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SSB-3159
Human Resources

Succeeded By
SENATE FILE SP/HF 2193
BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON BOETTGER)

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

A BILL FOR

1 An Act relating to the establishment of a senior living program,
2 including the creation of a senior living trust fund,
3 providing for the development and provision of senior living
4 program information and electronic access, providing for a
5 caregiver support and education program, providing for a
6 senior living insurance policy and incentives study, providing
7 for allocation of the moneys in the senior living trust fund,
8 making appropriations, and providing an effective date, and
9 providing for retroactive applicability.

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

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DIVISION I

TITLE AND FINDINGS

Section 1. NEW SECTION. 249H.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Senior Living Program Act".

Sec. 2. NEW SECTION. 249H.2 LEGISLATIVE FINDINGS --

GOAL.

1. The general assembly finds that:

a. The preservation, improvement, and coordination of the health care infrastructure of Iowa is critical to the health and safety of Iowans.

b. An increasing number of seniors and persons with disabilities in the state require long-term care services provided outside of a medical institution.

c. A full array of long-term care services is necessary to provide cost-effective and appropriate services to the varied population of health care consumers.

d. The supported development of long-term care alternatives, including assisted-living facility services, adult day care, and home and community-based services, is critical in areas of the state where such alternatives otherwise are not likely to be developed.

e. Cost containment in the delivery of health care is necessary to improve services and access for all Iowans.

f. Grants are necessary to cover the expenditures related to the development of alternative health care services.

Development of these alternatives will improve access to and delivery of long-term care services to underserved individuals or in underserved areas, which will in turn contain or reduce the cost and improve the quality of health care services.

g. A continuing source of funding is necessary to enhance the state's ability to meet the rising demand of seniors with low and moderate incomes in obtaining an appropriate variety of long-term care services.

2. The goal of this program is to create a comprehensive

1 long-term care system that is consumer-directed, provides a
2 balance between the alternatives of institutionally and
3 noninstitutionally provided services, and contributes to the
4 quality of the lives of Iowans.

5 DIVISION II

6 IOWA SENIOR LIVING PROGRAM

7 Sec. 3. NEW SECTION. 249H.3 DEFINITIONS.

8 As used in this chapter, unless the context otherwise
9 provides:

10 1. "Affordable" means rates for payment of services which
11 do not exceed the rates established for providers of medical
12 and health services under the medical assistance program with
13 eligibility for an individual equal to the eligibility for
14 medical assistance pursuant to section 249A.3. In relation to
15 services provided by a provider of services under a home and
16 community based waiver, "affordable" means that the total
17 monthly cost of the home and community-based waiver services
18 provided do not exceed the cost for that level of care as
19 established by rule by the department of human services,
20 pursuant to chapter 17A, in consultation with the department
21 of elder affairs.

22 2. "Assisted living" means assisted living as defined in
23 section 231C.2.

24 3. "Case mix reimbursement" means a reimbursement
25 methodology that recognizes the acuity and need level of the
26 residents of a nursing facility.

27 4. "Long-term care alternatives" means those services
28 specified under the medical assistance program as home and
29 community-based waiver services for elder persons or adults
30 with disabilities, elder group homes certified under chapter
31 231B, assisted-living programs certified under chapter 231C,
32 and the PACE program.

33 5. "Long-term care provider" means a provider of services
34 through long-term care alternatives.

35 6. "Long-term care service development" means any of the

1 following:

2 a. The remodeling of existing space and, if necessary, the
3 construction of additional space required to accommodate
4 development of long-term care alternatives, excluding the
5 development of assisted-living programs or elder group home
6 alternatives.

7 b. New construction for long-term care alternatives,
8 excluding new construction of assisted-living programs or
9 elder group homes, if the senior living coordinating unit
10 determines that new construction is more cost-effective than
11 the conversion of existing space.

12 7. "Nursing facility" means a licensed nursing facility as
13 defined in section 135C.1 or a licensed hospital as defined in
14 section 135B.1, a distinct part of which provides long-term
15 care nursing facility beds.

16 8. "Nursing facility conversion" means any of the
17 following:

18 a. The remodeling of nursing facility space existing on
19 July 1, 1999, and certified for medical assistance nursing
20 facility reimbursement and, if necessary, the construction of
21 additional space required to accommodate an assisted-living
22 program.

23 b. New construction of an assisted-living program if
24 existing nursing facility beds are no longer licensed and the
25 senior living coordinating unit determines that new
26 construction is more cost-effective than the conversion of
27 existing space.

28 9. "PACE program" means a program of all-inclusive care
29 for the elderly established pursuant to 42 U.S.C. § 1396(u)(4)
30 that provides delivery of comprehensive health and social
31 services to seniors by integrating acute and long-term care
32 services, and that is operated by a public, private,
33 nonprofit, or proprietary entity. "Pre-PACE program" means a
34 PACE program in the initial start-up phase that provides the
35 same scope of services as a PACE program.

1 10. "Persons with disabilities" means individuals eighteen
2 years of age or older with disabilities as disability is
3 defined in section 225B.2.

4 11. "Senior" means elder as defined in section 231.4 and
5 as defined under the PACE program pursuant to 42 U.S.C. §
6 1396(u)(4).

7 12. "Senior living coordinating unit" means the senior
8 living coordinating unit created within the department of
9 elder affairs pursuant to section 231.58, or its designee.

10 13. "Senior living program" means the senior living
11 program created in this chapter to provide for long-term care
12 alternatives, long-term care service development, and nursing
13 facility conversion.

14 Sec. 4. NEW SECTION. 249H.4 SENIOR LIVING TRUST FUND --
15 CREATED -- APPROPRIATIONS.

16 1. A senior living trust fund is created in the state
17 treasury under the authority of the department of human
18 services. Moneys received through intergovernmental
19 agreements for the senior living program and moneys received
20 from sources, including grants, contributions, and participant
21 payments, shall be deposited in the fund.

22 2. The department of human services, upon receipt of
23 federal revenue on or after October 1, 1999, from public
24 nursing facilities participating in the medical assistance
25 program, shall deposit the federal revenue received in the
26 trust fund, less a sum of five thousand dollars as an
27 administration fee per participating public nursing facility.

28 3. Moneys deposited in the trust fund shall be used only
29 for the purposes of the senior living program as specified in
30 this chapter.

31 4. The trust fund shall be operated in accordance with the
32 guidelines of the health care financing administration of the
33 United States department of health and human services. The
34 trust fund shall be separate from the general fund of the
35 state and shall not be considered part of the general fund of

1 the state. The moneys in the trust fund shall not be
2 considered revenue of the state, but rather shall be funds of
3 the senior living program. The moneys in the trust fund are
4 not subject to section 8.33 and shall not be transferred,
5 used, obligated, appropriated, or otherwise encumbered, except
6 to provide for the purposes of this chapter. Notwithstanding
7 section 12C.7, subsection 2, interest or earnings on moneys
8 deposited in the trust fund shall be credited to the trust
9 fund.

10 5. The department of human services shall adopt rules
11 pursuant to chapter 17A to administer the trust fund and to
12 establish procedures for participation by public nursing
13 facilities in the intergovernmental transfer of funds to the
14 senior living trust fund.

15 6. The treasurer of state shall provide a quarterly report
16 of trust fund activities and balances to the senior living
17 coordinating unit.

18 Sec. 5. NEW SECTION. 249H.5 ALLOCATIONS -- SENIOR LIVING
19 TRUST FUND.

20 1. Moneys deposited in the senior living trust fund
21 created in section 249H.4 shall be used only as provided in
22 appropriations from the trust fund to the department of human
23 services and the department of elder affairs, and for
24 purposes, including the awarding of grants, as specified in
25 this chapter.

26 2. Moneys in the trust fund are allocated, subject to
27 their appropriation by the general assembly, as follows:

28 a. To the department of human services, a maximum of
29 sixty-five million dollars for the fiscal period beginning
30 July 1, 2000, and ending on or before June 30, 2005, to be
31 used for the conversion of existing nursing facility space and
32 development of long-term care alternatives.

33 b. To the department of elder affairs, an amount
34 necessary, annually, for expenses incurred in implementation
35 and administration of the long-term care alternatives programs

1 and for delivery of long-term care services to seniors with
2 low or moderate incomes.

3 c. To the department of human services, an amount
4 necessary, annually, for all of the following:

5 (1) Expenses incurred in implementation of the senior
6 living program.

7 (2) Expenses incurred in administration of medical
8 assistance home and community-based waivers and the PACE
9 program due to implementation of the senior living trust fund.

10 (3) Expenses incurred due to increased service delivery
11 provided under medical assistance home and community-based
12 waivers as a result of nursing facility conversions and long-
13 term care service development, for the fiscal period beginning
14 July 1, 2000, and ending on or before June 30, 2005.

15 (4) Expenses incurred in program administration related to
16 implementation of nursing facility case mix reimbursement
17 under the medical assistance program.

18 d. To the department of human services, an amount
19 necessary to provide funding for nursing facility provider
20 reimbursements, using the percentile-based reimbursement
21 system, and to provide funding for the transition to a case-
22 mix reimbursement system. Funding shall be provided under
23 this section for the percentile-based reimbursement system,
24 until such time as the case-mix reimbursement system is fully
25 implemented.

26 e. To the department of human services an amount
27 necessary, annually, for additional expenses incurred relative
28 to implementation of the senior living program in assisting
29 home and community-based waiver consumers with rent expenses
30 pursuant to the state supplementary assistance program.

31 3. Any funds remaining after disbursement of moneys under
32 subsection 2 shall be invested with the interest earned to be
33 available in subsequent fiscal years for the purposes provided
34 in subsection 2, paragraph "b", and subsection 2, paragraph
35 "c", subparagraphs (1) and (2).

1 Sec. 6. NEW SECTION. 249H.6 NURSING FACILITY CONVERSION
2 AND LONG-TERM CARE SERVICES DEVELOPMENT GRANTS.

3 1. The department of human services, at the direction of
4 the senior living coordinating unit, may use moneys
5 appropriated to the department from the senior living trust
6 fund to award grants to any of the following:

7 a. A licensed nursing facility that has been an approved
8 provider under the medical assistance program for the three-
9 year period prior to application for the grant. The grant
10 awarded may be used to convert all or a portion of the
11 licensed nursing facility to a certified assisted-living
12 program and may be used for capital or one-time expenditures,
13 including but not limited to start-up expenses, training
14 expenses, and operating losses for the first year of operation
15 following conversion associated with the nursing facility
16 conversion.

17 b. A long-term care provider or a licensed nursing
18 facility that has been an approved provider under the medical
19 assistance program for the three-year period prior to
20 application for the grant or a provider that will meet
21 applicable medical assistance provider requirements as
22 specified in subsection 2, paragraph "c" or "d". The grant
23 awarded may be used for capital or one-time expenditures,
24 including but not limited to start-up expenses, training
25 expenses, and operating losses for the first year of operation
26 for long-term care service development.

27 2. A grant shall be awarded only to an applicant who meets
28 all of the following criteria, as applicable to the type of
29 grant:

30 a. The applicant is a long-term care provider or a nursing
31 facility that is located in an area determined by the long-
32 term care coordinating unit to be underserved with respect to
33 a particular long-term care alternative service, and that has
34 demonstrated the ability or potential to provide quality long-
35 term care alternative services.

1 b. The applicant is able to provide a minimum matching
2 contribution of twenty percent of the total cost of any
3 conversion, remodeling, or construction.

4 c. The applicant is applying for a nursing facility
5 conversion grant and is able to demonstrate all of the
6 following:

7 (1) Conversion of the nursing facility or a distinct
8 portion of the nursing facility to an assisted-living program
9 is projected to offer efficient and economical care to
10 individuals requiring long-term care services in the service
11 area.

12 (2) Assisted-living services are otherwise not likely to
13 be available in the area for individuals eligible for services
14 under the medical assistance program.

15 (3) The resulting reduction in the availability of nursing
16 facility services is not projected to cause undue hardship on
17 those individuals requiring nursing facility services for a
18 period of at least ten years.

19 (4) Public support following a community-based assessment.

20 (5) Conversion of the nursing facility is projected to
21 result in a lower per client reimbursement cost to the grant
22 applicant under the medical assistance program.

23 d. The applicant is applying for a long-term care service
24 development grant and is able to demonstrate all of the
25 following:

26 (1) Long-term care service development is projected to
27 offer efficient and economical care to individuals requiring
28 long-term care services in the service area.

29 (2) The proposed long-term care alternative is otherwise
30 not likely to be available in the area for individuals
31 eligible for services under the medical assistance program.

32 (3) Public support following a community-based assessment.

33 e. The applicant agrees to do all of the following as
34 applicable to the type of grant:

35 (1) Participate and maintain a minimum medical assistance

1 client base participation rate of forty percent, subject to
2 the demand for participation by individuals eligible for
3 medical assistance.

4 (2) Provide a service delivery package that is affordable
5 for those individuals eligible for services under the medical
6 assistance home and community-based services waiver program.

7 (3) Provide a refund to the senior living trust fund, on
8 an amortized basis, in the amount of the grant, if the
9 applicant or the applicant's successor in interest ceases to
10 operate an affordable long-term care alternative within the
11 first ten-year period of operation following the awarding of
12 the grant or if the applicant or the applicant's successor in
13 interest fails to maintain a participation rate of forty
14 percent in accordance with subparagraph (1).

15 3. The department of human services shall adopt rules in
16 consultation with the senior living coordinating unit,
17 pursuant to chapter 17A, to provide all of the following:

18 a. An application process and eligibility criteria for the
19 awarding of grants. The eligibility criteria shall include
20 but are not limited to the applicant's demonstration of an
21 affordable service package, the applicant's use of the funds
22 for allowable costs, and the applicant's ability to refund the
23 funds if required under subsection 2, paragraph "e",
24 subparagraph (3). The primary eligibility criterion used
25 shall be the applicant's potential impact on the overall goal
26 of moving toward a balanced, comprehensive, affordable, high-
27 quality, long-term care system.

28 b. Criteria to be utilized in determining the amount of
29 the grant awarded.

30 c. Weighted criteria to be utilized in prioritizing the
31 awarding of grants to individual grantees during a grant
32 cycle. Greater weight shall be given to the applicant's
33 demonstration of potential reduction of nursing facility beds,
34 the applicant's ability to meet demonstrated community need,
35 and the established history of the applicant in providing

1 quality long-term care services.

2 d. Policies and procedures for certification of the
3 matching funds required of applicants under subsection 2,
4 paragraph "b".

5 e. Other procedures the department of human services deems
6 necessary for the proper administration of this section,
7 including but not limited to the submission of progress
8 reports on a bimonthly basis to the senior living coordinating
9 unit.

10 4. The department of human services shall establish a
11 calendar for receiving and evaluating applications and for
12 awarding of grants.

13 5. a. The department of human services shall develop a
14 cost report to be completed by a grantee which includes, but
15 is not limited to, revenue, costs, loans undertaken by the
16 grantee, fixed assets of the grantee, a balance sheet, and a
17 profit and loss statement.

18 b. Grantees shall submit, annually, completed cost reports
19 to the department of human services regarding the project for
20 a period of ten years following the date of initial operation
21 of the grantee's long-term care alternative.

22 6. The department of human services, in consultation with
23 the department of elder affairs, shall provide annual reports
24 to the governor and the general assembly concerning grants
25 awarded. The annual report shall include the total number of
26 applicants and approved applicants, an overview of the various
27 grants awarded, and detailed reports of the cost of each
28 project funded by a grant and information submitted by the
29 approved applicant.

30 7. For the purpose of this section, "underserved" means
31 areas in which four and four-tenths percent of the number of
32 individuals sixty-five years of age and older is not greater
33 than the number of currently licensed nursing facility beds
34 and certified assisted-living units. In addition, the
35 department, in determining if an area is underserved, may

1 consider additional information gathered through the
2 department's own research or submitted by an applicant,
3 including but not limited to any of the following:

4 a. Availability of and access to long-term care
5 alternatives relative to individuals eligible for medical
6 assistance.

7 b. The current number of seniors and persons with
8 disabilities and the projected number of these individuals.

9 c. The current number of seniors and persons with
10 disabilities requiring professional nursing care and the
11 projected number of these individuals.

12 d. The current availability of long-term care alternatives
13 and any known changes in the availability of such
14 alternatives.

15 8. This section does not create an entitlement to any
16 funds available for grants under this section, and the
17 department of human services may only award grants to the
18 extent funds are available and within its discretion, to the
19 extent applications are approved.

20 9. In addition to any other remedies provided by law, the
21 department of human services may recoup any grant funding
22 previously awarded and disbursed to a grantee or the grantee's
23 successor in interest and may reduce the amount of any grant
24 awarded, but not yet disbursed, to a grantee or the grantee's
25 successor in interest, by the amount of any refund owed by a
26 grantee or the grantee's successor in interest pursuant to
27 subsection 2, paragraph "e", subparagraph (3).

28 10. The senior living coordinating unit shall review
29 projects that receive grants under this section to ensure that
30 the goal to provide alternatives to nursing facility care is
31 being met and that an adequate number of nursing facility
32 services remain to meet the needs of Iowans.

33 Sec. 7. NEW SECTION. 249H.7 HOME AND COMMUNITY-BASED
34 SERVICES FOR SENIORS.

35 1. Beginning October 1, 2000, the department of elder

1 affairs, in consultation with the senior living coordinating
 2 unit, shall use funds appropriated from the senior living
 3 trust fund for activities related to the design, maintenance,
 4 or expansion of home and community-based services for seniors,
 5 including but not limited to adult day care, personal care,
 6 respite, homemaker, chore, and transportation services
 7 designed to promote the independence of and to delay the use
 8 of institutional care by seniors with low and moderate
 9 incomes. At any time that moneys are appropriated, the
 10 department of elder affairs, in consultation with the senior
 11 living coordinating unit, shall disburse the funds to the area
 12 agencies on aging.

13 2. The department of elder affairs shall adopt rules, in
 14 consultation with the senior living coordinating unit and the
 15 area agencies on aging, pursuant to chapter 17A, to provide
 16 all of the following:

17 a. (1) The criteria and process for disbursement of
 18 funds, appropriated in accordance with subsection 1, to area
 19 agencies on aging.

20 (2) The criteria shall include, at a minimum, all of the
 21 following:

22 (a) A distribution formula that triple weights all of the
 23 following:

- 24 (i) Individuals seventy-five years of age and older.
- 25 (ii) Individuals aged sixty and older who are members of a
 26 racial minority.
- 27 (iii) Individuals sixty years of age and older who reside
 28 in rural areas as defined in the federal Older Americans Act.
- 29 (iv) Individuals who are sixty years of age and older who
 30 have incomes at or below the poverty level as defined in the
 31 federal Older Americans Act.

