

House Study Bill 649

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
HUMAN SERVICES BILL)

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

A BILL FOR

1 An Act providing for reform of services and other support
2 provided for persons with mental illness, developmental
3 disabilities, or brain injury, revising county property tax
4 levy authority for the services, and providing appropriations
5 and effective dates.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 5250DP 80
8 jp/pj/5

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1 1 DIVISION I
1 2 COMMISSION == SINGLE ENTRY POINT PROCESS NAME CHANGES
1 3 Section 1. Section 135C.23, subsection 2, unnumbered
1 4 paragraph 2, Code 2003, is amended to read as follows:
1 5 This section does not prohibit the admission of a patient
1 6 with a history of dangerous or disturbing behavior to an
1 7 intermediate care facility for persons with mental illness,
1 8 intermediate care facility for persons with mental
1 9 retardation, nursing facility, or county care facility when
1 10 the intermediate care facility for persons with mental
1 11 illness, intermediate care facility for persons with mental
1 12 retardation, nursing facility, or county care facility has a
1 13 program which has received prior approval from the department
1 14 to properly care for and manage the patient. An intermediate
1 15 care facility for persons with mental illness, intermediate
1 16 care facility for persons with mental retardation, nursing
1 17 facility, or county care facility is required to transfer or
1 18 discharge a resident with dangerous or disturbing behavior
1 19 when the intermediate care facility for persons with mental
1 20 illness, intermediate care facility for persons with mental
1 21 retardation, nursing facility, or county care facility cannot
1 22 control the resident's dangerous or disturbing behavior. The
1 23 department, in coordination with the state mental health, ~~and~~
1 24 developmental disabilities, and brain injury commission
1 25 created in section 225C.5, shall adopt rules pursuant to
1 26 chapter 17A for programs to be required in intermediate care
1 27 facilities for persons with mental illness, intermediate care
1 28 facilities for persons with mental retardation, nursing
1 29 facilities, and county care facilities that admit patients or
1 30 have residents with histories of dangerous or disturbing
1 31 behavior.
1 32 Sec. 2. Section 154D.2, subsection 1, paragraph b, Code
1 33 2003, is amended to read as follows:
1 34 b. Has at least two years of supervised clinical
1 35 experience or its equivalent as approved by the board in
2 1 consultation with the mental health, ~~and~~ developmental
2 2 disabilities, and brain injury commission created in section
2 3 225C.5.
2 4 Sec. 3. Section 154D.2, subsection 2, paragraph b, Code
2 5 2003, is amended to read as follows:
2 6 b. Has at least two years of clinical experience,
2 7 supervised by a licensee, in assessing mental health needs and
2 8 problems and in providing appropriate mental health services
2 9 as approved by the board of behavioral science examiners in
2 10 consultation with the mental health, ~~and~~ developmental
2 11 disabilities, and brain injury commission created in section
2 12 225C.5.
2 13 Sec. 4. Section 225C.2, subsection 2, Code 2003, is
2 14 amended to read as follows:
2 15 2. "Commission" means the mental health, ~~and~~ developmental
2 16 disabilities, and brain injury commission.
2 17 Sec. 5. Section 225C.5, subsection 1, unnumbered paragraph
2 18 1, Code Supplement 2003, is amended to read as follows:
2 19 A mental health, ~~and~~ developmental disabilities, and brain
2 20 injury commission is created as the state policy-making body

2 21 for the provision of services to persons with mental illness,
2 22 mental retardation or other developmental disabilities, or
2 23 brain injury. The commission shall consist of sixteen voting
2 24 members appointed to three-year staggered terms by the
2 25 governor and subject to confirmation by the senate.
2 26 Commission members shall be appointed on the basis of interest
2 27 and experience in the fields of mental health, mental
2 28 retardation or other developmental disabilities, and brain
2 29 injury, in a manner so as to ensure adequate representation
2 30 from persons with disabilities and individuals knowledgeable
2 31 concerning disability services. The department shall provide
2 32 staff support to the commission, and the commission may
2 33 utilize staff support and other assistance provided to the
2 34 commission by other persons. The commission shall meet at
2 35 least four times per year. Members of the commission shall
3 1 include the following persons who, at the time of appointment
3 2 to the commission, are active members of the indicated groups:

3 3 Sec. 6. Section 225C.7, subsection 3, Code 2003, is
3 4 amended to read as follows:

3 5 3. If a county has not established or is not affiliated
3 6 with a community mental health center under chapter 230A, the
3 7 county shall expend a portion of the money received under this
3 8 appropriation to contract with a community mental health
3 9 center to provide mental health services to the county's
3 10 residents. If such a contractual relationship is unworkable
3 11 or undesirable, the ~~mental health and developmental~~
3 12 ~~disabilities~~ commission may waive the expenditure requirement.
3 13 However, if the commission waives the requirement, the
3 14 commission shall address the specific concerns of the county
3 15 and shall attempt to facilitate the provision of mental health
3 16 services to the county's residents through an affiliation
3 17 agreement or other means.

3 18 Sec. 7. Section 227.4, Code 2003, is amended to read as
3 19 follows:

3 20 227.4 STANDARDS FOR CARE OF PERSONS WITH MENTAL ILLNESS OR
3 21 ~~MENTAL RETARDATION~~ DEVELOPMENTAL DISABILITIES IN COUNTY CARE
3 22 FACILITIES.

3 23 The administrator, in cooperation with the department of
3 24 inspections and appeals, shall recommend, and the mental
3 25 health, ~~and developmental disabilities, and brain injury~~
3 26 commission created in section 225C.5 shall adopt standards for
3 27 the care of and services to persons with mental illness or
3 28 ~~mental retardation~~ developmental disabilities residing in
3 29 county care facilities. The standards shall be enforced by
3 30 the department of inspections and appeals as a part of the
3 31 licensure inspection conducted pursuant to chapter 135C. The
3 32 objective of the standards is to ensure that persons with
3 33 mental illness or ~~mental retardation~~ developmental
3 34 disabilities who are residents of county care facilities are
3 35 not only adequately fed, clothed, and housed, but are also
4 1 offered reasonable opportunities for productive work and
4 2 recreational activities suited to their physical and mental
4 3 abilities and offering both a constructive outlet for their
4 4 energies and, if possible, therapeutic benefit. When
4 5 recommending standards under this section, the administrator
4 6 shall designate an advisory committee representing
4 7 administrators of county care facilities, county mental health
4 8 and developmental disabilities regional planning councils, and
4 9 county care facility resident advocate committees to assist in
4 10 the establishment of standards.

4 11 Sec. 8. Section 229.24, subsection 3, unnumbered paragraph
4 12 1, Code 2003, is amended to read as follows:

4 13 If all or part of the costs associated with hospitalization
4 14 of an individual under this chapter are chargeable to a county
4 15 of legal settlement, the clerk of the district court shall
4 16 provide to the county of legal settlement and to the county in
4 17 which the hospitalization order is entered, in a form
4 18 prescribed by the mental health, ~~and developmental~~
4 19 disabilities, and brain injury commission, the following
4 20 information pertaining to the individual which would be
4 21 confidential under subsection 1:

4 22 Sec. 9. Section 230A.2, Code 2003, is amended to read as
4 23 follows:

4 24 230A.2 SERVICES OFFERED.

4 25 A community mental health center established or operating
4 26 as authorized by section 230A.1 may offer to residents of the
4 27 county or counties it serves any or all of the mental health
4 28 services defined by the mental health, ~~and developmental~~
4 29 disabilities, and brain injury commission in the state mental
4 30 health plan.

4 31 Sec. 10. Section 230A.16, unnumbered paragraph 1, Code

4 32 2003, is amended to read as follows:

4 33 The administrator of the division of mental health and
4 34 developmental disabilities of the department of human services
4 35 shall recommend and the mental health, ~~and~~ developmental
5 1 disabilities, and brain injury commission shall adopt
5 2 standards for community mental health centers and
5 3 comprehensive community mental health programs, with the
5 4 overall objective of ensuring that each center and each
5 5 affiliate providing services under contract with a center
5 6 furnishes high quality mental health services within a
5 7 framework of accountability to the community it serves. The
5 8 standards shall be in substantial conformity with those of the
5 9 psychiatric committee of the joint commission on accreditation
5 10 of health care organizations and other recognized national
5 11 standards for evaluation of psychiatric facilities unless in
5 12 the judgment of the administrator of the division of mental
5 13 health and developmental disabilities, with approval of the
5 14 mental health, ~~and~~ developmental disabilities, and brain
5 15 injury commission, there are sound reasons for departing from
5 16 the standards. When recommending standards under this
5 17 section, the administrator of the division shall designate an
5 18 advisory committee representing boards of directors and
5 19 professional staff of community mental health centers to
5 20 assist in the formulation or revision of standards. At least
5 21 a simple majority of the members of the advisory committee
5 22 shall be lay representatives of community mental health center
5 23 boards of directors. At least one member of the advisory
5 24 committee shall be a member of a county board of supervisors.
5 25 The standards recommended under this section shall include
5 26 requirements that each community mental health center
5 27 established or operating as authorized by section 230A.1
5 28 shall:

5 29 Sec. 11. Section 230A.17, Code 2003, is amended to read as
5 30 follows:

5 31 230A.17 REVIEW AND EVALUATION.

