

# House Study Bill 284

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED HOUSE APPROPRIATIONS  
SUBCOMMITTEE ON HEALTH AND  
HUMAN SERVICES BILL)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to and making appropriations to the department of  
2 human services, the department of elder affairs, the Iowa  
3 department of public health, the commission of veterans  
4 affairs and the Iowa veterans home, and the department of  
5 inspections and appeals, providing for fee increases, and  
6 including other related provisions and appropriations, and  
7 providing effective dates.  
8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
9 TLSB 1089HA 81  
10 pf/cf/24

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1 1 DIVISION I  
1 2 GENERAL FUND AND BLOCK GRANT APPROPRIATIONS  
1 3 ELDER AFFAIRS  
1 4 Section 1. DEPARTMENT OF ELDER AFFAIRS. There is  
1 5 appropriated from the general fund of the state to the  
1 6 department of elder affairs for the fiscal year beginning July  
1 7 1, 2005, and ending June 30, 2006, the following amount, or so  
1 8 much thereof as is necessary, to be used for the purposes  
1 9 designated:  
1 10 For aging programs for the department of elder affairs and  
1 11 area agencies on aging to provide citizens of Iowa who are 60  
1 12 years of age and older with case management for the frail  
1 13 elderly, the retired and senior volunteer program, resident  
1 14 advocate committee coordination, employment, and other  
1 15 services which may include, but are not limited to, adult day  
1 16 services, respite care, chore services, telephone reassurance,  
1 17 information and assistance, and home repair services, and for  
1 18 the construction of entrance ramps which make residences  
1 19 accessible to the physically handicapped, and for salaries,  
1 20 support, administration, maintenance, miscellaneous purposes,  
1 21 and for not more than the following full-time equivalent  
1 22 positions with the department of elder affairs:  
1 23 ..... \$ 2,730,522  
1 24 ..... FTEs 26.75  
1 25 1. Funds appropriated in this section may be used to  
1 26 supplement federal funds under federal regulations. To  
1 27 receive funds appropriated in this section, a local area  
1 28 agency on aging shall match the funds with moneys from other  
1 29 sources according to rules adopted by the department. Funds  
1 30 appropriated in this section may be used for elderly services  
1 31 not specifically enumerated in this section only if approved  
1 32 by an area agency on aging for provision of the service within  
1 33 the area.  
1 34 2. If the Eighty-first General Assembly enacts legislation  
1 35 establishing the Iowa commission on volunteer service, then of  
2 1 the funds appropriated in this section, \$174,198 shall be  
2 2 transferred to the office of the governor for the Iowa  
2 3 commission on volunteer service to be used for the retired and  
2 4 senior volunteer program.  
2 5 HEALTH  
2 6 Sec. 2. DEPARTMENT OF PUBLIC HEALTH. There is  
2 7 appropriated from the general fund of the state to the Iowa  
2 8 department of public health for the fiscal year beginning July  
2 9 1, 2005, and ending June 30, 2006, the following amounts, or  
2 10 so much thereof as is necessary, to be used for the purposes  
2 11 designated:  
2 12 1. ADDICTIVE DISORDERS  
2 13 For reducing the prevalence of use of tobacco, alcohol, and

2 14 other drugs, and treating individuals affected by addictive  
 2 15 behaviors, including gambling, and for not more than the  
 2 16 following full-time equivalent positions:  
 2 17 ..... \$ 1,258,710  
 2 18 ..... FTEs 6.45  
 2 19 The department and any grantee or subgrantee of the  
 2 20 department shall not discriminate against a nongovernmental  
 2 21 organization that provides substance abuse treatment and  
 2 22 prevention services or applies for funding to provide those  
 2 23 services on the basis that the organization has a religious  
 2 24 character.  
 2 25 2. ADULT WELLNESS  
 2 26 For maintaining or improving the health status of adults,  
 2 27 with target populations between the ages of 18 through 60:  
 2 28 ..... \$ 304,067  
 2 29 3. CHILD AND ADOLESCENT WELLNESS  
 2 30 For promoting the optimum health status for children and  
 2 31 adolescents from birth through 21 years of age, and for not  
 2 32 more than the following full-time equivalent positions:  
 2 33 ..... \$ 862,592  
 2 34 ..... FTEs 6.65  
 2 35 4. CHRONIC CONDITIONS  
 3 1 For serving individuals identified as having chronic  
 3 2 conditions or special health care needs, and for not more than  
 3 3 the following full-time equivalent positions:  
 3 4 ..... \$ 1,295,342  
 3 5 ..... FTEs 0.85  
 3 6 Of the funds appropriated in this subsection, not more than  
 3 7 \$100,000 shall be used to leverage federal funding through the  
 3 8 federal Ryan White Care Act, Title II, AIDS drug assistance  
 3 9 program supplemental drug treatment grants.  
 3 10 5. COMMUNITY CAPACITY  
 3 11 For strengthening the health care delivery system at the  
 3 12 local level, and for not more than the following full-time  
 3 13 equivalent positions:  
 3 14 ..... \$ 1,264,299  
 3 15 ..... FTEs 9.90  
 3 16 Of the funds appropriated in this subsection, \$100,000 is  
 3 17 allocated for a child vision screening program implemented  
 3 18 through the university of Iowa hospitals and clinics in  
 3 19 collaboration with community empowerment areas.  
 3 20 6. ELDERLY WELLNESS  
 3 21 For optimizing the health of persons 60 years of age and  
 3 22 older:  
 3 23 ..... \$ 9,233,985  
 3 24 7. ENVIRONMENTAL HAZARDS  
 3 25 For reducing the public's exposure to hazards in the  
 3 26 environment, primarily chemical hazards, and for not more than  
 3 27 the following full-time equivalent positions:  
 3 28 ..... \$ 401,808  
 3 29 ..... FTEs 1.50  
 3 30 8. INFECTIOUS DISEASES  
 3 31 For reducing the incidence and prevalence of communicable  
 3 32 diseases, and for not more than the following full-time  
 3 33 equivalent positions:  
 3 34 ..... \$ 1,078,039  
 3 35 ..... FTEs 5.25  
 4 1 9. INJURIES  
 4 2 For providing support and protection to victims of abuse or  
 4 3 injury, or programs that are designed to prevent abuse or  
 4 4 injury, and for not more than the following full-time  
 4 5 equivalent positions:  
 4 6 ..... \$ 1,044,151  
 4 7 ..... FTEs 1.80  
 4 8 Of the funds appropriated in this subsection, not more than  
 4 9 \$335,107 shall be used for the healthy opportunities to  
 4 10 experience success (HOPES) = healthy families Iowa (HFI)  
 4 11 program established pursuant to section 135.106.  
 4 12 Of the funds appropriated in this subsection, \$643,500  
 4 13 shall be credited to the emergency medical services fund  
 4 14 created in section 135.25.  
 4 15 10. PUBLIC PROTECTION  
 4 16 For protecting the health and safety of the public through  
 4 17 establishing standards and enforcing regulations, and for not  
 4 18 more than the following full-time equivalent positions:  
 4 19 ..... \$ 6,820,423  
 4 20 ..... FTEs 110.05  
 4 21 11. RESOURCE MANAGEMENT  
 4 22 For establishing and sustaining the overall ability of the  
 4 23 department to deliver services to the public, and for not more  
 4 24 than the following full-time equivalent positions:

4 25 ..... \$ 994,442  
4 26 ..... FTEs 3.00

4 27 12. The university of Iowa hospitals and clinics under the  
4 28 control of the state board of regents shall not receive  
4 29 indirect costs from the funds appropriated in this section.

4 30 13. A local health care provider or nonprofit health care  
4 31 organization seeking grant moneys administered by the Iowa  
4 32 department of public health shall provide documentation that  
4 33 the provider or organization has coordinated its services with  
4 34 other local entities providing similar services.

4 35 14. a. The department shall apply for available federal  
5 1 funds for sexual abstinence education programs.

5 2 b. It is the intent of the general assembly to comply with  
5 3 the United States Congress' intent to provide education that  
5 4 promotes abstinence from sexual activity outside of marriage  
5 5 and reduces pregnancies, by focusing efforts on those persons  
5 6 most likely to father and bear children out of wedlock.

5 7 c. Any sexual abstinence education program awarded moneys  
5 8 under the grant program shall meet the definition of  
5 9 abstinence education in the federal law. Grantees shall be  
5 10 evaluated based upon the extent to which the abstinence  
5 11 program successfully communicates the goals set forth in the  
5 12 federal law.

5 13 Sec. 3. GAMBLING TREATMENT FUND == APPROPRIATION. In lieu  
5 14 of the appropriation made in section 135.150, subsection 1,  
5 15 there is appropriated from funds available in the gambling  
5 16 treatment fund created in section 135.150 to the Iowa  
5 17 department of public health for the fiscal year beginning July  
5 18 1, 2005, and ending June 30, 2006, the following amount, or so  
5 19 much thereof as is necessary, to be used for the purposes  
5 20 designated:

5 21 1. ADDICTIVE DISORDERS  
5 22 To be utilized for the benefit of persons with addictions:  
5 23 ..... \$ 1,690,000

5 24 2. GAMBLING TREATMENT PROGRAM  
5 25 The funds in the gambling treatment fund after the  
5 26 appropriation in subsection 1, is made are appropriated to the  
5 27 department to be used for funding of administrative costs and  
5 28 to provide programs which may include, but are not limited to,  
5 29 outpatient and follow-up treatment for persons affected by  
5 30 problem gambling, rehabilitation and residential treatment  
5 31 programs, information and referral services, education and  
5 32 preventive services, and financial management services.

5 33 COMMISSION OF VETERANS AFFAIRS  
5 34 Sec. 4. COMMISSION OF VETERANS AFFAIRS. There is  
5 35 appropriated from the general fund of the state to the  
6 1 commission of veterans affairs for the fiscal year beginning  
6 2 July 1, 2005, and ending June 30, 2006, the following amounts,  
6 3 or so much thereof as is necessary, to be used for the  
6 4 purposes designated:

6 5 1. COMMISSION OF VETERANS AFFAIRS ADMINISTRATION  
6 6 For salaries, support, maintenance, miscellaneous purposes,  
6 7 including the war orphans educational aid fund established  
6 8 pursuant to chapter 35, and for not more than the following  
6 9 full-time equivalent positions:  
6 10 ..... \$ 295,717  
6 11 ..... FTEs 4.00

6 12 a. Of the funds appropriated in this subsection, \$75,000  
6 13 shall be used by the commission to contract with the  
6 14 department of elder affairs to utilize local veterans affairs  
6 15 commissions and the retired and senior volunteers program to  
6 16 increase the utilization by eligible individuals of benefits  
6 17 available through the federal department of veterans affairs.

6 18 b. Of the funds appropriated in this subsection, \$25,000  
6 19 shall be used for the commission's costs associated with the  
6 20 contracts implemented under paragraph "a".

6 21 2. IOWA VETERANS HOME  
6 22 For salaries, support, maintenance, miscellaneous purposes,  
6 23 and for not more than the following full-time equivalent  
6 24 positions:  
6 25 ..... \$ 16,309,443  
6 26 ..... FTEs 855.22

6 27 HUMAN SERVICES  
6 28 Sec. 5. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
6 29 GRANT. There is appropriated from the fund created in section  
6 30 8.41 to the department of human services for the fiscal year  
6 31 beginning July 1, 2005, and ending June 30, 2006, from moneys  
6 32 received under the federal temporary assistance for needy  
6 33 families (TANF) block grant pursuant to the federal Personal  
6 34 Responsibility and Work Opportunity Reconciliation Act of  
6 35 1996, Pub. L. No. 104-193, and successor legislation, which

7 1 are federally appropriated for the federal fiscal years  
7 2 beginning October 1, 2004, and ending September 30, 2005, and  
7 3 beginning October 1, 2005, and ending September 30, 2006, the  
7 4 following amounts, or so much thereof as is necessary, to be  
7 5 used for the purposes designated:

7 6 1. To be credited to the family investment program account  
7 7 and used for assistance under the family investment program  
7 8 under chapter 239B:  
7 9 ..... \$ 44,277,569

7 10 2. To be credited to the family investment program account  
7 11 and used for the job opportunities and basic skills (JOBS)  
7 12 program, and implementing family investment agreements, in  
7 13 accordance with chapter 239B:  
7 14 ..... \$ 13,412,794

7 15 3. For field operations:  
7 16 ..... \$ 16,702,033

7 17 4. For general administration:  
7 18 ..... \$ 3,730,547

7 19 5. For local administrative costs:  
7 20 ..... \$ 2,181,296

7 21 6. For state child care assistance:  
7 22 ..... \$ 14,556,560

7 23 a. Of the funds appropriated in this subsection, \$200,000  
7 24 shall be used for provision of educational opportunities to  
7 25 registered child care home providers in order to improve  
7 26 services and programs offered by this category of providers  
7 27 and to increase the number of providers. The department may  
7 28 contract with institutions of higher education or child care  
7 29 resource and referral centers to provide the educational  
7 30 opportunities. Allowable administrative costs under the  
7 31 contracts shall not exceed 5 percent. The application for a  
7 32 grant shall not exceed two pages in length.

7 33 b. Funds appropriated in this subsection that remain  
7 34 following the allocation made in paragraph "a" shall be  
7 35 transferred to the child care and development block grant  
8 1 appropriation.

8 2 7. For mental health and developmental disabilities  
8 3 community services:  
8 4 ..... \$ 4,798,979

8 5 8. For child and family services:  
8 6 ..... \$ 31,475,728

8 7 9. For child abuse prevention grants:  
8 8 ..... \$ 250,000

8 9 10. For pregnancy prevention grants on the condition that  
8 10 family planning services are funded:  
8 11 ..... \$ 2,520,037

8 12 a. If the department receives approval of a waiver from  
8 13 the centers for Medicare and Medicaid services of the United  
8 14 States department of health and human services to provide  
8 15 family planning services, of the amount appropriated in this  
8 16 subsection, \$533,580 shall be transferred to the appropriation  
8 17 in this Act for child and family services.

8 18 b. Pregnancy prevention grants shall be awarded to  
8 19 programs in existence on or before July 1, 2005, if the  
8 20 programs are comprehensive in scope and have demonstrated  
8 21 positive outcomes. Grants shall be awarded to pregnancy  
8 22 prevention programs which are developed after July 1, 2005, if  
8 23 the programs are comprehensive in scope and are based on  
8 24 existing models that have demonstrated positive outcomes.  
8 25 Grants shall comply with the requirements provided in 1997  
8 26 Iowa Acts, chapter 208, section 14, subsections 1 and 2,  
8 27 including the requirement that grant programs must emphasize  
8 28 sexual abstinence. Priority in the awarding of grants shall  
8 29 be given to programs that serve areas of the state which  
8 30 demonstrate the highest percentage of unplanned pregnancies of  
8 31 females of childbearing age within the geographic area to be  
8 32 served by the grant.

