, 1988, the following amount, or so much thereof as
32 is necessary, for the purposes designated:

33 DIVISION OF JOB SERVICE

34 For salaries, support, maintenance, and
35 miscellaneous purposes of rural and satellite job
36 service offices in population centers of less than
37 twenty thousand:

38 \$ 1,326,150

39 Sec. _____. 1987 Iowa Acts, chapter 232, section 1,
40 subsection 1, unnumbered paragraph 2, is amended to
41 read as follows:

42 Notwithstanding section 384.15, subsection 7,
43 paragraph "b", there is appropriated from the
44 unencumbered and unobligated money remaining in the
45 law enforcement training reimbursement fund on June
46 30, 1987 to the Iowa law enforcement academy the sum
47 of twenty-eight thousand two hundred (28,200) dollars
48 for repair of a-chiller-unit the roof over the indoor
49 firearms range, repair-of-a-parking-lot kitchen
50 equipment, repair or replacement of carpet and

1 replacement-of-a-washing-machine other floor coverings
2 at the academy. The unencumbered and unobligated
3 funds remaining in this appropriation shall revert to
4 the general fund of the state on June 30, 1988.

5 Sec. ____ . 1987 Iowa Acts, chapter 232, section 10,
6 is amended by adding the following new subsection:

7 NEW SUBSECTION. 5. To meet the requirements of
8 the groundwater protection law by putting in place
9 sniffer wells for the detection of leakage from
10 underground storage tanks:

11 \$ 350,000

12 Section 8.33 does not apply to the funds
13 appropriated by this subsection. However,
14 unencumbered or unobligated funds remaining on June
15 30, 1989, from funds appropriated for the fiscal year
16 beginning July 1, 1987, and ending June 30, 1988,
17 shall revert to the fund from which appropriated on
18 June 30, 1989.

19 Sec. ____ . 1987 Iowa Acts, chapter 232, section 30,
20 is amended to read as follows:

21 SEC. 30. 1986 Iowa Acts, chapter 1246, section 12,
22 is amended by adding the following new unnumbered
23 paragraph:

24 NEW UNNUMBERED PARAGRAPH. Section 8.33 does not
25 apply to the funds appropriated by subsection 5 of
26 this section. However, unencumbered or unobligated
27 funds remaining on June 30, 1991, from funds
28 appropriated for the fiscal year beginning July 1,
29 1986, shall revert to the fund from which appropriated
30 on June 30, 1991.

31 Sec. ____ . 1987 Iowa Acts, chapter 233, section
32 120, subsections 2, 3, and 4, are amended to read as
33 follows:

34 2. There is appropriated from the road use tax
35 fund of the state to the state department of
36 transportation and the department of inspections and
37 appeals, for the fiscal year beginning July 1, 1987,
38 the sum of two seven hundred ninety-six twenty
39 thousand ~~forty-five~~ one hundred sixty-nine (296,045
40 720,169) dollars, or so much thereof as may be
41 necessary, to supplement other funds appropriated by
42 the general assembly.

43 3. There is appropriated from the road use tax
44 fund of the state to the department of public safety,
45 for the fiscal year beginning July 1, 1987, the sum of
46 five-hundred one million sixty-five thousand nine
47 hundred eighteen (565,918 1,065,918) dollars, or so
48 much thereof as may be necessary, to supplement other
49 funds appropriated by the general assembly.

50 4. There is appropriated from the primary road

S-5040 Page 3

1 fund to the state department of transportation, for
2 the fiscal year beginning July 1, 1987, the sum of two
3 four million one hundred fifty-nine thousand seven
4 hundred thirteen (2,159,713 4,159,713) dollars, or so
5 much thereof as may be necessary, to supplement other
6 funds appropriated by the general assembly.

7 Sec. _____. Notwithstanding section 252B.16, final
8 conversion for processing support payments shall be
9 completed upon a date agreed upon by the department of
10 human services and the judicial department with a
11 target date of December 1, 1988."

