

*Referred 3-25-96 Local Gov.*

MAR 5 1996  
Place On Calendar

HOUSE FILE 2428  
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 735)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_

Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the amount of liability for the cost of  
2 services provided to a person with mental illness or mental  
3 retardation and providing an applicability provision.

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

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*HF 2428*

1 Section 1. Section 222.78, Code 1995, is amended to read  
2 as follows:

3 222.78 PARENTS AND OTHERS LIABLE FOR SUPPORT.

4 The father and mother of any person admitted or committed  
5 to a hospital-school or to a special unit, as either an  
6 inpatient or an outpatient, and any person, firm, or  
7 corporation bound by contract hereafter-made for support of  
8 the person shall be and remain liable for the support of the  
9 person. The person and those legally bound for the support of  
10 the person shall be liable to the county for all sums advanced  
11 by the county to the state under the provisions of sections  
12 222.60, and 222.77, 249A.12, and 249A.26. The liability of  
13 any person, other than the patient, who is legally bound for  
14 the support of any patient under eighteen years of age in a  
15 hospital-school or a special unit shall ~~in-no-instance not~~  
16 exceed the average minimum cost of the care of a normally  
17 intelligent, ~~nonhandicapped~~ minor without a disability of the  
18 same age and sex as the minor patient. The administrator  
19 board of supervisors shall establish the scale-for-this  
20 ~~purpose-but-the-scale-shall-not-exceed-the-standards-for~~  
21 ~~personal-allowances-established-by-the-state-division-under~~  
22 ~~the-family-investment-program~~ amount of liability by applying  
23 the child support guidelines prescribed under section 598.21,  
24 subsection 4, to the income of the mother and father, as  
25 applicable. A liability amount determined in accordance with  
26 the guidelines may be modified by the board of supervisors  
27 only based upon a substantial change in circumstances as  
28 provided in section 598.21, subsection 8. The liability  
29 amount may be revised periodically to conform with a revision  
30 in the child support guidelines prescribed under section  
31 598.21, subsection 4. A lien or other judgment imposed  
32 pursuant to section 222.81, 222.82, or 222.83 shall not exceed  
33 the amount of the liability which may be incurred under this  
34 section on account of a person with mental retardation.  
35 ~~Provided-further-that-the~~ The father or mother of the person

1 shall not be liable for the support of the person after the  
2 person attains the age of eighteen years and that the father  
3 or mother shall incur liability only during any period when  
4 the father or mother either individually or jointly receive a  
5 net income from whatever source, commensurate with that upon  
6 which they would be liable to make an income tax payment to  
7 this state. ~~Nothing-in-this~~ This section shall not be  
8 construed to prevent a relative or other person from  
9 voluntarily paying the full actual cost as established by the  
10 administrator for caring for the person with mental  
11 retardation.

12 Sec. 2. Section 230.15, unnumbered paragraph 1, Code 1995,  
13 is amended to read as follows:

14 A ~~mentally-ill~~ person with mental illness and a person  
15 legally liable for the person's support remain liable for the  
16 support of the ~~mentally-ill~~ person with mental illness as  
17 provided in this section. Persons legally liable for the  
18 support of a ~~mentally-ill~~ person with mental illness include  
19 the spouse of the ~~mentally-ill~~ person with mental illness, any  
20 person bound by contract for support of the ~~mentally-ill~~  
21 person with mental illness, and, with respect to ~~mentally-ill~~  
22 persons a person with mental illness under eighteen years of  
23 age only, the father and mother of the ~~mentally-ill~~ person  
24 with mental illness. The ~~county-auditor, subject to the~~  
25 ~~direction of the~~ board of supervisors, shall enforce the  
26 obligation created in this section as to all sums advanced by  
27 the county. The liability to the county incurred by a  
28 ~~mentally-ill~~ person with mental illness or a person legally  
29 liable for the person's support under this section is limited  
30 to an amount equal to one hundred percent of the cost of care  
31 and treatment of the ~~mentally-ill~~ person with mental illness  
32 at a state mental health institute for one hundred twenty days  
33 of hospitalization. This limit of liability may be reached by  
34 payment of the cost of care and treatment of the ~~mentally-ill~~  
35 person with mental illness subsequent to a single admission or

