

MAR 23 1995

HOUSE FILE 534

APPROPRIATIONS CALENDAR

BY COMMITTEE ON APPROPRIATIONS

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

A BILL FOR

1 An Act relating to appropriations for the department of human
 2 services and the prevention of disabilities policy council and
 3 including other provisions and appropriations involving human
 4 services and health care and providing for effective and
 5 applicability dates.

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

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HF 534

1 Section 1. FAMILY INVESTMENT PROGRAM. There is
2 appropriated from the general fund of the state to the
3 department of human services for the fiscal year beginning
4 July 1, 1995, and ending June 30, 1996, the following amount,
5 or so much thereof as is necessary, to be used for the purpose
6 designated:

7 For assistance under the family investment program under
8 chapter 239:
9 \$ 32,820,032

10 1. The department shall continue the special needs program
11 under the family investment program.

12 2. Notwithstanding section 239.6, the department is not
13 required to reconsider eligibility of family investment
14 program recipients every six months if a federal waiver is
15 granted.

16 3. The department may adopt emergency rules for the family
17 investment, food stamp, and medical assistance programs to
18 change or delete welfare reform initiatives that threaten the
19 integrity or continuation of the program or that are not cost-
20 effective. Prior to the adoption of rules, the department
21 shall consult with the welfare reform council, members of the
22 public involved in development of the policy established in
23 the 1993 session of the Seventy-fifth General Assembly, and
24 the chairpersons and ranking members of the human resources
25 committees of the senate and the house of representatives.

26 4. The department shall consolidate the individual
27 planning and agreement provisions of the family investment
28 program and the family development and self-sufficiency grant
29 program to ensure service coordination by providing that if a
30 recipient is participating in the grant program, the
31 recipient's family investment agreement shall be developed or
32 revised in consultation with the family development and self-
33 sufficiency grant program worker.

34 5. If funds are available, the department may contract for
35 implementation and expansion of individual development

1 accounts in accordance with chapter 541A.

2 Sec. 2. EMERGENCY ASSISTANCE. There is appropriated from
3 the general fund of the state to the department of human
4 services for the fiscal year beginning July 1, 1995, and
5 ending June 30, 1996, the following amount, or so much thereof
6 as is necessary, to be used for the purpose designated:

7 For emergency assistance to families with dependent
8 children for homeless prevention programs:
9 \$ 1,767,500

10 The emergency assistance provided for in this section shall
11 be available beginning October 1 of the fiscal year and shall
12 be provided only if all other publicly funded resources have
13 been exhausted. Specifically, emergency assistance is the
14 program of last resort and shall not supplant assistance
15 provided by the low-income home energy assistance program
16 (LIHEAP), county general relief, and veterans affairs
17 programs. The department shall establish a \$500 maximum
18 payment, per family, in a twelve-month period. The emergency
19 assistance includes, but is not limited to, assisting people
20 who face eviction, potential eviction, or foreclosure, utility
21 shutoff or fuel shortage, loss of heating energy supply or
22 equipment, homelessness, utility or rental deposits, or other
23 specified crisis which threatens family or living
24 arrangements. The emergency assistance shall be available to
25 migrant families who would otherwise meet eligibility
26 criteria. The department may adopt emergency rules to
27 implement the program including eligibility criteria and
28 benefit levels. The department may contract for the
29 administration and delivery of the program. The program shall
30 be terminated when funds are exhausted.

31 Sec. 3. MEDICAL ASSISTANCE. There is appropriated from
32 the general fund of the state to the department of human
33 services for the fiscal year beginning July 1, 1995, and
34 ending June 30, 1996, the following amount, or so much thereof
35 as is necessary, to be used for the purpose designated:

1 For medical assistance, including reimbursement for
2 abortion services, which shall be available under the medical
3 assistance program only for those abortions which are
4 medically necessary:

5 \$351,496,521

6 1. Medically necessary abortions are those performed under
7 any of the following conditions:

8 a. The attending physician certifies that continuing the
9 pregnancy would endanger the life of the pregnant woman.

10 b. The attending physician certifies that the fetus is
11 physically deformed, mentally deficient, or afflicted with a
12 congenital illness.

13 c. The pregnancy is the result of a rape which is reported
14 within 45 days of the incident to a law enforcement agency or
15 public or private health agency which may include a family
16 physician.

17 d. The pregnancy is the result of incest which is reported
18 within 150 days of the incident to a law enforcement agency or
19 public or private health agency which may include a family
20 physician.

21 e. Any spontaneous abortion, commonly known as a
22 miscarriage, if not all of the products of conception are
23 expelled.

24 2. Notwithstanding section 8.39, the department may
25 transfer funds appropriated in this section to a separate
26 account established in the department's case management unit
27 for expenditures required to provide case management services
28 for mental health, mental retardation, and developmental
29 disabilities services under medical assistance which are
30 jointly funded by the state and county, pending final
31 settlement of the expenditures. Funds received by the case
32 management unit in settlement of the expenditures shall be
33 used to replace the transferred funds and are available for
34 the purposes for which the funds were appropriated in this
35 section.

1 3. If a medical assistance recipient is more than 17 years
2 of age and is receiving care which is reimbursed under a
3 federally approved home and community-based services waiver
4 but would otherwise be approved for care in an intermediate
5 care facility for the mentally retarded, the recipient's
6 county of legal settlement shall reimburse the department on a
7 monthly basis for the portion of the recipient's cost of care
8 which is not paid from federal funds.

9 4. a. The county of legal settlement shall be billed for
10 50 percent of the nonfederal share of the cost of case
11 management provided for adults, day treatment, and partial
12 hospitalization in accordance with sections 249A.26 and
13 249A.27, and 100 percent of the nonfederal share of the cost
14 of care which is reimbursed under a federally approved home
15 and community-based waiver that would otherwise be approved
16 for provision in an intermediate care facility for the
17 mentally retarded, provided under the medical assistance
18 program for persons with mental retardation, a developmental
19 disability, or chronic mental illness. The state shall have
20 responsibility for the remaining 50 percent of the nonfederal
21 share of the cost of case management provided for adults, day
22 treatment, and partial hospitalization. For persons without a
23 county of legal settlement, the state shall have
24 responsibility for 100 percent of the nonfederal share of the
25 cost of case management provided for adults, day treatment,
26 partial hospitalization, and the home and community-based
27 waiver services. Those services specified in this subsection
28 shall be billed to a county only if the services are provided
29 outside of a managed care contract.

30 b. The state shall pay the entire nonfederal share of the
31 costs for case management services provided to persons 17
32 years of age or younger who are served in a medical assistance
33 home and community-based waiver program for persons with
34 mental retardation.

35 c. Medical assistance funding for case management services

1 for eligible persons 17 years of age and under shall also be
2 provided to persons residing in counties with child welfare
3 decategorization projects implemented in accordance with
4 section 232.188, provided these projects have included these
5 persons in their service plan and the decategorization project
6 county is willing to provide the nonfederal share of costs.

7 d. The state shall pay the entire nonfederal share of
8 intermediate care facilities for the mentally retarded (ICFMR)
9 costs for eligible persons 17 years of age and younger.

10 e. When paying the necessary and legal expenses of
11 intermediate care facilities for the mentally retarded
12 (ICFMR), the cost payment requirements of section 222.60 shall
13 be considered fulfilled when payment is made in accordance
14 with the medical assistance payment rates established for
15 ICFMRs by the department and the state or a county of legal
16 settlement is not obligated for any amount in excess of the
17 rates.

18 5. The department may adopt and implement emergency rules
19 regarding a prepaid mental health services plan for medical
20 assistance patients. The rules shall include but not be
21 limited to service provider standards, service reimbursement,
22 and funding mechanisms. Notwithstanding the provisions of
23 subsection 4, paragraph "a", of this section and section
24 249A.26, requiring counties to pay all or part of the
25 nonfederal share of certain services provided to persons with
26 disabilities under the medical assistance program, the state
27 shall pay 100 percent of the nonfederal share of any services
28 included in the plan implemented pursuant to this subsection.

29 6. The department shall utilize not more than \$60,000 of
30 the funds appropriated in this section to continue the
31 AIDS/HIV health insurance premium payment program as
32 established in 1992 Iowa Acts, Second Extraordinary Session,
33 Chapter 1001, section 409, subsection 6. Of the funds
34 allocated in this subsection, not more than \$10,000 may be
35 expended for administrative purposes.

1 7. Contingent upon federal approval of a waiver, the
2 department shall adopt rules to establish the requirements for
3 the alternative nursing home pilot project.

4 8. The department of human services shall develop and
5 implement a medical assistance home and community-based waiver
6 for persons with brain injury who currently reside in a
7 medical institution and who have been residents of a medical
8 institution for a minimum of thirty days.

9 9. Of the funds appropriated to the Iowa department of
10 health for substance abuse grants, \$950,000 for the fiscal
11 year beginning July 1, 1995, shall be transferred to the
12 department of human services to implement an integrated
13 substance abuse managed care system. The department of human
14 services in conjunction with the Iowa department of health and
15 other appropriate state agencies may adopt and implement
16 emergency rules to establish a prepaid substance abuse
17 treatment plan for medical assistance recipients. The rules
18 shall include but are not limited to defining the structure of
19 the program, establishing the scope of services to be provided
20 in the program, establishing client eligibility for prepaid
21 substance abuse treatment services, establishing the basis and
22 the rate of reimbursement for the program defining the
23 expected outcome measures of the program and defining a client
24 appeals process.

