

MAR 11 1999

LOCAL GOVERNMENT

HOUSE FILE
BY HEATON

645

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

A BILL FOR

1 An Act authorizing a provider of medical assistance for mental
2 health and mental retardation services for which the
3 nonfederal share is a county liability to bill the liability
4 amount directly to the county.

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

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HF 645

1 Section 1. Section 249A.12, subsections 2 and 3, Code
2 1999, are amended to read as follows:

3 2. A county shall reimburse the department on a monthly
4 basis for that portion of the cost of assistance provided
5 under this section to a recipient with legal settlement in the
6 county, which is not paid from federal funds, if the
7 recipient's placement has been approved by the appropriate
8 review organization as medically necessary and appropriate. A
9 county of legal settlement which has paid the service provider
10 directly for that portion of the cost of assistance which is
11 not paid from federal funds pursuant to section 249A.26 shall
12 not be required to reimburse the state for the amount paid.

13 The department's goal for the maximum time period for
14 submission of a claim to a county is not more than sixty days
15 following the submission of the claim by the provider of the
16 service to the department. The department's goal for
17 completion and crediting of a county for cost settlement for
18 the actual costs of a home and community-based waiver service
19 is within two hundred seventy days of the close of a fiscal
20 year for which cost reports are due from providers. The
21 department shall place all reimbursements from counties in the
22 appropriation for medical assistance, and may use the
23 reimbursed funds in the same manner and for any purpose for
24 which the appropriation for medical assistance may be used.

25 3. If a county reimburses the department for medical
26 assistance provided under this section or pays the service
27 provider directly pursuant to section 249A.26 and the amount
28 of medical assistance is subsequently repaid through a medical
29 assistance income trust or a medical assistance special needs
30 trust as defined in section 633.707, the department shall
31 reimburse the county on a proportionate basis. The department
32 shall adopt rules to implement this subsection.

33 Sec. 2. Section 249A.26, Code 1999, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 4. If a county of legal settlement is

1 liable in whole or part for the nonfederal share of medical
2 assistance funding of the costs of a service provided to a
3 person with mental illness, or mental retardation or other
4 developmental disability, the service provider may bill the
5 county directly for the amount of the county's liability. The
6 county's payment of the liability amount to the service
7 provider shall be deemed to discharge the county
8 responsibility to reimburse the state for that liability.

9 EXPLANATION

10 This bill authorizes a provider of medical assistance for
11 mental health and mental retardation services for which the
12 nonfederal share is a county liability to bill the liability
13 amount directly to the county. The bill amends Code chapter
14 249A, relating to medical assistance (Medicaid), to allow for
15 county payment of the direct billing by the provider in lieu
16 of reimbursing the state.

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