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Place On Calendar

HOUSE FILE 2427
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 734)

Passed House, (p. 841) Date 3/20/96 Passed Senate, (p. 1300) Date 4/10/96
Vote: Ayes 100 Nays 0 Vote: Ayes 49 Nays 0
Approved 5/2/96

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and other services paid for in
3 whole or in part by counties or the state, and including an
4 applicability provision and an effective date.

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

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HF 2427

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DIVISION I

MENTAL RETARDATION SERVICE PROVISIONS

Section 1. Section 222.2, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. "Management plan" means a county's plan for management of mental health, mental retardation, and developmental disabilities services implemented and approved in accordance with section 331.439.

Sec. 2. Section 222.13, subsections 1 through 3, Code Supplement 1995, are amended to read as follows:

1. If an adult person is believed to be a person with mental retardation, the adult person or the adult person's guardian may request the county board of supervisors or their designated agent to apply to the superintendent of any state hospital-school for the voluntary admission of the adult person either as an inpatient or an outpatient of the hospital-school. Submission of an application is subject to the provisions of the management plan of the person's county of legal settlement. After determining the legal settlement of the adult person as provided by this chapter, the board of supervisors shall, on forms prescribed by the administrator, apply to the superintendent of the hospital-school in the district for the admission of the adult person to the hospital-school. An application for admission to a special unit of any adult person believed to be in need of any of the services provided by the special unit under section 222.88 may be made in the same manner, upon request of the adult person or the adult person's guardian. The superintendent shall accept the application providing a preadmission diagnostic evaluation confirms or establishes the need for admission, except that an application may not be accepted if the institution does not have adequate facilities available or if the acceptance will result in an overcrowded condition.

2. If the hospital-school has no appropriate program for the treatment of an adult or minor person with mental

1 retardation applying under this section or section 222.13A,
2 the board of supervisors shall arrange for the placement of
3 the person in any public or private facility within or without
4 the state, approved by the director of the department of human
5 services, which offers appropriate services for the person,
6 subject to the county's management plan.

7 3. Upon applying for admission of an adult or minor person
8 to a hospital-school, or a special unit, or upon arranging for
9 the placement of the person in a public or private facility,
10 the board of supervisors shall make a full investigation into
11 the financial circumstances of that person and those liable
12 for that person's support under section 222.78, to determine
13 whether or not any of them are able to pay the expenses
14 arising out of the admission of the person to a hospital-
15 school, or special treatment unit, or public or private
16 facility. If the board finds that the person or those legally
17 responsible for the person are presently unable to pay the
18 expenses, they the board shall direct that the expenses be
19 paid by the county. The board may review its finding at any
20 subsequent time while the person remains at the hospital-
21 school, or is otherwise receiving care or treatment for which
22 this chapter obligates the county to pay. If the board finds
23 upon review that the person or those legally responsible for
24 the person are presently able to pay the expenses, the finding
25 shall apply only to the charges incurred during the period
26 beginning on the date of the review and continuing thereafter,
27 unless and until the board again changes its finding. If the
28 board finds that the person or those legally responsible for
29 the person are able to pay the expenses, they the board shall
30 direct that the charges be so paid to the extent required by
31 section 222.78, and the county auditor shall be responsible
32 for the collection of the charges.

33 Sec. 3. Section 222.13A, subsections 2 and 3, Code
34 Supplement 1995, are amended to read as follows:

35 2. Upon receipt of an application for voluntary admission

1 of a minor, the board of supervisors shall provide act in
2 accordance with the county's management plan in arranging for
3 a preadmission diagnostic evaluation of the minor to confirm
4 or establish the need for the admission. The preadmission
5 diagnostic evaluation shall be performed by a person who meets
6 the qualifications of a qualified mental retardation
7 professional.

8 3. During the preadmission diagnostic evaluation, the
9 minor shall be informed both orally and in writing that the
10 minor has the right to object to the voluntary admission. If
11 the preadmission diagnostic evaluation determines that the
12 voluntary admission is appropriate in accordance with the
13 county's management plan but the minor objects to the
14 admission, the minor shall not be admitted to the state
15 hospital-school unless the court approves of the admission. A
16 petition for approval of the minor's admission may be
17 submitted to the juvenile court by the minor's parent,
18 guardian, or custodian.

19 Sec. 4. Section 222.31, subsection 2, unnumbered paragraph
20 1, Code 1995, is amended to read as follows:

21 Commit the person to the state hospital-school designated
22 by the administrator to serve the county in which the hearing
23 is being held, or to a special unit. The court shall prior to
24 issuing an order of commitment request that a diagnostic
25 evaluation of the person be made by the superintendent of the
26 hospital-school, or the special unit, or the superintendent's
27 qualified designee. The evaluation shall be conducted at a
28 place as the superintendent may direct. The cost of the
29 evaluation shall be defrayed paid by the county of legal
30 settlement unless otherwise ordered by the court. The cost
31 may be equal to but shall not exceed the actual cost of the
32 evaluation. Persons referred by a court to a hospital-school
33 or the special unit for diagnostic evaluation shall be
34 considered as outpatients of the institution. ~~No~~ An order of
35 commitment shall not be issued unless the superintendent of

1 the institution recommends that the order be issued, and
2 advises the court that adequate facilities for the care of the
3 person are available. In addition, an order of commitment to
4 a state hospital-school, special unit, or the superintendent's
5 qualified designee shall not be issued unless the placement is
6 in accordance with the management plan of the person's county
7 of legal settlement.

8 Sec. 5. Section 222.59, subsection 1, unnumbered paragraph
9 1, Code Supplement 1995, is amended to read as follows:

10 Upon receiving a request from an authorized requester, the
11 superintendent of a state hospital-school shall assist
12 coordinate with the county of legal settlement in assisting
13 the requester in identifying available community-based
14 services, which are authorized in accordance with the county's
15 management plan, as an alternative to continued placement of a
16 patient in the state hospital-school. For the purposes of
17 this section, "authorized requester" means the parent,
18 guardian, or custodian of a minor patient, the guardian of an
19 adult patient, or an adult patient who does not have a
20 guardian. The assistance shall identify alternatives to
21 continued placement which are appropriate to the patient's
22 needs and shall include but are not limited to any of the
23 following:

24 Sec. 6. Section 222.73, subsection 2, Code Supplement
25 1995, is amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. A county shall not be billed for the
27 cost of any patient whose admission or continued stay was not
28 authorized in accordance with the county's management plan.

29 Sec. 7. Section 222.73, subsection 2, unnumbered paragraph
30 2, Code Supplement 1995, is amended to read as follows:

31 The per diem costs billed to each county shall not exceed
32 the per diem costs ~~in-effect-on-July-17-1988~~ billed to the
33 county in the fiscal year for which the county's base year
34 expenditures were established for purposes of the definition
35 of base year expenditures in section 331.438. However, the

1 ~~per-diem-costs-may-be-adjusted-annually-to-the-extent-of-the~~
2 ~~adjustment-in-the-consumer-price-index-published-annually-in~~
3 ~~the-federal-register-by-the-federal-department-of-labor,~~
4 ~~bureau-of-labor-statistics.~~

5 DIVISION II

6 MENTAL HEALTH SERVICE PROVISIONS

7 Sec. 8. Section 225.11, Code 1995, is amended to read as
8 follows:

9 225.11 INITIATING COMMITMENT PROCEDURES.

10 When a court finds upon completion of a hearing held
11 pursuant to section 229.12 that the contention that a
12 respondent is seriously mentally impaired has been sustained
13 by clear and convincing evidence, and the application filed
14 under section 229.6 also contends or the court otherwise
15 concludes that it would be appropriate to refer the respondent
16 to the state psychiatric hospital for a complete psychiatric
17 evaluation and appropriate treatment pursuant to section
18 229.13, the judge may order that a financial investigation be
19 made in the manner prescribed by section 225.13. Evaluation
20 or treatment shall not be ordered under this section unless in
21 accordance with the provisions of the management plan, as
22 defined in section 229.1, of the respondent's county of legal
23 settlement.

24 Sec. 9. Section 225.15, Code 1995, is amended to read as
25 follows:

26 225.15 EXAMINATION AND TREATMENT.

27 When ~~the~~ a respondent arrives at the state psychiatric
28 hospital, ~~it-shall-be-the-duty-of~~ the admitting physician to
29 shall examine the respondent and determine whether or not, in
30 the physician's judgment, the patient is a fit subject for
31 such observation, treatment, and hospital care. If, upon
32 examination, the physician decides that ~~such-patient~~ the
33 respondent should be admitted to the hospital, the patient
34 respondent shall be provided a proper bed in the hospital; and
35 the physician who ~~shall-have~~ has charge of the patient

1 respondent shall proceed with ~~such~~ observation, medical
2 treatment, and hospital care as in the physician's judgment
3 are proper and necessary, in compliance with sections 229.13
4 to 229.16.

5 A proper and competent nurse shall also be assigned to look
6 after and care for ~~such-patient~~ the respondent during ~~such~~
7 observation, treatment, and care ~~as-aforesaid~~. Observation,
8 treatment, and hospital care under this section shall only be
9 provided in accordance with the provisions of the management
10 plan, as defined in section 229.1, of the respondent's county
11 of legal settlement.

12 Sec. 10. Section 225.17, Code 1995, is amended to read as
13 follows:

14 225.17 COMMITTED PRIVATE PATIENT -- TREATMENT.

15 If the judge of the district court, finds upon the review
16 and determination made under the provisions of section 225.14
17 that the respondent is an appropriate subject for placement at
18 the state psychiatric hospital, and that the respondent, or
19 those legally responsible for the respondent, are able to pay
20 the expenses ~~thereof~~ associated with the placement, the judge
21 shall enter an order directing that the respondent shall be
22 sent to the state psychiatric hospital at the state University
23 of Iowa for observation, treatment, and hospital care as a
24 committed private patient.

25 When the respondent arrives at the ~~said~~ hospital, the
26 respondent shall receive the same treatment as is provided for
27 committed public patients in section 225.15, in compliance
28 with sections 229.13 to 229.16. However, observation,
29 treatment, and hospital care under this section of a
30 respondent whose expenses are payable in whole or in part by a
31 county shall only be provided in accordance with the
32 provisions of the management plan, as defined in section
33 229.1, of the respondent's county of legal settlement.

34 Sec. 11. Section 225C.2, Code 1995, is amended by adding
35 the following new subsection:

1 NEW SUBSECTION. 6A. "Management plan" means a county's
2 plan for management of mental health, mental retardation, and
3 developmental disabilities services implemented and approved
4 in accordance with section 331.439.

5 Sec. 12. Section 225C.12, Code 1995, is amended to read as
6 follows:

7 225C.12 PARTIAL REIMBURSEMENT TO COUNTIES FOR LOCAL
8 INPATIENT MENTAL HEALTH CARE AND TREATMENT.

9 1. A county which pays, from county funds budgeted under
10 ~~section 331.424, subsection 17, paragraphs "d" and "g"~~
11 331.424A, the cost of care and treatment of a ~~mentally-ill~~
12 person with mental illness who is admitted pursuant to a
13 preliminary diagnostic evaluation under sections 225C.14 to
14 225C.17 for treatment as an inpatient of a hospital facility,
15 other than a state mental health institute, which has a
16 designated mental health program and is a hospital accredited
17 by the accreditation program for hospital facilities of the
18 joint commission on accreditation of hospitals health
19 organizations, is entitled to reimbursement from the state for
20 a portion of the daily cost so incurred by the county.
21 However, a county is not entitled to reimbursement for a cost
22 incurred in connection with the hospitalization of a person
23 who is eligible for medical assistance under chapter 249A, or
24 who is entitled to have care or treatment paid for by any
25 other third party payor, or who is admitted for preliminary
26 diagnostic evaluation under sections 225C.14 to 225C.17. The
27 amount of reimbursement for the cost of treatment of a local
28 inpatient to which a county is entitled, on a per-patient-per-
29 day basis, is an amount equal to twenty percent of the average
30 of the state mental health institutes' individual average
31 daily patient costs in the most recent calendar quarter for
32 the program in which the local inpatient would have been
33 served if the patient had been admitted to a state mental
34 health institute.

35 2. A county may claim reimbursement by filing with the

1 administrator a claim in a form prescribed by the
2 administrator by rule. Claims may be filed on a quarterly
3 basis, and when received shall be verified as soon as
4 reasonably possible by the administrator. The administrator
5 shall certify to the director of revenue and finance the
6 amount to which each county claiming reimbursement is
7 entitled, and the director of revenue and finance shall issue
8 warrants to the respective counties drawn upon funds
9 appropriated by the general assembly for the purpose of this
10 section. A county shall place funds received under this
11 section in the county mental health ~~and-institutions,~~ mental
12 retardation, and developmental disabilities services fund
13 created under section 331.424A. If the appropriation for a
14 fiscal year is insufficient to pay all claims arising under
15 this section, the director of revenue and finance shall
16 prorate the funds appropriated for that year among the
17 claimant counties so that an equal proportion of each county's
18 claim is paid in each quarter for which proration is
19 necessary.

20 Sec. 13. Section 225C.14, subsection 1, Code 1995, is
21 amended to read as follows:

22 1. Except in cases of medical emergency, a person shall be
23 admitted to a state mental health institute as an inpatient
24 only after a preliminary diagnostic evaluation ~~by-a-community~~
25 ~~mental-health-center-or-by-an-alternative-diagnostic-facility~~
26 performed in accordance with the management plan of the
27 person's county of legal settlement has confirmed that the
28 admission is appropriate to the person's mental health needs,
29 and that no suitable alternative method of providing the
30 needed services in a less restrictive setting or in or nearer
31 to the person's home community is currently available. If
32 provided for under the management plan of the person's county
33 of legal settlement, the evaluation may be performed by a
34 community mental health center or by an alternative diagnostic
35 facility. The policy established by this section shall be

1 implemented in the manner and to the extent prescribed by
2 sections 225C.15, 225C.16 and 225C.17.

3 Sec. 14. Section 225C.15, Code 1995, is amended to read as
4 follows:

5 225C.15 COUNTY IMPLEMENTATION OF EVALUATIONS.

6 The board of supervisors of a county shall, no later than
7 July 1, 1982, require that the policy stated in section
8 225C.14 be followed with respect to admission of persons from
9 that county to a state mental health institute. A community
10 mental health center which is supported, directly or in
11 affiliation with other counties, by that county ~~shall~~ may
12 perform the preliminary diagnostic evaluations for that
13 county, unless the performance of the evaluations is not
14 covered by the agreement entered into by the county and the
15 center under section 230A.12, and the center's director
16 certifies to the board of supervisors that the center does not
17 have the capacity to perform the evaluations, in which case
18 the board of supervisors shall proceed under section 225C.17.

19 Sec. 15. Section 225C.16, Code 1995, is amended to read as
20 follows:

21 225C.16 REFERRALS FOR EVALUATION.

22 1. The chief medical officer of a state mental health
23 institute, or that officer's physician designee, shall advise
24 a person residing in that county who applies for voluntary
25 admission, or a person applying for the voluntary admission of
26 another person who resides in that county, in accordance with
27 section 229.41, that the board of supervisors has implemented
28 the policy stated in section 225C.14, and shall advise that a
29 preliminary diagnostic evaluation of the prospective patient
30 be sought ~~from the appropriate community mental health center~~
31 ~~or alternative diagnostic facility~~, if that has not already
32 been done. This subsection does not apply when voluntary
33 admission is sought in accordance with section 229.41 under
34 circumstances which, in the opinion of the chief medical
35 officer or that officer's physician designee, constitute a

1 medical emergency.

2 2. The clerk of the district court in that county shall
3 refer a person applying for authorization for voluntary
4 admission, or for authorization for voluntary admission of
5 another person, in accordance with section 229.42, to the
6 appropriate ~~community-mental-health-center-or-alternative~~
7 ~~diagnostic-facility~~ entity designated by the person's county
8 of legal settlement under section 225C.14 for the preliminary
9 diagnostic evaluation unless the applicant furnishes a written
10 statement from ~~that-center-or-facility~~ the appropriate entity
11 which indicates that the evaluation has been performed and
12 that the person's admission to a state mental health institute
13 is appropriate. This subsection does not apply when
14 authorization for voluntary admission is sought under
15 circumstances which, in the opinion of the chief medical
16 officer or that officer's physician designee, constitute a
17 medical emergency.

18 3. Judges of the district court in that county or the
19 judicial hospitalization referee appointed for that county
20 shall so far as possible arrange for ~~a-physician-on-the-staff~~
21 ~~of-or-designated-by-the-appropriate-community-mental-health~~
22 ~~center-or-alternative-diagnostic-facility~~ the entity
23 designated by the county of legal settlement under section
24 225C.14 to perform a prehearing examination of a respondent
25 required under section 229.8, subsection 3, paragraph "b".

26 4. The chief medical officer of a state mental health
27 institute shall promptly submit to the appropriate ~~community~~
28 ~~mental-health-center-or-alternative-diagnostic-facility~~ entity
29 designated by the patient's county of legal settlement under
30 section 225C.14 a report of the voluntary admission of a
31 patient under the medical emergency clauses of subsections 1
32 and 2. The report shall explain the nature of the emergency
33 which necessitated the admission of the patient without a
34 preliminary diagnostic evaluation by the ~~center-or-alternative~~
35 ~~facility~~ designated entity.

1 Sec. 16. Section 225C.17, Code 1995, is amended to read as
2 follows:

3 225C.17 ALTERNATIVE DIAGNOSTIC FACILITY.

4 If the entity designated by a county to perform preliminary
5 diagnostic evaluations is not ~~served-by~~ a community mental
6 health center having the capacity to perform the required
7 preliminary diagnostic evaluations, the board of supervisors
8 ~~shall~~ may arrange for the evaluations to be performed by an
9 alternative diagnostic facility for the period until the
10 county is served by a community mental health center with the
11 capacity to provide that service. An alternative diagnostic
12 facility may be the outpatient service of a state mental
13 health institute or any other mental health facility or
14 service able to furnish the requisite professional skills to
15 properly perform a preliminary diagnostic evaluation of a
16 person whose admission to a state mental health institute is
17 being sought or considered on either a voluntary or an
18 involuntary basis.

19 Sec. 17. Section 227.10, Code 1995, is amended to read as
20 follows:

21 227.10 TRANSFERS FROM COUNTY OR PRIVATE INSTITUTIONS.

22 Patients who have been admitted at public expense to any
23 institution to which this chapter is applicable may be
24 involuntarily transferred to the proper state hospital for the
25 mentally ill in the manner prescribed by sections 229.6 to
26 229.13. The application required by section 229.6 may be
27 filed by the administrator of the division or the
28 administrator's designee, or by the administrator of the
29 institution where the patient is then being maintained or
30 treated. If the patient was admitted to that institution
31 involuntarily, the administrator of the division may arrange
32 and complete the transfer, and shall report it as required of
33 a chief medical officer under section 229.15, subsection 4.
34 The transfer shall be made at county expense, and the expense
35 recovered, as provided in section 227.7. However, transfer

1 under this section of a patient whose expenses are payable in
2 whole or in part by a county shall only be authorized in
3 accordance with the provisions of the management plan, as
4 defined in section 229.1, of the patient's county of legal
5 settlement.

6 Sec. 18. Section 229.1, Code Supplement 1995, is amended
7 by adding the following new subsection:

8 NEW SUBSECTION. 6A. "Management plan" means a county plan
9 for management of mental health, mental retardation, and
10 developmental disabilities services implemented and approved
11 in accordance with section 331.439.

12 Sec. 19. Section 229.13, unnumbered paragraph 1, Code
13 1995, is amended to read as follows:

14 If upon completion of the hearing the court finds that the
15 contention that the respondent ~~is seriously mentally impaired~~
16 ~~has been~~ has a serious mental impairment is sustained by clear
17 and convincing evidence, ~~it~~ the court shall order the
18 respondent placed in a hospital or a facility licensed to care
19 for persons with mental illness or substance abuse or under
20 the care of a facility that is licensed to care for persons
21 with mental illness or substance abuse on an outpatient basis
22 as expeditiously as possible for a complete psychiatric
23 evaluation and appropriate treatment. If the respondent is
24 ordered at the hearing to undergo outpatient treatment, the
25 outpatient treatment provider must be notified and agree to
26 provide the treatment prior to placement of the respondent
27 under the treatment provider's care. The court shall furnish
28 to the hospital or facility at the time the respondent arrives
29 at the hospital or facility a written finding of fact setting
30 forth the evidence on which the finding is based. If the
31 respondent is ordered to undergo outpatient treatment, the
32 order shall also require the respondent to cooperate with the
33 treatment provider and comply with the course of treatment.
34 The chief medical officer of the hospital or facility shall
35 report to the court no more than fifteen days after the

1 individual is admitted to or placed under the care of the
2 hospital or facility, making a recommendation for disposition
3 of the matter. An extension of time may be granted for not to
4 exceed seven days upon a showing of cause. A copy of the
5 report shall be sent to the respondent's attorney, who may
6 contest the need for an extension of time if one is requested.
7 Extension of time shall be granted upon request unless the
8 request is contested, in which case the court shall make such
9 inquiry as it deems appropriate and may either order the
10 respondent's release from the hospital or facility or grant
11 extension of time for psychiatric evaluation. If the chief
12 medical officer fails to report to the court within fifteen
13 days after the individual is admitted to or placed under the
14 care of the hospital or facility, and no extension of time has
15 been requested, the chief medical officer is guilty of
16 contempt and shall be punished under chapter 665. The court
17 shall order a rehearing on the application to determine
18 whether the respondent should continue to be held at or placed
19 under the care of the facility. However, an order under this
20 section for a respondent whose expenses are payable in whole
21 or in part by a county shall conform with the provisions of
22 the management plan of the respondent's county of legal
23 settlement.

24 Sec. 20. Section 229.14, Code 1995, is amended by adding
25 the following new unnumbered paragraph:

26 NEW UNNUMBERED PARAGRAPH. If a respondent's expenses are
27 payable in whole or in part by a county, an order under this
28 section shall be limited to those placements which are in
29 accordance with the provisions of the management plan of the
30 respondent's county of legal settlement.

31 Sec. 21. Section 229.24, subsection 3, unnumbered
32 paragraph 1, Code Supplement 1995, is amended to read as
33 follows:

34 If all or part of the costs associated with hospitalization
35 of an individual under this chapter are chargeable to a county

1 of legal settlement, the clerk of the district court shall
2 provide to the county of legal settlement and to the county in
3 which the hospitalization order is entered shall-have-access
4 to, in a form prescribed by the council on human services
5 pursuant to a recommendation of the state-county management
6 committee established in section 331.438, the following
7 information pertaining to the individual which would be
8 confidential under subsection 1:

9 Sec. 22. Section 229.42, unnumbered paragraph 1, Code
10 1995, is amended to read as follows:

11 If a person wishing to make application for voluntary
12 admission to a mental hospital established by chapter 226 is
13 unable to pay the costs of hospitalization or those
14 responsible for ~~such~~ the person are unable to pay ~~such~~ the
15 costs, application for authorization of voluntary admission
16 must be made to any clerk of the district court before
17 application for admission is made to the hospital. ~~After~~
18 ~~determining~~ The clerk shall determine the person's county of
19 legal settlement and if the admission is approved in
20 accordance with the county's management plan, the said clerk
21 ~~shall, on forms provided by the administrator of the division,~~
22 authorize such the person's admission to a mental health
23 hospital as a voluntary case. The authorization shall be
24 issued on forms provided by the administrator. The clerk
25 shall at once provide a duplicate copy of the form to the
26 county board of supervisors. The costs of the hospitalization
27 shall be paid by the county of legal settlement to the
28 director of revenue and finance and credited to the general
29 fund of the state, providing the mental health hospital
30 rendering the services has certified to the county auditor of
31 the responsible county of legal settlement the amount
32 chargeable thereto to the county and has sent a duplicate
33 statement of such the charges to the director of revenue and
34 finance. A county shall not be billed for the cost of a
35 patient whose admission or continued stay was not approved in

1 accordance with the provisions of the management plan of the
2 patient's county of legal settlement.

3 Sec. 23. Section 230.1, Code 1995, is amended by adding
4 the following new unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. A county of legal settlement is
6 not liable for costs and expenses associated with a person
7 with mental illness unless the costs and expenses are for
8 services and other support authorized for the person in
9 accordance with the county's management plan. For the purpose
10 of this chapter, "management plan" means a county plan for
11 management of mental health, mental retardation, and
12 developmental disabilities services implemented and approved
13 in accordance with section 331.439.

