

Withdrawn

4/14/03

HF 619 substituted

FILED MAR 17 '03

408

SENATE FILE

BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO SSB 1172)

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to health care including reimbursement of health
2 care facilities based on resident program eligibility.

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

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SF 408

1 Section 1. NEW SECTION. 135C.31A ASSESSMENT OF RESIDENTS
2 -- PROGRAM ELIGIBILITY.

3 Beginning July 1, 2003, a health care facility receiving
4 reimbursement through the medical assistance program under
5 chapter 249A shall assist the Iowa commission of veterans
6 affairs in determining, prior to the initial admission of a
7 resident, the prospective resident's eligibility for benefits
8 through the federal department of veterans affairs. The
9 health care facility shall also assist the Iowa commission of
10 veterans affairs in determining such eligibility for residents
11 residing in the facility on July 1, 2003. The department
12 shall adopt rules to administer this section, including a
13 provision that ensures that if a resident is eligible for
14 benefits through the federal department of veterans affairs or
15 other third-party payor, the payor of last resort for
16 reimbursement to the health care facility is the medical
17 assistance program. This section shall not apply to the
18 admission of an individual to a state mental health institute
19 for acute psychiatric care.

20 EXPLANATION

21 This bill requires that a licensed health care facility
22 assist the Iowa commission of veterans affairs in determining,
23 prior to initial admission of a resident, the prospective
24 resident's eligibility for benefits through the United States
25 department of veterans affairs. The bill also requires that
26 the health care facility assist the Iowa commission of
27 veterans affairs in determining the eligibility of current
28 residents.

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SENATE FILE 408

S-3144

1 Amend Senate File 408 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 135.131 INTERAGENCY
5 PHARMACEUTICALS BULK PURCHASING COUNCIL.

6 1. For the purposes of this section, "interagency
7 pharmaceuticals bulk purchasing council" or "council"
8 means the interagency pharmaceuticals bulk purchasing
9 council created in this section.

10 2. An interagency pharmaceuticals bulk purchasing
11 council is created within the Iowa department of
12 public health. The department shall provide staff
13 support to the council and the department of
14 pharmaceutical care of the university of Iowa
15 hospitals and clinics shall act in an advisory
16 capacity to the council. The council shall be
17 composed of all of the following members:

18 a. The director of public health, or the
19 director's designee.

20 b. The director of human services, or the
21 director's designee.

22 c. The director of the department of personnel, or
23 the director's designee.

24 d. A representative of the state board of regents.

25 e. The director of the department of corrections,
26 or the director's designee.

27 f. The director, or the director's designee, of
28 any other agency that purchases pharmaceuticals
29 designated to be included as a member by the director
30 of public health.

31 3. The council shall select a chairperson annually
32 from its membership. A majority of the members of the
33 council shall constitute a quorum.

34 4. The council shall do all of the following:

35 a. Develop procedures that member agencies must
36 follow in purchasing pharmaceuticals. However, a
37 member agency may elect not to follow the council's
38 procedures if the agency is able to purchase the
39 pharmaceuticals for a lower price than the price
40 available through the council. An agency that does
41 not follow the council's procedures shall report all
42 of the following to the council:

43 (1) The purchase price for the pharmaceuticals.

44 (2) The name of the wholesaler, retailer, or
45 manufacturer selling the pharmaceuticals.

46 b. Designate a member agency as the central
47 purchasing agency for purchasing of pharmaceuticals.

48 c. Use existing distribution networks, including
49 wholesale and retail distributors, to distribute the
50 pharmaceuticals.

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1 d. Investigate options that maximize purchasing
2 power, including expanding purchasing under the
3 medical assistance program, qualifying for
4 participation in purchasing programs under 42 U.S.C. §
5 256b, as amended, and utilizing rebate programs,
6 hospital disproportionate share purchasing, multistate
7 purchasing alliances, and health department and
8 federally qualified health center purchasing.