12 2. Renumber sections and correct internal
13 references as necessary in accordance with this
14 amendment.

S-5040

Filed February 4, 1988

also 2/5 (4 271)

BY EDGAR H. HOLDEN
DALE L. TIEDEN
JOHN W. JENSEN

HOUSE FILE 2082

S-5048

1 Amend the Committee on Appropriations amendment, S-
2 5034, to House File 2082, as amended, passed, and
3 reprinted by the House as follows:

4 1. Page 2, by inserting after line 41 the
5 following:

6 "Sec. ____ . Section 97B.74, unnumbered paragraph 1,
7 Code 1987, is amended to read as follows:

8 An active, vested, or retired member of the system
9 who has been an active member of the system during
10 this period of membership service for at least one
11 year and who at any time between after July 4, 1953
12 and July 17, 1973 was a member of the system, but who
13 did not meet the requirements to be a vested member
14 for that period of membership service, and who
15 received a refund of contributions for that period of
16 membership service, may elect in writing to the
17 department to make contributions to the system for
18 that period of membership service for which a refund
19 of contributions was made. The contributions repaid
20 by the member for such service shall be equal to the
21 accumulated contributions, as defined in section
22 97B.41, subsection 12, received by the member for that
23 period of membership service plus interest on the
24 accumulated contributions for the period from the date
25 of receipt by the member to the date of repayment
26 equal to two percent plus the interest dividend rate
27 applicable for each year compounded annually.

28 Sec. ____ . Section 97B.74, unnumbered paragraph 2,
29 Code 1987, is amended by striking the unnumbered
30 paragraph."

31 2. Renumber sections and correct internal
32 references as necessary in accordance with the
33 amendment.

S-5048
Filed February 4, 1988
Edg 2/5/88 (p. 272)

BY EDGAR H. HOLDEN

SENATE 18
FEBRUARY 5, 1988

HOUSE FILE 2082

S-5042

- 1 Amend House File 2082 as follows:
- 2 1. Page 7, by inserting after line 35 the
- 3 following:
- 4 "NEW SUBSECTION. 14A. Effective March 1, 1988,
- 5 home health agencies certified for the medical
- 6 assistance program shall be reimbursed for their
- 7 current federal Medicare audited costs minus the three
- 8 and eighty-five hundredths percent reduction."
- 9 2. By renumbering as necessary.

S-5042

Filed February 4, 1988

BY JEAN LLOYD-JONES

Holden 2/5 (p. 279)

HOUSE FILE 2082

S-5043

- 1 Amend House File 2082, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 28, by inserting after the figure
- 4 "1988," the following: "through June 30, 1988,
- 5 only,".
- 6 2. By striking page 2, line 13 through page 3,
- 7 line 15.
- 8 3. By striking page 5, line 13 through page 8,
- 9 line 20.
- 10 4. By renumbering as necessary.

S-5043

Filed February 4, 1988

BY EDGAR H. HOLDEN

Holden 2/5 (p. 272)



OFFICE OF THE GOVERNOR

STATE CAPITOL

DES MOINES, IOWA 50319

515 281 5211

TERRY E. BRANSTAD
GOVERNOR

February 12, 1988

The Honorable Donald Avenson
Speaker
House of Representatives
State Capitol Building
L O C A L

Dear Mr. Speaker:

I hereby transmit House File 2082, an act relating to and making appropriations to the Department of Human Services and to the Iowa Finance Authority for the remainder of the fiscal year ending June 30, 1988, allowing carryover of certain funds to the next fiscal year, and providing an effective date.

House File 2082 is approved with the following exceptions which I hereby disapprove.

I am unable to approve the items designated as Section 1, Section 2, Section 3, Section 4, Section 5, Section 7, Section 8, Section 9, Section 10, and Section 11.

That portion of House File 2082 which I have approved will make \$20 million of supplemental funds available to the Department of Human Services for fiscal year 1988. These supplemental funds are needed to make certain that our existing human services programs for the needy are maintained throughout the remainder of this fiscal year.