14 Sec. 24. Section 230.20, subsection 2, Code Supplement
15 1995, is amended to read as follows:

16 2. a. The superintendent shall certify to the director of
17 revenue and finance the billings to each county for services
18 provided to patients chargeable to the county during the
19 preceding calendar quarter. The county billings shall be
20 based on the average daily patient charge and other service
21 charges computed pursuant to subsection 1, and the number of
22 inpatient days and other service units chargeable to the
23 county. However, a county billing shall be decreased by an
24 amount equal to reimbursement by a third party payor or
25 estimation of such reimbursement from a claim submitted by the
26 superintendent to the third party payor for the preceding
27 calendar quarter. When the actual third party payor
28 reimbursement is greater or less than estimated, the
29 difference shall be reflected in the county billing in the
30 calendar quarter the actual third party payor reimbursement is
31 determined.

32 b. The per diem costs billed to each county shall not
33 exceed the per diem costs in-effect-on-July-1, 1988 billed to
34 the county in the fiscal year for which the county's base year
35 expenditures were established for purposes of the definition

1 of base year expenditures in section 331.438. However, the
2 per-diem costs may be adjusted annually to the extent of the
3 adjustment in the consumer price index published annually in
4 the federal register by the federal department of labor,
5 bureau of labor statistics.

6 DIVISION III

7 SERVICE REGULATION, INFORMATION, PLANNING, AND PAYMENT

8 PROVISIONS

9 Sec. 25. Section 230A.13, unnumbered paragraph 2, Code
10 1995, is amended to read as follows:

11 Release of administrative information, as defined in
12 section 228.1, which would identify an individual who is
13 receiving or has received treatment at a community mental
14 health center ~~shall not~~ may be made a condition of support of
15 that center by any county under this section. Section
16 ~~331.504, subsection 8 notwithstanding, a community mental~~
17 ~~health center shall not be required to file a claim which~~
18 ~~would in any manner identify such an individual, if the~~
19 ~~center's budget has been approved by the county board under~~
20 ~~this section and the center is in compliance with section~~
21 ~~230A.16, subsection 3.~~

22 Sec. 26. Section 235A.15, subsection 2, paragraph c, Code
23 Supplement 1995, is amended by adding the following new
24 subparagraph:

25 NEW SUBPARAGRAPH. (13) To the administrator of an agency
26 providing mental health, mental retardation, or developmental
27 disability services under a county management plan developed
28 pursuant to section 331.439, if the information concerns a
29 person employed by or being considered by the agency for
30 employment.

31 Sec. 27. Section 235B.6, subsection 2, paragraph c, Code
32 Supplement 1995, is amended by adding the following new
33 subparagraph:

34 NEW SUBPARAGRAPH. (6) To the administrator of an agency
35 providing mental health, mental retardation, or developmental

1 disability services under a county management plan developed
2 pursuant to section 331.439, if the information concerns a
3 person employed by or being considered by the agency for
4 employment.

5 Sec. 28. Section 249A.12, subsection 2, Code Supplement
6 1995, is amended to read as follows:

7 2. A county shall reimburse the department on a monthly
8 basis for that portion of the cost of assistance provided
9 under this section to a recipient with legal settlement in the
10 county, which is not paid from federal funds, if the
11 recipient's placement has been approved by the appropriate
12 review organization as medically necessary and appropriate and
13 the placement is authorized in accordance with the county's
14 management plan developed and approved in accordance with
15 section 331.439. A county shall not be required to reimburse
16 the department for a service provided more than one hundred
17 eighty days prior to the date of the claim submitted to the
18 county. If the department does not complete and credit a
19 county with cost settlement for the actual costs of a medical
20 assistance home and community-based waiver service within two
21 hundred seventy days of the end of a fiscal year for which
22 cost reports are due from providers, the county shall not be
23 required to reimburse the state for costs under this section
24 until the cost settlement is completed. The department shall
25 place all reimbursements from counties in the appropriation
26 for medical assistance, and may use the reimbursed funds in
27 the same manner and for any purpose for which the
28 appropriation for medical assistance may be used.

29 Sec. 29. Section 249A.12, Code Supplement 1995, is amended
30 by adding the following new subsection:

31 NEW SUBSECTION. 5. The department shall take the actions
32 necessary to revise the medical assistance home and community-
33 based waiver for adults with mental retardation requirements
34 to provide for reimbursement under the waiver for services
35 provided in residential and intermediate care facilities for

1 the mentally retarded licensed under chapter 135C and for day
2 program costs, including but not limited to activity, work
3 activity, and supported employment. The actions shall include
4 but are not limited to requesting that the federal government
5 revise an approved waiver, requesting an amendment to state
6 law, revising rules, or other action necessary to comply with
7 this subsection. The department shall consult with providers
8 of residential and intermediate care facility for the mentally
9 retarded services, service consumers, and other knowledgeable
10 persons in developing the waiver revision request or other
11 action. A waiver revision request and the other actions
12 developed pursuant to this subsection shall be completed on or
13 before September 16, 1996. The department shall report on
14 September 16, 1996, to the general assembly regarding its
15 actions under this subsection and any federal response, and
16 shall submit an update upon receiving a federal response to
17 the waiver request or other action taken which requires a
18 federal response. If implementation of the requirements of
19 this subsection does not require a federal waiver, the
20 department shall implement the requirements on July 1, 1996.

21 Sec. 30. Section 249A.26, Code 1995, is amended to read as
22 follows:

23 249A.26 COUNTY PARTICIPATION IN FUNDING FOR SERVICES TO
24 PERSONS WITH DISABILITIES.

25 The state shall pay for one hundred percent of the
26 nonfederal share of the cost of services provided under any
27 prepaid mental health services plan for medical assistance
28 implemented by the department as authorized by law. The
29 county of legal settlement shall pay for fifty percent of the
30 nonfederal share of the cost of case management provided to
31 adults, day treatment, and partial hospitalization provided
32 under the medical assistance program for persons with mental
33 retardation, a developmental disability, or chronic mental
34 illness. For purposes of this section, persons with mental
35 disorders resulting from Alzheimer's disease or substance

1 abuse shall not be considered chronically mentally ill. A
2 county's responsibility to pay for costs under this section is
3 limited to services and other support authorized in accordance
4 with the management plan developed and approved in accordance
5 with section 331.439 of the person's county of legal
6 settlement.

7 Sec. 31. Section 331.424A, subsection 2, Code Supplement
8 1995, is amended to read as follows:

9 2. For the fiscal year beginning July 1, 1996, and
10 succeeding fiscal years, county revenues from taxes and other
11 sources designated for mental health, mental retardation, and
12 developmental disabilities services shall be credited to the
13 mental health, mental retardation, and developmental
14 disabilities services fund of the county. The board shall
15 make appropriations from the fund for payment of services
16 provided under the county management plan approved pursuant to
17 section 331.439. The county may pay for the services in
18 cooperation with other counties by pooling appropriations from
19 the fund with other counties or through county regional
20 entities including but not limited to the county's mental
21 health and developmental disabilities regional planning
22 council created pursuant to section 225C.18.

23 Sec. 32. Section 331.438, subsection 4, paragraph b,
24 unnumbered paragraph 1, Code Supplement 1995, is amended to
25 read as follows:

26 The management committee shall consist of not more than
27 ~~eleven~~ twelve voting members ~~representing the state and~~
28 ~~counties~~ as follows:

29 Sec. 33. Section 331.438, subsection 4, paragraph b,
30 subparagraph (2), Code Supplement 1995, is amended to read as
31 follows:

32 (2) The committee shall include one member nominated by
33 service providers, and one member nominated by service
34 advocates and consumers, and one member nominated by the
35 state's council of the association of federal, state, county,

1 and municipal employees, with both these members appointed by
2 the governor.

3 Sec. 34. Section 331.438, subsection 4, paragraph c,
4 subparagraph (10), Code Supplement 1995, is amended to read as
5 follows:

6 (10) Make recommendations to improve the programs and cost
7 effectiveness of state and county contracting processes and
8 procedures, including strategies for negotiations relating to
9 managed care. The recommendations developed regarding managed
10 care shall include but are not limited to standards for
11 limiting excess costs and profits, and for restricting cost
12 shifting under a managed care system.

13 Sec. 35. Section 331.438, subsection 4, paragraph c, Code
14 Supplement 1995, is amended by adding the following new
15 subparagraphs:

16 NEW SUBPARAGRAPH. (15) Make recommendations to the
17 council on human services for administrative rules providing
18 statewide standards and a monitoring methodology to determine
19 whether cost-effective individualized services are available
20 as required pursuant to section 331.439, subsection 1,
21 paragraph "b".

22 NEW SUBPARAGRAPH. (16) Make recommendations to the
23 council on human services for administrative rules
24 establishing statewide minimum standards for services and
25 other support required to be available to persons covered by a
26 county management plan under section 331.439.

27 NEW SUBPARAGRAPH. (17) Make recommendations to the
28 council on human services for administrative rules allowing
29 counties, within parameters of acceptable managed care
30 guidelines, to manage voluntary and involuntary referrals to
31 the state hospital-schools, state mental health institutes,
32 intermediate care facilities for the mentally retarded,
33 services provided under a medical assistance home and
34 community-based waiver, medical assistance case management
35 services, and county service management.

1 NEW SUBPARAGRAPH. (18) Make recommendations for measuring
2 and improving the quality of state and county mental health,
3 mental retardation, and developmental disabilities services
4 and other support.

5 Sec. 36. EFFECTIVE DATE. Section 29 of this division of
6 this Act, being deemed of immediate importance, takes effect
7 upon enactment.

8 DIVISION IV

9 APPLICABILITY

10 Sec. 37. APPLICABILITY. Prior to January 1, 1997, the
11 applicability of the amendments in this Act to the following
12 sections which relate to a county management plan is limited
13 to those counties with a county management plan for mental
14 retardation and developmental disabilities services approved
15 in accordance with section 331.439: sections 222.12, 222.13A,
16 222.31, 222.59, 222.73, subsection 2, new paragraph "f", and
17 249A.12.

18 EXPLANATION

19 This bill relates to mental health, mental retardation, and
20 developmental disabilities (MH/MR/DD) services paid for in
21 whole or in part by counties.

22 Various sections of the Code of Iowa providing for county
23 payment or county requirements for mental retardation and
24 mental health services are amended to provide that the
25 payments or requirements are subject to the provisions of the
26 county's management plan for mental health, mental
27 retardation, and developmental disabilities services. The
28 management plan is required under section 331.439 to be
29 implemented as a condition of county eligibility for state
30 property tax relief fund moneys. According to section
31 331.439, the management plan provisions for mental health must
32 be implemented by July 1, 1996, and the management plan
33 provisions for mental retardation and developmental
34 disabilities must be implemented by January 1, 1997. The bill
35 includes an applicability provision which excludes the

1 applicability of the bill's provisions to those counties which
2 have not implemented a management plan.

3 Division I relates to mental retardation service
4 provisions.

5 Section 222.2 is amended to provide a definition of a
6 county management plan applicable to chapter 222, relating to
7 persons with mental retardation.

8 Section 222.13, relating to procedures for voluntary
9 commitment of person with mental retardation, is amended to
10 apply the management plan requirement to applications and
11 facility selections.

12 Section 222.13A, relating to voluntary admission to a state
13 hospital-school of a minor with mental retardation, is amended
14 to apply the management plan requirement.

15 Section 222.31, relating to commitment and liability of a
16 person with mental retardation, is amended to prohibit
17 placement of a person unless the placement is in accordance
18 with the management plan of the person's county of legal
19 settlement.

20 Section 222.59, relating to requests for alternatives to an
21 individual's state hospital-school placement, is amended to
22 require the state hospital-school to coordinate with the
23 individual's county of legal settlement in locating
24 alternative services approved in accordance with the
25 management plan.

26 Section 222.73, relating to billing of patient charges at
27 the state hospital-schools, is amended to prohibit billing a
28 county for a patient's admission or continued stay which was
29 not authorized in accordance with the county's management
30 plan. In addition, the section is amended to revise the cap
31 on the per diem costs billed to counties for services at a
32 state hospital-school. The current law sets the cap at the
33 per diem costs in effect on July 1, 1988, as adjusted for
34 inflation. The revised cap would be the amount the county
35 paid in the base year used to establish the county's levy

1 limit for MH/MR/DD services.

2 Division II relates to mental health service provisions.

3 Sections 225.11, 225.15, and 225.17 relate to commitments
4 and placements at the state psychiatric hospital affiliated
5 with the university of Iowa hospitals and clinics. The
6 commitments and placements are made subject to the county
7 management plan provisions.

8 Section 225C.12, relating to partial state reimbursement of
9 counties for local inpatient mental health care and treatment,
10 is amended to revise references from the county supplemental
11 levy to the county MH/MR/DD services fund levy.

12 Sections 225C.14, 225C.15, 225C.16, and 225C.17, relating
13 to preadmission diagnostic evaluations for admission to a
14 state mental health institute, are amended to provide that the
15 evaluation is designated under the county's management plan.
16 Under current law the evaluation must be performed by the
17 community mental health center affiliated with the county or
18 an alternative facility if the center cannot perform the
19 evaluation.

20 Section 227.10, relating to transfers of patients placed in
21 county or private mental health and mental retardation
22 facilities at public expense, is amended to require that the
23 transfer is subject to the county management plan provisions.

24 Section 229.1 is amended to include a definition of
25 management plan in this chapter relating to hospitalization of
26 persons with mental illness.

27 Section 229.13 relates to court orders for psychiatric
28 evaluations of persons found to have a serious mental
29 impairment. The section is amended to require that orders
30 pertaining to a person whose expenses are paid in whole or in
31 part by a county must conform with the management plan of the
32 county of legal settlement.

33 Section 229.14, relating to the evaluation report to the
34 court by the state mental health institute chief medical
35 officer and subsequent placement, is amended to require a

1 resulting court order be limited to placements in accordance
2 with the management plan of the county of legal settlement.

3 Section 229.24, relating to confidentiality of involuntary
4 hospitalization proceedings, is amended to require the clerk
5 of the district court to provide information to the county of
6 commitment and county of legal settlement, if the costs are
7 chargeable to a county. Current law authorizes access by
8 county.

9 Section 229.42, relating to county payment of costs of
10 persons applying for voluntary commitment to a state mental
11 health institute, is amended to make the application process
12 subject to the management plan of the county of legal
13 settlement. The bill provides a county cannot be billed for
14 admission or continued stay of a patient who was not approved
15 under the county's management plan.

16 Section 230.1, relating to liability of the state and
17 counties for the costs associated with a person with mental
18 illness, is amended to provide a county is not liable for
19 services and other support unless authorized by the county's
20 management plan.

21 Section 230.20, relating to billing of patient costs at a
22 state mental health institute, is amended to prohibit billing
23 a county for a patient's admission or continued stay which was
24 not authorized in accordance with the county's management
25 plan. In addition, the section is amended to revise the cap
26 on the per diem costs billed to counties for services at a
27 state mental health institute. The current law sets the cap
28 at the per diem costs in effect on July 1, 1988, as adjusted
29 for inflation. The revised cap would be the amount the county
30 paid in the base year used to establish the county's levy
31 limit for MH/MR/DD services.

32 Division III relates to service regulation, information,
33 payment, and planning provisions.

34 Section 230A.13, relating to the annual budgets of
35 community health centers approved by counties, is amended.

1 Under current law, a county is prohibited from requiring a
2 center to release information to the county identifying an
3 individual being treated. The bill authorizes the county to
4 require the release of identifying administrative information,
5 as defined in section 228.1.

6 Section 235A.15 is amended to provide access to child abuse
7 registry information to an agency providing MH/MR/DD services
8 under a county management plan if the information concerns a
9 person employed by or being considered for employment by the
10 agency. Section 235B.6 is amended to provide similar access
11 to dependent adult abuse information.

12 Section 249A.12 relates to county payment for the
13 nonfederal share of an intermediate care facility for the
14 mentally retarded and community-based services provided under
15 medical assistance. The bill restricts payment to placements
16 made in accordance with the county's management plan. In
17 addition, the bill prohibits requirements for a county to pay
18 claims for services provided more than 180 days prior to the
19 claim being submitted. In addition, a county is not required
20 to reimburse certain costs until the state completes
21 processing of cost settlement credits to counties.

22 Section 249A.12 is also amended to require the department
23 of human services to revise federal medical assistance waiver
24 provisions to provide for waiver payment for services provided
25 in a residential or intermediate care facility for the
26 mentally retarded and for certain day services. This
27 provision takes effect upon enactment.

28 Section 249A.26 relates to county payment liability for the
29 nonfederal share of services provided to persons with chronic
30 mental illness, mental retardation, or developmental
31 disabilities. The bill limits county liability to services
32 and other support authorized in accordance with the county
33 management plan.

34 Section 331.424A, relating to the county MH/MR/DD services
35 fund, is amended to authorize a county to pay for the services

1 in cooperation with other counties by pooling appropriations
2 with individual counties or county regional entities.

3 Section 331.438 is amended to expand the membership of the
4 state-county management by one member nominated by the state's
5 council of the association of federal, state, county, and
6 municipal employees to be appointed by the governor.

7 Section 331.438 is also amended to add various
8 recommendation duties to the committee. The recommendations
9 include standards for MH/MR/DD managed care, statewide
10 standards for individualized MR/DD services, minimum statewide
11 standards for MH/MR/DD services, rules for counties to manage
12 referrals to state institutions, medical assistance
13 facilities, and medical assistance programs, and provisions
14 for quality measure and improvement.

15 The bill includes an applicability section which until
16 January 1, 1997, limits the applicability of the management
17 plan provisions in the bill associated with mental retardation
18 to those counties which have a management plan for mental
19 retardation and developmental disabilities services approved
20 by the department of human services under section 331.439.

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LSB 3744HV 76

HOUSE FILE 2427

H-5471

1 Amend House File 2427 as follows:

2 1. Page 1, line 4, by striking the word

3 "subsection" and inserting the following:

4 "subsections".

5 2. Page 1, by inserting after line 8 the

6 following:

7 "NEW SUBSECTION. 3A. "Single entry point process"

8 means the same as defined in section 331.440."

9 3. By striking page 3, line 19, through page 4,
10 line 7 and inserting the following:

11 "Sec. _____. Section 222.31, subsection 1, Code

12 1995, is amended to read as follows:

13 1. Commit the person to the single entry point
14 process of the person's county of residence for
15 placement in any public or private facility within or
16 without the state, approved by the director of the
17 department of human services. If the person has not
18 been examined by a commission as appointed in section
19 222.28, the court shall may, prior to issuing an order
20 of commitment, appoint such a commission to examine
21 the person for the purpose of determining the mental
22 condition of the person. No If a commission is
23 appointed, an order of commitment shall not be issued
24 unless the commission shall-recommend recommends that
25 such the order be issued and the private institution
26 to which the person is to be committed shall-advise
27 advises the court and the single entry point process
28 that it the private institution is willing to receive
29 the person.

30 Sec. _____. Section 222.31, subsection 2, unnumbered
31 paragraph 1, Code 1995, is amended to read as follows:

32 Commit the person to the single entry point process
33 of the person's county of residence for a diagnostic
34 evaluation and referral to an appropriate placement or
35 service. The placement may be in the state hospital-
36 school designated by the administrator to serve the
37 county in which the hearing is being held, or to a
38 special unit. The-court-shall-prior Prior to issuing
39 an order of commitment, the court may request that a
40 diagnostic evaluation of the person be made by the
41 superintendent of the hospital-school or the special
42 unit, or the superintendent's qualified designee. The
43 If requested, the evaluation shall be conducted at a
44 place as the superintendent may direct. The cost of
45 the evaluation shall be defrayed by the county of
46 legal settlement unless otherwise ordered by the
47 court. The cost may be equal to but shall not exceed
48 the actual cost of the evaluation. Persons referred
49 by a court to a hospital-school or the special unit
50 for diagnostic evaluation shall be considered as

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1 outpatients of the institution. ~~No~~ If an evaluation
2 is requested, an order of commitment shall not be
3 issued unless the superintendent of the institution
4 recommends that the order be issued, and advises the
5 court that adequate facilities for the care of the
6 person are available."

7 4. Page 5, by striking lines 19 through 23 and
8 inserting the following: "made in the manner
9 prescribed by section 225.13. An order under this
10 section shall be for referral to the single entry
11 point process of the respondent's county of residence
12 for an evaluation and referral of the respondent to an
13 appropriate placement or service, which may include
14 the state psychiatric hospital for additional
15 evaluation or treatment. For purposes of this
16 chapter, "single entry point process" means the same
17 as defined in section 331.440."

18 5. Page 6, by striking lines 9 through 11 and
19 inserting the following: "provided as determined by
20 the single entry point process of the respondent's
21 county of residence."

22 6. Page 6, by striking lines 31 through 33 and
23 inserting the following: "county shall only be
24 provided as determined by the single entry point
25 process of the respondent's county of residence."

26 7. Page 11, by striking lines 1 through 18.

27 8. Page 12, line 7, by striking the word
28 "subsection" and inserting the following:
29 "subsections".

30 9. Page 12, by inserting after line 11 the
31 following:

32 "NEW SUBSECTION. 15. "Single entry point process"
33 means the same as defined in section 331.440."

34 10. Page 13, by striking lines 19 through 23 and
35 inserting the following: "under the care of the
36 facility. However, for a respondent whose expenses
37 are payable in whole or in part by a county, an order
38 under this section shall commit the respondent to the
39 single entry point process of the person's county of
40 residence for a diagnostic evaluation and referral for
41 appropriate treatment, placement, or service."

42 11. Page 13, by striking lines 28 through 30 and
43 inserting the following: "section shall commit the
44 respondent to the single entry point process of the
45 respondent's county of residence for a diagnostic
46 evaluation and referral for appropriate treatment,
47 placement, or service."

48 12. Page 14, line 26, by striking the words
49 "county board of supervisors" and inserting the
50 following: "~~county-board-of-supervisors~~ single entry

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Page 3

1 point process of the person's county of legal
2 settlement".

3 13. Page 16, by striking lines 11 and 12 and
4 inserting the following:

5 "Release of information, in accordance with
6 administrative rules adopted for this purpose by the
7 council on human services pursuant to a recommendation
8 of the state-county management committee, which would
9 identify an individual who is".

10 14. By striking page 17, line 31, through page
11 18, line 20, and inserting the following:

12 "NEW SUBSECTION. 5. a. The department shall take
13 the actions necessary to assist in the transition of
14 individuals being served as of June 30, 1996, in a
15 residential or intermediate care facility for the
16 mentally retarded to services funded under a medical
17 assistance waiver for home and community-based
18 services for persons with mental retardation. The
19 actions shall include but are not limited to both of
20 the following:

21 (1) Requesting a revision of the medical
22 assistance waiver for home and community-based
23 services for persons with mental retardation in effect
24 as of June 30, 1996, or applying for a new waiver to
25 allow for the conversion of residential and
26 intermediate care facilities for the mentally retarded
27 licensed under chapter 135C as of June 30, 1996, to
28 services funded under a medical assistance waiver for
29 home and community-based services for persons with
30 mental retardation. The waiver revision request or
31 new waiver shall provide that the waiver requirements
32 applicable to the number of persons served under the
33 waiver as of June 30, 1996, shall continue to apply to
34 the same number of persons under a revised or new
35 waiver so that the number of persons served by
36 converted facilities is an additional amount.

37 (2) Requesting a revision of the medical
38 assistance waiver for home and community-based
39 services for persons with mental retardation in effect
40 as of June 30, 1996, to allow for reimbursement under
41 the waiver for day program costs, including but not
42 limited to, activity, work activity, and supported
43 employment.

44 b. In implementing the provisions of this
45 subsection, the department of human services shall
46 consult with the department of inspections and appeals
47 and representatives of providers of residential and
48 intermediate care facility for the mentally retarded
49 services, service consumers, families of service
50 consumers, advocates, counties, and other

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Page 4

1 knowledgeable persons in developing the waiver
2 revision request or other action necessary to assist
3 in the transition of service provision from
4 residential and intermediate care facilities for the
5 mentally retarded to alternative programs that can
6 appropriately meet the needs of individuals at an
7 overall lower cost. The department shall work with
8 the same group in adopting rules for oversight of
9 facilities converted pursuant to this subsection. A
10 waiver revision request and the other actions
11 developed pursuant to this subsection shall be
12 completed on or before September 16, 1996. The
13 department shall report on September 16, 1996, to the
14 general assembly regarding its actions under this
15 subsection and any federal response, and shall submit
16 an update upon receiving a federal response to the
17 waiver request or other action taken which requires a
18 federal response. If implementation of the
19 requirements of this subsection does not require a
20 federal waiver, the department shall implement the
21 requirements on July 1, 1996."