9 e. In collaboration with the department of
10 pharmaceutical care of the university of Iowa
11 hospitals and clinics, make recommendations to member
12 agencies regarding drug utilization review, prior
13 authorization, the use of restrictive formularies, the
14 use of mail order programs, and copayment structures.
15 This paragraph shall not apply to the medical
16 assistance program but only to the operations of the
17 member agencies.

18 5. The central purchasing agency may enter into
19 agreements with a local governmental entity to
20 purchase pharmaceuticals for the local governmental
21 entity.

22 6. The council shall develop procedures under
23 which the council may disclose information relating to
24 the prices manufacturers or wholesalers charge for
25 pharmaceuticals by category of pharmaceutical. The
26 procedure shall prohibit the council from disclosing
27 information that identifies a specific manufacturer or
28 wholesaler or the prices charged by a specific
29 manufacturer or wholesaler for a specific
30 pharmaceutical.

31 Sec. 2. NEW SECTION. 135C.31A ASSESSMENT OF
32 RESIDENTS -- PROGRAM ELIGIBILITY.

33 Beginning July 1, 2003, a health care facility
34 receiving reimbursement through the medical assistance
35 program under chapter 249A shall assist the Iowa
36 commission of veterans affairs in determining, prior
37 to the initial admission of a resident, the
38 prospective resident's eligibility for benefits
39 through the federal department of veterans affairs.
40 The health care facility shall also assist the Iowa
41 commission of veterans affairs in determining such
42 eligibility for residents residing in the facility on
43 July 1, 2003. The department of inspections and
44 appeals, in cooperation with the department of human
45 services, shall adopt rules to administer this
46 section, including a provision that ensures that if a
47 resident is eligible for benefits through the federal
48 department of veterans affairs or other third-party
49 payor, the payor of last resort for reimbursement to
50 the health care facility is the medical assistance

1 program. This section shall not apply to the
2 admission of an individual to a state mental health
3 institute for acute psychiatric care.

4 Sec. 3. NEW SECTION. 249A.20A PREFERRED DRUG
5 LIST PROGRAM.

6 1. The department shall establish and implement a
7 preferred drug list program under the medical
8 assistance program. The department shall submit a
9 medical assistance state plan amendment to the centers
10 for Medicare and Medicaid services of the United
11 States department of health and human services, no
12 later than May 1, 2003, to implement the program.

13 2. a. A medical assistance pharmaceutical and
14 therapeutics committee shall be established within the
15 department by July 1, 2003, for the purpose of
16 developing and providing ongoing review of the
17 preferred drug list.

18 b. (1) The members of the committee shall be
19 appointed by the governor and shall include health
20 care professionals who possess recognized knowledge
21 and expertise in one or more of the following:

22 (a) The clinically appropriate prescribing of
23 covered outpatient drugs.

24 (b) The clinically appropriate dispensing and
25 monitoring of covered outpatient drugs.

26 (c) Drug use review, evaluation, and intervention.

27 (d) Medical quality assurance.

28 (2) The membership of the committee shall be
29 comprised of at least one third but not more than
30 fifty-one percent licensed and actively practicing
31 physicians and at least one third licensed and
32 actively practicing pharmacists.

33 c. The members shall be appointed to terms of two
34 years. Members may be appointed to more than one
35 term. The department shall provide staff support to
36 the committee. Committee members shall select a
37 chairperson and vice chairperson annually from the
38 committee membership.

39 3. The pharmaceutical and therapeutics committee
40 shall recommend a preferred drug list to the
41 department. The committee shall develop the preferred
42 drug list by considering each drug's clinically
43 meaningful therapeutic advantages in terms of safety,
44 effectiveness, and clinical outcome. The committee
45 shall use evidence-based research methods in selecting
46 the drugs to be included on the preferred drug list.
47 The committee shall periodically review all drug
48 classes included on the preferred drug list and may
49 amend the list to ensure that the list provides for
50 medically appropriate drug therapies for medical

1 assistance recipients and achieves cost savings to the
2 medical assistance program. The department may
3 procure a sole source contract with an outside entity
4 or contractor to provide professional administrative
5 support to the pharmaceutical and therapeutics
6 committee in researching and recommending drugs to be
7 placed on the preferred drug list.