32 (b) A distribution formula that single weights individuals
 33 sixty years of age and older who do not meet the criteria
 34 specified in subparagraph subdivision (a).

35 b. The criteria for long-term care providers to receive

1 funding as subcontractors of the area agencies on aging.

2 c. Other procedures the department of elder affairs deems
3 necessary for the proper administration of this section,
4 including but not limited to the submission of progress
5 reports, on a bimonthly basis, to the senior living
6 coordinating unit.

7 3. This section does not create an entitlement to any
8 funds available for disbursement under this section and the
9 department of elder affairs may only disburse moneys to the
10 extent funds are available and, within its discretion, to the
11 extent requests for funding are approved.

12 4. Long-term care providers that receive funding under
13 this section shall submit annual reports to the appropriate
14 area agency on aging. The department of elder affairs shall
15 develop the report to be submitted, which shall include, but
16 is not limited to, units of service provided, the number of
17 service recipients, costs, and the number of units of service
18 identified as necessitated but not provided.

19 5. The department of elder affairs, in cooperation with
20 the department of human services, shall provide annual reports
21 to the governor and the general assembly concerning the impact
22 of moneys disbursed under this section on the availability of
23 long-term care services in Iowa. The reports shall include
24 the types of services funded, the outcome of those services,
25 and the number of individuals receiving those services.

26 Sec. 8. NEW SECTION. 249H.8 PACE PROGRAM.

27 For the purposes of this chapter, all of the following
28 apply to a PACE program:

29 1. A person operating a PACE program shall have a PACE
30 program agreement with the health care financing
31 administration of the United States department of health and
32 human services, shall enter a contract with the department of
33 human services and shall comply with 42 U.S.C. § 1396(u)(4)
34 and all regulations promulgated pursuant to that section.

35 2. Services provided under a PACE or pre-PACE program

1 shall be provided on a capitated basis.

2 3. A pre-PACE program may contract with the department of
3 human services to provide services to individuals eligible for
4 medical assistance, on a capitated basis, for a limited scope
5 of the PACE service package through a prepaid health plan
6 agreement, with the remaining services reimbursed directly to
7 the service providers by the medical assistance or federal
8 Medicare programs.

9 4. PACE and pre-PACE programs are not subject to
10 regulation under chapter 514B.

11 5. A PACE or pre-PACE program shall, at the time of
12 entering into the initial contract and of renewal of a
13 contract with the department of human services, demonstrate
14 cash reserves in an amount established by rule of the
15 department to cover expenses in the event of insolvency.

16 Sec. 9. NEW SECTION. 249H.9 SENIOR LIVING PROGRAM
17 INFORMATION -- ELECTRONIC ACCESS -- EDUCATION -- ADVISORY
18 COUNCIL.

19 1. The department of elder affairs and the area agencies
20 on aging, in consultation with the senior living coordinating
21 unit, shall create, on a county basis, a database directory of
22 all health care and support services available to seniors.
23 The department of elder affairs shall make the database
24 electronically available to the public, and shall update the
25 database on at least a monthly basis.

26 2. The department of elder affairs shall seek foundation
27 funding to develop and provide an educational program for
28 individuals aged twenty-one and older which assists
29 participants in planning for and financing health care
30 services and other supports in their senior years.

31 3. The department of human services shall develop and
32 distribute an informational packet to the public that
33 explains, in layperson terms, the law, regulations, and rules
34 under the medical assistance program relative to health care
35 services options for seniors, including but not limited to

1 those relating to transfer of assets, prepaid funeral
2 expenses, and life insurance policies.

3 4. The director of human services, the director of the
4 department of elder affairs, the director of public health,
5 the director of the department of inspections and appeals, the
6 director of revenue and finance, and the commissioner of
7 insurance shall constitute a senior advisory council to
8 provide oversight in the development and operation of all
9 informational aspects of the senior living program under this
10 section.

11 Sec. 10. NEW SECTION. 249H.10 CAREGIVER SUPPORT --
12 ACCESS AND EDUCATION PROGRAMS.

13 The department of human services and the department of
14 elder affairs, in consultation with the senior living
15 coordinating unit, shall implement a caregiver support program
16 to provide access to respite care and to provide education to
17 caregivers in providing appropriate care to seniors and
18 persons with disabilities. The program shall be provided
19 through the area agencies on aging or other appropriate
20 agencies.

21 Sec. 11. NEW SECTION. 249H.11 FUTURE REPEAL.

22 Section 249H.6 is repealed on June 30, 2005. However,
23 grants awarded and moneys appropriated for grants on or before
24 June 30, 2005, shall be disbursed to eligible applicants after
25 that date if necessary.

26 DIVISION III

27 MISCELLANEOUS PROVISIONS

28 Sec. 12. NEW SECTION. 135C.23A RESIDENT ASSESSMENT.

29 A nursing facility shall complete a resident assessment
30 prior to initial admission of a resident and periodically
31 during the resident's stay in the facility. The assessment
32 shall be completed for each prospective resident and current
33 resident regardless of payor source. The nursing facility may
34 utilize the same resident assessment tool required for
35 certification of the facility under the medical assistance and

1 federal Medicare programs to comply with this section.

2 Sec. 13. Section 231.58, Code 1999, is amended to read as
3 follows:

4 231.58 ~~LONG-TERM-CARE~~ SENIOR LIVING COORDINATING UNIT.

5 1. A ~~long-term-care~~ senior living coordinating unit is
6 created within the department of elder affairs. The
7 membership of the coordinating unit consists of:

- 8 a. The director of human services.
- 9 b. The director of the department of elder affairs.
- 10 c. The director of public health.
- 11 d. The director of the department of inspections and
12 appeals.
- 13 e. Two members appointed by the governor.
- 14 f. Four members of the general assembly, as ex officio,
15 nonvoting members.

16 2. The legislative members of the unit shall be appointed
17 by the majority leader of the senate, after consultation with
18 the president of the senate and the minority leader of the
19 senate, and by the speaker of the house, after consultation
20 with the majority leader and the minority leader of the house
21 of representatives.

22 3. Nonlegislative members shall receive actual expenses
23 incurred while serving in their official capacity and may also
24 be eligible to receive compensation as provided in section
25 7E.6. Legislative members shall receive compensation pursuant
26 to section 2.12.

27 ~~2-~~ 4. The long-term-care senior living coordinating unit
28 shall:

29 a. Develop, for legislative review, the mechanisms and
30 procedures necessary to implement, utilizing current
31 personnel, a case-managed system of long-term care based on a
32 uniform comprehensive assessment tool.

33 b. Develop common intake and release procedures for the
34 purpose of determining eligibility at one point of intake and
35 determining eligibility for programs administered by the

1 departments of human services, public health, and elder
2 affairs, such as the medical assistance program, federal food
3 stamp program, and homemaker-home health aide programs.

4 c. Develop common definitions for long-term care services.

5 d. Develop procedures for coordination at the local and
6 state level among the providers of long-term care, including
7 when possible co-campusing of services. The director of the
8 department of general services shall give particular attention
9 to this section when arranging for office space pursuant to
10 section 18.12 for these three departments.

11 e. Prepare a long-range plan for the provision of long-
12 term care services within the state.

13 f. Propose rules and procedures for the development of a
14 comprehensive long-term care and community-based services
15 program.

16 g. Submit a report of its activities to the governor and
17 general assembly on January 15 of each year.

18 h. Provide direction and oversight for disbursement of
19 moneys from the senior living trust fund created in section
20 249H.4.

21 i. Consult with the state universities and other
22 institutions with expertise in the area of senior issues and
23 long-term care.

24 Sec. 14. Section 231C.2, subsection 1, Code 1999, is
25 amended to read as follows:

26 1. "Assisted living" means provision of housing with
27 services which may include but are not limited to health-
28 related care, personal care, and assistance with instrumental
29 activities of daily living to six or more tenants in a
30 physical structure which provides a homelike environment.

31 "Assisted living" also includes encouragement of family
32 involvement, tenant self-direction, and tenant participation
33 in decisions that emphasize choice, dignity, privacy,
34 individuality, shared risk, and independence. "Assisted
35 living" ~~does-not-include~~ includes the provision of housing and

1 assistance with instrumental activities of daily living which
2 ~~does-not-also-include-provision-of~~ only if personal care or
3 health-related care is also included.

4 Sec. 15. SENIOR LIVING INSURANCE AND INCENTIVES INTERIM
5 STUDY. The legislative council is requested to authorize a
6 senior living insurance and incentives study committee to
7 review current long-term care insurance laws, current long-
8 term care insurance options available in the state, the types
9 of services covered under a long-term care insurance option,
10 and incentives for the purchase of long-term care insurance
11 including, but not limited to, tax credits. The study
12 committee shall include input from consumers, consumer
13 advocates, the insurance industry, and the health care
14 industry. The study committee shall submit a report of
15 findings and recommendations to the governor and the general
16 assembly on or before December 15, 2000.

17 Sec. 16. REIMBURSEMENT METHODOLOGY -- EXPENDITURES --
18 MEDICAL ASSISTANCE PROGRAM -- REPORT. The department of human
19 services shall submit a report, including any changes in the
20 reimbursement methodology used under the medical assistance
21 program and any expenditures for the development of
22 alternatives to health care facility care, including assisted
23 living and elder group homes, to the governor and the general
24 assembly on or before December 15, 2000. To the extent
25 possible, any change in the reimbursement methodology shall
26 provide for maintenance of the eighty percent occupancy rate
27 except as this requirement relates to direct care costs, shall
28 avoid rate reductions for nursing facilities, and shall
29 utilize the payment methods provided under the federal
30 Medicare program in order to simplify the multitude of payor
31 programs.

32 Sec. 17. RESIDENTIAL CARE FACILITIES -- APPLICATION OF
33 PROGRAM. The department of human services shall review and
34 shall make recommendations to the general assembly on or
35 before October 1, 2000, relating to the feasibility of

1 applying the senior living program and any changes in the
2 reimbursement methodology to residential care facilities.

3 Sec. 18. MAINTENANCE OF FISCAL EFFORT. The fiscal effort,
4 existing on June 30, 2000, represented by appropriations made
5 for long-term care services by the general assembly, shall be
6 maintained and a reduction shall not be made in such
7 appropriations to the department of human services or the
8 department of elder affairs for those services as a result of
9 this Act.

10 Sec. 19. DEPARTMENT OF ELDER AFFAIRS APPROPRIATION. There
11 is appropriated from the senior living trust fund created in
12 section 249H.4 in this Act to the department of elder affairs
13 for the fiscal year beginning July 1, 2000, and ending June
14 30, 2001, the following amount, or so much thereof as is
15 necessary, to be used for the purposes designated:

16 For the development of a comprehensive senior living
17 program, including program administration and costs associated
18 with implementation, salaries, support, maintenance,
19 miscellaneous purposes, and for not more than the following
20 full-time equivalent positions:

21	\$	4,188,123
22	FTEs	7.00

23 The department of elder affairs may adopt emergency rules
24 to carry out the provisions of this section.

25 Sec. 20. DEPARTMENT OF HUMAN SERVICES APPROPRIATION.
26 There is appropriated from the senior living trust fund
27 created in section 249H.4 in this Act to the department of
28 human services for the fiscal year beginning July 1, 2000, and
29 ending June 30, 2001, the following amounts, or so much
30 thereof as is necessary, to be used for the purposes
31 designated:

32 1. To provide grants to nursing facilities for conversion
33 to assisted living programs or to provide long-term care
34 alternatives and to provide grants to long-term care providers
35 for development of long-term care alternatives:

1 \$ 15,000,000

2 2. To supplement the medical assistance appropriation and
3 to provide reimbursement for health care services and rent
4 expenses to eligible persons through the home and community-
5 based services waiver and the state supplementary assistance
6 program, including program administration and data system
7 costs associated with implementation, salaries, support,
8 maintenance, miscellaneous purposes, and for not more than the
9 following full-time equivalent positions:

10 \$ 2,189,569

11 FTEs 5.00

12 3. To implement nursing facility provider reimbursement at
13 the seventieth percentile or reimbursement methodology
14 changes:

15 \$ 17,750,000

16 The department shall transfer these funds to supplement
17 other appropriations to the department of human services to
18 carry out the purposes of this subsection.

19 Sec. 21. EMERGENCY RULES.

20 1. The department of human services and the department of
21 elder affairs may adopt emergency rules to implement this Act.

22 2. If the department of human services or the department
23 of elder affairs adopts emergency rules under section 17A.4,
24 subsection 2, and section 17A.5, subsection 2, paragraph "b",
25 to implement this Act, the rules shall become effective
26 immediately upon filing, unless a later effective date is
27 specified in the rules. Any rules adopted in accordance with
28 the provisions of this section shall also be published as
29 notice of intended action as provided in section 17A.4.

30 Sec. 22. EFFECTIVE DATE. This Act, being deemed of
31 immediate importance, takes effect upon enactment.

32 Sec. 23. RETROACTIVE APPLICABILITY. The section in this
33 Act that creates section 249H.6 as it relates to receipt of
34 federal funding, is retroactively applicable to October 1,
35 1999.

EXPLANATION

1
2 This bill creates a new Code chapter 249H. Division I,
3 Code section 249H.1, establishes the "Iowa Senior Living
4 Program Act".
5 Division I, Code section 249H.2, provides the legislative
6 findings related to and the goal of the program. The goal of
7 the program is to create a comprehensive long-term care system
8 that is consumer-directed, provides balance between the
9 options of institutional and noninstitutional care, and
10 contributes to the quality of life.
11 Division II, Code section 249H.3, provides definitions used
12 in the chapter.
13 Division II, Code section 249H.4, creates the senior living
14 trust fund and provides for ongoing appropriations from the
15 trust fund. The trust fund is created in the state treasury
16 under the authority of the department of human services.
17 Moneys deposited in the fund include those received through
18 intergovernmental agreements for the senior living program,
19 grants, contributions, participant payments, and a portion of
20 the federal moneys received by the department of human
21 services from public nursing facilities. Moneys in the fund
22 are to be appropriated only for the purposes of the senior
23 living program. The trust fund is to be operated in
24 accordance with the guidelines of the health care financing
25 administration of the United States department of health and
26 human services. Moneys in the fund are not considered part of
27 the general fund of the state. Moneys in the fund at the end
28 of a fiscal year do not revert to the state general fund and
29 cannot be transferred, used, obligated, appropriated, or
30 otherwise encumbered, except for purposes of the senior living
31 program. Interest or earnings on moneys in the trust fund are
32 credited to the trust fund. The department of human services
33 is directed to adopt rules to administer the trust fund and to
34 establish participation in the program for public nursing
35 facilities. The treasurer of state is directed to provide a

1 quarterly report of the trust fund activities and balances to
2 the long-term care coordinating unit.

3 Division II, Code section 249H.5, provides for allocations
4 from the trust fund. Allocations include:

5 1. An allocation to the department of human services of a
6 maximum of \$65 million over a maximum five-year period to be
7 used for the conversion of existing nursing facility space and
8 development of long-term care alternatives.

9 2. An allocation to the department of elder affairs,
10 annually, in an amount necessary to cover expenses of
11 implementation and administration of long-term care services
12 programs and for delivery of long-term care services to low
13 and moderate income seniors.

14 3. An allocation to the department of human services,
15 annually, for administrative purposes and service delivery
16 related to the senior living program and trust fund and for
17 implementation of a new reimbursement system.

18 4. An allocation to the department of human services, in
19 an amount necessary to provide nursing facility provider
20 reimbursements using a percentile-based reimbursement system
21 and to provide funding for the transition to a case-mix
22 reimbursement system. Funding is to be provided for the
23 pecentile-based reimbursement system until such time as the
24 case-mix reimbursement system is fully implemented.

25 5. An allocation to the department of human services,
26 annually, for additional expenses, relative to the senior
27 living program, that are incurred due to rent expenses of
28 consumers participating in a home and community-based waiver
29 program under the state supplementary assistance program.

30 The remainder of the funds is to be invested with the
31 interest and earnings to be used for administration of
32 programs and delivery of long-term care services and for
33 expenses related to implementation of the senior living
34 program and administration of the trust fund.

35 Division II, Code section 249H.6, provides the procedures

1 and criteria for the awarding of grants for conversion of
2 nursing facilities to provide assisted-living programs and for
3 long-term care services development. The section provides
4 that the section does not create an entitlement to any funds
5 available for grant purposes, but that the department of human
6 services, in its discretion, may only award grants to the
7 extent funds are available and applications are approved.

8 Division II, Code section 249H.7, provides for
9 appropriation of funds beginning October 1, 2000, to the
10 department of elder affairs for activities related to home and
11 community-based services for seniors. Moneys appropriated to
12 the department of elder affairs are to be disbursed through
13 the area agencies on aging. The section provides that the
14 section does not create an entitlement, but that the
15 department of elder affairs, in its discretion, may only
16 disburse funds to the extent funds are available and requests
17 for funding are approved.

18 Division II, Code section 249H.8, describes provisions
19 relating to the PACE program and the pre-PACE program, which
20 is defined in the bill as a program that provides delivery of
21 comprehensive health and social services to seniors by
22 integrating acute and long-term care services, and is operated
23 by an entity as permitted under federal regulation. A pre-
24 PACE program is defined as a PACE program in its initial
25 stages that provides the same scope of services as a PACE
26 program.

27 Division II, Code section 249H.9, directs the department of
28 elder affairs and the area agencies on aging, in consultation
29 with the senior living coordinating unit, to create a database
30 directory of all health care and support services available,
31 to seniors. The database is to be made available,
32 electronically, to the public. The bill directs the
33 department of elder affairs to seek foundation funding to
34 provide an educational program to individuals ages 21 and
35 older to assist them in planning for financing health care

1 services and other supports in their senior years. The bill
 2 also directs the department of human services to develop and
 3 distribute an informational packet to the public that explains
 4 the medical assistance program relative to health care
 5 services options for seniors. The bill provides that the
 6 director of human services, director of the department of
 7 elder affairs, director of public health, director of the
 8 department of inspections and appeals, the director of revenue
 9 and finance, and the commissioner of insurance are to
 10 constitute a senior advisory council to provide oversight in
 11 the development and operation of all informational aspects of
 12 the senior living program.

13 Division II, Code section 249H.10, provides for the
 14 establishment of a caregiver support access and education
 15 program to provide access to respite care and education to
 16 caregivers, through the area agencies on aging or other
 17 appropriate agencies.