25 10. a. The department shall require prior authorization
26 for any brand name prescription drug which has an "A" rated
27 generic bioequivalent as determined by the federal food and
28 drug administration. The department shall establish an
29 educational program through the drug utilization review
30 commission to review and encourage the use of these "A" rated
31 generic equivalents within the medical assistance program.
32 The department may adopt emergency rules to implement the
33 provisions of this subsection.

34 b. The department of human services shall, when it is
35 economically beneficial, implement maximum allowable costs for

1 multiple source drugs in accordance with federal guidelines.

2 c. The department shall require prior authorization for
3 full therapeutic dose levels of histamine H2 receptor
4 antagonists and sucralfate beyond 60 days of therapy.

5 d. The department shall review the feasibility of assuming
6 responsibility for administratively pursuing reimbursement for
7 pharmacy services for which a recipient of medical assistance
8 also has third-party coverage. The department shall submit a
9 report of the department's findings and recommendations to the
10 chairpersons and ranking members of the joint appropriations
11 subcommittee on human services on or before January 15, 1996.

12 11. The department shall implement strategies to address
13 administrative and provider concerns associated with
14 discretionary medical assistance provided to individuals and
15 families pursuant to section 249A.3, subsection 4, and the
16 provisions relating to the expenditure of income to a level
17 which qualifies the individual or family as eligible for par-
18 ticipation in the medical assistance program. The department
19 shall submit a report regarding the strategies implemented to
20 the general assembly on or before November 30, 1995.

21 12. The department may seek qualification of supervised
22 community treatment for children under the medical assistance
23 program.

24 Sec. 4. MEDICAL CONTRACTS. There is appropriated from the
25 general fund of the state to the department of human services
26 for the fiscal year beginning July 1, 1995, and ending June
27 30, 1996, the following amount, or so much thereof as is
28 necessary, to be used for the purpose designated:

29 For medical contracts:
30 \$ 6,226,400

31 1. The department shall continue to contract for drug
32 utilization review under the medical assistance program.

33 2. The department may use not more than \$22,500 of the
34 funds appropriated in this section for contracting for the
35 rebasing-recalibration of the ambulatory patient grouping

1 system.

2 3. The department may use not more than \$75,000 of the
3 funds appropriated in this section for the independent
4 evaluation of the prepaid mental health services plan.

5 Sec. 5. STATE SUPPLEMENTARY ASSISTANCE. There is
6 appropriated from the general fund of the state to the
7 department of human services for the fiscal year beginning
8 July 1, 1995, and ending June 30, 1996, the following amount,
9 or so much thereof as is necessary, to be used for the purpose
10 designated:

11 For state supplementary assistance:

12 \$ 19,115,000

13 1. The department shall increase the personal needs
14 allowance for residents of residential care facilities by the
15 same percentage and at the same time as federal supplemental
16 security income and federal social security benefits are
17 increased due to a recognized increase in the cost of living.
18 The department may adopt emergency rules to implement the
19 provisions of this subsection.

20 2. If during the fiscal year beginning July 1, 1995, the
21 department projects that state supplementary assistance
22 expenditures for a calendar year will not meet the federal
23 pass-along requirement specified in Title XVI of the federal
24 Social Security Act, section 1618, as codified in 42 U.S.C. §
25 1382g, or that expenditures in the fiscal year will exceed the
26 amount appropriated, the department may take actions including
27 but not limited to increasing the personal needs allowance for
28 residential care facility residents and making programmatic
29 adjustments or upward or downward adjustments of the
30 residential care facility or in-home health-related care
31 reimbursement rates prescribed in this Act to ensure that
32 federal requirements are met and that expenditures do not
33 exceed the appropriation in this section. The department may
34 adopt emergency rules to implement the provisions of this
35 subsection.

1 Sec. 6. CHILD DAY CARE ASSISTANCE. There is appropriated
2 from the general fund of the state to the department of human
3 services for the fiscal year beginning July 1, 1995, and
4 ending June 30, 1996, the following amount, or so much thereof
5 as is necessary, to be used for the purposes designated:

6 For protective child day care assistance, state child care
7 assistance, child day care resource and referral services, and
8 transitional child care assistance:

9 \$ 7,747,259

10 1. Of the funds appropriated in this section, \$2,496,286
11 shall be used for protective child day care assistance.

12 2. Of the funds appropriated in this section, \$2,930,934
13 shall be used for state child care assistance.

14 3. Based upon the availability of the funding provided in
15 subsection 2 the department shall establish waiting lists for
16 state child care assistance in descending order of
17 prioritization as follows:

18 a. Families who are at or below 100 percent of the federal
19 poverty level and are employed at least 30 hours a week.

20 b. Parents under the age of 21 who are employed full-time
21 or part-time or who are participating in an approved training
22 program or who are enrolled in an education program.

23 c. Families who are at or below 155 percent of the federal
24 poverty level who have a special needs child.

25 d. Families who are at or below 100 percent of the federal
26 poverty level who are employed part-time at least 20 hours per
27 week.

28 4. a. For state child care assistance, eligibility shall
29 be limited to children whose family income is equal to or less
30 than 100 percent of the federal office of management and
31 budget poverty guidelines. However, on or after October 1,
32 1995, the department may increase the income eligibility limit
33 to be equal to or less than 75 percent of the Iowa median
34 family income.

35 b. The department may adopt emergency rules to comply with

1 the federal child care development block grant and federal at-
2 risk child care program; to streamline the existing day care
3 program; and to deliver the services within state and federal
4 funds appropriated.

5 c. Nothing in this section shall be construed or is
6 intended as, or shall imply, a grant of entitlement for
7 services to persons who are eligible for assistance due to an
8 income level consistent with the requirements of this section.
9 Any state obligation to provide services pursuant to this
10 section is limited to the extent of the funds appropriated in
11 this section.

12 5. Of the funds appropriated in this section, \$640,270 is
13 allocated for the statewide program for child day care
14 resource and referral services under section 237A.26.

15 6. The department may use any of the funds appropriated in
16 this section as a match to obtain federal funds for use in
17 expanding child day care assistance and related programs.

18 7. Of the funds appropriated in this section, \$1,679,769
19 shall be used for transitional child care assistance.

20 8. During the 1995-1996 fiscal year, the department shall
21 utilize the moneys deposited in the child day care credit fund
22 created in section 237A.28 for state child care assistance, in
23 addition to the moneys appropriated for that purpose in this
24 section.

25 Sec. 7. JOBS PROGRAM. There is appropriated from the
26 general fund of the state to the department of human services
27 for the fiscal year beginning July 1, 1995, and ending June
28 30, 1996, the following amount, or so much thereof as is
29 necessary, to be used for the purposes designated:

30 For the federal-state job opportunities and basic skills
31 (JOBS) program, food stamp employment and training program,
32 family development and self-sufficiency grants,
33 entrepreneurial training, and implementing family investment
34 agreements, in accordance with this section:

35 \$ 11,935,189

1 1. Of the funds appropriated in this section, \$11,025,889
2 is allocated for the JOBS program.

3 2. The department shall continue to contract for services
4 in developing, delivering, and monitoring an entrepreneurial
5 training waiver program to provide technical assistance in
6 self-employment training to families which receive assistance
7 under the family investment program, contingent upon federal
8 approval of waiver renewal requests.

9 3. Of the funds appropriated in this section, \$129,985 is
10 allocated for the food stamp employment and training program.

11 4. Of the funds appropriated in this section, \$779,315 is
12 allocated to the family development and self-sufficiency grant
13 program as provided under section 217.12.

14 a. Not more than 5 percent of the funds allocated in this
15 subsection shall be used for the administration of the grant
16 program.

17 b. Federal funding matched by state, county, or other
18 funding which is not appropriated in this section shall be
19 deposited in the department's JOBS account. If the match
20 funding is generated by a family development and self-
21 sufficiency grantee, the federal funding received shall be
22 used to expand the family development and self-sufficiency
23 grant program. If the match funding is generated by another
24 source, the federal funding received shall be used to expand
25 the grant program or the JOBS program. The department may
26 adopt emergency rules to implement the provisions of this
27 paragraph.

28 c. Based upon the annual evaluation report concerning each
29 grantee funded by this allocation, the family development and
30 self-sufficiency council may use funds allocated to renew
31 grants.

32 Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated
33 from the general fund of the state to the department of human
34 services for the fiscal year beginning July 1, 1995, and
35 ending June 30, 1996, the following amount, or so much thereof

1 as is necessary, to be used for the purposes designated:

2 For child support recovery, including salaries, support,
3 maintenance, and miscellaneous purposes and for not more than
4 the following full-time equivalent positions:

5	\$	6,385,265
6	FTEs	225.22

7 1. The director of human services, within the limitations
8 of the funds appropriated in this section, or funds
9 transferred from the family investment program for this
10 purpose, shall establish new positions and add employees to
11 the child support recovery unit if the director determines
12 that both the current and additional employees together can
13 reasonably be expected to maintain or increase net state
14 revenue at or beyond the budgeted level. If the director adds
15 employees, the department shall demonstrate the cost-
16 effectiveness of the current and additional employees by
17 reporting to the joint appropriations subcommittee on human
18 services the ratio of the total amount of administrative costs
19 for child support recoveries to the total amount of the child
20 support recovered.