8 33 11. For technology needs and other resources necessary to  
8 34 meet federal welfare reform reporting, tracking, and case  
8 35 management requirements:  
9 1 ..... \$ 1,037,186

9 2 12. For the healthy opportunities for parents to  
9 3 experience success (HOPES) program administered by the Iowa  
9 4 department of public health to target child abuse prevention:  
9 5 ..... \$ 200,000

9 6 13. To be credited to the state child care assistance  
9 7 appropriation made in this section to be used for funding of  
9 8 community-based early childhood programs targeted to children  
9 9 from birth through five years of age, developed by community  
9 10 empowerment areas as provided in section 28.9, as amended by  
9 11 this Act:

9 12 ..... \$ 7,350,000  
 9 13 The department shall transfer TANF block grant funding  
 9 14 appropriated and allocated in this subsection to the child  
 9 15 care and development block grant appropriation in accordance  
 9 16 with federal law as necessary to comply with the provisions of  
 9 17 this subsection.  
 9 18 14. For a pilot program to be established in a judicial  
 9 19 district, selected by the department and the judicial council,  
 9 20 to provide employment and support services to delinquent child  
 9 21 support obligors as an alternative to commitment to jail as  
 9 22 punishment for contempt of court:  
 9 23 ..... \$ 200,000  
 9 24 Of the amounts appropriated in this section, \$12,808,841  
 9 25 for the fiscal year beginning July 1, 2005, shall be  
 9 26 transferred to the appropriation of the federal social  
 9 27 services block grant for that fiscal year. If the federal  
 9 28 government revises requirements to reduce the amount that may  
 9 29 be transferred to the federal social services block grant, it  
 9 30 is the intent of the general assembly to act expeditiously  
 9 31 during the 2006 legislative session to adjust appropriations  
 9 32 or the transfer amount or take other actions to address the  
 9 33 reduced amount.  
 9 34 Sec. 6. FAMILY INVESTMENT PROGRAM ACCOUNT.  
 9 35 1. Moneys credited to the family investment program (FIP)  
 10 1 account for the fiscal year beginning July 1, 2005, and ending  
 10 2 June 30, 2006, shall be used to provide assistance in  
 10 3 accordance with chapter 239B.  
 10 4 2. The department may use a portion of the moneys credited  
 10 5 to the FIP account under this section, as necessary for  
 10 6 salaries, support, maintenance, and miscellaneous purposes.  
 10 7 3. Moneys appropriated in this division of this Act and  
 10 8 credited to the FIP account for the fiscal year beginning July  
 10 9 1, 2005, and ending June 30, 2006, are allocated as follows:  
 10 10 a. For the family development and self-sufficiency grant  
 10 11 program as provided under section 217.12:  
 10 12 ..... \$ 5,133,042  
 10 13 (1) Of the funds allocated for the family development and  
 10 14 self-sufficiency grant program in this lettered paragraph, not  
 10 15 more than 5 percent of the funds shall be used for the  
 10 16 administration of the grant program.  
 10 17 (2) The department may continue to implement the family  
 10 18 development and self-sufficiency grant program statewide  
 10 19 during FY 2005=2006.  
 10 20 b. For the diversion subaccount of the FIP account:  
 10 21 ..... \$ 2,814,000  
 10 22 (1) A portion of the moneys allocated for the subaccount  
 10 23 may be used for field operations salaries, data management  
 10 24 system development, and implementation costs and support  
 10 25 deemed necessary by the director of human services in order to  
 10 26 administer the FIP diversion program.  
 10 27 (2) Of the funds allocated in this lettered paragraph, not  
 10 28 more than \$250,000 shall be used to develop or continue  
 10 29 community-level parental obligation pilot projects. The  
 10 30 requirements established under 2001 Iowa Acts, chapter 191,  
 10 31 section 3, subsection 5, paragraph "c", subparagraph (3),  
 10 32 shall remain applicable to the parental obligation pilot  
 10 33 projects for fiscal year 2005=2006.  
 10 34 c. For the food stamp employment and training program:  
 10 35 ..... \$ 64,278  
 11 1 5. Of the child support collections assigned under FIP, an  
 11 2 amount equal to the federal share of support collections shall  
 11 3 be credited to the child support recovery appropriation. Of  
 11 4 the remainder of the assigned child support collections  
 11 5 received by the child support recovery unit, a portion shall  
 11 6 be credited to the FIP account and a portion may be used to  
 11 7 increase recoveries.  
 11 8 6. The department may adopt emergency administrative rules  
 11 9 for the family investment, food stamp, and medical assistance  
 11 10 programs, if necessary, to comply with federal requirements.  
 11 11 Sec. 7. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is  
 11 12 appropriated from the general fund of the state to the  
 11 13 department of human services for the fiscal year beginning  
 11 14 July 1, 2005, and ending June 30, 2006, the following amount,  
 11 15 or so much thereof as is necessary, to be used for the purpose  
 11 16 designated:  
 11 17 To be credited to the family investment program (FIP)  
 11 18 account and used for family investment program assistance  
 11 19 under chapter 239B:  
 11 20 ..... \$ 40,316,718  
 11 21 Of the funds appropriated in this section, \$9,274,134 is  
 11 22 allocated for the JOBS program.

11 23 Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated  
11 24 from the general fund of the state to the department of human  
11 25 services for the fiscal year beginning July 1, 2005, and  
11 26 ending June 30, 2006, the following amount, or so much thereof  
11 27 as is necessary, to be used for the purposes designated:

11 28 For child support recovery, including salaries, support,  
11 29 maintenance, and miscellaneous purposes and for not more than  
11 30 the following full-time equivalent positions:

11 31 ..... \$ 7,829,317  
11 32 ..... FTEs 407.00

11 33 1. The department shall expend up to \$31,000, including  
11 34 federal financial participation, for the fiscal year beginning  
11 35 July 1, 2005, for a child support public awareness campaign.

12 1 The department and the office of the attorney general shall  
12 2 cooperate in continuation of the campaign. The public  
12 3 awareness campaign shall emphasize, through a variety of media  
12 4 activities, the importance of maximum involvement of both  
12 5 parents in the lives of their children as well as the  
12 6 importance of payment of child support obligations.

12 7 2. Federal access and visitation grant moneys shall be  
12 8 issued directly to private not-for-profit agencies that  
12 9 provide services designed to increase compliance with the  
12 10 child access provisions of court orders, including but not  
12 11 limited to neutral visitation site and mediation services.

12 12 Sec. 9. MEDICAL ASSISTANCE. There is appropriated from  
12 13 the general fund of the state to the department of human  
12 14 services for the fiscal year beginning July 1, 2005, and  
12 15 ending June 30, 2006, the following amount, or so much thereof  
12 16 as is necessary, to be used for the purpose designated:

12 17 For medical assistance reimbursement and associated costs  
12 18 as specifically provided in the reimbursement methodologies in  
12 19 effect on June 30, 2005, except as otherwise expressly  
12 20 authorized by law, including reimbursement for abortion  
12 21 services, which shall be available under the medical  
12 22 assistance program only for those abortions which are  
12 23 medically necessary:

12 24 ..... \$524,510,863

12 25 1. Medically necessary abortions are those performed under  
12 26 any of the following conditions:

12 27 a. The attending physician certifies that continuing the  
12 28 pregnancy would endanger the life of the pregnant woman.

12 29 b. The attending physician certifies that the fetus is  
12 30 physically deformed, mentally deficient, or afflicted with a  
12 31 congenital illness.

12 32 c. The pregnancy is the result of a rape which is reported  
12 33 within 45 days of the incident to a law enforcement agency or  
12 34 public or private health agency which may include a family  
12 35 physician.

13 1 d. The pregnancy is the result of incest which is reported  
13 2 within 150 days of the incident to a law enforcement agency or  
13 3 public or private health agency which may include a family  
13 4 physician.

13 5 e. Any spontaneous abortion, commonly known as a  
13 6 miscarriage, if not all of the products of conception are  
13 7 expelled.

13 8 2. The department shall utilize not more than \$60,000 of  
13 9 the funds appropriated in this section to continue the  
13 10 AIDS/HIV health insurance premium payment program as  
13 11 established in 1992 Iowa Acts, Second Extraordinary Session,  
13 12 chapter 1001, section 409, subsection 6. Of the funds  
13 13 allocated in this subsection, not more than \$5,000 may be  
13 14 expended for administrative purposes.

13 15 3. Of the funds appropriated to the Iowa department of  
13 16 public health for addictive disorders, \$950,000 for the fiscal  
13 17 year beginning July 1, 2005, shall be transferred to the  
13 18 department of human services for an integrated substance abuse  
13 19 managed care system.

13 20 4. If the federal centers for Medicare and Medicaid  
13 21 services approves a waiver request from the department, the  
13 22 department shall provide a period of 12 months of guaranteed  
13 23 eligibility for medical assistance family planning services  
13 24 only, regardless of the change in circumstances of a woman who  
13 25 was a medical assistance recipient when a pregnancy ended.  
13 26 The department shall also provide this guaranteed eligibility  
13 27 to women of childbearing age with countable income at or below  
13 28 200 percent of the federal poverty level.

13 29 5. a. The department shall aggressively pursue options  
13 30 for providing medical assistance or other assistance to  
13 31 individuals with special needs who become ineligible to  
13 32 continue receiving services under the early and periodic  
13 33 screening, diagnosis, and treatment program under the medical

13 34 assistance program due to becoming 21 years of age, who have  
13 35 been approved for additional assistance through the  
14 1 department's exception to policy provisions, but who have  
14 2 health care needs in excess of the funding available through  
14 3 the exception to policy process.

14 4 b. Of the funds appropriated in this section, \$100,000  
14 5 shall be used for participation in one or more pilot projects  
14 6 operated by a private provider to allow the individual or  
14 7 individuals to receive service in the community in accordance  
14 8 with principles established in *Olmstead v. L.C.*, 527 U.S. 581  
14 9 (1999), for the purpose of providing medical assistance or  
14 10 other assistance to individuals with special needs who become  
14 11 ineligible to continue receiving services under the early and  
14 12 periodic screening, diagnosis, and treatment program under the  
14 13 medical assistance program due to becoming 21 years of age,  
14 14 who have been approved for additional assistance through the  
14 15 department's exception to policy provisions, but who have  
14 16 health care needs in excess of the funding available through  
14 17 the exception to the policy provisions.

14 18 6. Of the funds available in this section, up to  
14 19 \$3,270,082 may be transferred to the field operations or  
14 20 general administration appropriations in this Act for  
14 21 implementation and operational costs associated with Part D of  
14 22 the federal Medicare Prescription Drug, Improvement, and  
14 23 Modernization Act of 2003, Pub. L. No. 108=173.

14 24 7. The department shall expand the health insurance data  
14 25 match program as directed pursuant to 2004 Iowa Acts, chapter  
14 26 1175, section 119, subsection 1, paragraph "c", to also match  
14 27 insureds against a listing of hawk=i program enrollees. The  
14 28 information submitted under the expansion shall be used solely  
14 29 to identify third=party payors for hawk=i program enrollees  
14 30 and shall be kept confidential. The department, in  
14 31 consultation with insurance carriers, shall adopt rules to  
14 32 implement this subsection. The department may adopt emergency  
14 33 rules to implement this subsection and insurance carriers  
14 34 shall begin providing the information required upon adoption  
14 35 of the rules.

15 1 8. The department shall modify the methodology in effect  
15 2 as of June 30, 2005, for calculating the state maximum  
15 3 allowable cost reimbursement rates by reducing the sample size  
15 4 required for pricing.

15 5 9. The department shall establish a health care cost  
15 6 commission to regularly evaluate reimbursement rates for all  
15 7 services covered under the medical assistance program and  
15 8 shall require all third=party payors and all providers to  
15 9 report their reimbursement rates annually by December 31 to  
15 10 the commission.

15 11 10. The department, consistent with applicable state and  
15 12 federal law, shall issue one or more requests for proposals to  
15 13 procure medical supplies, including durable medical equipment,  
15 14 through statewide bulk purchasing or mail order under the  
15 15 medical assistance program, if such procurement is projected  
15 16 to reduce the costs of the items to the medical assistance  
15 17 program while maintaining appropriate access and quality  
15 18 standards.

15 19 11. The department shall provide educational opportunities  
15 20 to providers under the medical assistance program to improve  
15 21 payment accuracy by avoiding mistakes and overbilling.

15 22 12. The department shall enhance the methodologies used  
15 23 for identifying and collecting payment from third=party payors  
15 24 of pharmaceuticals provided to recipients of the medical  
15 25 assistance program, prior to payment of pharmaceutical claims  
15 26 by the medical assistance program.

15 27 13. The department shall modify billing practices to allow  
15 28 for collection of rebates from prescription drug manufacturers  
15 29 under the medical assistance program for purchase of  
15 30 injectable drugs administered in physicians' offices.

15 31 14. The department shall adjust managed care capitation  
15 32 payments from the payment structure in effect as of June 30,  
15 33 2004, to optimize family planning claiming.