18 Division II, Code section 249H.11, provides a sunset
 19 provision for new Code section 249H.6, which is the section
 20 that provides grants for nursing facility conversion and long-
 21 term care services development. Under the bill, Code section
 22 249H.6 would be repealed effective June 30, 2005.

23 Division III of the bill provides miscellaneous provisions.

24 Division III of the bill adds a provision to the health
 25 care facilities chapter which requires nursing facilities,
 26 regardless of the individual's source of payment for care, to
 27 complete a resident assessment for all prospective and current
 28 residents.

29 Division III of the bill changes the name of the long-term
 30 care coordinating unit to the senior living coordinating unit;
 31 adds four members of the general assembly to the membership of
 32 the unit as ex officio, nonvoting members; and adds to the
 33 duties of the unit the provision of direction and oversight
 34 for disbursement of moneys from the senior living trust fund
 35 and the required consultation with state universities and

1 other institutions with expertise in senior issues and long-
2 term care.

3 Division III of the bill requests that the legislative
4 council authorize a senior living insurance and incentives
5 study committee to review current long-term care insurance
6 laws, current long-term care insurance options available in
7 the state, the types of services covered under a long-term
8 care insurance option, and incentives for the purchase of
9 long-term care insurance including, but not limited to, tax
10 credits. The study committee is to include input from
11 consumers, consumer advocates, the health care industry, and
12 the insurance industry. The study committee is directed to
13 submit a report of the findings and recommendations to the
14 governor and the general assembly by December 15, 2000.

15 Division III of the bill directs the department of human
16 services to submit a report including any changes in the
17 reimbursement methodology under the medical assistance program
18 and any expenditures for the development of alternatives to
19 health care facility care to the general assembly by December
20 15, 2000. The bill provides that, to the extent possible, any
21 changes in the reimbursement methodology are to provide for
22 maintenance of the 80 percent occupancy rate, except as the
23 requirement relates to direct-care costs, shall avoid rate
24 reductions for nursing facilities, and shall utilize the
25 payment methods provided under the federal Medicare program in
26 order to simplify the multitude of payor programs.

27 Division III of the bill directs the department of human
28 services to review and make recommendations to the general
29 assembly on or before October 1, 2000, regarding the
30 feasibility of applying the senior living program to
31 residential care facilities and in applying any reimbursement
32 methodology changes to these facilities.

33 Division III of the bill establishes that the general
34 assembly is to maintain the fiscal effort in funding long-term
35 care services, existing on June 30, 2000, and is not to make

1 reductions in appropriations for this purpose as a result of
2 the bill.

3 Division III of the bill provides for fiscal year 2000-2001
4 appropriations to the department of human services and the
5 department of elder affairs relating to the senior living
6 program.

7 Division III of the bill provides for emergency rulemaking
8 authority for the department of human services and the
9 department of elder affairs in implementing the bill.

10 The bill takes effect upon enactment. The section of the
11 bill relating to the receipt of federal funds on or after
12 October 1, 1999, is retroactively applicable to October 1,
13 1999.

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Substituted for HF 2408
2/24/00
(P. 424)

2/17/00 Referred to approp.
2/17/00 Do Pass

REPRINTED

FILED FEB 16 2000

SENATE FILE 2193
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO SSB 3159)

Passed Senate, Date ^(p. 361) 2/22/00 Passed House, Date ^(p. 425) 2/24/00
Vote: Ayes 48 Nays 0 Vote: Ayes 96 Nays 0
Approved March 1, 2000

A BILL FOR

1 An Act relating to the establishment of a senior living program,
2 including the creation of a senior living trust fund,
3 providing for the development and provision of senior living
4 program information and electronic access, providing for a
5 caregiver support and education program, providing for a
6 senior living insurance policy and incentives study, providing
7 for allocation of the moneys in the senior living trust fund,
8 making appropriations, and providing an effective date, and
9 providing for retroactive applicability.

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

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S.F. 2193

DIVISION I

TITLE AND FINDINGS

Section 1. NEW SECTION. 249H.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Senior Living Program Act".

Sec. 2. NEW SECTION. 249H.2 LEGISLATIVE FINDINGS --
GOAL.

1. The general assembly finds that:

a. The preservation, improvement, and coordination of the health care infrastructure of Iowa is critical to the health and safety of Iowans.

b. An increasing number of seniors and persons with disabilities in the state require long-term care services provided outside of a medical institution.

c. A full array of long-term care services is necessary to provide cost-effective and appropriate services to the varied population of health care consumers.

d. The supported development of long-term care alternatives, including assisted-living facility services, adult day care, and home and community-based services, is critical in areas of the state where such alternatives otherwise are not likely to be developed.

e. Cost containment in the delivery of health care is necessary to improve services and access for all Iowans.

f. Grants are necessary to cover the expenditures related to the development of alternative health care services. Development of these alternatives will improve access to and delivery of long-term care services to underserved individuals or in underserved areas, which will in turn contain or reduce the cost and improve the quality of health care services.

g. A continuing source of funding is necessary to enhance the state's ability to meet the rising demand of seniors with low and moderate incomes in obtaining an appropriate variety of long-term care services.

2. The goal of this program is to create a comprehensive

1 long-term care system that is consumer-directed, provides a
2 balance between the alternatives of institutionally and
3 noninstitutionally provided services, and contributes to the
4 quality of the lives of Iowans.

5 DIVISION II

6 IOWA SENIOR LIVING PROGRAM

7 Sec. 3. NEW SECTION. 249H.3 DEFINITIONS.

8 As used in this chapter, unless the context otherwise
9 provides:

10 1. "Affordable" means rates for payment of services which
11 do not exceed the rates established for providers of medical
12 and health services under the medical assistance program with
13 eligibility for an individual equal to the eligibility for
14 medical assistance pursuant to section 249A.3. In relation to
15 services provided by a provider of services under a home and
16 community based waiver, "affordable" means that the total
17 monthly cost of the home and community-based waiver services
18 provided do not exceed the cost for that level of care as
19 established by rule by the department of human services,
20 pursuant to chapter 17A, in consultation with the department
21 of elder affairs.

22 2. "Assisted living" means assisted living as defined in
23 section 231C.2.

24 3. "Case mix reimbursement" means a reimbursement
25 methodology that recognizes the acuity and need level of the
26 residents of a nursing facility.

27 4. "Long-term care alternatives" means those services
28 specified under the medical assistance program as home and
29 community-based waiver services for elder persons or adults
30 with disabilities, elder group homes certified under chapter
31 231B, assisted-living programs certified under chapter 231C,
32 and the PACE program.

33 5. "Long-term care provider" means a provider of services
34 through long-term care alternatives.

35 6. "Long-term care service development" means any of the

1 following:

2 a. The remodeling of existing space and, if necessary, the
3 construction of additional space required to accommodate
4 development of long-term care alternatives, excluding the
5 development of assisted-living programs or elder group home
6 alternatives.

7 b. New construction for long-term care alternatives,
8 excluding new construction of assisted-living programs or
9 elder group homes, if the senior living coordinating unit
10 determines that new construction is more cost-effective than
11 the conversion of existing space.

12 7. "Nursing facility" means a licensed nursing facility as
13 defined in section 135C.1 or a licensed hospital as defined in
14 section 135B.1, a distinct part of which provides long-term
15 care nursing facility beds.

16 8. "Nursing facility conversion" means any of the
17 following:

18 a. The remodeling of nursing facility space existing on
19 July 1, 1999, and certified for medical assistance nursing
20 facility reimbursement and, if necessary, the construction of
21 additional space required to accommodate an assisted-living
22 program.

23 b. New construction of an assisted-living program if
24 existing nursing facility beds are no longer licensed and the
25 senior living coordinating unit determines that new
26 construction is more cost-effective than the conversion of
27 existing space.

28 9. "PACE program" means a program of all-inclusive care
29 for the elderly established pursuant to 42 U.S.C. § 1396(u)(4)
30 that provides delivery of comprehensive health and social
31 services to seniors by integrating acute and long-term care
32 services, and that is operated by a public, private,
33 nonprofit, or proprietary entity. "Pre-PACE program" means a
34 PACE program in the initial start-up phase that provides the
35 same scope of services as a PACE program.

1 10. "Persons with disabilities" means individuals eighteen
2 years of age or older with disabilities as disability is
3 defined in section 225B.2.

4 11. "Senior" means elder as defined in section 231.4 and
5 as defined under the PACE program pursuant to 42 U.S.C. §
6 1396(u)(4).

7 12. "Senior living coordinating unit" means the senior
8 living coordinating unit created within the department of
9 elder affairs pursuant to section 231.58, or its designee.

10 13. "Senior living program" means the senior living
11 program created in this chapter to provide for long-term care
12 alternatives, long-term care service development, and nursing
13 facility conversion.

14 Sec. 4. NEW SECTION. 249H.4 SENIOR LIVING TRUST FUND --
15 CREATED -- APPROPRIATIONS.

16 1. A senior living trust fund is created in the state
17 treasury under the authority of the department of human
18 services. Moneys received through intergovernmental
19 agreements for the senior living program and moneys received
20 from sources, including grants, contributions, and participant
21 payments, shall be deposited in the fund.

22 2. The department of human services, upon receipt of
23 federal revenue on or after October 1, 1999, from public
24 nursing facilities participating in the medical assistance
25 program, shall deposit the federal revenue received in the
26 trust fund, less a sum of five thousand dollars as an
27 administration fee per participating public nursing facility.

28 3. Moneys deposited in the trust fund shall be used only
29 for the purposes of the senior living program as specified in
30 this chapter.

31 4. The trust fund shall be operated in accordance with the
32 guidelines of the health care financing administration of the
33 United States department of health and human services. The
34 trust fund shall be separate from the general fund of the
35 state and shall not be considered part of the general fund of

1 the state. The moneys in the trust fund shall not be
2 considered revenue of the state, but rather shall be funds of
3 the senior living program. The moneys in the trust fund are
4 not subject to section 8.33 and shall not be transferred,
5 used, obligated, appropriated, or otherwise encumbered, except
6 to provide for the purposes of this chapter. Notwithstanding
7 section 12C.7, subsection 2, interest or earnings on moneys
8 deposited in the trust fund shall be credited to the trust
9 fund.

10 5. The department of human services shall adopt rules
11 pursuant to chapter 17A to administer the trust fund and to
12 establish procedures for participation by public nursing
13 facilities in the intergovernmental transfer of funds to the
14 senior living trust fund.

15 6. The treasurer of state shall provide a quarterly report
16 of trust fund activities and balances to the senior living
17 coordinating unit.

18 Sec. 5. NEW SECTION. 249H.5 ALLOCATIONS -- SENIOR LIVING
19 TRUST FUND.

20 1. Moneys deposited in the senior living trust fund
21 created in section 249H.4 shall be used only as provided in
22 appropriations from the trust fund to the department of human
23 services and the department of elder affairs, and for
24 purposes, including the awarding of grants, as specified in
25 this chapter.

26 2. Moneys in the trust fund are allocated, subject to
27 their appropriation by the general assembly, as follows:

28 a. To the department of human services, a maximum of
29 eighty million dollars for the fiscal period beginning July 1,
30 2000, and ending on or before June 30, 2005, to be used for
31 the conversion of existing nursing facility space and
32 development of long-term care alternatives.

33 b. To the department of elder affairs, an amount
34 necessary, annually, for expenses incurred in implementation
35 and administration of the long-term care alternatives programs

1 and for delivery of long-term care services to seniors with
2 low or moderate incomes.

3 c. To the department of human services, an amount
4 necessary, annually, for all of the following:

5 (1) Expenses incurred in implementation of the senior
6 living program.

7 (2) Expenses incurred in administration of medical
8 assistance home and community-based waivers and the PACE
9 program due to implementation of the senior living trust fund.

10 (3) Expenses incurred due to increased service delivery
11 provided under medical assistance home and community-based
12 waivers as a result of nursing facility conversions and long-
13 term care service development, for the fiscal period beginning
14 July 1, 2000, and ending on or before June 30, 2005.

15 (4) Expenses incurred in program administration related to
16 implementation of nursing facility case mix reimbursement
17 under the medical assistance program.

18 d. To the department of human services, an amount
19 necessary to provide funding for nursing facility provider
20 reimbursements, using the percentile-based reimbursement
21 system, and to provide funding for the transition to a case-
22 mix reimbursement system. Funding shall be provided under
23 this section for the percentile-based reimbursement system,
24 until such time as the case-mix reimbursement system is fully
25 implemented.

26 e. To the department of human services an amount
27 necessary, annually, for additional expenses incurred relative
28 to implementation of the senior living program in assisting
29 home and community-based waiver consumers with rent expenses
30 pursuant to the state supplementary assistance program.

31 3. Any funds remaining after disbursement of moneys under
32 subsection 2 shall be invested with the interest earned to be
33 available in subsequent fiscal years for the purposes provided
34 in subsection 2, paragraph "b", and subsection 2, paragraph
35 "c", subparagraphs (1) and (2).

1 Sec. 6. NEW SECTION. 249H.6 NURSING FACILITY CONVERSION
2 AND LONG-TERM CARE SERVICES DEVELOPMENT GRANTS.

3 1. The department of human services, at the direction of
4 the senior living coordinating unit, may use moneys
5 appropriated to the department from the senior living trust
6 fund to award grants to any of the following:

7 a. A licensed nursing facility that has been an approved
8 provider under the medical assistance program for the three-
9 year period prior to application for the grant. The grant
10 awarded may be used to convert all or a portion of the
11 licensed nursing facility to a certified assisted-living
12 program and may be used for capital or one-time expenditures,
13 including but not limited to start-up expenses, training
14 expenses, and operating losses for the first year of operation
15 following conversion associated with the nursing facility
16 conversion.

17 b. A long-term care provider or a licensed nursing
18 facility that has been an approved provider under the medical
19 assistance program for the three-year period prior to
20 application for the grant or a provider that will meet
21 applicable medical assistance provider requirements as
22 specified in subsection 2, paragraph "c" or "d". The grant
23 awarded may be used for capital or one-time expenditures,
24 including but not limited to start-up expenses, training
25 expenses, and operating losses for the first year of operation
26 for long-term care service development.

27 2. A grant shall be awarded only to an applicant who meets
28 all of the following criteria, as applicable to the type of
29 grant:

30 a. The applicant is a long-term care provider or a nursing
31 facility that is located in an area determined by the senior
32 living coordinating unit to be underserved with respect to a
33 particular long-term care alternative service, and that has
34 demonstrated the ability or potential to provide quality long-
35 term care alternative services.

1 b. The applicant is able to provide a minimum matching
2 contribution of twenty percent of the total cost of any
3 conversion, remodeling, or construction.

4 c. The applicant is applying for a nursing facility
5 conversion grant and is able to demonstrate all of the
6 following:

7 (1) Conversion of the nursing facility or a distinct
8 portion of the nursing facility to an assisted-living program
9 is projected to offer efficient and economical care to
10 individuals requiring long-term care services in the service
11 area.

12 (2) Assisted-living services are otherwise not likely to
13 be available in the area for individuals eligible for services
14 under the medical assistance program.

15 (3) The resulting reduction in the availability of nursing
16 facility services is not projected to cause undue hardship on
17 those individuals requiring nursing facility services for a
18 period of at least ten years.

19 (4) Public support following a community-based assessment.

20 (5) Conversion of the nursing facility is projected to
21 result in a lower per client reimbursement cost to the grant
22 applicant under the medical assistance program.

23 d. The applicant is applying for a long-term care service
24 development grant and is able to demonstrate all of the
25 following:

26 (1) Long-term care service development is projected to
27 offer efficient and economical care to individuals requiring
28 long-term care services in the service area.

29 (2) The proposed long-term care alternative is otherwise
30 not likely to be available in the area for individuals
31 eligible for services under the medical assistance program.

32 (3) Public support following a community-based assessment.

33 e. The applicant agrees to do all of the following as
34 applicable to the type of grant:

35 (1) Participate and maintain a minimum medical assistance

1 client base participation rate of forty percent, subject to
2 the demand for participation by individuals eligible for
3 medical assistance.

4 (2) Provide a service delivery package that is affordable
5 for those individuals eligible for services under the medical
6 assistance home and community-based services waiver program.

7 (3) Provide a refund to the senior living trust fund, on
8 an amortized basis, in the amount of the grant, if the
9 applicant or the applicant's successor in interest ceases to
10 operate an affordable long-term care alternative within the
11 first ten-year period of operation following the awarding of
12 the grant or if the applicant or the applicant's successor in
13 interest fails to maintain a participation rate of forty
14 percent in accordance with subparagraph (1).

15 3. The department of human services shall adopt rules in
16 consultation with the senior living coordinating unit,
17 pursuant to chapter 17A, to provide all of the following:

18 a. An application process and eligibility criteria for the
19 awarding of grants. The eligibility criteria shall include
20 but are not limited to the applicant's demonstration of an
21 affordable service package, the applicant's use of the funds
22 for allowable costs, and the applicant's ability to refund the
23 funds if required under subsection 2, paragraph "e",
24 subparagraph (3). The primary eligibility criterion used
25 shall be the applicant's potential impact on the overall goal
26 of moving toward a balanced, comprehensive, affordable, high-
27 quality, long-term care system.

28 b. Criteria to be utilized in determining the amount of
29 the grant awarded.

30 c. Weighted criteria to be utilized in prioritizing the
31 awarding of grants to individual grantees during a grant
32 cycle. Greater weight shall be given to the applicant's
33 demonstration of potential reduction of nursing facility beds,
34 the applicant's ability to meet demonstrated community need,
35 and the established history of the applicant in providing

1 quality long-term care services.

2 d. Policies and procedures for certification of the
3 matching funds required of applicants under subsection 2,
4 paragraph "b".

5 e. Other procedures the department of human services deems
6 necessary for the proper administration of this section,
7 including but not limited to the submission of progress
8 reports on a bimonthly basis to the senior living coordinating
9 unit.

10 4. A nursing facility that receives a nursing facility
11 conversion grant shall, at the time of the awarding of the
12 grant, enter into a contract with the department of human
13 services pursuant to which the nursing facility agrees to be
14 reimbursed for nursing facility costs at a fixed rate, which
15 provides for an annual cost-of-living adjustment, as
16 established by rule of the department of human services, for a
17 period of four years following the awarding of the grant.