5 32 The administrator of the division of mental health and
5 33 developmental disabilities of the department of human services
5 34 may review and evaluate any community mental health center
5 35 upon the recommendation of the mental health, ~~and~~
6 1 developmental disabilities, and brain injury commission, and
6 2 shall do so upon the written request of the center's board of
6 3 directors, its chief medical or administrative officer, or the
6 4 board of supervisors of any county from which the center
6 5 receives public funds. The cost of the review shall be paid
6 6 by the division.

6 7 Sec. 12. Section 230A.18, Code 2003, is amended to read as
6 8 follows:

6 9 230A.18 REPORT OF REVIEW AND EVALUATION.

6 10 Upon completion of a review made pursuant to section
6 11 230A.17, the review shall be submitted to the board of
6 12 directors and chief medical or administrative officer of the
6 13 center. If the review concludes that the center fails to meet
6 14 any of the standards established pursuant to section 230A.16,
6 15 subsection 1, and that the response of the center to this
6 16 finding is unsatisfactory, these conclusions shall be reported
6 17 to the mental health, ~~and~~ developmental disabilities, and
6 18 brain injury commission which may forward the conclusions to
6 19 the board of directors of the center and request an
6 20 appropriate response within thirty days. If no response is
6 21 received within thirty days, or if the response is
6 22 unsatisfactory, the commission may call this fact to the
6 23 attention of the board of supervisors of the county or
6 24 counties served by the center, and in doing so shall indicate
6 25 what corrective steps have been recommended to the center's
6 26 board of directors.

6 27 Sec. 13. Section 231.44, subsection 2, Code Supplement
6 28 2003, is amended to read as follows:

6 29 2. The responsibilities of the resident advocate committee
6 30 are in accordance with the rules adopted by the commission
6 31 pursuant to chapter 17A. When adopting the rules, the
6 32 commission shall consider the needs of residents of elder
6 33 group homes as defined in section 231B.1 and each category of
6 34 licensed health care facility as defined in section 135C.1,
6 35 subsection 6, and the services each facility may render. The
7 1 commission shall coordinate the development of rules with the
7 2 mental health, ~~and~~ developmental disabilities, and brain
7 3 injury commission created in section 225C.5 to the extent the
7 4 rules would apply to a facility primarily serving persons with
7 5 mental illness, mental retardation, or ~~a~~ other developmental
7 6 disability, or brain injury. The commission shall coordinate
7 7 the development of appropriate rules with other state

7 8 agencies.

7 9 Sec. 14. Section 249A.4, subsection 15, Code Supplement
7 10 2003, is amended to read as follows:

7 11 15. Establish appropriate reimbursement rates for
7 12 community mental health centers that are accredited by the
7 13 mental health, ~~and developmental disabilities, and brain~~
7 14 ~~injury~~ commission. ~~The reimbursement rates shall be phased in~~
7 15 ~~over the three-year period beginning July 1, 1998, and ending~~
7 16 ~~June 30, 2001.~~

7 17 Sec. 15. Section 249A.12, subsection 5, paragraph a,
7 18 unnumbered paragraph 1, Code Supplement 2003, is amended to
7 19 read as follows:

7 20 The mental health, ~~and developmental disabilities, and~~
7 21 ~~brain injury~~ commission shall recommend to the department the
7 22 actions necessary to assist in the transition of individuals
7 23 being served in an intermediate care facility for persons with
7 24 mental retardation, who are appropriate for the transition, to
7 25 services funded under a medical assistance waiver for home and
7 26 community-based services for persons with mental retardation
7 27 in a manner which maximizes the use of existing public and
7 28 private facilities. The actions may include but are not
7 29 limited to submitting any of the following or a combination of
7 30 any of the following as a request for a revision of the
7 31 medical assistance waiver for home and community-based
7 32 services for persons with mental retardation in effect as of
7 33 June 30, 1996:

7 34 Sec. 16. Section 249A.12, subsection 5, paragraph b, Code
7 35 Supplement 2003, is amended to read as follows:

8 1 b. In implementing the provisions of this subsection, the
8 2 mental health, ~~and developmental disabilities, and brain~~
8 3 ~~injury~~ commission shall consult with other states. The waiver
8 4 revision request or other action necessary to assist in the
8 5 transition of service provision from intermediate care
8 6 facilities for persons with mental retardation to alternative
8 7 programs shall be implemented by the department in a manner
8 8 that can appropriately meet the needs of individuals at an
8 9 overall lower cost to counties, the federal government, and
8 10 the state. In addition, the department shall take into
8 11 consideration significant federal changes to the medical
8 12 assistance program in formulating the department's actions
8 13 under this subsection. The department shall consult with the
8 14 mental health, ~~and developmental disabilities, and brain~~
8 15 ~~injury~~ commission in adopting rules for oversight of
8 16 facilities converted pursuant to this subsection. A
8 17 transition approach described in paragraph "a" may be modified
8 18 as necessary to obtain federal waiver approval.

8 19 Sec. 17. Section 249A.31, subsection 1, Code 2003, is
8 20 amended to read as follows:

8 21 1. Providers of individual case management services for
8 22 persons with mental retardation, a developmental disability,
8 23 or chronic mental illness in accordance with standards adopted
8 24 by the mental health, ~~and developmental disabilities, and~~
8 25 ~~brain injury~~ commission pursuant to section 225C.6.

8 26 Sec. 18. Section 331.424A, subsection 1, Code Supplement
8 27 2003, is amended to read as follows:

8 28 1. For the purposes of this chapter, unless the context
8 29 otherwise requires, "services fund" means the county mental
8 30 health, mental retardation, and developmental disabilities
8 31 services fund created in subsection 2. The county finance
8 32 committee created in section 333A.2 shall consult with the
8 33 ~~mental health and developmental disabilities state~~ commission
8 34 in adopting rules and prescribing forms for administering the
8 35 services fund.

9 1 Sec. 19. Section 331.438, subsection 1, paragraph c, Code
9 2 2003, is amended to read as follows:

9 3 c. "Qualified mental health, mental retardation, and
9 4 developmental disabilities services" means the services
9 5 specified on forms issued by the county finance committee
9 6 following consultation with the ~~mental health and~~
9 7 ~~developmental disabilities state~~ commission.

9 8 Sec. 20. Section 331.438, subsection 1, Code 2003, is
9 9 amended by adding the following new paragraph:

9 10 NEW PARAGRAPH. cc. "State commission" means the mental
9 11 health, developmental disabilities, and brain injury
9 12 commission created in section 225C.5.

9 13 Sec. 21. Section 331.438, subsection 4, paragraph a, Code
9 14 2003, is amended to read as follows:

9 15 a. The ~~mental health and developmental disabilities state~~
9 16 commission shall make recommendations and take actions for
9 17 joint state and county planning, implementing, and funding of
9 18 mental health, ~~mental retardation, and~~ developmental

9 19 disabilities, and brain injury services, including but not
9 20 limited to developing and implementing fiscal and
9 21 accountability controls, establishing management plans, and
9 22 ensuring that eligible persons have access to appropriate and
9 23 cost-effective services.

9 24 Sec. 22. Section 331.438, subsection 4, paragraph b,
9 25 unnumbered paragraph 1, Code 2003, is amended to read as
9 26 follows:

9 27 ~~The mental health and developmental disabilities state~~
9 28 commission shall do all of the following:

9 29 Sec. 23. Section 331.438, subsection 4, paragraph b,
9 30 subparagraphs (6) and (9), Code 2003, are amended to read as
9 31 follows:

9 32 (6) Consider provisions and adopt rules for counties to
9 33 implement a single central point of ~~accountability~~
9 34 coordination to plan, budget, and monitor county expenditures
9 35 for the service system. The provisions shall provide options
10 1 for counties to implement the single central point of
10 2 coordination in collaboration with other counties.

10 3 (9) Adopt rules for the county ~~single entry central~~ point
10 4 of coordination and clinical assessment processes required
10 5 under section 331.440 and other rules necessary for the
10 6 implementation of county management plans and expenditure
10 7 reports required for state payment pursuant to section
10 8 331.439.

