

Senate Study Bill 3111

Bill Text

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1 1 Section 1. DEPARTMENT OF HUMAN SERVICES APPROPRIATION
1 2 SENIOR LIVING TRUST FUND MEDICAL ASSISTANCE. After
1 3 applying the reduction made pursuant to executive order number
1 4 24 to the appropriation made to the department of human
1 5 services for the medical assistance program for the fiscal
1 6 year beginning July 1, 2001, and ending June 30, 2002, there
1 7 is appropriated from the senior living trust fund created in
1 8 section 249H.4, to the department of human services for the
1 9 fiscal year beginning July 1, 2001, and ending June 30, 2002,
1 10 the following amount, or so much thereof as is necessary, to
1 11 supplement appropriations made for the following designated
1 12 purpose:

1 13 To supplement the appropriation made for the medical
1 14 assistance program in 2001 Iowa Acts, chapter 184, section 1;
1 15 2001 Iowa Acts, chapter 191, section 7; 2001 Iowa Acts,
1 16 chapter 192, section 2; and any appropriation made for fiscal
1 17 year 2001-2002 for the medical assistance program in this or
1 18 any other Act:

1 19 \$ 39,000,000

1 20 Sec. 2. DEPARTMENT OF HUMAN SERVICES SENIOR LIVING
1 21 TRUST FUND TRANSFER. For the fiscal year beginning July 1,
1 22 2001, and ending June 30, 2002, there is transferred from the
1 23 appropriation made to the department of human services
1 24 pursuant to 2001 Iowa Acts, chapter 192, section 2, subsection
1 25 1, to provide grants to nursing facilities for conversion to
1 26 assisted living programs or to provide long-term care
1 27 alternatives, the following amount, or so much thereof as is
1 28 necessary, to supplement the appropriation made for the
1 29 medical assistance program in 2001 Iowa Acts, chapter 184,
1 30 section 1; 2001 Iowa Acts, chapter 191, section 7; 2001 Iowa
1 31 Acts, chapter 192, section 2; and any appropriation made for
1 32 fiscal year 2001-2002 for the medical assistance program in
1 33 this or any other Act:

1 34 \$ 9,500,000

1 35 Sec. 3. DEPARTMENT OF HUMAN SERVICES TOBACCO SETTLEMENT
2 1 FUND APPROPRIATION MEDICAL ASSISTANCE. For the fiscal
2 2 year beginning July 1, 2001, and ending June 30, 2002, there
2 3 is appropriated from the endowment for Iowa's health account
2 4 of the tobacco settlement trust fund created in section
2 5 12E.12, to the department of human services the following
2 6 amount, or so much thereof as is necessary, to supplement the
2 7 appropriation made for the medical assistance program in 2001
2 8 Iowa Acts, chapter 184, section 1; 2001 Iowa Acts, chapter
2 9 191, section 7; 2001 Iowa Acts, chapter 192, section 2; and
2 10 any appropriation made for fiscal year 2001-2002 for the
2 11 medical assistance program in this or any other Act:

2 12 \$ 2,500,000

2 13 Sec. 4. DEPARTMENT OF HUMAN SERVICES APPROPRIATION
2 14 HOSPITAL TRUST FUND.

2 15 1. There is appropriated from the hospital trust fund
2 16 created in section 249I.4 to the department of human services
2 17 for the fiscal year beginning July 1, 2001, and ending June
2 18 30, 2002, the following amount, or so much thereof as is
2 19 necessary, to be used to supplement the appropriation made for
2 20 the medical assistance program in 2001 Iowa Acts, chapter 184,
2 21 section 1; 2001 Iowa Acts, chapter 191, section 7; 2001 Iowa

2 22 Acts, chapter 192, section 2; and any appropriation made for
2 23 fiscal year 2001-2002 for the medical assistance program in
2 24 this or any other Act:

2 25 \$ 7,000,000

2 26 2. Following the appropriation of moneys pursuant to
2 27 subsection 1, of the moneys remaining in the hospital trust
2 28 fund, \$2,500,000 shall be transferred to and deposited in the
2 29 endowment for Iowa's health account of the tobacco settlement
2 30 trust fund created in section 12E.12.

2 31 3. Following the appropriation of moneys pursuant to
2 32 subsection 1, and the transfer and deposit of moneys pursuant
2 33 to subsection 2, any remaining moneys in the hospital trust
2 34 fund shall be transferred to and deposited in the senior
2 35 living trust fund created in section 249H.4.