18 5. In addition to the types of grants described in
19 subsection 1, the department of human services, at the
20 direction of the senior living coordinating unit, may also use
21 moneys appropriated to the department from the senior living
22 trust fund to award grants, of not more than one hundred
23 thousand dollars per grant, to licensed nursing facilities
24 that are awarded nursing facility conversion grants and agree,
25 as part of the nursing facility conversion, to also provide
26 adult day care, child care for children with special needs,
27 safe shelter for victims of dependent adult abuse, or respite
28 care.

29 6. The department of human services shall establish a
30 calendar for receiving and evaluating applications and for
31 awarding of grants.

32 7. a. The department of human services shall develop a
33 cost report to be completed by a grantee which includes, but
34 is not limited to, revenue, costs, loans undertaken by the
35 grantee, fixed assets of the grantee, a balance sheet, and a

1 profit and loss statement.

2 b. Grantees shall submit, annually, completed cost reports
3 to the department of human services regarding the project for
4 a period of ten years following the date of initial operation
5 of the grantee's long-term care alternative.

6 8. The department of human services, in consultation with
7 the department of elder affairs, shall provide annual reports
8 to the governor and the general assembly concerning grants
9 awarded. The annual report shall include the total number of
10 applicants and approved applicants, an overview of the various
11 grants awarded, and detailed reports of the cost of each
12 project funded by a grant and information submitted by the
13 approved applicant.

14 9. For the purpose of this section, "underserved" means
15 areas in which four and four-tenths percent of the number of
16 individuals sixty-five years of age and older is not greater
17 than the number of currently licensed nursing facility beds
18 and certified assisted-living units. In addition, the
19 department, in determining if an area is underserved, may
20 consider additional information gathered through the
21 department's own research or submitted by an applicant,
22 including but not limited to any of the following:

23 a. Availability of and access to long-term care
24 alternatives relative to individuals eligible for medical
25 assistance.

26 b. The current number of seniors and persons with
27 disabilities and the projected number of these individuals.

28 c. The current number of seniors and persons with
29 disabilities requiring professional nursing care and the
30 projected number of these individuals.

31 d. The current availability of long-term care alternatives
32 and any known changes in the availability of such
33 alternatives.

34 10. This section does not create an entitlement to any
35 funds available for grants under this section, and the

1 department of human services may only award grants to the
2 extent funds are available and within its discretion, to the
3 extent applications are approved.

4 11. In addition to any other remedies provided by law, the
5 department of human services may recoup any grant funding
6 previously awarded and disbursed to a grantee or the grantee's
7 successor in interest and may reduce the amount of any grant
8 awarded, but not yet disbursed, to a grantee or the grantee's
9 successor in interest, by the amount of any refund owed by a
10 grantee or the grantee's successor in interest pursuant to
11 subsection 2, paragraph "e", subparagraph (3).

12 12. The senior living coordinating unit shall review
13 projects that receive grants under this section to ensure that
14 the goal to provide alternatives to nursing facility care is
15 being met and that an adequate number of nursing facility
16 services remain to meet the needs of Iowans.

17 Sec. 7. NEW SECTION. 249H.7 HOME AND COMMUNITY-BASED
18 SERVICES FOR SENIORS.

19 1. Beginning October 1, 2000, the department of elder
20 affairs, in consultation with the senior living coordinating
21 unit, shall use funds appropriated from the senior living
22 trust fund for activities related to the design, maintenance,
23 or expansion of home and community-based services for seniors,
24 including but not limited to adult day care, personal care,
25 respite, homemaker, chore, and transportation services
26 designed to promote the independence of and to delay the use
27 of institutional care by seniors with low and moderate
28 incomes. At any time that moneys are appropriated, the
29 department of elder affairs, in consultation with the senior
30 living coordinating unit, shall disburse the funds to the area
31 agencies on aging.

32 2. The department of elder affairs shall adopt rules, in
33 consultation with the senior living coordinating unit and the
34 area agencies on aging, pursuant to chapter 17A, to provide
35 all of the following:

1 a. (1) The criteria and process for disbursement of
2 funds, appropriated in accordance with subsection 1, to area
3 agencies on aging.

4 (2) The criteria shall include, at a minimum, all of the
5 following:

6 (a) A distribution formula that triple weights all of the
7 following:

8 (i) Individuals seventy-five years of age and older.

9 (ii) Individuals aged sixty and older who are members of a
10 racial minority.

11 (iii) Individuals sixty years of age and older who reside
12 in rural areas as defined in the federal Older Americans Act.

13 (iv) Individuals who are sixty years of age and older who
14 have incomes at or below the poverty level as defined in the
15 federal Older Americans Act.

16 (b) A distribution formula that single weights individuals
17 sixty years of age and older who do not meet the criteria
18 specified in subparagraph subdivision (a).

19 b. The criteria for long-term care providers to receive
20 funding as subcontractors of the area agencies on aging.

21 c. Other procedures the department of elder affairs deems
22 necessary for the proper administration of this section,
23 including but not limited to the submission of progress
24 reports, on a bimonthly basis, to the senior living
25 coordinating unit.

26 3. This section does not create an entitlement to any
27 funds available for disbursement under this section and the
28 department of elder affairs may only disburse moneys to the
29 extent funds are available and, within its discretion, to the
30 extent requests for funding are approved.

31 4. Long-term care providers that receive funding under
32 this section shall submit annual reports to the appropriate
33 area agency on aging. The department of elder affairs shall
34 develop the report to be submitted, which shall include, but
35 is not limited to, units of service provided, the number of

1 service recipients, costs, and the number of units of service
2 identified as necessitated but not provided.

3 5. The department of elder affairs, in cooperation with
4 the department of human services, shall provide annual reports
5 to the governor and the general assembly concerning the impact
6 of moneys disbursed under this section on the availability of
7 long-term care services in Iowa. The reports shall include
8 the types of services funded, the outcome of those services,
9 and the number of individuals receiving those services.

10 Sec. 8. NEW SECTION. 249H.8 PACE PROGRAM.

11 For the purposes of this chapter, all of the following
12 apply to a PACE program:

13 1. A person operating a PACE program shall have a PACE
14 program agreement with the health care financing
15 administration of the United States department of health and
16 human services, shall enter a contract with the department of
17 human services and shall comply with 42 U.S.C. § 1396(u)(4)
18 and all regulations promulgated pursuant to that section.

19 2. Services provided under a PACE or pre-PACE program
20 shall be provided on a capitated basis.

21 3. A pre-PACE program may contract with the department of
22 human services to provide services to individuals eligible for
23 medical assistance, on a capitated basis, for a limited scope
24 of the PACE service package through a prepaid health plan
25 agreement, with the remaining services reimbursed directly to
26 the service providers by the medical assistance or federal
27 Medicare programs.

28 4. PACE and pre-PACE programs are not subject to
29 regulation under chapter 514B.

30 5. A PACE or pre-PACE program shall, at the time of
31 entering into the initial contract and of renewal of a
32 contract with the department of human services, demonstrate
33 cash reserves in an amount established by rule of the
34 department to cover expenses in the event of insolvency.

35 Sec. 9. NEW SECTION. 249H.9 SENIOR LIVING PROGRAM

1 INFORMATION -- ELECTRONIC ACCESS -- EDUCATION -- ADVISORY
2 COUNCIL.

3 1. The department of elder affairs and the area agencies
4 on aging, in consultation with the senior living coordinating
5 unit, shall create, on a county basis, a database directory of
6 all health care and support services available to seniors.
7 The department of elder affairs shall make the database
8 electronically available to the public, and shall update the
9 database on at least a monthly basis.

10 2. The department of elder affairs shall seek foundation
11 funding to develop and provide an educational program for
12 individuals aged twenty-one and older which assists
13 participants in planning for and financing health care
14 services and other supports in their senior years.

15 3. The department of human services shall develop and
16 distribute an informational packet to the public that
17 explains, in layperson terms, the law, regulations, and rules
18 under the medical assistance program relative to health care
19 services options for seniors, including but not limited to
20 those relating to transfer of assets, prepaid funeral
21 expenses, and life insurance policies.

22 4. The director of human services, the director of the
23 department of elder affairs, the director of public health,
24 the director of the department of inspections and appeals, the
25 director of revenue and finance, and the commissioner of
26 insurance shall constitute a senior advisory council to
27 provide oversight in the development and operation of all
28 informational aspects of the senior living program under this
29 section.

30 Sec. 10. NEW SECTION. 249H.10 CAREGIVER SUPPORT --
31 ACCESS AND EDUCATION PROGRAMS.

32 The department of human services and the department of
33 elder affairs, in consultation with the senior living
34 coordinating unit, shall implement a caregiver support program
35 to provide access to respite care and to provide education to

1 caregivers in providing appropriate care to seniors and
2 persons with disabilities. The program shall be provided
3 through the area agencies on aging or other appropriate
4 agencies.

5 Sec. 11. NEW SECTION. 249H.11 FUTURE REPEAL.

6 Section 249H.6 is repealed on June 30, 2005. However,
7 grants awarded and moneys appropriated for grants on or before
8 June 30, 2005, shall be disbursed to eligible applicants after
9 that date if necessary.

10 DIVISION III

11 MISCELLANEOUS PROVISIONS

12 Sec. 12. NEW SECTION. 135C.23A RESIDENT ASSESSMENT.

13 A nursing facility shall complete a resident assessment
14 prior to initial admission of a resident and periodically
15 during the resident's stay in the facility. The assessment
16 shall be completed for each prospective resident and current
17 resident regardless of payor source. The nursing facility may
18 utilize the same resident assessment tool required for
19 certification of the facility under the medical assistance and
20 federal Medicare programs to comply with this section.

21 Sec. 13. Section 231.58, Code 1999, is amended to read as
22 follows:

23 ~~231.58 LONG-TERM-CARE~~ SENIOR LIVING COORDINATING UNIT.

24 1. A ~~long-term-care~~ senior living coordinating unit is
25 created within the department of elder affairs. The
26 membership of the coordinating unit consists of:

- 27 a. The director of human services.
- 28 b. The director of the department of elder affairs.
- 29 c. The director of public health.
- 30 d. The director of the department of inspections and
31 appeals.

32 e. Two members appointed by the governor.

33 f. Four members of the general assembly, as ex officio,
34 nonvoting members.

35 2. The legislative members of the unit shall be appointed

1 by the majority leader of the senate, after consultation with
2 the president of the senate and the minority leader of the
3 senate, and by the speaker of the house, after consultation
4 with the majority leader and the minority leader of the house
5 of representatives.

6 3. Nonlegislative members shall receive actual expenses
7 incurred while serving in their official capacity and may also
8 be eligible to receive compensation as provided in section
9 7E.6. Legislative members shall receive compensation pursuant
10 to section 2.12.

11 ~~2-~~ 4. The long-term-care senior living coordinating unit
12 shall:

13 a. Develop, for legislative review, the mechanisms and
14 procedures necessary to implement, utilizing current
15 personnel, a case-managed system of long-term care based on a
16 uniform comprehensive assessment tool.

17 b. Develop common intake and release procedures for the
18 purpose of determining eligibility at one point of intake and
19 determining eligibility for programs administered by the
20 departments of human services, public health, and elder
21 affairs, such as the medical assistance program, federal food
22 stamp program, and homemaker-home health aide programs.

23 c. Develop common definitions for long-term care services.

24 d. Develop procedures for coordination at the local and
25 state level among the providers of long-term care, including
26 when possible co-campusing of services. The director of the
27 department of general services shall give particular attention
28 to this section when arranging for office space pursuant to
29 section 18.12 for these three departments.

30 e. Prepare a long-range plan for the provision of long-
31 term care services within the state.

32 f. Propose rules and procedures for the development of a
33 comprehensive long-term care and community-based services
34 program.

35 g. Submit a report of its activities to the governor and

1 general assembly on January 15 of each year.

2 h. Provide direction and oversight for disbursement of
3 moneys from the senior living trust fund created in section
4 249H.4.

5 i. Consult with the state universities and other
6 institutions with expertise in the area of senior issues and
7 long-term care.

8 Sec. 14. Section 231C.2, subsection 1, Code 1999, is
9 amended to read as follows:

10 1. "Assisted living" means provision of housing with
11 services which may include but are not limited to health-
12 related care, personal care, and assistance with instrumental
13 activities of daily living to six or more tenants in a
14 physical structure which provides a homelike environment.
15 "Assisted living" also includes encouragement of family
16 involvement, tenant self-direction, and tenant participation
17 in decisions that emphasize choice, dignity, privacy,
18 individuality, shared risk, and independence. "Assisted
19 living" ~~does-not-include~~ includes the provision of housing and
20 assistance with instrumental activities of daily living ~~which~~
21 ~~does-not-also-include-provision-of~~ only if personal care or
22 health-related care is also included.

23 Sec. 15. SENIOR LIVING INSURANCE AND INCENTIVES INTERIM
24 STUDY. The legislative council is requested to authorize a
25 senior living insurance and incentives study committee to
26 review current long-term care insurance laws, current long-
27 term care insurance options available in the state, the types
28 of services covered under a long-term care insurance option,
29 and incentives for the purchase of long-term care insurance
30 including, but not limited to, tax credits. The study
31 committee shall include input from consumers, consumer
32 advocates, the insurance industry, and the health care
33 industry. The study committee shall submit a report of
34 findings and recommendations to the governor and the general
35 assembly on or before December 15, 2000.

1 Sec. 16. REIMBURSEMENT METHODOLOGY -- EXPENDITURES --
2 MEDICAL ASSISTANCE PROGRAM -- REPORT. The department of human
3 services shall submit a report, including any changes in the
4 reimbursement methodology used under the medical assistance
5 program and any expenditures for the development of
6 alternatives to health care facility care, including assisted
7 living and elder group homes, to the governor and the general
8 assembly on or before December 15, 2000. To the extent
9 possible, any change in the reimbursement methodology shall
10 provide for maintenance of the eighty percent occupancy rate
11 except as this requirement relates to direct care costs, shall
12 avoid rate reductions for nursing facilities, and shall
13 utilize the payment methods provided under the federal
14 Medicare program in order to simplify the multitude of payor
15 programs.

16 Sec. 17. RESIDENTIAL CARE FACILITIES -- APPLICATION OF
17 PROGRAM. The department of human services shall review and
18 shall make recommendations to the general assembly on or
19 before October 1, 2000, relating to the feasibility of
20 applying the senior living program and any changes in the
21 reimbursement methodology to residential care facilities.

22 Sec. 18. MAINTENANCE OF FISCAL EFFORT. The fiscal effort,
23 existing on June 30, 2000, represented by appropriations made
24 for long-term care services by the general assembly, shall be
25 maintained and a reduction shall not be made in such
26 appropriations to the department of human services or the
27 department of elder affairs for those services as a result of
28 this Act.

29 Sec. 19. DEPARTMENT OF ELDER AFFAIRS APPROPRIATION. There
30 is appropriated from the senior living trust fund created in
31 section 249H.4 in this Act to the department of elder affairs
32 for the fiscal year beginning July 1, 2000, and ending June
33 30, 2001, the following amount, or so much thereof as is
34 necessary, to be used for the purposes designated:

35 For the development of a comprehensive senior living

1 program, including program administration and costs associated
2 with implementation, salaries, support, maintenance,
3 miscellaneous purposes, and for not more than the following
4 full-time equivalent positions:

5 \$ 4,188,123
6 FTEs 7.00

7 The department of elder affairs may adopt emergency rules
8 to carry out the provisions of this section.

9 Sec. 20. DEPARTMENT OF HUMAN SERVICES APPROPRIATION.

10 There is appropriated from the senior living trust fund
11 created in section 249H.4 in this Act to the department of
12 human services for the fiscal year beginning July 1, 2000, and
13 ending June 30, 2001, the following amounts, or so much
14 thereof as is necessary, to be used for the purposes
15 designated:

16 1. To provide grants to nursing facilities for conversion
17 to assisted living programs or to provide long-term care
18 alternatives and to provide grants to long-term care providers
19 for development of long-term care alternatives:

20 \$ 20,000,000

21 2. To supplement the medical assistance appropriation and
22 to provide reimbursement for health care services and rent
23 expenses to eligible persons through the home and community-
24 based services waiver and the state supplementary assistance
25 program, including program administration and data system
26 costs associated with implementation, salaries, support,
27 maintenance, miscellaneous purposes, and for not more than the
28 following full-time equivalent positions:

29 \$ 2,189,569
30 FTEs 5.00

31 3. To implement nursing facility provider reimbursement at
32 the seventieth percentile or reimbursement methodology
33 changes:

34 \$ 17,750,000

35 The department shall transfer these funds to supplement

1 other appropriations to the department of human services to
2 carry out the purposes of this subsection.

3 Sec. 21. EMERGENCY RULES.

4 1. The department of human services and the department of
5 elder affairs may adopt emergency rules to implement this Act.

6 2. If the department of human services or the department
7 of elder affairs adopts emergency rules under section 17A.4,
8 subsection 2, and section 17A.5, subsection 2, paragraph "b",
9 to implement this Act, the rules shall become effective
10 immediately upon filing, unless a later effective date is
11 specified in the rules. Any rules adopted in accordance with
12 the provisions of this section shall also be published as
13 notice of intended action as provided in section 17A.4.

14 Sec. 22. EFFECTIVE DATE. This Act, being deemed of
15 immediate importance, takes effect upon enactment.

16 Sec. 23. RETROACTIVE APPLICABILITY. The section in this
17 Act that creates section 249H.6 as it relates to receipt of
18 federal funding, is retroactively applicable to October 1,
19 1999.

20 EXPLANATION

21 This bill creates a new Code chapter 249H. Division I,
22 Code section 249H.1, establishes the "Iowa Senior Living
23 Program Act".

24 Division I, Code section 249H.2, provides the legislative
25 findings related to and the goal of the program. The goal of
26 the program is to create a comprehensive long-term care system
27 that is consumer-directed, provides balance between the
28 options of institutional and noninstitutional care, and
29 contributes to the quality of life.

30 Division II, Code section 249H.3, provides definitions used
31 in the chapter.

32 Division II, Code section 249H.4, creates the senior living
33 trust fund and provides for ongoing appropriations from the
34 trust fund. The trust fund is created in the state treasury
35 under the authority of the department of human services.

1 Moneys deposited in the fund include those received through
2 intergovernmental agreements for the senior living program,
3 grants, contributions, participant payments, and a portion of
4 the federal moneys received by the department of human
5 services from public nursing facilities. Moneys in the fund
6 are to be appropriated only for the purposes of the senior
7 living program. The trust fund is to be operated in
8 accordance with the guidelines of the health care financing
9 administration of the United States department of health and
10 human services. Moneys in the fund are not considered part of
11 the general fund of the state. Moneys in the fund at the end
12 of a fiscal year do not revert to the state general fund and
13 cannot be transferred, used, obligated, appropriated, or
14 otherwise encumbered, except for purposes of the senior living
15 program. Interest or earnings on moneys in the trust fund are
16 credited to the trust fund. The department of human services
17 is directed to adopt rules to administer the trust fund and to
18 establish participation in the program for public nursing
19 facilities. The treasurer of state is directed to provide a
20 quarterly report of the trust fund activities and balances to
21 the long-term care coordinating unit.

