

FEB 7 1995
HUMAN RESOURCES

HOUSE FILE 144
BY RUNNING

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to nursing facility admissions and the source of
2 payment of the cost of care of residents, and providing
3 penalties.

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

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HF 144

1 Section 1. NEW SECTION. 135C.31A NURSING FACILITIES --
2 REQUIRED CERTIFICATION OF BEDS -- PENALTIES.

3 1. A nursing facility shall not be licensed pursuant to
4 section 135C.6 unless the facility certifies all beds in the
5 facility as accessible to residents whose source of payment is
6 medical assistance pursuant to chapter 249A.

7 2. A nursing facility shall not establish limitations on
8 the number of admissions of residents based on the source of
9 payment of the cost of the residents' care.

10 3. Notwithstanding section 135C.36, a nursing facility is
11 subject to the following penalties:

12 a. For each of the first three violations of this section
13 within a twelve-month period, a penalty of not less than one
14 thousand dollars and not more than four thousand dollars.

15 b. For each subsequent violation of this section, a
16 penalty of ten thousand dollars.

17 EXPLANATION

18 This bill requires that as a condition of licensure, a
19 nursing facility certify all beds in the facility as
20 accessible to residents whose source of payment is medical
21 assistance. The bill prohibits limitations on the number of
22 admissions of residents based upon the payment of the cost of
23 care of the resident through medical assistance. The bill
24 establishes monetary penalties for violation of the provisions
25 of the bill.

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**HOUSE FILE 144
FISCAL NOTE**

A fiscal note for House File 144 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

House File 144 requires that as a condition of licensure, a nursing facility certify all beds in the facility as accessible to residents whose source of payment is medical assistance. The bill prohibits limitations on the number of admissions of residents based on the payment of the cost of care of the resident through medical assistance.

Assumptions

The Department of Inspections and Appeals would assess compliance with this requirement upon receipt of a complaint.

Investigation of a complaint regarding this requirement would consist of a site visit, review of records, and interviews with staff members and the complainant. This is the same procedure followed for investigation of other complaints.

All instances of substantiated complaints would result in informal and formal hearings.

Fiscal Impact

As the number of complaints regarding this requirement cannot be estimated, the fiscal impact has been determined on a per case basis. The cost per case would consist of the cost included in the investigation, an informal hearing, and a formal hearing.

Cost Per Investigation	\$ 648.00
Cost Per Informal Hearing	913.00
Cost Per Formal Hearing	<u>1,336.00</u>
Total Cost Per Case	\$2,897.00

*Note: According to the Department of Human Services, many high cost, high quality nursing facilities strictly limit the number of Medicaid recipients that can be admitted. As this bill would require them to admit any Medicaid recipient applying for admission if a vacant bed exists, it is likely that there would be an increasing number of Medicaid recipients in more costly facilities, thus adding to Medicaid costs. These costs are not included in the above estimate.

Sources:

Department of Inspections and Appeals
Department of Human Services

(LSB 1351hh, LDC)

FILED FEBRUARY 27, 1995

BY DENNIS PROUTY, FISCAL DIRECTOR