The remaining sections of House File 2082 either spend money the state does not have or deappropriate money that is desperately needed for social workers. As the result, I cannot approve those sections.

Section 1 of this bill deappropriates approximately \$1.4 million dollars for the Department of Human Services' field operations. If this is allowed to occur, an immediate freeze on filling vacant social worker positions would be required and a reduction in force may be necessary. Fifty-three social worker positions would be lost if this deappropriation were to be approved.

It is, indeed, ironic that the legislature should enact such a reduction in social workers at a time when it is acknowledged that human service needs are considerable. It is my understanding that this section of House File 2082 may be a punitive measure designed by some to respond to the Department's failure to hire a full complement of social worker staff this year. It should be understood that the Department has been limited in its ability to hire additional social workers because of lost federal funds and a last minute legislative reduction in the state salary adjustment fund last year. Eliminating an additional 53 positions from the Department's social worker staff would only compound the difficulties of our social workers in meeting the needs of less fortunate Iowans and cannot be approved.

The remaining sections of House File 2082 either expand existing programs or create new ones. The decision to item veto those sections is a most difficult one. I recognize that government has an appropriate role in caring for those who cannot care for themselves and this bill addresses some of those needs. But our ability to truly meet those needs is limited by the fiscal realities of our state. Government would play a cruel hoax on the most vulnerable in our society if we were to make promises we know we cannot keep.

Indeed, House File 2082 results in new state human service spending obligations of approximately \$5 million dollars this year and approximately \$18 million for fiscal year 1989 without providing necessary offsetting revenue or expenditure reductions. I am unwilling to put these human needs programs on the state's credit card in the hope that the legislature could somehow find money to pay for them in the future. Some of the proposals in House File 2082 are worthy of consideration, but only within the context of the balanced budget our Constitution requires.

In addition, I am disappointed that the legislature did not recognize the very real need to reform the welfare system in House File 2082. I have made recommendations to the General Assembly to provide transitional medical assistance, child care, and job training and education to help those who are on welfare obtain jobs and climb the ladder of opportunity.

In order to truly care for the less fortunate, we must not only provide them basic assistance, but we must also eliminate the barriers and provide them with incentives to obtain an education, training and a job so that they can become productive members of our state. A welfare reform component must be an essential part of any human services spending bill that I consider this year.

The Honorable Donald Avenson
February 12, 1988
Page 3

Finally, I frankly am disappointed with the process that has yielded this first item veto of the legislative session. We began with a joint call for cooperation and, together, the legislative leaders and I agreed on the outlines of a budget which recognized our priorities and met our Constitutional responsibility to ensure a balanced budget. Yet, with remarkable alacrity the legislature passed this spending bill without showing how the budget will all add up.

In my budget message, I pledged my willingness to sit down with legislators and build a consensus budget to achieve a mutually agreed upon set of priorities. My priorities are education, economic development and welfare reform. And, I know members of the General Assembly may have varying priorities. However, if we all work together and agree to cooperate, I believe that we can pass a budget for the people of Iowa this session that is both balanced and meets the needs of Iowans.

I pledge my willingness to begin anew the process of working with members of the General Assembly to establish a budget for this state. However, all of those priorities could be jeopardized if I were to sign this first appropriation bill of the legislative session that could put the state as much as \$62 million dollars in the red.

This is no time for budget games or polarizing polemics. Instead, it is a time for legislative and executive branch, Democrat and Republican, to sit down and agree on what needs to be done and commit to do it together. If we do so, it is my firm belief that some of the priorities that are established in House File 2082 will be able to be accomplished, education and economic development goals will be realized, major tax increases will be avoided, and Iowans will have the balanced budget that they deserve.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of the 1968 Constitution of the State of Iowa. All other items in House File 2082 are hereby approved as of this date.