21 2. Nonpublic assistance application and user fees received
22 by the child support recovery program are appropriated and
23 shall be used for the purposes of the child support recovery
24 program. The director of human services may add positions if
25 fees collected relating to the new positions are sufficient to
26 pay the salaries and support for the positions. The director
27 shall report any positions added pursuant to this subsection
28 to the chairpersons and ranking members of the joint
29 appropriations subcommittee on human services and the
30 legislative fiscal bureau.

31 3. The director of human services, in consultation with
32 the department of management and the legislative fiscal
33 committee, is authorized to receive and deposit state child
34 support incentive earnings in the manner specified under
35 applicable federal requirements.

1 4. The director of human services may establish new
2 positions and add state employees to the child support
3 recovery unit if the director determines the employees are
4 necessary to replace county-funded positions eliminated due to
5 termination, reduction, or nonrenewal of a chapter 28E
6 contract. However, the director must also determine that the
7 resulting increase in the state share of child support
8 recovery incentives exceeds the cost of the positions, the
9 positions are necessary to ensure continued federal funding of
10 the program, or the new positions can reasonably be expected
11 to recover more than twice the amount of money to pay the
12 salaries and support for the new positions.

13 5. The child support recovery unit shall continue to work
14 with the judicial department to determine the feasibility of a
15 pilot project utilizing a court-appointed referee for judicial
16 determinations on child support matters. The extent and
17 location of any pilot project shall be jointly developed by
18 the judicial department and the child support recovery unit.

19 6. The department may spend up to \$50,000, including
20 federal financial participation, for the fiscal year beginning
21 July 1, 1995, for continuation of the child support public
22 awareness campaign. The department shall continue to
23 cooperate with the office of the attorney general in
24 continuation of the campaign.

25 7. The director of human services may enter a contract
26 with private collection agencies to collect support payments
27 for cases which have been identified by the department as
28 difficult collection cases if the department determines that
29 this form of collection is more cost effective than
30 departmental collection methods. The director may use a
31 portion of the state share of funds collected through this
32 means to pay the costs of any contracts authorized under this
33 subsection.

34 Sec. 9. JUVENILE INSTITUTIONS. There is appropriated from
35 the general fund of the state to the department of human

1 services for the fiscal year beginning July 1, 1995, and
2 ending June 30, 1996, the following amount, or so much thereof
3 as is necessary, to be used for the purposes designated:

4 For the operation of the state training school and the Iowa
5 juvenile home, including salaries, support, maintenance, and
6 miscellaneous purposes and for not more than the following
7 full-time equivalent positions:

8 For the state juvenile institutions:

9	\$ 13,487,062
10	FTEs 320.77

11 1. The following amounts of the funds appropriated and
12 full-time equivalent positions authorized in this section are
13 allocated for the Iowa juvenile home at Toledo:

14	\$ 4,984,184
15	FTEs 118.54

16 2. The following amounts of the funds appropriated and
17 full-time equivalent positions authorized in this section are
18 allocated for the state training school at Eldora:

19	\$ 8,502,878
20	FTEs 202.23

21 3. During the fiscal year beginning July 1, 1995, the
22 population levels at the state juvenile institutions shall not
23 exceed the population guidelines established under 1990 Iowa
24 Acts, chapter 1239, section 21.

25 4. Each state juvenile institution shall apply for
26 adolescent pregnancy prevention grants for the fiscal year
27 beginning July 1, 1995.

28 5. Within the funds appropriated in this section, the
29 department may reallocate funds as necessary to best fulfill
30 the needs of the institutions provided for in the
31 appropriation.

32 Sec. 10. CHILD AND FAMILY SERVICES. There is appropriated
33 from the general fund of the state to the department of human
34 services for the fiscal year beginning July 1, 1995, and
35 ending June 30, 1996, the following amount, or so much thereof

1 as is necessary, to be used for the purpose designated:

2 For child and family services:

3 \$ 83,022,584

4 1. The department may transfer moneys appropriated in this
5 section as necessary to pay the nonfederal costs of services
6 reimbursed under medical assistance or the family investment
7 program which are provided to children who would otherwise
8 receive services paid under the appropriation in this section.
9 The department may transfer funds appropriated in this section
10 to the appropriations in this Act for general administration
11 and for field operations for resources necessary to implement
12 and operate the services funded in this section.

13 2. a. Of the funds appropriated in this section, up to
14 \$20,937,703 is allocated for group foster care maintenance and
15 services. For the fiscal year beginning July 1, 1995, the
16 statewide target, as provided in section 232.143, for the
17 average number of children placed in group foster care
18 services in any day of the fiscal year which are a charge upon
19 or paid for by the state shall be 1,220. Notwithstanding the
20 statewide target established in this subsection and sections
21 232.52, 232.102, 232.117, 232.127, and 232.182, a target
22 established in a region's group foster care plan developed
23 pursuant to section 232.143 may be exceeded, a group foster
24 care placement may be ordered, and state payment may be made
25 if a clinical assessment and consultation team finds that the
26 placement is necessary to meet the child's needs. If the
27 daily average target established in a region's group foster
28 care plan is exceeded, the department and courts in that
29 region shall refer at least five percent of the region's group
30 foster care placements to a clinical assessment and
31 consultation team to determine if alternative services would
32 meet the child's service needs and to assist the region in
33 reducing the number of children in group foster care
34 placements in the regional target within 45 days from the date
35 the target was exceeded. The department and the courts shall

1 work together to ensure that a region's group foster care
2 expenditures shall not exceed the funds allocated to the
3 region for group foster care placements in the 1995-1996
4 fiscal year. The department may adopt emergency rules to
5 implement the provisions of this paragraph.

6 b. In each quarter of the fiscal year, the department
7 shall compare the actual number of group foster care
8 placements in a region and the targets allocated to the region
9 for that quarter. The department shall develop a methodology
10 to provide, within the funds allocated in this subsection,
11 fiscal incentives to regions which have reduced the number or
12 length of group foster care placements.

13 c. The department shall report quarterly to the
14 legislative fiscal bureau concerning the status of each
15 region's efforts to limit the number of group foster care
16 placements in accordance with the regional plan established
17 pursuant to section 232.143.

18 d. Notwithstanding the formula specified in section
19 232.143, subsection 1, the department and the judicial
20 department shall develop a formula for allocating a portion of
21 the statewide target to each of the department's regions based
22 on factors determined by the department and the judicial
23 department which may include but are not limited to historical
24 usage of group foster care beds and indicators of need for
25 group foster care placements. The formula shall be
26 established by May 1, 1995. The department may adopt
27 emergency rules to implement the provisions of this paragraph.

28 e. The department shall not certify any additional
29 enhanced residential treatment beds, unless the director of
30 human services approves the beds as necessary, based on the
31 type of children to be served and the location of the enhanced
32 residential treatment beds.

33 f. (1) Of the funds appropriated in this section, not
34 more than \$6,691,561 is allocated as the state match funding
35 for psychiatric medical institutions for children.

1 (2) Based upon the director's decision pursuant to 1994
2 Iowa Acts, chapter 1186, section 10, subsection 19, regarding
3 the managed care approaches for determining service necessity
4 for children served by psychiatric medical institutions for
5 children (PMICs), the department may transfer all or a portion
6 of the moneys appropriated in this section for PMICs to the
7 appropriation in this Act for medical assistance and may amend
8 the managed mental health care contract to include PMICs, and
9 may increase the statewide target for group foster care
10 placements in paragraph "a" of this subsection, accordingly.
11 The department may adopt emergency rules to implement the
12 provisions of this subsection.

13 g. Of the funds allocated in this subsection, not more
14 than \$995,764 is allocated as the state match funding for 50
15 highly structured juvenile program beds.

16 3. Not more than 25 percent of the children placed in
17 foster care funded under the federal Social Security Act,
18 Title IV-E, shall be placed in foster care for a period of
19 more than 24 months.

20 4. The department shall continue to contract for a
21 statewide system for recruiting, retaining, and supporting
22 foster care families consistent with the recommendation of the
23 department's family foster care advisory committee. The
24 department may continue the contract for this purpose which
25 was initiated in the fiscal year beginning July 1, 1993, if
26 defined goals have been achieved. The department shall
27 involve the family foster care advisory committee in
28 overseeing the work of the contractor, and further defining
29 needs in the system.