22 15. Page 18, line 25, by inserting before the
23 word "The" the following: "1."

24 16. Page 18, line 26, by striking the words "cost
25 of services provided" and inserting the following:
26 "services paid for".

27 17. Page 18, line 28, by striking the word "The".

28 18. Page 18, by inserting after line 28 the
29 following:

30 "2. The".

31 19. Page 19, line 2, by striking the word
32 "section" and inserting the following: "subsection".

33 20. Page 20, line 9, by inserting after the word
34 "developed" the following: "for the state and
35 county".

36 21. Page 20, line 17, by striking the words
37 "council on human services" and inserting the
38 following: "mental health and developmental
39 disabilities commission".

40 22. Page 20, line 23, by striking the words
41 "council on human services" and inserting the
42 following: "mental health and developmental
43 disabilities commission".

44 23. Page 20, by striking lines 27 through 35.

45 24. Page 21, by striking line 1 and inserting the
46 following:

47 "NEW SUBPARAGRAPH. (17) Make recommendations to
48 the mental health and developmental disabilities
49 commission and counties for measuring".

50 25. By renumbering as necessary.

By HOUSER of Pottawattamie

H-5471 FILED MARCH 19, 1996

Adopted
3/20/96
(p.841)

S-3/20/96 oral
S-3/21/96 Do Pass

HOUSE FILE 2427
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 734)

(As Amended and Passed by the House, March 20, 1996)

Passed House, Date ^(p.1567) 4-11-96 Passed Senate, Date ^(p.1300) 4/10/96
Vote: Ayes 96 Nays 0 Vote: Ayes 49 Nays 0
Approved 5/2/96

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and other services paid for in
3 whole or in part by counties or the state, and including an
4 applicability provision and an effective date.

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

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House Amendments _____

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Deleted Language *

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DIVISION I

MENTAL RETARDATION SERVICE PROVISIONS

Section 1. Section 222.2, Code 1995, is amended by adding the following new subsections:

NEW SUBSECTION. 2A. "Management plan" means a county's plan for management of mental health, mental retardation, and developmental disabilities services implemented and approved in accordance with section 331.439.

NEW SUBSECTION. 3A. "Single entry point process" means the same as defined in section 331.440.

Sec. 2. Section 222.13, subsections 1 through 3, Code Supplement 1995, are amended to read as follows:

1. If an adult person is believed to be a person with mental retardation, the adult person or the adult person's guardian may request the county board of supervisors or their designated agent to apply to the superintendent of any state hospital-school for the voluntary admission of the adult person either as an inpatient or an outpatient of the hospital-school. Submission of an application is subject to the provisions of the management plan of the person's county of legal settlement. After determining the legal settlement of the adult person as provided by this chapter, the board of supervisors shall, on forms prescribed by the administrator, apply to the superintendent of the hospital-school in the district for the admission of the adult person to the hospital-school. An application for admission to a special unit of any adult person believed to be in need of any of the services provided by the special unit under section 222.88 may be made in the same manner, upon request of the adult person or the adult person's guardian. The superintendent shall accept the application providing a preadmission diagnostic evaluation confirms or establishes the need for admission, except that an application may not be accepted if the institution does not have adequate facilities available or if the acceptance will result in an overcrowded condition.

1 2. If the hospital-school has no appropriate program for
2 the treatment of an adult or minor person with mental
3 retardation applying under this section or section 222.13A,
4 the board of supervisors shall arrange for the placement of
5 the person in any public or private facility within or without
6 the state, approved by the director of the department of human
7 services, which offers appropriate services for the person,
8 subject to the county's management plan.

9 3. Upon applying for admission of an adult or minor person
10 to a hospital-school, or a special unit, or upon arranging for
11 the placement of the person in a public or private facility,
12 the board of supervisors shall make a full investigation into
13 the financial circumstances of that person and those liable
14 for that person's support under section 222.78, to determine
15 whether or not any of them are able to pay the expenses
16 arising out of the admission of the person to a hospital-
17 school, or special treatment unit, or public or private
18 facility. If the board finds that the person or those legally
19 responsible for the person are presently unable to pay the
20 expenses, they the board shall direct that the expenses be
21 paid by the county. The board may review its finding at any
22 subsequent time while the person remains at the hospital-
23 school, or is otherwise receiving care or treatment for which
24 this chapter obligates the county to pay. If the board finds
25 upon review that the person or those legally responsible for
26 the person are presently able to pay the expenses, the finding
27 shall apply only to the charges incurred during the period
28 beginning on the date of the review and continuing thereafter,
29 unless and until the board again changes its finding. If the
30 board finds that the person or those legally responsible for
31 the person are able to pay the expenses, they the board shall
32 direct that the charges be so paid to the extent required by
33 section 222.78, and the county auditor shall be responsible
34 for the collection of the charges.

35 Sec. 3. Section 222.13A, subsections 2 and 3, Code

1 Supplement 1995, are amended to read as follows:

2 2. Upon receipt of an application for voluntary admission
3 of a minor, the board of supervisors shall provide act in
4 accordance with the county's management plan in arranging for
5 a preadmission diagnostic evaluation of the minor to confirm
6 or establish the need for the admission. The preadmission
7 diagnostic evaluation shall be performed by a person who meets
8 the qualifications of a qualified mental retardation
9 professional.

10 3. During the preadmission diagnostic evaluation, the
11 minor shall be informed both orally and in writing that the
12 minor has the right to object to the voluntary admission. If
13 the preadmission diagnostic evaluation determines that the
14 voluntary admission is appropriate in accordance with the
15 county's management plan but the minor objects to the
16 admission, the minor shall not be admitted to the state
17 hospital-school unless the court approves of the admission. A
18 petition for approval of the minor's admission may be
19 submitted to the juvenile court by the minor's parent,
20 guardian, or custodian.

21 Sec. 4. Section 222.31, subsection 1, Code 1995, is
22 amended to read as follows:

23 1. Commit the person to the single entry point process of
24 the person's county of residence for placement in any public
25 or private facility within or without the state, approved by
26 the director of the department of human services. If the
27 person has not been examined by a commission as appointed in
28 section 222.28, the court shall may, prior to issuing an order
29 of commitment, appoint such a commission to examine the person
30 for the purpose of determining the mental condition of the
31 person. No If a commission is appointed, an order of
32 commitment shall not be issued unless the commission shall
33 recommend recommends that such the order be issued and the
34 private institution to which the person is to be committed
35 shall-advice advises the court and the single entry point

1 process that ~~it~~ the private institution is willing to receive
2 the person.

3 Sec. 5. Section 222.31, subsection 2, unnumbered paragraph
4 1, Code 1995, is amended to read as follows:

5 Commit the person to the single entry point process of the
6 person's county of residence for a diagnostic evaluation and
7 referral to an appropriate placement or service. The
8 placement may be in the state hospital-school designated by
9 the administrator to serve the county in which the hearing is
10 being held, or to a special unit. ~~The court shall prior~~ Prior
11 to issuing an order of commitment, the court may request that
12 a diagnostic evaluation of the person be made by the
13 superintendent of the hospital-school or the special unit, or
14 the superintendent's qualified designee. The If requested,
15 the evaluation shall be conducted at a place as the
16 superintendent may direct. The cost of the evaluation shall
17 be defrayed by the county of legal settlement unless otherwise
18 ordered by the court. The cost may be equal to but shall not
19 exceed the actual cost of the evaluation. Persons referred by
20 a court to a hospital-school or the special unit for
21 diagnostic evaluation shall be considered as outpatients of
22 the institution. No If an evaluation is requested, an order
23 of commitment shall not be issued unless the superintendent of
24 the institution recommends that the order be issued, and
25 advises the court that adequate facilities for the care of the
26 person are available.

27 Sec. 6. Section 222.59, subsection 1, unnumbered paragraph
28 1, Code Supplement 1995, is amended to read as follows:

29 Upon receiving a request from an authorized requester, the
30 superintendent of a state hospital-school shall assist
31 coordinate with the county of legal settlement in assisting
32 the requester in identifying available community-based
33 services, which are authorized in accordance with the county's
34 management plan, as an alternative to continued placement of a
35 patient in the state hospital-school. For the purposes of

1 this section, "authorized requester" means the parent,
2 guardian, or custodian of a minor patient, the guardian of an
3 adult patient, or an adult patient who does not have a
4 guardian. The assistance shall identify alternatives to
5 continued placement which are appropriate to the patient's
6 needs and shall include but are not limited to any of the
7 following:

8 Sec. 7. Section 222.73, subsection 2, Code Supplement
9 1995, is amended by adding the following new paragraph:

10 NEW PARAGRAPH. f. A county shall not be billed for the
11 cost of any patient whose admission or continued stay was not
12 authorized in accordance with the county's management plan.

13 Sec. 8. Section 222.73, subsection 2, unnumbered paragraph
14 2, Code Supplement 1995, is amended to read as follows:

15 The per diem costs billed to each county shall not exceed
16 the per diem costs ~~in-effect-on-July-17-1988~~ billed to the
17 county in the fiscal year for which the county's base year
18 expenditures were established for purposes of the definition
19 of base year expenditures in section 331.438. ~~However, the~~
20 ~~per-diem-costs-may-be-adjusted-annually-to-the-extent-of-the~~
21 ~~adjustment-in-the-consumer-price-index-published-annually-in~~
22 ~~the-federal-register-by-the-federal-department-of-labor,~~
23 ~~bureau-of-labor-statistics.~~

24 DIVISION II

25 MENTAL HEALTH SERVICE PROVISIONS

26 Sec. 9. Section 225.11, Code 1995, is amended to read as
27 follows:

28 225.11 INITIATING COMMITMENT PROCEDURES.

29 When a court finds upon completion of a hearing held
30 pursuant to section 229.12 that the contention that a
31 respondent is seriously mentally impaired has been sustained
32 by clear and convincing evidence, and the application filed
33 under section 229.6 also contends or the court otherwise
34 concludes that it would be appropriate to refer the respondent
35 to the state psychiatric hospital for a complete psychiatric

1 evaluation and appropriate treatment pursuant to section
2 229.13, the judge may order that a financial investigation be
3 made in the manner prescribed by section 225.13. An order
4 under this section shall be for referral to the single entry
5 point process of the respondent's county of residence for an
6 evaluation and referral of the respondent to an appropriate
7 placement or service, which may include the state psychiatric
8 hospital for additional evaluation or treatment. For purposes
9 of this chapter, "single entry point process" means the same
10 as defined in section 331.440.

11 Sec. 10. Section 225.15, Code 1995, is amended to read as
12 follows:

13 225.15 EXAMINATION AND TREATMENT.

14 When ~~the~~ a respondent arrives at the state psychiatric
15 hospital, ~~it shall be the duty of~~ the admitting physician to
16 shall examine the respondent and determine whether or not, in
17 the physician's judgment, the patient is a fit subject for
18 ~~such~~ observation, treatment, and hospital care. If, upon
19 examination, the physician decides that ~~such-patient the~~
20 respondent should be admitted to the hospital, the ~~patient~~
21 respondent shall be provided a proper bed in the hospital; and
22 the physician who ~~shall-have~~ has charge of the ~~patient~~
23 respondent shall proceed with ~~such~~ observation, medical
24 treatment, and hospital care as in the physician's judgment
25 are proper and necessary, in compliance with sections 229.13
26 to 229.16.

27 A proper and competent nurse shall also be assigned to look
28 after and care for ~~such-patient the~~ respondent during ~~such~~
29 observation, treatment, and care ~~as-aforesaid~~. Observation,
30 treatment, and hospital care under this section shall only be
31 provided as determined by the single entry point process of
32 the respondent's county of residence.

33 Sec. 11. Section 225.17, Code 1995, is amended to read as
34 follows:

35 225.17 COMMITTED PRIVATE PATIENT -- TREATMENT.

1 If the judge of the district court, finds upon the review
2 and determination made under the provisions of section 225.14
3 that the respondent is an appropriate subject for placement at
4 the state psychiatric hospital, and that the respondent, or
5 those legally responsible for the respondent, are able to pay
6 the expenses ~~thereof~~ associated with the placement, the judge
7 shall enter an order directing that the respondent shall be
8 sent to the state psychiatric hospital at the state University
9 of Iowa for observation, treatment, and hospital care as a
10 committed private patient.

11 When the respondent arrives at the ~~said~~ hospital, the
12 respondent shall receive the same treatment as is provided for
13 committed public patients in section 225.15, in compliance
14 with sections 229.13 to 229.16. However, observation,
15 treatment, and hospital care under this section of a
16 respondent whose expenses are payable in whole or in part by a
17 county shall only be provided as determined by the single
18 entry point process of the respondent's county of residence.

19 Sec. 12. Section 225C.2, Code 1995, is amended by adding
20 the following new subsection:

21 NEW SUBSECTION. 6A. "Management plan" means a county's
22 plan for management of mental health, mental retardation, and
23 developmental disabilities services implemented and approved
24 in accordance with section 331.439.

25 Sec. 13. Section 225C.12, Code 1995, is amended to read as
26 follows:

27 225C.12 PARTIAL REIMBURSEMENT TO COUNTIES FOR LOCAL
28 INPATIENT MENTAL HEALTH CARE AND TREATMENT.

29 1. A county which pays, from county funds budgeted under
30 section ~~331.424,--subsection-17,--paragraphs-"d"--and-"g"~~
31 331.424A, the cost of care and treatment of a ~~mentally-ill~~
32 person with mental illness who is admitted pursuant to a
33 preliminary diagnostic evaluation under sections 225C.14 to
34 225C.17 for treatment as an inpatient of a hospital facility,
35 other than a state mental health institute, which has a

1 designated mental health program and is a hospital accredited
2 by the accreditation program for hospital facilities of the
3 joint commission on accreditation of ~~hospitals~~ health
4 organizations, is entitled to reimbursement from the state for
5 a portion of the daily cost so incurred by the county.
6 However, a county is not entitled to reimbursement for a cost
7 incurred in connection with the hospitalization of a person
8 who is eligible for medical assistance under chapter 249A, or
9 who is entitled to have care or treatment paid for by any
10 other third party payor, or who is admitted for preliminary
11 diagnostic evaluation under sections 225C.14 to 225C.17. The
12 amount of reimbursement for the cost of treatment of a local
13 inpatient to which a county is entitled, on a per-patient-per-
14 day basis, is an amount equal to twenty percent of the average
15 of the state mental health institutes' individual average
16 daily patient costs in the most recent calendar quarter for
17 the program in which the local inpatient would have been
18 served if the patient had been admitted to a state mental
19 health institute.

20 2. A county may claim reimbursement by filing with the
21 administrator a claim in a form prescribed by the
22 administrator by rule. Claims may be filed on a quarterly
23 basis, and when received shall be verified as soon as
24 reasonably possible by the administrator. The administrator
25 shall certify to the director of revenue and finance the
26 amount to which each county claiming reimbursement is
27 entitled, and the director of revenue and finance shall issue
28 warrants to the respective counties drawn upon funds
29 appropriated by the general assembly for the purpose of this
30 section. A county shall place funds received under this
31 section in the county mental health ~~and-institutions~~, mental
32 retardation, and developmental disabilities services fund
33 created under section 331.424A. If the appropriation for a
34 fiscal year is insufficient to pay all claims arising under
35 this section, the director of revenue and finance shall

1 prorate the funds appropriated for that year among the
2 claimant counties so that an equal proportion of each county's
3 claim is paid in each quarter for which proration is
4 necessary.

5 Sec. 14. Section 225C.14, subsection 1, Code 1995, is
6 amended to read as follows:

7 1. Except in cases of medical emergency, a person shall be
8 admitted to a state mental health institute as an inpatient
9 only after a preliminary diagnostic evaluation ~~by a community~~
10 ~~mental health center or by an alternative diagnostic facility~~
11 performed in accordance with the management plan of the
12 person's county of legal settlement has confirmed that the
13 admission is appropriate to the person's mental health needs,
14 and that no suitable alternative method of providing the
15 needed services in a less restrictive setting or in or nearer
16 to the person's home community is currently available. If
17 provided for under the management plan of the person's county
18 of legal settlement, the evaluation may be performed by a
19 community mental health center or by an alternative diagnostic
20 facility. The policy established by this section shall be
21 implemented in the manner and to the extent prescribed by
22 sections 225C.15, 225C.16 and 225C.17.

23 Sec. 15. Section 225C.15, Code 1995, is amended to read as
24 follows:

25 225C.15 COUNTY IMPLEMENTATION OF EVALUATIONS.

26 The board of supervisors of a county shall, no later than
27 July 1, 1982, require that the policy stated in section
28 225C.14 be followed with respect to admission of persons from
29 that county to a state mental health institute. A community
30 mental health center which is supported, directly or in
31 affiliation with other counties, by that county ~~shall~~ may
32 perform the preliminary diagnostic evaluations for that
33 county, unless the performance of the evaluations is not
34 covered by the agreement entered into by the county and the
35 center under section 230A.12, and the center's director

1 certifies to the board of supervisors that the center does not
2 have the capacity to perform the evaluations, in which case
3 the board of supervisors shall proceed under section 225C.17.

4 Sec. 16. Section 225C.16, Code 1995, is amended to read as
5 follows:

6 225C.16 REFERRALS FOR EVALUATION.

7 1. The chief medical officer of a state mental health
8 institute, or that officer's physician designee, shall advise
9 a person residing in that county who applies for voluntary
10 admission, or a person applying for the voluntary admission of
11 another person who resides in that county, in accordance with
12 section 229.41, that the board of supervisors has implemented
13 the policy stated in section 225C.14, and shall advise that a
14 preliminary diagnostic evaluation of the prospective patient
15 be sought ~~from the appropriate community mental health center~~
16 ~~or alternative diagnostic facility~~, if that has not already
17 been done. This subsection does not apply when voluntary
18 admission is sought in accordance with section 229.41 under
19 circumstances which, in the opinion of the chief medical
20 officer or that officer's physician designee, constitute a
21 medical emergency.

22 2. The clerk of the district court in that county shall
23 refer a person applying for authorization for voluntary
24 admission, or for authorization for voluntary admission of
25 another person, in accordance with section 229.42, to the
26 appropriate ~~community mental health center or alternative~~
27 ~~diagnostic facility~~ entity designated by the person's county
28 of legal settlement under section 225C.14 for the preliminary
29 diagnostic evaluation unless the applicant furnishes a written
30 statement from ~~that center or facility~~ the appropriate entity
31 which indicates that the evaluation has been performed and
32 that the person's admission to a state mental health institute
33 is appropriate. This subsection does not apply when
34 authorization for voluntary admission is sought under
35 circumstances which, in the opinion of the chief medical

1 officer or that officer's physician designee, constitute a
2 medical emergency.

3 3. Judges of the district court in that county or the
4 judicial hospitalization referee appointed for that county
5 shall so far as possible arrange for ~~a-physician-on-the-staff~~
6 ~~of-or-designated-by-the-appropriate-community-mental-health~~
7 ~~center-or-alternative-diagnostic-facility~~ the entity
8 designated by the county of legal settlement under section
9 225C.14 to perform a prehearing examination of a respondent
10 required under section 229.8, subsection 3, paragraph "b".

11 4. The chief medical officer of a state mental health
12 institute shall promptly submit to the appropriate ~~community~~
13 ~~mental-health-center-or-alternative-diagnostic-facility~~ entity
14 designated by the patient's county of legal settlement under
15 section 225C.14 a report of the voluntary admission of a
16 patient under the medical emergency clauses of subsections 1
17 and 2. The report shall explain the nature of the emergency
18 which necessitated the admission of the patient without a
19 preliminary diagnostic evaluation by the ~~center-or-alternative~~
20 ~~facility~~ designated entity.

* 21 Sec. 17. Section 227.10, Code 1995, is amended to read as
22 follows:

23 227.10 TRANSFERS FROM COUNTY OR PRIVATE INSTITUTIONS.

24 Patients who have been admitted at public expense to any
25 institution to which this chapter is applicable may be
26 involuntarily transferred to the proper state hospital for the
27 mentally ill in the manner prescribed by sections 229.6 to
28 229.13. The application required by section 229.6 may be
29 filed by the administrator of the division or the
30 administrator's designee, or by the administrator of the
31 institution where the patient is then being maintained or
32 treated. If the patient was admitted to that institution
33 involuntarily, the administrator of the division may arrange
34 and complete the transfer, and shall report it as required of
35 a chief medical officer under section 229.15, subsection 4.

1 The transfer shall be made at county expense, and the expense
2 recovered, as provided in section 227.7. However, transfer
3 under this section of a patient whose expenses are payable in
4 whole or in part by a county shall only be authorized in
5 accordance with the provisions of the management plan, as
6 defined in section 229.1, of the patient's county of legal
7 settlement.

8 Sec. 18. Section 229.1, Code Supplement 1995, is amended
9 by adding the following new subsections:

10 NEW SUBSECTION. 6A. "Management plan" means a county plan
11 for management of mental health, mental retardation, and
12 developmental disabilities services implemented and approved
13 in accordance with section 331.439.

14 NEW SUBSECTION. 15. "Single entry point process" means
15 the same as defined in section 331.440.

16 Sec. 19. Section 229.13, unnumbered paragraph 1, Code
17 1995, is amended to read as follows:

18 If upon completion of the hearing the court finds that the
19 contention that the respondent ~~is seriously mentally impaired~~
20 ~~has been~~ has a serious mental impairment is sustained by clear
21 and convincing evidence, ~~it~~ the court shall order the
22 respondent placed in a hospital or a facility licensed to care
23 for persons with mental illness or substance abuse or under
24 the care of a facility that is licensed to care for persons
25 with mental illness or substance abuse on an outpatient basis
26 as expeditiously as possible for a complete psychiatric
27 evaluation and appropriate treatment. If the respondent is
28 ordered at the hearing to undergo outpatient treatment, the
29 outpatient treatment provider must be notified and agree to
30 provide the treatment prior to placement of the respondent
31 under the treatment provider's care. The court shall furnish
32 to the hospital or facility at the time the respondent arrives
33 at the hospital or facility a written finding of fact setting
34 forth the evidence on which the finding is based. If the
35 respondent is ordered to undergo outpatient treatment, the

1 order shall also require the respondent to cooperate with the
2 treatment provider and comply with the course of treatment.
3 The chief medical officer of the hospital or facility shall
4 report to the court no more than fifteen days after the
5 individual is admitted to or placed under the care of the
6 hospital or facility, making a recommendation for disposition
7 of the matter. An extension of time may be granted for not to
8 exceed seven days upon a showing of cause. A copy of the
9 report shall be sent to the respondent's attorney, who may
10 contest the need for an extension of time if one is requested.
11 Extension of time shall be granted upon request unless the
12 request is contested, in which case the court shall make such
13 inquiry as it deems appropriate and may either order the
14 respondent's release from the hospital or facility or grant
15 extension of time for psychiatric evaluation. If the chief
16 medical officer fails to report to the court within fifteen
17 days after the individual is admitted to or placed under the
18 care of the hospital or facility, and no extension of time has
19 been requested, the chief medical officer is guilty of
20 contempt and shall be punished under chapter 665. The court
21 shall order a rehearing on the application to determine
22 whether the respondent should continue to be held at or placed
23 under the care of the facility. However, for a respondent
24 whose expenses are payable in whole or in part by a county, an
25 order under this section shall commit the respondent to the
26 single entry point process of the person's county of residence
27 for a diagnostic evaluation and referral for appropriate
28 treatment, placement, or service.

29 Sec. 20. Section 229.14, Code 1995, is amended by adding
30 the following new unnumbered paragraph:

31 NEW UNNUMBERED PARAGRAPH. If a respondent's expenses are
32 payable in whole or in part by a county, an order under this
33 section shall commit the respondent to the single entry point
34 process of the respondent's county of residence for a
35 diagnostic evaluation and referral for appropriate treatment,

1 placement, or service.