10 9 Sec. 24. Section 331.439, subsection 1, unnumbered
10 10 paragraph 1, Code 2003, is amended to read as follows:

10 11 The state payment to eligible counties under this section
10 12 shall be made as provided in sections 331.438 and 426B.2. A
10 13 county is eligible for the state payment, as defined in
10 14 section 331.438, for ~~the a fiscal year beginning July 1, 1996,~~
~~10 15 and for subsequent fiscal years~~ if the director of human
10 16 services, in consultation with the ~~mental health and~~
~~10 17 developmental disabilities state~~ commission, determines for a
10 18 specific fiscal year that all of the following conditions are
10 19 met:

10 20 Sec. 25. Section 331.439, subsection 1, paragraph b,
10 21 unnumbered paragraph 1, Code 2003, is amended to read as
10 22 follows:

10 23 The county developed and implemented a county management
10 24 plan for the county's mental health, mental retardation, and
10 25 developmental disabilities services in accordance with the
10 26 provisions of this paragraph "b". The plan shall comply with
10 27 the administrative rules adopted for this purpose by the
10 28 ~~mental health and developmental disabilities state~~ commission
10 29 and is subject to the approval of the director of human
10 30 services in consultation with the commission. The plan shall
10 31 include a description of the county's service management
10 32 provision for mental health, mental retardation, and
10 33 developmental disabilities services. For mental retardation
10 34 and developmental disabilities service management, the plan
10 35 shall describe the county's development and implementation of
11 1 a managed system of cost-effective individualized services and
11 2 shall comply with the provisions of paragraph "d". The goal
11 3 of this part of the plan shall be to assist the individuals
11 4 served to be as independent, productive, and integrated into
11 5 the community as possible. The service management provisions
11 6 for mental health shall comply with the provisions of
11 7 paragraph "c". A county is subject to all of the following
11 8 provisions in regard to the county's management plan and
11 9 planning process:

11 10 Sec. 26. Section 331.439, subsection 1, paragraph b,
11 11 subparagraph (1), Code 2003, is amended to read as follows:

11 12 (1) The county shall have in effect an approved policies
11 13 and procedures manual for the county's services fund. The
11 14 county management plan shall be defined in the manual. The
11 15 manual submitted by the county as part of the county's
11 16 management plan for the fiscal year beginning July 1, 2000, as
11 17 approved by the director of human services, shall remain in
11 18 effect, subject to amendment. An amendment to the manual
11 19 shall be submitted to the department of human services at
11 20 least forty-five days prior to the date of implementation.
11 21 Prior to implementation of any amendment to the manual, the
11 22 amendment must be approved by the director of human services
11 23 in consultation with the ~~mental health and developmental~~
~~11 24 disabilities state~~ commission.

11 25 Sec. 27. Section 331.439, subsection 1, paragraph c,
11 26 subparagraph (2), unnumbered paragraph 1, Code 2003, is
11 27 amended to read as follows:

11 28 A managed care system for mental health proposed by a
11 29 county shall include but is not limited to all of the

11 30 following elements which shall be specified in administrative
11 31 rules adopted by the ~~mental health and developmental~~
~~11 32 disabilities state~~ commission:

11 33 Sec. 28. Section 331.439, subsection 1, paragraph d, Code
11 34 2003, is amended to read as follows:

11 35 d. For mental retardation and developmental disabilities
12 1 services management, the county must either develop and
12 2 implement a managed system of care which addresses a full
12 3 array of appropriate services and cost-effective delivery of
12 4 services or contract with a state-approved managed care
12 5 contractor or contractors. Any system or contract implemented
12 6 under this paragraph shall incorporate a ~~single entry central~~
12 7 point of coordination and clinical assessment process
12 8 developed in accordance with the provisions of section
12 9 331.440. The elements of the county managed system of care
12 10 shall be specified in rules developed by the department of
12 11 human services in consultation with and adopted by the ~~mental~~
~~12 12 health and developmental disabilities state~~ commission.

12 13 Sec. 29. Section 331.439, subsection 3, paragraph b, Code
12 14 2003, is amended to read as follows:

12 15 b. Based upon information contained in county management
12 16 plans and budgets and proposals made by representatives of
12 17 counties, the ~~mental health and developmental disabilities~~
12 18 state commission shall recommend an allowed growth factor
12 19 adjustment to the governor by November 15 for the fiscal year
12 20 which commences two years from the beginning date of the
12 21 fiscal year in progress at the time the recommendation is
12 22 made. The allowed growth factor adjustment shall address
12 23 costs associated with new consumers of service, service cost
12 24 inflation, and investments for economy and efficiency. In
12 25 developing the service cost inflation recommendation, the
12 26 state commission shall consider the cost trends indicated by
12 27 the gross expenditure amount reported in the expenditure
12 28 reports submitted by counties pursuant to subsection 1,
12 29 paragraph "a". The governor shall consider the state
12 30 commission's recommendation in developing the governor's
12 31 recommendation for an allowed growth factor adjustment for
12 32 such fiscal year. The governor's recommendation shall be
12 33 submitted at the time the governor's proposed budget for the
12 34 succeeding fiscal year is submitted in accordance with chapter
12 35 8.

13 1 Sec. 30. Section 331.440, Code 2003, is amended to read as
13 2 follows:

13 3 331.440 MENTAL HEALTH, MENTAL RETARDATION, AND
13 4 DEVELOPMENTAL DISABILITIES SERVICES == ~~SINGLE ENTRY CENTRAL~~
13 5 POINT OF COORDINATION PROCESS.

13 6 1. a. For the purposes of this section, unless the
13 7 context otherwise requires, "~~single entry~~ central point of
~~13 8 coordination process~~" means a ~~single entry central point of~~
~~13 9 coordination~~ process established by a county or consortium of
13 10 counties for the delivery of mental health, mental
13 11 retardation, and developmental disabilities services which are
13 12 paid for in whole or in part by county funds. The ~~single~~
~~13 13 entry central point of coordination~~ process may include but is
13 14 not limited to reviewing a person's eligibility for services,
13 15 determining the appropriateness of the type, level, and
13 16 duration of services, and performing periodic review of the
13 17 person's continuing eligibility and need for services. Any
13 18 recommendations developed concerning a person's plan of
13 19 services shall be consistent with the person's unique
13 20 strengths, circumstances, priorities, concerns, abilities, and
13 21 capabilities. For those services funded under the medical
13 22 assistance program, the ~~single entry central point of~~
~~13 23 coordination~~ process shall be used to assure that the person
13 24 is aware of the appropriate service options available to the
13 25 person.

13 26 b. The ~~single entry central point of coordination~~ process
13 27 may include a clinical assessment process to identify a
13 28 person's service needs and to make recommendations regarding
13 29 the person's plan for services. The clinical assessment
13 30 process shall utilize qualified mental health professionals
13 31 and qualified mental retardation professionals.

13 32 c. The ~~single entry central point of coordination~~ and
13 33 clinical assessment process shall include provision for the
13 34 county's participation in a management information system
13 35 developed in accordance with rules adopted pursuant to
14 1 subsection 3.

14 2 2. The department of human services shall seek federal
14 3 approval as necessary for the ~~single entry central point of~~
~~14 4 coordination~~ and clinical assessment processes to be eligible
14 5 for federal financial participation under the medical

14 6 assistance program. A county may implement the ~~single entry~~
14 7 central point of coordination process as part of a consortium
14 8 of counties and may implement the process beginning with the
14 9 fiscal year ending June 30, 1995.

14 10 3. An application for services may be made through the
14 11 ~~single entry central point of coordination~~ process of a
14 12 person's county of residence. However, if a person who is
14 13 subject to a ~~single entry central point of coordination~~
14 14 process has legal settlement in another county or the costs of
14 15 services or other support provided to the person are the
14 16 financial responsibility of the state, an authorization
14 17 through the ~~single entry central point of coordination~~ process
14 18 shall be coordinated with the person's county of legal
14 19 settlement or with the state, as applicable. The county of
14 20 residence and county of legal settlement of a person subject
14 21 to a ~~single entry central point of coordination~~ process may
14 22 mutually agree that the ~~single entry central point of~~
14 23 coordination process functions shall be performed by the
14 24 ~~single entry central point of coordination~~ process of the
14 25 person's county of legal settlement.

14 26 4. The ~~mental health and developmental disabilities state~~
14 27 commission shall consider the recommendations of county
14 28 representatives in adopting rules outlining standards and
14 29 requirements for implementation of the ~~single entry central~~
14 30 point of coordination and clinical assessment processes on the
14 31 date required by subsection 2. The rules shall permit
14 32 counties options in implementing the process based upon a
14 33 county's consumer population and available service delivery
14 34 system.

14 35 Sec. 31. Section 426B.4, Code 2003, is amended to read as
15 1 follows:

15 2 426B.4 RULES.

15 3 The mental health, ~~and~~ developmental disabilities, ~~and~~
15 4 brain injury commission shall consult with county
15 5 representatives and the director of human services in
15 6 prescribing forms and adopting rules pursuant to chapter 17A
15 7 to administer this chapter.