8 4. With the exception of drugs prescribed for the
9 treatment of human immunodeficiency virus or acquired
10 immune deficiency syndrome, transplantation, or cancer
11 and drugs prescribed for mental illness with the
12 exception of drugs and drug compounds that do not have
13 a significant variation in a therapeutic profile or
14 side affect profile within a therapeutic class,
15 prescribing and dispensing of prescription drugs not
16 included on the preferred drug list shall be subject
17 to prior authorization.

18 5. The department may negotiate supplemental
19 rebates from manufacturers that are in addition to
20 those required by Title XIX of the federal Social
21 Security Act. The committee shall consider a product
22 for inclusion on the preferred drug list if the
23 manufacturer provides a supplemental rebate. The
24 department may procure a sole source contract with an
25 outside entity or contractor to conduct negotiations
26 for supplemental rebates.

27 6. The department shall publish and disseminate
28 the preferred drug list to all medical assistance
29 providers in this state.

30 7. Until such time as the pharmaceutical and
31 therapeutics committee is operational, the department
32 shall adopt and utilize a preferred drug list
33 developed by a midwestern state that has received
34 approval for its medical assistance state plan
35 amendment from the centers for Medicare and Medicaid
36 services of the United States department of health and
37 human services.

38 8. The department may procure a sole source
39 contract with an outside entity or contractor to
40 participate in a pharmaceutical pooling program with
41 midwestern or other states to provide for an enlarged
42 pool of individuals for the purchase of pharmaceutical
43 products and services for medical assistance
44 recipients.

45 9. The department may adopt administrative rules
46 under section 17A.4, subsection 2, and section 17A.5,
47 subsection 2, paragraph "b", to implement this
48 section.

49 10. Any savings realized under this section may be
50 used to the extent necessary to pay the costs

1 associated with implementation of this section prior
2 to reversion to the medical assistance program. The
3 department shall report the amount of any savings
4 realized and the amount of any costs paid to the
5 legislative fiscal committee on a quarterly basis.

6 Sec. 4. NEW SECTION. 249A.20B NURSING FACILITY
7 QUALITY ASSURANCE ASSESSMENT.

8 1. The department may assess nursing facilities a
9 quality assurance assessment not to exceed six percent
10 of the total annual revenue of the facility.

11 2. The department of human services shall submit a
12 medical assistance state plan amendment to the centers
13 for Medicare and Medicaid services of the United
14 States department of health and human services to
15 effectuate the nursing facility quality assurance
16 assessment.

17 3. The department of human services shall submit
18 an application to the secretary of the United States
19 department of health and human services to request a
20 waiver of the uniform tax requirement pursuant to 42
21 U.S.C. § 1396b(w)(3)(E) and 42 C.F.R. § 433.68(e)(2).

22 4. The quality assurance assessment shall be paid
23 to the department in equal monthly amounts on or
24 before the fifteenth day of each month. The
25 department may deduct the monthly assessment amount
26 from medical assistance payments to a nursing
27 facility. The amount deducted from payments shall not
28 exceed the total amount of the fee due.

29 5. Revenue generated from the quality assurance
30 assessment shall be deposited in the senior living
31 trust fund created in section 249H.4. The revenues
32 shall only be used for services for which federal
33 financial participation under the medical assistance
34 program is available to match state funds.

35 6. If federal financial participation to match the
36 assessments made under subsection 1 becomes
37 unavailable under federal law, the department shall
38 terminate the imposition of the assessment beginning
39 on the date that the federal statutory, regulatory, or
40 interpretive change takes effect.

41 7. The department may procure a sole source
42 contract to implement the provisions of this section.