2 Sec. 21. Section 229.24, subsection 3, unnumbered
3 paragraph 1, Code Supplement 1995, is amended to read as
4 follows:

5 If all or part of the costs associated with hospitalization
6 of an individual under this chapter are chargeable to a county
7 of legal settlement, the clerk of the district court shall
8 provide to the county of legal settlement and to the county in
9 which the hospitalization order is entered shall-have-access
10 to, in a form prescribed by the council on human services
11 pursuant to a recommendation of the state-county management
12 committee established in section 331.438, the following
13 information pertaining to the individual which would be
14 confidential under subsection 1:

15 Sec. 22. Section 229.42, unnumbered paragraph 1, Code
16 1995, is amended to read as follows:

17 If a person wishing to make application for voluntary
18 admission to a mental hospital established by chapter 226 is
19 unable to pay the costs of hospitalization or those
20 responsible for ~~such~~ the person are unable to pay ~~such~~ the
21 costs, application for authorization of voluntary admission
22 must be made to any clerk of the district court before
23 application for admission is made to the hospital. ~~After~~
24 ~~determining~~ The clerk shall determine the person's county of
25 legal settlement and if the admission is approved in
26 accordance with the county's management plan, the said clerk
27 ~~shall, on forms provided by the administrator of the division,~~
28 authorize such the person's admission to a mental health
29 hospital as a voluntary case. The authorization shall be
30 issued on forms provided by the administrator. The clerk
31 shall at once provide a duplicate copy of the form to the
32 county-board-of-supervisors single entry point process of the
33 person's county of legal settlement. The costs of the
34 hospitalization shall be paid by the county of legal
35 settlement to the director of revenue and finance and credited

1 to the general fund of the state, providing the mental health
2 hospital rendering the services has certified to the county
3 auditor of the responsible county of legal settlement the
4 amount chargeable ~~thereto~~ to the county and has sent a
5 duplicate statement of ~~such~~ the charges to the director of
6 revenue and finance. A county shall not be billed for the
7 cost of a patient whose admission or continued stay was not
8 approved in accordance with the provisions of the management
9 plan of the patient's county of legal settlement.

10 Sec. 23. Section 230.1, Code 1995, is amended by adding
11 the following new unnumbered paragraph:

12 NEW UNNUMBERED PARAGRAPH. A county of legal settlement is
13 not liable for costs and expenses associated with a person
14 with mental illness unless the costs and expenses are for
15 services and other support authorized for the person in
16 accordance with the county's management plan. For the purpose
17 of this chapter, "management plan" means a county plan for
18 management of mental health, mental retardation, and
19 developmental disabilities services implemented and approved
20 in accordance with section 331.439.

21 Sec. 24. Section 230.20, subsection 2, Code Supplement
22 1995, is amended to read as follows:

23 2. a. The superintendent shall certify to the director of
24 revenue and finance the billings to each county for services
25 provided to patients chargeable to the county during the
26 preceding calendar quarter. The county billings shall be
27 based on the average daily patient charge and other service
28 charges computed pursuant to subsection 1, and the number of
29 inpatient days and other service units chargeable to the
30 county. However, a county billing shall be decreased by an
31 amount equal to reimbursement by a third party payor or
32 estimation of such reimbursement from a claim submitted by the
33 superintendent to the third party payor for the preceding
34 calendar quarter. When the actual third party payor
35 reimbursement is greater or less than estimated, the

1 difference shall be reflected in the county billing in the
2 calendar quarter the actual third party payor reimbursement is
3 determined.

4 b. The per diem costs billed to each county shall not
5 exceed the per diem costs ~~in-effect-on-July-17-1988~~ billed to
6 the county in the fiscal year for which the county's base year
7 expenditures were established for purposes of the definition
8 of base year expenditures in section 331.438. ~~However, the~~
9 ~~per-diem-costs-may-be-adjusted-annually-to-the-extent-of-the~~
10 ~~adjustment-in-the-consumer-price-index-published-annually-in~~
11 ~~the-federal-register-by-the-federal-department-of-labor,~~
12 ~~bureau-of-labor-statistics.~~

13 DIVISION III

14 SERVICE REGULATION, INFORMATION, PLANNING, AND PAYMENT

15 PROVISIONS

16 Sec. 25. Section 230A.13, unnumbered paragraph 2, Code
17 1995, is amended to read as follows:

18 Release of information, in accordance with administrative
19 rules adopted for this purpose by the council on human
20 services pursuant to a recommendation of the state-county
21 management committee, which would identify an individual who
22 is receiving or has received treatment at a community mental
23 health center shall not ~~may~~ be made a condition of support of
24 that center by any county under this section. Section
25 ~~331.504, subsection 8 notwithstanding, a community mental~~
26 ~~health-center shall not be required to file a claim which~~
27 ~~would in any manner identify such an individual, if the~~
28 ~~center's budget has been approved by the county board under~~
29 ~~this section and the center is in compliance with section~~
30 ~~230A.16, subsection 3.~~

31 Sec. 26. Section 235A.15, subsection 2, paragraph c, Code
32 Supplement 1995, is amended by adding the following new
33 subparagraph:

34 NEW SUBPARAGRAPH. (13) To the administrator of an agency
35 providing mental health, mental retardation, or developmental

1 disability services under a county management plan developed
2 pursuant to section 331.439, if the information concerns a
3 person employed by or being considered by the agency for
4 employment.

5 Sec. 27. Section 235B.6, subsection 2, paragraph c, Code
6 Supplement 1995, is amended by adding the following new
7 subparagraph:

8 NEW SUBPARAGRAPH. (6) To the administrator of an agency
9 providing mental health, mental retardation, or developmental
10 disability services under a county management plan developed
11 pursuant to section 331.439, if the information concerns a
12 person employed by or being considered by the agency for
13 employment.

14 Sec. 28. Section 249A.12, subsection 2, Code Supplement
15 1995, is amended to read as follows:

16 2. A county shall reimburse the department on a monthly
17 basis for that portion of the cost of assistance provided
18 under this section to a recipient with legal settlement in the
19 county, which is not paid from federal funds, if the
20 recipient's placement has been approved by the appropriate
21 review organization as medically necessary and appropriate and
22 the placement is authorized in accordance with the county's
23 management plan developed and approved in accordance with
24 section 331.439. A county shall not be required to reimburse
25 the department for a service provided more than one hundred
26 eighty days prior to the date of the claim submitted to the
27 county. If the department does not complete and credit a
28 county with cost settlement for the actual costs of a medical
29 assistance home and community-based waiver service within two
30 hundred seventy days of the end of a fiscal year for which
31 cost reports are due from providers, the county shall not be
32 required to reimburse the state for costs under this section
33 until the cost settlement is completed. The department shall
34 place all reimbursements from counties in the appropriation
35 for medical assistance, and may use the reimbursed funds in

1 the same manner and for any purpose for which the
2 appropriation for medical assistance may be used.

3 Sec. 29. Section 249A.12, Code Supplement 1995, is amended
4 by adding the following new subsection:

5 NEW SUBSECTION. 5. a. The department shall take the
6 actions necessary to assist in the transition of individuals
7 being served as of June 30, 1996, in a residential or
8 intermediate care facility for the mentally retarded to
9 services funded under a medical assistance waiver for home and
10 community-based services for persons with mental retardation.
11 The actions shall include but are not limited to both of the
12 following:

13 (1) Requesting a revision of the medical assistance waiver
14 for home and community-based services for persons with mental
15 retardation in effect as of June 30, 1996, or applying for a
16 new waiver to allow for the conversion of residential and
17 intermediate care facilities for the mentally retarded
18 licensed under chapter 135C as of June 30, 1996, to services
19 funded under a medical assistance waiver for home and
20 community-based services for persons with mental retardation.
21 The waiver revision request or new waiver shall provide that
22 the waiver requirements applicable to the number of persons
23 served under the waiver as of June 30, 1996, shall continue to
24 apply to the same number of persons under a revised or new
25 waiver so that the number of persons served by converted
26 facilities is an additional amount.

27 (2) Requesting a revision of the medical assistance waiver
28 for home and community-based services for persons with mental
29 retardation in effect as of June 30, 1996, to allow for
30 reimbursement under the waiver for day program costs,
31 including but not limited to, activity, work activity, and
32 supported employment.

33 b. In implementing the provisions of this subsection, the
34 department of human services shall consult with the department
35 of inspections and appeals and representatives of providers of

1 residential and intermediate care facility for the mentally
2 retarded services, service consumers, families of service
3 consumers, advocates, counties, and other knowledgeable
4 persons in developing the waiver revision request or other
5 action necessary to assist in the transition of service
6 provision from residential and intermediate care facilities
7 for the mentally retarded to alternative programs that can
8 appropriately meet the needs of individuals at an overall
9 lower cost. The department shall work with the same group in
10 adopting rules for oversight of facilities converted pursuant
11 to this subsection. A waiver revision request and the other
12 actions developed pursuant to this subsection shall be
13 completed on or before September 16, 1996. The department
14 shall report on September 16, 1996, to the general assembly
15 regarding its actions under this subsection and any federal
16 response, and shall submit an update upon receiving a federal
17 response to the waiver request or other action taken which
18 requires a federal response. If implementation of the
19 requirements of this subsection does not require a federal
20 waiver, the department shall implement the requirements on
21 July 1, 1996.

22 Sec. 30. Section 249A.26, Code 1995, is amended to read as
23 follows:

24 249A.26 COUNTY PARTICIPATION IN FUNDING FOR SERVICES TO
25 PERSONS WITH DISABILITIES.

26 1. The state shall pay for one hundred percent of the
27 nonfederal share of the services paid for under any prepaid
28 mental health services plan for medical assistance implemented
29 by the department as authorized by law.

30 2. The county of legal settlement shall pay for fifty
31 percent of the nonfederal share of the cost of case management
32 provided to adults, day treatment, and partial hospitalization
33 provided under the medical assistance program for persons with
34 mental retardation, a developmental disability, or chronic
35 mental illness. For purposes of this section, persons with

1 mental disorders resulting from Alzheimer's disease or
2 substance abuse shall not be considered chronically mentally
3 ill. A county's responsibility to pay for costs under this
4 subsection is limited to services and other support authorized
5 in accordance with the management plan developed and approved
6 in accordance with section 331.439 of the person's county of
7 legal settlement.

8 Sec. 31. Section 331.424A, subsection 2, Code Supplement
9 1995, is amended to read as follows:

10 2. For the fiscal year beginning July 1, 1996, and
11 succeeding fiscal years, county revenues from taxes and other
12 sources designated for mental health, mental retardation, and
13 developmental disabilities services shall be credited to the
14 mental health, mental retardation, and developmental
15 disabilities services fund of the county. The board shall
16 make appropriations from the fund for payment of services
17 provided under the county management plan approved pursuant to
18 section 331.439. The county may pay for the services in
19 cooperation with other counties by pooling appropriations from
20 the fund with other counties or through county regional
21 entities including but not limited to the county's mental
22 health and developmental disabilities regional planning
23 council created pursuant to section 225C.18.

24 Sec. 32. Section 331.438, subsection 4, paragraph b,
25 unnumbered paragraph 1, Code Supplement 1995, is amended to
26 read as follows:

27 The management committee shall consist of not more than
28 ~~eleven~~ twelve voting members ~~representing the state and~~
29 ~~counties~~ as follows:

30 Sec. 33. Section 331.438, subsection 4, paragraph b,
31 subparagraph (2), Code Supplement 1995, is amended to read as
32 follows:

33 (2) The committee shall include one member nominated by
34 service providers, and one member nominated by service
35 advocates and consumers, and one member nominated by the

1 state's council of the association of federal, state, county,
2 and municipal employees, with both these members appointed by
3 the governor.

4 Sec. 34. Section 331.438, subsection 4, paragraph c,
5 subparagraph (10), Code Supplement 1995, is amended to read as
6 follows:

7 (10) Make recommendations to improve the programs and cost
8 effectiveness of state and county contracting processes and
9 procedures, including strategies for negotiations relating to
10 managed care. The recommendations developed for the state and
11 county regarding managed care shall include but are not
12 limited to standards for limiting excess costs and profits,
13 and for restricting cost shifting under a managed care system.

14 Sec. 35. Section 331.438, subsection 4, paragraph c, Code
15 Supplement 1995, is amended by adding the following new
16 subparagraphs:

17 NEW SUBPARAGRAPH. (15) Make recommendations to the mental
18 health and developmental disabilities commission for
19 administrative rules providing statewide standards and a
20 monitoring methodology to determine whether cost-effective
21 individualized services are available as required pursuant to
22 section 331.439, subsection 1, paragraph "b".

23 NEW SUBPARAGRAPH. (16) Make recommendations to the mental
24 health and developmental disabilities commission for
25 administrative rules establishing statewide minimum standards
26 for services and other support required to be available to
27 persons covered by a county management plan under section
28 331.439.

* 29 NEW SUBPARAGRAPH. (17) Make recommendations to the mental
30 health and developmental disabilities commission and counties
31 for measuring and improving the quality of state and county
32 mental health, mental retardation, and developmental
33 disabilities services and other support.

34 Sec. 36. EFFECTIVE DATE. Section 29 of this division of
35 this Act, being deemed of immediate importance, takes effect

1 upon enactment.

2 DIVISION IV

3 APPLICABILITY

4 Sec. 37. APPLICABILITY. Prior to January 1, 1997, the
5 applicability of the amendments in this Act to the following
6 sections which relate to a county management plan is limited
7 to those counties with a county management plan for mental
8 retardation and developmental disabilities services approved
9 in accordance with section 331.439: sections 222.12, 222.13A,
10 222.31, 222.59, 222.73, subsection 2, new paragraph "f", and
11 249A.12.

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HOUSE FILE 2427

S-5697

1 Amend House File 2427, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, line 4, by striking the word
4 "subsections" and inserting the following:
5 "subsection".

6 2. Page 1, by striking lines 5 through 8.

7 3. Page 1, by striking lines 20 and 21 and
8 inserting the following: "a recommendation supporting
9 the placement developed through the single entry point
10 process. After determining the legal settlement".

11 4. Page 1, line 32, by inserting after the word
12 "evaluation" the following: " , performed through the
13 single entry point process,".

14 5. Page 2, by striking line 8 and inserting the
15 following: "as determined through the single entry
16 point process."

17 6. Page 2, line 35, by striking the words and
18 figures "subsections 2 and 3" and inserting the
19 following: "subsection 2".

20 7. Page 3, line 1, by striking the word "are" and
21 inserting the following: "is".

22 8. Page 3, by striking lines 2 through 9 and
23 inserting the following:

24 "2. Upon receipt of an application for voluntary
25 admission of a minor, the board of supervisors shall
26 provide for a preadmission diagnostic evaluation of
27 the minor to confirm or establish the need for the
28 admission. The preadmission diagnostic evaluation
29 shall be performed by a person who meets the
30 qualifications of a qualified mental retardation
31 professional who is designated through the single
32 entry point process."

33 9. By striking page 3, line 10, through page 4,
34 line 26, and inserting the following:

35 "Sec. ____ . Section 222.28, Code 1995, is amended
36 to read as follows:

37 222.28 COMMISSION TO EXAMINE.

38 The court may, at or prior to the final hearing,
39 appoint a commission of one qualified physician and
40 one qualified psychologist, designated through the
41 single entry point process, who shall make a personal
42 examination of the person alleged to be mentally
43 retarded for the purpose of determining the mental
44 condition of the person."

45 10. Page 4, line 31, by striking the words
46 "county of legal settlement" and inserting the
47 following: "the single entry point process".

48 11. Page 4, lines 33 and 34, by striking the
49 words " , which are authorized in accordance with the
50 county's management plan,".

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12. Page 5, by striking lines 10 through 12 and inserting the following:

"NEW PARAGRAPH. f. A county shall not be billed for the cost of a patient unless the patient's admission is authorized through the applicable single entry point process. The state hospital-school and the county shall work together to locate appropriate alternative placements and services, and to educate patients and the family members of patients regarding such alternatives."

13. Page 5, by striking lines 13 through 23 and inserting the following:

"Sec. ____ . Section 222.73, subsection 2, unnumbered paragraph 2, Code Supplement 1995, is amended to read as follows:

The per diem costs billed to each county shall not exceed the per diem costs ~~in-effect-on-July-1, 1988~~ billed to the county in the fiscal year beginning July 1, 1996. However, the per diem costs billed to a county may be adjusted annually in a fiscal year to reflect increased costs to the extent of the ~~adjustment-in-the-consumer-price-index-published annually-in-the-federal-register-by-the-federal department-of-labor, bureau-of-labor-statistics~~ percentage increase in the total of county fixed budgets pursuant to the allowed growth factor adjustment authorized by the general assembly for that fiscal year in accordance with section 331.439.

Sec. ____ . EFFECTIVE DATE. Section 222.73, subsection 2, unnumbered paragraph 2, Code Supplement 1995, as amended by this division of this Act, takes effect July 1, 1997."

14. Page 6, line 3, by striking the words "An order".

15. Page 6, by striking lines 4 and 5 and inserting the following: "If the costs of a respondent's evaluation or treatment are payable in whole or in part by a county, an order under this section shall be for referral of the respondent through the single entry point process for an".

16. Page 6, line 17, by striking the word "patient" and inserting the following: "patient respondent".

17. Page 6, by striking lines 30 through 32 and inserting the following: "treatment, and hospital care under this section which are payable in whole or in part by a county shall only be provided as determined through the single entry point process."

18. Page 7, by striking lines 17 and 18 and inserting the following: "county shall only be

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1 provided as determined through the single entry point
2 process."
3 19. Page 7, by striking lines 21 through 24 and
4 inserting the following:
5 "NEW SUBSECTION. 8. "Single entry point process"
6 means the same as defined in section 331.440."
7 20. Page 9, by striking lines 11 and 12 and
8 inserting the following: "performed through the
9 single entry point process has confirmed that the".
10 21. Page 9, by striking lines 17 and 18 and
11 inserting the following: "provided for through the
12 single entry point process, the evaluation may be
13 performed by a".
14 22. Page 10, lines 27 and 28 by striking the
15 words "by the person's county of legal settlement" and
16 inserting the following: "through the single entry
17 point process".
18 23. Page 11, by striking line 8 and inserting the
19 following: "designated through the single entry point
20 process under section".
21 24. Page 11, by striking line 14 and inserting
22 the following: "designated through the single entry
23 point process under".
24 25. Page 12, by striking lines 4 through 7 and
25 inserting the following: "whole or in part by a
26 county is subject to an authorization for the transfer
27 through the single entry point process."
28 26. By striking page 12, line 8, through page 14,
29 line 1, and inserting the following:
30 "Sec. _____. Section 229.1, Code Supplement 1995, is
31 amended by adding the following new subsection:
32 NEW SUBSECTION. 15. "Single entry point process"
33 means the same as defined in section 331.440.
34 Sec. _____. NEW SECTION. 229.1B SINGLE ENTRY POINT
35 PROCESS.
36 Notwithstanding any provision of this chapter to
37 the contrary, any person whose hospitalization
38 expenses are payable in whole or in part by a county
39 shall be subject to all requirements of the single
40 entry point process.
41 Sec. _____. Section 229.11, unnumbered paragraph 1,
42 Code 1995, is amended to read as follows:
43 If the applicant requests that the respondent be
44 taken into immediate custody and the judge, upon
45 reviewing the application and accompanying
46 documentation, finds probable cause to believe that
47 the respondent is seriously mentally impaired has a
48 serious mental impairment and is likely to injure the
49 respondent or other persons if allowed to remain at
50 liberty, the judge may enter a written order directing

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1 that the respondent be taken into immediate custody by
2 the sheriff or the sheriff's deputy and be detained
3 until the hospitalization hearing, ~~which~~. The
4 hospitalization hearing shall be held no more than
5 five days after the date of the order, except that if
6 the fifth day after the date of the order is a
7 Saturday, Sunday, or a holiday, the hearing may be
8 held on the next succeeding business day. If the
9 expenses of a respondent are payable in whole or in
10 part by a county, for a placement in accordance with
11 subsection 1, the judge shall give notice of the
12 placement to the single entry point process and for a
13 placement in accordance with subsection 2 or 3, the
14 judge shall order the placement in a hospital or
15 facility designated through the single entry point
16 process. The judge may order the respondent detained
17 for the period of time until the hearing is held, and
18 no longer, in accordance with subsection 1 if
19 possible, and if not then in accordance with
20 subsection 2 or, only if neither of these alternatives
21 are available, in accordance with subsection 3.
22 Detention may be:

23 Sec. _____. Section 229.13, unnumbered paragraph 1,
24 Code 1995, is amended to read as follows:

25 If upon completion of the hearing the court finds
26 that the contention that the respondent is ~~seriously~~
27 ~~mentally-impaired-has-been~~ has a serious mental
28 impairment is sustained by clear and convincing
29 evidence, it the court shall order the a respondent
30 placed in whose expenses are payable in whole or in
31 part by a county committed to the care of a hospital
32 or facility designated through the single entry point
33 process, and shall order any other respondent
34 committed to the care of a hospital or a facility
35 licensed to care for persons with mental illness or
36 substance abuse or under the care of a facility that
37 is licensed to care for persons with mental illness or
38 substance abuse on an outpatient basis as
39 expeditiously as possible for a complete psychiatric
40 evaluation and appropriate treatment. If the
41 respondent is ordered at the hearing to undergo
42 outpatient treatment, the outpatient treatment
43 provider must be notified and agree to provide the
44 treatment prior to placement of the respondent under
45 the treatment provider's care. The court shall
46 furnish to the chief medical officer of the hospital
47 or facility at the time the respondent arrives at the
48 hospital or facility a written finding of fact setting
49 forth the evidence on which the finding is based. If
50 the respondent is ordered to undergo outpatient

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1 treatment, the order shall also require the respondent
2 to cooperate with the treatment provider and comply
3 with the course of treatment.

4 PARAGRAPH DIVIDED. The chief medical officer of
5 the hospital or facility shall report to the court no
6 more than fifteen days after the individual is
7 admitted to or placed under the care of the hospital
8 or facility, making a recommendation for disposition
9 of the matter. An extension of time may be granted
10 for not to exceed seven days upon a showing of cause.
11 A copy of the report shall be sent to the respondent's
12 attorney, who may contest the need for an extension of
13 time if one is requested. Extension of time shall be
14 granted upon request unless the request is contested,
15 in which case the court shall make such inquiry as it
16 deems appropriate and may either order the
17 respondent's release from the hospital or facility or
18 grant extension of time for psychiatric evaluation.
19 If the chief medical officer fails to report to the
20 court within fifteen days after the individual is
21 admitted to or placed under the care of the hospital
22 or facility, and no extension of time has been
23 requested, the chief medical officer is guilty of
24 contempt and shall be punished under chapter 665. The
25 court shall order a rehearing on the application to
26 determine whether the respondent should continue to be
27 held at or placed under the care of the facility."

28 27. Page 14, line 25, by striking the word "in".

29 28. Page 14, by striking line 26 and inserting
30 the following: "through the single entry point
31 process, the said clerk".

32 29. Page 14, lines 32 and 33, by striking the
33 words "single entry point process of the person's
34 county of legal settlement" and inserting the
35 following: "single entry point process".

36 30. Page 15, by striking lines 6 through 9 and
37 inserting the following: "revenue and finance. A
38 county shall not be billed for the cost of a patient
39 unless the patient's admission is authorized through
40 the single entry point process. The mental health
41 institute and the county shall work together to locate
42 appropriate alternative placements and services, and
43 to educate patients and family members of patients
44 regarding such alternatives."

45 31. Page 15, line 15, by striking the word "in".

46 32. Page 15, by striking lines 16 through 20 and
47 inserting the following: "through the single entry
48 point process. For the purposes of this chapter,
49 "single entry point process" means the same as defined
50 in section 331.440."

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1 33. Page 16, by striking lines 4 through 12 and
2 inserting the following:

3 "b. The per diem costs billed to each county shall
4 not exceed the per diem costs ~~in-effect-on-July-1,~~
5 ~~1988~~ billed to the county in the fiscal year beginning
6 July 1, 1996. However, the per diem costs billed to a
7 county may be adjusted annually to reflect increased
8 costs to the extent of the ~~adjustment-in-the-consumer~~
9 ~~price-index-published-annually-in-the-federal-register~~
10 ~~by-the-federal-department-of-labor,-bureau-of-labor~~
11 ~~statistics~~ percentage increase in the total of county
12 fixed budgets pursuant to the allowed growth factor
13 adjustment authorized by the general assembly for the
14 fiscal year in accordance with section 331.439.

15 Sec. ____ . EFFECTIVE DATE. Section 230.20,
16 subsection 2, paragraph "b", Code Supplement 1995, as
17 amended by this division of this Act, takes effect
18 July 1, 1997."

19 34. Page 17, line 21, by striking the words
20 "appropriate and" and inserting the following:
21 "appropriate."

22 35. Page 17, by striking lines 22 through 33 and
23 inserting the following: "The department's goal for
24 the maximum time period for submission of a claim to a
25 county is not more than sixty days following the
26 submission of the claim by the provider of the service
27 to the department. The department's goal for
28 completion and crediting of a county for cost
29 settlement for the actual costs of a home and
30 community-based waiver service is within two hundred
31 seventy days of the close of a fiscal year for which
32 cost reports are due from providers. The department
33 shall".