15 8 Sec. 32. Section 426B.5, subsection 2, paragraph c, Code
15 9 Supplement 2003, is amended to read as follows:

15 10 c. A risk pool board is created. The board shall consist
15 11 of two county supervisors, two county auditors, a member of
15 12 the mental health, ~~and~~ developmental disabilities, ~~and~~ brain
15 13 injury commission who is not a member of a county board of
15 14 supervisors, a member of the county finance committee created
15 15 in chapter 333A who is not an elected official, a
15 16 representative of a provider of mental health or developmental
15 17 disabilities services selected from nominees submitted by the
15 18 Iowa association of community providers, and two ~~single entry~~
15 19 central point of coordination process administrators, all
15 20 appointed by the governor, and one member appointed by the
15 21 director of human services. All members appointed by the
15 22 governor shall be subject to confirmation by the senate.
15 23 Members shall serve for three-year terms. A vacancy shall be
15 24 filled in the same manner as the original appointment.
15 25 Expenses and other costs of the risk pool board members
15 26 representing counties shall be paid by the county of origin.
15 27 Expenses and other costs of risk pool board members who do not
15 28 represent counties shall be paid from a source determined by
15 29 the governor. Staff assistance to the board shall be provided
15 30 by the department of human services and counties. Actuarial
15 31 expenses and other direct administrative costs shall be
15 32 charged to the pool.

15 33 Sec. 33. SINGLE ENTRY POINT PROCESS AND COMMISSION
15 34 TERMINOLOGY CHANGES == CODE EDITOR'S DIRECTIVE.

15 35 1. Sections 218.99, 222.2, 222.13, 222.13A, 222.28,
16 1 222.59, 222.60, 222.61, 222.62, 222.64, 222.73, 225.11,
16 2 225.15, 225.17, 225C.2, 225C.14, 225C.16, 227.10, 229.1,
16 3 229.1B, 229.11, 229.13, 229.14, 229.14A, 229.42, 230.1,
16 4 230A.13, 249A.26, 331.439, and 331.440A, Code 2003, and
16 5 sections 225C.5, 232.2, and 235.7, Code Supplement 2003, are
16 6 amended by striking the term "single entry point process" and
16 7 inserting in lieu thereof the term "central point of
16 8 coordination process".

16 9 2. In addition to the name change for the single entry
16 10 point process, this division of this Act changes the name of
16 11 the mental health and developmental disabilities commission to
16 12 the mental health, developmental disabilities, and brain
16 13 injury commission. The Code editor shall correct any
16 14 references to the term "single entry point process" or the
16 15 term "mental health and developmental disabilities commission"
16 16 anywhere else in the Iowa Code, in any bills awaiting

16 17 codification, and in any bills enacted by the Eightieth
16 18 General Assembly, 2004 Regular Session or any extraordinary
16 19 session.

16 20 DIVISION II

16 21 BASIC ELIGIBILITY PROVISIONS

16 22 Sec. 34. Section 225C.6, subsection 1, paragraph m, Code
16 23 2003, is amended to read as follows:

16 24 m. Identify ~~model~~ basic financial eligibility guidelines
16 25 standards for disability services. The standards shall be
16 26 applied to persons who are eligible for services, subject to
16 27 financial eligibility requirements, under approved county
16 28 management plans in effect as of June 30, 2004, and for other
16 29 disability populations shall be subject to a phased
16 30 implementation as described in section 225C.6A. The standards
16 31 shall include but are not limited to the following:

16 32 (1) A financial eligibility standard providing that a
16 33 person with an income equal to or less than one hundred fifty
16 34 percent of the federal poverty level, as defined by the most
16 35 recently revised poverty income guidelines published by the
17 1 United States department of health and human services, is
17 2 eligible for disability services wholly paid with public
17 3 funding. A person with an income that is more than one
17 4 hundred fifty percent of the federal poverty level may be
17 5 subject to a co-payment or other cost-sharing arrangement
17 6 based upon a statewide maximum sliding scale adopted by the
17 7 commission.

17 8 (2) A requirement that a person who is eligible for
17 9 federally funded services and other support must apply for the
17 10 services and support.

17 11 (3) Resource limits that are consistent with the federal
17 12 supplemental security income program limits. If a person does
17 13 not qualify for federally funded services and other support
17 14 but meets income, resource, and functional eligibility
17 15 requirements, the following types of resources shall be
17 16 disregarded:

17 17 (a) A retirement account that is in the accumulation
17 18 stage.

17 19 (b) A burial, medical savings, or assistive technology
17 20 account.

17 21 Sec. 35. Section 225C.6, Code 2003, is amended by adding
17 22 the following new subsection:

17 23 NEW SUBSECTION. 4. Commencing with the fiscal year
17 24 beginning July 1, 2004, the provision of information, service
17 25 coordination, and crisis and emergency services through the
17 26 county central point of coordination process to persons
17 27 eligible for disability services in accordance with county
17 28 management plans approved pursuant to section 331.439 shall be
17 29 available statewide. The commission shall adopt rules to
17 30 implement this subsection.

17 31 DIVISION III

17 32 PHASED IMPLEMENTATION

17 33 Sec. 36. Section 225C.6, subsection 1, Code 2003, is
17 34 amended by adding the following new paragraph:

17 35 NEW PARAGRAPH. r. Develop a single statewide plan for
18 1 delivering services and other support to individuals with a
18 2 disability.

18 3 Sec. 37. NEW SECTION. 225C.6A MENTAL HEALTH,
18 4 DEVELOPMENTAL DISABILITY, AND BRAIN INJURY SERVICE SYSTEM
18 5 REDESIGN IMPLEMENTATION.
18 6 1. PURPOSE. It is the intent of the general assembly to
18 7 implement a redesign of the mental health, developmental
18 8 disability, and brain injury service system in phases in order
18 9 to transition to a coordinated system for Iowans with mental
18 10 illness, mental retardation or other developmental
18 11 disabilities, or brain injury, in which eligible individuals
18 12 receive necessary, high-quality services and other forms of
18 13 support on an equitable, timely, and convenient basis,
18 14 enabling the individuals to live, learn, work, recreate, and
18 15 otherwise contribute in the individuals' chosen communities.

18 16 2. SYSTEM VALUES. It is the intent of the general
18 17 assembly that the redesigned system will be implemented in a
18 18 manner that enhances the ability of Iowans with disabilities
18 19 and their families to make informed choices about amounts and
18 20 types of services and other support received; reinforces the
18 21 fundamental rights, dignity, and ability of Iowans with
18 22 disabilities to provide valuable input, accept responsibility,
18 23 make informed choices, and take risks; and supports the right,
18 24 dignity, and ability of all individuals with disabilities to
18 25 live, learn, work, and recreate in the communities of the
18 26 individuals' choice.

18 27 3. PHASED IMPLEMENTATION. The redesigned service system

18 28 described in this section shall be implemented in phases as
18 29 necessary information becomes available, needed funding is
18 30 appropriated, and services and other forms of support are
18 31 developed. It is the intent of the general assembly that the
18 32 commission provide leadership to plan for and provide
18 33 information necessary for implementation. However, provided
18 34 otherwise in this section, actual implementation of any phase
18 35 listed in this section shall be subject to enactment of law
19 1 specifically authorizing implementation and providing the
19 2 funding to pay for the implementation.

19 3 4. FISCAL YEAR 2004=2005. For the fiscal year beginning
19 4 July 1, 2004, and ending June 30, 2005, the commission shall
19 5 do the following:

19 6 a. Identify sources of revenue to support statewide
19 7 delivery of core disability services to eligible disability
19 8 populations.

19 9 b. Identify how growth of the disability service system
19 10 would impact other social services priorities such as
19 11 providing long-term care and health care for children.

19 12 c. Plan, collect, and analyze data to support cost
19 13 estimates for serving additional populations and providing
19 14 core services statewide.

19 15 d. With consumer input, identify and adopt standardized
19 16 functional assessment tools and processes for use in the
19 17 eligibility determination process when eligibility for a
19 18 particular disability population group is phased in. For the
19 19 initial diagnostic criteria, the commission shall consider
19 20 requiring a qualifying functional assessment score and any of
19 21 the following diagnoses: mental illness, chronic mental
19 22 illness, mental retardation, developmental disability, or
19 23 brain injury as defined in administrative rule adopted by the
19 24 commission.

19 25 e. Develop and adopt case rates for disability services,
19 26 subject to phase-in requirements.

19 27 f. Develop a strategy for improving operations of the
19 28 state mental health institutes and resource centers, including
19 29 provisions for shifting the primary focus from long-term
19 30 residential treatment to short-term acute treatment provided
19 31 in support of community-based services.

19 32 5. FISCAL YEARS 2005=2006 AND 2006=2007. For the second
19 33 phase, beginning July 1, 2005, and ending June 30, 2007, the
19 34 commission shall do the following:

19 35 a. Provide cost estimates for serving additional
20 1 populations and providing core services statewide.

20 2 b. Monitor the phase-in of a new method of property
20 3 taxation.

20 4 c. Phase in the use of a new method for identifying state
20 5 and federal dollars for disability system funding.

20 6 d. Begin the statewide implementation of functional
20 7 assessment tools and processes.

20 8 e. Begin statewide usage of case rates as the basis for
20 9 distribution of state and federal disability services funding
20 10 to counties.