30 5. In accordance with the provisions of section 232.188,
31 the department shall continue the demonstration program to
32 decategorize child welfare services in the counties in which
33 the program has commenced. The department may approve
34 additional applications from a county or cluster of counties
35 to initiate a demonstration program provided the department,

1 the boards of supervisors in the counties, and the affected
2 judicial districts agree to implement the program. The
3 schedule for implementing the demonstration program in
4 additional counties shall be determined by the department.
5 The department shall establish, for the demonstration program
6 counties, a child welfare fund composed of all or part of the
7 amount that would otherwise be expected to be used for
8 residents of the counties for foster care, child and family
9 services, family-centered services, subsidized adoption, child
10 day care, local purchase portion of the mental health, mental
11 retardation, developmental disabilities, and brain injury
12 community services appropriated in this Act, state juvenile
13 institution care, mental health institute care, state
14 hospital-school care, juvenile detention, department-direct
15 services, and court-ordered evaluation and treatment of
16 juvenile services. Notwithstanding any other provision of
17 law, the fund shall be considered encumbered for the purposes
18 of section 8.33. Notwithstanding other service funding
19 provisions in law, the department shall establish the fund by
20 transferring funds from the budgets affected, except for the
21 funds appropriated for the state mental health institutes, the
22 state hospital-schools, the state training school, and the
23 Iowa juvenile home which shall remain on account for the
24 county at these institutions. By June 15 preceding the
25 beginning of the next fiscal year, the department shall inform
26 each demonstration program county of the estimated amount that
27 will be available in the county's child welfare fund and on
28 account at the institutions for that county during the ensuing
29 fiscal year. The department shall confirm each county's
30 budgeted amount by October 1 of the fiscal year. A limited
31 amount of the fund may be used to support services and
32 reimbursement rates not allowable within historical program or
33 service categories and administrative rules. In addition, a
34 limited amount of the child welfare fund may be used for
35 emergency family assistance to provide resources for a family

1 to remain together or to be unified. The demonstration
2 program shall be designed to operate in a county for a three-
3 year period. The three-year time period for a
4 decategorization project shall be considered to begin on
5 January 1 in the first year following the year in which the
6 county's decategorization project was approved by the
7 department.

8 6. Of the funds appropriated in this section, up to
9 \$96,512 is allocated for continued foster care services to a
10 child who is 18 years of age or older in accordance with the
11 provisions of section 234.35, subsection 3, paragraph "c".
12 However, if funding in this appropriation would remain
13 unobligated at the end of the fiscal year, the allocation in
14 this subsection may be exceeded to the extent necessary to
15 provide the continued foster care services. The department
16 shall distribute the moneys allocated in this subsection to
17 the departmental regions based on each region's proportion of
18 the total number of children placed in foster care on March 31
19 preceding the beginning of the fiscal year, who, during the
20 fiscal year would no longer be eligible for foster care due to
21 age.

22 7. Notwithstanding section 232.142, subsection 3, the
23 financial aid paid by the state for the establishment,
24 improvements, operation, and maintenance of county or
25 multicounty juvenile detention homes in the fiscal year
26 beginning July 1, 1995, shall be limited to \$872,500. Funds
27 allocated in this subsection shall be prorated among eligible
28 detention homes.

29 8. The amount of the appropriation made in this section
30 available for foster care is based upon expansion of the
31 number of children in foster care who are eligible for federal
32 supplemental security income (SSI). The department may use up
33 to \$300,000 of those funds to enter into a performance-based
34 contract to secure SSI benefits for children placed in foster
35 care. The contract shall include provisions for training of

1 department of human services and juvenile court staff,
2 completion of applications, tracking of application results,
3 and representation during the appeals process whenever an
4 appeal is necessary to secure SSI benefits. Notwithstanding
5 section 217.30 and section 232.2, subsection 11, and any other
6 provision of law to the contrary, the director or the
7 director's designee on behalf of a child in foster care may
8 release medical, mental health, substance abuse, or any other
9 information necessary only to determine the child's
10 eligibility for SSI benefits, and may sign releases for the
11 information. In any release of information made pursuant to
12 this subsection, confidentiality shall be maintained to the
13 maximum extent possible.

14 9. A limited amount of the funds appropriated in this
15 section may be used for emergency family assistance to provide
16 other resources required for a family participating in a
17 family preservation or reunification project to stay together
18 or to be reunified.

19 10. Notwithstanding section 234.35, subsection 1, for the
20 fiscal year beginning July 1, 1995, state funding for shelter
21 care paid pursuant to section 234.35, subsection 1, paragraph
22 "h", shall be limited to \$3,383,736. The department may adopt
23 emergency rules to implement the provisions of this
24 subsection.

25 11. Of the funds appropriated in this section, not more
26 than \$512,862 may be used to develop and maintain the state's
27 implementation of the national adoption and foster care
28 information system pursuant to the requirements of Pub. L. No.
29 99-509. The department may transfer funds as necessary from
30 the appropriations in this Act for field operations and
31 general administration to implement this subsection. Moneys
32 allocated in accordance with this subsection shall be
33 considered encumbered for the purposes of section 8.33.

34 12. The department shall continue training seminars
35 throughout the state on the use of reasonable efforts to

1 prevent or eliminate the need for removal of a child from the
2 child's home, and on family-centered approaches to serving
3 children and families. The department shall work with the
4 judicial department to make the training applicable and
5 available to court officers involved with referrals of
6 children to foster care. In addition, the department shall
7 work with the supreme court to provide ongoing instruction and
8 technical assistance in selected counties in the state
9 concerning application of reasonable efforts. Counties shall
10 be selected by targeting those with a high rate of placement
11 of children outside the children's homes. The recipients of
12 technical assistance shall include court officials, department
13 of human services referral workers, and child welfare service
14 providers. Trainers shall include respected peers and
15 colleagues of the training recipients. The department shall
16 also incorporate family-centered approaches to serving
17 families into the department's general child welfare training
18 for child welfare workers. The department shall use not more
19 than \$180,754 of the funds appropriated in this section for
20 the contract.

21 13. Of the funds appropriated in this section, a portion
22 may be used for respite services to families of children with
23 mental retardation or other developmental disabilities, who
24 would otherwise enter or continue group care or foster family
25 home placement. The department may adopt emergency rules to
26 implement the provisions of this subsection.

27 14. Of the funds appropriated in this section, up to
28 \$673,217 may be used as determined by the department for any
29 of the following purposes:

30 a. For general administration of the department to improve
31 staff training efforts.

32 b. For oversight of termination of parental rights and
33 permanency planning efforts on a statewide basis.

34 c. For personnel, assigned by the attorney general, to
35 provide additional services relating to termination of

1 parental rights and child in need of assistance cases.

2 d. For specialized permanency planning field operations
3 staff.

4 15. The department shall continue to contract for family
5 foster care homes developed for children who present severe
6 emotional or behavioral management problems who might
7 otherwise be placed in group foster care. Contracts shall
8 provide that the family receives a certain fixed payment
9 regardless of placements, and shall specify that at least one
10 parent shall generally be available in the home 24 hours per
11 day in order to provide intensive and consistent structure and
12 therapeutic intervention, and to respond to crises. Each home
13 shall serve a maximum of three children.

14 16. Upon receipt of federal approval, the department shall
15 utilize the federal emergency assistance program to fund
16 approved children and family services under this section and
17 other programs providing emergency services to families and
18 children. The department may transfer moneys appropriated in
19 this section, as necessary, to pay the nonfederal share of
20 services reimbursed under the emergency assistance program
21 which are provided to children and families who would
22 otherwise receive the services. The department may adopt
23 emergency rules to implement the provisions of this
24 subsection. The rules may include but are not limited to the
25 development of program descriptions, provider standards, cost
26 principles, rate-setting, contract requirements, service and
27 financial eligibility criteria, claims submission criteria,
28 and program accountability standards. The department shall
29 work with affected parties in developing the rules authorized
30 in this subsection.

31 17. The department shall adopt rules for purchase of
32 recruitment and home studies as necessary to secure an
33 adequate number of foster families to serve children needing
34 foster care placement. In implementing the provisions of this
35 subsection, the department may issue requests for proposals,

1 establish a flat fee schedule, or expand the pool of providers
2 from which the services are purchased.

3 18. The department may adopt emergency rules to implement
4 outcome-based child welfare services pilot projects. The
5 rules may include, but are not limited to, the development of
6 program descriptions, provider licensing and certification
7 standards, reimbursement and payment amounts, contract
8 requirements, assessment and service necessity requirements,
9 eligibility criteria, claims submission procedures, and
10 accountability standards.

11 19. Of the funds appropriated in this section, up to
12 \$300,000 may be used to develop a performance-based monitoring
13 program to evaluate and improve outcomes for children and
14 families. The department may adopt emergency rules to
15 implement this subsection.

16 20. The department may develop, within the funds
17 available, a pilot kinship care project to enhance family
18 involvement in the development of the permanency plan required
19 under chapter 232 for children who are removed from their
20 homes. The project components may include family involvement
21 before and after removal of the child and shall stress safety
22 for the child.

23 21. Within the funds appropriated in this section, the
24 department may develop a subsidized guardianship program to
25 provide financial assistance to guardians of children who have
26 a permanency order under section 232.104, subsection 2,
27 paragraph "d", subparagraph (1), in cases in which all of the
28 following conditions exist:

29 a. The option of reunification has been eliminated and
30 termination of parental rights is not appropriate.

31 b. The child has lived with the potential guardian for at
32 least six months.

33 c. The child is either 14 years of age or older or, if
34 under 14 years of age, is part of a sibling group and cannot
35 be made available for adoption.

1 d. The placement does not require departmental
2 supervision.

3 The financial assistance provided shall be in the same
4 amount as provided for family foster care. For purposes of
5 medical assistance and child support recovery, these payments
6 shall be considered foster care payments.