Sincerely,



Terry E. Branstad
Governor

TEB/ps

cc: Secretary of State
Secretary of the Senate
Chief Clerk of the House

Item Vetoed

HOUSE FILE 2082

AN ACT

RELATING TO AND MAKING APPROPRIATIONS TO THE DEPARTMENT OF HUMAN SERVICES AND TO THE IOWA FINANCE AUTHORITY FOR THE REMAINDER OF THE FISCAL YEAR ENDING JUNE 30, 1988, ALLOWING CARRYOVER OF CERTAIN FUNDS TO THE NEXT FISCAL YEAR, AND PROVIDING AN EFFECTIVE DATE.

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

APPROPRIATION REDUCTION

Section 1. 1987 Iowa Acts, chapter 234, section 202, subsection 1, is amended to read as follows:

1. As a condition of this appropriation for field operations, including salaries and support for not more than two thousand four hundred thirty-three point eighty-eight full-time equivalent positions, maintenance, and miscellaneous purposes, the department shall provide an extensive orientation program for newly employed social workers in the area of community resource programs and shall provide assistance to each county board of social welfare to identify community resources in counties pursuant to section 234.11

..... \$ 29,000,000
27,550,856

The general assembly finds it necessary to reduce the appropriation made by this subsection due to the decision of the department of human services to fill no more than two thousand two hundred thirteen full-time equivalent positions in the community services division, even though the appropriation made by this subsection was adequate to fill up

to two thousand three hundred twenty-one full-time equivalent positions in the community services division.

AID TO DEPENDENT CHILDREN

Sec. 2. 1987 Iowa Acts, chapter 234, section 203, subsection 1, is amended by adding the following new paragraph:

NEW PARAGRAPH. j. As a condition of the appropriation made in subsection 1, unnumbered paragraph 1, effective March 1, 1988, the department shall establish the schedule of basic needs for one person at one hundred seventy-four dollars, for two persons at three hundred forty-three dollars, for three persons at four hundred six dollars, for four persons at four hundred seventy-two dollars, for five persons at five hundred twenty-two dollars, for six persons at five hundred eighty-one dollars, for seven persons at six hundred thirty-eight dollars, for eight persons at six hundred ninety-six dollars, for nine persons at seven hundred fifty-three dollars, for ten persons at eight hundred twenty-three dollars, and for each additional person eighty-two dollars.

HOUSING TRUST FUND

Sec. 3. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal period beginning March 1, 1988, and ending June 30, 1988, one hundred seventeen thousand (117,000) dollars, or so much thereof as is necessary, for the rehabilitation, construction, or purchase of transitional shelters for homeless families, under section 220.100, Code Supplement 1987. Any state funds may be used to match federal funds if available.

MEDICAL ASSISTANCE

Sec. 4. 1987 Iowa Acts, chapter 234, section 203, subsection 2, is amended by adding the following new unnumbered paragraphs:

NEW UNNUMBERED PARAGRAPH. Effective June 1, 1988, the department shall extend coverage to include caretaker relatives under the medically needy program. Effective June 1, 1988, the department shall increase resource limitations

Governor vetoes Sections 1, 2, 3, 4, 5, 7, 8, 9, 10, & 11
Sections 6 & 12 approved

HF 2082

under the medically needy program to five thousand dollars for a one-person household and seven thousand five hundred dollars for a family of two or more persons. For the medically needy program, the department shall be allowed to set the length of the certification period, as authorized by federal regulations.

NEW UNNUMBERED PARAGRAPH. Effective March 1, 1988, the department shall extend medical assistance benefits for an additional six months to individuals who lose assistance through the aid to families with dependent children program solely due to the loss of the thirty dollars and one-third earned income disregard.

NEW UNNUMBERED PARAGRAPH. Effective March 1, 1988, the department shall begin implementation planning for the provision, as soon as is administratively feasible, of medical assistance to all pregnant women, and infants and children up to age five on an incremental basis; and to all individuals who are aged, blind, or disabled, whose income does not exceed one hundred percent of the federal poverty level. Resource limitations shall be five thousand dollars for a one person household and seven thousand five hundred dollars for a family of two or more people. Aged, blind, or disabled individuals shall have income and resources treated according to supplemental security income methodologies. Pregnant women, and infants and children shall have income and resources treated according to aid to families with dependent children methodologies. All other medical assistance program requirements shall apply. Upon implementation, phased-in coverage for children shall begin with children up to the age of one and shall be continued through January 1, 1992.

