	HUMAN RESOURCES
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	SENATE FILE 263
	BY HAMMOND, BLACK, BOLKCOM,
	CONNOLLY, DEARDEN, DELUHERY,
	DVORSKY, FINK, FLYNN, FRAISE,
	HARPER, KIBBIE, McCOY, SHEARER,
	SOUKUP, JUDGE, and GRONSTAL
Passed Senate, Date	Passed House, Date
Vote: Ayes Nays	_ Vote: Ayes Nays
Approved	

## A BILL FOR

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1	An	Act relating to and making an appropriation from the tobacco
2		settlement fund to the department of human services for
3		reimbursement of providers under the medical assistance
4		program and providing an effective date and providing for
5		retroactive applicability.
6	BE	IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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SF 2123 HUMAN RESOURCES

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Section 1. TOBACCO SETTLEMENT FUND -- APPROPRIATION TO DEPARTMENT OF HUMAN SERVICES. There is appropriated from the tobacco settlement fund created in section 12.65 to the department of human services for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

8 To the department of human services to implement 9 reimbursement increases and reimbursement methodology changes 10 for program providers under the purview of the department of 11 human services:

12 ..... \$ 11,250,000

13 1. The department shall review reimbursements and
14 reimbursement methodology for program providers under the
15 purview of the department of human services and shall
16 determine appropriate changes. These changes may be
17 implemented with funding available under this section.
18 2. The department may transfer funds appropriated in this
19 section to other appropriations made to the department as
20 necessary to carry out the purpose of this section.
21 Sec. 2. Section 12.65, Code 1999, is amended to read as
22 follows:

23 12.65 TOBACCO SETTLEMENT FUND.

1. A tobacco settlement fund is created in the office of the treasurer of state. After payment of litigation costs, the state portion of any moneys paid to the state by tobacco companies in settlement of the state's lawsuit for recovery of public expenditures associated with tobacco use shall be geposited in the tobacco settlement fund. Moneys deposited in the fund shall be used only as provided in appropriations from the fund to-the-department-of-human-services-for-the-medical assistance-program-and-to-the-Iowa-department-of-public-health for health care-related programs to-reduce-smoking-by-teenage youth. For purposes of this section, "litigation costs" are those costs itemized by the attorney general and submitted to

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1 and approved by the general-assembly executive council.

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2. On June 30, 2001, the balance remaining in the tobacco
3 settlement fund shall be transferred to the general fund of
4 the state. Beginning July 1, 2001, the tobacco settlement
5 fund shall be considered part of the general fund of the
6 state. However, the state portion of the moneys received
7 shall only be appropriated for health care-related programs.
8 Sec. 3. EFFECTIVE DATE. The section in this Act amending
9 section 12.65, being deemed of immediate importance, takes
10 effect upon enactment and is retroactively applicable to July
11 1, 1999.

## EXPLANATION

13 This bill relates to the tobacco settlement fund, makes an 14 appropriation to the department of human services from the 15 fund, and provides conforming provisions relating to the 16 expenditure of the funds.

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The bill also appropriates \$11,250,000 to the department of human services to implement reimbursement increases or methodology changes for program providers under the purview of the department of human services. The department is directed to review reimbursements and reimbursement methodologies for program providers under the purview of the department of human services, determine appropriate changes, and implement the changes with the funding available under the appropriation. The department is also authorized to transfer the funds provided related to reimbursements to other appropriations to the department as necessary to carry out the purpose of the appropriation related to reimbursements.

The bill also amends codified provisions relating to the tobacco settlement fund and to the provisions of the bill. The bill amends Code section 12.65, the tobacco settlement fund, to provide that moneys deposited in the fund shall be used only as provided in appropriations from the fund for health care-related programs. The amendment to the section salso provides that litigation costs, which are to be paid

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1 prior to deposit of moneys in the fund, are to be submitted to 2 and approved by the executive council. The executive council, 3 under Code section 7D.1, includes the governor, secretary of 4 state, auditor of state, treasurer of state, and the secretary 5 of agriculture. The bill also amends Code section 12.65 to 6 provide that the balance remaining in the tobacco settlement 7 fund shall be transferred to the general fund of the state 8 effective June 30, 2001. Additionally, beginning July 1, 9 2001, the tobacco settlement fund is to be considered part of 10 the general fund of the state. However, the state portion of 11 the tobacco settlement funds are to continue to only be 12 appropriated for health care-related programs. Code section 13 12.65 as amended in the bill is effective upon enactment and 14 is retroactively applicable to July 1, 1999. 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35