7 22. Of the funds appropriated in this section, up to
8 \$175,000 may be used to establish and maintain a truancy pilot
9 initiative in the fifth judicial district which shall be
10 directed to keeping targeted youth in school by providing
11 noneducational supportive and therapy services both inside and
12 outside the school setting. The department may adopt
13 emergency rules to implement supportive and therapy services
14 in the truancy pilot initiative. The rules may include, but
15 are not limited to, the development of program descriptions,
16 certification standards, reimbursement, contract requirements,
17 and eligibility and accountability standards.

18 Sec. 11. COMMUNITY-BASED PROGRAMS. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 1995, and
21 ending June 30, 1996, the following amount, or so much thereof
22 as is necessary, to be used for the purpose designated:

23 For community-based programs, on the condition that family
24 planning services are funded, including salaries, support,
25 maintenance, and miscellaneous purposes and for not more than
26 the following full-time equivalent positions:

27	\$	2,259,723
28	FTEs	1.0

29 1. Of the funds appropriated in this section, \$656,048
30 shall be used for adolescent pregnancy prevention grants,
31 including not more than \$156,048 for programs to prevent
32 second or subsequent pregnancies during the adolescent years
33 and to provide support services for pregnant or parenting
34 adolescents. Rules adopted by the department may allow for
35 revision of existing grant categories and the addition of

1 grant categories which allow for the development and
2 initiation of a statewide adolescent pregnancy prevention
3 campaign and of a statewide assessment or evaluation grant.
4 2. Of the funds appropriated in this section, \$300,000
5 shall be used for grants to community or regional groups which
6 demonstrate broad-based representation from community
7 representatives including but not limited to schools,
8 churches, human service-related organizations, and businesses.
9 Priority in the awarding of grants shall be given to groups
10 which provide services to both urban and rural areas within
11 the proximity of the community or region and which provide
12 age-appropriate programs adapted for both male and female
13 youth at the elementary, middle, and high school levels. A
14 program shall focus on the prevention of initial pregnancies
15 during the adolescent years by emphasizing sexual abstinence
16 as the only completely safe and effective means of avoiding
17 pregnancy and sexually transmitted diseases and by providing
18 information regarding the comparative failure rates of
19 contraceptives, and by emphasizing responsible decision making
20 in relationships, managing of peer and social pressures,
21 development of self-esteem, the costs and responsibilities of
22 parenting, and information regarding the alternative of
23 adoption for placement of a child. The program shall also
24 include an evaluation and assessment component which includes
25 evaluation of and recommendations for improvement of the
26 program by the youth and parents involved. Evaluation and
27 assessment reports shall be provided to the department of
28 human services, at a time determined by the department in the
29 grant award. Community or regional groups interested in
30 applying for a grant under this subsection may be issued a
31 planning grant or may utilize grant moneys for the costs of
32 technical assistance to analyze community needs, match service
33 providers to needs, negotiate service provision strategies, or
34 other assistance to focus grant services provided under this
35 subsection. The technical assistance may be provided by

1 organizations affiliated with institutions under the authority
2 of the state board of regents or other organizations
3 experienced in providing technical assistance concerning
4 similar services.

5 3. Of the funds appropriated in this section, \$532,789
6 shall be used by the department for child abuse prevention
7 grants.

8 4. Of the funds appropriated in this section, \$31,900 is
9 allocated for child neutral visitation sites. The department
10 shall review the child neutral visitation sites program and
11 shall issue a request for proposals to select an administrator
12 for the program.

13 Sec. 12. COURT-ORDERED SERVICES PROVIDED TO JUVENILES.

14 There is appropriated from the general fund of the state to
15 the department of human services for the fiscal year beginning
16 July 1, 1995, and ending June 30, 1996, the following amount,
17 or so much thereof as is necessary, to be used for the purpose
18 designated:

19 Payment of the expenses of court-ordered services provided
20 to juveniles which are a charge upon the state pursuant to
21 section 232.141, subsection 4:

22 \$ 3,090,000

23 1. Notwithstanding section 232.141 or any other provision
24 of law, the funds appropriated in this section shall be
25 allocated to the judicial districts as determined by the state
26 court administrator. The state court administrator shall make
27 the determination on the allocations on or before June 15.

28 2. a. Each judicial district shall continue the planning
29 group for the court-ordered services for juveniles provided in
30 that district which was established pursuant to 1991 Iowa
31 Acts, chapter 267, section 119. A planning group shall
32 continue to perform its duties as specified in that law.
33 Reimbursement rates for providers of court-ordered evaluation
34 and treatment services paid under section 232.141, subsection
35 4, shall be negotiated with providers by each judicial

1 district's planning group.

2 b. Each district planning group shall submit an annual
3 report in January to the state court administrator and the
4 department of human services. The report shall cover the
5 preceding fiscal year and shall include a preliminary report
6 on the current fiscal year. The administrator and the
7 department shall compile these reports and submit the reports
8 to the chairpersons and ranking members of the joint
9 appropriations subcommittee on human services and the
10 legislative fiscal bureau.

11 3. The department of human services shall develop policies
12 and procedures to ensure that the funds appropriated in this
13 section are spent only after all other reasonable actions have
14 been taken to utilize other funding sources and community-
15 based services. The policies and procedures shall be designed
16 to achieve the following objectives relating to services
17 provided under chapter 232:

18 a. Maximize the utilization of funds which may be
19 available from the medical assistance program including usage
20 of the early and periodic screening, diagnosis, and treatment
21 (EPSDT) program.

22 b. Recover payments from any third-party insurance carrier
23 which is liable for coverage of the services, including health
24 insurance coverage.

25 c. Pursue development of agreements with regularly
26 utilized out-of-state service providers which are intended to
27 reduce per diem costs paid to those providers.

28 4. The department of human services, in consultation with
29 the state court administrator and the judicial district
30 planning groups, shall compile a monthly report describing
31 spending in the districts for court-ordered services for
32 juveniles, including the utilization of the medical assistance
33 program. The reports shall be submitted on or before the
34 twentieth day of each month to the chairpersons and ranking
35 members of the joint appropriations subcommittee on human

1 services and the legislative fiscal bureau.

2 5. Notwithstanding chapter 232 or any other provision of
3 law, a district or juvenile court in a department of human
4 services district shall not order any service which is a
5 charge upon the state pursuant to section 232.141 if there are
6 insufficient court-ordered services funds available in the
7 district allocation to pay for the service. The chief
8 juvenile court officer shall work with the judicial district
9 planning group to encourage use of the funds appropriated in
10 this section such that there are sufficient funds to pay for
11 all court-related services during the entire year. The eight
12 chief juvenile court officers shall attempt to anticipate
13 potential surpluses and shortfalls in the allocations and
14 shall cooperatively request the state court administrator to
15 transfer funds between the districts' allocations as prudent.

16 6. Notwithstanding any provision of law to the contrary, a
17 district or juvenile court shall not order a county to pay for
18 any service provided to a juvenile pursuant to an order
19 entered under chapter 232 which is a charge upon the state
20 under section 232.141, subsection 4.

21 7. Of the funds appropriated in this section, not more
22 than \$200,000 may be used by the judicial department for
23 administration of the requirements under this section and for
24 travel associated with court-ordered placements which are a
25 charge upon the state pursuant to section 232.141, subsection
26 4.

27 8. Of the funds appropriated in this section, not more
28 than \$400,000 may be transferred to the appropriation in this
29 Act for child and family services and used to provide school-
30 based supervision of children adjudicated under chapter 232.

31 Sec. 13. MENTAL HEALTH INSTITUTES. There is appropriated
32 from the general fund of the state to the department of human
33 services for the fiscal year beginning July 1, 1995, and
34 ending June 30, 1996, the following amount, or so much thereof
35 as is necessary, to be used for the purposes designated:

1 For the state mental health institutes for salaries,
2 support, maintenance, and miscellaneous purposes and for not
3 more than the following full-time equivalent positions:

4 \$ 43,214,775
5 FTEs 954.75

6 1. The funds appropriated and full-time equivalent
7 positions authorized in this section are allocated as follows:

8 a. State mental health institute at Cherokee:

9 \$ 14,842,902
10 FTEs 331.13

11 b. State mental health institute at Clarinda:

12 \$ 6,009,326
13 FTEs 136.82

14 c. State mental health institute at Independence:

15 \$ 17,594,062
16 FTEs 401.82

17 d. State mental health institute at Mount Pleasant:

18 \$ 4,768,485
19 FTEs 84.98

20 2. Within the funds appropriated in this section, the
21 department may reallocate funds as necessary to best fulfill
22 the needs of the institutions provided for in the
23 appropriation.

24 3. As part of the discharge planning process at the state
25 mental health institutes, the department shall provide
26 assistance in obtaining eligibility for federal supplemental
27 security income (SSI) to those individuals whose care at a
28 state mental health institute is the financial responsibility
29 of the state.