34 36. By striking page 18, line 5 through page 19,
35 line 21 and inserting the following:

36 "NEW SUBSECTION. 5. a. The state-county
37 management committee shall recommend to the department
38 the actions necessary to assist in the transition of
39 individuals being served in an intermediate care
40 facility for the mentally retarded, who are
41 appropriate for the transition, to services funded
42 under a medical assistance waiver for home and
43 community-based services for persons with mental
44 retardation in a manner which maximizes the use of
45 existing public and private facilities. The actions
46 may include but are not limited to submitting any of
47 the following or a combination of any of the following
48 as a request for a revision of the medical assistance
49 waiver for home and community-based services for
50 persons with mental retardation in effect as of June

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1 30, 1996:

2 (1) Allow for the transition of intermediate care
3 facilities for the mentally retarded licensed under
4 chapter 135C as of June 30, 1996, to services funded
5 under the medical assistance waiver for home and
6 community-based services for persons with mental
7 retardation. The request shall be for inclusion of
8 additional persons under the waiver associated with
9 the transition.

10 (2) Allow for reimbursement under the waiver for
11 day program or other service costs.

12 (3) Allow for exception provisions in which an
13 intermediate care facility for the mentally retarded
14 which does not meet size and other facility-related
15 requirements under the waiver in effect on June 30,
16 1996, may convert to a waiver service for a set period
17 of time such as five years. Following the set period
18 of time, the facility would be subject to the waiver
19 requirements applicable to services which were not
20 operating under the exception provisions.

21 b. In implementing the provisions of this
22 subsection, the state-county management committee
23 shall consult with other states. The waiver revision
24 request or other action necessary to assist in the
25 transition of service provision from intermediate care
26 facilities for the mentally retarded to alternative
27 programs shall be implemented by the department in a
28 manner that can appropriately meet the needs of
29 individuals at an overall lower cost to counties, the
30 federal government, and the state. In addition, the
31 department shall take into consideration significant
32 federal changes to the medical assistance program in
33 formulating the department's actions under this
34 subsection. The department shall consult with the
35 state-county management committee in adopting rules
36 for oversight of facilities converted pursuant to this
37 subsection. A transition approach described in
38 paragraph "a" may be modified as necessary to obtain
39 federal waiver approval. The department shall report
40 on or before January 2, 1997, to the general assembly
41 regarding its actions under this subsection and any
42 federal response, and shall submit an update upon
43 receiving a federal response to the waiver request or
44 other action taken which requires a federal response.
45 If implementation of any of the provisions of this
46 subsection does not require a federal waiver, the
47 department shall implement the provisions in the
48 fiscal year beginning July 1, 1996."

49 37. Page 20, by striking lines 3 through 7 and
50 inserting the following: "ill. To the maximum extent

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1 allowed under federal law and regulations, the
2 department shall consult with and inform a county of
3 legal settlement's single entry point process, as
4 defined in section 331.440, regarding the necessity
5 for and the provision of any service for which the
6 county is required to provide reimbursement under this
7 subsection.

8 3. To the maximum extent allowed under federal law
9 and regulations, a person with mental illness or
10 mental retardation shall not be eligible for any
11 service which is funded in whole or in part by a
12 county share of the nonfederal portion of medical
13 assistance funds unless the person is referred through
14 the single entry point process, as defined in section
15 331.440. However, to the extent federal law allows
16 referral of a medical assistance recipient to a
17 service without approval of the single entry point
18 process, the county of legal settlement shall be
19 billed for the nonfederal share of costs for any adult
20 person for whom the county would otherwise be
21 responsible."

22 38. Page 21, by inserting after line 33 the
23 following:

24 "Sec. _____. Section 331.440, Code Supplement 1995,
25 is amended by adding the following new subsection:
26 NEW SUBSECTION. 2A. An application for services
27 may be made through the single entry point process of
28 a person's county of residence. However, if a person
29 who is subject to a single entry point process has
30 legal settlement in another county or the costs of
31 services or other support provided to the person are
32 the financial responsibility of the state, an
33 authorization through the single entry point process
34 shall be coordinated with the person's county of legal
35 settlement or with the state, as applicable. The
36 county of residence and county of legal settlement of
37 a person subject to a single entry point process may
38 mutually agree that the single entry point process
39 functions shall be performed by the single entry point
40 process of the person's county of legal settlement."

41 39. Page 21, by inserting after line 33 the
42 following:

43 "Sec. _____. MEDICAL ASSISTANCE CLAIMS AND COST
44 SETTLEMENT. The department of human services shall
45 formulate a work group which includes representatives
46 of counties designated by the Iowa state association
47 of counties in developing a course of action to meet
48 the goals for submission of claims and completion of
49 cost settlement under section 249A.12, subsection 2,
50 as amended by this Act. A report which includes data

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HOUSE FILE 2427

S-5705

1 Amend the amendment, S-5704, to House File 2427, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, line 14, by striking the word
5 "requests" and inserting the following: "receives".

By JOHNIE HAMMOND
DERRYL McLAREN

S-5705 FILED APRIL 10, 1996

ADOPTED

(P. 1300)

HOUSE FILE 2427

S-5704

1 Amend House File 2427, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 16, by striking lines 16 through 30 and
4 inserting the following:

5 "Sec. ____ . Section 230A.13, unnumbered paragraph
6 2, Code 1995, is amended to read as follows:

7 Release of administrative and diagnostic
8 information ~~which would identify~~, as defined in
9 section 228.1, subsections 1 and 3, and demographic
10 information necessary for aggregated reporting to meet
11 the data requirements established by the department of
12 human services, division of mental health and
13 developmental disabilities, relating to an individual
14 ~~who is receiving or has received treatment at requests~~
15 ~~services from a community mental health center shall~~
16 ~~not through the applicable single entry point process,~~
17 ~~may be made a condition of support of that center by~~
18 ~~any county under this section. Section 331.504,~~
19 ~~subsection 8 notwithstanding, a community mental~~
20 ~~health center shall not be required to file a claim~~
21 ~~which would in any manner identify such an individual,~~
22 ~~if the center's budget has been approved by the county~~
23 ~~board under this section and the center is in~~
24 ~~compliance with section 230A.16, subsection 3.~~"

By JOHNIE HAMMOND

S-5704 FILED APRIL 10, 1996

ADOPTED

(P. 1300)

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1 describing the conditions which cause the goal time
2 frames to be exceeded, other conditions associated
3 with billings and payments, and options to address the
4 problems identified shall be submitted to the governor
5 and general assembly on or before December 16, 1996.
6 The options may include possible sanctions for failure
7 to meet the time frames."
8 40. Page 22, by striking lines 2 through 11.
9 41. By renumbering, relettering, or redesignating
10 and correcting internal references as necessary.

By ALBERT SORENSEN

S-5697 FILED APRIL 9, 1996

adapted 4-10-96
(p. 1207)

SENATE AMENDMENT TO HOUSE FILE 2427

H-5916

1 Amend House File 2427, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 1, line 4, by striking the word
4 "subsections" and inserting the following:
5 "subsection".

6 2. Page 1, by striking lines 5 through 8.

7 3. Page 1, by striking lines 20 and 21 and
8 inserting the following: "a recommendation supporting
9 the placement developed through the single entry point
10 process. After determining the legal settlement".

11 4. Page 1, line 32, by inserting after the word
12 "evaluation" the following: ", performed through the
13 single entry point process,".

14 5. Page 2, by striking line 8 and inserting the
15 following: "as determined through the single entry
16 point process."

17 6. Page 2, line 35, by striking the words and
18 figures "subsections 2 and 3" and inserting the
19 following: "subsection 2".

20 7. Page 3, line 1, by striking the word "are" and
21 inserting the following: "is".

22 8. Page 3, by striking lines 2 through 9 and
23 inserting the following:

24 "2. Upon receipt of an application for voluntary
25 admission of a minor, the board of supervisors shall
26 provide for a preadmission diagnostic evaluation of
27 the minor to confirm or establish the need for the
28 admission. The preadmission diagnostic evaluation
29 shall be performed by a person who meets the
30 qualifications of a qualified mental retardation
31 professional who is designated through the single
32 entry point process."

33 9. By striking page 3, line 10, through page 4,
34 line 26, and inserting the following:

35 "Sec. ____ . Section 222.28, Code 1995, is amended
36 to read as follows:

37 222.28 COMMISSION TO EXAMINE.

38 The court may, at or prior to the final hearing,
39 appoint a commission of one qualified physician and
40 one qualified psychologist, designated through the
41 single entry point process, who shall make a personal
42 examination of the person alleged to be mentally
43 retarded for the purpose of determining the mental
44 condition of the person."

45 10. Page 4, line 31, by striking the words
46 "county of legal settlement" and inserting the
47 following: "single entry point process".

48 11. Page 4, lines 33 and 34, by striking the
49 words ", which are authorized in accordance with the
50 county's management plan,".

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Page 2

1 12. Page 5, by striking lines 10 through 12 and
2 inserting the following:

3 "NEW PARAGRAPH. f. A county shall not be billed
4 for the cost of a patient unless the patient's
5 admission is authorized through the applicable single
6 entry point process. The state hospital-school and
7 the county shall work together to locate appropriate
8 alternative placements and services, and to educate
9 patients and the family members of patients regarding
10 such alternatives."

11 13. Page 5, by striking lines 13 through 23 and
12 inserting the following:

13 "Sec. _____. Section 222.73, subsection 2,
14 unnumbered paragraph 2, Code Supplement 1995, is
15 amended to read as follows:

16 The per diem costs billed to each county shall not
17 exceed the per diem costs ~~in-effect-on-July-1, 1988~~
18 billed to the county in the fiscal year beginning July
19 1, 1996. However, the per diem costs billed to a
20 county may be adjusted ~~annually~~ in a fiscal year to
21 reflect increased costs to the extent of the
22 ~~adjustment-in-the-consumer-price-index-published~~
23 ~~annually-in-the-federal-register-by-the-federal~~
24 ~~department-of-labor, bureau-of-labor-statistics~~
25 percentage increase in the total of county fixed
26 budgets pursuant to the allowed growth factor
27 adjustment authorized by the general assembly for that
28 fiscal year in accordance with section 331.439.

29 Sec. _____. EFFECTIVE DATE. Section 222.73,
30 subsection 2, unnumbered paragraph 2, Code Supplement
31 1995, as amended by this division of this Act, takes
32 effect July 1, 1997."

33 14. Page 6, line 3, by striking the words "An
34 order".

35 15. Page 6, by striking lines 4 and 5 and
36 inserting the following: "If the costs of a
37 respondent's evaluation or treatment are payable in
38 whole or in part by a county, an order under this
39 section shall be for referral of the respondent
40 through the single entry point process for an".

41 16. Page 6, line 17, by striking the word
42 "patient" and inserting the following: "patient
43 respondent".

44 17. Page 6, by striking lines 30 through 32 and
45 inserting the following: "treatment, and hospital
46 care under this section which are payable in whole or
47 in part by a county shall only be provided as
48 determined through the single entry point process."

49 18. Page 7, by striking lines 17 and 18 and
50 inserting the following: "county shall only be

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Page 3

1 provided as determined through the single entry point
2 process."

3 19. Page 7, by striking lines 21 through 24 and
4 inserting the following:

5 "NEW SUBSECTION. 8. "Single entry point process"
6 means the same as defined in section 331.440."

7 20. Page 9, by striking lines 11 and 12 and
8 inserting the following: "performed through the
9 single entry point process has confirmed that the".

10 21. Page 9, by striking lines 17 and 18 and
11 inserting the following: "provided for through the
12 single entry point process, the evaluation may be
13 performed by a".

14 22. Page 10, lines 27 and 28 by striking the
15 words "by the person's county of legal settlement" and
16 inserting the following: "through the single entry
17 point process".

18 23. Page 11, by striking line 8 and inserting the
19 following: "designated through the single entry point
20 process under section".

21 24. Page 11, by striking line 14 and inserting
22 the following: "designated through the single entry
23 point process under".

24 25. Page 12, by striking lines 4 through 7 and
25 inserting the following: "whole or in part by a
26 county is subject to an authorization for the transfer
27 through the single entry point process."

28 26. By striking page 12, line 8, through page 14,
29 line 1, and inserting the following:

30 "Sec. ____ . Section 229.1, Code Supplement 1995, is
31 amended by adding the following new subsection:

32 NEW SUBSECTION. 15. "Single entry point process"
33 means the same as defined in section 331.440.

34 Sec. ____ . NEW SECTION. 229.1B SINGLE ENTRY POINT
35 PROCESS.

36 Notwithstanding any provision of this chapter to
37 the contrary, any person whose hospitalization
38 expenses are payable in whole or in part by a county
39 shall be subject to all requirements of the single
40 entry point process.

41 Sec. ____ . Section 229.11, unnumbered paragraph 1,
42 Code 1995, is amended to read as follows:

43 If the applicant requests that the respondent be
44 taken into immediate custody and the judge, upon
45 reviewing the application and accompanying
46 documentation, finds probable cause to believe that
47 the respondent is seriously mentally impaired has a
48 serious mental impairment and is likely to injure the
49 respondent or other persons if allowed to remain at
50 liberty, the judge may enter a written order directing

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1 that the respondent be taken into immediate custody by
2 the sheriff or the sheriff's deputy and be detained
3 until the hospitalization hearing~~7-which~~. The
4 hospitalization hearing shall be held no more than
5 five days after the date of the order, except that if
6 the fifth day after the date of the order is a
7 Saturday, Sunday, or a holiday, the hearing may be
8 held on the next succeeding business day. If the
9 expenses of a respondent are payable in whole or in
10 part by a county, for a placement in accordance with
11 subsection 1, the judge shall give notice of the
12 placement to the single entry point process and for a
13 placement in accordance with subsection 2 or 3, the
14 judge shall order the placement in a hospital or
15 facility designated through the single entry point
16 process. The judge may order the respondent detained
17 for the period of time until the hearing is held, and
18 no longer, in accordance with subsection 1 if
19 possible, and if not then in accordance with
20 subsection 2 or, only if neither of these alternatives
21 are available, in accordance with subsection 3.
22 Detention may be:

23 Sec. _____. Section 229.13, unnumbered paragraph 1,
24 Code 1995, is amended to read as follows:
25 If upon completion of the hearing the court finds
26 that the contention that the respondent ~~is-seriously~~
27 ~~mentally-impaired-has-been~~ has a serious mental
28 impairment is sustained by clear and convincing
29 evidence, ~~it~~ the court shall order ~~the~~ a respondent
30 ~~placed-in~~ whose expenses are payable in whole or in
31 part by a county committed to the care of a hospital
32 or facility designated through the single entry point
33 process, and shall order any other respondent
34 committed to the care of a hospital or a facility
35 licensed to care for persons with mental illness or
36 substance abuse or under the care of a facility that
37 is licensed to care for persons with mental illness or
38 substance abuse on an outpatient basis as
39 expeditiously as possible for a complete psychiatric
40 evaluation and appropriate treatment. If the
41 respondent is ordered at the hearing to undergo
42 outpatient treatment, the outpatient treatment
43 provider must be notified and agree to provide the
44 treatment prior to placement of the respondent under
45 the treatment provider's care. The court shall
46 furnish to the chief medical officer of the hospital
47 or facility at the time the respondent arrives at the
48 hospital or facility a written finding of fact setting
49 forth the evidence on which the finding is based. If
50 the respondent is ordered to undergo outpatient

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1 treatment, the order shall also require the respondent
2 to cooperate with the treatment provider and comply
3 with the course of treatment.

4 PARAGRAPH DIVIDED. The chief medical officer of
5 the hospital or facility shall report to the court no
6 more than fifteen days after the individual is
7 admitted to or placed under the care of the hospital
8 or facility, making a recommendation for disposition
9 of the matter. An extension of time may be granted
10 for not to exceed seven days upon a showing of cause.
11 A copy of the report shall be sent to the respondent's
12 attorney, who may contest the need for an extension of
13 time if one is requested. Extension of time shall be
14 granted upon request unless the request is contested,
15 in which case the court shall make such inquiry as it
16 deems appropriate and may either order the
17 respondent's release from the hospital or facility or
18 grant extension of time for psychiatric evaluation.
19 If the chief medical officer fails to report to the
20 court within fifteen days after the individual is
21 admitted to or placed under the care of the hospital
22 or facility, and no extension of time has been
23 requested, the chief medical officer is guilty of
24 contempt and shall be punished under chapter 665. The
25 court shall order a rehearing on the application to
26 determine whether the respondent should continue to be
27 held at or placed under the care of the facility."

28 27. Page 14, line 25, by striking the word "in".

29 28. Page 14, by striking line 26 and inserting
30 the following: "through the single entry point
31 process, the said clerk".

32 29. Page 14, lines 32 and 33, by striking the
33 words "single entry point process of the person's
34 county of legal settlement" and inserting the
35 following: "single entry point process".

36 30. Page 15, by striking lines 6 through 9 and
37 inserting the following: "revenue and finance. A
38 county shall not be billed for the cost of a patient
39 unless the patient's admission is authorized through
40 the single entry point process. The mental health
41 institute and the county shall work together to locate
42 appropriate alternative placements and services, and
43 to educate patients and family members of patients
44 regarding such alternatives."

45 31. Page 15, line 15, by striking the word "in".

46 32. Page 15, by striking lines 16 through 20 and
47 inserting the following: "through the single entry
48 point process. For the purposes of this chapter,
49 "single entry point process" means the same as defined
50 in section 331.440."

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1 33. Page 16, by striking lines 4 through 12 and
2 inserting the following:

3 "b. The per diem costs billed to each county shall
4 not exceed the per diem costs ~~in-effect-on-July-1,~~
5 ~~1988~~ billed to the county in the fiscal year beginning
6 July 1, 1996. However, the per diem costs billed to a
7 county may be adjusted annually to reflect increased
8 costs to the extent of the ~~adjustment-in-the-consumer~~
9 ~~price-index-published-annually-in-the-federal-register~~
10 ~~by-the-federal-department-of-labor,-bureau-of-labor~~
11 ~~statistics~~ percentage increase in the total of county
12 fixed budgets pursuant to the allowed growth factor
13 adjustment authorized by the general assembly for the
14 fiscal year in accordance with section 331.439.

15 Sec. ____ . EFFECTIVE DATE. Section 230.20,
16 subsection 2, paragraph "b", Code Supplement 1995, as
17 amended by this division of this Act, takes effect
18 July 1, 1997."

19 34. Page 16, by striking lines 16 through 30 and
20 inserting the following:

21 "Sec. ____ . Section 230A.13, unnumbered paragraph
22 2, Code 1995, is amended to read as follows:

23 Release of administrative and diagnostic
24 information ~~which-would-identify,~~ as defined in
25 section 228.1, subsections 1 and 3, and demographic
26 information necessary for aggregated reporting to meet
27 the data requirements established by the department of
28 human services, division of mental health and
29 developmental disabilities, relating to an individual
30 ~~who is-receiving-or-has-received-treatment-at~~ receives
31 services from a community mental health center ~~shall~~
32 ~~not~~ through the applicable single entry point process,
33 may be made a condition of support of that center by
34 any county under this section. ~~Section-331.504,~~
35 ~~subsection-8-notwithstanding,-a-community-mental~~
36 ~~health-center-shall-not-be-required-to-file-a-claim~~
37 ~~which-would-in-any-manner-identify-such-an-individual,~~
38 ~~if-the-center's-budget-has-been-approved-by-the-county~~
39 ~~board-under-this-section-and-the-center-is-in~~
40 ~~compliance-with-section-230A-16,-subsection-3-."~~

41 35. Page 17, line 21, by striking the words
42 "appropriate and" and inserting the following:
43 "appropriate".

44 36. Page 17, by striking lines 22 through 33 and
45 inserting the following: "The department's goal for
46 the maximum time period for submission of a claim to a
47 county is not more than sixty days following the
48 submission of the claim by the provider of the service
49 to the department. The department's goal for
50 completion and crediting of a county for cost

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1 settlement for the actual costs of a home and
2 community-based waiver service is within two hundred
3 seventy days of the close of a fiscal year for which
4 cost reports are due from providers. The department
5 shall".

6 37. By striking page 18, line 5 through page 19,
7 line 21 and inserting the following:

8 "NEW SUBSECTION. 5. a. The state-county
9 management committee shall recommend to the department
10 the actions necessary to assist in the transition of
11 individuals being served in an intermediate care
12 facility for the mentally retarded, who are
13 appropriate for the transition, to services funded
14 under a medical assistance waiver for home and
15 community-based services for persons with mental
16 retardation in a manner which maximizes the use of
17 existing public and private facilities. The actions
18 may include but are not limited to submitting any of
19 the following or a combination of any of the following
20 as a request for a revision of the medical assistance
21 waiver for home and community-based services for
22 persons with mental retardation in effect as of June
23 30, 1996:

24 (1) Allow for the transition of intermediate care
25 facilities for the mentally retarded licensed under
26 chapter 135C as of June 30, 1996, to services funded
27 under the medical assistance waiver for home and
28 community-based services for persons with mental
29 retardation. The request shall be for inclusion of
30 additional persons under the waiver associated with
31 the transition.

32 (2) Allow for reimbursement under the waiver for
33 day program or other service costs.

34 (3) Allow for exception provisions in which an
35 intermediate care facility for the mentally retarded
36 which does not meet size and other facility-related
37 requirements under the waiver in effect on June 30,
38 1996, may convert to a waiver service for a set period
39 of time such as five years. Following the set period
40 of time, the facility would be subject to the waiver
41 requirements applicable to services which were not
42 operating under the exception provisions.

43 b. In implementing the provisions of this
44 subsection, the state-county management committee
45 shall consult with other states. The waiver revision
46 request or other action necessary to assist in the
47 transition of service provision from intermediate care
48 facilities for the mentally retarded to alternative
49 programs shall be implemented by the department in a
50 manner that can appropriately meet the needs of

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1 individuals at an overall lower cost to counties, the
2 federal government, and the state. In addition, the
3 department shall take into consideration significant
4 federal changes to the medical assistance program in
5 formulating the department's actions under this
6 subsection. The department shall consult with the
7 state-county management committee in adopting rules
8 for oversight of facilities converted pursuant to this
9 subsection. A transition approach described in
10 paragraph "a" may be modified as necessary to obtain
11 federal waiver approval. The department shall report
12 on or before January 2, 1997, to the general assembly
13 regarding its actions under this subsection and any
14 federal response, and shall submit an update upon
15 receiving a federal response to the waiver request or
16 other action taken which requires a federal response.
17 If implementation of any of the provisions of this
18 subsection does not require a federal waiver, the
19 department shall implement the provisions in the
20 fiscal year beginning July 1, 1996."

21 38. Page 20, by striking lines 3 through 7 and
22 inserting the following: "ill. To the maximum extent
23 allowed under federal law and regulations, the
24 department shall consult with and inform a county of
25 legal settlement's single entry point process, as
26 defined in section 331.440, regarding the necessity
27 for and the provision of any service for which the
28 county is required to provide reimbursement under this
29 subsection."

30 3. To the maximum extent allowed under federal law
31 and regulations, a person with mental illness or
32 mental retardation shall not be eligible for any
33 service which is funded in whole or in part by a
34 county share of the nonfederal portion of medical
35 assistance funds unless the person is referred through
36 the single entry point process, as defined in section
37 331.440. However, to the extent federal law allows
38 referral of a medical assistance recipient to a
39 service without approval of the single entry point
40 process, the county of legal settlement shall be
41 billed for the nonfederal share of costs for any adult
42 person for whom the county would otherwise be
43 responsible."

44 39. Page 21, by inserting after line 33 the
45 following:

46 "Sec. ____ . Section 331.440, Code Supplement 1995,
47 is amended by adding the following new subsection:

48 NEW SUBSECTION. 2A. An application for services
49 may be made through the single entry point process of
50 a person's county of residence. However, if a person

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1 who is subject to a single entry point process has
2 legal settlement in another county or the costs of
3 services or other support provided to the person are
4 the financial responsibility of the state, an
5 authorization through the single entry point process
6 shall be coordinated with the person's county of legal
7 settlement or with the state, as applicable. The
8 county of residence and county of legal settlement of
9 a person subject to a single entry point process may
10 mutually agree that the single entry point process
11 functions shall be performed by the single entry point
12 process of the person's county of legal settlement."