15 34 Sec. 10. HEALTH INSURANCE PREMIUM PAYMENT PROGRAM. There  
15 35 is appropriated from the general fund of the state to the  
16 1 department of human services for the fiscal year beginning  
16 2 July 1, 2005, and ending June 30, 2006, the following amount,  
16 3 or so much thereof as is necessary, to be used for the purpose  
16 4 designated:

16 5 For administration of the health insurance premium payment  
16 6 program, including salaries, support, maintenance, and  
16 7 miscellaneous purposes, and for not more than the following  
16 8 full=time equivalent positions:  
16 9 ..... \$ 612,574

16 10 ..... FTEs 20.95  
16 11 Sec. 11. MEDICAL CONTRACTS. There is appropriated from  
16 12 the general fund of the state to the department of human  
16 13 services for the fiscal year beginning July 1, 2005, and  
16 14 ending June 30, 2006, the following amount, or so much thereof  
16 15 as is necessary, to be used for the purpose designated:  
16 16 For medical contracts, including salaries, support,  
16 17 maintenance, and miscellaneous purposes:  
16 18 ..... \$ 14,711,985  
16 19 Sec. 12. STATE SUPPLEMENTARY ASSISTANCE.  
16 20 1. There is appropriated from the general fund of the  
16 21 state to the department of human services for the fiscal year  
16 22 beginning July 1, 2005, and ending June 30, 2006, the  
16 23 following amount, or so much thereof as is necessary, to be  
16 24 used for the purposes designated:  
16 25 For the state supplementary assistance program:  
16 26 ..... \$ 19,810,335  
16 27 2. The department shall increase the personal needs  
16 28 allowance for residents of residential care facilities by the  
16 29 same percentage and at the same time as federal supplemental  
16 30 security income and federal social security benefits are  
16 31 increased due to a recognized increase in the cost of living.  
16 32 The department may adopt emergency rules to implement this  
16 33 subsection.  
16 34 3. If during the fiscal year beginning July 1, 2005, the  
16 35 department projects that state supplementary assistance  
17 1 expenditures for a calendar year will not meet the federal  
17 2 pass-along requirement specified in Title XVI of the federal  
17 3 Social Security Act, section 1618, as codified in 42 U.S.C. }  
17 4 1382g, the department may take actions including but not  
17 5 limited to increasing the personal needs allowance for  
17 6 residential care facility residents and making programmatic  
17 7 adjustments or upward adjustments of the residential care  
17 8 facility or in-home health-related care reimbursement rates  
17 9 prescribed in this division of this Act to ensure that federal  
17 10 requirements are met. In addition, the department may make  
17 11 other programmatic and rate adjustments necessary to remain  
17 12 within the amount appropriated in this section while ensuring  
17 13 compliance with federal requirements. The department may  
17 14 adopt emergency rules to implement the provisions of this  
17 15 subsection.  
17 16 Sec. 13. CHILDREN'S HEALTH INSURANCE PROGRAM. There is  
17 17 appropriated from the general fund of the state to the  
17 18 department of human services for the fiscal year beginning  
17 19 July 1, 2005, and ending June 30, 2006, the following amount,  
17 20 or so much thereof as is necessary, to be used for the purpose  
17 21 designated:  
17 22 For maintenance of the healthy and well kids in Iowa (hawk=  
17 23 i) program pursuant to chapter 514I for receipt of federal  
17 24 financial participation under Title XXI of the federal Social  
17 25 Security Act, which creates the state children's health  
17 26 insurance program:  
17 27 ..... \$ 16,618,275  
17 28 Sec. 14. CHILD CARE ASSISTANCE. There is appropriated  
17 29 from the general fund of the state to the department of human  
17 30 services for the fiscal year beginning July 1, 2005, and  
17 31 ending June 30, 2006, the following amount, or so much thereof  
17 32 as is necessary, to be used for the purpose designated:  
17 33 For child care programs:  
17 34 ..... \$ 8,350,752  
17 35 1. a. Of the funds appropriated in this section,  
18 1 \$7,325,228 shall be used for state child care assistance in  
18 2 accordance with section 237A.13.  
18 3 b. The department shall adopt rules to increase the upper  
18 4 income eligibility requirements under the state child care  
18 5 assistance program for employed families from 140 percent of  
18 6 the federal poverty level to 145 percent of the federal  
18 7 poverty level and for employed families with a special needs  
18 8 child from 175 percent of the federal poverty level to 200  
18 9 percent of the federal poverty level. The department may  
18 10 adopt emergency rules to implement this paragraph.  
18 11 2. Of the funds appropriated in this section, \$500,000  
18 12 shall be used for implementation of a quality rating system  
18 13 for child care providers, in accordance with legislation  
18 14 enacted to authorize implementation of the rating system.  
18 15 3. Nothing in this section shall be construed or is  
18 16 intended as, or shall imply, a grant of entitlement for  
18 17 services to persons who are eligible for assistance due to an  
18 18 income level consistent with the waiting list requirements of  
18 19 section 237A.13. Any state obligation to provide services  
18 20 pursuant to this section is limited to the extent of the funds



18 21 appropriated in this section.

18 22 4. Of the funds appropriated in this section, \$525,524 is  
18 23 allocated for the statewide program for child care resource  
18 24 and referral services under section 237A.26.

18 25 5. The department may use any of the funds appropriated in  
18 26 this section as a match to obtain federal funds for use in  
18 27 expanding child care assistance and related programs. For the  
18 28 purpose of expenditures of state and federal child care  
18 29 funding, funds shall be considered obligated at the time  
18 30 expenditures are projected or are allocated to the  
18 31 department's service areas. Projections shall be based on  
18 32 current and projected caseload growth, current and projected  
18 33 provider rates, staffing requirements for eligibility  
18 34 determination and management of program requirements including  
18 35 data systems management, staffing requirements for  
19 1 administration of the program, contractual and grant  
19 2 obligations and any transfers to other state agencies, and  
19 3 obligations for decategorization or innovation projects.

19 4 6. A portion of the state match for the federal child care  
19 5 and development block grant shall be provided through the  
19 6 state general fund appropriation for child development grants  
19 7 and other programs for at-risk children in section 279.51.

19 8 Sec. 15. JUVENILE INSTITUTIONS. There is appropriated  
19 9 from the general fund of the state to the department of human  
19 10 services for the fiscal year beginning July 1, 2005, and  
19 11 ending June 30, 2006, the following amounts, or so much  
19 12 thereof as is necessary, to be used for the purposes  
19 13 designated:

19 14 1. For operation of the Iowa juvenile home at Toledo and  
19 15 for salaries, support, maintenance, and for not more than the  
19 16 following full-time equivalent positions:

19 17 ..... \$ 6,201,283  
19 18 ..... FTEs 130.54

19 19 2. For operation of the state training school at Eldora  
19 20 and for salaries, support, maintenance, and for not more than  
19 21 the following full-time equivalent positions:

19 22 ..... \$ 9,830,692  
19 23 ..... FTEs 218.53

19 24 3. A portion of the moneys appropriated in this section  
19 25 shall be used by the state training school and by the Iowa  
19 26 juvenile home for grants for adolescent pregnancy prevention  
19 27 activities at the institutions in the fiscal year beginning  
19 28 July 1, 2005.

19 29 Sec. 16. CHILD AND FAMILY SERVICES.

19 30 1. There is appropriated from the general fund of the  
19 31 state to the department of human services for the fiscal year  
19 32 beginning July 1, 2005, and ending June 30, 2006, the  
19 33 following amount, or so much thereof as is necessary, to be  
19 34 used for the purpose designated:

19 35 For child and family services:  
20 1 ..... \$ 76,508,683

20 2 In order to address a reduction of \$4,000,000 from the  
20 3 amount allocated under this appropriation in prior years for  
20 4 purposes of juvenile delinquent graduated sanction services,  
20 5 up to \$4,000,000 of the amount of federal temporary assistance  
20 6 for needy families block grant funding appropriated in this  
20 7 division of this Act for child and family services, shall be  
20 8 made available for purposes of juvenile delinquent graduated  
20 9 sanction services.

20 10 2. The department may transfer funds appropriated in this  
20 11 section as necessary to pay the nonfederal costs of services  
20 12 reimbursed under the medical assistance program or the family  
20 13 investment program which are provided to children who would  
20 14 otherwise receive services paid under the appropriation in  
20 15 this section. The department may transfer funds appropriated  
20 16 in this section to the appropriations in this division of this  
20 17 Act for general administration and for field operations for  
20 18 resources necessary to implement and operate the services  
20 19 funded in this section.

20 20 3. a. Of the funds appropriated in this section, up to  
20 21 \$35,883,519 is allocated as the statewide expenditure target  
20 22 under section 232.143 for group foster care maintenance and  
20 23 services.

20 24 b. If at any time after September 30, 2005, annualization  
20 25 of a service area's current expenditures indicates a service  
20 26 area is at risk of exceeding its group foster care expenditure  
20 27 target under section 232.143 by more than 5 percent, the  
20 28 department and juvenile court services shall examine all group  
20 29 foster care placements in that service area in order to  
20 30 identify those which might be appropriate for termination. In  
20 31 addition, any aftercare services believed to be needed for the

20 32 children whose placements may be terminated shall be  
20 33 identified. The department and juvenile court services shall  
20 34 initiate action to set dispositional review hearings for the  
20 35 placements identified. In such a dispositional review  
21 1 hearing, the juvenile court shall determine whether needed  
21 2 aftercare services are available and whether termination of  
21 3 the placement is in the best interest of the child and the  
21 4 community.

21 5 c. Of the funds allocated in this subsection, \$1,465,009  
21 6 is allocated as the state match funding for 50 highly  
21 7 structured juvenile program beds. If the number of beds  
21 8 provided for in this lettered paragraph is not utilized, the  
21 9 remaining funds allocated may be used for group foster care.

21 10 4. In accordance with the provisions of section 232.188,  
21 11 the department shall continue the program to decategorize  
21 12 child welfare services funding. Of the funds appropriated in  
21 13 this section, \$2,000,000 is allocated specifically for  
21 14 expenditure through the decategorization of child welfare  
21 15 funding pools and governance boards established pursuant to  
21 16 section 232.188. In addition, up to \$2,200,000 of the amount  
21 17 of federal temporary assistance for needy families block grant  
21 18 funding appropriated in this division of this Act for child  
21 19 and family services shall be made available for purposes of  
21 20 decategorization of child welfare services as provided in this  
21 21 subsection.

21 22 5. A portion of the funding appropriated in this section  
21 23 may be used for emergency family assistance to provide other  
21 24 resources required for a family participating in a family  
21 25 preservation or reunification project to stay together or to  
21 26 be reunified.

21 27 6. Notwithstanding section 234.35, subsection 1, for the  
21 28 fiscal year beginning July 1, 2005, state funding for shelter  
21 29 care paid pursuant to section 234.35, subsection 1, paragraph  
21 30 "h", shall be limited to \$7,252,955. Notwithstanding section  
21 31 8A.311, the department may enter into contracts with shelter  
21 32 care providers as necessary to maintain the availability of  
21 33 shelter care services for children in all areas of the state.

21 34 7. Federal funds received by the state during the fiscal  
21 35 year beginning July 1, 2005, as the result of the expenditure  
22 1 of state funds appropriated during a previous state fiscal  
22 2 year for a service or activity funded under this section, are  
22 3 appropriated to the department to be used as additional  
22 4 funding for services and purposes provided for under this  
22 5 section. Notwithstanding section 8.33, moneys received in  
22 6 accordance with this subsection that remain unencumbered or  
22 7 unobligated at the close of the fiscal year shall not revert  
22 8 to any fund but shall remain available for the purposes  
22 9 designated until the close of the succeeding fiscal year.

22 10 8. Of the moneys appropriated in this section, not more  
22 11 than \$442,100 is allocated to provide clinical assessment  
22 12 services as necessary to continue funding of children's  
22 13 rehabilitation services under medical assistance in accordance  
22 14 with federal law and requirements. The funding allocated is  
22 15 the amount projected to be necessary for providing the  
22 16 clinical assessment services.

22 17 9. Of the funding appropriated in this section, \$3,696,285  
22 18 shall be used for protective child care assistance.

22 19 10. Of the moneys appropriated in this section, up to  
22 20 \$2,859,851 is allocated for the payment of the expenses of  
22 21 court-ordered services provided to juveniles which are a  
22 22 charge upon the state pursuant to section 232.141, subsection

22 23 4. Of the amount allocated in this subsection, up to  
22 24 \$1,431,597 shall be made available to provide school-based  
22 25 supervision of children adjudicated under chapter 232, of  
22 26 which not more than \$15,000 may be used for the purpose of  
22 27 training. A portion of the cost of each school-based liaison  
22 28 officer shall be paid by the school district or other funding  
22 29 source as approved by the chief juvenile court officer.

22 30 a. Notwithstanding section 232.141 or any other provision  
22 31 of law to the contrary, the amount allocated in this  
22 32 subsection shall be distributed to the judicial districts as  
22 33 determined by the state court administrator. The state court  
22 34 administrator shall make the determination of the distribution  
22 35 amounts on or before June 15, 2005.

23 1 b. Notwithstanding chapter 232 or any other provision of  
23 2 law to the contrary, a district or juvenile court shall not  
23 3 order any service which is a charge upon the state pursuant to  
23 4 section 232.141 if there are insufficient court-ordered  
23 5 services funds available in the district court distribution  
23 6 amount to pay for the service. The chief juvenile court  
23 7 officer shall encourage use of the funds allocated in this

23 8 subsection such that there are sufficient funds to pay for all  
23 9 court-related services during the entire year. The chief  
23 10 juvenile court officers shall attempt to anticipate potential  
23 11 surpluses and shortfalls in the distribution amounts and shall  
23 12 cooperatively request the state court administrator to  
23 13 transfer funds between the districts' distribution amounts as  
23 14 prudent.

23 15 c. Notwithstanding any provision of law to the contrary, a  
23 16 district or juvenile court shall not order a county to pay for  
23 17 any service provided to a juvenile pursuant to an order  
23 18 entered under chapter 232 which is a charge upon the state  
23 19 under section 232.141, subsection 4.

23 20 d. Of the funding allocated in this subsection, not more  
23 21 than \$100,000 may be used by the judicial branch for  
23 22 administration of the requirements under this subsection and  
23 23 for travel associated with court-ordered placements which are  
23 24 a charge upon the state pursuant to section 232.141,  
23 25 subsection 4.

23 26 11. Notwithstanding 2000 Iowa Acts, chapter 1228, section  
23 27 43, the department may operate a subsidized guardianship  
23 28 program if the United States department of health and human  
23 29 services approves a waiver under Title IV-E of the federal  
23 30 Social Security Act or the federal Social Security Act is  
23 31 amended to allow Title IV-E funding to be used for subsidized  
23 32 guardianship, and the subsidized guardianship program can be  
23 33 operated without loss of Title IV-E funds.

23 34 12. Of the amount appropriated in this section, \$300,000  
23 35 shall be transferred to the Iowa department of public health  
24 1 to be used for the child protection center grant program in  
24 2 accordance with section 135.118.

24 3 13. Of the amount appropriated in this section, \$148,000  
24 4 shall be used for funding of one or more child welfare  
24 5 diversion and mediation pilot projects as provided in 2004  
24 6 Iowa Acts, chapter 1130, section 1.

24 7 Sec. 17. ADOPTION SUBSIDY.

24 8 1. There is appropriated from the general fund of the  
24 9 state to the department of human services for the fiscal year  
24 10 beginning July 1, 2005, and ending June 30, 2006, the  
24 11 following amount, or so much thereof as is necessary, to be  
24 12 used for the purpose designated:

24 13 For adoption subsidy payments and services:  
24 14 ..... \$ 32,275,732

24 15 2. The department may transfer funds appropriated in this  
24 16 section to the appropriations in this Act for child and family  
24 17 services to be used for adoptive family recruitment and other  
24 18 services to achieve adoption.

24 19 3. Federal funds received by the state during the fiscal  
24 20 year beginning July 1, 2005, as the result of the expenditure  
24 21 of state funds during a previous state fiscal year for a  
24 22 service or activity funded under this section, are  
24 23 appropriated to the department to be used as additional  
24 24 funding for the services and activities funded under this  
24 25 section. Notwithstanding section 8.33, moneys received in  
24 26 accordance with this subsection that remain unencumbered or  
24 27 unobligated at the close of the fiscal year shall not revert  
24 28 to any fund but shall remain available for expenditure for the  
24 29 purposes designated until the close of the succeeding fiscal  
24 30 year.