30 Sec. 14. HOSPITAL-SCHOOLS. There is appropriated from the
31 general fund of the state to the department of human services
32 for the fiscal year beginning July 1, 1995, and ending June
33 30, 1996, the following amount, or so much thereof as is
34 necessary, to be used for the purposes designated:

35 For the state hospital-schools, for salaries, support,

1 maintenance, and miscellaneous purposes and for not more than
2 the following full-time equivalent positions:

3 \$ 66,276,739

4 FTEs 1,666.00

5 1. The funds appropriated and full-time equivalent
6 positions authorized in this section are allocated as follows:

7 a. State hospital-school at Glenwood:

8 \$ 35,838,799

9 FTEs 910.00

10 b. State hospital-school at Woodward:

11 \$ 30,437,940

12 FTEs 756.00

13 2. Within the funds appropriated in this section, the
14 department may reallocate funds as necessary to best fulfill
15 the needs of the institutions provided for in the
16 appropriation.

17 Sec. 15. MENTAL ILLNESS SPECIAL SERVICES. There is
18 appropriated from the general fund of the state to the
19 department of human services for the fiscal year beginning
20 July 1, 1995, and ending June 30, 1996, the following amount,
21 or so much thereof as is necessary, to be used for the purpose
22 designated:

23 For mental illness special services:

24 1995-96 FY \$ 121,220

25 1. The department and the Iowa finance authority shall
26 develop methods to implement the financing for existing
27 community-based facilities and to implement financing for the
28 development of affordable community-based housing facilities.
29 The department shall assure that clients are referred to the
30 housing as it is developed.

31 2. The funds appropriated in this section are to provide
32 funds for construction and start-up costs to develop community
33 living arrangements to provide for persons who are mentally
34 ill and homeless. These funds may be used to match federal
35 Stewart B. McKinney Homeless Assistance Act grant funds.

1 Sec. 16. FAMILY SUPPORT SUBSIDY PROGRAM. There is
2 appropriated from the general fund of the state to the
3 department of human services for the fiscal year beginning
4 July 1, 1995, and ending June 30, 1996, the following amount,
5 or so much thereof as is necessary, to be used for the purpose
6 designated:

7 For the family support subsidy program:
8 \$ 1,116,236

9 Sec. 17. SPECIAL NEEDS GRANTS. There is appropriated from
10 the general fund of the state to the department of human
11 services for the fiscal year beginning July 1, 1995, and
12 ending June 30, 1996, the following amount, or so much thereof
13 as is necessary, to be used for the purpose designated:

14 To provide special needs grants to families with a family
15 member at home who has a developmental disability or to a
16 person with a developmental disability:
17 \$ 53,212

18 Grants must be used by a family to defray special costs of
19 caring for the family member to prevent out-of-home placement
20 of the family member or to provide for independent living
21 costs. A grant may provide up to \$5,000 per person for costs
22 associated with an assistive animal. The grants may be
23 administered by a private nonprofit agency which serves people
24 statewide provided that no administrative costs are received
25 by the agency. Regular reports regarding the special needs
26 grants with the family support subsidy program and an annual
27 report concerning the characteristics of the grantees shall be
28 provided to the legislative fiscal bureau.

29 Sec. 18. MI/MR/DD STATE CASES. There is appropriated from
30 the general fund of the state to the department of human
31 services for the fiscal year beginning July 1, 1995, and
32 ending June 30, 1996, the following amount, or so much thereof
33 as is necessary, to be used for the purposes designated:

34 For purchase of local services for persons with mental
35 illness, mental retardation, and developmental disabilities

1 where the client has no established county of legal
2 settlement:

3 \$ 5,473,492

4 Sec. 19. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES --

5 COMMUNITY SERVICES FUND. There is appropriated from the

6 general fund of the state to the mental health and

7 developmental disabilities services fund created in section

8 225C.7 for the fiscal year beginning July 1, 1995, and ending

9 June 30, 1996, the following amount, or so much thereof as is

10 necessary, to be used for the purpose designated:

11 For mental health and developmental disabilities community

12 services in accordance with this Act:

13 \$ 16,239,182

14 1. Of the funds appropriated in this section, \$15,888,182

15 shall be allocated to counties for funding of community-based

16 mental illness, mental retardation, developmental

17 disabilities, and brain injury services. The moneys shall be

18 allocated to a county as follows:

19 a. Fifty percent based upon the county's proportion of the

20 state's population of persons with an annual income which is

21 equal to or less than the poverty guideline established by the

22 federal office of management and budget.

23 b. Fifty percent based upon the county's proportion of the

24 state's general population.

25 2. a. A county shall utilize the funding the county

26 receives pursuant to subsection 1 for services provided to

27 persons with mental illness, mental retardation, developmental

28 disability, and brain injury (MI/MR/DD/BI). However, no more

29 than 50 percent of the funding shall be used for services

30 provided to any one of the service populations.

31 b. A county shall use at least 50 percent of the funding

32 the county receives under subsection 1 for contemporary

33 services provided to persons with MI/MR/DD/BI.

34 c. The mental health and developmental disabilities

35 commission shall adopt rules pursuant to chapter 17A

1 describing the contemporary services. The commission may
2 adopt emergency rules to implement this subsection.

3 3. Of the funds appropriated in this section, \$30,000
4 shall be used to support the Iowa compass program providing
5 computerized information and referral services for Iowans with
6 disabilities and their families.

7 4. The department shall submit an annual report concerning
8 each population served and each service funded in this section
9 to the chairpersons and ranking members of the joint
10 appropriations subcommittee on human services and the
11 legislative fiscal bureau.

12 5. a. A mental health and developmental disabilities
13 planning council established pursuant to section 225C.18 shall
14 develop plans for the provision of services for the fiscal
15 year beginning July 1, 1995, for persons with MI/MR/DD/BI in
16 the county or counties comprising the planning council.

17 b. County MI/MR/DD/BI expenditure reports for the prior
18 fiscal year are due to the department on or before October 15,
19 1995. The county MI/MR/DD/BI plan for the fiscal year
20 beginning July 1, 1995, is due to the department on or before
21 April 1, 1995.

22 6. a. Funding from the federal social services block
23 grant in the amount of \$13,038,763 is allocated for
24 distribution to counties for local purchase of services for
25 persons with mental illness or mental retardation or other
26 developmental disability.

27 b. The funds allocated in this subsection shall be
28 expended by counties in accordance with eligibility guidelines
29 established in the department's rules outlining general
30 provisions for service administration. Services eligible for
31 payment with funds allocated in this subsection are limited to
32 any of the following which are provided in accordance with the
33 department's administrative rules for the services: adult
34 support, adult day care, administrative support for
35 volunteers, community supervised apartment living

1 arrangements, residential services for adults, sheltered work,
2 supported employment, supported work training, transportation,
3 and work activity.

4 c. In purchasing services with funds allocated in this
5 subsection, a county shall designate a person to provide for
6 eligibility determination and development of a case plan for
7 individuals for whom the services are purchased. The
8 designated person shall be a medical assistance case manager
9 serving the person's county of residence. If an individual
10 does not have a case manager, the individual's eligibility
11 shall be determined by a social services caseworker of the
12 department serving the individual's county of residence. The
13 case plan shall be developed in accordance with the
14 department's rules outlining general provisions for service
15 administration.

16 d. Services purchased with funds allocated in this
17 subsection must be the result of a referral by the person who
18 identified the services in developing the individual's case
19 plan.

20 e. Services purchased with funds allocated in this
21 subsection must be under a purchase of service contract
22 established in accordance with the department's administrative
23 rules for purchase of service.

24 f. The funds provided by this subsection shall be
25 allocated to each county as follows:

26 (1) Fifty percent based upon the county's proportion of
27 the state's population of persons with an annual income which
28 is equal to or less than the poverty guideline established by
29 the federal office of management and budget.

30 (2) Fifty percent based upon the amount provided to the
31 county for local purchase services in the preceding fiscal
32 year.

33 g. Each county shall submit to the department a plan for
34 funding of the services eligible for payment under this
35 subsection. The plan may provide for allocation of the funds

1 for one or more of the eligible services. The plan shall
2 identify the funding amount the county allocates for each
3 service and the time period for which the funding will be
4 available. Only those services which have funding allocated
5 in the plan are eligible for payment with funds provided in
6 this subsection.

7 h. A county shall provide advance notice to the individual
8 receiving services, the service provider, and the person
9 responsible for developing the case plan of the date the
10 county determines that funding will no longer be available for
11 a service.

12 i. Moneys allocated to a county pursuant to paragraph "f"
13 shall be provided to the county as claims are submitted to the
14 state.

15 j. The moneys provided under this subsection do not
16 establish an entitlement to the services funded under this
17 subsection.

18 7. Of the funds allocated in subsection 1, not more than
19 \$248,862 shall be provided to those counties having
20 supplemental per diem contracts in effect on June 30, 1994,
21 under 1994 Iowa Acts, chapter 1186, section 19, subsection 7.
22 The amount provided to each county shall be equal to the
23 amount the county would be eligible to receive under the
24 supplemental per diem contracts in effect on June 30, 1994, if
25 the contracts were continued in effect for the entire fiscal
26 year beginning July 1, 1994.

27 8. Of the funds appropriated in this section, \$321,000
28 shall be allocated to counties in accordance with the
29 methodology for distribution of local purchase of services
30 moneys in subsection 6, paragraph "f". The moneys provided
31 pursuant to this subsection shall be used by counties to
32 increase reimbursement rates for local purchase services
33 listed in subsection 6, paragraph "b". The moneys provided in
34 this subsection shall not be considered by the department in
35 any calculation or methodology involving the purchase of

1 service system.