20 11 f. Begin the implementation of a new strategy for improved
20 12 operation of the state mental health institutes and resource
20 13 centers.

20 14 6. FISCAL YEARS 2007=2008, 2008=2009, AND 2009=2010. For
20 15 the third phase, beginning July 1, 2007, and ending June 30,
20 16 2010, the commission shall identify and project the increase
20 17 or decrease in the expenditures for disability services in
20 18 each county if an approach for disability services funding
20 19 liability is enacted that replaces determining liability based
20 20 upon an individual's county of legal settlement with an
20 21 approach based upon an individual's residence. In addition,
20 22 the commission shall do the following:

20 23 a. Implement requirements for providing core services
20 24 statewide to eligible individuals with mental retardation.

20 25 b. Implement requirements for providing core services
20 26 statewide to eligible individuals with chronic mental illness.
20 27 It is the intent of the general assembly to discontinue the
20 28 service population category of "individuals with chronic
20 29 mental illness" and to replace that category with a new
20 30 "individuals with serious mental illness" or "individuals with
20 31 serious and persistent mental illness" category that may
20 32 result in a larger group of people eligible for disability
20 33 services.

20 34 c. Implement requirements for providing core services
20 35 statewide to eligible individuals with brain injury.

21 1 d. Implement requirements for providing core services
21 2 statewide to eligible individuals with developmental
21 3 disabilities other than mental retardation.

21 4 e. Implement requirements for providing core services
21 5 statewide to eligible individuals with a mental illness that
21 6 does not rise to the level of serious mental illness or
21 7 serious and persistent mental illness.

21 8 7. FISCAL YEAR 2010=2011 AND BEYOND. For the fourth phase
21 9 beginning July 1, 2010, it is the intent of the general
21 10 assembly to enact an approach in which disability service
21 11 funding liability is determined based upon an individual's
21 12 county of residence. This approach is intended to be
21 13 implemented in phases when sufficient data have been collected
21 14 concerning the effects of the approach and when funding
21 15 mechanisms are developed for funding to follow the individual
21 16 receiving services.

21 17 8. CORE SERVICES. Commencing in the fiscal year beginning
21 18 July 1, 2004, and ending June 30, 2005, the commission shall
21 19 adopt rules providing for provision of core services as
21 20 authorized in the implementation phases. The schedule
21 21 providing initial implementation dates for provision of the
21 22 core services to particular disability populations shall be
21 23 specified in law and is subject to availability of funding
21 24 providing for the implementation. The service provisions
21 25 addressed in the rules shall include but are not limited to
21 26 all of the following:

21 27 a. Maintaining the level of services to persons who began
21 28 receiving the services prior to implementation of the service
21 29 system redesign.

21 30 b. Provision of information, service coordination, and
21 31 crisis and emergency services. Implementation of these
21 32 services shall commence in the fiscal year beginning July 1,
21 33 2004, and the services shall be made available to all
21 34 disability populations who by statute are eligible for service
21 35 funding. Requirements adopted by the commission for statewide
22 1 implementation of these services shall include but are not
22 2 limited to linking individuals with emergency services
22 3 regardless of the individuals' residency or financial
22 4 eligibility, and providing local access to service
22 5 coordination services and crisis and emergency services.

22 6 c. Coordination and monitoring services.

22 7 d. Community services and support.

22 8 e. Inpatient services.

22 9 f. Residential services.

22 10 g. Other cost-effective services, treatment, and other
22 11 support that is most likely to help an individual achieve
22 12 desired outcomes identified by the individual's plan and
22 13 authorized through the central point of coordination process.

22 14 Sec. 38. MENTAL HEALTH, DEVELOPMENTAL DISABILITY, AND
22 15 BRAIN INJURY SERVICE SYSTEM == OTHER REDESIGN IMPLEMENTATION
22 16 ACTIVITIES.

22 17 1. In addition to the mental health, developmental
22 18 disability, and brain injury service system redesign
22 19 implementation activities specified in this Act, the
22 20 department of human services and the mental health,
22 21 developmental disabilities, and brain injury commission shall
22 22 perform the activities specified in this section during the
22 23 fiscal year beginning July 1, 2004, to implement the
22 24 commission's MHDD system redesign report to the governor and
22 25 general assembly submitted in December 2003.

22 26 2. The department shall work with county representatives
22 27 and other qualified persons to develop an implementation plan
22 28 for replacing the county of legal settlement approach to
22 29 determining service system funding responsibilities with an
22 30 approach based upon residency, as outlined in the redesign
22 31 report. The plan shall address a statewide standard for proof
22 32 of residency, identify a plan for establishing a data system
22 33 for identifying residency of eligible individuals, address
22 34 transition issues for individuals who began residing in a
22 35 county due to a court order or criminal sentence or to obtain
23 1 services in that county, recommend an approach for contesting
23 2 a residency determination, and address other implementation
23 3 issues.

23 4 3. Subject to funding availability, the department and the
23 5 commission shall address all of the following state-level
23 6 redesign proposals during the fiscal year beginning July 1,
23 7 2004:

23 8 a. Create, implement, and maintain a disability services
23 9 information technology system. If sufficient funding or other
23 10 barrier prevents implementation during the fiscal year, the
23 11 department and the commission shall put into operation an
23 12 implementation plan for use as barriers are addressed.

23 13 b. Improve state administration of disability services by
23 14 consolidating disability services into a new departmental

23 15 division or other appropriate strategy.
23 16 c. Improve the interfaces between departmental
23 17 administrative units and other state agencies directly or
23 18 indirectly involved with persons with mental illness,
23 19 developmental disabilities, or brain injury.
23 20 d. Solicit and incorporate input regarding the service
23 21 system from persons receiving services, service coordination
23 22 providers, and county central point of coordination process
23 23 administrators.
23 24 e. Provide information to the public regarding the service
23 25 system.
23 26 f. Work with persons who would be affected by changes in
23 27 the state mental health institutes and resource centers to
23 28 develop an implementation strategy for these institutions to
23 29 address the United States supreme court decision in Olmstead
23 30 v. L.C. (98=536) 527 U.S. 581 (1999); revise the mission of
23 31 the institutes to reduce residential services and focus on
23 32 acute treatment and the mission of the centers to ensure a
23 33 focus on persons who cannot be served in a community setting;
23 34 monitor key performance indicators in order to use the
23 35 institutional resources in a better way; work with the Iowa
24 1 department of public health to better integrate substance
24 2 abuse treatment for persons with a dual diagnosis; develop a
24 3 specialized forensic capacity to improve effectiveness in
24 4 addressing violent situations; and continue converting campus
24 5 buildings for alternate uses. In addition, the commission
24 6 shall develop a strategy for the institutional role for
24 7 improving community capacity to provide effective and
24 8 appropriate services to individuals.
24 9 In implementing this paragraph "f", the department shall
24 10 prepare a fiscal impact analysis of the following:
24 11 (1) The effects of eliminating the use of the institution
24 12 for mental disease classification for the institutes.
24 13 (2) The effects of applying to the institutes and centers,
24 14 the licensure and funding provisions applicable to the
24 15 community-based programs serving the same populations.
24 16 (3) The effects of applying the other recommendations made
24 17 in the redesign report in regard to the institutions.

24 18 DIVISION IV
24 19 BILL OF RIGHTS

24 20 Sec. 39. Section 225C.27, Code 2003, is amended to read as
24 21 follows:

24 22 225C.27 PURPOSE.

24 23 Sections 225C.25 through 225C.28B shall be liberally
24 24 construed and applied to promote their purposes and the stated
24 25 rights and service quality standards. The commission, in
24 26 coordination with appropriate agencies, shall adopt rules to
24 27 implement the purposes of section 225C.28B, subsections 3 and
24 28 4, which include, but are not limited to, the following:

24 29 1. Promotion of the human dignity and protection of the
24 30 constitutional and statutory rights of persons with mental
24 31 retardation, developmental disabilities, brain injury, or
24 32 chronic mental illness in the state.

24 33 2. Encouraging the development of the ability and
24 34 potential of each person with mental retardation,
24 35 developmental disabilities, brain injury, or chronic mental
25 1 illness in the state to the fullest extent possible.

25 2 3. Encouraging activities to ensure that recipients of
25 3 services shall not be deprived of any rights, benefits, or
25 4 privileges guaranteed by law, the Constitution of the State of
25 5 Iowa, or the Constitution of the United States solely on
25 6 account of the receipt of the services.

25 7 Sec. 40. Section 225C.28A, Code 2003, is amended to read
25 8 as follows:

25 9 225C.28A SERVICE QUALITY STANDARDS.

25 10 As the state participates more fully in funding services to
25 11 persons with mental retardation, developmental disabilities,
25 12 brain injury, or chronic mental illness, it is the intent of
25 13 the general assembly that the state shall seek to attain the
25 14 following quality standards in the provision of the services-
25 15 to eligible persons:

25 16 1. Provide comprehensive evaluation and diagnosis adapted
25 17 to the cultural background, primary language, and ethnic
25 18 origin of the person.