22 Division II, Code section 249H.5, provides for allocations
23 from the trust fund. Allocations include:

24 1. An allocation to the department of human services of a
25 maximum of \$80 million over a maximum five-year period to be
26 used for the conversion of existing nursing facility space and
27 development of long-term care alternatives.

28 2. An allocation to the department of elder affairs,
29 annually, in an amount necessary to cover expenses of
30 implementation and administration of long-term care services
31 programs and for delivery of long-term care services to low
32 and moderate income seniors.

33 3. An allocation to the department of human services,
34 annually, for administrative purposes and service delivery
35 related to the senior living program and trust fund and for

1 implementation of a new reimbursement system.

2 4. An allocation to the department of human services, in
3 an amount necessary to provide nursing facility provider
4 reimbursements using a percentile-based reimbursement system
5 and to provide funding for the transition to a case-mix
6 reimbursement system. Funding is to be provided for the
7 percentile-based reimbursement system until such time as the
8 case-mix reimbursement system is fully implemented.

9 5. An allocation to the department of human services,
10 annually, for additional expenses, relative to the senior
11 living program, that are incurred due to rent expenses of
12 consumers participating in a home and community-based waiver
13 program under the state supplementary assistance program.

14 The remainder of the funds is to be invested with the
15 interest and earnings to be used for administration of
16 programs and delivery of long-term care services and for
17 expenses related to implementation of the senior living
18 program and administration of the trust fund.

19 Division II, Code section 249H.6, provides the procedures
20 and criteria for the awarding of grants for conversion of
21 nursing facilities to provide assisted-living programs and for
22 long-term care services development. The section provides
23 that a nursing facility that receives a grant for nursing
24 facility conversion shall enter a contract with the department
25 of human services pursuant to which the nursing facility
26 agrees to be reimbursed for nursing facility costs at a fixed
27 rate, with annual cost-of-living increases, for a period of
28 four years. The section also provides for separate grants to
29 nursing facilities that are awarded nursing facility adult day
30 care, conversion grants, if the conversion includes provisions
31 of child care for children with special needs, safe shelter
32 for victims of dependent adult abuse, or respite care. The
33 section provides that the section does not create an
34 entitlement to any funds available for grant purposes, but
35 that the department of human services, in its discretion, may

1 only award grants to the extent funds are available and
2 applications are approved.

3 Division II, Code section 249H.7, provides for
4 appropriation of funds beginning October 1, 2000, to the
5 department of elder affairs for activities related to home and
6 community-based services for seniors. Moneys appropriated to
7 the department of elder affairs are to be disbursed through
8 the area agencies on aging. The section provides that the
9 section does not create an entitlement, but that the
10 department of elder affairs, in its discretion, may only
11 disburse funds to the extent funds are available and requests
12 for funding are approved.

13 Division II, Code section 249H.8, describes provisions
14 relating to the PACE program and the pre-PACE program, which
15 is defined in the bill as a program that provides delivery of
16 comprehensive health and social services to seniors by
17 integrating acute and long-term care services, and is operated
18 by an entity as permitted under federal regulation. A pre-
19 PACE program is defined as a PACE program in its initial
20 stages that provides the same scope of services as a PACE
21 program.

22 Division II, Code section 249H.9, directs the department of
23 elder affairs and the area agencies on aging, in consultation
24 with the senior living coordinating unit, to create a database
25 directory of all health care and support services available,
26 to seniors. The database is to be made available,
27 electronically, to the public. The bill directs the
28 department of elder affairs to seek foundation funding to
29 provide an educational program to individuals ages 21 and
30 older to assist them in planning for financing health care
31 services and other supports in their senior years. The bill
32 also directs the department of human services to develop and
33 distribute an informational packet to the public that explains
34 the medical assistance program relative to health care
35 services options for seniors. The bill provides that the

1 director of human services, director of the department of
2 elder affairs, director of public health, director of the
3 department of inspections and appeals, the director of revenue
4 and finance, and the commissioner of insurance are to
5 constitute a senior advisory council to provide oversight in
6 the development and operation of all informational aspects of
7 the senior living program.

8 Division II, Code section 249H.10, provides for the
9 establishment of a caregiver support access and education
10 program to provide access to respite care and education to
11 caregivers, through the area agencies on aging or other
12 appropriate agencies.

13 Division II, Code section 249H.11, provides a sunset
14 provision for new Code section 249H.6, which is the section
15 that provides grants for nursing facility conversion and long-
16 term care services development. Under the bill, Code section
17 249H.6 would be repealed effective June 30, 2005.

18 Division III of the bill provides miscellaneous provisions.

19 Division III of the bill adds a provision to the health
20 care facilities chapter which requires nursing facilities,
21 regardless of the individual's source of payment for care, to
22 complete a resident assessment for all prospective and current
23 residents.

24 Division III of the bill changes the name of the long-term
25 care coordinating unit to the senior living coordinating unit;
26 adds four members of the general assembly to the membership of
27 the unit as ex officio, nonvoting members; and adds to the
28 duties of the unit the provision of direction and oversight
29 for disbursement of moneys from the senior living trust fund
30 and the required consultation with state universities and
31 other institutions with expertise in senior issues and long-
32 term care.

33 Division III of the bill requests that the legislative
34 council authorize a senior living insurance and incentives
35 study committee to review current long-term care insurance

1 laws, current long-term care insurance options available in
2 the state, the types of services covered under a long-term
3 care insurance option, and incentives for the purchase of
4 long-term care insurance including, but not limited to, tax
5 credits. The study committee is to include input from
6 consumers, consumer advocates, the health care industry, and
7 the insurance industry. The study committee is directed to
8 submit a report of the findings and recommendations to the
9 governor and the general assembly by December 15, 2000.

10 Division III of the bill directs the department of human
11 services to submit a report including any changes in the
12 reimbursement methodology under the medical assistance program
13 and any expenditures for the development of alternatives to
14 health care facility care to the general assembly by December
15 15, 2000. The bill provides that, to the extent possible, any
16 changes in the reimbursement methodology are to provide for
17 maintenance of the 80 percent occupancy rate, except as the
18 requirement relates to direct-care costs, shall avoid rate
19 reductions for nursing facilities, and shall utilize the
20 payment methods provided under the federal Medicare program in
21 order to simplify the multitude of payor programs.

22 Division III of the bill directs the department of human
23 services to review and make recommendations to the general
24 assembly on or before October 1, 2000, regarding the
25 feasibility of applying the senior living program to
26 residential care facilities and in applying any reimbursement
27 methodology changes to these facilities.

28 Division III of the bill establishes that the general
29 assembly is to maintain the fiscal effort in funding long-term
30 care services, existing on June 30, 2000, and is not to make
31 reductions in appropriations for this purpose as a result of
32 the bill.

33 Division III of the bill provides for fiscal year 2000-2001
34 appropriations to the department of human services and the
35 department of elder affairs relating to the senior living

1 program.

2 Division III of the bill provides for emergency rulemaking
3 authority for the department of human services and the
4 department of elder affairs in implementing the bill.

5 The bill takes effect upon enactment. The section of the
6 bill relating to the receipt of federal funds on or after
7 October 1, 1999, is retroactively applicable to October 1,
8 1999.

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SENATE FILE 2193

S-5014

1 Amend Senate File 2193 as follows:
2 1. Page 1, line 25, by striking the word "Grants"
3 and inserting the following: "Loans".
4 2. Page 5, line 24, by striking the words
5 "awarding of grants" and inserting the following:
6 "issuing of loans".
7 3. Page 7, line 2, by striking the word "GRANTS"
8 and inserting the following: "LOANS".
9 4. Page 7, by striking line 6, and inserting the
10 following: "fund to issue loans. The loans shall be
11 provided at an interest rate of one percent, amortized
12 over a fifteen-year period, with repayment of the loan
13 to begin five years after the date of issuance of the
14 loan. If the department of human services, at the
15 direction of the senior living coordinating unit,
16 determines that demand for the loans is insufficient
17 to accomplish the goal of the senior living program,
18 the department may, alternatively, use the moneys
19 appropriated to provide grants. Loans may be issued
20 to any of the following:"
21 5. Page 7, lines 9 and 10, by striking the words
22 "the grant. The grant awarded" and inserting the
23 following: "the loan. The loan issued".
24 6. Page 7, line 20, by striking the word "grant"
25 and inserting the following: "loan".
26 7. Page 7, lines 22 and 23, by striking the words
27 "grant awarded" and inserting the following: "loan
28 issued".
29 8. Page 7, by striking line 27, and inserting the
30 following:
31 "2. A loan shall be issued only to an applicant
32 who meets".
33 9. Page 7, line 29, by striking the word "grant"
34 and inserting the following: "loan".
35 10. Page 8, line 5, by striking the word "grant"
36 and inserting the following: "loan".
37 11. Page 8, line 21, by striking the word "grant"
38 and inserting the following: "loan".
39 12. Page 8, line 24, by striking the word "grant"
40 and inserting the following: "loan".
41 13. Page 8, line 34, by striking the word "grant"
42 and inserting the following: "loan".
43 14. Page 9, line 8, by striking the word "grant"
44 and inserting the following: "loan".
45 15. Page 9, lines 11 and 12, by striking the
46 words "awarding of the grant" and inserting the
47 following: "issuing of the loan".
48 16. Page 9, line 19, by striking the words
49 "awarding of grants" and inserting the following:
50 "issuing of loans".

S-5014

-1-

S-5014

Page 2

- 1 17. Page 9, line 29, by striking the words "grant
2 awarded" and inserting the following: "loan issued".
3 18. Page 9, by striking lines 31 and 32, and
4 inserting the following: "issuing of loans to
5 individual loan recipients during a loan cycle.
6 Greater weight shall be given to the applicant's".
7 19. Page 10, by striking lines 11 and 12 and
8 inserting the following: "conversion loan shall at
9 the time of the issuing of the loan, enter into a
10 contract with the department of human".
11 20. Page 10, line 17, by striking the words
12 "awarding of the grant" and inserting the following:
13 "issuing of the loan".
14 21. Page 10, line 18, by striking the word
15 "grants" and inserting the following: "loans".
16 22. Page 10, line 22, by striking the words
17 "award grants" and inserting the following: "issue
18 loans".
19 23. Page 10, line 23, by striking the word
20 "grant" and inserting the following: "loan".
21 24. Page 10, by striking line 24 and inserting
22 the following: "that are issued nursing facility
23 conversion loans and agree,".
24 25. Page 10, by striking line 31 and inserting
25 the following: "issuing of loans".
26 26. Page 10, line 33, by striking the word
27 "grantee" and inserting the following: "loan
28 recipient".
29 27. Page 10, by striking line 35, and inserting
30 the following: "loan recipient, fixed assets of the
31 loan recipient, a balance sheet, and a".
32 28. Page 11, line 2, by striking the word
33 "Grantees" and inserting the following: "Loan
34 recipients".
35 29. Page 11, line 5, by striking the word
36 "grantee's" and inserting the following: "loan
37 recipient's".
38 30. Page 11, lines 8 and 9, by striking the words
39 "grants awarded" and inserting the following: "loan
40 issued".
41 31. Page 11, line 11, by striking the words
42 "grants awarded" and inserting the following: "loans
43 issued".
44 32. Page 11, line 12, by striking the word
45 "grant" and inserting the following: "loan".
46 33. Page 11, line 35, by striking the word
47 "grants" and inserting the following: "loans".
48 34. Page 12, line 1, by striking the words "award
49 grants" and inserting the following: "issue loans".
50 35. Page 12, by striking lines 5 through 10, and

S-5014

-2-

S-5014

Page 3

1 inserting the following: "department of human
2 services may recoup any loan funding previously issued
3 and disbursed to a loan recipient or the loan
4 recipient's successor in interest and may reduce the
5 amount of any loan issued, but not yet disbursed, to a
6 loan recipient or the loan recipient's successor in
7 interest, by the amount of any refund owed by a loan
8 recipient or the loan recipient's successor in
9 interest pursuant to".

10 36. Page 12, line 13, by striking the word
11 "grants" and inserting the following: "loans".

12 37. Page 16, by striking line 7, and inserting
13 the following: "loans issued and moneys appropriated
14 for loans on or before".

15 38. Page 20, line 16, by striking the word
16 "grants" and inserting the following: "loans".

17 39. Page 20, line 18, by striking the word
18 "grants" and inserting the following: "loans".

By DAVID MILLER

S-5014 FILED FEBRUARY 21, 2000

*Last 2/22/00
(p. 36)*

SENATE FILE 2193

S-5020

1 Amend Senate File 2193 as follows:

2 1. Page 10, by striking lines 10 through 17, and
3 inserting the following:

4 "4. The department of human services shall adopt
5 rules to ensure that a nursing facility that receives
6 a nursing facility conversion grant allocates costs in
7 an equitable manner."

8 2. Page 16, line 12, by striking the figure
9 "135C.23A" and inserting the following: "249A.18A".

10 3. Page 16, line 13, by inserting after the word
11 "facility" the following: "as defined in section
12 135C.1"

13 4. Page 19, by striking lines 1 through 15, and
14 inserting the following:

15 "Sec. ____ . REIMBURSEMENT METHODOLOGY TASK FORCE --
16 REPORT. The department of human services shall
17 convene a task force consisting of the members of the
18 senior living coordinating unit, representatives of
19 the nursing facility industry, consumers and consumer
20 advocates to develop a case-mix reimbursement
21 methodology. The methodology developed shall include
22 a limited number of levels of reimbursement. The task
23 force shall submit a report of the reimbursement
24 methodology developed to the governor and the general
25 assembly on or before December 15, 2000. The
26 department of human services shall also include in the
27 report a summary of the expenditures for nursing
28 facility conversion and for long-term care service
29 development."

30 5. Page 20, by striking line 29, and inserting
31 the following:

32 "..... \$ 2,240,034"

33 6. Page 20, by striking line 32, and inserting
34 the following: "the seventieth percentile and case-
35 mix reimbursement methodology".

36 7. Page 21, line 2, by inserting after the word
37 "subsection." the following: "The total amount
38 expended by the department of human services in the
39 fiscal year beginning July 1, 2000, and ending June
40 30, 2001, for nursing facility provider reimbursements
41 under both the seventieth percentile and the case-mix
42 reimbursement methodologies shall not exceed the
43 amount appropriated in this subsection."

44 8. By renumbering as necessary.

By NANCY BOETTGER

S-5020 FILED FEBRUARY 22, 2000

ADOPTED

(p.361)

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DIVISION I

TITLE AND FINDINGS

Section 1. NEW SECTION. 249H.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Senior Living Program Act".

Sec. 2. NEW SECTION. 249H.2 LEGISLATIVE FINDINGS --

GOAL.

1. The general assembly finds that:

a. The preservation, improvement, and coordination of the health care infrastructure of Iowa is critical to the health and safety of Iowans.

b. An increasing number of seniors and persons with disabilities in the state require long-term care services provided outside of a medical institution.

c. A full array of long-term care services is necessary to provide cost-effective and appropriate services to the varied population of health care consumers.

d. The supported development of long-term care alternatives, including assisted-living facility services, adult day care, and home and community-based services, is critical in areas of the state where such alternatives otherwise are not likely to be developed.

e. Cost containment in the delivery of health care is necessary to improve services and access for all Iowans.

f. Grants are necessary to cover the expenditures related to the development of alternative health care services.

Development of these alternatives will improve access to and delivery of long-term care services to underserved individuals or in underserved areas, which will in turn contain or reduce the cost and improve the quality of health care services.

g. A continuing source of funding is necessary to enhance the state's ability to meet the rising demand of seniors with low and moderate incomes in obtaining an appropriate variety of long-term care services.

2. The goal of this program is to create a comprehensive

1 long-term care system that is consumer-directed, provides a
2 balance between the alternatives of institutionally and
3 noninstitutionally provided services, and contributes to the
4 quality of the lives of Iowans.

5 DIVISION II

6 IOWA SENIOR LIVING PROGRAM

7 Sec. 3. NEW SECTION. 249H.3 DEFINITIONS.

8 As used in this chapter, unless the context otherwise
9 provides:

10 1. "Affordable" means rates for payment of services which
11 do not exceed the rates established for providers of medical
12 and health services under the medical assistance program with
13 eligibility for an individual equal to the eligibility for
14 medical assistance pursuant to section 249A.3. In relation to
15 services provided by a provider of services under a home and
16 community based waiver, "affordable" means that the total
17 monthly cost of the home and community-based waiver services
18 provided do not exceed the cost for that level of care as
19 established by rule by the department of human services,
20 pursuant to chapter 17A, in consultation with the department
21 of elder affairs.

22 2. "Assisted living" means assisted living as defined in
23 section 231C.2.

24 3. "Case mix reimbursement" means a reimbursement
25 methodology that recognizes the acuity and need level of the
26 residents of a nursing facility.

27 4. "Long-term care alternatives" means those services
28 specified under the medical assistance program as home and
29 community-based waiver services for elder persons or adults
30 with disabilities, elder group homes certified under chapter
31 231B, assisted-living programs certified under chapter 231C,
32 and the PACE program.

33 5. "Long-term care provider" means a provider of services
34 through long-term care alternatives.

35 6. "Long-term care service development" means any of the

1 following:

2 a. The remodeling of existing space and, if necessary, the
3 construction of additional space required to accommodate
4 development of long-term care alternatives, excluding the
5 development of assisted-living programs or elder group home
6 alternatives.

7 b. New construction for long-term care alternatives,
8 excluding new construction of assisted-living programs or
9 elder group homes, if the senior living coordinating unit
10 determines that new construction is more cost-effective than
11 the conversion of existing space.

12 7. "Nursing facility" means a licensed nursing facility as
13 defined in section 135C.1 or a licensed hospital as defined in
14 section 135B.1, a distinct part of which provides long-term
15 care nursing facility beds.

16 8. "Nursing facility conversion" means any of the
17 following:

18 a. The remodeling of nursing facility space existing on
19 July 1, 1999, and certified for medical assistance nursing
20 facility reimbursement and, if necessary, the construction of
21 additional space required to accommodate an assisted-living
22 program.