DISPLACED HOME MAKER PROGRAMS

Sec. 5. 1987 Iowa Acts, chapter 234, section 203, subsection 11, is amended by adding the following new paragraph:

NEW PARAGRAPH. i. Of the funds appropriated in this subsection, forty thousand (40,000) dollars, or so much

thereof as is necessary, is allocated for displaced homemaker programs. Notwithstanding section 8.33, unobligated or unencumbered funds appropriated by this section and allocated by this paragraph shall not revert to the general fund of this state on June 30, 1988, but shall be available for expenditure under this section and paragraph during the fiscal year beginning July 1, 1988, and ending June 30, 1989.

SUPPLEMENTAL APPROPRIATIONS

Sec. 6. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1987, and ending June 30, 1988, to the department of human services, the following amounts, or so much thereof as is necessary, to supplement prior appropriations:

- 1. For medical assistance to be used for the same purposes and to supplement funds appropriated by 1987 Iowa Acts, chapter 234, section 203, subsection 2:
..... \$ 10,500,000
- 2. For state supplementary assistance to be used for the same purpose and to supplement funds appropriated by 1987 Iowa Acts, chapter 234, section 203, subsection 6:
..... \$ 1,500,000
- 3. For foster care to be used for the same purpose and to supplement funds appropriated by 1987 Iowa Acts, chapter 234, section 203, subsection 9:
..... \$ 8,000,000

MENTAL HEALTH INSTITUTES

Sec. 7. 1987 Iowa Acts, chapter 234, section 205, is amended by adding the following new subsection:

NEW SUBSECTION. 8. The department shall pursue all reasonable courses of action necessary to expand the recruitment and retention of psychiatrists at the state mental health institutes. 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.

RURAL MENTAL HEALTH SERVICES

Sec. 8. There is appropriated from the general fund of the state to the department of human services for the fiscal period beginning March 1, 1988, and ending June 30, 1988, as a condition of the appropriation made in 1987 Iowa Acts, chapter 234, section 205, thirty-three thousand (\$33,000) dollars, or so much thereof as is necessary, for rural mental health services. The division of mental health, mental retardation, and developmental disabilities of the department of human services shall allocate these funds to continue existing special allocation project grants providing outreach services to Iowans affected by the current rural economic situation. The division shall award these funds to agencies that have participated in the 1988 fiscal year mental health and mental retardation services funds special allocation grant application process. Notwithstanding section 8.33, unobligated or unencumbered funds appropriated by this section shall not revert to the general fund of this state on June 30, 1988, but shall be available for expenditure under this section during the fiscal year beginning July 1, 1988, and ending June 30, 1989.

ENHANCED MENTAL HEALTH/MENTAL RETARDATION/DEVELOPMENTAL
DISABILITIES SERVICES

Sec. 9. There is appropriated from the general fund of the state to the department of human services, for the fiscal period beginning March 1, 1988, and ending June 30, 1988, five hundred thirty-seven thousand eight hundred thirty-five (\$37,835) dollars, or so much thereof as is necessary, for administrative support and for service coordination and diagnosis and evaluation.

1. The funds provided under this section shall be used by the department of human services for the following:

a. No more than eighty-eight percent of the funds shall be used for the establishment of service coordination units for persons with mental retardation, developmental disabilities, or chronic mental illness for the provision of specialized service coordination. It is the intent of the general assembly that these units be established no later than June 30, 1988, in each of the department's human service districts. The department shall report to the general assembly by June 30, 1988, on the establishment of the service coordination units. Priority shall be given to individuals who require service coordination in preventing a placement that would be inconsistent with the person's identified needs. Persons performing service coordination shall be given caseloads no greater than thirty for clients with mental retardation, developmental disabilities, or chronic mental illness.

b. No more than twelve percent of the funds shall be used for the provision of diagnosis and evaluation services for persons with mental retardation, developmental disabilities, or chronic mental illness. Priority shall be given to individuals who have not received a diagnosis and evaluation within the past five years.