25 19 2. Provide an individual treatment, habilitation, and
25 20 program plan developed with the person's participation. To
25 21 the extent possible, the person should have a leadership role
25 22 in developing and implementing the person's plan and defining
25 23 the person's needs, service responses, goals, and outcomes.

25 24 3. Provide individualized treatment, habilitation and
25 25 program services as appropriate. To the extent possible, the

~~25 26 person should lead or participate in selecting the person's
25 27 service coordination team and should participate in funding of
25 28 the services provided.~~

25 29 4. Provide periodic review of the individual plan. To the
25 30 degree possible, the person should choose and implement
25 31 methods to attain the person's desired outcomes in
25 32 implementation of the plan and accept personal responsibility
25 33 for achieving the goals the person establishes within the
25 34 plan.

25 35 5. Provide for the least restrictive environment and age=
26 1 appropriate services. It is expected that to the extent
26 2 possible, the person will advocate for the person's own
26 3 interests.

26 4 6. Provide appropriate training and employment
26 5 opportunities so that the person's ability to contribute to
26 6 and participate in the community is maximized.

26 7 DIVISION V
26 8 COUNTY SERVICE PROVISIONS

26 9 Sec. 41. Section 331.438, subsection 4, paragraph b,
26 10 subparagraph (2), Code 2003, is amended to read as follows:

26 11 (2) Assess the accuracy and uniformity of recordkeeping
26 12 and reporting in the service system. A county shall be
26 13 required to participate in and maintain the county's portion
26 14 of the statewide information system developed to support the
26 15 service system.

26 16 Sec. 42. Section 331.438, subsection 4, paragraph b, Code
26 17 2003, is amended by adding the following new subparagraphs:

26 18 NEW SUBPARAGRAPH. (16) Adopt rules for county contracting
26 19 and other methods for purchasing services and other forms of
26 20 support to be performance-based and utilize a person-centered
26 21 planning process for addressing the needs of individuals for
26 22 whom the services and other support are provided. The rules
26 23 shall provide for county responsibility for monitoring provider
26 24 compliance and shall utilize an outcome-based approach and
26 25 implement quality assurance activities.
26 26 NEW SUBPARAGRAPH. (17) Implement a requirement for
26 27 counties to provide to an individual receiving county services
26 28 or other support information indicating the projected and
26 29 actual costs of the services and other support received by the
26 30 individual.

26 31 Sec. 43. Section 331.439, subsection 1, paragraph b,
26 32 subparagraphs (2) and (3), Code 2003, are amended to read as
26 33 follows:

26 34 (2) ~~For informational purposes, the~~ The county shall
26 35 submit a management plan review to the department of human
27 1 services by April 1 of each year. The annual review shall
27 2 incorporate an analysis of the data associated with the
27 3 services managed during the preceding fiscal year by the
27 4 county or by a managed care entity on behalf of the county.

27 5 (3) ~~For informational purposes, every~~ Every three years
27 6 the county shall submit to the department of human services a
27 7 three-year strategic plan. The strategic plan shall describe
27 8 how the county will proceed to attain the goals and objectives
27 9 contained in the strategic plan for the duration of the plan.
27 10 The three-year strategic plan shall be submitted by April 1,
27 11 2000, and by April 1 of every third year thereafter.

27 12 DIVISION VI
27 13 COUNTY SERVICES FUND LEVY == STATE FUNDING
27 14 CONSOLIDATION

27 15 Sec. 44. Section 222.73, subsection 2, paragraph d, Code
27 16 2003, is amended to read as follows:

27 17 d. A county shall be responsible for ~~eighty percent of the~~
27 18 net cost of care of a patient who is not eligible for
27 19 reimbursement under the medical assistance program.

27 20 Sec. 45. Section 222.73, subsection 2, paragraph f,
27 21 unnumbered paragraph 2, Code 2003, is amended to read as
27 22 follows:

27 23 The per diem costs billed to each county shall not exceed
27 24 the per diem costs billed to the county in the fiscal year
27 25 beginning July 1, 1996. However, the per diem costs billed to
27 26 a county may be adjusted in a fiscal year to reflect increased
27 27 costs ~~to the extent of the percentage increase in the total of~~
~~27 28 county fixed budgets pursuant to the allowed growth factor~~
~~27 29 adjustment authorized by the general assembly for that fiscal~~
~~27 30 year in accordance with section 331.439.~~

27 31 Sec. 46. Section 222.73, subsection 2, paragraph f,
27 32 unnumbered paragraph 2, as amended by this Act, is amended by
27 33 striking the unnumbered paragraph.

27 34 Sec. 47. Section 225C.4, subsection 1, paragraph h, Code
27 35 2003, is amended to read as follows:

28 1 h. Administer state appropriations to the mental health,

28 2 ~~and developmental disabilities community, and brain injury~~
28 3 ~~services state fund established by section 225C.7.~~
28 4 Sec. 48. NEW SECTION. 225C.8 MENTAL HEALTH,
28 5 DEVELOPMENTAL DISABILITIES, AND BRAIN INJURY SERVICES STATE
28 6 FUND.

28 7 1. The mental health, developmental disabilities, and
28 8 brain injury services state fund is established in the office
28 9 of the treasurer of state under the authority of the
28 10 department, which shall consist of the amounts appropriated to
28 11 the fund by the general assembly for each fiscal year. Moneys
28 12 credited to the fund are not subject to section 8.33 and shall
28 13 not be transferred, used, or appropriated except as provided
28 14 by law. Before completion of the department's budget estimate
28 15 as required by section 8.23, the department shall determine
28 16 and include in the estimate the amount which should be
28 17 appropriated to the fund for the forthcoming fiscal period in
28 18 order to implement the purpose stated in section 225C.1.

28 19 2. It is the intent of the general assembly that moneys
28 20 credited to the fund shall include the amounts that would
28 21 otherwise be appropriated for the following purposes:

28 22 a. Medical assistance appropriations and associated
28 23 federal match funding attributable to disability services.

28 24 b. Appropriations made for the general purposes of the
28 25 state resource centers and state mental health institutes.

28 26 c. Appropriations made for purposes of the mental health
28 27 and developmental disabilities community services fund as the
28 28 fund existed pursuant to section 225C.7, Code 2005.

28 29 d. Appropriations made to the property tax relief fund
28 30 under chapter 426B, Code 2005.

28 31 e. Appropriations made for purposes of allowed growth
28 32 factor adjustment as described in section 331.439, subsection
28 33 3, paragraph "b", Code 2005.

28 34 f. Federal social services block grant funding allocated
28 35 for local purchase of disability services, other federal
29 1 grants, and other federal funding appropriated or allocated
29 2 for these services.

29 3 g. On the effective date of law enacted to provide for the
29 4 determination of county financial responsibility for
29 5 disability services on the basis of an individual's residency
29 6 rather than legal settlement, the funding appropriated for
29 7 state cases, including but not limited to the state case=
29 8 related funding in appropriations made for any of the
29 9 following purposes: the medical assistance program, state
29 10 resource centers and state mental health institutes, and other
29 11 state programs that provide funding for services to persons
29 12 whose legal settlement is unknown or is outside the state.

29 13 3. Moneys appropriated to the fund shall be allocated to
29 14 counties for funding of mental health, mental retardation,
29 15 developmental disabilities, and brain injury services on a
29 16 case rate basis for the persons for whom the county has a
29 17 financial responsibility to pay for the costs of services and
29 18 other support provided. The commission shall adopt rules for
29 19 distribution of the case rate funding. The rules shall
29 20 provide for adjustment to the case rate payment made to a
29 21 county based upon the dollars raised by the county's minimum
29 22 levy under section 331.424A.

29 23 4. There is appropriated from the general fund of the
29 24 state to the mental health, developmental disabilities, and
29 25 brain injury services state fund on July 1 of each fiscal
29 26 year, ninety-five million dollars.

29 27 5. There is appropriated from the mental health,
29 28 developmental disabilities, and brain injury services state
29 29 fund on July 1 of each fiscal year, to the department of human
29 30 services to supplement the medical assistance appropriation,
29 31 six million six hundred thousand dollars to be used for the
29 32 nonfederal share of the costs of services provided to minors
29 33 with mental retardation under the medical assistance program
29 34 to meet the requirements of section 249A.12, subsection 4.
29 35 The appropriation in this subsection shall be charged to the
30 1 mental health, developmental disabilities, and brain injury
30 2 services state fund prior to the distribution of moneys from
30 3 the fund to counties and the amount of moneys available for
30 4 distribution to counties shall be reduced accordingly.