43 8. For the purposes of this section, "nursing
44 facility" means nursing facility as defined in section
45 135C.1, excluding residential care facilities and
46 nursing facilities that are operated by the state.

47 9. The department may adopt administrative rules
48 under section 17A.4, subsection 2, and section 17A.5,
49 subsection 2, paragraph "b", to implement this
50 section.

1 Sec. 5. NEW SECTION. 249A.29A HOME AND
2 COMMUNITY-BASED SERVICES WAIVER -- ELIGIBILITY
3 DETERMINATIONS.

4 1. A level of care eligibility determination of an
5 individual seeking approval by the department to
6 receive services under a waiver shall be completed
7 only by a person not participating as a provider of
8 services under a waiver. For the purposes of this
9 section, "provider" and "waiver" mean provider and
10 waiver as defined in section 249A.29.

11 2. Funds appropriated to the department of elder
12 affairs for the purpose of conducting level of care
13 eligibility determinations shall be transferred and
14 made available to the department of human services.

15 3. The department of human services may procure a
16 sole source contract with an outside entity or
17 contractor to conduct level-of-care eligibility
18 determinations.

19 4. The department may adopt administrative rules
20 under section 17A.4, subsection 2, and section 17A.5,
21 subsection 2, paragraph "b", to implement this
22 section.

23 Sec. 6. Section 249B.3, subsection 1, unnumbered
24 paragraph 1, Code 2003, is amended to read as follows:

25 The department ~~may~~ shall issue a notice
26 establishing and demanding payment of an accrued or
27 accruing spousal support debt due and owing to the
28 department. The notice shall be served upon the
29 community spouse in accordance with the rules of civil
30 procedure. The notice shall include all of the
31 following:

32 Sec. 7. MEDICAL ASSISTANCE PROGRAM --
33 PHARMACEUTICALS -- RECIPIENT REQUIREMENTS.

34 1. The department of human services shall
35 reimburse pharmacy dispensing fees using a single rate
36 of \$4.26 per prescription or the pharmacy's usual and
37 customary fee, whichever is lower.

38 2. The department of human services shall require
39 recipients of medical assistance to pay the following
40 copayment on each prescription filled for a covered
41 prescription drug, including on each refill of such
42 prescription, as follows:

43 a. A copayment of \$1 for each covered generic
44 prescription drug.

45 b. A copayment of 50 cents for each covered brand-
46 name prescription drug for which the cost to the state
47 is \$10 or less.

48 c. A copayment of \$1 for each covered brand-name
49 prescription drug for which the cost to the state is
50 more than \$10 and up to and including \$25.

1 d. A copayment of \$2 for each covered brand-name
2 prescription drug for which the cost to the state is
3 more than \$25 and up to and including \$50.

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

7 3. The department of human services shall
8 establish an ingredient reimbursement basis equal to
9 the average wholesale price minus 12 percent for
10 pharmacy reimbursement for prescription drugs under
11 the medical assistance program.

12 4. a. The department of human services shall
13 continue the sole source contract relative to the
14 state maximum allowable cost (SMAC) program as
15 authorized in 2001 Iowa Acts, chapter 191, section 31,
16 subsection 1, paragraph "b", subparagraph (5). The
17 department shall expand the state maximum allowable
18 cost program for prescription drugs to the greatest
19 extent possible as determined under the contract.

20 b. Pharmacies and providers that are enrolled in
21 the medical assistance program shall make available
22 drug acquisition cost information, product
23 availability information, and other information deemed
24 necessary by the department for the determination of
25 reimbursement rates and the efficient operation of the
26 pharmacy benefit. Pharmacies and providers shall
27 produce and submit the requested information in the
28 manner and format requested by the department or its
29 designee at no cost to the department or designee.
30 Pharmacies and providers shall submit information to
31 the department or its designee within thirty days
32 following receipt of a request for information unless
33 the department or its designee grants an extension
34 upon written request of the pharmacy or provider.