13 40. Page 21, by inserting after line 33 the
14 following:

15 "Sec. ____ . MEDICAL ASSISTANCE CLAIMS AND COST
16 SETTLEMENT. The department of human services shall
17 formulate a work group which includes representatives
18 of counties designated by the Iowa state association
19 of counties in developing a course of action to meet
20 the goals for submission of claims and completion of
21 cost settlement under section 249A.12, subsection 2,
22 as amended by this Act. A report which includes data
23 describing the conditions which cause the goal time
24 frames to be exceeded, other conditions associated
25 with billings and payments, and options to address the
26 problems identified shall be submitted to the governor
27 and general assembly on or before December 16, 1996.
28 The options may include possible sanctions for failure
29 to meet the time frames."

30 41. Page 22, by striking lines 2 through 11.

31 42. By renumbering, relettering, or redesignating
32 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-5916 FILED APRIL 10, 1996

*House Concurred**4.11.96**(P. 1565)*

NSB 734

LOCAL GOVERNMENT

Succeeded By

HOUSE FILE

SF 2427

BY (PROPOSED COMMITTEE ON LOCAL
GOVERNMENT BILL BY CHAIRPERSON
VANDE HOEF)

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

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and other services paid for in
3 whole or in part by counties or the state, and including an
4 applicability provision and an effective date.

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

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DIVISION I

MENTAL RETARDATION SERVICE PROVISIONS

Section 1. Section 222.2, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. "Management plan" means a county's plan for management of mental health, mental retardation, and developmental disabilities services implemented and approved in accordance with section 331.439.

Sec. 2. Section 222.13, subsections 1 through 3, Code Supplement 1995, are amended to read as follows:

1. If an adult person is believed to be a person with mental retardation, the adult person or the adult person's guardian may request the county board of supervisors or their designated agent to apply to the superintendent of any state hospital-school for the voluntary admission of the adult person either as an inpatient or an outpatient of the hospital-school. Submission of an application is subject to the provisions of the management plan of the person's county of legal settlement. After determining the legal settlement of the adult person as provided by this chapter, the board of supervisors shall, on forms prescribed by the administrator, apply to the superintendent of the hospital-school in the district for the admission of the adult person to the hospital-school. An application for admission to a special unit of any adult person believed to be in need of any of the services provided by the special unit under section 222.88 may be made in the same manner, upon request of the adult person or the adult person's guardian. The superintendent shall accept the application providing a preadmission diagnostic evaluation confirms or establishes the need for admission, except that an application may not be accepted if the institution does not have adequate facilities available or if the acceptance will result in an overcrowded condition.

2. If the hospital-school has no appropriate program for the treatment of an adult or minor person with mental

1 retardation applying under this section or section 222.13A,
2 the board of supervisors shall arrange for the placement of
3 the person in any public or private facility within or without
4 the state, approved by the director of the department of human
5 services, which offers appropriate services for the person,
6 subject to the county's management plan.

7 3. Upon applying for admission of an adult or minor person
8 to a hospital-school, or a special unit, or upon arranging for
9 the placement of the person in a public or private facility,
10 the board of supervisors shall make a full investigation into
11 the financial circumstances of that person and those liable
12 for that person's support under section 222.78, to determine
13 whether or not any of them are able to pay the expenses
14 arising out of the admission of the person to a hospital-
15 school, ~~or~~ special treatment unit, or public or private
16 facility. If the board finds that the person or those legally
17 responsible for the person are presently unable to pay the
18 expenses, ~~they~~ the board shall direct that the expenses be
19 paid by the county. The board may review its finding at any
20 subsequent time while the person remains at the hospital-
21 school, or is otherwise receiving care or treatment for which
22 this chapter obligates the county to pay. If the board finds
23 upon review that the person or those legally responsible for
24 the person are presently able to pay the expenses, the finding
25 shall apply only to the charges incurred during the period
26 beginning on the date of the review and continuing thereafter,
27 unless and until the board again changes its finding. If the
28 board finds that the person or those legally responsible for
29 the person are able to pay the expenses, ~~they~~ the board shall
30 direct that the charges be so paid to the extent required by
31 section 222.78, and the county auditor shall be responsible
32 for the collection of the charges.

33 Sec. 3. Section 222.13A, subsections 2 and 3, Code
34 Supplement 1995, are amended to read as follows:

35 2. Upon receipt of an application for voluntary admission

1 of a minor, the board of supervisors shall provide act in
2 accordance with the county's management plan in arranging for
3 a preadmission diagnostic evaluation of the minor to confirm
4 or establish the need for the admission. The preadmission
5 diagnostic evaluation shall be performed by a person who meets
6 the qualifications of a qualified mental retardation
7 professional.

8 3. During the preadmission diagnostic evaluation, the
9 minor shall be informed both orally and in writing that the
10 minor has the right to object to the voluntary admission. If
11 the preadmission diagnostic evaluation determines that the
12 voluntary admission is appropriate in accordance with the
13 county's management plan but the minor objects to the
14 admission, the minor shall not be admitted to the state
15 hospital-school unless the court approves of the admission. A
16 petition for approval of the minor's admission may be
17 submitted to the juvenile court by the minor's parent,
18 guardian, or custodian.

19 Sec. 4. Section 222.31, subsection 2, unnumbered paragraph
20 1, Code 1995, is amended to read as follows:

21 Commit the person to the state hospital-school designated
22 by the administrator to serve the county in which the hearing
23 is being held, or to a special unit. The court shall prior to
24 issuing an order of commitment request that a diagnostic
25 evaluation of the person be made by the superintendent of the
26 hospital-school, or the special unit, or the superintendent's
27 qualified designee. The evaluation shall be conducted at a
28 place as the superintendent may direct. The cost of the
29 evaluation shall be defrayed paid by the county of legal
30 settlement unless otherwise ordered by the court. The cost
31 may be equal to but shall not exceed the actual cost of the
32 evaluation. Persons referred by a court to a hospital-school
33 or the special unit for diagnostic evaluation shall be
34 considered as outpatients of the institution. ~~No~~ An order of
35 commitment shall not be issued unless the superintendent of

1 the institution recommends that the order be issued, and
2 advises the court that adequate facilities for the care of the
3 person are available. In addition, an order of commitment to
4 a state hospital-school, special unit, or the superintendent's
5 qualified designee shall not be issued unless the placement is
6 in accordance with the management plan of the person's county
7 of legal settlement.

8 Sec. 5. Section 222.59, subsection 1, unnumbered paragraph
9 1, Code Supplement 1995, is amended to read as follows:

10 Upon receiving a request from an authorized requester, the
11 superintendent of a state hospital-school shall ~~assist~~
12 coordinate with the county of legal settlement in assisting
13 the requester in identifying available community-based
14 services, which are authorized in accordance with the county's
15 management plan, as an alternative to continued placement of a
16 patient in the state hospital-school. For the purposes of
17 this section, "authorized requester" means the parent,
18 guardian, or custodian of a minor patient, the guardian of an
19 adult patient, or an adult patient who does not have a
20 guardian. The assistance shall identify alternatives to
21 continued placement which are appropriate to the patient's
22 needs and shall include but are not limited to any of the
23 following:

24 Sec. 6. Section 222.73, subsection 2, Code Supplement
25 1995, is amended by adding the following new paragraph:

26 NEW PARAGRAPH. f. A county shall not be billed for the
27 cost of any patient whose admission or continued stay was not
28 authorized in accordance with the county's management plan.

29 Sec. 7. Section 222.73, subsection 2, unnumbered paragraph
30 2, Code Supplement 1995, is amended to read as follows:

31 The per diem costs billed to each county shall not exceed
32 the per diem costs ~~in-effect-on-July-17-1988~~ billed to the
33 county in the fiscal year for which the county's base year
34 expenditures were established for purposes of the definition
35 of base year expenditures in section 331.438. However, the

1 per-diem-costs-may-be-adjusted-annually-to-the-extent-of-the
2 adjustment-in-the-consumer-price-index-published-annually-in
3 the-federal-register-by-the-federal-department-of-labor,
4 bureau-of-labor-statistics.

5 DIVISION II

6 MENTAL HEALTH SERVICE PROVISIONS

7 Sec. 8. Section 225.11, Code 1995, is amended to read as
8 follows:

9 225.11 INITIATING COMMITMENT PROCEDURES.

10 When a court finds upon completion of a hearing held
11 pursuant to section 229.12 that the contention that a
12 respondent is seriously mentally impaired has been sustained
13 by clear and convincing evidence, and the application filed
14 under section 229.6 also contends or the court otherwise
15 concludes that it would be appropriate to refer the respondent
16 to the state psychiatric hospital for a complete psychiatric
17 evaluation and appropriate treatment pursuant to section
18 229.13, the judge may order that a financial investigation be
19 made in the manner prescribed by section 225.13. Evaluation
20 or treatment shall not be ordered under this section unless in
21 accordance with the provisions of the management plan, as
22 defined in section 229.1, of the respondent's county of legal
23 settlement.

24 Sec. 9. Section 225.15, Code 1995, is amended to read as
25 follows:

26 225.15 EXAMINATION AND TREATMENT.

27 When the a respondent arrives at the state psychiatric
28 hospital, ~~it shall be the duty of~~ the admitting physician to
29 shall examine the respondent and determine whether or not, in
30 the physician's judgment, the patient is a fit subject for
31 ~~such~~ observation, treatment, and hospital care. If, upon
32 examination, the physician decides that ~~such-patient~~ the
33 respondent should be admitted to the hospital, the patient
34 respondent shall be provided a proper bed in the hospital; and
35 the physician who ~~shall-have~~ has charge of the patient

1 respondent shall proceed with ~~such~~ observation, medical
2 treatment, and hospital care as in the physician's judgment
3 are proper and necessary, in compliance with sections 229.13
4 to 229.16.

5 A proper and competent nurse shall also be assigned to look
6 after and care for ~~such-patient~~ the respondent during ~~such~~
7 observation, treatment, and care ~~as-aforesaid~~. Observation,
8 treatment, and hospital care under this section shall only be
9 provided in accordance with the provisions of the management
10 plan, as defined in section 229.1, of the respondent's county
11 of legal settlement.

12 Sec. 10. Section 225.17, Code 1995, is amended to read as
13 follows:

14 225.17 COMMITTED PRIVATE PATIENT -- TREATMENT.

15 If the judge of the district court, finds upon the review
16 and determination made under the provisions of section 225.14
17 that the respondent is an appropriate subject for placement at
18 the state psychiatric hospital, and that the respondent, or
19 those legally responsible for the respondent, are able to pay
20 the expenses ~~thereof~~ associated with the placement, the judge
21 shall enter an order directing that the respondent shall be
22 sent to the state psychiatric hospital at the state University
23 of Iowa for observation, treatment, and hospital care as a
24 committed private patient.

25 When the respondent arrives at the ~~said~~ hospital, the
26 respondent shall receive the same treatment as is provided for
27 committed public patients in section 225.15, in compliance
28 with sections 229.13 to 229.16. However, observation,
29 treatment, and hospital care under this section of a
30 respondent whose expenses are payable in whole or in part by a
31 county shall only be provided in accordance with the
32 provisions of the management plan, as defined in section
33 229.1, of the respondent's county of legal settlement.

34 Sec. 11. Section 225C.2, Code 1995, is amended by adding
35 the following new subsection:

1 NEW SUBSECTION. 6A. "Management plan" means a county's
2 plan for management of mental health, mental retardation, and
3 developmental disabilities services implemented and approved
4 in accordance with section 331.439.

5 Sec. 12. Section 225C.12, Code 1995, is amended to read as
6 follows:

7 225C.12 PARTIAL REIMBURSEMENT TO COUNTIES FOR LOCAL
8 INPATIENT MENTAL HEALTH CARE AND TREATMENT.

9 1. A county which pays, from county funds budgeted under
10 section ~~331.424, subsection 1, paragraphs "d" and "g"~~
11 331.424A, the cost of care and treatment of a ~~mentally ill~~
12 person with mental illness who is admitted pursuant to a
13 preliminary diagnostic evaluation under sections 225C.14 to
14 225C.17 for treatment as an inpatient of a hospital facility,
15 other than a state mental health institute, which has a
16 designated mental health program and is a hospital accredited
17 by the accreditation program for hospital facilities of the
18 joint commission on accreditation of ~~hospitals~~ health
19 organizations, is entitled to reimbursement from the state for
20 a portion of the daily cost so incurred by the county.
21 However, a county is not entitled to reimbursement for a cost
22 incurred in connection with the hospitalization of a person
23 who is eligible for medical assistance under chapter 249A, or
24 who is entitled to have care or treatment paid for by any
25 other third party payor, or who is admitted for preliminary
26 diagnostic evaluation under sections 225C.14 to 225C.17. The
27 amount of reimbursement for the cost of treatment of a local
28 inpatient to which a county is entitled, on a per-patient-per-
29 day basis, is an amount equal to twenty percent of the average
30 of the state mental health institutes' individual average
31 daily patient costs in the most recent calendar quarter for
32 the program in which the local inpatient would have been
33 served if the patient had been admitted to a state mental
34 health institute.

35 2. A county may claim reimbursement by filing with the

1 administrator a claim in a form prescribed by the
2 administrator by rule. Claims may be filed on a quarterly
3 basis, and when received shall be verified as soon as
4 reasonably possible by the administrator. The administrator
5 shall certify to the director of revenue and finance the
6 amount to which each county claiming reimbursement is
7 entitled, and the director of revenue and finance shall issue
8 warrants to the respective counties drawn upon funds
9 appropriated by the general assembly for the purpose of this
10 section. A county shall place funds received under this
11 section in the county mental health ~~and-institutions,~~ mental
12 retardation, and developmental disabilities services fund
13 created under section 331.424A. If the appropriation for a
14 fiscal year is insufficient to pay all claims arising under
15 this section, the director of revenue and finance shall
16 prorate the funds appropriated for that year among the
17 claimant counties so that an equal proportion of each county's
18 claim is paid in each quarter for which proration is
19 necessary.

20 Sec. 13. Section 225C.14, subsection 1, Code 1995, is
21 amended to read as follows:

22 1. Except in cases of medical emergency, a person shall be
23 admitted to a state mental health institute as an inpatient
24 only after a preliminary diagnostic evaluation ~~by-a-community~~
25 ~~mental-health-center-or-by-an-alternative-diagnostic-facility~~
26 performed in accordance with the management plan of the
27 person's county of legal settlement has confirmed that the
28 admission is appropriate to the person's mental health needs,
29 and that no suitable alternative method of providing the
30 needed services in a less restrictive setting or in or nearer
31 to the person's home community is currently available. If
32 provided for under the management plan of the person's county
33 of legal settlement, the evaluation may be performed by a
34 community mental health center or by an alternative diagnostic
35 facility. The policy established by this section shall be

1 implemented in the manner and to the extent prescribed by
2 sections 225C.15, 225C.16 and 225C.17.

3 Sec. 14. Section 225C.15, Code 1995, is amended to read as
4 follows:

5 225C.15 COUNTY IMPLEMENTATION OF EVALUATIONS.

6 The board of supervisors of a county shall, no later than
7 July 1, 1982, require that the policy stated in section
8 225C.14 be followed with respect to admission of persons from
9 that county to a state mental health institute. A community
10 mental health center which is supported, directly or in
11 affiliation with other counties, by that county ~~shall~~ may
12 perform the preliminary diagnostic evaluations for that
13 county, unless the performance of the evaluations is not
14 covered by the agreement entered into by the county and the
15 center under section 230A.12, and the center's director
16 certifies to the board of supervisors that the center does not
17 have the capacity to perform the evaluations, in which case
18 the board of supervisors shall proceed under section 225C.17.

19 Sec. 15. Section 225C.16, Code 1995, is amended to read as
20 follows:

21 225C.16 REFERRALS FOR EVALUATION.

22 1. The chief medical officer of a state mental health
23 institute, or that officer's physician designee, shall advise
24 a person residing in that county who applies for voluntary
25 admission, or a person applying for the voluntary admission of
26 another person who resides in that county, in accordance with
27 section 229.41, that the board of supervisors has implemented
28 the policy stated in section 225C.14, and shall advise that a
29 preliminary diagnostic evaluation of the prospective patient
30 ~~be sought from the appropriate community mental health center~~
31 ~~or alternative diagnostic facility~~, if that has not already
32 been done. This subsection does not apply when voluntary
33 admission is sought in accordance with section 229.41 under
34 circumstances which, in the opinion of the chief medical
35 officer or that officer's physician designee, constitute a

1 medical emergency.

2 2. The clerk of the district court in that county shall
3 refer a person applying for authorization for voluntary
4 admission, or for authorization for voluntary admission of
5 another person, in accordance with section 229.42, to the
6 appropriate ~~community-mental-health-center-or-alternative~~
7 ~~diagnostic-facility~~ entity designated by the person's county
8 of legal settlement under section 225C.14 for the preliminary
9 diagnostic evaluation unless the applicant furnishes a written
10 statement from ~~that-center-or-facility~~ the appropriate entity
11 which indicates that the evaluation has been performed and
12 that the person's admission to a state mental health institute
13 is appropriate. This subsection does not apply when
14 authorization for voluntary admission is sought under
15 circumstances which, in the opinion of the chief medical
16 officer or that officer's physician designee, constitute a
17 medical emergency.

18 3. Judges of the district court in that county or the
19 judicial hospitalization referee appointed for that county
20 shall so far as possible arrange for ~~a-physician-on-the-staff~~
21 ~~of-or-designated-by-the-appropriate-community-mental-health~~
22 ~~center-or-alternative-diagnostic-facility~~ the entity
23 designated by the county of legal settlement under section
24 225C.14 to perform a prehearing examination of a respondent
25 required under section 229.8, subsection 3, paragraph "b".

26 4. The chief medical officer of a state mental health
27 institute shall promptly submit to the appropriate ~~community~~
28 ~~mental-health-center-or-alternative-diagnostic-facility~~ entity
29 designated by the patient's county of legal settlement under
30 section 225C.14 a report of the voluntary admission of a
31 patient under the medical emergency clauses of subsections 1
32 and 2. The report shall explain the nature of the emergency
33 which necessitated the admission of the patient without a
34 preliminary diagnostic evaluation by the ~~center-or-alternative~~
35 ~~facility~~ designated entity.

1 Sec. 16. Section 225C.17, Code 1995, is amended to read as
2 follows:

3 225C.17 ALTERNATIVE DIAGNOSTIC FACILITY.

4 If the entity designated by a county to perform preliminary
5 diagnostic evaluations is not ~~served-by~~ a community mental
6 health center having the capacity to perform the required
7 preliminary diagnostic evaluations, the board of supervisors
8 ~~shall~~ may arrange for the evaluations to be performed by an
9 alternative diagnostic facility for the period until the
10 county is served by a community mental health center with the
11 capacity to provide that service. An alternative diagnostic
12 facility may be the outpatient service of a state mental
13 health institute or any other mental health facility or
14 service able to furnish the requisite professional skills to
15 properly perform a preliminary diagnostic evaluation of a
16 person whose admission to a state mental health institute is
17 being sought or considered on either a voluntary or an
18 involuntary basis.

19 Sec. 17. Section 227.10, Code 1995, is amended to read as
20 follows:

21 227.10 TRANSFERS FROM COUNTY OR PRIVATE INSTITUTIONS.

22 Patients who have been admitted at public expense to any
23 institution to which this chapter is applicable may be
24 involuntarily transferred to the proper state hospital for the
25 mentally ill in the manner prescribed by sections 229.6 to
26 229.13. The application required by section 229.6 may be
27 filed by the administrator of the division or the
28 administrator's designee, or by the administrator of the
29 institution where the patient is then being maintained or
30 treated. If the patient was admitted to that institution
31 involuntarily, the administrator of the division may arrange
32 and complete the transfer, and shall report it as required of
33 a chief medical officer under section 229.15, subsection 4.
34 The transfer shall be made at county expense, and the expense
35 recovered, as provided in section 227.7. However, transfer

1 under this section of a patient whose expenses are payable in
2 whole or in part by a county shall only be authorized in
3 accordance with the provisions of the management plan, as
4 defined in section 229.1, of the patient's county of legal
5 settlement.

6 Sec. 18. Section 229.1, Code Supplement 1995, is amended
7 by adding the following new subsection:

8 NEW SUBSECTION. 6A. "Management plan" means a county plan
9 for management of mental health, mental retardation, and
10 developmental disabilities services implemented and approved
11 in accordance with section 331.439.

12 Sec. 19. Section 229.13, unnumbered paragraph 1, Code
13 1995, is amended to read as follows:

14 If upon completion of the hearing the court finds that the
15 contention that the respondent ~~is-seriously-mentally-impaired~~
16 ~~has-been~~ has a serious mental impairment is sustained by clear
17 and convincing evidence, ~~it~~ the court shall order the
18 respondent placed in a hospital or a facility licensed to care
19 for persons with mental illness or substance abuse or under
20 the care of a facility that is licensed to care for persons
21 with mental illness or substance abuse on an outpatient basis
22 as expeditiously as possible for a complete psychiatric
23 evaluation and appropriate treatment. If the respondent is
24 ordered at the hearing to undergo outpatient treatment, the
25 outpatient treatment provider must be notified and agree to
26 provide the treatment prior to placement of the respondent
27 under the treatment provider's care. The court shall furnish
28 to the hospital or facility at the time the respondent arrives
29 at the hospital or facility a written finding of fact setting
30 forth the evidence on which the finding is based. If the
31 respondent is ordered to undergo outpatient treatment, the
32 order shall also require the respondent to cooperate with the
33 treatment provider and comply with the course of treatment.
34 The chief medical officer of the hospital or facility shall
35 report to the court no more than fifteen days after the

1 individual is admitted to or placed under the care of the
2 hospital or facility, making a recommendation for disposition
3 of the matter. An extension of time may be granted for not to
4 exceed seven days upon a showing of cause. A copy of the
5 report shall be sent to the respondent's attorney, who may
6 contest the need for an extension of time if one is requested.
7 Extension of time shall be granted upon request unless the
8 request is contested, in which case the court shall make such
9 inquiry as it deems appropriate and may either order the
10 respondent's release from the hospital or facility or grant
11 extension of time for psychiatric evaluation. If the chief
12 medical officer fails to report to the court within fifteen
13 days after the individual is admitted to or placed under the
14 care of the hospital or facility, and no extension of time has
15 been requested, the chief medical officer is guilty of
16 contempt and shall be punished under chapter 665. The court
17 shall order a rehearing on the application to determine
18 whether the respondent should continue to be held at or placed
19 under the care of the facility. However, an order under this
20 section for a respondent whose expenses are payable in whole
21 or in part by a county shall conform with the provisions of
22 the management plan of the respondent's county of legal
23 settlement.

24 Sec. 20. Section 229.14, Code 1995, is amended by adding
25 the following new unnumbered paragraph:

26 NEW UNNUMBERED PARAGRAPH. If a respondent's expenses are
27 payable in whole or in part by a county, an order under this
28 section shall be limited to those placements which are in
29 accordance with the provisions of the management plan of the
30 respondent's county of legal settlement.

31 Sec. 21. Section 229.24, subsection 3, unnumbered
32 paragraph 1, Code Supplement 1995, is amended to read as
33 follows:

34 If all or part of the costs associated with hospitalization
35 of an individual under this chapter are chargeable to a county

1 of legal settlement, the clerk of the district court shall
2 provide to the county of legal settlement and to the county in
3 which the hospitalization order is entered ~~shall have access~~
4 to, in a form prescribed by the council on human services
5 pursuant to a recommendation of the state-county management
6 committee established in section 331.438, the following
7 information pertaining to the individual which would be
8 confidential under subsection 1:

9 Sec. 22. Section 229.42, unnumbered paragraph 1, Code
10 1995, is amended to read as follows:

11 If a person wishing to make application for voluntary
12 admission to a mental hospital established by chapter 226 is
13 unable to pay the costs of hospitalization or those
14 responsible for ~~such~~ the person are unable to pay ~~such~~ the
15 costs, application for authorization of voluntary admission
16 must be made to any clerk of the district court before
17 application for admission is made to the hospital. ~~After~~
18 ~~determining~~ The clerk shall determine the person's county of
19 legal settlement and if the admission is approved in
20 accordance with the county's management plan, the said clerk
21 ~~shall, on forms provided by the administrator of the division,~~
22 authorize such the person's admission to a mental health
23 hospital as a voluntary case. The authorization shall be
24 issued on forms provided by the administrator. The clerk
25 shall at once provide a duplicate copy of the form to the
26 county board of supervisors. The costs of the hospitalization
27 shall be paid by the county of legal settlement to the
28 director of revenue and finance and credited to the general
29 fund of the state, providing the mental health hospital
30 rendering the services has certified to the county auditor of
31 the ~~responsible~~ county of legal settlement the amount
32 chargeable thereto to the county and has sent a duplicate
33 statement of such the charges to the director of revenue and
34 finance. A county shall not be billed for the cost of a
35 patient whose admission or continued stay was not approved in

1 accordance with the provisions of the management plan of the
2 patient's county of legal settlement.