23 b. New construction of an assisted-living program if
24 existing nursing facility beds are no longer licensed and the
25 senior living coordinating unit determines that new
26 construction is more cost-effective than the conversion of
27 existing space.

28 9. "PACE program" means a program of all-inclusive care
29 for the elderly established pursuant to 42 U.S.C. § 1396(u)(4)
30 that provides delivery of comprehensive health and social
31 services to seniors by integrating acute and long-term care
32 services, and that is operated by a public, private,
33 nonprofit, or proprietary entity. "Pre-PACE program" means a
34 PACE program in the initial start-up phase that provides the
35 same scope of services as a PACE program.

1 10. "Persons with disabilities" means individuals eighteen
2 years of age or older with disabilities as disability is
3 defined in section 225B.2.

4 11. "Senior" means elder as defined in section 231.4 and
5 as defined under the PACE program pursuant to 42 U.S.C. §
6 1396(u)(4).

7 12. "Senior living coordinating unit" means the senior
8 living coordinating unit created within the department of
9 elder affairs pursuant to section 231.58, or its designee.

10 13. "Senior living program" means the senior living
11 program created in this chapter to provide for long-term care
12 alternatives, long-term care service development, and nursing
13 facility conversion.

14 Sec. 4. NEW SECTION. 249H.4 SENIOR LIVING TRUST FUND --
15 CREATED -- APPROPRIATIONS.

16 1. A senior living trust fund is created in the state
17 treasury under the authority of the department of human
18 services. Moneys received through intergovernmental
19 agreements for the senior living program and moneys received
20 from sources, including grants, contributions, and participant
21 payments, shall be deposited in the fund.

22 2. The department of human services, upon receipt of
23 federal revenue on or after October 1, 1999, from public
24 nursing facilities participating in the medical assistance
25 program, shall deposit the federal revenue received in the
26 trust fund, less a sum of five thousand dollars as an
27 administration fee per participating public nursing facility.

28 3. Moneys deposited in the trust fund shall be used only
29 for the purposes of the senior living program as specified in
30 this chapter.

31 4. The trust fund shall be operated in accordance with the
32 guidelines of the health care financing administration of the
33 United States department of health and human services. The
34 trust fund shall be separate from the general fund of the
35 state and shall not be considered part of the general fund of

1 the state. The moneys in the trust fund shall not be
2 considered revenue of the state, but rather shall be funds of
3 the senior living program. The moneys in the trust fund are
4 not subject to section 8.33 and shall not be transferred,
5 used, obligated, appropriated, or otherwise encumbered, except
6 to provide for the purposes of this chapter. Notwithstanding
7 section 12C.7, subsection 2, interest or earnings on moneys
8 deposited in the trust fund shall be credited to the trust
9 fund.

10 5. The department of human services shall adopt rules
11 pursuant to chapter 17A to administer the trust fund and to
12 establish procedures for participation by public nursing
13 facilities in the intergovernmental transfer of funds to the
14 senior living trust fund.

15 6. The treasurer of state shall provide a quarterly report
16 of trust fund activities and balances to the senior living
17 coordinating unit.

18 Sec. 5. NEW SECTION. 249H.5 ALLOCATIONS -- SENIOR LIVING
19 TRUST FUND.

20 1. Moneys deposited in the senior living trust fund
21 created in section 249H.4 shall be used only as provided in
22 appropriations from the trust fund to the department of human
23 services and the department of elder affairs, and for
24 purposes, including the awarding of grants, as specified in
25 this chapter.

26 2. Moneys in the trust fund are allocated, subject to
27 their appropriation by the general assembly, as follows:

28 a. To the department of human services, a maximum of
29 eighty million dollars for the fiscal period beginning July 1,
30 2000, and ending on or before June 30, 2005, to be used for
31 the conversion of existing nursing facility space and
32 development of long-term care alternatives.

33 b. To the department of elder affairs, an amount
34 necessary, annually, for expenses incurred in implementation
35 and administration of the long-term care alternatives programs

1 and for delivery of long-term care services to seniors with
2 low or moderate incomes.

3 c. To the department of human services, an amount
4 necessary, annually, for all of the following:

5 (1) Expenses incurred in implementation of the senior
6 living program.

7 (2) Expenses incurred in administration of medical
8 assistance home and community-based waivers and the PACE
9 program due to implementation of the senior living trust fund.

10 (3) Expenses incurred due to increased service delivery
11 provided under medical assistance home and community-based
12 waivers as a result of nursing facility conversions and long-
13 term care service development, for the fiscal period beginning
14 July 1, 2000, and ending on or before June 30, 2005.

15 (4) Expenses incurred in program administration related to
16 implementation of nursing facility case mix reimbursement
17 under the medical assistance program.

18 d. To the department of human services, an amount
19 necessary to provide funding for nursing facility provider
20 reimbursements, using the percentile-based reimbursement
21 system, and to provide funding for the transition to a case-
22 mix reimbursement system. Funding shall be provided under
23 this section for the percentile-based reimbursement system,
24 until such time as the case-mix reimbursement system is fully
25 implemented.

26 e. To the department of human services an amount
27 necessary, annually, for additional expenses incurred relative
28 to implementation of the senior living program in assisting
29 home and community-based waiver consumers with rent expenses
30 pursuant to the state supplementary assistance program.

31 3. Any funds remaining after disbursement of moneys under
32 subsection 2 shall be invested with the interest earned to be
33 available in subsequent fiscal years for the purposes provided
34 in subsection 2, paragraph "b", and subsection 2, paragraph
35 "c", subparagraphs (1) and (2).

1 Sec. 6. NEW SECTION. 249H.6 NURSING FACILITY CONVERSION
2 AND LONG-TERM CARE SERVICES DEVELOPMENT GRANTS.

3 1. The department of human services, at the direction of
4 the senior living coordinating unit, may use moneys
5 appropriated to the department from the senior living trust
6 fund to award grants to any of the following:

7 a. A licensed nursing facility that has been an approved
8 provider under the medical assistance program for the three-
9 year period prior to application for the grant. The grant
10 awarded may be used to convert all or a portion of the
11 licensed nursing facility to a certified assisted-living
12 program and may be used for capital or one-time expenditures,
13 including but not limited to start-up expenses, training
14 expenses, and operating losses for the first year of operation
15 following conversion associated with the nursing facility
16 conversion.

17 b. A long-term care provider or a licensed nursing
18 facility that has been an approved provider under the medical
19 assistance program for the three-year period prior to
20 application for the grant or a provider that will meet
21 applicable medical assistance provider requirements as
22 specified in subsection 2, paragraph "c" or "d". The grant
23 awarded may be used for capital or one-time expenditures,
24 including but not limited to start-up expenses, training
25 expenses, and operating losses for the first year of operation
26 for long-term care service development.

27 2. A grant shall be awarded only to an applicant who meets
28 all of the following criteria, as applicable to the type of
29 grant:

30 a. The applicant is a long-term care provider or a nursing
31 facility that is located in an area determined by the senior
32 living coordinating unit to be underserved with respect to a
33 particular long-term care alternative service, and that has
34 demonstrated the ability or potential to provide quality long-
35 term care alternative services.

1 b. The applicant is able to provide a minimum matching
2 contribution of twenty percent of the total cost of any
3 conversion, remodeling, or construction.

4 c. The applicant is applying for a nursing facility
5 conversion grant and is able to demonstrate all of the
6 following:

7 (1) Conversion of the nursing facility or a distinct
8 portion of the nursing facility to an assisted-living program
9 is projected to offer efficient and economical care to
10 individuals requiring long-term care services in the service
11 area.

12 (2) Assisted-living services are otherwise not likely to
13 be available in the area for individuals eligible for services
14 under the medical assistance program.

15 (3) The resulting reduction in the availability of nursing
16 facility services is not projected to cause undue hardship on
17 those individuals requiring nursing facility services for a
18 period of at least ten years.

19 (4) Public support following a community-based assessment.

20 (5) Conversion of the nursing facility is projected to
21 result in a lower per client reimbursement cost to the grant
22 applicant under the medical assistance program.

23 d. The applicant is applying for a long-term care service
24 development grant and is able to demonstrate all of the
25 following:

26 (1) Long-term care service development is projected to
27 offer efficient and economical care to individuals requiring
28 long-term care services in the service area.

29 (2) The proposed long-term care alternative is otherwise
30 not likely to be available in the area for individuals
31 eligible for services under the medical assistance program.

32 (3) Public support following a community-based assessment.

33 e. The applicant agrees to do all of the following as
34 applicable to the type of grant:

35 (1) Participate and maintain a minimum medical assistance

1 client base participation rate of forty percent, subject to
2 the demand for participation by individuals eligible for
3 medical assistance.

4 (2) Provide a service delivery package that is affordable
5 for those individuals eligible for services under the medical
6 assistance home and community-based services waiver program.

7 (3) Provide a refund to the senior living trust fund, on
8 an amortized basis, in the amount of the grant, if the
9 applicant or the applicant's successor in interest ceases to
10 operate an affordable long-term care alternative within the
11 first ten-year period of operation following the awarding of
12 the grant or if the applicant or the applicant's successor in
13 interest fails to maintain a participation rate of forty
14 percent in accordance with subparagraph (1).

15 3. The department of human services shall adopt rules in
16 consultation with the senior living coordinating unit,
17 pursuant to chapter 17A, to provide all of the following:

18 a. An application process and eligibility criteria for the
19 awarding of grants. The eligibility criteria shall include
20 but are not limited to the applicant's demonstration of an
21 affordable service package, the applicant's use of the funds
22 for allowable costs, and the applicant's ability to refund the
23 funds if required under subsection 2, paragraph "e",
24 subparagraph (3). The primary eligibility criterion used
25 shall be the applicant's potential impact on the overall goal
26 of moving toward a balanced, comprehensive, affordable, high-
27 quality, long-term care system.

28 b. Criteria to be utilized in determining the amount of
29 the grant awarded.

30 c. Weighted criteria to be utilized in prioritizing the
31 awarding of grants to individual grantees during a grant
32 cycle. Greater weight shall be given to the applicant's
33 demonstration of potential reduction of nursing facility beds,
34 the applicant's ability to meet demonstrated community need,
35 and the established history of the applicant in providing

1 quality long-term care services.

2 d. Policies and procedures for certification of the
3 matching funds required of applicants under subsection 2,
4 paragraph "b".

5 e. Other procedures the department of human services deems
6 necessary for the proper administration of this section,
7 including but not limited to the submission of progress
8 reports on a bimonthly basis to the senior living coordinating
9 unit.

10 4. The department of human services shall adopt rules to
11 ensure that a nursing facility that receives a nursing
12 facility conversion grant allocates costs in an equitable
13 manner.

14 5. In addition to the types of grants described in
15 subsection 1, the department of human services, at the
16 direction of the senior living coordinating unit, may also use
17 moneys appropriated to the department from the senior living
18 trust fund to award grants, of not more than one hundred
19 thousand dollars per grant, to licensed nursing facilities
20 that are awarded nursing facility conversion grants and agree,
21 as part of the nursing facility conversion, to also provide
22 adult day care, child care for children with special needs,
23 safe shelter for victims of dependent adult abuse, or respite
24 care.

25 6. The department of human services shall establish a
26 calendar for receiving and evaluating applications and for
27 awarding of grants.

28 7. a. The department of human services shall develop a
29 cost report to be completed by a grantee which includes, but
30 is not limited to, revenue, costs, loans undertaken by the
31 grantee, fixed assets of the grantee, a balance sheet, and a
32 profit and loss statement.

33 b. Grantees shall submit, annually, completed cost reports
34 to the department of human services regarding the project for
35 a period of ten years following the date of initial operation

1 of the grantee's long-term care alternative.

2 8. The department of human services, in consultation with
3 the department of elder affairs, shall provide annual reports
4 to the governor and the general assembly concerning grants
5 awarded. The annual report shall include the total number of
6 applicants and approved applicants, an overview of the various
7 grants awarded, and detailed reports of the cost of each
8 project funded by a grant and information submitted by the
9 approved applicant.

10 9. For the purpose of this section, "underserved" means
11 areas in which four and four-tenths percent of the number of
12 individuals sixty-five years of age and older is not greater
13 than the number of currently licensed nursing facility beds
14 and certified assisted-living units. In addition, the
15 department, in determining if an area is underserved, may
16 consider additional information gathered through the
17 department's own research or submitted by an applicant,
18 including but not limited to any of the following:

19 a. Availability of and access to long-term care
20 alternatives relative to individuals eligible for medical
21 assistance.

22 b. The current number of seniors and persons with
23 disabilities and the projected number of these individuals.

24 c. The current number of seniors and persons with
25 disabilities requiring professional nursing care and the
26 projected number of these individuals.

27 d. The current availability of long-term care alternatives
28 and any known changes in the availability of such
29 alternatives.

30 10. This section does not create an entitlement to any
31 funds available for grants under this section, and the
32 department of human services may only award grants to the
33 extent funds are available and within its discretion, to the
34 extent applications are approved.

35 11. In addition to any other remedies provided by law, the

1 department of human services may recoup any grant funding
2 previously awarded and disbursed to a grantee or the grantee's
3 successor in interest and may reduce the amount of any grant
4 awarded, but not yet disbursed, to a grantee or the grantee's
5 successor in interest, by the amount of any refund owed by a
6 grantee or the grantee's successor in interest pursuant to
7 subsection 2, paragraph "e", subparagraph (3).

8 12. The senior living coordinating unit shall review
9 projects that receive grants under this section to ensure that
10 the goal to provide alternatives to nursing facility care is
11 being met and that an adequate number of nursing facility
12 services remain to meet the needs of Iowans.

13 Sec. 7. NEW SECTION. 249H.7 HOME AND COMMUNITY-BASED
14 SERVICES FOR SENIORS.

15 1. Beginning October 1, 2000, the department of elder
16 affairs, in consultation with the senior living coordinating
17 unit, shall use funds appropriated from the senior living
18 trust fund for activities related to the design, maintenance,
19 or expansion of home and community-based services for seniors,
20 including but not limited to adult day care, personal care,
21 respite, homemaker, chore, and transportation services
22 designed to promote the independence of and to delay the use
23 of institutional care by seniors with low and moderate
24 incomes. At any time that moneys are appropriated, the
25 department of elder affairs, in consultation with the senior
26 living coordinating unit, shall disburse the funds to the area
27 agencies on aging.

28 2. The department of elder affairs shall adopt rules, in
29 consultation with the senior living coordinating unit and the
30 area agencies on aging, pursuant to chapter 17A, to provide
31 all of the following:

32 a. (1) The criteria and process for disbursement of
33 funds, appropriated in accordance with subsection 1, to area
34 agencies on aging.

35 (2) The criteria shall include, at a minimum, all of the

1 following:

2 (a) A distribution formula that triple weights all of the
3 following:

4 (i) Individuals seventy-five years of age and older.

5 (ii) Individuals aged sixty and older who are members of a
6 racial minority.

7 (iii) Individuals sixty years of age and older who reside
8 in rural areas as defined in the federal Older Americans Act.

9 (iv) Individuals who are sixty years of age and older who
10 have incomes at or below the poverty level as defined in the
11 federal Older Americans Act.

12 (b) A distribution formula that single weights individuals
13 sixty years of age and older who do not meet the criteria
14 specified in subparagraph subdivision (a).

15 b. The criteria for long-term care providers to receive
16 funding as subcontractors of the area agencies on aging.

17 c. Other procedures the department of elder affairs deems
18 necessary for the proper administration of this section,
19 including but not limited to the submission of progress
20 reports, on a bimonthly basis, to the senior living
21 coordinating unit.

22 3. This section does not create an entitlement to any
23 funds available for disbursement under this section and the
24 department of elder affairs may only disburse moneys to the
25 extent funds are available and, within its discretion, to the
26 extent requests for funding are approved.

27 4. Long-term care providers that receive funding under
28 this section shall submit annual reports to the appropriate
29 area agency on aging. The department of elder affairs shall
30 develop the report to be submitted, which shall include, but
31 is not limited to, units of service provided, the number of
32 service recipients, costs, and the number of units of service
33 identified as necessitated but not provided.

34 5. The department of elder affairs, in cooperation with
35 the department of human services, shall provide annual reports

1 to the governor and the general assembly concerning the impact
2 of moneys disbursed under this section on the availability of
3 long-term care services in Iowa. The reports shall include
4 the types of services funded, the outcome of those services,
5 and the number of individuals receiving those services.

6 Sec. 8. NEW SECTION. 249H.8 PACE PROGRAM.

7 For the purposes of this chapter, all of the following
8 apply to a PACE program:

9 1. A person operating a PACE program shall have a PACE
10 program agreement with the health care financing
11 administration of the United States department of health and
12 human services, shall enter a contract with the department of
13 human services and shall comply with 42 U.S.C. § 1396(u)(4)
14 and all regulations promulgated pursuant to that section.

15 2. Services provided under a PACE or pre-PACE program
16 shall be provided on a capitated basis.

17 3. A pre-PACE program may contract with the department of
18 human services to provide services to individuals eligible for
19 medical assistance, on a capitated basis, for a limited scope
20 of the PACE service package through a prepaid health plan
21 agreement, with the remaining services reimbursed directly to
22 the service providers by the medical assistance or federal
23 Medicare programs.

24 4. PACE and pre-PACE programs are not subject to
25 regulation under chapter 514B.

26 5. A PACE or pre-PACE program shall, at the time of
27 entering into the initial contract and of renewal of a
28 contract with the department of human services, demonstrate
29 cash reserves in an amount established by rule of the
30 department to cover expenses in the event of insolvency.

31 Sec. 9. NEW SECTION. 249H.9 SENIOR LIVING PROGRAM
32 INFORMATION -- ELECTRONIC ACCESS -- EDUCATION -- ADVISORY
33 COUNCIL.

34 1. The department of elder affairs and the area agencies
35 on aging, in consultation with the senior living coordinating

1 unit, shall create, on a county basis, a database directory of
2 all health care and support services available to seniors.
3 The department of elder affairs shall make the database
4 electronically available to the public, and shall update the
5 database on at least a monthly basis.

6 2. The department of elder affairs shall seek foundation
7 funding to develop and provide an educational program for
8 individuals aged twenty-one and older which assists
9 participants in planning for and financing health care
10 services and other supports in their senior years.

11 3. The department of human services shall develop and
12 distribute an informational packet to the public that
13 explains, in layperson terms, the law, regulations, and rules
14 under the medical assistance program relative to health care
15 services options for seniors, including but not limited to
16 those relating to transfer of assets, prepaid funeral
17 expenses, and life insurance policies.