30 5 Sec. 49. Section 230.20, subsection 2, paragraph b, Code
30 6 2003, is amended to read as follows:

30 7 b. The per diem costs billed to each county shall not
30 8 exceed the per diem costs billed to the county in the fiscal
30 9 year beginning July 1, 1996. However, the per diem costs
30 10 billed to a county may be adjusted annually to reflect
30 11 increased costs to the extent of the percentage increase in
~~30 12 the total of county fixed budgets pursuant to the allowed~~

~~30 13 growth factor adjustment authorized by the general assembly
30 14 for the fiscal year in accordance with section 331.439.~~

30 15 Sec. 50. Section 230.20, subsection 2, paragraph b, as
30 16 amended by this Act, is amended by striking the paragraph.
30 17 Sec. 51. Section 331.424A, subsection 3, Code Supplement

30 18 2003, is amended to read as follows:
30 19 3. For the fiscal year beginning July 1, 1996, and
30 20 succeeding fiscal years, receipts from the state or federal
30 21 government for such services shall be credited to the services
30 22 fund, including moneys allotted to the county from the ~~state~~
~~30 23 payment made pursuant to section 331.439 and moneys allotted~~
~~30 24 to the county for property tax relief pursuant to section~~
~~30 25 426B.1 mental health, development disabilities, and brain~~
30 26 injury services state fund created in section 225C.7.

30 27 Sec. 52. Section 331.424A, subsection 4, Code Supplement
30 28 2003, is amended by striking the subsection and inserting in
30 29 lieu thereof the following:

30 30 4. a. For purposes of the calculations made pursuant to
30 31 this subsection, the base year shall be the fiscal year
30 32 beginning July 1, 2004, and ending June 30, 2005. The
30 33 calculations made pursuant to this subsection shall be based
30 34 upon the maximum net dollar amounts that could be certified by
30 35 counties for the base year in accordance with section
31 1 331.424A, subsection 4, Code 2005, and are subject to review
31 2 and approval by the state commission.

31 3 b. A base year maximum levy amount shall be identified for
31 4 each county, equal to the dollar amount authorized to be
31 5 levied for the county's services fund for the base year in
31 6 accordance with section 331.424A, subsection 4, Code 2005. A
31 7 base year valuation total shall be identified for each county,
31 8 equal to the assessed value of taxable property for the county
31 9 in the base year. A base year levy rate per one thousand
31 10 dollars of assessed value of taxable property shall be
31 11 identified for each county, equal to the levy rate needed to
31 12 raise the county's base year maximum levy amount.

31 13 c. A base year average levy rate shall be identified for
31 14 counties by dividing by ninety-nine the sum of all county base
31 15 year levy rates. A statewide minimum levy rate shall be
31 16 identified for all counties, equal to the base year average
31 17 levy rate. A statewide maximum levy rate shall be identified
31 18 for all counties, equal to the highest base year levy rate
31 19 among all counties.

31 20 d. If a county's base year levy rate is less than the
31 21 statewide minimum levy rate, a levy rate increase shall be
31 22 applied. The county shall increase the county's levy rate for
31 23 the services fund according to the following schedule:

31 24 (1) For the fiscal year beginning July 1, 2006, the levy
31 25 rate shall be equal to the county's base year levy rate plus
31 26 one-third of the difference between the county's base year
31 27 levy rate and the statewide minimum levy rate.

31 28 (2) For the fiscal year beginning July 1, 2007, the levy
31 29 rate shall be equal to the county's base year levy rate plus
31 30 two-thirds of the difference between the county's base year
31 31 levy rate and the statewide minimum levy rate.

31 32 (3) For the fiscal year beginning July 1, 2008, and
31 33 succeeding fiscal years, the levy rate shall be equal to the
31 34 county's base year levy rate plus the difference between the
31 35 county's base year levy rate and the statewide minimum levy
32 1 rate. A county's levy rate shall not exceed the maximum
32 2 statewide levy rate.

32 3 e. If a county's base year levy rate is more than the
32 4 statewide minimum levy rate, a levy rate decrease may be
32 5 applied. The county may reduce the county's levy rate for the
32 6 services fund according to the following schedule:

32 7 (1) For the fiscal year beginning July 1, 2006, the levy
32 8 rate may be reduced by an amount not to exceed one-third of
32 9 the difference between the county's base year levy rate and
32 10 the statewide minimum levy rate.

32 11 (2) For the fiscal year beginning July 1, 2007, the
32 12 county's levy rate may be reduced by an amount not to exceed
32 13 two-thirds of the difference between the county's base year
32 14 levy rate and the statewide minimum levy rate.

32 15 (3) For the fiscal year beginning July 1, 2008, and
32 16 succeeding fiscal years, the county's levy rate may be reduced
32 17 by an amount not to exceed the difference between the county's
32 18 base year levy rate and the statewide minimum levy rate.

32 19 f. A county's levy rate for the services fund shall comply
32 20 with the requirements of this subsection and shall not exceed
32 21 the statewide maximum levy rate. A levy certified under this
32 22 subsection is not subject to the appeal provisions of section
32 23 331.426 or to any other provision in law authorizing a county

32 24 to exceed, increase, or appeal a property tax levy limit.

32 25 Sec. 53. Section 331.438, subsection 1, unnumbered
32 26 paragraph 1, Code 2003, is amended to read as follows:

32 27 For the purposes of section 331.424A, this section, and
32 28 section 331.439, ~~and chapter 426B~~, unless the context
32 29 otherwise requires:

32 30 Sec. 54. Section 331.438, subsection 1, paragraph b, Code
32 31 2003, is amended by striking the paragraph.

32 32 Sec. 55. Section 331.438, subsection 1, paragraph d, Code
32 33 2003, is amended to read as follows:

32 34 d. "State payment" means the ~~payment~~ case rate payments
32 35 made by the state from the mental health, developmental
33 1 disabilities, and brain injury services state fund created in
33 2 section 225C.8 to a county determined to be eligible for the
33 3 payment ~~payments~~ in accordance with section 331.439.

33 4 Sec. 56. Section 331.438, subsections 2 and 3, Code 2003,
33 5 are amended by striking the subsections.

33 6 Sec. 57. Section 331.439, subsection 1, unnumbered
33 7 paragraph 1, Code 2003, is amended to read as follows:

33 8 The state payment to eligible counties under this section
33 9 shall be made as provided in ~~sections 331.438 and 426B.2~~
33 10 section 225C.8. A county is eligible for the state payment,
33 11 ~~as defined in section 331.438~~, for the a fiscal year beginning
33 12 July 1, 1996, and for subsequent fiscal years if the director
33 13 of human services, in consultation with the ~~mental health and~~
33 14 ~~developmental disabilities~~ state commission, determines for a
33 15 specific fiscal year that all of the following conditions are
33 16 met:

33 17 Sec. 58. Section 437A.8, subsection 4, paragraph d, Code
33 18 Supplement 2003, is amended to read as follows:

33 19 d. Notwithstanding paragraph "a", a taxpayer who owns or
33 20 leases a new electric power generating plant and who has no
33 21 other operating property in the state of Iowa except for
33 22 operating property directly serving the new electric power
33 23 generating plant as described in section 437A.16 shall pay the
33 24 replacement generation tax associated with the allocation of
33 25 the local amount to the county treasurer of the county in
33 26 which the local amount is located and shall remit the
33 27 remaining replacement generation tax, if any, to the director
33 28 according to paragraph "a" for remittance of the tax to county
33 29 treasurers. The director shall notify each taxpayer on or
33 30 before August 31 following a tax year of its remaining
33 31 replacement generation tax to be remitted to the director.

33 32 All remaining replacement generation tax revenues received by
33 33 the director shall be deposited in the ~~property tax relief~~
33 34 ~~fund created in section 426B.1~~ mental health, developmental
33 35 disabilities, and brain injury services state fund created in

34 1 section 225C.8, and shall be distributed as provided in
34 2 section ~~426B.2~~ 225C.8.

34 3 Sec. 59. Section 437A.15, subsection 3, paragraph f, Code
34 4 Supplement 2003, is amended to read as follows:

34 5 f. Notwithstanding the provisions of this section, if a
34 6 taxpayer is a municipal utility or a municipal owner of an
34 7 electric power facility financed under the provisions of
34 8 chapter 28F or 476A, the assessed value, other than the local
34 9 amount, of a new electric power generating plant shall be
34 10 allocated to each taxing district in which the municipal
34 11 utility or municipal owner is serving customers and has
34 12 electric meters in operation in the ratio that the number of
34 13 operating electric meters of the municipal utility or
34 14 municipal owner located in the taxing district bears to the
34 15 total number of operating electric meters of the municipal
34 16 utility or municipal owner in the state as of January 1 of the
34 17 tax year. If the municipal utility or municipal owner of an
34 18 electric power facility financed under the provisions of
34 19 chapter 28F or 476A has a new electric power generating plant
34 20 but the municipal utility or municipal owner has no operating
34 21 electric meters in this state, the municipal utility or
34 22 municipal owner shall pay the replacement generation tax
34 23 associated with the new electric power generating plant
34 24 allocation of the local amount to the county treasurer of the
34 25 county in which the local amount is located and shall remit
34 26 the remaining replacement generation tax, if any, to the
34 27 director at the times contained in section 437A.8, subsection
34 28 4, for remittance of the tax to the county treasurers. All
34 29 remaining replacement generation tax revenues received by the
34 30 director shall be deposited in the ~~property tax relief fund~~
34 31 ~~created in section 426B.1~~ mental health, developmental

34 32 disabilities, and brain injury services state fund created in
34 33 section 225C.8, and shall be distributed as provided in
34 34 section ~~426B.2~~ 225C.8.