35 c. The state maximum allowable cost shall be
36 established at the average wholesale acquisition cost
37 for a prescription drug and all equivalent products,
38 adjusted by a multiplier of 1.4. The department shall
39 update the state maximum allowable cost every two
40 months, or more often if necessary, to ensure adequate
41 product availability.

42 d. The department shall review its current method
43 for determining which prescription drugs are to be
44 included in the SMAC program and shall adjust the
45 method to maximize the cost savings realized through
46 the SMAC program.

47 e. The department shall report any savings
48 realized through the SMAC program to the legislative
49 fiscal committee on a monthly basis.

50 5. The department of human services shall require

1 recipients of medical assistance to pay a copayment of
2 \$3 for each physician office visit.

3 6. The department of human services shall maximize
4 expansion of prior authorization of prescription drugs
5 under the medical assistance program beyond the 25
6 current categories of medications.

7 7. The department of human services shall
8 establish a fixed-fee reimbursement schedule for home
9 health agencies under the medical assistance program.

10 8. The department may adopt emergency rules to
11 implement this section.

12 Sec. 8. HOME AND COMMUNITY-BASED SERVICES WAIVERS
13 CONSOLIDATION -- BUDGET NEUTRALITY. It is the intent
14 of the general assembly that the consolidation of home
15 and community-based services waivers by the department
16 of human services be designed in a manner that does
17 not result in additional cost, with the exception of
18 any services added to the waivers through legislative
19 enactment. The department of human services shall
20 submit an initial report regarding the cost neutrality
21 and status of the waiver consolidation to the
22 legislative fiscal committee no later than January 31,
23 2004, and a subsequent report no later than July 31,
24 2004.

25 Sec. 9. NURSING FACILITY REIMBURSEMENT.
26 Notwithstanding 2001 Iowa Acts, chapter 192, section
27 4, subsection 2, paragraph "c", and subsection 3,
28 paragraph "a", subparagraph (2), if projected state
29 fund expenditures for reimbursement of nursing
30 facilities for the fiscal year beginning July 1, 2003,
31 in accordance with the reimbursement rate specified in
32 2001 Iowa Acts, chapter 192, section 4, subsection 2,
33 paragraph "c", exceeds \$147,252,856, the department
34 shall adjust the inflation factor of the reimbursement
35 rate calculation to provide reimbursement within the
36 amount projected.

37 Sec. 10. UTILIZATION MANAGEMENT AND TARGETED
38 AUDITS.

39 1. The department of human services shall conduct
40 ongoing review of recipients and providers of medical
41 assistance services to determine the appropriateness
42 of the scope, duration, and utilization of services.
43 If inappropriate usage is identified, the department
44 shall implement procedures necessary to restrict
45 utilization.

46 2. The department of human services shall conduct
47 a review of selected medical assistance services
48 categories and providers for state fiscal years
49 beginning July 1, 2001, July 1, 2002, and July 1,
50 2003. The review shall include intense data analysis

1 to test compliance with rules, regulations, and
2 policies and selected on-site audits.

3 3. The review required under subsection 2 shall
4 attempt to identify any incorrectly paid billings or
5 claims for the state medical assistance program. If
6 inappropriate payments are identified, provider
7 billings shall be adjusted accordingly. If there is
8 substantiated evidence to suggest fraudulent activity,
9 the department shall submit the audit data regarding
10 the medical assistance provider or recipient to the
11 department of inspections and appeals for further
12 action.

13 4. The department of human services may procure a
14 sole source contract to implement the provisions of
15 this section.

16 5. Any savings realized under this section may be
17 used to the extent necessary to pay the costs
18 associated with implementation of this section prior
19 to reversion to the medical assistance program. The
20 department shall report the amount of any savings
21 realized and the amount of any costs paid to the
22 chairpersons of the joint appropriations subcommittee
23 on health and human services.