2 Sec. 20. FIELD OPERATIONS. There is appropriated from the
3 general fund of the state to the department of human services
4 for the fiscal year beginning July 1, 1995, and ending June
5 30, 1996, the following amount, or so much thereof as is
6 necessary, to be used for the purpose designated:

7 For field operations, including salaries, support,
8 maintenance, and miscellaneous purposes and for not more than
9 the following full-time equivalent positions:

10 \$ 38,238,205
11 FTEs 2029.50

12 Of the funds appropriated in this section, \$392,000 shall
13 be used for an additional 20 FTEs for adoption services.

14 Sec. 21. GENERAL ADMINISTRATION. There is appropriated
15 from the general fund of the state to the department of human
16 services for the fiscal year beginning July 1, 1995, and
17 ending June 30, 1996, the following amount, or so much thereof
18 as is necessary, to be used for the purpose designated:

19 For general administration, including salaries, support,
20 maintenance, and miscellaneous purposes and for not more than
21 the following full-time equivalent positions:

22 \$ 10,907,951
23 FTEs 375.50

24 1. Of the funds appropriated in this section, \$57,090 is
25 allocated for the prevention of disabilities policy council
26 established in section 225B.3.

27 2. In cooperation with the personal assistance and family
28 support services council, the Iowa family support initiative,
29 and the governor's planning council for developmental
30 disabilities, the department shall apply for any federal funds
31 made available through the federal Families of Children with
32 Disabilities Support Act of 1994, provided no new state or
33 county funds are needed to match the federal funds. The
34 department may use funds from existing programs as matching
35 funds, provided the program goals are consistent and

1 reductions in services for program recipients do not occur.
2 The department shall use the personal assistance and family
3 support services council to meet any federal requirements for
4 a state board policy group, or may use a subgroup of the
5 council if necessary for meeting federal specifications on
6 size, composition, configuration, or functioning relating to a
7 federal requirement for a policy group. The department's
8 planning for a comprehensive family support initiative under
9 section 225C.47 and this subsection shall address options for
10 a means test eligibility requirement and for local review of
11 the proposed options for an eligibility means test by existing
12 bodies such as the mental health and developmental
13 disabilities regional planning councils created pursuant to
14 section 225C.18.

15 Sec. 22. VOLUNTEERS. There is appropriated from the
16 general fund of the state to the department of human services
17 for the fiscal year beginning July 1, 1995, and ending June
18 30, 1996, the following amount, or so much thereof as is
19 necessary, to be used for the purpose designated:

20 For development and coordination of volunteer services:
21 \$ 85,793

22 Sec. 23. "X-PERT" PUBLIC ASSISTANCE BENEFIT ELIGIBILITY
23 DETERMINATION SYSTEM. There is appropriated from the general
24 fund of the state to the department of human services for the
25 fiscal year beginning July 1, 1995, and ending June 30, 1996,
26 the following amount, or so much thereof as is necessary, to
27 be used for the purpose designated:

28 For the development costs of the "X-PERT" knowledge-based
29 computer software package for public assistance benefit
30 eligibility determination, including salaries, support,
31 maintenance, and miscellaneous purposes and for not more than
32 the following full-time equivalent positions:

33 \$ 919,872
34 FTEs 17.00

35 Moneys appropriated in this section shall be considered

1 encumbered for the purposes of section 8.33.

2 Sec. 24. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
3 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
4 DEPARTMENT OF HUMAN SERVICES.

5 1. a. For the fiscal year beginning July 1, 1995, the
6 department of human services may allocate any increases in
7 payments for durable medical products and supplies so that
8 equipment and supplies which have greater wholesale cost
9 increases may be reimbursed at a higher rate and those which
10 have a lower or no wholesale cost increase may be reimbursed
11 at a lower rate or have no increase.

12 b. For the fiscal year beginning July 1, 1995, providers
13 of obstetric services when provided by physicians or certified
14 nurse-midwives shall have their medical assistance
15 reimbursement rates increased by 5.0 percent over the rates in
16 effect on June 30, 1995.

17 c. For the fiscal year beginning July 1, 1995, skilled
18 nursing facilities shall have their medical assistance rates
19 increased by 4.6 percent over the rates in effect on June 30,
20 1995.

21 d. The dispensing fee for pharmacists shall remain at the
22 rate in effect on June 30, 1995. The reimbursement policy for
23 drug product costs shall be in accordance with federal
24 requirements.

25 e. Reimbursement rates for in-patient and outpatient
26 hospital services shall be increased by an average of 4.2
27 percent over the rates in effect on June 30, 1995. The
28 department shall continue the outpatient hospital
29 reimbursement system based upon ambulatory patient groups
30 implemented pursuant to 1994 Iowa Acts, chapter 1186, section
31 25, subsection 1, paragraph "f". In addition, the department
32 shall continue the revised medical assistance payment policy
33 implemented pursuant to that paragraph to provide
34 reimbursement for costs of screening and treatment provided in
35 the hospital emergency room is made pursuant to the

1 prospective payment methodology developed by the department
2 for the payment of outpatient services provided under the
3 medical assistance program.

4 f. Reimbursement rates for rural health clinics shall be
5 increased in accordance with increases under the federal
6 medicare program.

7 g. Home health agencies certified for the federal medicare
8 program, hospice services, and acute care mental hospitals
9 shall be reimbursed for their current federal medicare audited
10 costs.

11 h. The basis for establishing the maximum medical
12 assistance reimbursement rate for nursing facilities shall be
13 the 70th percentile of facility costs as calculated from the
14 June 30, 1995, unaudited compilation of cost and statistical
15 data. However, to the extent funds are available within the
16 amount projected for reimbursement of nursing facilities
17 within the appropriation for medical assistance in this Act,
18 and within the appropriation for medical assistance as a
19 whole, the department shall adjust the maximum medical
20 assistance reimbursement for nursing facilities to the 70th
21 percentile, as calculated on December 31, 1995, unaudited
22 compilation of cost and statistical data and the adjustment
23 shall take effect January 1, 1996.

24 i. The department may revise the fee schedule used for
25 physician reimbursement.

26 j. Federally qualified health centers shall be reimbursed
27 at 100 percent of reasonable costs as determined by the
28 department in accordance with federal requirements.

29 k. Reimbursement for air ambulance service shall be \$7.50
30 per mile and the base rate is \$200.

31 2. For the fiscal year beginning July 1, 1995, the maximum
32 cost reimbursement rate for residential care facilities
33 reimbursed by the department shall be \$21.32 per day. The
34 flat reimbursement rate for facilities electing not to file
35 semiannual cost reports shall be \$15.25 per day. For the

1 fiscal year beginning July 1, 1995, the maximum reimbursement
2 rate for providers reimbursed under the in-home health-related
3 care program shall be \$409.89 per month.

4 3. Unless otherwise directed in this section, when the
5 department's reimbursement methodology for any provider
6 reimbursed in accordance with this section includes an
7 inflation factor, this factor shall not exceed the amount by
8 which the consumer price index for all urban consumers
9 increased during the calendar year ending December 31, 1994.

10 4. Notwithstanding section 234.38, in the fiscal year
11 beginning July 1, 1995, the foster family basic daily
12 maintenance rate and the maximum adoption subsidy rate for
13 children ages 0 through 5 years shall be \$11.61, the rate for
14 children ages 6 through 11 years shall be \$12.33, the rate for
15 children ages 12 through 15 years shall be \$13.45, and the
16 rate for children ages 16 and older shall be \$14.27.

17 Effective July 1, 1995, payments to foster and adoptive
18 families shall be calculated on a daily basis. Effective July
19 1, 1995, the special care allowance paid to adoptive families
20 who have adopted a child with special needs and is eligible
21 for an adoptive subsidy shall be the same as foster care.

22 5. For the fiscal year beginning July 1, 1995, the maximum
23 reimbursement rates for social service providers shall be the
24 same as the rates in effect on June 30, 1995, except under any
25 of the following circumstances:

26 a. If a new service was added after June 30, 1995, the
27 initial reimbursement rate for the service shall be based upon
28 actual and allowable costs.

29 b. If a social service provider loses a source of income
30 used to determine the reimbursement rate for the provider, the
31 provider's reimbursement rate may be adjusted to reflect the
32 loss of income, provided that the lost income was used to
33 support actual and allowable costs of a service purchased
34 under a purchase of service contract.

35 6. The group foster care reimbursement rates paid for

1 placement of children out-of-state shall be calculated
2 according to the same rate-setting principles as those used
3 for in-state providers unless the director determines that
4 appropriate care cannot be provided within the state. The
5 payment of the daily rate shall be based on the number of days
6 in the calendar month in which service is provided.

7 7. The maximum daily reimbursement rate for shelter care
8 shall not exceed \$75.56. Payment shall be based on the number
9 of days in the calendar month in which the service is
10 provided.

11 8. The department may adopt emergency rules to implement
12 the provisions of this section.