24 31 Sec. 18. JUVENILE DETENTION HOME FUND. Moneys deposited  
24 32 in the juvenile detention home fund created in section 232.142  
24 33 during the fiscal year beginning July 1, 2005, and ending June  
24 34 30, 2006, are appropriated to the department of human services  
24 35 for the fiscal year beginning July 1, 2005, and ending June  
25 1 30, 2006, for distribution as follows:

25 2 1. An amount equal to 10 percent of the costs of the  
25 3 establishment, improvement, operation, and maintenance of  
25 4 county or multicounty juvenile detention homes in the fiscal  
25 5 year beginning July 1, 2004. Moneys appropriated for  
25 6 distribution in accordance with this subsection shall be  
25 7 allocated among eligible detention homes, prorated on the  
25 8 basis of an eligible detention home's proportion of the costs  
25 9 of all eligible detention homes in the fiscal year beginning  
25 10 July 1, 2004. Notwithstanding section 232.142, subsection 3,  
25 11 the financial aid payable by the state under that provision  
25 12 for the fiscal year beginning July 1, 2005, shall be limited  
25 13 to the amount appropriated for the purposes of this  
25 14 subsection.

25 15 2. For renewal of a grant to a county with a population  
25 16 between 189,000 and 196,000 for implementation of the county's  
25 17 runaway treatment plan under section 232.195:  
25 18 ..... \$ 80,000

25 19 3. For continuation and expansion of the community  
25 20 partnership for child protection sites:  
25 21 ..... \$ 318,000  
25 22 4. For grants to counties implementing a runaway treatment  
25 23 plan under section 232.195.  
25 24 5. The remainder for additional allocations to county or  
25 25 multicounty juvenile detention homes, in accordance with the  
25 26 distribution requirements of subsection 1.  
25 27 Sec. 19. FAMILY SUPPORT SUBSIDY PROGRAM. There is  
25 28 appropriated from the general fund of the state to the  
25 29 department of human services for the fiscal year beginning  
25 30 July 1, 2005, and ending June 30, 2006, the following amount,  
25 31 or so much thereof as is necessary, to be used for the purpose  
25 32 designated:  
25 33 For the family support subsidy program:  
25 34 ..... \$ 1,936,434  
25 35 1. The department may use up to \$333,312 of the moneys  
26 1 appropriated in this section to continue the children-at-home  
26 2 program in current counties, of which not more than \$20,000  
26 3 shall be used for administrative costs.  
26 4 2. Notwithstanding section 225C.38, subsection 1, the  
26 5 monthly family support payment amount for the fiscal year  
26 6 beginning July 1, 2005, shall remain the same as the payment  
26 7 amount in effect on June 30, 2005.  
26 8 Sec. 20. CONNER DECREE. There is appropriated from the  
26 9 general fund of the state to the department of human services  
26 10 for the fiscal year beginning July 1, 2005, and ending June  
26 11 30, 2006, the following amount, or so much thereof as is  
26 12 necessary, to be used for the purpose designated:  
26 13 For building community capacity through the coordination  
26 14 and provision of training opportunities in accordance with the  
26 15 consent decree of Conner v. Branstad, No. 4=86=CV=30871(S.D.  
26 16 Iowa, July 14, 1994):  
26 17 ..... \$ 42,623  
26 18 Sec. 21. MENTAL HEALTH INSTITUTES. There is appropriated  
26 19 from the general fund of the state to the department of human  
26 20 services for the fiscal year beginning July 1, 2005, and  
26 21 ending June 30, 2006, the following amounts, or so much  
26 22 thereof as is necessary, to be used for the purposes  
26 23 designated:  
26 24 1. For the state mental health institute at Cherokee for  
26 25 salaries, support, maintenance, and miscellaneous purposes and  
26 26 for not more than the following full-time equivalent  
26 27 positions:  
26 28 ..... \$ 13,074,889  
26 29 ..... FTEs 228.00  
26 30 2. For the state mental health institute at Clarinda for  
26 31 salaries, support, maintenance, and miscellaneous purposes and  
26 32 for not more than the following full-time equivalent  
26 33 positions:  
26 34 ..... \$ 7,439,591  
26 35 ..... FTEs 106.40  
27 1 3. For the state mental health institute at Independence  
27 2 for salaries, support, maintenance, and miscellaneous purposes  
27 3 and for not more than the following full-time equivalent  
27 4 positions:  
27 5 ..... \$ 17,329,091  
27 6 ..... FTEs 317.80  
27 7 4. For the state mental health institute at Mount Pleasant  
27 8 for salaries, support, maintenance, and miscellaneous purposes  
27 9 and for not more than the following full-time equivalent  
27 10 positions:  
27 11 ..... \$ 6,131,181  
27 12 ..... FTEs 100.44  
27 13 Sec. 22. STATE RESOURCE CENTERS. There is appropriated  
27 14 from the general fund of the state to the department of human  
27 15 services for the fiscal year beginning July 1, 2005, and  
27 16 ending June 30, 2006, the following amounts, or so much  
27 17 thereof as is necessary, to be used for the purposes  
27 18 designated:  
27 19 1. For the state resource center at Glenwood for salaries,  
27 20 support, maintenance, and miscellaneous purposes:  
27 21 ..... \$ 12,650,344  
27 22 2. For the state resource center at Woodward for salaries,  
27 23 support, maintenance, and miscellaneous purposes:  
27 24 ..... \$ 7,073,088  
27 25 3. The department may continue to bill for state resource  
27 26 center services utilizing a scope of services approach used  
27 27 for private providers of ICFMR services, in a manner which  
27 28 does not shift costs between the medical assistance program,  
27 29 counties, or other sources of funding for the state resource

27 30 centers.  
27 31 4. The state resource centers may expand the time limited  
27 32 assessment and respite services during the fiscal year.  
27 33 5. If the department's administration and the department  
27 34 of management concur with a finding by a state resource  
27 35 center's superintendent that projected revenues can reasonably  
28 1 be expected to pay the salary and support costs for a new  
28 2 employee position, or that such costs for adding a particular  
28 3 number of new positions for the fiscal year would be less than  
28 4 the overtime costs if new positions would not be added, the  
28 5 superintendent may add the new position or positions. If the  
28 6 vacant positions available to a resource center do not include  
28 7 the position classification desired to be filled, the state  
28 8 resource center's superintendent may reclassify any vacant  
28 9 position as necessary to fill the desired position. The  
28 10 superintendents of the state resource centers may, by mutual  
28 11 agreement, pool vacant positions and position classifications  
28 12 during the course of the fiscal year in order to assist one  
28 13 another in filling necessary positions.

28 14 6. If existing capacity limitations are reached in  
28 15 operating units, a waiting list is in effect for a service or  
28 16 a special need for which a payment source or other funding is  
28 17 available for the service or to address the special need, and  
28 18 facilities for the service or to address the special need can  
28 19 be provided within the available payment source or other  
28 20 funding, the superintendent of a state resource center may  
28 21 authorize opening not more than two units or other facilities  
28 22 and to begin implementing the service or addressing the  
28 23 special need during fiscal year 2005=2006.

28 24 Sec. 23. MI/MR/DD STATE CASES.

28 25 1. There is appropriated from the general fund of the  
28 26 state to the department of human services for the fiscal year  
28 27 beginning July 1, 2005, and ending June 30, 2006, the  
28 28 following amount, or so much thereof as is necessary, to be  
28 29 used for the purpose designated:

28 30 For purchase of local services for persons with mental  
28 31 illness, mental retardation, and developmental disabilities  
28 32 where the client has no established county of legal  
28 33 settlement:

28 34 ..... \$ 10,514,619

28 35 2. For the fiscal year beginning July 1, 2005, and ending  
29 1 June 30, 2006, \$500,000 is allocated for state cases from the  
29 2 amounts appropriated from the fund created in section 8.41 to  
29 3 the department of human services from the funds received from  
29 4 the federal government under 42 U.S.C., chapter 6A, subchapter  
29 5 XVII, relating to the community mental health center block  
29 6 grant, for the federal fiscal years beginning October 1, 2003,  
29 7 and ending September 30, 2004, beginning October 1, 2004, and  
29 8 ending September 30, 2005, and beginning October 1, 2005, and  
29 9 ending September 30, 2006. The allocation made in this  
29 10 subsection shall be made prior to any other distribution  
29 11 allocation of the appropriated federal funds.

29 12 Sec. 24. MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES ==  
29 13 COMMUNITY SERVICES FUND. There is appropriated from the  
29 14 general fund of the state to the mental health and  
29 15 developmental disabilities community services fund created in  
29 16 section 225C.7 for the fiscal year beginning July 1, 2005, and  
29 17 ending June 30, 2006, the following amount, or so much thereof  
29 18 as is necessary, to be used for the purpose designated:

29 19 For mental health and developmental disabilities community  
29 20 services in accordance with this division of this Act:  
29 21 ..... \$ 17,757,890

29 22 1. Of the funds appropriated in this section, \$17,727,890  
29 23 shall be allocated to counties for funding of community-based  
29 24 mental health and developmental disabilities services. The  
29 25 moneys shall be allocated to a county as follows:

29 26 a. Fifty percent based upon the county's proportion of the  
29 27 state's population of persons with an annual income which is  
29 28 equal to or less than the poverty guideline established by the  
29 29 federal office of management and budget.

29 30 b. Fifty percent based upon the county's proportion of the  
29 31 state's general population.

29 32 2. a. A county shall utilize the funding the county  
29 33 receives pursuant to subsection 1 for services provided to  
29 34 persons with a disability, as defined in section 225C.2.

29 35 However, no more than 50 percent of the funding shall be used  
30 1 for services provided to any one of the service populations.

30 2 b. A county shall use at least 50 percent of the funding  
30 3 the county receives under subsection 1 for contemporary  
30 4 services provided to persons with a disability, as described  
30 5 in rules adopted by the department.

30 6 3. Of the funds appropriated in this section, \$30,000  
30 7 shall be used to support the Iowa compass program providing  
30 8 computerized information and referral services for Iowans with  
30 9 disabilities and their families.

30 10 4. a. Funding appropriated for purposes of the federal  
30 11 social services block grant is allocated for distribution to  
30 12 counties for local purchase of services for persons with  
30 13 mental illness or mental retardation or other developmental  
30 14 disability.

30 15 b. The funds allocated in this subsection shall be  
30 16 expended by counties in accordance with the county's approved  
30 17 county management plan. A county without an approved county  
30 18 management plan shall not receive allocated funds until the  
30 19 county's management plan is approved.

30 20 c. The funds provided by this subsection shall be  
30 21 allocated to each county as follows:

30 22 (1) Fifty percent based upon the county's proportion of  
30 23 the state's population of persons with an annual income which  
30 24 is equal to or less than the poverty guideline established by  
30 25 the federal office of management and budget.

30 26 (2) Fifty percent based upon the amount provided to the  
30 27 county for local purchase of services in the preceding fiscal  
30 28 year.

30 29 5. A county is eligible for funds under this section if  
30 30 the county qualifies for a state payment as described in  
30 31 section 331.439.

30 32 Sec. 25. SEXUALLY VIOLENT PREDATORS.

30 33 1. There is appropriated from the general fund of the  
30 34 state to the department of human services for the fiscal year  
30 35 beginning July 1, 2005, and ending June 30, 2006, the  
31 1 following amount, or so much thereof as is necessary, to be  
31 2 used for the purpose designated:

31 3 For costs associated with the commitment and treatment of  
31 4 sexually violent predators in the unit located at the state  
31 5 mental health institute at Cherokee, including costs of legal  
31 6 services and other associated costs, including salaries,  
31 7 support, maintenance, miscellaneous purposes, and for not more  
31 8 than the following full-time equivalent positions:  
31 9 ..... \$ 3,621,338  
31 10 ..... FTEs 65.00

31 11 2. Unless specifically prohibited by law, if the amount  
31 12 charged provides for recoupment of at least the entire amount  
31 13 of direct and indirect costs, the department of human services  
31 14 may contract with other states to provide care and treatment  
31 15 of persons placed by the other states at the unit for sexually  
31 16 violent predators at Cherokee. The moneys received under such  
31 17 a contract shall be considered to be repayment receipts and  
31 18 used for the purposes of the appropriation made in this  
31 19 section.

31 20 Sec. 26. FIELD OPERATIONS. There is appropriated from the  
31 21 general fund of the state to the department of human services  
31 22 for the fiscal year beginning July 1, 2005, and ending June  
31 23 30, 2006, the following amount, or so much thereof as is  
31 24 necessary, to be used for the purposes designated:

31 25 For field operations, including salaries, support,  
31 26 maintenance, and miscellaneous purposes and for not more than  
31 27 the following full-time equivalent positions:  
31 28 ..... \$ 53,519,372  
31 29 ..... FTEs 1,844.00

31 30 Priority in filling full-time equivalent positions shall be  
31 31 given to those positions related to child protection services.

31 32 Sec. 27. GENERAL ADMINISTRATION. There is appropriated  
31 33 from the general fund of the state to the department of human  
31 34 services for the fiscal year beginning July 1, 2005, and  
31 35 ending June 30, 2006, the following amount, or so much thereof  
32 1 as is necessary, to be used for the purpose designated:

32 2 For general administration, including salaries, support,  
32 3 maintenance, and miscellaneous purposes and for not more than  
32 4 the following full-time equivalent positions:  
32 5 ..... \$ 13,312,196  
32 6 ..... FTEs 292.00

32 7 Of the funds appropriated in this section, \$57,000 is  
32 8 allocated for the prevention of disabilities policy council  
32 9 established in section 225B.3.

32 10 Sec. 28. VOLUNTEERS. There is appropriated from the  
32 11 general fund of the state to the department of human services  
32 12 for the fiscal year beginning July 1, 2005, and ending June  
32 13 30, 2006, the following amount, or so much thereof as is  
32 14 necessary, to be used for the purpose designated:

32 15 For development and coordination of volunteer services:  
32 16 ..... \$ 109,568

32 17 Sec. 29. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY  
32 18 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE  
32 19 DEPARTMENT OF HUMAN SERVICES.

32 20 1. a. (1) For the fiscal year beginning July 1, 2005,  
32 21 nursing facilities shall be reimbursed at 100 percent of the  
32 22 modified price-based case-mix reimbursement rate. Nursing  
32 23 facilities reimbursed under the medical assistance program  
32 24 shall submit annual cost reports and additional documentation  
32 25 as required by rules adopted by the department.

32 26 (2) For the fiscal year beginning July 1, 2005, the total  
32 27 state funding amount for the nursing facility budget shall not  
32 28 exceed \$160,002,891. For the fiscal year beginning July 1,  
32 29 2005, and ending June 30, 2006, nursing facilities reimbursed  
32 30 under the case-mix reimbursement system shall have their  
32 31 allowable cost calculations adjusted by applying the most  
32 32 recently published HCFA/SNF index. For the purpose of this  
32 33 subparagraph, the HCFA/SNF index means the HCFA total skilled  
32 34 nursing facility market basket index published by data  
32 35 resources, inc. The department, in cooperation with nursing  
33 1 facility representatives, shall review projections for state  
33 2 funding expenditures for reimbursement of nursing facilities  
33 3 on a quarterly basis and the department shall determine if an  
33 4 adjustment to the medical assistance reimbursement rate is  
33 5 necessary in order to provide reimbursement within the state  
33 6 funding amount. Any temporary enhanced federal financial  
33 7 participation that may become available to the Iowa medical  
33 8 assistance program during the fiscal year shall not be used in  
33 9 projecting the nursing facility budget. Notwithstanding 2001  
33 10 Iowa Acts, chapter 192, section 4, subsection 2, paragraph  
33 11 "c", and subsection 3, paragraph "a", subparagraph (2), if the  
33 12 state funding expenditures for the nursing facility budget for  
33 13 the fiscal year beginning July 1, 2005, is projected to exceed  
33 14 the amount specified in this subparagraph, the department  
33 15 shall adjust the inflation factor of the reimbursement rate  
33 16 calculation for only the nursing facilities reimbursed under  
33 17 the case-mix reimbursement system to maintain expenditures of  
33 18 the nursing facility budget within the specified amount.