24 Sec. 11. MEDICAL ASSISTANCE -- CERTAIN PUBLICLY
25 OWNED HOSPITALS -- PHYSICIAN SUPPLEMENTAL PAYMENTS.

26 1. For the fiscal year beginning July 1, 2003, and
27 for each fiscal year thereafter, the department of
28 human services shall institute a supplemental payment
29 adjustment applicable to physician services provided
30 to medical assistance recipients at publicly owned
31 acute care teaching hospitals. The adjustment shall
32 generate supplemental payments to physicians which are
33 equal to the difference between the physician's charge
34 and the physician's fee schedule under the medical
35 assistance program. To the extent of the supplemental
36 payments, a qualifying hospital shall, after receipt
37 of the payments, transfer to the department of human
38 services an amount equal to the actual supplemental
39 payments that were made in that month. The department
40 of human services shall deposit these payments in the
41 department's medical assistance account. The
42 department of human services shall amend the medical
43 assistance state plan as necessary to implement this
44 section. The department may adopt emergency rules to
45 implement this section.

46 2. The department may use any savings realized
47 under this section to the extent necessary to pay the
48 costs associated with implementation of this section
49 prior to reversion to the medical assistance program.
50 The department shall report the amount of any savings

1 realized and the amount of any costs paid to the
2 chairpersons of the joint appropriations subcommittee
3 on health and human services.

4 3. The department of human services shall, in any
5 compilation of data or other report distributed to the
6 public concerning payments to providers under the
7 medical assistance program, set forth reimbursements
8 to physicians of the university of Iowa college of
9 medicine through supplemental adjustments as a
10 separate item and shall not include such payments in
11 the amounts otherwise reported as the reimbursement to
12 a physician for services to medical assistance
13 recipients.

14 Sec. 12. CHRONIC CARE MANAGEMENT.

15 1. The department of human services shall
16 aggressively pursue chronic disease management in
17 order to improve care and reduce costs under the
18 medical assistance program.

19 2. The department of human services, in
20 cooperation with the department's fiscal agent and in
21 consultation with a chronic care management resource
22 group, shall profile medical assistance recipients
23 within a select number of disease diagnosis
24 categories. The assessment shall focus on those
25 diagnosis areas that present the greatest opportunity
26 for impact to improved care and cost reduction.

27 3. The department of human services, in
28 consultation with a chronic care management resource
29 group, shall conduct a chronic disease management
30 pilot project for a select number of individuals who
31 are participants in the medical assistance program.
32 The project shall focus on a select number of chronic
33 diseases which may include congestive heart failure,
34 diabetes, and asthma. The initial pilot project shall
35 be implemented by October 1, 2003.

36 4. The department of human services shall issue a
37 request for proposals or otherwise solicit bids from
38 potential vendors to manage individuals with select
39 chronic diseases following the conclusion of the
40 profiling of medical assistance recipients. The
41 management of chronic diseases for individuals under
42 this subsection may be coordinated with the pilot
43 project established in subsection 3.

44 5. The department of human services shall amend
45 the medical assistance state plan and seek any waivers
46 necessary from the centers for Medicare and Medicaid
47 services of the United States department of health and
48 human services to implement this section.

49 6. The department of human services shall submit a
50 progress report regarding chronic disease management

1 measures undertaken pursuant to this section to the
2 governor and the general assembly by November 1, 2003.
3 The report shall include recommendations regarding
4 incorporating chronic disease management programming
5 into the medical assistance system and the potential
6 improvements in care and reductions in costs that may
7 be obtained through chronic disease management.

8 7. The department of human services may adopt
9 emergency rules to implement this section.

10 8. Any savings realized under this section may be
11 used as necessary to pay the costs associated with
12 implementation of this section prior to reversion to
13 the medical assistance program. The department shall
14 report the amount of any savings realized and the
15 amount of any costs paid to the chairpersons of the
16 joint appropriations subcommittee on health and human
17 services.