3 1 Sec. 5. FEDERAL FUNDS CONTINGENCY TOBACCO SETTLEMENT
3 2 FUND MEDICAL ASSISTANCE.

3 3 If federal funds are not received in accordance with
3 4 chapter 249I, during the fiscal year beginning July 1, 2001,
3 5 and ending June 30, 2002, there is appropriated from the
3 6 endowment for Iowa's health account of the tobacco settlement
3 7 trust fund created in section 12E.12, to the department of
3 8 human services for that fiscal year the following amount or so
3 9 much thereof as is necessary, to be used to supplement the
3 10 appropriation made for the medical assistance program in 2001
3 11 Iowa Acts, chapter 184, section 1; 2001 Iowa Acts, chapter
3 12 191, section 7; 2001 Iowa Acts, chapter 192, section 2; and
3 13 any appropriation made for fiscal year 2001-2002 for the
3 14 medical assistance program in this or any other Act:

3 15 \$ 7,000,000

3 16 1. However, if federal funds are received in accordance
3 17 with chapter 249I at any time during the succeeding fiscal
3 18 year, the first \$7,000,000 shall be transferred to and
3 19 deposited in the endowment for Iowa's health account of the
3 20 tobacco settlement trust fund created in section 12E.12.

3 21 2. If federal funds are not received as provided in
3 22 subsection 1, the department of human services shall transfer
3 23 \$7,000,000 of the moneys appropriated to the department in
3 24 that fiscal year to the endowment for Iowa's health account of
3 25 the tobacco settlement trust fund created in section 12E.12.

3 26 Sec. 6. FEDERAL FUNDS TRANSFER AND DEPOSIT IN TRUST
3 27 FUNDS. If federal funding is not received during the fiscal
3 28 year beginning July 1, 2001, in accordance with chapter 249I,
3 29 but unanticipated federal funding is received during the
3 30 fiscal years beginning July 1, 2001, or beginning July 1,
3 31 2002, the purpose of which is to reimburse the costs of the
3 32 medical assistance program, the unanticipated funding received
3 33 shall be credited as follows:

3 34 1. Of the moneys received, \$2,500,000 shall be credited to
3 35 the endowment for Iowa's health account of the tobacco
4 1 settlement trust fund created in section 12E.12.

4 2 2. Following the crediting of moneys pursuant to
4 3 subsection 1, any remaining moneys received shall be credited
4 4 to the senior living trust fund created in section 249H.4.

4 5 Sec. 7. MEDICAL ASSISTANCE REPORTING REQUIREMENTS
4 6 DENTAL SERVICES FOR ADULTS PHARMACEUTICAL COPAYMENT.

4 7 1. The department of human services shall require
4 8 applicants for or recipients of medical assistance to report
4 9 changes in income or resources that affect eligibility on a
4 10 monthly basis.

4 11 2. Beginning March 1, 2002, adults receiving dental
4 12 services under the medical assistance program shall receive
4 13 only preventive services.

4 14 3. The department of human services shall require
4 15 recipients of medical assistance to pay the following
4 16 copayment on each covered drug prescription, including each
4 17 refill as follows:

4 18 a. A copayment of \$1 for each covered generic drug

4 19 prescription.

4 20 b. A copayment of \$1 for each covered brand-name drug
4 21 prescription for which the cost to the state is less than \$25.

4 22 c. A copayment of \$2 for each covered brand-name drug
4 23 prescription for which the cost to the state is between \$25
4 24 and \$50.

4 25 d. A copayment of \$3 for each covered brand-name drug
4 26 prescription for which the cost to the state is over \$50.

4 27 Sec. 8. MEDICAL ASSISTANCE ADVISORY GROUP.

4 28 1. The department of human services shall convene a joint
4 29 legislative and executive branch medical assistance advisory
4 30 group to provide ongoing analysis and recommendations
4 31 regarding the medical assistance program in this state. The
4 32 membership of the advisory group shall consist of the
4 33 chairpersons and ranking members of the human services
4 34 appropriations subcommittee, the director of the department of
4 35 management, and the director of human services. The goal of
5 1 the advisory group shall be to propose recommendations for
5 2 systemic changes in the medical assistance program to reduce
5 3 state costs.