33 19 b. For the fiscal year beginning July 1, 2005, the  
33 20 department shall reimburse pharmacy dispensing fees using a  
33 21 single rate of \$4.39 per prescription, or the pharmacy's usual  
33 22 and customary fee, whichever is lower.

33 23 c. For the fiscal year beginning July 1, 2005,  
33 24 reimbursement rates for inpatient and outpatient hospital  
33 25 services shall be increased by 3 percent over the rates in  
33 26 effect on June 30, 2005. The department shall continue the  
33 27 outpatient hospital reimbursement system based upon ambulatory  
33 28 patient groups implemented pursuant to 1994 Iowa Acts, chapter  
33 29 1186, section 25, subsection 1, paragraph "f". In addition,  
33 30 the department shall continue the revised medical assistance  
33 31 payment policy implemented pursuant to that paragraph to  
33 32 provide reimbursement for costs of screening and treatment  
33 33 provided in the hospital emergency room if made pursuant to  
33 34 the prospective payment methodology developed by the  
33 35 department for the payment of outpatient services provided  
34 1 under the medical assistance program. Any rebasing of  
34 2 hospital inpatient or outpatient rates shall not increase  
34 3 total payments for inpatient and outpatient services beyond  
34 4 the 3 percent increase provided in this paragraph.

34 5 d. For the fiscal year beginning July 1, 2005,  
34 6 reimbursement rates for rural health clinics, hospices,  
34 7 independent laboratories, and acute mental hospitals shall be  
34 8 increased in accordance with increases under the federal  
34 9 Medicare program or as supported by their Medicare audited  
34 10 costs.

34 11 e. (1) For the fiscal year beginning July 1, 2005,  
34 12 reimbursement rates for home health agencies shall be  
34 13 increased by 3 percent over the rates in effect on June 30,  
34 14 2005.

34 15 (2) The department shall establish a fixed-fee  
34 16 reimbursement schedule for home health agencies under the  
34 17 medical assistance program beginning July 1, 2006.

34 18 f. For the fiscal year beginning July 1, 2005, federally  
34 19 qualified health centers shall receive cost-based  
34 20 reimbursement for 100 percent of the reasonable costs for the  
34 21 provision of services to recipients of medical assistance.

34 22 g. Beginning July 1, 2005, the reimbursement rates for  
34 23 dental services shall be increased by 3 percent over the rates  
34 24 in effect on June 30, 2005.

34 25 h. Beginning July 1, 2005, the reimbursement rates for  
34 26 community mental health centers shall be increased by 3  
34 27 percent over the rates in effect on June 30, 2005.

34 28 i. For the fiscal year beginning July 1, 2005, the maximum  
34 29 reimbursement rate for psychiatric medical institutions for  
34 30 children shall be increased by 3 percent over the rate in  
34 31 effect on June 30, 2005, based on per day rates for actual  
34 32 costs.

34 33 j. For the fiscal year beginning July 1, 2005, unless  
34 34 otherwise specified in this Act, all noninstitutional medical  
34 35 assistance provider reimbursement rates shall be increased by  
35 1 3 percent over the rates in effect on June 30, 2005, except  
35 2 for area education agencies, local education agencies, infant  
35 3 and toddler services providers, and those providers whose  
35 4 rates are required to be determined pursuant to section  
35 5 249A.20.

35 6 k. Notwithstanding section 249A.20, for the fiscal year  
35 7 beginning July 1, 2005, the average reimbursement rate for  
35 8 health care providers eligible for use of the federal Medicare  
35 9 resource-based relative value scale reimbursement methodology  
35 10 under that section shall be increased by 3 percent over the  
35 11 rate in effect on June 30, 2005; however, this rate shall not  
35 12 exceed the maximum level authorized by the federal government.

35 13 l. Beginning July 1, 2005, the department shall reimburse  
35 14 physicians who administer injectable drugs in the physician's  
35 15 office or other appropriate noninstitutional setting in an  
35 16 amount that is equal to the invoiced cost paid by the  
35 17 physician to the manufacturer, vendor, or other recognized  
35 18 supplier from whom the drug was purchased under the medical  
35 19 assistance program. A separate payment shall be made for  
35 20 administration of the drug.

35 21 m. 2. For the fiscal year beginning July 1, 2005, the  
35 22 reimbursement rate for residential care facilities shall not  
35 23 be less than the minimum payment level as established by the  
35 24 federal government to meet the federally mandated maintenance  
35 25 of effort requirement. The flat reimbursement rate for  
35 26 facilities electing not to file semiannual cost reports shall  
35 27 not be less than the minimum payment level as established by  
35 28 the federal government to meet the federally mandated  
35 29 maintenance of effort requirement.

35 30 n. 3. For the fiscal year beginning July 1, 2005, the  
35 31 reimbursement rate for providers reimbursed under the in=  
35 32 home-related care program shall not be less than the minimum  
35 33 payment level as established by the federal government to meet  
35 34 the federally mandated maintenance of effort requirement.

35 35 o. 4. Unless otherwise directed in this section, when the  
36 1 department's reimbursement methodology for any provider  
36 2 reimbursed in accordance with this section includes an  
36 3 inflation factor, this factor shall not exceed the amount by  
36 4 which the consumer price index for all urban consumers  
36 5 increased during the calendar year ending December 31, 2002.

36 6 p. 5. Notwithstanding section 234.38, in the fiscal year  
36 7 beginning July 1, 2005, the foster family basic daily  
36 8 maintenance rate and the maximum adoption subsidy rate for  
36 9 children ages 0 through 5 years shall be \$14.91, the rate for  
36 10 children ages 6 through 11 years shall be \$15.58, the rate for  
36 11 children ages 12 through 15 years shall be \$17.18, and the  
36 12 rate for children ages 16 and older shall be \$17.27

36 13 q. 6. For the fiscal year beginning July 1, 2005, the maximum  
36 14 reimbursement rates for social service providers shall be  
36 15 increased by 3 percent over the rates in effect on June 30,  
36 16 2005, or to the provider's actual and allowable cost plus  
36 17 inflation for each service, whichever is less. The rates may  
36 18 also be adjusted under any of the following circumstances:

36 19 a. If a new service was added after June 30, 2005, the  
36 20 initial reimbursement rate for the service shall be based upon  
36 21 actual and allowable costs.

36 22 b. If a social service provider loses a source of income  
36 23 used to determine the reimbursement rate for the provider, the  
36 24 provider's reimbursement rate may be adjusted to reflect the  
36 25 loss of income, provided that the lost income was used to  
36 26 support actual and allowable costs of a service purchased  
36 27 under a purchase of service contract.

36 28 r. 7. The group foster care reimbursement rates paid for  
36 29 placement of children out of state shall be calculated  
36 30 according to the same rate-setting principles as those used  
36 31 for in-state providers unless the director of human services  
36 32 or the director's designee determines that appropriate care  
36 33 cannot be provided within the state. The payment of the daily  
36 34 rate shall be based on the number of days in the calendar  
36 35 month in which service is provided.

37 1 s. 8. For the fiscal year beginning July 1, 2005, the  
37 2 reimbursement rates for rehabilitative treatment and support  
37 3 services providers shall be increased by 3 percent over the



37 4 rates in effect on June 30, 2005.

37 5 9. a. For the fiscal year beginning July 1, 2005, the  
37 6 combined service and maintenance components of the  
37 7 reimbursement rate paid for shelter care services purchased  
37 8 under a contract shall be based on the financial and  
37 9 statistical report submitted to the department. The maximum  
37 10 reimbursement rate shall be \$86.20 per day. The department  
37 11 shall reimburse a shelter care provider at the provider's  
37 12 actual and allowable unit cost, plus inflation, not to exceed  
37 13 the maximum reimbursement rate.

37 14 b. Notwithstanding section 232.141, subsection 8, for the  
37 15 fiscal year beginning July 1, 2005, the amount of the  
37 16 statewide average of the actual and allowable rates for  
37 17 reimbursement of juvenile shelter care homes that is utilized  
37 18 for the limitation on recovery of unpaid costs shall be  
37 19 increased by \$2.51 over the amount in effect for this purpose  
37 20 in the preceding fiscal year.

37 21 c. Notwithstanding section 8A.311, commencing during the  
37 22 fiscal year beginning July 1, 2005, the department may enter  
37 23 into contracts with shelter care providers as necessary to  
37 24 maintain the availability of shelter care services for  
37 25 children in all areas of the state.

37 26 10. For the fiscal year beginning July 1, 2005, the  
37 27 department shall calculate reimbursement rates for  
37 28 intermediate care facilities for persons with mental  
37 29 retardation at the 80th percentile.

37 30 11. For the fiscal year beginning July 1, 2005, for child  
37 31 care providers reimbursed under the state child care  
37 32 assistance program, the department shall set provider  
37 33 reimbursement rates based on the rate reimbursement survey  
37 34 completed in December 1998. However, if the federal  
37 35 government provides additional funding for child care during  
38 1 the fiscal year beginning July 1, 2005, the department shall  
38 2 set provider reimbursement rates based on the rate  
38 3 reimbursement survey completed in December 2002, to the extent  
38 4 made possible by the additional funding. The department shall  
38 5 set rates in a manner so as to provide incentives for a  
38 6 nonregistered provider to become registered.

38 7 12. For the fiscal year beginning July 1, 2005,  
38 8 reimbursements for providers reimbursed by the department of  
38 9 human services may be modified if appropriated funding is  
38 10 allocated for that purpose from the senior living trust fund  
38 11 created in section 249H.4, or as specified in appropriations  
38 12 from the healthy Iowans tobacco trust created in section  
38 13 12.65.

38 14 13. The department may adopt emergency rules to implement  
38 15 this section.

38 16 Sec. 30. EMERGENCY RULES. If specifically authorized by a  
38 17 provision of this division of this Act, the department of  
38 18 human services or the mental health, mental retardation,  
38 19 developmental disabilities, and brain injury commission may  
38 20 adopt administrative rules under section 17A.4, subsection 2,  
38 21 and section 17A.5, subsection 2, paragraph "b", to implement  
38 22 the provisions and the rules shall become effective  
38 23 immediately upon filing or on a later effective date specified  
38 24 in the rules, unless the effective date is delayed by the  
38 25 administrative rules review committee. Any rules adopted in  
38 26 accordance with this section shall not take effect before the  
38 27 rules are reviewed by the administrative rules review  
38 28 committee. The delay authority provided to the administrative  
38 29 rules review committee under section 17A.4, subsection 5, and  
38 30 section 17A.8, subsection 9, shall be applicable to a delay  
38 31 imposed under this section, notwithstanding a provision in  
38 32 those sections making them inapplicable to section 17A.5,  
38 33 subsection 2, paragraph "b". Any rules adopted in accordance  
38 34 with the provisions of this section shall also be published as  
38 35 notice of intended action as provided in section 17A.4.

39 1 Sec. 31. REPORTS.

39 2 Any reports or information required to be compiled and  
39 3 submitted under this division of this Act shall be submitted  
39 4 to the chairpersons and ranking members of the joint  
39 5 appropriations subcommittee on health and human services, the  
39 6 legislative services agency, and the legislative caucus staffs  
39 7 on or before the dates specified for submission of the reports  
39 8 or information.

39 9 Sec. 32. Section 249A.20, Code 2005, is amended to read as  
39 10 follows:

39 11 249A.20 NONINSTITUTIONAL HEALTH PROVIDERS ==  
39 12 REIMBURSEMENT.

39 13 1. Beginning November 1, 2000, the department shall use  
39 14 the federal Medicare resource-based relative value scale

39 15 methodology to reimburse all applicable noninstitutional  
39 16 health providers, excluding anesthesia and dental services,  
39 17 that on June 30, 2000, are reimbursed on a fee-for-service  
39 18 basis for provision of services under the medical assistance  
39 19 program. The department shall apply the federal Medicare  
39 20 resource-based relative value scale methodology to such health  
39 21 providers in the same manner as the methodology is applied  
39 22 under the federal Medicare program and shall not utilize the  
39 23 resource-based relative value scale methodology in a manner  
39 24 that discriminates between such health providers. The  
39 25 reimbursement schedule shall be adjusted annually on July 1,  
39 26 and shall provide for reimbursement that is not less than the  
39 27 reimbursement provided under the fee schedule established for  
39 28 Iowa under the federal Medicare program in effect on January 1  
39 29 of that calendar year.

39 30 2. Beginning July 1, 2005, the department shall reimburse  
39 31 noninstitutional health providers of anesthesia services using  
39 32 the conversion factor for anesthesia services applicable to  
39 33 the federal Medicare program.

39 34 3. A provider reimbursed under section 249A.31 is not a  
39 35 noninstitutional health provider.

40 1 Sec. 33. 2004 Iowa Acts, chapter 1175, section 113, is  
40 2 amended by adding the following new subsection:

40 3 NEW SUBSECTION. 5. Notwithstanding section 8.33, moneys  
40 4 appropriated in this section that were allocated by the  
40 5 department for the purpose of meeting federal food stamp  
40 6 electronic benefit transfer requirements that remain  
40 7 unencumbered or unobligated at the close of the fiscal year  
40 8 shall not revert but shall remain available for expenditure  
40 9 for the purpose designated until the close of the succeeding  
40 10 fiscal year.

40 11 Sec. 34. 2004 Iowa Acts, chapter 1175, section 135, is  
40 12 amended by adding the following new subsection:

40 13 NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys  
40 14 appropriated in this section for field operations that remain  
40 15 unencumbered or unobligated at the close of the fiscal year  
40 16 shall not revert but shall remain available for expenditure  
40 17 for the purposes designated with up to fifty percent to be  
40 18 used for implementation and operational costs associated with  
40 19 Part D of the federal Medicare Prescription Drug, Improvement,  
40 20 and Modernization Act of 2003, Pub. L. No. 108-173, for the  
40 21 purposes designated until the close of the succeeding fiscal  
40 22 year.

40 23 Sec. 35. EFFECTIVE DATES. The following provisions of  
40 24 this division of this Act, being deemed of immediate  
40 25 importance, take effect upon enactment:

40 26 1. The provision under the appropriation for child and  
40 27 family services, relating to requirements of section 232.143  
40 28 for representatives of the department of human services and  
40 29 juvenile court services to establish a plan for continuing  
40 30 group foster care expenditures for the 2005-2006 fiscal year.