13 Sec. 25. ASSISTANCE TO GAMBLERS. The Iowa lottery board
14 and the state racing and gaming commission shall cooperate
15 with the gamblers assistance program to incorporate
16 information regarding the gamblers assistance program and its
17 toll-free telephone number in printed materials distributed by
18 the board and commission. The commission may require
19 licensees to have the information available in a conspicuous
20 place as a condition of licensure.

21 Sec. 26. STATE INSTITUTIONS -- CLOSINGS AND REDUCTIONS.
22 If a state institution administered by the department of human
23 services is to be closed or reduced in size, prior to the
24 closing or reduction the department shall initiate and
25 coordinate efforts in cooperation with the Iowa department of
26 economic development to develop new jobs in the area in which
27 the state institution is located. In addition, the department
28 may take other actions to utilize the facilities of an
29 institution, including but not limited to assisting not-for-
30 profit users with remodeling and lease costs by forgiving
31 future rental or lease payments to the extent necessary for a
32 period not to exceed five years.

33 Sec. 27. 1994 Iowa Acts, chapter 1186, section 10,
34 unnumbered paragraph 2, is amended to read as follows:

35 For child and family services:

1 \$ 74,761,776.12
2 81,264,807

3 Sec. 28. 1994 Iowa Acts, chapter 1186, section 18,
4 unnumbered paragraph 2, is amended to read as follows:
5 For purchase of local services for persons with mental
6 illness, mental retardation, and developmental disabilities
7 services where the client has no established county of legal
8 settlement:

9 \$ 5,973,492
10 2,973,492

11 Sec. 29. 1994 Iowa Acts, chapter 1186, section 19,
12 unnumbered paragraph 2, is amended to read as follows:
13 For mental illness, mental retardation, developmental
14 disabilities, and brain injury community services in
15 accordance with the provisions of this Act:

16 \$ 29,277,958
17 21,860,789

18 Sec. 30. 1994 Iowa Acts, chapter 1186, section 19,
19 subsection 6, paragraph a, as amended by 1994 Iowa Acts,
20 chapter 1199, section 70, is amended to read as follows:
21 a. Of the funds appropriated in this section, ~~\$13,038,763~~
22 \$5,621,594 is allocated for distribution to counties for local
23 purchase of services for persons with mental illness or mental
24 retardation or other developmental disability.

25 Sec. 31. 1994 Iowa Acts, chapter 1186, section 20,
26 unnumbered paragraph 2, is amended to read as follows:
27 For field operations, including salaries, support,
28 maintenance, and miscellaneous purposes:

29 \$ 37,567,639
30 41,337,613

31 Sec. 32. 1994 Iowa Acts, chapter 1194, section 10,
32 subsections 2 and 3, are amended to read as follows:

33 2. Not more than ~~\$1,725,148~~ 2,078,730 of the funds
34 appropriated in subsection 1 shall be used by the department
35 of human services for general administration. From the funds

1 set aside by this subsection for general administration, the
 2 department of human services shall pay to the auditor of state
 3 an amount sufficient to pay the cost of auditing the use and
 4 administration of the state's portion of the funds
 5 appropriated in subsection 1.

6 3. In addition to the allocation for general
 7 administration in subsection 2, the remaining funds
 8 appropriated in subsection 1 shall be allocated in the
 9 following amounts to supplement appropriations for the federal
 10 fiscal year beginning October 1, 1994, for the following
 11 programs within the department of human services:

12	a. Field operations:	
13	.....	\$ 12,124,297
14		<u>11,322,332</u>
15	b. Child and family services:	
16	.....	\$ 14,101,709
17		<u>-0-</u>
18	c. Child care assistance:	
19	.....	\$ 17,310,652
20		<u>1,581,230</u>
21	d. Local administrative costs and other local services:	
22	.....	\$ 17,164,210
23		<u>1,462,851</u>
24	e. Volunteers:	
25	.....	\$ 122,778
26		<u>148,259</u>
27	f. Community-based services:	
28	.....	\$ 146,321
29		<u>183,855</u>
30	g. <u>Local purchase:</u>	
31	.....	\$ 10,917,169
32	h. <u>MI/MR state cases:</u>	
33	.....	\$ 3,000,000

34 Sec. 33. EMERGENCY RULES. If specifically authorized by a
 35 provision of this Act, the department of human services or the

1 mental health and mental retardation commission may adopt
2 administrative rules under section 17A.4, subsection 2, and
3 section 17A.5, subsection 2, paragraph "b", to implement the
4 provisions and the rules shall become effective immediately
5 upon filing, unless the effective date is delayed by the
6 administrative rules review committee or a later effective
7 date is specified in the rules. In addition, the department
8 may adopt administrative rules in accordance with the
9 provisions of this section as necessary to comply with federal
10 requirements or to adjust to a change in the level of federal
11 funding which affect refugee programs during the fiscal year
12 beginning July 1, 1995, and ending June 30, 1996. Any rules
13 adopted in accordance with the provisions of this section
14 shall not take effect before the rules are reviewed by the
15 administrative rules review committee. Any rules adopted in
16 accordance with the provisions of this section shall also be
17 published as notice of intended action as provided in section
18 17A.4.

19 Sec. 34. EMERGENCY RULES -- FEDERAL PROGRAMS. If federal
20 funding authority and requirements applicable to the fiscal
21 year beginning July 1, 1995, are modified prior to the 1996
22 Session of the Seventy-seventh General Assembly, the
23 department of human services shall seek continuation of
24 service strategies as modified by federal policy and funding
25 until such time as the Seventy-seventh General Assembly adopts
26 changes. The department may adopt emergency rules as
27 necessary to continue services to citizens.

28 Sec. 35. EFFECTIVE DATE. Sections 27 through 32 of this
29 Act, amending 1994 Iowa Acts, chapters 1186 and 1194, being
30 deemed of immediate importance, take effect upon enactment.

31

EXPLANATION

32 This bill makes appropriations for the 1995-1996 fiscal
33 year to the department of human services for human services
34 and health care programs.

35 The bill also makes reductions and supplements other human

1 services state and federal block grant appropriations in 1994
2 Iowa Acts, chapter 1186 and 1194, for the 1994-1995 fiscal
3 year. These changes take effect upon enactment.

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HOUSE FILE 534

H-3776

1 Amend House File 534 as follows:

2 1. Page 36, by inserting after line 1 the
3 following:

4 "Sec. 100. PERSONAL ASSISTANCE SERVICES.

5 1. The department of human services, in
6 consultation with the personal assistance and family
7 support services council created in section 225C.48,
8 shall submit a request to the United States department
9 of health and human services to amend the mental
10 retardation and the ill and handicapped home and
11 community-based services waivers to include the
12 provision of consumer-directed attendant care as a
13 fundable service under the medical assistance home and
14 community-based services waiver. If approved, the
15 consumer-directed attendant care services portion of
16 the waiver as provided in 1994 Iowa Acts, chapter
17 1041, section 5, shall be implemented immediately
18 following approval.

19 2. The department of human services, in
20 consultation with the personal assistance and family
21 support services council created in section 225C.48,
22 shall submit a waiver request to the United States
23 department of health and human services for approval
24 of funding of services provided to persons with
25 physical disabilities through the medical assistance
26 home and community-based services waiver, including
27 consumer-directed attendant care services. If
28 approved, the services, as provided in 1994 Iowa Acts,
29 chapter 1041, section 5, shall be implemented
30 immediately following approval. The department shall
31 use existing state funds to draw down federal funds
32 for the consumer-directed attendant services. The
33 department shall not propose or implement the medical
34 assistance home and community-based waiver for
35 services for persons with physical disabilities in a
36 manner which would require county funding to match
37 federal funding. The nonfederal funding match shall
38 be provided only through expenditure of state funds
39 from existing human services programs, including but
40 not limited to the in-home-health-related program and
41 other programs which are funded solely through
42 expenditure of state funds.

43 Sec. 200. PERSONAL ASSISTANCE SERVICES --
44 APPROPRIATION. There is appropriated from the general
45 fund of the state to the department of human services
46 for the fiscal year beginning July 1, 1995, and ending
47 June 30, 1996, the following amount, or so much
48 thereof as is necessary, to be used for the purpose
49 designated:

50 For the personal assistance services program

H-3776

Page 2

1 created in section 225C.46:

2 \$ 2,889,723"

3 2. By striking page 36, line 27, through page 37,
4 line 14.

5 3. Page 44, line 29, by inserting after the
6 figure "1194," the following: "and sections 100 and
7 200 of this Act relating to personal assistance
8 services,".

9 4. By renumbering as necessary.

By RUNNING of Linn

HOUSE F

H-3484

- 1 Amend House File 534 as follows:
- 2 1. Page 6, line 33, by inserting after the word
- 3 "subsection." the following: "Prior authorization
- 4 shall not be required for clozapine in addition to the
- 5 standards for clozapine existing in administrative
- 6 rules in effect on March 1, 1995."

By HARPER of Black Hawk

H-3484 FILED MARCH 27, 1995

HOUSE FILE 534

H-3796

- 1 Amend House File 534 as follows:
- 2 1. Page 40, by inserting after line 34 the
- 3 following:
- 4 "c. If the department of human services revises
- 5 the reimbursement rates due to implementation of a
- 6 redesigned purchase of services system."

By WITT of Black Hawk

HOUSER of Pottawattamie

H-3796 FILED APRIL 6, 1995