The available funds shall be allocated to the department of human service districts based on the bill of rights enumeration study. Within the funds available under this section, case management and diagnosis and evaluation shall be made available proportional to the bill of rights populations within each district as cited in the enumeration study.

The department shall seek to draw down additional funds through the federal medical assistance program in the provision of these services.

It is the intent of the general assembly that recognition be given to reducing the cost for potential conversion of residential care facilities for the mentally retarded to

intermediate care facilities for the mentally retarded without imposing more restrictive construction and renovation standards than absolutely essential.

It is the intent of the general assembly that greater use of federal support through vocational rehabilitation funding be provided for the bill of rights population. The department shall work with the department of education in seeking to make greater use of vocational rehabilitation support for the bill of rights population, and shall report to the general assembly by June 30, 1988, on the feasibility of obtaining additional federal assistance.

The department shall develop a proposal to assist individuals in obtaining Social Security and Title XIX benefits.

2. Nothing in this Act is intended by the general assembly to be the provision of a fair and equitable funding formula specified in 1985 Iowa Acts, chapter 249, section 9. Nothing in this Act shall be construed, is intended, or shall imply a claim of entitlement to any programs or services specified in section 225C.28.

REIMBURSEMENT RATES

Sec. 10. 1987 Iowa Acts, chapter 234, section 213, is amended by adding the following new subsections:

NEW SUBSECTION. 11. Beginning March 1, 1988, the basis for establishing the maximum medical assistance rate for intermediate care facilities shall be the sixty-sixth percentile of all facility per diems as calculated from the June 30, 1987, unaudited compilation of cost and statistical data.

NEW SUBSECTION. 12. Beginning March 1, 1988, skilled nursing facility payment rates shall be increased by two and nine-tenths percent, rural health clinic rates shall be increased in accordance with increases under the federal Medicare program, pursuant to Title XVIII of the federal Social Security Act.

NEW SUBSECTION. 13. Effective March 1, 1988, the three and eighty-five hundredths percent will no longer apply to residential care facilities. Furthermore, the maximum reimbursement rate for residential care facilities shall be increased by four percent making the maximum rate seventeen dollars and ninety-seven cents. The new flat rate for facilities electing not to file cost reports shall be twelve dollars and eighty-four cents.

NEW SUBSECTION. 14. Effective March 1, 1988, the three and eighty-five hundredths percent reduction shall not be applied in the in-home health related care program. Furthermore, the maximum reimbursement rate for the in-home health related care program shall be increased by four percent.

NEW SUBSECTION. 15. For services given by social service providers on or after March 1, 1988, reductions to invoices or rates shall be discontinued. In addition, for services given between March 1, 1988, and June 30, 1988, rates shall be automatically increased by four percent over the unreduced rates in effect on June 30, 1987. Rates for foster group care and shelter care services shall not exceed sixty-eight dollars and eighty cents per day. This automatic increase is intended to be a one-time exception to policy for the fiscal period beginning March 1, 1988, and ending June 30, 1988, only and is not intended to eliminate regular submission of cost reports.

ASSISTANCE TO GAMBLERS

Sec. 11. The department shall use funds deposited in the gamblers assistance fund established in section 99E.10 only for programs to assist gamblers. Any unspent funds shall remain in the fund and shall not be transferred or reverted to the general fund.

The department shall use gamblers assistance fund moneys for two full-time equivalent positions to support this program.

EFFECTIVE DATE

Sec. 12. This Act, being deemed of immediate importance, takes effect upon enactment.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2082, Seventy-second General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved Feb. 12, 1988

TERRY E. BRANSTAD
Governor

HF 2082