5 4 2. The advisory group shall consider, at a minimum, the
5 5 reports and recommendations of the joint legislative and
5 6 executive branch medical assistance work group that met in
5 7 fall 2001, including but not limited to recommendations
5 8 related to alternative forecasting methods in determining
5 9 participation in the medical assistance program and options
5 10 relating to prescription drugs. The advisory group shall also
5 11 consult with national and regional entities, including but not
5 12 limited to the national conference of state legislatures, the
5 13 council of state governments, the national governors
5 14 association, and other entities that may provide assistance in
5 15 addressing growth in and cost-containment strategies related
5 16 to the medical assistance program.

5 17 3. The advisory group shall submit a report to the fiscal
5 18 committee and to the chairpersons and members of the human
5 19 services appropriations subcommittee no later than June 1,
5 20 2002. The advisory group shall meet, as necessary, to
5 21 continue review of the medical assistance program.

5 22 Sec. 9. NEW SECTION. 249A.20A NURSING FACILITIES DUAL
5 23 CERTIFICATION REQUIRED.

5 24 Beginning October 1, 2002, all licensed nursing facilities
5 25 shall be certified under both the federal Medicare program and
5 26 the medical assistance program as a condition for
5 27 participation in the medical assistance program.

5 28 Sec. 10. EMERGENCY RULES. If it is necessary to adopt
5 29 rules to implement a provision of this Act, the department of
5 30 human services may adopt administrative rules under section
5 31 17A.4, subsection 2, and section 17A.5, subsection 2,
5 32 paragraph "b", to implement the provisions and the rules shall
5 33 become effective immediately upon filing, unless the effective
5 34 date is delayed by the administrative rules review committee,
5 35 notwithstanding section 17A.4, subsection 5, and section
6 1 17A.8, subsection 9, or a later effective date is specified in
6 2 the rules. Any rules adopted in accordance with this section
6 3 shall not take effect before the rules are reviewed by the
6 4 administrative rules review committee. Any rules adopted in
6 5 accordance with the provisions of this section shall also be
6 6 published as notice of intended action as provided in section
6 7 17A.4.

6 8 Sec. 11. EFFECTIVE DATE. This Act, being deemed of
6 9 immediate importance, takes effect upon enactment.

6 10 EXPLANATION

6 11 This bill relates to the medical assistance program and
6 12 makes supplemental appropriations and transfers for the fiscal
6 13 year beginning July 1, 2001, and ending June 30, 2002, to
6 14 supplement the medical assistance appropriations made for that
6 15 fiscal year.

6 16 The bill includes contingency language making
6 17 appropriations and transfers and providing other direction in
6 18 the event federal moneys are not received for purposes of the
6 19 hospital trust fund under Code chapter 249I and in the event
6 20 unanticipated federal funding for medical assistance is
6 21 received.

6 22 The bill directs the department of human services to
6 23 require applicants for or recipients of medical assistance to
6 24 report changes in income or resources that affect eligibility
6 25 on a monthly basis; directs that beginning March 1, 2002,
6 26 adults receiving dental services under the medical assistance
6 27 program shall receive only preventive services; and directs
6 28 the department of human services to require recipients of
6 29 medical assistance to pay a copayment on each covered drug
6 30 prescription, including each refill, depending on the cost of
6 31 the prescription drug to the state and whether the drug is a
6 32 generic or brand-name drug.

6 33 The bill also directs the department of human services to
6 34 convene a joint legislative and executive branch medical
6 35 assistance advisory group to provide ongoing analysis and
7 1 recommendations regarding the medical assistance program in
7 2 this state. The goal of the advisory group is to propose
7 3 recommendations for systemic changes in the medical assistance
7 4 program to reduce state costs. The bill requires the advisory
7 5 group to submit a report to the fiscal committee and to the
7 6 chairpersons and members of the human services appropriations
7 7 subcommittee no later than June 1, 2002, and provides that the
7 8 advisory group is to meet, as necessary, to continue review of
7 9 the medical assistance program.

7 10 The bill requires that beginning October 1, 2002, all
7 11 licensed nursing facilities are to be certified under both the
7 12 federal Medicare program and the medical assistance program as
7 13 a condition for participation in the medical assistance
7 14 program.

7 15 The bill provides for emergency rulemaking.

7 16 The bill takes effect upon enactment.

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