

FEB 16 1989

HOUSE FILE 344  
BY COMMITTEE ON HUMAN RESOURCES

Place On Calendar  
*Senate Human Res*  
*DO PASS 3-30-89 (p. 1099)*

(SUCCESSOR TO HSB 39)

Passed House, Date 2-27-89 (p. 303) Passed Senate, Date 4-1-89 (p. 1368)  
Vote: Ayes 94 Nays 0 Vote: Ayes 44 Nays 0

Approved May 27 1989

*Repassed house 4-25-89 (p. 1843)*  
Ayes 90 Nays 0 A BILL FOR

1 An Act relating to the substance abuse law.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 344

3183-

1 Section 1. Section 125.7, subsection 3, Code 1989, is  
2 amended by striking the subsection.

3 Sec. 2. Section 125.13, subsection 2, paragraph a, Code  
4 1989, is amended to read as follows:

5 a. ~~Hospitals~~ A hospital providing care or treatment to  
6 substance abusers ~~required-to-have-a-license~~ licensed under  
7 chapter 135B which is accredited by the joint commission on  
8 the accreditation of health care organizations or another  
9 recognized organization approved by the commission. All  
10 survey reports from the accrediting or licensing body must be  
11 sent to the department.

4011, 4-36-98

12 Sec. 3. Section 125.14, Code 1989, is amended to read as  
13 follows:

14 125.14 LICENSES -- RENEWAL -- FEES.

15 The commission shall meet to consider all cases involving  
16 issuance, denial, suspension, or revocation of a license. The  
17 department shall issue a license to an applicant who the  
18 commission determines meets the licensing requirements of this  
19 chapter. Licenses shall expire no later than two years from  
20 the date of issuance and shall be renewed upon timely  
21 application made in the same manner as for original issuance  
22 of a license unless notice of nonrenewal is given to the  
23 licensee at least thirty days prior to the expiration of the  
24 license. The department shall not charge a fee for licensing  
25 or renewal of programs contracting with the department for  
26 provision of treatment services. A fee may be charged to  
27 other licensees.

28 Sec. 4. Section 125.44, unnumbered paragraph 4, Code 1989,  
29 is amended by striking the unnumbered paragraph.

30 Sec. 5. Section 125.44, unnumbered paragraph 5, Code 1989,  
31 is amended to read as follows:

32 The substance abuser is legally liable to the facility for  
33 the total amount of the cost of providing care, maintenance,  
34 and treatment for the substance abuser while a voluntary or  
35 committed patient in a facility. ~~The-substance-abuser-shall~~

1 ~~assign any claim for reimbursement under any contract of~~  
2 ~~indemnity, by insurance or otherwise, providing for the~~  
3 ~~abuser's care, maintenance, and treatment in the facility to~~  
4 ~~the department.~~ This section does not prohibit any individual  
5 from paying any portion of the cost of treatment.

6 Sec. 6. Section 125.8, Code 1989, is repealed.

7 EXPLANATION

8 This bill eliminates the duty of the commission on  
9 substance abuse to establish policies governing the director's  
10 performance. The bill also provides an exception to licensing  
11 requirements of the department for hospitals with substance  
12 abuse programs accredited by the joint commission on the  
13 accreditation of health care organizations or other recognized  
14 organizations. The bill allows the department to charge a fee  
15 for licensing and renewal, but allows no charge for programs  
16 contracting with the state to provide services. Further, the  
17 bill modifies both the procedure which accounts for client  
18 payment and the requirement that substance abusers assign  
19 claims for reimbursement.

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HOUSE FILE 344

H-3183

- 1 Amend House File 344 as follows:
- 2 1. Page 1, by inserting before line 1, the
- 3 following:
- 4 "Section 1. Section 125.2, subsection 5, Code
- 5 1989, is amended to read as follows:
- 6 5. "Substance abuser" means a person who
- 7 habitually lacks self-control as to the use of
- 8 ~~chemical substances or uses chemical substances to the~~
- 9 ~~extent that the person's health is substantially~~
- 10 ~~impaired or endangered or so~~ that the person's social
- 11 or economic function is substantially disrupted and
- 12 whose recent conduct as a result of habitual and
- 13 excessive use of chemical substances poses a
- 14 substantial likelihood of physical harm to self and
- 15 others as demonstrated by a recent attempt or threat
- 16 to physically harm self and others, evidence of recent
- 17 serious physical problems, or a failure to obtain
- 18 necessary food, clothing, shelter, or medical care."
- 19 2. By renumbering as necessary.

By VAN MAANEN of Mahaska

H-3183 FILED FEBRUARY 22, 1989

*withdrawn 2-27-89 (p. 563)*

HOUSE FILE 344

S-3609

- 1 Amend House File 344 as follows:
- 2 1. Page 1, line 8, by inserting after the word
- 3 "organizations" the following: ", the commission on
- 4 accreditation of rehabilitation facilities, the
- 5 American Osteopathic Association,".

By JIM RIORDAN

S-3609 FILED APRIL 10, 1989

*Adopted 4-11-89 (p. 1307)*

SENATE AMENDMENT TO HOUSE FILE 344

H-4011

- 1 Amend House File 344 as follows:
- 2 1. Page 1, line 8, by inserting after the word
- 3 "organizations" the following: ", the commission on
- 4 accreditation of rehabilitation facilities, the
- 5 American Osteopathic Association,".

RECEIVED FROM THE SENATE

H-4011 FILED APRIL 13, 1989

*House concurred 4-25-89 (p. 1893)*

Adams  
Merty  
Brown  
Clark  
Plasie

HUMAN RESOURCES  
*Now*

HOUSE FILE 344  
BY (PROPOSED DEPARTMENT OF  
PUBLIC HEALTH BILL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the substance abuse law.