3 Sec. 23. Section 230.1, Code 1995, is amended by adding
4 the following new unnumbered paragraph:

5 NEW UNNUMBERED PARAGRAPH. A county of legal settlement is
6 not liable for costs and expenses associated with a person
7 with mental illness unless the costs and expenses are for
8 services and other support authorized for the person in
9 accordance with the county's management plan. For the purpose
10 of this chapter, "management plan" means a county plan for
11 management of mental health, mental retardation, and
12 developmental disabilities services implemented and approved
13 in accordance with section 331.439.

14 Sec. 24. Section 230.20, subsection 2, Code Supplement
15 1995, is amended to read as follows:

16 2. a. The superintendent shall certify to the director of
17 revenue and finance the billings to each county for services
18 provided to patients chargeable to the county during the
19 preceding calendar quarter. The county billings shall be
20 based on the average daily patient charge and other service
21 charges computed pursuant to subsection 1, and the number of
22 inpatient days and other service units chargeable to the
23 county. However, a county billing shall be decreased by an
24 amount equal to reimbursement by a third party payor or
25 estimation of such reimbursement from a claim submitted by the
26 superintendent to the third party payor for the preceding
27 calendar quarter. When the actual third party payor
28 reimbursement is greater or less than estimated, the
29 difference shall be reflected in the county billing in the
30 calendar quarter the actual third party payor reimbursement is
31 determined.

32 b. The per diem costs billed to each county shall not
33 exceed the per diem costs ~~in-effect-on-July-1, 1988~~ billed to
34 the county in the fiscal year for which the county's base year
35 expenditures were established for purposes of the definition

1 of base year expenditures in section 331.438. However, the
2 per-diem costs may be adjusted annually to the extent of the
3 adjustment in the consumer price index published annually in
4 the federal register by the federal department of labor,
5 bureau of labor statistics.

6 DIVISION III

7 SERVICE REGULATION, INFORMATION, PLANNING, AND PAYMENT

8 PROVISIONS

9 Sec. 25. Section 230A.13, unnumbered paragraph 2, Code
10 1995, is amended to read as follows:

11 Release of administrative information, as defined in
12 section 228.1, which would identify an individual who is
13 receiving or has received treatment at a community mental
14 health center ~~shall not~~ may be made a condition of support of
15 that center by any county under this section. Section
16 ~~331.504, subsection 8 notwithstanding, a community mental~~
17 ~~health center shall not be required to file a claim which~~
18 ~~would in any manner identify such an individual, if the~~
19 ~~center's budget has been approved by the county board under~~
20 ~~this section and the center is in compliance with section~~
21 ~~230A.16, subsection 3.~~

22 Sec. 26. Section 235A.15, subsection 2, paragraph c, Code
23 Supplement 1995, is amended by adding the following new
24 subparagraph:

25 NEW SUBPARAGRAPH. (13) To the administrator of an agency
26 providing mental health, mental retardation, or developmental
27 disability services under a county management plan developed
28 pursuant to section 331.439, if the information concerns a
29 person employed by or being considered by the agency for
30 employment.

31 Sec. 27. Section 235B.6, subsection 2, paragraph c, Code
32 Supplement 1995, is amended by adding the following new
33 subparagraph:

34 NEW SUBPARAGRAPH. (6) To the administrator of an agency
35 providing mental health, mental retardation, or developmental

1 disability services under a county management plan developed
2 pursuant to section 331.439, if the information concerns a
3 person employed by or being considered by the agency for
4 employment.

5 Sec. 28. Section 249A.12, subsection 2, Code Supplement
6 1995, is amended to read as follows:

7 2. A county shall reimburse the department on a monthly
8 basis for that portion of the cost of assistance provided
9 under this section to a recipient with legal settlement in the
10 county, which is not paid from federal funds, if the
11 recipient's placement has been approved by the appropriate
12 review organization as medically necessary and appropriate and
13 the placement is authorized in accordance with the county's
14 management plan developed and approved in accordance with
15 section 331.439. A county shall not be required to reimburse
16 the department for a service provided more than one hundred
17 eighty days prior to the date of the claim submitted to the
18 county. If the department does not complete and credit a
19 county with cost settlement for the actual costs of a medical
20 assistance home and community-based waiver service within two
21 hundred seventy days of the end of a fiscal year for which
22 cost reports are due from providers, the county shall not be
23 required to reimburse the state for costs under this section
24 until the cost settlement is completed. The department shall
25 place all reimbursements from counties in the appropriation
26 for medical assistance, and may use the reimbursed funds in
27 the same manner and for any purpose for which the
28 appropriation for medical assistance may be used.

29 Sec. 29. Section 249A.12, Code Supplement 1995, is amended
30 by adding the following new subsection:

31 NEW SUBSECTION. 5. The department shall take the actions
32 necessary to revise the medical assistance home and community-
33 based waiver for adults with mental retardation requirements
34 to provide for reimbursement under the waiver for services
35 provided in residential and intermediate care facilities for

1 the mentally retarded licensed under chapter 135C and for day
2 program costs, including but not limited to activity, work
3 activity, and supported employment. The actions shall include
4 but are not limited to requesting that the federal government
5 revise an approved waiver, requesting an amendment to state
6 law, revising rules, or other action necessary to comply with
7 this subsection. The department shall consult with providers
8 of residential and intermediate care facility for the mentally
9 retarded services, service consumers, and other knowledgeable
10 persons in developing the waiver revision request or other
11 action. A waiver revision request and the other actions
12 developed pursuant to this subsection shall be completed on or
13 before September 16, 1996. The department shall report on
14 September 16, 1996, to the general assembly regarding its
15 actions under this subsection and any federal response, and
16 shall submit an update upon receiving a federal response to
17 the waiver request or other action taken which requires a
18 federal response. If implementation of the requirements of
19 this subsection does not require a federal waiver, the
20 department shall implement the requirements on July 1, 1996.

21 Sec. 30. Section 249A.26, Code 1995, is amended to read as
22 follows:

23 249A.26 COUNTY PARTICIPATION IN FUNDING FOR SERVICES TO
24 PERSONS WITH DISABILITIES.

25 The state shall pay for one hundred percent of the
26 nonfederal share of the cost of services provided under any
27 prepaid mental health services plan for medical assistance
28 implemented by the department as authorized by law. The
29 county of legal settlement shall pay for fifty percent of the
30 nonfederal share of the cost of case management provided to
31 adults, day treatment, and partial hospitalization provided
32 under the medical assistance program for persons with mental
33 retardation, a developmental disability, or chronic mental
34 illness. For purposes of this section, persons with mental
35 disorders resulting from Alzheimer's disease or substance

1 abuse shall not be considered chronically mentally ill. A
2 county's responsibility to pay for costs under this section is
3 limited to services and other support authorized in accordance
4 with the management plan developed and approved in accordance
5 with section 331.439 of the person's county of legal
6 settlement.

7 Sec. 31. Section 331.424A, subsection 2, Code Supplement
8 1995, is amended to read as follows:

9 2. For the fiscal year beginning July 1, 1996, and
10 succeeding fiscal years, county revenues from taxes and other
11 sources designated for mental health, mental retardation, and
12 developmental disabilities services shall be credited to the
13 mental health, mental retardation, and developmental
14 disabilities services fund of the county. The board shall
15 make appropriations from the fund for payment of services
16 provided under the county management plan approved pursuant to
17 section 331.439. The county may pay for the services in
18 cooperation with other counties by pooling appropriations from
19 the fund with other counties or through county regional
20 entities including but not limited to the county's mental
21 health and developmental disabilities regional planning
22 council created pursuant to section 225C.18.

23 Sec. 32. Section 331.438, subsection 4, paragraph b,
24 unnumbered paragraph 1, Code Supplement 1995, is amended to
25 read as follows:

26 The management committee shall consist of not more than
27 ~~eleven~~ twelve voting members ~~representing-the-state-and~~
28 ~~counties~~ as follows:

29 Sec. 33. Section 331.438, subsection 4, paragraph b,
30 subparagraph (2), Code Supplement 1995, is amended to read as
31 follows:

32 (2) The committee shall include one member nominated by
33 service providers, and one member nominated by service
34 advocates and consumers, and one member nominated by the
35 state's council of the association of federal, state, county,

1 and municipal employees, with ~~both~~ these members appointed by
2 the governor.

3 Sec. 34. Section 331.438, subsection 4, paragraph c,
4 subparagraph (10), Code Supplement 1995, is amended to read as
5 follows:

6 (10) Make recommendations to improve the programs and cost
7 effectiveness of state and county contracting processes and
8 procedures, including strategies for negotiations relating to
9 managed care. The recommendations developed regarding managed
10 care shall include but are not limited to standards for
11 limiting excess costs and profits, and for restricting cost
12 shifting under a managed care system.

13 Sec. 35. Section 331.438, subsection 4, paragraph c, Code
14 Supplement 1995, is amended by adding the following new
15 subparagraphs:

16 NEW SUBPARAGRAPH. (15) Make recommendations to the
17 council on human services for administrative rules providing
18 statewide standards and a monitoring methodology to determine
19 whether cost-effective individualized services are available
20 as required pursuant to section 331.439, subsection 1,
21 paragraph "b".

22 NEW SUBPARAGRAPH. (16) Make recommendations to the
23 council on human services for administrative rules
24 establishing statewide minimum standards for services and
25 other support required to be available to persons covered by a
26 county management plan under section 331.439.

27 NEW SUBPARAGRAPH. (17) Make recommendations to the
28 council on human services for administrative rules allowing
29 counties, within parameters of acceptable managed care
30 guidelines, to manage voluntary and involuntary referrals to
31 the state hospital-schools, state mental health institutes,
32 intermediate care facilities for the mentally retarded,
33 services provided under a medical assistance home and
34 community-based waiver, medical assistance case management
35 services, and county service management.

1 NEW SUBPARAGRAPH. (18) Make recommendations for measuring
2 and improving the quality of state and county mental health,
3 mental retardation, and developmental disabilities services
4 and other support.

5 Sec. 36. EFFECTIVE DATE. Section 29 of this division of
6 this Act, being deemed of immediate importance, takes effect
7 upon enactment.

8 DIVISION IV
9 APPLICABILITY

10 Sec. 37. APPLICABILITY. Prior to January 1, 1997, the
11 applicability of the amendments in this Act to the following
12 sections which relate to a county management plan is limited
13 to those counties with a county management plan for mental
14 retardation and developmental disabilities services approved
15 in accordance with section 331.439: sections 222.12, 222.13A,
16 222.31, 222.59, 222.73, subsection 2, new paragraph "f", and
17 249A.12.

18 EXPLANATION

19 This bill relates to mental health, mental retardation, and
20 developmental disabilities (MH/MR/DD) services paid for in
21 whole or in part by counties.

22 Various sections of the Code of Iowa providing for county
23 payment or county requirements for mental retardation and
24 mental health services are amended to provide that the
25 payments or requirements are subject to the provisions of the
26 county's management plan for mental health, mental
27 retardation, and developmental disabilities services. The
28 management plan is required under section 331.439 to be
29 implemented as a condition of county eligibility for state
30 property tax relief fund moneys. According to section
31 331.439, the management plan provisions for mental health must
32 be implemented by July 1, 1996, and the management plan
33 provisions for mental retardation and developmental
34 disabilities must be implemented by January 1, 1997. The bill
35 includes an applicability provision which excludes the

1 applicability of the bill's provisions to those counties which
2 have not implemented a management plan.

3 Division I relates to mental retardation service
4 provisions.

5 Section 222.2 is amended to provide a definition of a
6 county management plan applicable to chapter 222, relating to
7 persons with mental retardation.

8 Section 222.13, relating to procedures for voluntary
9 commitment of person with mental retardation, is amended to
10 apply the management plan requirement to applications and
11 facility selections.

12 Section 222.13A, relating to voluntary admission to a state
13 hospital-school of a minor with mental retardation, is amended
14 to apply the management plan requirement.

15 Section 222.31, relating to commitment and liability of a
16 person with mental retardation, is amended to prohibit
17 placement of a person unless the placement is in accordance
18 with the management plan of the person's county of legal
19 settlement.

20 Section 222.59, relating to requests for alternatives to an
21 individual's state hospital-school placement, is amended to
22 require the state hospital-school to coordinate with the
23 individual's county of legal settlement in locating
24 alternative services approved in accordance with the
25 management plan.

26 Section 222.73, relating to billing of patient charges at
27 the state hospital-schools, is amended to prohibit billing a
28 county for a patient's admission or continued stay which was
29 not authorized in accordance with the county's management
30 plan. In addition, the section is amended to revise the cap
31 on the per diem costs billed to counties for services at a
32 state hospital-school. The current law sets the cap at the
33 per diem costs in effect on July 1, 1988, as adjusted for
34 inflation. The revised cap would be the amount the county
35 paid in the base year used to establish the county's levy

1 limit for MH/MR/DD services.

2 Division II relates to mental health service provisions.

3 Sections 225.11, 225.15, and 225.17 relate to commitments
4 and placements at the state psychiatric hospital affiliated
5 with the university of Iowa hospitals and clinics. The
6 commitments and placements are made subject to the county
7 management plan provisions.

8 Section 225C.12, relating to partial state reimbursement of
9 counties for local inpatient mental health care and treatment,
10 is amended to revise references from the county supplemental
11 levy to the county MH/MR/DD services fund levy.

12 Sections 225C.14, 225C.15, 225C.16, and 225C.17, relating
13 to preadmission diagnostic evaluations for admission to a
14 state mental health institute, are amended to provide that the
15 evaluation is designated under the county's management plan.
16 Under current law the evaluation must be performed by the
17 community mental health center affiliated with the county or
18 an alternative facility if the center cannot perform the
19 evaluation.

20 Section 227.10, relating to transfers of patients placed in
21 county or private mental health and mental retardation
22 facilities at public expense, is amended to require that the
23 transfer is subject to the county management plan provisions.

24 Section 229.1 is amended to include a definition of
25 management plan in this chapter relating to hospitalization of
26 persons with mental illness.

27 Section 229.13 relates to court orders for psychiatric
28 evaluations of persons found to have a serious mental
29 impairment. The section is amended to require that orders
30 pertaining to a person whose expenses are paid in whole or in
31 part by a county must conform with the management plan of the
32 county of legal settlement.

33 Section 229.14, relating to the evaluation report to the
34 court by the state mental health institute chief medical
35 officer and subsequent placement, is amended to require a

1 resulting court order be limited to placements in accordance
2 with the management plan of the county of legal settlement.

3 Section 229.24, relating to confidentiality of involuntary
4 hospitalization proceedings, is amended to require the clerk
5 of the district court to provide information to the county of
6 commitment and county of legal settlement, if the costs are
7 chargeable to a county. Current law authorizes access by
8 county.

9 Section 229.42, relating to county payment of costs of
10 persons applying for voluntary commitment to a state mental
11 health institute, is amended to make the application process
12 subject to the management plan of the county of legal
13 settlement. The bill provides a county cannot be billed for
14 admission or continued stay of a patient who was not approved
15 under the county's management plan.

16 Section 230.1, relating to liability of the state and
17 counties for the costs associated with a person with mental
18 illness, is amended to provide a county is not liable for
19 services and other support unless authorized by the county's
20 management plan.

21 Section 230.20, relating to billing of patient costs at a
22 state mental health institute, is amended to prohibit billing
23 a county for a patient's admission or continued stay which was
24 not authorized in accordance with the county's management
25 plan. In addition, the section is amended to revise the cap
26 on the per diem costs billed to counties for services at a
27 state mental health institute. The current law sets the cap
28 at the per diem costs in effect on July 1, 1988, as adjusted
29 for inflation. The revised cap would be the amount the county
30 paid in the base year used to establish the county's levy
31 limit for MH/MR/DD services.

32 Division III relates to service regulation, information,
33 payment, and planning provisions.

34 Section 230A.13, relating to the annual budgets of
35 community health centers approved by counties, is amended.

1 Under current law, a county is prohibited from requiring a
2 center to release information to the county identifying an
3 individual being treated. The bill authorizes the county to
4 require the release of identifying administrative information,
5 as defined in section 228.1.

6 Section 235A.15 is amended to provide access to child abuse
7 registry information to an agency providing MH/MR/DD services
8 under a county management plan if the information concerns a
9 person employed by or being considered for employment by the
10 agency. Section 235B.6 is amended to provide similar access
11 to dependent adult abuse information.

12 Section 249A.12 relates to county payment for the
13 nonfederal share of an intermediate care facility for the
14 mentally retarded and community-based services provided under
15 medical assistance. The bill restricts payment to placements
16 made in accordance with the county's management plan. In
17 addition, the bill prohibits requirements for a county to pay
18 claims for services provided more than 180 days prior to the
19 claim being submitted. In addition, a county is not required
20 to reimburse certain costs until the state completes
21 processing of cost settlement credits to counties.

22 Section 249A.12 is also amended to require the department
23 of human services to revise federal medical assistance waiver
24 provisions to provide for waiver payment for services provided
25 in a residential or intermediate care facility for the
26 mentally retarded and for certain day services. This
27 provision takes effect upon enactment.

28 Section 249A.26 relates to county payment liability for the
29 nonfederal share of services provided to persons with chronic
30 mental illness, mental retardation, or developmental
31 disabilities. The bill limits county liability to services
32 and other support authorized in accordance with the county
33 management plan.

34 Section 331.424A, relating to the county MH/MR/DD services
35 fund, is amended to authorize a county to pay for the services

1 in cooperation with other counties by pooling appropriations
2 with individual counties or county regional entities.

3 Section 331.438 is amended to expand the membership of the
4 state-county management by one member nominated by the state's
5 council of the association of federal, state, county, and
6 municipal employees to be appointed by the governor.

7 Section 331.438 is also amended to add various
8 recommendation duties to the committee. The recommendations
9 include standards for MH/MR/DD managed care, statewide
10 standards for individualized MR/DD services, minimum statewide
11 standards for MH/MR/DD services, rules for counties to manage
12 referrals to state institutions, medical assistance
13 facilities, and medical assistance programs, and provisions
14 for quality measure and improvement.

15 The bill includes an applicability section which until
16 January 1, 1997, limits the applicability of the management
17 plan provisions in the bill associated with mental retardation
18 to those counties which have a management plan for mental
19 retardation and developmental disabilities services approved
20 by the department of human services under section 331.439.

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HOUSE FILE 2427

AN ACT

RELATING TO MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL DISABILITIES, AND OTHER SERVICES PAID FOR IN WHOLE OR IN PART BY COUNTIES OR THE STATE, AND INCLUDING AN APPLICABILITY PROVISION AND AN EFFECTIVE DATE.

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

DIVISION I

MENTAL RETARDATION SERVICE PROVISIONS

Section 1. Section 222.2, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. "Single entry point process" means the same as defined in section 331.440.

Sec. 2. Section 222.13, subsections 1 through 3, Code Supplement 1995, are amended to read as follows:

1. If an adult person is believed to be a person with mental retardation, the adult person or the adult person's guardian may request the county board of supervisors or their designated agent to apply to the superintendent of any state hospital-school for the voluntary admission of the adult person either as an inpatient or an outpatient of the hospital-school. Submission of an application is subject to a recommendation supporting the placement developed through the single entry point process. After determining the legal settlement of the adult person as provided by this chapter, the board of supervisors shall, on forms prescribed by the administrator, apply to the superintendent of the hospital-school in the district for the admission of the adult person to the hospital-school. An application for admission to a special unit of any adult person believed to be in need of any of the services provided by the special unit under section 222.88 may be made in the same manner, upon request of the

adult person or the adult person's guardian. The superintendent shall accept the application providing a preadmission diagnostic evaluation, performed through the single entry point process, confirms or establishes the need for admission, except that an application may not be accepted if the institution does not have adequate facilities available or if the acceptance will result in an overcrowded condition.

2. If the hospital-school has no appropriate program for the treatment of an adult or minor person with mental retardation applying under this section or section 222.13A, the board of supervisors shall arrange for the placement of the person in any public or private facility within or without the state, approved by the director of the department of human services, which offers appropriate services for the person, as determined through the single entry point process.

3. Upon applying for admission of an adult or minor person to a hospital-school, or a special unit, or upon arranging for the placement of the person in a public or private facility, the board of supervisors shall make a full investigation into the financial circumstances of that person and those liable for that person's support under section 222.78, to determine whether or not any of them are able to pay the expenses arising out of the admission of the person to a hospital-school, or special treatment unit, or public or private facility. If the board finds that the person or those legally responsible for the person are presently unable to pay the expenses, they the board shall direct that the expenses be paid by the county. The board may review its finding at any subsequent time while the person remains at the hospital-school, or is otherwise receiving care or treatment for which this chapter obligates the county to pay. If the board finds upon review that the person or those legally responsible for the person are presently able to pay the expenses, the finding shall apply only to the charges incurred during the period beginning on the date of the review and continuing thereafter,

unless and until the board again changes its finding. If the board finds that the person or those legally responsible for the person are able to pay the expenses, they the board shall direct that the charges be so paid to the extent required by section 222.78, and the county auditor shall be responsible for the collection of the charges.

Sec. 3. Section 222.13A, subsection 2, Code Supplement 1995, is amended to read as follows:

2. Upon receipt of an application for voluntary admission of a minor, the board of supervisors shall provide for a preadmission diagnostic evaluation of the minor to confirm or establish the need for the admission. The preadmission diagnostic evaluation shall be performed by a person who meets the qualifications of a qualified mental retardation professional who is designated through the single entry point process.

Sec. 4. Section 222.28, Code 1995, is amended to read as follows:

222.28 COMMISSION TO EXAMINE.

The court may, at or prior to the final hearing, appoint a commission of one qualified physician and one qualified psychologist, designated through the single entry point process, who shall make a personal examination of the person alleged to be mentally retarded for the purpose of determining the mental condition of the person.

Sec. 5. Section 222.59, subsection 1, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

Upon receiving a request from an authorized requester, the superintendent of a state hospital-school shall assist coordinate with the single entry point process in assisting the requester in identifying available community-based services as an alternative to continued placement of a patient in the state hospital-school. For the purposes of this section, "authorized requester" means the parent, guardian, or custodian of a minor patient, the guardian of an adult

patient, or an adult patient who does not have a guardian. The assistance shall identify alternatives to continued placement which are appropriate to the patient's needs and shall include but are not limited to any of the following:

Sec. 6. Section 222.73, subsection 2, Code Supplement 1995, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. A county shall not be billed for the cost of a patient unless the patient's admission is authorized through the applicable single entry point process. The state hospital-school and the county shall work together to locate appropriate alternative placements and services, and to educate patients and the family members of patients regarding such alternatives.

Sec. 7. Section 222.73, subsection 2, unnumbered paragraph 2, Code Supplement 1995, is amended to read as follows:

The per diem costs billed to each county shall not exceed the per diem costs in-effect-on-July-17-1988 billed to the county in the fiscal year beginning July 1, 1996. However, the per diem costs billed to a county may be adjusted annually in a fiscal year to reflect increased costs to the extent of the adjustment-in-the-consumer-price-index-published-annually in-the-federal-register-by-the-federal-department-of-labor, bureau-of-labor-statistics percentage increase in the total of county fixed budgets pursuant to the allowed growth factor adjustment authorized by the general assembly for that fiscal year in accordance with section 331.439.

Sec. 8. EFFECTIVE DATE. Section 222.73, subsection 2, unnumbered paragraph 2, Code Supplement 1995, as amended by this division of this Act, takes effect July 1, 1997.

DIVISION II

MENTAL HEALTH SERVICE PROVISIONS

Sec. 9. Section 225.11, Code 1995, is amended to read as follows:

225.11 INITIATING COMMITMENT PROCEDURES.

When a court finds upon completion of a hearing held pursuant to section 229.12 that the contention that a respondent is seriously mentally impaired has been sustained by clear and convincing evidence, and the application filed under section 229.6 also contends or the court otherwise concludes that it would be appropriate to refer the respondent to the state psychiatric hospital for a complete psychiatric evaluation and appropriate treatment pursuant to section 229.13, the judge may order that a financial investigation be made in the manner prescribed by section 225.13. If the costs of a respondent's evaluation or treatment are payable in whole or in part by a county, an order under this section shall be for referral of the respondent through the single entry point process for an evaluation and referral of the respondent to an appropriate placement or service, which may include the state psychiatric hospital for additional evaluation or treatment. For purposes of this chapter, "single entry point process" means the same as defined in section 331.440.