18 4. The director of human services, the director of the
19 department of elder affairs, the director of public health,
20 the director of the department of inspections and appeals, the
21 director of revenue and finance, and the commissioner of
22 insurance shall constitute a senior advisory council to
23 provide oversight in the development and operation of all
24 informational aspects of the senior living program under this
25 section.

26 Sec. 10. NEW SECTION. 249H.10 CAREGIVER SUPPORT --
27 ACCESS AND EDUCATION PROGRAMS.

28 The department of human services and the department of
29 elder affairs, in consultation with the senior living
30 coordinating unit, shall implement a caregiver support program
31 to provide access to respite care and to provide education to
32 caregivers in providing appropriate care to seniors and
33 persons with disabilities. The program shall be provided
34 through the area agencies on aging or other appropriate
35 agencies.

1 Sec. 11. NEW SECTION. 249H.11 FUTURE REPEAL.

2 Section 249H.6 is repealed on June 30, 2005. However,
3 grants awarded and moneys appropriated for grants on or before
4 June 30, 2005, shall be disbursed to eligible applicants after
5 that date if necessary.

6 DIVISION III

7 MISCELLANEOUS PROVISIONS

8 Sec. 12. NEW SECTION. 249A.18A RESIDENT ASSESSMENT.

9 A nursing facility as defined in section 135C.1 shall
10 complete a resident assessment prior to initial admission of a
11 resident and periodically during the resident's stay in the
12 facility. The assessment shall be completed for each
13 prospective resident and current resident regardless of payor
14 source. The nursing facility may utilize the same resident
15 assessment tool required for certification of the facility
16 under the medical assistance and federal Medicare programs to
17 comply with this section.

18 Sec. 13. Section 231.58, Code 1999, is amended to read as
19 follows:

20 231.58 ~~LONG-TERM-CARE~~ SENIOR LIVING COORDINATING UNIT.

21 1. A ~~long-term-care~~ senior living coordinating unit is
22 created within the department of elder affairs. The
23 membership of the coordinating unit consists of:

- 24 a. The director of human services.
- 25 b. The director of the department of elder affairs.
- 26 c. The director of public health.
- 27 d. The director of the department of inspections and
28 appeals.

29 e. Two members appointed by the governor.

30 f. Four members of the general assembly, as ex officio,
31 nonvoting members.

32 2. The legislative members of the unit shall be appointed
33 by the majority leader of the senate, after consultation with
34 the president of the senate and the minority leader of the
35 senate, and by the speaker of the house, after consultation

1 with the majority leader and the minority leader of the house
2 of representatives.

3 3. Nonlegislative members shall receive actual expenses
4 incurred while serving in their official capacity and may also
5 be eligible to receive compensation as provided in section
6 7E.6. Legislative members shall receive compensation pursuant
7 to section 2.12.

8 ~~2-~~ 4. The long-term-care senior living coordinating unit
9 shall:

10 a. Develop, for legislative review, the mechanisms and
11 procedures necessary to implement, utilizing current
12 personnel, a case-managed system of long-term care based on a
13 uniform comprehensive assessment tool.

14 b. Develop common intake and release procedures for the
15 purpose of determining eligibility at one point of intake and
16 determining eligibility for programs administered by the
17 departments of human services, public health, and elder
18 affairs, such as the medical assistance program, federal food
19 stamp program, and homemaker-home health aide programs.

20 c. Develop common definitions for long-term care services.

21 d. Develop procedures for coordination at the local and
22 state level among the providers of long-term care, including
23 when possible co-campusing of services. The director of the
24 department of general services shall give particular attention
25 to this section when arranging for office space pursuant to
26 section 18.12 for these three departments.

27 e. Prepare a long-range plan for the provision of long-
28 term care services within the state.

29 f. Propose rules and procedures for the development of a
30 comprehensive long-term care and community-based services
31 program.

32 g. Submit a report of its activities to the governor and
33 general assembly on January 15 of each year.

34 h. Provide direction and oversight for disbursement of
35 moneys from the senior living trust fund created in section

1 249H.4.

2 i. Consult with the state universities and other
3 institutions with expertise in the area of senior issues and
4 long-term care.

5 Sec. 14. Section 231C.2, subsection 1, Code 1999, is
6 amended to read as follows:

7 1. "Assisted living" means provision of housing with
8 services which may include but are not limited to health-
9 related care, personal care, and assistance with instrumental
10 activities of daily living to six or more tenants in a
11 physical structure which provides a homelike environment.
12 "Assisted living" also includes encouragement of family
13 involvement, tenant self-direction, and tenant participation
14 in decisions that emphasize choice, dignity, privacy,
15 individuality, shared risk, and independence. "Assisted
16 living" ~~does-not-include~~ includes the provision of housing and
17 assistance with instrumental activities of daily living ~~which~~
18 ~~does-not-also-include-provision-of~~ only if personal care or
19 health-related care is also included.

20 Sec. 15. SENIOR LIVING INSURANCE AND INCENTIVES INTERIM
21 STUDY. The legislative council is requested to authorize a
22 senior living insurance and incentives study committee to
23 review current long-term care insurance laws, current long-
24 term care insurance options available in the state, the types
25 of services covered under a long-term care insurance option,
26 and incentives for the purchase of long-term care insurance
27 including, but not limited to, tax credits. The study
28 committee shall include input from consumers, consumer
29 advocates, the insurance industry, and the health care
30 industry. The study committee shall submit a report of
31 findings and recommendations to the governor and the general
32 assembly on or before December 15, 2000.

33 Sec. 16. REIMBURSEMENT METHODOLOGY TASK FORCE -- REPORT.
34 The department of human services shall convene a task force
35 consisting of the members of the senior living coordinating

1 unit, representatives of the nursing facility industry,
2 consumers and consumer advocates to develop a case-mix
3 reimbursement methodology. The methodology developed shall
4 include a limited number of levels of reimbursement. The task
5 force shall submit a report of the reimbursement methodology
6 developed to the governor and the general assembly on or
7 before December 15, 2000. The department of human services
8 shall also include in the report a summary of the expenditures
9 for nursing facility conversion and for long-term care service
10 development.

11 Sec. 17. RESIDENTIAL CARE FACILITIES -- APPLICATION OF
12 PROGRAM. The department of human services shall review and
13 shall make recommendations to the general assembly on or
14 before October 1, 2000, relating to the feasibility of
15 applying the senior living program and any changes in the
16 reimbursement methodology to residential care facilities.

17 Sec. 18. MAINTENANCE OF FISCAL EFFORT. The fiscal effort,
18 existing on June 30, 2000, represented by appropriations made
19 for long-term care services by the general assembly, shall be
20 maintained and a reduction shall not be made in such
21 appropriations to the department of human services or the
22 department of elder affairs for those services as a result of
23 this Act.

24 Sec. 19. DEPARTMENT OF ELDER AFFAIRS APPROPRIATION. There
25 is appropriated from the senior living trust fund created in
26 section 249H.4 in this Act to the department of elder affairs
27 for the fiscal year beginning July 1, 2000, and ending June
28 30, 2001, the following amount, or so much thereof as is
29 necessary, to be used for the purposes designated:

30 For the development of a comprehensive senior living
31 program, including program administration and costs associated
32 with implementation, salaries, support, maintenance,
33 miscellaneous purposes, and for not more than the following
34 full-time equivalent positions:

35 \$ 4,188,123

1 FTEs 7.00

2 The department of elder affairs may adopt emergency rules
3 to carry out the provisions of this section.

4 Sec. 20. DEPARTMENT OF HUMAN SERVICES APPROPRIATION.

5 There is appropriated from the senior living trust fund
6 created in section 249H.4 in this Act to the department of
7 human services for the fiscal year beginning July 1, 2000, and
8 ending June 30, 2001, the following amounts, or so much
9 thereof as is necessary, to be used for the purposes
10 designated:

11 1. To provide grants to nursing facilities for conversion
12 to assisted living programs or to provide long-term care
13 alternatives and to provide grants to long-term care providers
14 for development of long-term care alternatives:

15 \$ 20,000,000

16 2. To supplement the medical assistance appropriation and
17 to provide reimbursement for health care services and rent
18 expenses to eligible persons through the home and community-
19 based services waiver and the state supplementary assistance
20 program, including program administration and data system
21 costs associated with implementation, salaries, support,
22 maintenance, miscellaneous purposes, and for not more than the
23 following full-time equivalent positions:

24 \$ 2,240,034

25 FTEs 5.00

26 3. To implement nursing facility provider reimbursement at
27 the seventieth percentile and case-mix reimbursement
28 methodology changes:

29 \$ 17,750,000

30 The department shall transfer these funds to supplement
31 other appropriations to the department of human services to
32 carry out the purposes of this subsection. The total amount
33 expended by the department of human services in the fiscal
34 year beginning July 1, 2000, and ending June 30, 2001, for
35 nursing facility provider reimbursements under both the

1 seventieth percentile and the case-mix reimbursement
2 methodologies shall not exceed the amount appropriated in this
3 subsection.

4 Sec. 21. EMERGENCY RULES.

5 1. The department of human services and the department of
6 elder affairs may adopt emergency rules to implement this Act.

7 2. If the department of human services or the department
8 of elder affairs adopts emergency rules under section 17A.4,
9 subsection 2, and section 17A.5, subsection 2, paragraph "b",
10 to implement this Act, the rules shall become effective
11 immediately upon filing, unless a later effective date is
12 specified in the rules. Any rules adopted in accordance with
13 the provisions of this section shall also be published as
14 notice of intended action as provided in section 17A.4.

15 Sec. 22. EFFECTIVE DATE. This Act, being deemed of
16 immediate importance, takes effect upon enactment.

17 Sec. 23. RETROACTIVE APPLICABILITY. The section in this
18 Act that creates section 249H.6 as it relates to receipt of
19 federal funding, is retroactively applicable to October 1,
20 1999.

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SENATE FILE 2193

AN ACT

RELATING TO THE ESTABLISHMENT OF A SENIOR LIVING PROGRAM,
INCLUDING THE CREATION OF A SENIOR LIVING TRUST FUND,
PROVIDING FOR THE DEVELOPMENT AND PROVISION OF SENIOR
LIVING PROGRAM INFORMATION AND ELECTRONIC ACCESS,
PROVIDING FOR A CAREGIVER SUPPORT AND EDUCATION PROGRAM,
PROVIDING FOR A SENIOR LIVING INSURANCE POLICY AND
INCENTIVES STUDY, PROVIDING FOR ALLOCATION OF THE MONEYS
IN THE SENIOR LIVING TRUST FUND, MAKING APPROPRIATIONS,
AND PROVIDING AN EFFECTIVE DATE, AND PROVIDING FOR
RETROACTIVE APPLICABILITY.

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

DIVISION I

TITLE AND FINDINGS

Section 1. NEW SECTION. 249H.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Senior Living Program Act".

Sec. 2. NEW SECTION. 249H.2 LEGISLATIVE FINDINGS --
GOAL.

1. The general assembly finds that:
 - a. The preservation, improvement, and coordination of the health care infrastructure of Iowa is critical to the health and safety of Iowans.
 - b. An increasing number of seniors and persons with disabilities in the state require long-term care services provided outside of a medical institution.
 - c. A full array of long-term care services is necessary to provide cost-effective and appropriate services to the varied population of health care consumers.

d. The supported development of long-term care alternatives, including assisted-living facility services, adult day care, and home and community-based services, is critical in areas of the state where such alternatives otherwise are not likely to be developed.

e. Cost containment in the delivery of health care is necessary to improve services and access for all Iowans.

f. Grants are necessary to cover the expenditures related to the development of alternative health care services. Development of these alternatives will improve access to and delivery of long-term care services to underserved individuals or in underserved areas, which will in turn contain or reduce the cost and improve the quality of health care services.

g. A continuing source of funding is necessary to enhance the state's ability to meet the rising demand of seniors with low and moderate incomes in obtaining an appropriate variety of long-term care services.

2. The goal of this program is to create a comprehensive long-term care system that is consumer-directed, provides a balance between the alternatives of institutionally and noninstitutionally provided services, and contributes to the quality of the lives of Iowans.

DIVISION II

IOWA SENIOR LIVING PROGRAM

Sec. 3. NEW SECTION. 249H.3 DEFINITIONS.

As used in this chapter, unless the context otherwise provides:

1. "Affordable" means rates for payment of services which do not exceed the rates established for providers of medical and health services under the medical assistance program with eligibility for an individual equal to the eligibility for medical assistance pursuant to section 249A.3. In relation to services provided by a provider of services under a home and community-based waiver, "affordable" means that the total monthly cost of the home and community-based waiver services

provided do not exceed the cost for that level of care as established by rule by the department of human services, pursuant to chapter 17A, in consultation with the department of elder affairs.

2. "Assisted living" means assisted living as defined in section 231C.2.

3. "Case mix reimbursement" means a reimbursement methodology that recognizes the acuity and need level of the residents of a nursing facility.

4. "Long-term care alternatives" means those services specified under the medical assistance program as home and community-based waiver services for elder persons or adults with disabilities, elder group homes certified under chapter 231B, assisted-living programs certified under chapter 231C, and the PACE program.

5. "Long-term care provider" means a provider of services through long-term care alternatives.

6. "Long-term care service development" means any of the following:

a. The remodeling of existing space and, if necessary, the construction of additional space required to accommodate development of long-term care alternatives, excluding the development of assisted-living programs or elder group home alternatives.

b. New construction for long-term care alternatives, excluding new construction of assisted-living programs or elder group homes, if the senior living coordinating unit determines that new construction is more cost-effective than the conversion of existing space.

7. "Nursing facility" means a licensed nursing facility as defined in section 135C.1 or a licensed hospital as defined in section 135B.1, a distinct part of which provides long-term care nursing facility beds.

8. "Nursing facility conversion" means any of the following:

a. The remodeling of nursing facility space existing on July 1, 1999, and certified for medical assistance nursing facility reimbursement and, if necessary, the construction of additional space required to accommodate an assisted-living program.

b. New construction of an assisted-living program if existing nursing facility beds are no longer licensed and the senior living coordinating unit determines that new construction is more cost-effective than the conversion of existing space.

9. "PACE program" means a program of all-inclusive care for the elderly established pursuant to 42 U.S.C. § 1396(u)(4) that provides delivery of comprehensive health and social services to seniors by integrating acute and long-term care services, and that is operated by a public, private, nonprofit, or proprietary entity. "Pre-PACE program" means a PACE program in the initial start-up phase that provides the same scope of services as a PACE program.

10. "Persons with disabilities" means individuals eighteen years of age or older with disabilities as disability is defined in section 225B.2.

11. "Senior" means elder as defined in section 231.4 and as defined under the PACE program pursuant to 42 U.S.C. § 1396(u)(4).

12. "Senior living coordinating unit" means the senior living coordinating unit created within the department of elder affairs pursuant to section 231.58, or its designee.

13. "Senior living program" means the senior living program created in this chapter to provide for long-term care alternatives, long-term care service development, and nursing facility conversion.

Sec. 4. NEW SECTION. 249H.4 SENIOR LIVING TRUST FUND -- CREATED -- APPROPRIATIONS.

1. A senior living trust fund is created in the state treasury under the authority of the department of human

services. Moneys received through intergovernmental agreements for the senior living program and moneys received from sources, including grants, contributions, and participant payments, shall be deposited in the fund.

2. The department of human services, upon receipt of federal revenue on or after October 1, 1999, from public nursing facilities participating in the medical assistance program, shall deposit the federal revenue received in the trust fund, less a sum of five thousand dollars as an administration fee per participating public nursing facility.

3. Moneys deposited in the trust fund shall be used only for the purposes of the senior living program as specified in this chapter.

4. The trust fund shall be operated in accordance with the guidelines of the health care financing administration of the United States department of health and human services. The trust fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the trust fund shall not be considered revenue of the state, but rather shall be funds of the senior living program. The moneys in the trust fund are not subject to section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except to provide for the purposes of this chapter. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the trust fund shall be credited to the trust fund.

5. The department of human services shall adopt rules pursuant to chapter 17A to administer the trust fund and to establish procedures for participation by public nursing facilities in the intergovernmental transfer of funds to the senior living trust fund.

6. The treasurer of state shall provide a quarterly report of trust fund activities and balances to the senior living coordinating unit.

Sec. 5. NEW SECTION. 249H.5 ALLOCATIONS -- SENIOR LIVING TRUST FUND.

1. Moneys deposited in the senior living trust fund created in section 249H.4 shall be used only as provided in appropriations from the trust fund to the department of human services and the department of elder affairs, and for purposes, including the awarding of grants, as specified in this chapter.

2. Moneys in the trust fund are allocated, subject to their appropriation by the general assembly, as follows:

a. To the department of human services, a maximum of eighty million dollars for the fiscal period beginning July 1, 2000, and ending on or before June 30, 2005, to be used for the conversion of existing nursing facility space and development of long-term care alternatives.

b. To the department of elder affairs, an amount necessary, annually, for expenses incurred in implementation and administration of the long-term care alternatives programs and for delivery of long-term care services to seniors with low or moderate incomes.

c. To the department of human services, an amount necessary, annually, for all of the following:

(1) Expenses incurred in implementation of the senior living program.

(2) Expenses incurred in administration of medical assistance home and community-based waivers and the PACE program due to implementation of the senior living trust fund.

(3) Expenses incurred due to increased service delivery provided under medical assistance home and community-based waivers as a result of nursing facility conversions and long-term care service development, for the fiscal period beginning July 1, 2000, and ending on or before June 30, 2005.

(4) Expenses incurred in program administration related to implementation of nursing facility case mix reimbursement under the medical assistance program.

d. To the department of human services, an amount necessary to provide funding for nursing facility provider reimbursements, using the percentile-based reimbursement system, and to provide funding for the transition to a case-mix reimbursement system. Funding shall be provided under this section for the percentile-based reimbursement system, until such time as the case-mix reimbursement system is fully implemented.

e. To the department of human services an amount necessary, annually, for additional expenses incurred relative to implementation of the senior living program in assisting home and community-based waiver consumers with rent expenses pursuant to the state supplementary assistance program.

3. Any funds remaining after disbursement of moneys under subsection 2 shall be invested with the interest earned to be available in subsequent fiscal years for the purposes provided in subsection 2, paragraph "b", and subsection 2, paragraph "c", subparagraphs (1) and (2).

Sec. 6. NEW SECTION. 249H.6 NURSING FACILITY CONVERSION AND LONG-TERM CARE SERVICES DEVELOPMENT GRANTS.