40 31 2. The provision under the appropriation for child and  
40 32 family services, relating to the state court administrator  
40 33 determining allocation of court-ordered services funding by  
40 34 June 15, 2005.

40 35 3. The provision amending 2004 Iowa Acts, chapter 1175,  
41 1 section 113.

41 2 4. The provision amending 2004 Iowa Acts, chapter 1175,  
41 3 section 135.

#### 41 4 DIVISION II

##### 41 5 SENIOR LIVING AND HOSPITAL TRUST FUNDS

41 6 Sec. 36. DEPARTMENT OF ELDER AFFAIRS. There is  
41 7 appropriated from the senior living trust fund created in  
41 8 section 249H.4 to the department of elder affairs for the  
41 9 fiscal year beginning July 1, 2005, and ending June 30, 2006,  
41 10 the following amount, or so much thereof as is necessary, to  
41 11 be used for the purpose designated:

41 12 For the development and implementation of a comprehensive  
41 13 senior living program, including program administration and  
41 14 costs associated with implementation, salaries, support,  
41 15 maintenance, and miscellaneous purposes and for not more than  
41 16 the following full-time equivalent positions:  
41 17 ..... \$ 8,289,368  
41 18 ..... FTEs 3.00

41 19 Notwithstanding section 249H.7, the department of elder  
41 20 affairs shall distribute up to \$400,000 of the funds  
41 21 appropriated in this section in a manner that will supplement  
41 22 and maximize federal funds under the federal Older Americans  
41 23 Act and shall not use the amount distributed for any  
41 24 administrative purposes of either the department of elder  
41 25 affairs or the area agencies on aging.

41 26 Sec. 37. DEPARTMENT OF INSPECTIONS AND APPEALS. There is  
41 27 appropriated from the senior living trust fund created in  
41 28 section 249H.4 to the department of inspections and appeals  
41 29 for the fiscal year beginning July 1, 2005, and ending June  
41 30 30, 2006, the following amount, or so much thereof as is  
41 31 necessary, to be used for the purpose designated:

41 32 For the inspection and certification of assisted living  
41 33 facilities and adult day care services, including program  
41 34 administration and costs associated with implementation,  
41 35 salaries, support, maintenance, and miscellaneous purposes and  
42 1 for not more than the following full-time equivalent  
42 2 positions:  
42 3 ..... \$ 732,750  
42 4 ..... FTEs 5.00

42 5 Sec. 38. DEPARTMENT OF HUMAN SERVICES. There is  
42 6 appropriated from the senior living trust fund created in  
42 7 section 249H.4 to the department of human services for the  
42 8 fiscal year beginning July 1, 2005, and ending June 30, 2006,  
42 9 the following amounts, or so much thereof as is necessary, to  
42 10 be used for the purposes designated:

42 11 1. To supplement the medical assistance appropriation,  
42 12 including program administration and costs associated with  
42 13 implementation, salaries, support, maintenance, and  
42 14 miscellaneous purposes:  
42 15 ..... \$ 43,700,000

42 16 2. To provide reimbursement for health care services to  
42 17 eligible persons through the home and community-based services  
42 18 waiver and the state supplementary assistance program,  
42 19 including program administration and data system costs  
42 20 associated with implementation, salaries, support,  
42 21 maintenance, and miscellaneous purposes and for not more than  
42 22 the following full-time equivalent positions:  
42 23 ..... \$ 1,033,406  
42 24 ..... FTEs 5.00

42 25 3. To implement nursing facility provider reimbursements  
42 26 as provided in 2001 Iowa Acts, chapter 192, section 4,  
42 27 subsection 2, paragraph "c":  
42 28 ..... \$ 29,950,000

42 29 In order to carry out the purposes of this section, the  
42 30 department shall transfer funds appropriated in this section  
42 31 to supplement other appropriations made to the department of  
42 32 human services.

42 33 4. Notwithstanding sections 249H.4 and 249H.5, the  
42 34 department of human services may use moneys from the senior  
42 35 living trust fund for cash flow purposes to make payments  
43 1 under the nursing facility or hospital upper payment limit  
43 2 methodology. The amount of any moneys so used shall be  
43 3 refunded to the senior living trust fund within the same  
43 4 fiscal year and in a prompt manner.

43 5 Sec. 39. ASSISTED LIVING CONVERSION GRANTS ==  
43 6 NONREVERSION. Notwithstanding section 8.33, moneys committed  
43 7 from the senior living trust fund to grantees under contract  
43 8 to provide for conversion to assisted living programs or for  
43 9 development of long-term care alternatives that remain  
43 10 unexpended at the close of any fiscal year shall not revert to  
43 11 any fund but shall remain available for expenditure for  
43 12 purposes of the contract.

43 13 Sec. 40. IOWA FINANCE AUTHORITY. There is appropriated  
43 14 from the senior living trust fund created in section 249H.4 to  
43 15 the Iowa finance authority for the fiscal year beginning July  
43 16 1, 2005, and ending June 30, 2006, the following amount, or so  
43 17 much thereof as is necessary, to be used for the purposes  
43 18 designated:

43 19 To provide reimbursement for rent expenses to eligible  
43 20 persons:  
43 21 ..... \$ 700,000  
43 22 Participation in the rent subsidy program shall be limited  
43 23 to only those persons who are at risk for nursing facility  
43 24 care.

43 25 Sec. 41. HOSPITAL TRUST FUND. There is appropriated from  
43 26 the hospital trust fund created in section 249I.4 to the  
43 27 department of human services for the fiscal year beginning  
43 28 July 1, 2005, and ending June 30, 2006, the following amount,  
43 29 or so much thereof as is necessary, to be used for the purpose  
43 30 designated:

43 31 To supplement the appropriations made for the medical  
43 32 assistance program for that fiscal year:  
43 33 ..... \$ 22,900,000

43 34 Sec. 42. MEDICAL ASSISTANCE PROGRAM == REVERSION TO SENIOR  
43 35 LIVING TRUST FUND FOR FY 2005=2006. Notwithstanding section  
44 1 8.33, if moneys appropriated in this Act for purposes of the

44 2 medical assistance program for the fiscal year beginning July  
44 3 1, 2005, and ending June 30, 2006, from the general fund of  
44 4 the state, the senior living trust fund, the hospital trust  
44 5 fund, or the healthy Iowans tobacco trust fund are in excess  
44 6 of actual expenditures for the medical assistance program and  
44 7 remain unencumbered or unobligated at the close of the fiscal  
44 8 year, the excess moneys shall not revert but shall be  
44 9 transferred to the senior living trust fund created in section  
44 10 249H.4.

44 11 Sec. 43. EFFECTIVE DATE. The section of this division of  
44 12 this Act relating to nonreversion of assisted living  
44 13 conversion grant moneys, being deemed of immediate importance,  
44 14 takes effect upon enactment.

44 15 DIVISION III  
44 16 MENTAL HEALTH, MENTAL RETARDATION,  
44 17 DEVELOPMENTAL DISABILITIES,  
44 18 AND BRAIN INJURY SERVICES

44 19 Sec. 44. 2004 Iowa Acts, chapter 1175, section 173,  
44 20 subsection 2, paragraph c, is amended to read as follows:

~~44 21 c. For deposit in the risk pool created in the property~~  
~~44 22 tax relief fund and for distribution in accordance with~~  
~~44 23 section 426B.5, subsection 2 To the department of human~~  
~~44 24 services for supplementation of the appropriations made for~~  
~~44 25 the medical assistance program for the fiscal year beginning~~  
~~44 26 July 1, 2005, and ending June 30, 2006:~~

44 27 ..... \$ 2,000,000

44 28 Sec. 45. 2004 Iowa Acts, chapter 1175, section 173, is  
44 29 amended by adding the following new subsections:

44 30 NEW SUBSECTION. 3. The following formula amounts shall be  
44 31 utilized only to calculate preliminary distribution amounts  
44 32 for fiscal year 2005=2006 under this section by applying the  
44 33 indicated formula provisions to the formula amounts and  
44 34 producing a preliminary distribution total for each county:

44 35 a. For calculation of an allowed growth factor adjustment  
45 1 amount for each county in accordance with the formula in  
45 2 section 331.438, subsection 2, paragraph "b":

45 3 ..... \$ 12,000,000

45 4 b. For calculation of a distribution amount for eligible  
45 5 counties from the per capita expenditure target pool created  
45 6 in the property tax relief fund in accordance with the  
45 7 requirements in section 426B.5, subsection 1:

45 8 ..... \$ 14,507,362

45 9 c. For calculation of a distribution amount for counties  
45 10 from the mental health and developmental disabilities (MH/DD)  
45 11 community services fund in accordance with the formula  
45 12 provided in the appropriation made for the MH/DD community  
45 13 services fund for the fiscal year beginning July 1, 2005:

45 14 ..... \$ 17,727,890

45 15 NEW SUBSECTION. 4. After applying the applicable  
45 16 statutory distribution formulas to the amounts indicated in  
45 17 subsection 3 for purposes of producing preliminary  
45 18 distribution totals, the department of human services shall  
45 19 apply a withholding factor to adjust an eligible individual  
45 20 county's preliminary distribution total. An ending balance  
45 21 percentage for each county shall be determined by expressing  
45 22 the county's ending balance on a modified accrual basis under  
45 23 generally accepted accounting principles for the fiscal year  
45 24 beginning July 1, 2004, in the county's mental health, mental  
45 25 retardation, and developmental disabilities services fund  
45 26 created under section 331.424A, as a percentage of the  
45 27 county's gross expenditures from that fund for that fiscal  
45 28 year. The withholding factor for a county shall be the  
45 29 following applicable percent:

45 30 a. For an ending balance percentage of less than 10  
45 31 percent, a withholding factor of 0 percent. In addition to  
45 32 the county's adjusted distribution total, a county that is  
45 33 subject to this paragraph "a" shall receive an inflation  
45 34 adjustment equal to 2.6 percent of the gross expenditures  
45 35 reported for the county's services fund for that fiscal year.

46 1 b. For an ending balance percentage of 10 through 24  
46 2 percent, a withholding factor of 25 percent. However, the  
46 3 amount withheld shall be limited to the amount by which the  
46 4 county's ending balance was in excess of the ending balance  
46 5 percentage of 10 percent.

46 6 c. For an ending balance percentage of 25 percent or more,  
46 7 a withholding factor of 100 percent.

46 8 NEW SUBSECTION. 5. The total withholding amounts applied  
46 9 pursuant to subsection 4 shall be equal to a withholding  
46 10 target amount of \$4,659,749. If the department of human  
46 11 services determines that the amount to be withheld in  
46 12 accordance with subsection 4 is not equal to the target

46 13 withholding amount, the department shall adjust the  
46 14 withholding factors listed in subsection 4 as necessary to  
46 15 achieve the withholding target amount. However, in making  
46 16 such adjustments to the withholding factors, the department  
46 17 shall strive to minimize changes to the withholding factors  
46 18 for those ending balance percentage ranges that are lower than  
46 19 others and shall not adjust the zero withholding factor or the  
46 20 inflation adjustment percentage specified in subsection 4,  
46 21 paragraph "a".

46 22 DIVISION IV  
46 23 CODE CHANGES

46 24 Sec. 46. Section 28.9, subsection 3, Code 2005, is amended  
46 25 to read as follows:

46 26 3. a. An early childhood programs grant account is  
46 27 created in the Iowa empowerment fund under the authority of  
46 28 the director of human services. Moneys credited to the  
46 29 account are appropriated to and shall be distributed by the  
46 30 department of human services in the form of grants to  
46 31 community empowerment areas pursuant to criteria established  
46 32 by the Iowa board in accordance with law. The criteria shall  
46 33 include but are not limited to a requirement that a community  
46 34 empowerment area must be designated by the Iowa board in  
46 35 accordance with section 28.5, in order to be eligible to  
47 1 receive an early childhood programs grant.

47 2 b. The maximum funding amount a community empowerment area  
47 3 is eligible to receive from the early childhood programs grant  
47 4 account for a fiscal year shall be determined by applying the  
47 5 area's percentage of the state's average monthly family  
47 6 investment program population in the preceding fiscal year to  
47 7 the total amount credited to the account for the fiscal year.

47 8 c. A community empowerment area receiving funding from the  
47 9 early childhood program grant account shall comply with any  
47 10 federal reporting requirements associated with the use of that  
47 11 funding and other results and reporting requirements  
47 12 established by the Iowa empowerment board. The department of  
47 13 human services shall provide technical assistance in  
47 14 identifying and meeting the federal requirements. The  
47 15 availability of funding provided from the account is subject  
47 16 to changes in federal requirements and amendments to Iowa law.

47 17 d. The moneys distributed from the early childhood program  
47 18 grant account shall be used by community empowerment areas for  
47 19 the purposes of enhancing quality child care capacity in  
47 20 support of parent capability to obtain or retain employment.  
47 21 The moneys shall be used with a primary emphasis on low-income  
47 22 families and children from birth to five years of age. Moneys  
47 23 shall be provided in a flexible manner and shall be used to  
47 24 implement strategies identified by the community empowerment  
47 25 area to achieve such purposes. The department of human  
47 26 services may use a portion of the funding appropriated to the  
47 27 department under this subsection for provision of technical  
47 28 assistance and other support to community empowerment areas  
47 29 developing and implementing strategies with grant moneys  
47 30 distributed from the account.

47 31 e. Moneys from a federal block grant that are credited to  
47 32 the early childhood program grant account but are not  
47 33 distributed to a community empowerment area or otherwise  
47 34 remain unobligated or unexpended at the end of the fiscal year  
47 35 shall revert to the fund created in section 8.41 to be  
48 1 available for appropriation by the general assembly in a  
48 2 subsequent fiscal year.

48 3 Sec. 47. NEW SECTION. 35D.18 NET GENERAL FUND  
48 4 APPROPRIATION == PURPOSE.

48 5 1. The Iowa veterans home shall operate on the basis of a  
48 6 net appropriation from the general fund of the state. The  
48 7 appropriation amount shall be the net amount of state moneys  
48 8 projected to be needed for the Iowa veterans home for the  
48 9 fiscal year of the appropriation. The purpose of utilizing a  
48 10 net appropriation is to encourage the Iowa veterans home to  
48 11 operate with increased self-sufficiency, to improve quality  
48 12 and efficiency, and to support collaborative efforts among all  
48 13 providers of funding for the services available from the Iowa  
48 14 veterans home.

48 15 2. The net appropriation made to the Iowa veterans home  
48 16 may be used throughout the fiscal year in the manner necessary  
48 17 for purposes of cash flow management, and for cash flow  
48 18 management, the Iowa veterans home may temporarily draw more  
48 19 than the amount appropriated, provided the amount appropriated  
48 20 is not exceeded at the close of the fiscal year.