34 35 Sec. 60. Section 445.5, subsection 1, paragraph h, Code
35 1 Supplement 2003, is amended to read as follows:
35 2 h. ~~The amount of property tax dollars reduced on each~~
~~35 3 parcel as a result of the moneys received from the property~~
~~35 4 tax relief fund pursuant to section 426B.2, subsections 1 and~~
~~35 5 2.~~

35 6 Sec. 61. REPEALS.
35 7 1. Sections 225C.7, 331.440A, 426B.3, and 426B.4, Code
35 8 2003, are repealed.
35 9 2. Sections 426B.1, 426B.2, and 426B.5, Code Supplement
35 10 2003, are repealed.
35 11 Sec. 62. EFFECTIVE DATES == REPEALS.
35 12 1. Except as otherwise provided in subsection 2, this
35 13 division of this Act takes effect July 1, 2006.
35 14 2. a. Section 225C.12, Code 2003, is repealed.
35 15 b. The sections of this division of this Act amending
35 16 section 227.73, subsection 2, paragraph "d", striking section
35 17 222.73, subsection 2, paragraph "f", unnumbered paragraph 2,
35 18 as amended by this division of this Act, and striking section
35 19 230.20, subsection 2, paragraph "b", as amended by this
35 20 division of this Act, take effect on the effective date of
35 21 this subsection.
35 22 c. This subsection takes effect on July 1 of the initial
35 23 fiscal year that appropriations made for the general purposes
35 24 of the state resource centers and mental health institutes are
35 25 to be credited to the mental health, developmental
35 26 disabilities, and brain injury services state fund created in
35 27 section 225C.8, as enacted by this division of this Act. The
35 28 director of human services shall notify the Iowa Code editor
35 29 upon the enactment of legislation providing for the
35 30 appropriations to be credited in that manner.

35 31 DIVISION VII
35 32 APPROPRIATION

35 33 Sec. 63. IMPLEMENTATION COSTS. There is appropriated from
35 34 the risk pool created in the property tax relief fund under
35 35 chapter 426B to the department of human services for the
36 1 fiscal year beginning July 1, 2003, and ending June 30, 2004,
36 2 the following amount, or so much thereof as is necessary, to
36 3 be used for the purposes designated:

36 4 For the costs of developing functional assessment tools and
36 5 establishing case rates as described in this Act and the
36 6 service system redesign report of the mental health and
36 7 developmental disabilities commission submitted to the
36 8 governor and general assembly in December 2003:

36 9 \$ 200,000
36 10 Notwithstanding section 8.33, moneys appropriated in this
36 11 section that remain unencumbered or unobligated at the close
36 12 of the fiscal year shall not revert but shall remain available
36 13 for expenditure for the purposes designated until the close of
36 14 the succeeding fiscal year.

36 15 Sec. 64. EFFECTIVE DATE. This division of this Act, being
36 16 deemed of immediate importance, takes effect upon enactment.

36 17 DIVISION VIII
36 18 STATE MANDATES

36 19 Sec. 65. IMPLEMENTATION OF ACT. Section 25B.2, subsection
36 20 3, shall not apply to this Act.

36 21 EXPLANATION

36 22 This bill provides for redesign of services and other
36 23 support provided for persons with mental illness,
36 24 developmental disabilities, or brain injury (MI/DD/BI). The
36 25 bill is organized into divisions.

36 26 Division I changes the name of the mental health and
36 27 developmental disabilities commission to the mental health,
36 28 developmental disabilities, and brain injury commission
36 29 throughout the Code. The commission is part of the department
36 30 of human services (DHS). The division also changes the term
36 31 "single entry point process" to "central point of coordination
36 32 process". This process is used by counties to manage county
36 33 services to persons with MI/DD/BI. The division includes a
36 34 directive to the Code editor to make the terminology changes
36 35 in other enactments.

37 1 Division II changes and adds to the duties of the
37 2 commission. The commission is required to identify basic
37 3 financial eligibility standards for disability services,
37 4 including income levels, a requirement for a person to apply
37 5 for federally funded assistance, and resource limits.
37 6 Beginning with fiscal year 2004=2005, counties are required to
37 7 provide information, service coordination, and crisis and
37 8 emergency services.

37 9 Division III provides for phased implementation of the
37 10 system redesign, beginning with fiscal year 2004=2005 and

37 11 continuing through fiscal year 2010 and beyond. The phase-in
37 12 requirements are specified for particular fiscal years in new
37 13 Code section 225C.6A, along with the purpose of the system
37 14 redesign, system values, and core services. A number of the
37 15 phase-in provisions are made subject to later enactments and
37 16 the appropriation of funding. An uncodified section includes
37 17 other implementation activities for the commission and the
37 18 department of human services.

37 19 Division IV adds new provisions to the bill of rights and
37 20 service quality standards of persons with mental retardation,
37 21 developmental disabilities, brain injury, or chronic mental
37 22 illness.

37 23 Division V addresses county provisions in the service
37 24 system. The commission is provided approval authority for
37 25 county management plan reviews and strategic plans and to
37 26 adopt rules for counties to implement performance-based
37 27 contracting requirements and to address providing of cost
37 28 information to individuals receiving services under the plan.

37 29 Division VI makes changes to county and state funding
37 30 provisions effective July 1, 2006, and some funding changes
37 31 and repeals are subject to a contingent effective date. Caps
37 32 for county liability for services provided at the state mental
37 33 health institutes and resource centers are revised, then
37 34 repealed. Code section 225C.7, relating to the mental health
37 35 and developmental disabilities community services fund, is
38 1 repealed. A new MH/DD/BI state fund is established in new
38 2 Code section 225C.8. Medical assistance (Medicaid) program
38 3 funding and other federal and state funding for services or
38 4 other assistance available to a person with mental illness,
38 5 mental retardation or other developmental disability, or brain
38 6 injury are required to be credited to the fund. The standing
38 7 appropriations for property tax relief and for certain
38 8 Medicaid costs in Code chapter 426B are repealed and shifted
38 9 to this new fund. Legislative intent is stated for other
38 10 federal and state funding streams to be credited to the new
38 11 fund. Under current law, the property tax relief moneys are
38 12 distributed to counties and used to reduce property taxation
38 13 for MI/DD/BI services. The bill provides that moneys credited
38 14 to the new fund are to be allocated to counties on a case rate
38 15 payment basis in accordance with commission rules. The rules
38 16 are to provide for an adjustment to the case rate payment
38 17 based upon a county's revenue from the minimum levy for these
38 18 services.

38 19 Under current law, county property tax levies for MI/DD/BI
38 20 services are capped at the amount raised during a particular
38 21 fiscal year, as reduced by property tax relief provided by the
38 22 state. Under the division, fiscal year 2004=2005 is
38 23 established as a new base year and a formula is provided for
38 24 establishing a minimum and a maximum levy rate for all
38 25 counties and a three-year implementation of the new rates.

38 26 Division VI repeals the Code chapter 426B property tax
38 27 relief provisions as well as Code chapter 331 provisions for
38 28 state payment of allowed growth funding to counties. Division
38 29 VI also provides conforming amendments to other Code sections.

38 30 Division VI includes a contingent effective date for full
38 31 repeal of rate caps for county financial responsibility for
38 32 persons placed at the state institutions and for repayment of
38 33 counties for a portion of state institution costs under Code
38 34 section 225C.12. These repeals take effect on July 1 of the
38 35 initial fiscal year that appropriations made for the general
39 1 purposes of the state resource centers and mental health
39 2 institutes are to be credited to the mental health,
39 3 developmental disabilities, and brain injury services state
39 4 fund created by division VI in new Code section 225C.8.
39 5 Otherwise, division VI takes effect July 1, 2006.

39 6 Division VII makes a fiscal year 2003=2004 appropriation to
39 7 DHS from the risk pool within the property tax relief fund.
39 8 The appropriation is to be used for costs of developing
39 9 functional assessment tools and establishing case rates.
39 10 Unused moneys may be carried to the next fiscal year. This
39 11 division takes effect upon enactment.

39 12 Division VIII addresses the state mandates Act in Code
39 13 chapter 25B. The bill may include a state mandate as defined
39 14 in Code section 25B.3. The bill makes inapplicable Code
39 15 section 25B.2, subsection 3, which would relieve a political
39 16 subdivision from complying with a state mandate if funding for
39 17 the cost of the state mandate is not provided or specified.
39 18 Therefore, political subdivisions are required to comply with
39 19 any state mandate included in the bill.