1. The department of human services, at the direction of the senior living coordinating unit, may use moneys appropriated to the department from the senior living trust fund to award grants to any of the following:

a. A licensed nursing facility that has been an approved provider under the medical assistance program for the three-year period prior to application for the grant. The grant awarded may be used to convert all or a portion of the licensed nursing facility to a certified assisted-living program and may be used for capital or one-time expenditures, including but not limited to start-up expenses, training expenses, and operating losses for the first year of operation following conversion associated with the nursing facility conversion.

b. A long-term care provider or a licensed nursing facility that has been an approved provider under the medical assistance program for the three-year period prior to application for the grant or a provider that will meet applicable medical assistance provider requirements as specified in subsection 2, paragraph "c" or "d". The grant awarded may be used for capital or one-time expenditures, including but not limited to start-up expenses, training expenses, and operating losses for the first year of operation for long-term care service development.

2. A grant shall be awarded only to an applicant who meets all of the following criteria, as applicable to the type of grant:

a. The applicant is a long-term care provider or a nursing facility that is located in an area determined by the senior living coordinating unit to be underserved with respect to a particular long-term care alternative service, and that has demonstrated the ability or potential to provide quality long-term care alternative services.

b. The applicant is able to provide a minimum matching contribution of twenty percent of the total cost of any conversion, remodeling, or construction.

c. The applicant is applying for a nursing facility conversion grant and is able to demonstrate all of the following:

(1) Conversion of the nursing facility or a distinct portion of the nursing facility to an assisted-living program is projected to offer efficient and economical care to individuals requiring long-term care services in the service area.

(2) Assisted-living services are otherwise not likely to be available in the area for individuals eligible for services under the medical assistance program.

(3) The resulting reduction in the availability of nursing facility services is not projected to cause undue hardship on

those individuals requiring nursing facility services for a period of at least ten years.

(4) Public support following a community-based assessment.

(5) Conversion of the nursing facility is projected to result in a lower per client reimbursement cost to the grant applicant under the medical assistance program.

d. The applicant is applying for a long-term care service development grant and is able to demonstrate all of the following:

(1) Long-term care service development is projected to offer efficient and economical care to individuals requiring long-term care services in the service area.

(2) The proposed long-term care alternative is otherwise not likely to be available in the area for individuals eligible for services under the medical assistance program.

(3) Public support following a community-based assessment.

e. The applicant agrees to do all of the following as applicable to the type of grant:

(1) Participate and maintain a minimum medical assistance client base participation rate of forty percent, subject to the demand for participation by individuals eligible for medical assistance.

(2) Provide a service delivery package that is affordable for those individuals eligible for services under the medical assistance home and community-based services waiver program.

(3) Provide a refund to the senior living trust fund, on an amortized basis, in the amount of the grant, if the applicant or the applicant's successor in interest ceases to operate an affordable long-term care alternative within the first ten-year period of operation following the awarding of the grant or if the applicant or the applicant's successor in interest fails to maintain a participation rate of forty percent in accordance with subparagraph (1).

3. The department of human services shall adopt rules in consultation with the senior living coordinating unit, pursuant to chapter 17A, to provide all of the following:

a. An application process and eligibility criteria for the awarding of grants. The eligibility criteria shall include but are not limited to the applicant's demonstration of an affordable service package, the applicant's use of the funds for allowable costs, and the applicant's ability to refund the funds if required under subsection 2, paragraph "e", subparagraph (3). The primary eligibility criterion used shall be the applicant's potential impact on the overall goal of moving toward a balanced, comprehensive, affordable, high-quality, long-term care system.

b. Criteria to be utilized in determining the amount of the grant awarded.

c. Weighted criteria to be utilized in prioritizing the awarding of grants to individual grantees during a grant cycle. Greater weight shall be given to the applicant's demonstration of potential reduction of nursing facility beds, the applicant's ability to meet demonstrated community need, and the established history of the applicant in providing quality long-term care services.

d. Policies and procedures for certification of the matching funds required of applicants under subsection 2, paragraph "b".

e. Other procedures the department of human services deems necessary for the proper administration of this section, including but not limited to the submission of progress reports on a bimonthly basis to the senior living coordinating unit.

4. The department of human services shall adopt rules to ensure that a nursing facility that receives a nursing facility conversion grant allocates costs in an equitable manner.

5. In addition to the types of grants described in subsection 1, the department of human services, at the direction of the senior living coordinating unit, may also use moneys appropriated to the department from the senior living

trust fund to award grants, of not more than one hundred thousand dollars per grant, to licensed nursing facilities that are awarded nursing facility conversion grants and agree, as part of the nursing facility conversion, to also provide adult day care, child care for children with special needs, safe shelter for victims of dependent adult abuse, or respite care.

6. The department of human services shall establish a calendar for receiving and evaluating applications and for awarding of grants.

7. a. The department of human services shall develop a cost report to be completed by a grantee which includes, but is not limited to, revenue, costs, loans undertaken by the grantee, fixed assets of the grantee, a balance sheet, and a profit and loss statement.

b. Grantees shall submit, annually, completed cost reports to the department of human services regarding the project for a period of ten years following the date of initial operation of the grantee's long-term care alternative.

8. The department of human services, in consultation with the department of elder affairs, shall provide annual reports to the governor and the general assembly concerning grants awarded. The annual report shall include the total number of applicants and approved applicants, an overview of the various grants awarded, and detailed reports of the cost of each project funded by a grant and information submitted by the approved applicant.

9. For the purpose of this section, "underserved" means areas in which four and four-tenths percent of the number of individuals sixty-five years of age and older is not greater than the number of currently licensed nursing facility beds and certified assisted-living units. In addition, the department, in determining if an area is underserved, may consider additional information gathered through the department's own research or submitted by an applicant, including but not limited to any of the following:

a. Availability of and access to long-term care alternatives relative to individuals eligible for medical assistance.

b. The current number of seniors and persons with disabilities and the projected number of these individuals.

c. The current number of seniors and persons with disabilities requiring professional nursing care and the projected number of these individuals.

d. The current availability of long-term care alternatives and any known changes in the availability of such alternatives.

10. This section does not create an entitlement to any funds available for grants under this section, and the department of human services may only award grants to the extent funds are available and within its discretion, to the extent applications are approved.

11. In addition to any other remedies provided by law, the department of human services may recoup any grant funding previously awarded and disbursed to a grantee or the grantee's successor in interest and may reduce the amount of any grant awarded, but not yet disbursed, to a grantee or the grantee's successor in interest, by the amount of any refund owed by a grantee or the grantee's successor in interest pursuant to subsection 2, paragraph "e", subparagraph (3).

12. The senior living coordinating unit shall review projects that receive grants under this section to ensure that the goal to provide alternatives to nursing facility care is being met and that an adequate number of nursing facility services remain to meet the needs of Iowans.

Sec. 7. NEW SECTION. 249H.7 HOME AND COMMUNITY-BASED SERVICES FOR SENIORS.

1. Beginning October 1, 2000, the department of elder affairs, in consultation with the senior living coordinating unit, shall use funds appropriated from the senior living trust fund for activities related to the design, maintenance,

or expansion of home and community-based services for seniors, including but not limited to adult day care, personal care, respite, homemaker, chore, and transportation services designed to promote the independence of and to delay the use of institutional care by seniors with low and moderate incomes. At any time that moneys are appropriated, the department of elder affairs, in consultation with the senior living coordinating unit, shall disburse the funds to the area agencies on aging.

2. The department of elder affairs shall adopt rules, in consultation with the senior living coordinating unit and the area agencies on aging, pursuant to chapter 17A, to provide all of the following:

- a. (1) The criteria and process for disbursement of funds, appropriated in accordance with subsection 1, to area agencies on aging.
 - (2) The criteria shall include, at a minimum, all of the following:
 - (a) A distribution formula that triple weights all of the following:
 - (i) Individuals seventy-five years of age and older.
 - (ii) Individuals aged sixty and older who are members of a racial minority.
 - (iii) Individuals sixty years of age and older who reside in rural areas as defined in the federal Older Americans Act.
 - (iv) Individuals who are sixty years of age and older who have incomes at or below the poverty level as defined in the federal Older Americans Act.
 - (b) A distribution formula that single weights individuals sixty years of age and older who do not meet the criteria specified in subparagraph subdivision (a).
 - b. The criteria for long-term care providers to receive funding as subcontractors of the area agencies on aging.
 - c. Other procedures the department of elder affairs deems necessary for the proper administration of this section,

including but not limited to the submission of progress reports, on a bimonthly basis, to the senior living coordinating unit.

3. This section does not create an entitlement to any funds available for disbursement under this section and the department of elder affairs may only disburse moneys to the extent funds are available and, within its discretion, to the extent requests for funding are approved.

4. Long-term care providers that receive funding under this section shall submit annual reports to the appropriate area agency on aging. The department of elder affairs shall develop the report to be submitted, which shall include, but is not limited to, units of service provided, the number of service recipients, costs, and the number of units of service identified as necessitated but not provided.

5. The department of elder affairs, in cooperation with the department of human services, shall provide annual reports to the governor and the general assembly concerning the impact of moneys disbursed under this section on the availability of long-term care services in Iowa. The reports shall include the types of services funded, the outcome of those services, and the number of individuals receiving those services.

Sec. 8. NEW SECTION. 249H.8 PACE PROGRAM.

For the purposes of this chapter, all of the following apply to a PACE program:

1. A person operating a PACE program shall have a PACE program agreement with the health care financing administration of the United States department of health and human services, shall enter a contract with the department of human services and shall comply with 42 U.S.C. § 1396(u)(4) and all regulations promulgated pursuant to that section.
2. Services provided under a PACE or pre-PACE program shall be provided on a capitated basis.
3. A pre-PACE program may contract with the department of human services to provide services to individuals eligible for

medical assistance, on a capitated basis, for a limited scope of the PACE service package through a prepaid health plan agreement, with the remaining services reimbursed directly to the service providers by the medical assistance or federal Medicare programs.

4. PACE and pre-PACE programs are not subject to regulation under chapter 514B.

5. A PACE or pre-PACE program shall, at the time of entering into the initial contract and of renewal of a contract with the department of human services, demonstrate cash reserves in an amount established by rule of the department to cover expenses in the event of insolvency.

Sec. 9. NEW SECTION. 249H.9 SENIOR LIVING PROGRAM INFORMATION -- ELECTRONIC ACCESS -- EDUCATION -- ADVISORY COUNCIL.

1. The department of elder affairs and the area agencies on aging, in consultation with the senior living coordinating unit, shall create, on a county basis, a database directory of all health care and support services available to seniors. The department of elder affairs shall make the database electronically available to the public, and shall update the database on at least a monthly basis.

2. The department of elder affairs shall seek foundation funding to develop and provide an educational program for individuals aged twenty-one and older which assists participants in planning for and financing health care services and other supports in their senior years.

3. The department of human services shall develop and distribute an informational packet to the public that explains, in layperson terms, the law, regulations, and rules under the medical assistance program relative to health care services options for seniors, including but not limited to those relating to transfer of assets, prepaid funeral expenses, and life insurance policies.

4. The director of human services, the director of the department of elder affairs, the director of public health, the director of the department of inspections and appeals, the director of revenue and finance, and the commissioner of insurance shall constitute a senior advisory council to provide oversight in the development and operation of all informational aspects of the senior living program under this section.

Sec. 10. NEW SECTION. 249H.10 CAREGIVER SUPPORT -- ACCESS AND EDUCATION PROGRAMS.

The department of human services and the department of elder affairs, in consultation with the senior living coordinating unit, shall implement a caregiver support program to provide access to respite care and to provide education to caregivers in providing appropriate care to seniors and persons with disabilities. The program shall be provided through the area agencies on aging or other appropriate agencies.

Sec. 11. NEW SECTION. 249H.11 FUTURE REPEAL.

Section 249H.6 is repealed on June 30, 2005. However, grants awarded and moneys appropriated for grants on or before June 30, 2005, shall be disbursed to eligible applicants after that date if necessary.

DIVISION III
MISCELLANEOUS PROVISIONS

Sec. 12. NEW SECTION. 249A.18A RESIDENT ASSESSMENT.

A nursing facility as defined in section 135C.1 shall complete a resident assessment prior to initial admission of a resident and periodically during the resident's stay in the facility. The assessment shall be completed for each prospective resident and current resident regardless of payor source. The nursing facility may utilize the same resident assessment tool required for certification of the facility under the medical assistance and federal Medicare programs to comply with this section.

Sec. 13. Section 231.58, Code 1999, is amended to read as follows:

231.58 ~~LONG-TERM-CARE~~ SENIOR LIVING COORDINATING UNIT.

1. A ~~long-term-care~~ senior living coordinating unit is created within the department of elder affairs. The membership of the coordinating unit consists of:

- a. The director of human services.
- b. The director of the department of elder affairs.
- c. The director of public health.
- d. The director of the department of inspections and appeals.
- e. Two members appointed by the governor.
- f. Four members of the general assembly, as ex officio, nonvoting members.

2. The legislative members of the unit shall be appointed by the majority leader of the senate, after consultation with the president of the senate and the minority leader of the senate, and by the speaker of the house, after consultation with the majority leader and the minority leader of the house of representatives.

3. Nonlegislative members shall receive actual expenses incurred while serving in their official capacity and may also be eligible to receive compensation as provided in section 7E.6. Legislative members shall receive compensation pursuant to section 2.12.

2- 4. The ~~long-term-care~~ senior living coordinating unit shall:

- a. Develop, for legislative review, the mechanisms and procedures necessary to implement, utilizing current personnel, a case-managed system of long-term care based on a uniform comprehensive assessment tool.
- b. Develop common intake and release procedures for the purpose of determining eligibility at one point of intake and determining eligibility for programs administered by the departments of human services, public health, and elder

affairs, such as the medical assistance program, federal food stamp program, and homemaker-home health aide programs.

- c. Develop common definitions for long-term care services.
- d. Develop procedures for coordination at the local and state level among the providers of long-term care, including when possible co-campusing of services. The director of the department of general services shall give particular attention to this section when arranging for office space pursuant to section 18.12 for these three departments.
- e. Prepare a long-range plan for the provision of long-term care services within the state.
- f. Propose rules and procedures for the development of a comprehensive long-term care and community-based services program.
- g. Submit a report of its activities to the governor and general assembly on January 15 of each year.
- h. Provide direction and oversight for disbursement of moneys from the senior living trust fund created in section 249H.4.
- i. Consult with the state universities and other institutions with expertise in the area of senior issues and long-term care.

Sec. 14. Section 231C.2, subsection 1, Code 1999, is amended to read as follows:

1. "Assisted living" means provision of housing with services which may include but are not limited to health-related care, personal care, and assistance with instrumental activities of daily living to six or more tenants in a physical structure which provides a homelike environment. "Assisted living" also includes encouragement of family involvement, tenant self-direction, and tenant participation in decisions that emphasize choice, dignity, privacy, individuality, shared risk, and independence. "Assisted living" ~~does-not-include~~ includes the provision of housing and assistance with instrumental activities of daily living which

does-not-also-include-provision-of only if personal care or health-related care is also included.

Sec. 15. SENIOR LIVING INSURANCE AND INCENTIVES INTERIM STUDY. The legislative council is requested to authorize a senior living insurance and incentives study committee to review current long-term care insurance laws, current long-term care insurance options available in the state, the types of services covered under a long-term care insurance option, and incentives for the purchase of long-term care insurance including, but not limited to, tax credits. The study committee shall include input from consumers, consumer advocates, the insurance industry, and the health care industry. The study committee shall submit a report of findings and recommendations to the governor and the general assembly on or before December 15, 2000.

Sec. 16. REIMBURSEMENT METHODOLOGY TASK FORCE -- REPORT. The department of human services shall convene a task force consisting of the members of the senior living coordinating unit, representatives of the nursing facility industry, consumers and consumer advocates to develop a case-mix reimbursement methodology. The methodology developed shall include a limited number of levels of reimbursement. The task force shall submit a report of the reimbursement methodology developed to the governor and the general assembly on or before December 15, 2000. The department of human services shall also include in the report a summary of the expenditures for nursing facility conversion and for long-term care service development.

Sec. 17. RESIDENTIAL CARE FACILITIES -- APPLICATION OF PROGRAM. The department of human services shall review and shall make recommendations to the general assembly on or before October 1, 2000, relating to the feasibility of applying the senior living program and any changes in the reimbursement methodology to residential care facilities.

Sec. 18. MAINTENANCE OF FISCAL EFFORT. The fiscal effort, existing on June 30, 2000, represented by appropriations made for long-term care services by the general assembly, shall be maintained and a reduction shall not be made in such appropriations to the department of human services or the department of elder affairs for those services as a result of this Act.

Sec. 19. DEPARTMENT OF ELDER AFFAIRS APPROPRIATION. There is appropriated from the senior living trust fund created in section 249H.4 in this Act to the department of elder affairs for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the development of a comprehensive senior living program, including program administration and costs associated with implementation, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,188,123
.....	FTEs	7.00

The department of elder affairs may adopt emergency rules to carry out the provisions of this section.

Sec. 20. DEPARTMENT OF HUMAN SERVICES APPROPRIATION. There is appropriated from the senior living trust fund created in section 249H.4 in this Act 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:

1. To provide grants to nursing facilities for conversion to assisted living programs or to provide long-term care alternatives and to provide grants to long-term care providers for development of long-term care alternatives:
..... \$ 20,000,000

2. To supplement the medical assistance appropriation and to provide reimbursement for health care services and rent expenses to eligible persons through the home and community-based services waiver and the state supplementary assistance program, including program administration and data system costs associated with implementation, salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,240,034
..... FTEs 5.00

3. To implement nursing facility provider reimbursement at the seventieth percentile and case-mix reimbursement methodology changes:

..... \$ 17,750,000

The department shall transfer these funds to supplement other appropriations to the department of human services to carry out the purposes of this subsection. The total amount expended by the department of human services in the fiscal year beginning July 1, 2000, and ending June 30, 2001, for nursing facility provider reimbursements under both the seventieth percentile and the case-mix reimbursement methodologies shall not exceed the amount appropriated in this subsection.

Sec. 21. EMERGENCY RULES.

1. The department of human services and the department of elder affairs may adopt emergency rules to implement this Act.

2. If the department of human services or the department of elder affairs adopts emergency rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement this Act, the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

Sec. 22. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 23. RETROACTIVE APPLICABILITY. The section in this Act that creates section 249H.6 as it relates to receipt of federal funding, is retroactively applicable to October 1, 1999.

MARY E. KRAMER
President of the Senate

BRENT SIEGRIST
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2193, Seventy-eighth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved March 1, 2000

THOMAS J. VILSACK
Governor