48 21 3. Revenues received that are attributed to the Iowa  
48 22 veterans home during a fiscal year shall be credited to the  
48 23 Iowa veterans home account and shall be considered repayment

48 24 receipts as defined in section 8.2, including but not limited  
48 25 to all of the following:  
48 26 a. Federal veterans administration payments.  
48 27 b. Medical assistance program revenue received under  
48 28 chapter 249A.  
48 29 c. Federal Medicare program payments.  
48 30 d. Other revenues generated from current, new, or expanded  
48 31 services that the Iowa veterans home is authorized to provide.  
48 32 4. For purposes of allocating moneys to the Iowa veterans  
48 33 home from the salary adjustment fund created in section 8.43,  
48 34 the Iowa veterans home shall be considered to be funded  
48 35 entirely with state moneys.

49 1 5. Notwithstanding section 8.33, up to five hundred  
49 2 thousand dollars of the Iowa veterans home revenue that remain  
49 3 unencumbered or unobligated at the close of the fiscal year  
49 4 shall not revert but shall remain available for expenditure  
49 5 for purposes of the Iowa veterans home until the close of the  
49 6 succeeding fiscal year.

49 7 Sec. 48. Section 84A.6, subsection 2, Code 2005, is  
49 8 amended to read as follows:

49 9 2. a. The director of the department of workforce  
49 10 development, in cooperation with the department of human  
49 11 services, shall provide job placement and training to persons  
49 12 referred by the department of human services under the  
49 13 promoting independence and self-sufficiency through employment  
49 14 job opportunities and basic skills program established  
49 15 pursuant to chapter 239B and the food stamp employment and  
49 16 training program.

49 17 b. The department of workforce development, in  
49 18 consultation with the department of human services, shall  
49 19 develop and implement departmental recruitment and employment  
49 20 practices that address the needs of former and current  
49 21 participants in the family investment program under chapter  
49 22 239B.

49 23 Sec. 49. NEW SECTION. 135.39C ELDERLY WELLNESS SERVICES  
49 24 == PAYOR OF LAST RESORT.

49 25 The department shall implement elderly wellness services in  
49 26 a manner that ensures that the services provided are not  
49 27 payable by a third-party source.

49 28 Sec. 50. Section 135.150, Code 2005, is amended by adding  
49 29 the following new subsection:

49 30 NEW SUBSECTION. 5. Persons with a dual diagnosis of  
49 31 substance abuse and a gambling addiction shall be given  
49 32 priority in treatment services funded by the gambling  
49 33 treatment fund.

49 34 Sec. 51. Section 136C.10, subsection 1, Code 2005, is  
49 35 amended to read as follows:

50 1 1. a. The department shall establish and collect fees for  
50 2 the licensing and amendment of licenses for radioactive  
50 3 materials, the registration of radiation machines, the  
50 4 periodic inspection of radiation machines and radioactive  
50 5 materials, and the implementation of section 136C.3,  
50 6 subsection 2. Fees shall be in amounts sufficient to defray  
50 7 the cost of administering this chapter. The license fee may  
50 8 include the cost of environmental surveillance activities to  
50 9 assess the radiological impact of activities conducted by  
50 10 licensees.

50 11 b. Fees collected shall be remitted to the treasurer of  
50 12 state who shall deposit the funds in the general fund of the  
50 13 state. However, the fees collected from the licensing,  
50 14 registration, authorization, accreditation, and inspection of  
50 15 radiation machines used for mammographically guided breast  
50 16 biopsy, screening, and diagnostic mammography shall be used to  
50 17 support the department's administration of this chapter and  
50 18 the fees collected shall be considered repayment receipts, as  
50 19 defined in section 8.2.

50 20 c. When a registrant or licensee fails to pay the  
50 21 applicable fee the department may suspend or revoke the  
50 22 registration or license or may issue an appropriate order.  
50 23 Fees for the license, amendment of a license, and inspection  
50 24 of radioactive material shall not exceed the fees prescribed  
50 25 by the United States nuclear regulatory commission.

50 26 Sec. 52. Section 144.13A, subsection 4, paragraph a,  
50 27 unnumbered paragraph 2, Code 2005, is amended to read as  
50 28 follows:

50 29 Beginning July 1, 2005, ten ~~Ten~~ dollars of each  
50 30 registration fee is appropriated and shall be used for primary  
50 31 and secondary child abuse prevention programs pursuant to  
50 32 section 235A.1, and ten dollars of each registration fee is  
50 33 appropriated and shall be used for the center for congenital  
50 34 and inherited disorders central registry established pursuant

50 35 to section 136A.6. Notwithstanding section 8.33, moneys  
51 1 appropriated in this unnumbered paragraph that remain  
51 2 unencumbered or unobligated at the close of the fiscal year  
51 3 shall not revert but shall remain available for expenditure  
51 4 for the purposes designated until the close of the succeeding  
51 5 fiscal year.

51 6 Sec. 53. NEW SECTION. 144.46A VITAL RECORDS  
51 7 MODERNIZATION == INCREASE IN FEES.

51 8 1. The department shall establish a vital records  
51 9 modernization project. The project shall include provisions  
51 10 for purchase of an electronic system for vital records  
51 11 scanning, data capture, storage, retrieval, and issuance  
51 12 activities. Other project provisions shall include  
51 13 streamlining of administrative procedures and electronically  
51 14 linking offices of clerks of the district court with the state  
51 15 vital records so that the records may be issued at the county  
51 16 level.

51 17 2. The department shall adopt rules providing for an  
51 18 increase in the fees charged by the state registrar for vital  
51 19 records services pursuant to section 144.46. The fee increase  
51 20 implemented pursuant to this section shall not apply to the  
51 21 fees charged by the clerks of the district court for vital  
51 22 records services. The fee increase shall be in an amount  
51 23 necessary to maintain the vital records modernization project  
51 24 in accordance with the provisions of subsection 1.

51 25 3. The revenue derived from the amount of the fee increase  
51 26 is annually appropriated to the department for the costs of  
51 27 the project. Notwithstanding section 8.33, moneys  
51 28 appropriated to the department pursuant to this subsection  
51 29 that remain unencumbered or unobligated at the end of a fiscal  
51 30 year shall not revert to any fund but shall remain available  
51 31 for expenditure for the purposes designated in the succeeding  
51 32 fiscal year.

51 33 Sec. 54. NEW SECTION. 147.28A SCOPE OF PRACTICE REVIEW  
51 34 COMMITTEES == FUTURE REPEAL.

51 35 1. The department shall utilize scope of practice review  
52 1 committees to evaluate and make recommendations to the general  
52 2 assembly and to the appropriate examining boards regarding all  
52 3 of the following issues:

52 4 a. Requests from practitioners seeking to become newly  
52 5 licensed health professionals or to establish their own  
52 6 examining boards.

52 7 b. Requests from health professionals seeking to expand or  
52 8 narrow the scope of practice of a health profession.

52 9 c. Unresolved administrative rulemaking disputes between  
52 10 examining boards.

52 11 2. A scope of practice review committee established under  
52 12 this section shall evaluate the issues specified in subsection  
52 13 1 and make recommendations regarding proposed changes to the  
52 14 general assembly based on the following standards and  
52 15 guidelines:

52 16 a. The proposed change does not pose a significant new  
52 17 danger to the public.

52 18 b. Enacting the proposed change will benefit the health,  
52 19 safety, or welfare of the public.

52 20 c. The public cannot be effectively protected by other  
52 21 more cost-effective means.

52 22 3. A scope of practice review committee shall be limited  
52 23 to five members as follows:

52 24 a. One member representing the profession seeking  
52 25 licensure, a new examining board, or a change in scope of  
52 26 practice.

52 27 b. One member of the health profession directly impacted  
52 28 by, or opposed to, the proposed change.

52 29 c. One impartial health professional who is not directly  
52 30 or indirectly affected by the proposed change.

52 31 d. Two impartial members of the general public.

52 32 4. The department may contract with a school or college of  
52 33 public health to assist in implementing this section.

52 34 5. The department shall submit an annual progress report  
52 35 to the governor and the general assembly by January 15 and  
53 1 shall include any recommendations for legislative action as a  
53 2 result of review committee activities.

53 3 6. The department shall adopt rules in accordance with  
53 4 chapter 17A to implement this section.

53 5 7. This section is repealed July 1, 2007.

53 6 Sec. 55. Section 147.82, Code 2005, is amended to read as  
53 7 follows:

53 8 147.82 FEES.

53 9 All fees shall be collected by the department and shall be  
53 10 paid to the treasurer of state and ~~deposited in~~ credited to

53 11 the general fund of the state, except ~~as provided in sections~~  
53 12 ~~147.94 and 147.102.~~ for the following:

53 13 1. Fees collected by the board of pharmacy examiners shall  
53 14 be credited as provided in section 147.94.

53 15 2. Fees collected by the examining boards of  
53 16 psychologists, chiropractors, and dentists shall be credited  
53 17 as provided in section 147.102.

53 18 3. Notwithstanding section 12.10, the department may  
53 19 temporarily increase licensing fees and may retain and expend  
53 20 additional funds received from the increase, if those  
53 21 additional fees and expenditures are directly the result of  
53 22 any unanticipated litigation expense or an expense associated  
53 23 with a scope of practice review committee created pursuant to  
53 24 section 147.28A. Before the department retains or expends  
53 25 funds for a scope of practice review committee or for an  
53 26 amount in excess of the funds budgeted for an examining board,  
53 27 the director of the department of management shall approve the  
53 28 expenditure or encumbrance. The amounts authorized under this  
53 29 subsection to fund any unanticipated litigation or a scope of  
53 30 practice review committee expense in a fiscal year shall not  
53 31 exceed five percent of the average annual fees generated by  
53 32 the boards for the previous two fiscal years. The amount  
53 33 authorized for expenditure pursuant to this subsection shall  
53 34 be considered repayment receipts as defined in section 8.2.

53 35 4. In addition to the amount authorized in section 12.10,  
54 1 the department may annually retain and expend not more than  
54 2 two hundred ninety-seven thousand nine hundred sixty-one  
54 3 dollars for lease and maintenance expenses from fees collected  
54 4 pursuant to section 147.80 by the board of dental examiners,  
54 5 the board of pharmacy examiners, the board of medical  
54 6 examiners, and the board of nursing. Fees retained by the  
54 7 department pursuant to this subsection shall be considered  
54 8 repayment receipts as defined in section 8.2.

54 9 5. In addition to the amount authorized in section 12.10,  
54 10 the department may annually retain and expend not more than  
54 11 one hundred thousand dollars for reduction of the number of  
54 12 days necessary to process medical license requests and for  
54 13 reduction of the number of days needed for consideration of  
54 14 malpractice cases from fees collected pursuant to section  
54 15 147.80 by the board of medical examiners in the fiscal year  
54 16 beginning July 1, 2005, and ending June 30, 2006. Fees  
54 17 retained by the department pursuant to this subsection shall  
54 18 be considered repayment receipts as defined in section 8.2 and  
54 19 shall be used for the purposes described in this subsection.

54 20 6. In addition to the amount authorized in section 12.10,  
54 21 the board of dental examiners may annually retain and expend  
54 22 not more than one hundred forty-eight thousand sixty dollars  
54 23 from revenues generated pursuant to section 147.80. Fees  
54 24 retained by the board pursuant to this subsection shall be  
54 25 considered repayment receipts as defined in section 8.2 and  
54 26 shall be used for the purposes of regulating dental  
54 27 assistants.

54 28 7. The board of medical examiners, the board of pharmacy  
54 29 examiners, the board of dental examiners, and the board of  
54 30 nursing shall retain their individual executive officers, but  
54 31 shall make every effort to share administrative, clerical, and  
54 32 investigative staffs to the greatest extent possible. The  
54 33 department shall annually submit a status report to the  
54 34 general assembly in December regarding the sharing of staff  
54 35 during the previous fiscal year.

55 1 8. In addition to the amount authorized in section 12.10,  
55 2 the board of nursing may annually retain and expend ninety  
55 3 percent of the revenues generated from any increase in  
55 4 licensing fees pursuant to section 147.80 for purposes related  
55 5 to the board's duties, including but not limited to the  
55 6 addition of full-time equivalent positions for program  
55 7 services and investigations. The board may retain and expend  
55 8 the same dollar amount in subsequent fiscal years as was  
55 9 retained and expended from the initial year of the increase in  
55 10 licensing fees. Fees retained by the board pursuant to this  
55 11 subsection shall be considered repayment receipts, as defined  
55 12 in section 8.2, and shall be used for the purposes described  
55 13 in this subsection.

55 14 9. In addition to the amount authorized in section 12.10,  
55 15 the board of pharmacy examiners may retain and expend ninety  
55 16 percent of the revenues generated from any increase in  
55 17 licensing fees pursuant to sections 124.301 and 147.80, and  
55 18 chapter 155A, for purposes related to the board's duties,  
55 19 including but not limited to the addition of full-time  
55 20 equivalent positions. The board may retain and expend the  
55 21 same dollar amount in subsequent fiscal years as was retained



55 22 and expended from the initial year of the increase in  
55 23 licensing fees. Fees retained by the board pursuant to this  
55 24 subsection shall be considered repayment receipts, as defined  
55 25 in section 8.2, and shall be used for the purposes described  
55 26 in this subsection.

55 27 Sec. 56. Section 217.13, subsection 1, Code 2005, is  
55 28 amended to read as follows:

55 29 1. The department of human services shall establish  
55 30 volunteer programs designed to enhance the services provided  
55 31 by the department. Roles for volunteers may include but shall  
55 32 not be limited to parent aides, friendly visitors, commodity  
55 33 distributors, clerical assistants, ~~and~~ medical transporters,  
55 34 and other functions to complement and supplement the  
55 35 department's work with clients. Roles for volunteers shall

56 1 include conservators and guardians. The department shall  
56 2 adopt rules for programs which are established.

56 3 Sec. 57. NEW SECTION. 217.35 FRAUD AND RECOUPMENT  
56 4 ACTIVITIES.

56 5 Notwithstanding the requirement for deposit of recovered  
56 6 moneys under section 239B.14, recovered moneys generated  
56 7 through fraud and recoupment activities are appropriated to  
56 8 the department of human services to be used for additional  
56 9 fraud and recoupment activities performed by the department of  
56 10 human services or the department of inspections and appeals.  
56 11 The department of human services may use the recovered moneys  
56 12 appropriated to add not more than five full-time equivalent  
56 13 positions, in addition to those funded by annual  
56 14 appropriations. The appropriation of the recovered moneys is  
56 15 subject to both of the following conditions:

56 16 1. The director of human services determines that the  
56 17 investment can reasonably be expected to increase recovery of  
56 18 assistance paid in error, due to fraudulent or nonfraudulent  
56 19 actions, in excess of the amount recovered in the previous  
56 20 fiscal year.

56 21 2. The amount expended for the additional fraud and  
56 22 recoupment activities shall not exceed the amount of the  
56 23 projected increase in assistance recovered.

56 24 Sec. 58. NEW SECTION. 218.6 TRANSFER OF APPROPRIATIONS  
56 25 MADE TO INSTITUTIONS.