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

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2 amended by striking the subsection.

3 Sec. 2. Section 125.13, subsection 2, paragraph a, Code  
4 1989, is amended to read as follows:

5 a. ~~Hospitals~~ A hospital providing care or treatment to  
6 substance abusers ~~required-to-have-a-license~~ licensed under  
7 chapter 135B if the hospital's substance abuse program is  
8 accredited by the joint commission on the accreditation of  
9 health care organizations or another recognized organization  
10 approved by the commission. All survey reports from the  
11 accrediting or licensing body must be sent to the department.

12 Sec. 3. Section 125.14, Code 1989, is amended to read as  
13 follows:

14 125.14 LICENSES -- RENEWAL -- FEES.

15 The commission shall meet to consider all cases involving  
16 issuance, denial, suspension, or revocation of a license. The  
17 department shall issue a license to an applicant who the  
18 commission determines meets the licensing requirements of this  
19 chapter. Licenses shall expire no later than two years from  
20 the date of issuance and shall be renewed upon timely  
21 application made in the same manner as for original issuance  
22 of a license unless notice of nonrenewal is given to the  
23 licensee at least thirty days prior to the expiration of the  
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26 provision of treatment services. A fee may be charged to  
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33 the total amount of the cost of providing care, maintenance,  
34 and treatment for the substance abuser while a voluntary or  
35 committed patient in a facility. ~~The-substance-abuser-shall~~

1 ~~assign-any-claim-for-reimbursement-under-any-contract-of~~  
2 ~~indemnity,by-insurance-or-otherwise,providing-for-the~~  
3 ~~abuser's-care,maintenance,and-treatment-in-the-facility-to~~  
4 ~~the-department.~~ This section does not prohibit any individual  
5 from paying any portion of the cost of treatment.

6 Sec. 6. Section 125.8, Code 1989, is repealed.

7 EXPLANATION

8 This bill eliminates the duty of the commission on  
9 substance abuse to establish policies governing the director's  
10 performance. The bill also provides an exception to licensing  
11 requirements of the department for hospitals with substance  
12 abuse programs accredited by the joint commission on the  
13 accreditation of health care organizations or other recognized  
14 organizations. The bill allows the department to charge a fee  
15 for licensing and renewal, but allows no charge for programs  
16 contracting with the state to provide services. Further, the  
17 bill modifies both the procedure which accounts for client  
18 payment and the requirement that substance abusers assign  
19 claims for reimbursement.

20 BACKGROUND STATEMENT

21 SUBMITTED BY THE AGENCY

22 The Department of Public Health has a legislative mandate  
23 to ensure quality substance abuse treatment in Iowa. However,  
24 substance abuse programs in hospitals, licensed under chapter  
25 135B, do not have specific substance abuse or client care  
26 standards to meet except for those hospitals that are  
27 accredited by the Joint Commission on the Accreditation of  
28 Healthcare Organizations (JCAHO). Also, there is no fee  
29 charged for licensure of substance abuse programs despite the  
30 costs of review and inspections. And, the Code specified  
31 procedure to account for client payment does not allow for  
32 flexibility needed to streamline a complex system efficiently.

33 This proposal will offer updates to the Code to reflect the  
34 1986 reorganization; to ensure all substance abuse programs  
35 meet minimum standards for quality care; to provide the option

1 of establishing a fee for licensure if necessary; and to  
2 provide for a flexible system to account for client payment of  
3 fees in publicly funded substance abuse programs.

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HOUSE FILE 344

AN ACT  
RELATING TO THE SUBSTANCE ABUSE LAW.

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

Section 1. Section 125.7, subsection 3, Code 1989, is amended by striking the subsection.

Sec. 2. Section 125.13, subsection 2, paragraph a, Code 1989, is amended to read as follows:

a. ~~Hospitals~~ A hospital providing care or treatment to substance abusers ~~required to have a license~~ licensed under chapter 135B which is accredited by the joint commission on the accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, the American Osteopathic Association, or another recognized organization approved by the commission. All survey reports from the accrediting or licensing body must be sent to the department.

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125.14 LICENSES -- RENEWAL -- FEES.

The commission shall meet to consider all cases involving issuance, denial, suspension, or revocation of a license. The department shall issue a license to an applicant who the commission determines meets the licensing requirements of this chapter. Licenses shall expire no later than two years from the date of issuance and shall be renewed upon timely application made in the same manner as for original issuance of a license unless notice of nonrenewal is given to the licensee at least thirty days prior to the expiration of the license. The department shall not charge a fee for licensing or renewal of programs contracting with the department for provision of treatment services. A fee may be charged to other licensees.

Sec. 4. Section 125.44, unnumbered paragraph 4, Code 1989, is amended by striking the unnumbered paragraph.

Sec. 5. Section 125.44, unnumbered paragraph 5, Code 1989, is amended to read as follows:

The substance abuser is legally liable to the facility for the total amount of the cost of providing care, maintenance, and treatment for the substance abuser while a voluntary or committed patient in a facility. ~~The substance abuser shall assign any claim for reimbursement under any contract of indemnity by insurance or otherwise, providing for the abuser's care, maintenance, and treatment in the facility to the department.~~ This section does not prohibit any individual from paying any portion of the cost of treatment.

Sec. 6. Section 125.8, Code 1989, is repealed.

\_\_\_\_\_  
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 344, Seventy-third General Assembly.

\_\_\_\_\_  
JOSEPH O'HERN  
Chief Clerk of the House

Approved *May 27*, 1989

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FERRY E. BRANSTAD  
Governor