1 multiple admissions to a state mental health institute or, if  
2 the person is not discharged as cured, subsequent to a single  
3 transfer or multiple transfers to a ~~county-care-facility~~  
4 public or private facility pursuant to section 227.11. After  
5 reaching this limit of liability, a ~~mentally-ill~~ person with  
6 mental illness or a person legally liable for the person's  
7 support is liable to the county for the care and treatment of  
8 the mentally ill person at a state mental health institute or,  
9 if transferred but not discharged as cured, at a ~~county-care~~  
10 facility public or private facility in an amount ~~not-in-excess~~  
11 of determined by the board of supervisors. The board of  
12 supervisors shall determine the amount for an individual with  
13 no support obligation by considering all income and resources  
14 available to the individual in the same manner as a financial  
15 obligation is determined for an individual residing in a  
16 residential care facility and receiving medical assistance.  
17 The board of supervisors shall determine the amount for an  
18 individual with a support obligation in an amount which does  
19 not exceed the average-minimum-cost-of-the-maintenance-of-a  
20 physically-and-mentally-healthy-individual-residing-in-the  
21 individual's-own-home, which standard shall be established and  
22 amount determined by applying the child support guidelines  
23 prescribed under section 598.21, subsection 4, to the income  
24 of the person legally liable for the support of the person as  
25 though the person is a parent required to pay support under  
26 the guidelines. A liability amount determined in accordance  
27 with the guidelines may be modified by the board of  
28 supervisors only based upon a substantial change in  
29 circumstances as provided in section 598.21, subsection 8.  
30 This amount may from-time-to-time be revised periodically by  
31 the department-of-human-services board of supervisors to  
32 conform with a revision in the child support guidelines  
33 prescribed under section 598.21, subsection 4. In either  
34 case, the individual shall be permitted to retain a personal  
35 needs allowance equal to the amount permitted for an

1 individual residing in a residential care facility and  
2 receiving medical assistance. A lien imposed by section  
3 230.25 shall not exceed the amount of the liability which may  
4 be incurred under this section on account of any ~~mentally-ill~~  
5 person with mental illness.

6 Sec. 3. APPLICABILITY. This Act applies to services  
7 provided in a state hospital-school or special unit, state  
8 mental health institute, or county care facility on or after  
9 July 1, 1996.

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## EXPLANATION

11 This bill relates to the amount of liability for the cost  
12 of services provided to a person with mental retardation or  
13 mental illness.

14 Section 222.78 provides for the amount of financial  
15 liability of a parent or other person liable for the support  
16 of a person admitted or committed to a state hospital-school  
17 or special unit. Under current law, the liability is limited  
18 to an amount equivalent to a comparable allowance for a  
19 recipient under the family investment program as determined  
20 according to a scale developed by the department of human  
21 services. Under the bill, the liability amount would instead  
22 be determined by the board of supervisors by applying the  
23 child support guidelines prescribed by the supreme court.

24 Section 230.15 relates to liability for the costs to  
25 support a person with mental illness at a state mental health  
26 institute or county care facility. Under current law, the  
27 liability is for the full cost of the first 120 days of care,  
28 after which liability is limited to the cost to maintain a  
29 person without a disability in the person's own home, as  
30 established by the department of human services. The bill  
31 authorizes the board of supervisors to establish the liability  
32 amount after the first 120 days. In establishing the  
33 liability amount for an individual without a support  
34 obligation, the board of supervisors must consider income and  
35 resources in the same manner as used for an individual living

1 in a residential care facility (RCF) and receiving medical  
2 assistance. For an individual with a support obligation, the  
3 amount of the obligation would be based upon the supreme  
4 court's child support guidelines. In either case, the  
5 individual would be entitled to retain a personal needs  
6 allowance equal to the amount available to an individual  
7 living in an RCF and receiving medical assistance.

8 The provisions of the bill are applicable to services  
9 provided in a state hospital-school, state mental health  
10 institute, or other public or private facility on or after  
11 July 1, 1996.

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**HOUSE FILE 2428  
FISCAL NOTE**

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A fiscal note for House File 2428 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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House File 2428 changes the liability of a parent or other person who is responsible for the support of a patient at the State Hospital-School or other special unit. Under the current law, liability is limited to the comparable allowance for a recipient of the Family Investment Program. The Bill requires that parental liability be determined by applying the child support guidelines prescribed by the Supreme Court.

House File 2428 also changes liability for patients at Mental Health Institutes or county care facilities. Under current law, liability is limited to the full cost of the first 120 days of care, after which the liability is limited to the cost of maintaining a person in their own home, as established by the Department of Human Services. The Bill authorizes the Board of Supervisors in the county of legal settlement to establish liability after the first 120 days. The Supervisors are required to use the child support guidelines for persons who have a support obligation, and are required to use the same standards used for Residential Care Facilities for persons without support obligations.

**FISCAL EFFECT**

This Bill will decrease county and State costs for mental health services by increasing the amount of support collected from parents and other persons liable for support. However, there is no information available concerning the income or resources of these parents or other persons. An accurate fiscal estimate can not be determined.

**SOURCE**

Department of Human Services

(LSB 4387hv, JMN)

FILED MARCH 20, 1996

BY DENNIS PROUTY, FISCAL DIRECTOR

*arratt, ch.  
Hansen  
Myers*

*HSB 735*

LOCAL GOVERNMENT

Succeeded by

HOUSE FILE

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

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

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8 the person shall be and remain liable for the support of the  
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17 intelligent, ~~nonhandicapped~~ minor without a disability of the  
18 same age and sex as the minor patient. The ~~administrator~~  
19 county auditor shall establish the ~~scale-for-this-purpose-but~~  
20 ~~the-scale-shall-not-exceed-the-standards-for-personal~~  
21 ~~allowances-established-by-the-state-division-under-the-family~~  
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