

FILED JAN 24 1995

SENATE FILE 57
BY FREEMAN

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

A BILL FOR

1 An Act relating to the amending of the state medical assistance
2 plan.

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

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S.F. 57

1 Section 1. STATE MEDICAL ASSISTANCE PLAN -- AMENDMENT.
2 The department of human services shall submit to the United
3 States health care financing administration an amendment to
4 the state medical assistance plan pursuant to chapter 249A
5 which would increase the rate, by five cents per day, to
6 nursing facilities which use cloth diapers for residents. The
7 department shall adopt rules pursuant to chapter 17A to
8 determine the method for documenting use of cloth diapers by
9 and for payment to the nursing facilities.

10 EXPLANATION

11 This bill requires the department of human services to
12 amend the state medical assistance plan to increase the rate
13 to nursing facilities, by five cents per day, that use cloth
14 diapers for residents. The department is required to adopt
15 rules to determine the method of documentation of the use of
16 the diapers by and for payment to the facilities.

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**SENATE FILE 57
FISCAL NOTE**

A fiscal note for Senate File 57 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.

Senate File 57 requires the Department of Human Services to amend the State Medical Assistance Plan to increase the rate to nursing facilities, by five cents per day, that use cloth diapers for residents.

ASSUMPTIONS

1. Half of the facilities (and the corresponding bed days) would choose to use cloth diapers for residents.
2. The federal government would determine that the five cent per bed day charge would be an allowable expense and the State would receive reimbursement for the charge at the Federal Medical Assistance Program match rate.

FISCAL EFFECT

The fiscal effect of Senate File 57 is a General Fund cost of \$55,110 per year (3,000,000 x 0.05 x 36.74%).

	<u>FY 1997</u>	<u>FY 1998</u>
Total Number of Bed Days	6,000,000	6,000,000
X 50.0% Participation	3,000,000	3,000,000
Additional Payment Per Bed Day	\$ 0.05	\$ 0.05
Total Increased Cost	\$ 150,000	\$ 150,000
State Match Rate	36.74%	36.74%
Net General Fund Impact	<u>\$ 55,110</u>	<u>\$ 55,110</u>

SOURCES

Department of Human Services
Legislative Fiscal Bureau calculation

(LSB 1089xs, LCS)

FILED MARCH 5, 1996

BY DENNIS PROUTY, FISCAL DIRECTOR