Sec. 10. Section 225.15, Code 1995, is amended to read as follows:

225.15 EXAMINATION AND TREATMENT.

When the ~~a~~ respondent arrives at the state psychiatric hospital, ~~it shall be the duty of~~ the admitting physician to shall examine the respondent and determine whether or not, in the physician's judgment, the patient respondent is a fit subject for ~~such~~ observation, treatment, and hospital care. If, upon examination, the physician decides that ~~such-patient~~ the respondent should be admitted to the hospital, the patient respondent shall be provided a proper bed in the hospital; and the physician who ~~shall have~~ has charge of the patient respondent shall proceed with ~~such~~ observation, medical treatment, and hospital care as in the physician's judgment are proper and necessary, in compliance with sections 229.13 to 229.16.

A proper and competent nurse shall also be assigned to look after and care for ~~such-patient~~ the respondent during ~~such~~ observation, treatment, and care ~~as-aforesaid~~. Observation, treatment, and hospital care under this section which are payable in whole or in part by a county shall only be provided as determined through the single entry point process.

Sec. 11. Section 225.17, Code 1995, is amended to read as follows:

225.17 COMMITTED PRIVATE PATIENT -- TREATMENT.

If the judge of the district court, finds upon the review and determination made under the provisions of section 225.14 that the respondent is an appropriate subject for placement at the state psychiatric hospital, and that the respondent, or those legally responsible for the respondent, are able to pay the expenses ~~thereof~~ associated with the placement, the judge shall enter an order directing that the respondent shall be sent to the state psychiatric hospital at the state University of Iowa for observation, treatment, and hospital care as a committed private patient.

When the respondent arrives at the ~~said~~ hospital, the respondent shall receive the same treatment as is provided for committed public patients in section 225.15, in compliance with sections 229.13 to 229.16. However, observation, treatment, and hospital care under this section of a respondent whose expenses are payable in whole or in part by a county shall only be provided as determined through the single entry point process.

Sec. 12. Section 225C.2, Code 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 8. "Single entry point process" means the same as defined in section 331.440.

Sec. 13. Section 225C.12, Code 1995, is amended to read as follows:

225C.12 PARTIAL REIMBURSEMENT TO COUNTIES FOR LOCAL INPATIENT MENTAL HEALTH CARE AND TREATMENT.

1. A county which pays, from county funds budgeted under section ~~331.424, subsection 1, paragraphs "d" and "g"~~ 331.424A, the cost of care and treatment of a ~~mentally-ill~~ person with mental illness who is admitted pursuant to a preliminary diagnostic evaluation under sections 225C.14 to 225C.17 for treatment as an inpatient of a hospital facility, other than a state mental health institute, which has a designated mental health program and is a hospital accredited by the accreditation program for hospital facilities of the joint commission on accreditation of ~~hospitals~~ health organizations, is entitled to reimbursement from the state for a portion of the daily cost so incurred by the county. However, a county is not entitled to reimbursement for a cost incurred in connection with the hospitalization of a person who is eligible for medical assistance under chapter 249A, or who is entitled to have care or treatment paid for by any other third party payor, or who is admitted for preliminary diagnostic evaluation under sections 225C.14 to 225C.17. The amount of reimbursement for the cost of treatment of a local inpatient to which a county is entitled, on a per-patient-per-day basis, is an amount equal to twenty percent of the average of the state mental health institutes' individual average daily patient costs in the most recent calendar quarter for the program in which the local inpatient would have been served if the patient had been admitted to a state mental health institute.

2. A county may claim reimbursement by filing with the administrator a claim in a form prescribed by the administrator by rule. Claims may be filed on a quarterly basis, and when received shall be verified as soon as reasonably possible by the administrator. The administrator shall certify to the director of revenue and finance the amount to which each county claiming reimbursement is entitled, and the director of revenue and finance shall issue warrants to the respective counties drawn upon funds

appropriated by the general assembly for the purpose of this section. A county shall place funds received under this section in the county mental health ~~and institutions, mental retardation, and developmental disabilities services~~ fund created under section 331.424A. If the appropriation for a fiscal year is insufficient to pay all claims arising under this section, the director of revenue and finance shall prorate the funds appropriated for that year among the claimant counties so that an equal proportion of each county's claim is paid in each quarter for which proration is necessary.

Sec. 14. Section 225C.14, subsection 1, Code 1995, is amended to read as follows:

1. Except in cases of medical emergency, a person shall be admitted to a state mental health institute as an inpatient only after a preliminary diagnostic evaluation ~~by a community mental health center or by an alternative diagnostic facility~~ performed through the single entry point process has confirmed that the admission is appropriate to the person's mental health needs, and that no suitable alternative method of providing the needed services in a less restrictive setting or in or nearer to the person's home community is currently available. If provided for through the single entry point process, the evaluation may be performed by a community mental health center or by an alternative diagnostic facility. The policy established by this section shall be implemented in the manner and to the extent prescribed by sections 225C.15, 225C.16 and 225C.17.

Sec. 15. Section 225C.15, Code 1995, is amended to read as follows:

225C.15 COUNTY IMPLEMENTATION OF EVALUATIONS.

The board of supervisors of a county shall, no later than July 1, 1982, require that the policy stated in section 225C.14 be followed with respect to admission of persons from that county to a state mental health institute. A community

mental health center which is supported, directly or in affiliation with other counties, by that county ~~shall~~ may perform the preliminary diagnostic evaluations for that county, unless the performance of the evaluations is not covered by the agreement entered into by the county and the center under section 230A.12, and the center's director certifies to the board of supervisors that the center does not have the capacity to perform the evaluations, in which case the board of supervisors shall proceed under section 225C.17.

Sec. 16. Section 225C.16, Code 1995, is amended to read as follows:

225C.16 REFERRALS FOR EVALUATION.

1. The chief medical officer of a state mental health institute, or that officer's physician designee, shall advise a person residing in that county who applies for voluntary admission, or a person applying for the voluntary admission of another person who resides in that county, in accordance with section 229.41, that the board of supervisors has implemented the policy stated in section 225C.14, and shall advise that a preliminary diagnostic evaluation of the prospective patient be sought ~~from the appropriate community mental health center or alternative diagnostic facility~~, if that has not already been done. This subsection does not apply when voluntary admission is sought in accordance with section 229.41 under circumstances which, in the opinion of the chief medical officer or that officer's physician designee, constitute a medical emergency.

2. The clerk of the district court in that county shall refer a person applying for authorization for voluntary admission, or for authorization for voluntary admission of another person, in accordance with section 229.42, to the appropriate ~~community mental health center or alternative diagnostic facility~~ entity designated through the single entry point process under section 225C.14 for the preliminary diagnostic evaluation unless the applicant furnishes a written

statement from ~~that center or facility~~ the appropriate entity which indicates that the evaluation has been performed and that the person's admission to a state mental health institute is appropriate. This subsection does not apply when authorization for voluntary admission is sought under circumstances which, in the opinion of the chief medical officer or that officer's physician designee, constitute a medical emergency.

3. Judges of the district court in that county or the judicial hospitalization referee appointed for that county shall so far as possible arrange for ~~a physician on the staff of or designated by the appropriate community mental health center or alternative diagnostic facility~~ the entity designated through the single entry point process under section 225C.14 to perform a prehearing examination of a respondent required under section 229.8, subsection 3, paragraph "b".

4. The chief medical officer of a state mental health institute shall promptly submit to the appropriate ~~community mental health center or alternative diagnostic facility~~ entity designated through the single entry point process under section 225C.14 a report of the voluntary admission of a patient under the medical emergency clauses of subsections 1 and 2. The report shall explain the nature of the emergency which necessitated the admission of the patient without a preliminary diagnostic evaluation by the ~~center or alternative facility~~ designated entity.

Sec. 17. Section 227.10, Code 1995, is amended to read as follows:

227.10 TRANSFERS FROM COUNTY OR PRIVATE INSTITUTIONS.

Patients who have been admitted at public expense to any institution to which this chapter is applicable may be involuntarily transferred to the proper state hospital for the mentally ill in the manner prescribed by sections 229.6 to 229.13. The application required by section 229.6 may be

filed by the administrator of the division or the administrator's designee, or by the administrator of the institution where the patient is then being maintained or treated. If the patient was admitted to that institution involuntarily, the administrator of the division may arrange and complete the transfer, and shall report it as required of a chief medical officer under section 229.15, subsection 4. The transfer shall be made at county expense, and the expense recovered, as provided in section 227.7. However, transfer under this section of a patient whose expenses are payable in whole or in part by a county is subject to an authorization for the transfer through the single entry point process.

Sec. 18. Section 229.1, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 15. "Single entry point process" means the same as defined in section 331.440.

Sec. 19. NEW SECTION. 229.1B SINGLE ENTRY POINT PROCESS.

Notwithstanding any provision of this chapter to the contrary, any person whose hospitalization expenses are payable in whole or in part by a county shall be subject to all requirements of the single entry point process.

Sec. 20. Section 229.11, unnumbered paragraph 1, Code 1995, is amended to read as follows:

If the applicant requests that the respondent be taken into immediate custody and the judge, upon reviewing the application and accompanying documentation, finds probable cause to believe that the respondent ~~is-seriously-mentally-impaired~~ has a serious mental impairment and is likely to injure the respondent or other persons if allowed to remain at liberty, the judge may enter a written order directing that the respondent be taken into immediate custody by the sheriff or the sheriff's deputy and be detained until the hospitalization hearing-~~which~~. The hospitalization hearing shall be held no more than five days after the date of the order, except that if the fifth day after the date of the

order is a Saturday, Sunday, or a holiday, the hearing may be held on the next succeeding business day. If the expenses of a respondent are payable in whole or in part by a county, for a placement in accordance with subsection 1, the judge shall give notice of the placement to the single entry point process and for a placement in accordance with subsection 2 or 3, the judge shall order the placement in a hospital or facility designated through the single entry point process. The judge may order the respondent detained for the period of time until the hearing is held, and no longer, in accordance with subsection 1 if possible, and if not then in accordance with subsection 2 or, only if neither of these alternatives are available, in accordance with subsection 3. Detention may be:

Sec. 21. Section 229.13, unnumbered paragraph 1, Code 1995, is amended to read as follows:

If upon completion of the hearing the court finds that the contention that the respondent ~~is-seriously-mentally-impaired~~ has-been has a serious mental impairment is sustained by clear and convincing evidence, ~~it the court~~ shall order ~~the a~~ a respondent ~~placed-in~~ placed in whose expenses are payable in whole or in part by a county committed to the care of a hospital or facility designated through the single entry point process, and shall order any other respondent committed to the care of a hospital or a facility licensed to care for persons with mental illness or substance abuse or under the care of a facility that is licensed to care for persons with mental illness or substance abuse on an outpatient basis as expeditiously as possible for a complete psychiatric evaluation and appropriate treatment. If the respondent is ordered at the hearing to undergo outpatient treatment, the outpatient treatment provider must be notified and agree to provide the treatment prior to placement of the respondent under the treatment provider's care. The court shall furnish to the chief medical officer of the hospital or facility at the time the respondent arrives at the hospital or facility a

written finding of fact setting forth the evidence on which the finding is based. If the respondent is ordered to undergo outpatient treatment, the order shall also require the respondent to cooperate with the treatment provider and comply with the course of treatment.

PARAGRAPH DIVIDED. The chief medical officer of the hospital or facility shall report to the court no more than fifteen days after the individual is admitted to or placed under the care of the hospital or facility, making a recommendation for disposition of the matter. An extension of time may be granted for not to exceed seven days upon a showing of cause. A copy of the report shall be sent to the respondent's attorney, who may contest the need for an extension of time if one is requested. Extension of time shall be granted upon request unless the request is contested, in which case the court shall make such inquiry as it deems appropriate and may either order the respondent's release from the hospital or facility or grant extension of time for psychiatric evaluation. If the chief medical officer fails to report to the court within fifteen days after the individual is admitted to or placed under the care of the hospital or facility, and no extension of time has been requested, the chief medical officer is guilty of contempt and shall be punished under chapter 665. The court shall order a rehearing on the application to determine whether the respondent should continue to be held at or placed under the care of the facility.

Sec. 22. Section 229.24, subsection 3, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

If all or part of the costs associated with hospitalization of an individual under this chapter are chargeable to a county of legal settlement, the clerk of the district court shall provide to the county of legal settlement and to the county in which the hospitalization order is entered shall-have-access

to, in a form prescribed by the council on human services pursuant to a recommendation of the state-county management committee established in section 331.438, the following information pertaining to the individual which would be confidential under subsection 1:

Sec. 23. Section 229.42, unnumbered paragraph 1, Code 1995, is amended to read as follows:

If a person wishing to make application for voluntary admission to a mental hospital established by chapter 226 is unable to pay the costs of hospitalization or those responsible for such the person are unable to pay such the costs, application for authorization of voluntary admission must be made to any clerk of the district court before application for admission is made to the hospital. After determining The clerk shall determine the person's county of legal settlement and if the admission is approved through the single entry point process, the said clerk shall, on-forms provided-by-the-administrator-of-the-division, authorize such the person's admission to a mental health hospital as a voluntary case. The authorization shall be issued on forms provided by the administrator. The clerk shall at once provide a duplicate copy of the form to the county-board-of supervisors single entry point process. The costs of the hospitalization shall be paid by the county of legal settlement to the director of revenue and finance and credited to the general fund of the state, providing the mental health hospital rendering the services has certified to the county auditor of the responsibie county of legal settlement the amount chargeable thereto to the county and has sent a duplicate statement of such the charges to the director of revenue and finance. A county shall not be billed for the cost of a patient unless the patient's admission is authorized through the single entry point process. The mental health institute and the county shall work together to locate appropriate alternative placements and services, and to

educate patients and family members of patients regarding such alternatives.

Sec. 24. Section 230.1, Code 1995, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A county of legal settlement is not liable for costs and expenses associated with a person with mental illness unless the costs and expenses are for services and other support authorized for the person through the single entry point process. For the purposes of this chapter, "single entry point process" means the same as defined in section 331.440.

Sec. 25. Section 230.20, subsection 2, Code Supplement 1995, is amended to read as follows:

2. a. The superintendent shall certify to the director of revenue and finance the billings to each county for services provided to patients chargeable to the county during the preceding calendar quarter. The county billings shall be based on the average daily patient charge and other service charges computed pursuant to subsection 1, and the number of inpatient days and other service units chargeable to the county. However, a county billing shall be decreased by an amount equal to reimbursement by a third party payor or estimation of such reimbursement from a claim submitted by the superintendent to the third party payor for the preceding calendar quarter. When the actual third party payor reimbursement is greater or less than estimated, the difference shall be reflected in the county billing in the calendar quarter the actual third party payor reimbursement is determined.

b. The per diem costs billed to each county shall not exceed the per diem costs in-effect-on-July-17-1988 billed to the county in the fiscal year beginning July 1, 1996. However, the per diem costs billed to a county may be adjusted annually to reflect increased costs to the extent of the adjustment-in-the-consumer-price-index-published-annually-in

the-federal-register-by-the-federal-department-of-labor, bureau-of-labor-statistics percentage increase in the total of county fixed budgets pursuant to the allowed growth factor adjustment authorized by the general assembly for the fiscal year in accordance with section 331.439.

Sec. 26. EFFECTIVE DATE. Section 230.20, subsection 2, paragraph "b", Code Supplement 1995, as amended by this division of this Act, takes effect July 1, 1997.

DIVISION III

SERVICE REGULATION, INFORMATION, PLANNING, AND PAYMENT PROVISIONS

Sec. 27. Section 230A.13, unnumbered paragraph 2, Code 1995, is amended to read as follows:

Release of administrative and diagnostic information which would-identify, as defined in section 228.1, subsections 1 and 3, and demographic information necessary for aggregated reporting to meet the data requirements established by the department of human services, division of mental health and developmental disabilities, relating to an individual who is receiving-or-has-received-treatment-at receives services from a community mental health center shall-not through the applicable single entry point process, may be made a condition of support of that center by any county under this section. Section-331:504;-subsection-8-notwithstanding;-a-community mental-health-center-shall-not-be-required-to-file-a-claim which-would-in-any-manner-identify-such-an-individual;-if-the center's-budget-has-been-approved-by-the-county-board-under this-section-and-the-center-is-in-compliance-with-section 230A:16;-subsection-3-

Sec. 28. Section 235A.15, subsection 2, paragraph c, Code Supplement 1995, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (13) To the administrator of an agency providing mental health, mental retardation, or developmental disability services under a county management plan developed

pursuant to section 331.439, if the information concerns a person employed by or being considered by the agency for employment.

Sec. 29. Section 235B.6, subsection 2, paragraph c, Code Supplement 1995, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (6) To the administrator of an agency providing mental health, mental retardation, or developmental disability services under a county management plan developed pursuant to section 331.439, if the information concerns a person employed by or being considered by the agency for employment.

Sec. 30. Section 249A.12, subsection 2, Code Supplement 1995, is amended to read as follows:

2. A county shall reimburse the department on a monthly basis for that portion of the cost of assistance provided under this section to a recipient with legal settlement in the county, which is not paid from federal funds, if the recipient's placement has been approved by the appropriate review organization as medically necessary and appropriate. The department's goal for the maximum time period for submission of a claim to a county is not more than sixty days following the submission of the claim by the provider of the service to the department. The department's goal for completion and crediting of a county for cost settlement for the actual costs of a home and community-based waiver service is within two hundred seventy days of the close of a fiscal year for which cost reports are due from providers. The department shall place all reimbursements from counties in the appropriation for medical assistance, and may use the reimbursed funds in the same manner and for any purpose for which the appropriation for medical assistance may be used.

Sec. 31. Section 249A.12, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 5. a. The state-county management committee shall recommend to the department the actions necessary to assist in the transition of individuals being served in an intermediate care facility for the mentally retarded, who are appropriate for the transition, to services funded under a medical assistance waiver for home and community-based services for persons with mental retardation in a manner which maximizes the use of existing public and private facilities. The actions may include but are not limited to submitting any of the following or a combination of any of the following as a request for a revision of the medical assistance waiver for home and community-based services for persons with mental retardation in effect as of June 30, 1996:

(1) Allow for the transition of intermediate care facilities for the mentally retarded licensed under chapter 135C as of June 30, 1996, to services funded under the medical assistance waiver for home and community-based services for persons with mental retardation. The request shall be for inclusion of additional persons under the waiver associated with the transition.

(2) Allow for reimbursement under the waiver for day program or other service costs.

(3) Allow for exception provisions in which an intermediate care facility for the mentally retarded which does not meet size and other facility-related requirements under the waiver in effect on June 30, 1996, may convert to a waiver service for a set period of time such as five years. Following the set period of time, the facility would be subject to the waiver requirements applicable to services which were not operating under the exception provisions.

b. In implementing the provisions of this subsection, the state-county management committee shall consult with other states. The waiver revision request or other action necessary to assist in the transition of service provision from

intermediate care facilities for the mentally retarded to alternative programs shall be implemented by the department in a manner that can appropriately meet the needs of individuals at an overall lower cost to counties, the federal government, and the state. In addition, the department shall take into consideration significant federal changes to the medical assistance program in formulating the department's actions under this subsection. The department shall consult with the state-county management committee in adopting rules for oversight of facilities converted pursuant to this subsection. A transition approach described in paragraph "a" may be modified as necessary to obtain federal waiver approval. The department shall report on or before January 2, 1997, to the general assembly regarding its actions under this subsection and any federal response, and shall submit an update upon receiving a federal response to the waiver request or other action taken which requires a federal response. If implementation of any of the provisions of this subsection does not require a federal waiver, the department shall implement the provisions in the fiscal year beginning July 1, 1996.

Sec. 32. Section 249A.26, Code 1995, is amended to read as follows:

249A.26 COUNTY PARTICIPATION IN FUNDING FOR SERVICES TO PERSONS WITH DISABILITIES.

1. The state shall pay for one hundred percent of the nonfederal share of the services paid for under any prepaid mental health services plan for medical assistance implemented by the department as authorized by law.

2. The county of legal settlement shall pay for fifty percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness. For purposes of this section, persons with

mental disorders resulting from Alzheimer's disease or substance abuse shall not be considered chronically mentally ill. To the maximum extent allowed under federal law and regulations, the department shall consult with and inform a county of legal settlement's single entry point process, as defined in section 331.440, regarding the necessity for and the provision of any service for which the county is required to provide reimbursement under this subsection.

3. To the maximum extent allowed under federal law and regulations, a person with mental illness or mental retardation shall not be eligible for any service which is funded in whole or in part by a county share of the nonfederal portion of medical assistance funds unless the person is referred through the single entry point process, as defined in section 331.440. However, to the extent federal law allows referral of a medical assistance recipient to a service without approval of the single entry point process, the county of legal settlement shall be billed for the nonfederal share of costs for any adult person for whom the county would otherwise be responsible.

Sec. 33. Section 331.424A, subsection 2, Code Supplement 1995, is amended to read as follows:

2. For the fiscal year beginning July 1, 1996, and succeeding fiscal years, county revenues from taxes and other sources designated for mental health, mental retardation, and developmental disabilities services shall be credited to the mental health, mental retardation, and developmental disabilities services fund of the county. The board shall make appropriations from the fund for payment of services provided under the county management plan approved pursuant to section 331.439. The county may pay for the services in cooperation with other counties by pooling appropriations from the fund with other counties or through county regional entities including but not limited to the county's mental health and developmental disabilities regional planning council created pursuant to section 225C.18.

Sec. 34. Section 331.438, subsection 4, paragraph b, unnumbered paragraph 1, Code Supplement 1995, is amended to read as follows:

The management committee shall consist of not more than ~~eleven~~ twelve voting members ~~representing the state and counties~~ as follows:

Sec. 35. Section 331.438, subsection 4, paragraph b, subparagraph (2), Code Supplement 1995, is amended to read as follows:

(2) The committee shall include one member nominated by service providers, and one member nominated by service advocates and consumers, ~~and one member nominated by the state's council of the association of federal, state, county, and municipal employees,~~ with both these members appointed by the governor.

Sec. 36. Section 331.438, subsection 4, paragraph c, subparagraph (10), Code Supplement 1995, is amended to read as follows:

(10) Make recommendations to improve the programs and cost effectiveness of state and county contracting processes and procedures, including strategies for negotiations relating to managed care. The recommendations developed for the state and county regarding managed care shall include but are not limited to standards for limiting excess costs and profits, and for restricting cost shifting under a managed care system.

Sec. 37. Section 331.438, subsection 4, paragraph c, Code Supplement 1995, is amended by adding the following new subparagraphs:

NEW SUBPARAGRAPH. (15) Make recommendations to the mental health and developmental disabilities commission for administrative rules providing statewide standards and a monitoring methodology to determine whether cost-effective individualized services are available as required pursuant to section 331.439, subsection 1, paragraph "b".

NEW SUBPARAGRAPH. (16) Make recommendations to the mental health and developmental disabilities commission for administrative rules establishing statewide minimum standards for services and other support required to be available to persons covered by a county management plan under section 331.439.

NEW SUBPARAGRAPH. (17) Make recommendations to the mental health and developmental disabilities commission and counties for measuring and improving the quality of state and county mental health, mental retardation, and developmental disabilities services and other support.

Sec. 38. Section 331.440, Code Supplement 1995, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. An application for services may be made through the single entry point process of a person's county of residence. However, if a person who is subject to a single entry point process has legal settlement in another county or the costs of services or other support provided to the person are the financial responsibility of the state, an authorization through the single entry point process shall be coordinated with the person's county of legal settlement or with the state, as applicable. The county of residence and county of legal settlement of a person subject to a single entry point process may mutually agree that the single entry point process functions shall be performed by the single entry point process of the person's county of legal settlement.

Sec. 39. MEDICAL ASSISTANCE CLAIMS AND COST SETTLEMENT. The department of human services shall formulate a work group which includes representatives of counties designated by the Iowa state association of counties in developing a course of action to meet the goals for submission of claims and completion of cost settlement under section 249A.12, subsection 2, as amended by this Act. A report which includes data describing the conditions which cause the goal time frames to be exceeded, other conditions associated with

billings and payments, and options to address the problems identified shall be submitted to the governor and general assembly on or before December 16, 1996. The options may include possible sanctions for failure to meet the time frames.

Sec. 40. EFFECTIVE DATE. Section 31 of this division of this Act, being deemed of immediate importance, takes effect upon enactment.

RON J. CORBETT
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2427, Seventy-sixth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved 5/2, 1996

TERRY E. BRANSTAD
Governor