18 Sec. 13. CONTINGENT EFFECTIVE DATE.

19 1. Section 249A.20B, as enacted in this Act, shall
20 not take effect unless the department of human
21 services receives approval of both the medical
22 assistance state plan amendment from the centers for
23 Medicare and Medicaid services of the United States
24 department of health and human services to effectuate
25 the nursing facility quality assurance assessment and
26 of the application to the secretary of the United
27 States department of health and human services for a
28 waiver of the uniform tax requirement pursuant to 42
29 U.S.C. § 1396b(w) (3) (E) and 42 C.F.R. § 433.68(e) (2).
30 If both approvals are received, section 249A.20B shall
31 take effect upon the date that both approvals have
32 been received by the department and the department
33 shall notify the Code editor of the date of receipt of
34 the approvals.

35 2. If both approvals described in subsection 1 are
36 not received by June 30, 2004, the section of this Act
37 enacting section 249A.20B shall not take effect.

38 Sec. 14. EFFECTIVE DATES.

39 1. The section of this Act enacting section
40 249A.20A takes effect upon enactment.

41 2. The portion of the section of this Act relating
42 to the state maximum allowable cost (SMAC) program,
43 being deemed of immediate importance, takes effect
44 upon enactment.

45 3. The section of this Act relating to physician
46 supplemental payments at certain publicly owned
47 hospitals, being deemed of immediate importance, takes
48 effect upon enactment.

49 4. The section of this Act relating to chronic
50 disease management, being deemed of immediate

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1 importance, takes effect upon enactment.
2 5. The portions of the section of this Act
3 enacting section 249A.20B relating to directing the
4 department of human services to submit a medical
5 assistance state plan amendment to the centers for
6 Medicare and Medicaid services of the United States
7 department of health and human services to effectuate
8 the nursing facility quality assurance assessment and
9 directing the department of human services to submit
10 an application to the secretary of the United States
11 department of health and human services for a waiver
12 of the uniform tax requirement pursuant to 42 U.S.C. §
13 1396b(w)(3)(E) and 42 C.F.R. § 433.68(e)(2), being
14 deemed of immediate importance, take effect upon
15 enactment."

16 2. Title page, line 2, by inserting after the
17 word "eligibility" the following: "and providing
18 effective dates and a contingent effective date".

By KEN VEENSTRA

S-3144 FILED APRIL 7, 2003

Accepted 4/14/03

Veenstra
Tinsman
Hatch

Human Resources

CSB 1172
Sponsored By
MF 408

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
HUMAN RESOURCES BILL BY
CHAIRPERSON VEENSTRA)

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

A BILL FOR

1 An Act relating to health care including reimbursement of health
2 care facilities based on resident program eligibility.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 135C.31A ASSESSMENT OF RESIDENTS
2 -- PROGRAM ELIGIBILITY.

3 Beginning July 1, 2003, a health care facility receiving
4 reimbursement through the medical assistance program under
5 chapter 249A shall assist the Iowa commission of veterans
6 affairs in determining, prior to the initial admission of a
7 resident, the prospective resident's eligibility for benefits
8 through the federal department of veterans affairs. The
9 health care facility shall also assist the Iowa commission of
10 veterans affairs in determining such eligibility for residents
11 residing in the facility on July 1, 2003. The department
12 shall adopt rules to administer this section, including a
13 provision that ensures that if a resident is eligible for
14 benefits through the federal department of veterans affairs or
15 other third-party payor, the payor of last resort for
16 reimbursement to the health care facility is the medical
17 assistance program. This section shall not apply to the
18 admission of an individual to a state mental health institute
19 for acute psychiatric care.

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EXPLANATION

21 This bill requires that a licensed health care facility
22 assist the Iowa commission of veterans affairs in determining,
23 prior to initial admission of a resident, the prospective
24 resident's eligibility for benefits through the United States
25 department of veterans affairs. The bill also requires that
26 the health care facility assist the Iowa commission of
27 veterans affairs in determining the eligibility of current
28 residents.

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