56 26 Notwithstanding section 8.39, subsection 1, without the  
56 27 prior written consent and approval of the governor and the  
56 28 director of the department of management, the director of  
56 29 human services may transfer funds between the appropriations  
56 30 made for the same type of institution, listed as follows:

- 56 31 1. The state resource centers.
- 56 32 2. The state mental health institutes.
- 56 33 3. The state juvenile institutions consisting of the state  
56 34 training school and the Iowa juvenile home.

56 35 Sec. 59. NEW SECTION. 222.92 NET GENERAL FUND  
57 1 APPROPRIATION == STATE RESOURCE CENTERS.

57 2 1. The department shall operate the state resource centers  
57 3 on the basis of net appropriations from the general fund of  
57 4 the state. The appropriation amounts shall be the net amounts  
57 5 of state moneys projected to be needed for the state resource  
57 6 centers for the fiscal year of the appropriations. The  
57 7 purpose of utilizing net appropriations is to encourage the  
57 8 state resource centers to operate with increased self=  
57 9 sufficiency, to improve quality and efficiency, and to support  
57 10 collaborative efforts between the state resource centers and  
57 11 counties and other providers of funding for the services  
57 12 available from the state resource centers. The state resource  
57 13 centers shall not be operated under the net appropriations in  
57 14 a manner that results in a cost increase to the state or in  
57 15 cost shifting between the state, the medical assistance  
57 16 program, counties, or other sources of funding for the state  
57 17 resource centers.

57 18 2. The net appropriation made for a state resource center  
57 19 may be used throughout the fiscal year in the manner necessary  
57 20 for purposes of cash flow management, and for purposes of cash  
57 21 flow management, a state resource center may temporarily draw  
57 22 more than the amount appropriated, provided the amount  
57 23 appropriated is not exceeded at the close of the fiscal year.

57 24 3. Subject to the approval of the department, except for  
57 25 revenues segregated as provided in section 249A.11, revenues  
57 26 received that are attributed to a state resource center for a  
57 27 fiscal year shall be credited to the state resource center's  
57 28 account and shall be considered repayment receipts as defined  
57 29 in section 8.2, including but not limited to all of the  
57 30 following:

- 57 31 a. Moneys received by the state from billings to counties  
57 32 under section 222.73.

57 33 b. The federal share of medical assistance program revenue  
57 34 received under chapter 249A.

57 35 c. Federal Medicare program payments.

58 1 d. Moneys received from client financial participation.

58 2 e. Other revenues generated from current, new, or expanded  
58 3 services that the state resource center is authorized to  
58 4 provide.

58 5 4. For purposes of allocating moneys to the state resource  
58 6 centers from the salary adjustment fund created in section  
58 7 8.43, the state resource centers shall be considered to be  
58 8 funded entirely with state moneys.

58 9 5. Notwithstanding section 8.33, up to five hundred  
58 10 thousand dollars of a state resource center's revenue that  
58 11 remains unencumbered or unobligated at the close of the fiscal  
58 12 year shall not revert but shall remain available for  
58 13 expenditure for purposes of the state resource center until  
58 14 the close of the succeeding fiscal year.

58 15 Sec. 60. NEW SECTION. 226.9B NET GENERAL FUND  
58 16 APPROPRIATION == PSYCHIATRIC MEDICAL INSTITUTION FOR CHILDREN.

58 17 1. The psychiatric medical institution for children beds  
58 18 operated by the state at the state mental health institute at  
58 19 Independence, as authorized in section 135H.6, shall operate  
58 20 on the basis of a net appropriation from the general fund of  
58 21 the state. The allocation made by the department from the  
58 22 annual appropriation to the state mental health institute at  
58 23 Independence for the purposes of the beds shall be the net  
58 24 amount of state moneys projected to be needed for the beds for  
58 25 the fiscal year of the appropriation.

58 26 2. Revenues received that are attributed to the  
58 27 psychiatric medical institution for children beds during a  
58 28 fiscal year shall be credited to the mental health institute's  
58 29 account and shall be considered repayment receipts as defined  
58 30 in section 8.2, including but not limited to all of the  
58 31 following:

58 32 a. The federal share of medical assistance program revenue  
58 33 received under chapter 249A.

58 34 b. Moneys received through client financial participation.

58 35 c. Other revenues directly attributable to the psychiatric  
59 1 medical institution for children beds.

59 2 Sec. 61. NEW SECTION. 226.9C NET GENERAL FUND  
59 3 APPROPRIATION == DUAL DIAGNOSIS PROGRAM.

59 4 1. The state mental health institute at Mount Pleasant  
59 5 shall operate the dual diagnosis mental health and substance  
59 6 abuse program on a net budgeting basis in which 50 percent of  
59 7 the actual per diem and ancillary services costs are  
59 8 chargeable to the patient's county of legal settlement or as a  
59 9 state case, as appropriate. Subject to the approval of the  
59 10 department, revenues attributable to the dual diagnosis  
59 11 program for each fiscal year, shall be deposited in the mental  
59 12 health institute's account and are appropriated to the  
59 13 department for the dual diagnosis program, including but not  
59 14 limited to all of the following revenues:

59 15 a. Moneys received by the state from billings to counties  
59 16 under section 230.20.

59 17 b. Moneys received from billings to the Medicare program.

59 18 c. Moneys received from a managed care contractor  
59 19 providing services under contract with the department or any  
59 20 private third-party payor.

59 21 d. Moneys received through client participation.

59 22 e. Any other revenues directly attributable to the dual  
59 23 diagnosis program.

59 24 2. The following additional provisions are applicable in  
59 25 regard to the dual diagnosis program:

59 26 a. A county may split the charges between the county's  
59 27 mental health, mental retardation, and developmental  
59 28 disabilities services fund created pursuant to section  
59 29 331.424A and the county's budget for substance abuse  
59 30 expenditures.

59 31 b. If an individual is committed to the custody of the  
59 32 department of corrections at the time the individual is  
59 33 referred for dual diagnosis treatment, the department of  
59 34 corrections shall be charged for the costs of treatment.

59 35 c. Prior to an individual's admission for dual diagnosis  
60 1 treatment, the individual shall have been screened through a  
60 2 county's central point of coordination process implemented  
60 3 pursuant to section 331.440 to determine the appropriateness  
60 4 of the treatment.

60 5 d. A county shall not be chargeable for the costs of  
60 6 treatment for an individual enrolled in and authorized by or  
60 7 decertified by a managed behavioral care plan under the  
60 8 medical assistance program.

60 9 e. Notwithstanding section 8.33, state mental health  
60 10 institute revenues related to the dual diagnosis program that  
60 11 remain unencumbered or unobligated at the close of the fiscal  
60 12 year shall not revert but shall remain available up to the  
60 13 amount which would allow the state mental health institute to  
60 14 meet credit obligations owed to counties as a result of year=  
60 15 end per diem adjustments for the dual diagnosis program.  
60 16 Sec. 62. Section 226.19, Code 2005, is amended to read as  
60 17 follows:

60 18 226.19 DISCHARGE == CERTIFICATE.

60 19 1. All patients shall be discharged, by in accordance with  
60 20 the procedure prescribed in section 229.3 or section 229.16,  
60 21 whichever is applicable, immediately on regaining their the  
60 22 patient's good mental health.

60 23 2. If a patient's care is the financial responsibility of  
60 24 the state or a county, as part of the patient's discharge  
60 25 planning the state mental health institute shall provide  
60 26 assistance to the patient in obtaining eligibility for the  
60 27 federal state supplemental security income program.

60 28 Sec. 63. Section 229A.12, Code 2005, is amended to read as  
60 29 follows:

60 30 229A.12 DIRECTOR OF HUMAN SERVICES == RESPONSIBILITY FOR  
60 31 COSTS == REIMBURSEMENT.

60 32 The director of human services shall be responsible for all  
60 33 costs relating to the evaluation, treatment, and services  
60 34 provided to a person that are incurred after the person is  
60 35 committed to the director's custody after the court or jury  
61 1 determines that the respondent is a sexually violent predator  
61 2 and pursuant to commitment under any provision of this  
61 3 chapter. If placement in a transitional release program or  
61 4 supervision is ordered, the director shall also be responsible  
61 5 for all costs related to the transitional release program or  
61 6 to the supervision and treatment of any person. Reimbursement  
61 7 may be obtained by the director from the patient and any  
61 8 person legally liable or bound by contract for the support of  
61 9 the patient for the cost of confinement or of care and  
61 10 treatment provided. Any benefit payments received by the  
61 11 person pursuant to the federal Social Security Act shall be

61 12 used for the costs incurred. As used in this section, "any  
61 13 person legally liable" does not include a political  
61 14 subdivision.

61 15 Sec. 64. NEW SECTION. 231.34 LIMITATION OF FUNDS USED  
61 16 FOR ADMINISTRATIVE PURPOSES.

61 17 Of the state funds appropriated or allocated to the  
61 18 department for programs of the area agencies on aging, not  
61 19 more than seven and one-half percent of the total amount shall  
61 20 be used for area agencies on aging administrative purposes.

61 21 Sec. 65. NEW SECTION. 232.1A FOSTER CARE PLACEMENT ==  
61 22 ANNUAL GOAL.

61 23 The annual state goal for children placed in foster care  
61 24 that is funded under the federal Social Security Act, Title  
61 25 IV=E, is that not more than fifteen percent of the children  
61 26 will be in a foster care placement for a period of more than  
61 27 twenty-four months.

61 28 Sec. 66. Section 233A.1, Code 2005, is amended by adding  
61 29 the following new subsection:

61 30 NEW SUBSECTION. 3. The number of children present at any  
61 31 one time at the state training school at Eldora shall not  
61 32 exceed the population guidelines established under 1990 Iowa  
61 33 Acts, chapter 1239, section 21, as adjusted for subsequent  
61 34 changes in the capacity at the training school.

61 35 Sec. 67. Section 233B.1, Code 2005, is amended to read as  
62 1 follows:

62 2 233B.1 DEFINITIONS == ~~OBJECTS~~ PURPOSE == POPULATION LIMIT.

62 3 1. For the purpose of this chapter, unless the context  
62 4 otherwise requires:

62 5 ~~1-~~ a. "Administrator" or "director" means the director of  
62 6 the department of human services.

62 7 ~~2-~~ b. "Home" means the Iowa juvenile home.

62 8 ~~3-~~ c. "Superintendent" means the superintendent of the  
62 9 Iowa juvenile home.

62 10 2. The Iowa juvenile home shall be maintained for the  
62 11 purpose of providing care, custody and education of ~~such the~~  
62 12 children ~~as~~ are committed to the home. ~~Such The~~ children  
62 13 shall be wards of the state. ~~Their The children's~~ education  
62 14 shall embrace instruction in the common school branches and in  
62 15 such other higher branches as may be practical and will enable  
62 16 the children to gain useful and self-sustaining employment.  
62 17 The administrator and the superintendent of the home shall  
62 18 assist all discharged children in securing suitable homes and  
62 19 proper employment.

62 20 3. The number of children present at any one time at the  
62 21 Iowa juvenile home shall not exceed the population guidelines  
62 22 established under 1990 Iowa Acts, chapter 1239, section 21, as  
62 23 adjusted for subsequent changes in the capacity at the home.

62 24 Sec. 68. Section 234.12A, subsection 1, unnumbered  
62 25 paragraph 1, Code 2005, is amended to read as follows:  
62 26 The department of human services ~~may establish~~ shall  
62 27 maintain an electronic benefits transfer program utilizing  
62 28 electronic funds transfer systems. The program, ~~if~~  
62 29 ~~established~~, shall at a minimum provide for all of the  
62 30 following:

62 31 Sec. 69. Section 237A.28, Code 2005, is amended to read as  
62 32 follows:

62 33 237A.28 CHILD CARE CREDIT FUND.

62 34 A child care credit fund is created in the state treasury  
62 35 under the authority of the department of human services. The  
63 1 moneys in the fund shall consist of moneys deposited pursuant  
63 2 to section 422.100 and ~~shall be used for child care services~~  
63 3 ~~as annually are appropriated by the general assembly to the~~  
63 4 ~~department to be used for the state child care assistance~~  
63 5 ~~program in accordance with section 237A.13.~~

63 6 Sec. 70. Section 239B.4, Code 2005, is amended by adding  
63 7 the following new subsections:

63 8 NEW SUBSECTION. 3A. The department shall continue to work  
63 9 with the department of workforce development and local  
63 10 community collaborative efforts to provide support services  
63 11 for participants. The support services shall be directed to  
63 12 those participant families who would benefit from the support  
63 13 services and are likely to have success in achieving economic  
63 14 independence.

63 15 NEW SUBSECTION. 3B. The department shall continue to work  
63 16 with religious organizations and other charitable institutions  
63 17 to increase the availability of host homes, referred to as  
63 18 second chance homes, or other living arrangements under the  
63 19 federal Personal Responsibility and Work Opportunity  
63 20 Reconciliation Act of 1996, Pub. L. No. 104=193, } 103, and  
63 21 any successor legislation. The purpose of the homes or  
63 22 arrangements is to provide a supportive and supervised living  
63 23 arrangement for minor parents receiving assistance who may  
63 24 receive assistance while living in an alternative setting  
63 25 other than with their parent or legal guardian.

63 26 Sec. 71. Section 239B.11, Code 2005, is amended to read as  
63 27 follows:

63 28 239B.11 FAMILY INVESTMENT PROGRAM ACCOUNT == DIVERSION  
63 29 PROGRAM SUBACCOUNT == DIVERSION PROGRAM.

63 30 1. An account is established in the state treasury to be  
63 31 known as the family investment program account under control  
63 32 of the department to which shall be credited all funds  
63 33 appropriated by the state for the payment of assistance and  
63 34 JOBS program expenditures. All other moneys received at any  
63 35 time for these purposes, including child support revenues,  
64 1 shall be deposited into the account as provided by law. All  
64 2 assistance and JOBS program expenditures under this chapter  
64 3 shall be paid from the account.

64 4 2. a. A diversion program subaccount is created within  
64 5 the family investment program account. The subaccount may be  
64 6 used to provide incentives to divert applicants' participation  
64 7 in the family investment program if the applicants meet income  
64 8 eligibility requirements for assistance, including but not  
64 9 limited to providing a one-time cash payment to remedy an  
64 10 immediate need. Incentives may be provided in the form of  
64 11 payment or services with a focus on helping applicants to  
64 12 obtain or retain employment. The diversion program subaccount  
64 13 may also be used for payments to participants as necessary to  
64 14 cover the expenses of removing barriers to employment and to  
64 15 assist in stabilizing employment. In addition, the diversion  
64 16 program subaccount may be used for funding of services and  
64 17 payments for persons whose family investment program  
64 18 eligibility has ended, in order to help the persons to  
64 19 stabilize or improve their employment status.

64 20 b. The diversion program shall be implemented statewide in  
64 21 a manner that preserves local flexibility in program design.  
64 22 The department shall assess and screen individuals who would  
64 23 most likely benefit from diversion program assistance. The  
64 24 department may adopt additional eligibility criteria for the  
64 25 diversion program as necessary for compliance with federal law  
64 26 and for screening those families who would be most likely to  
64 27 become eligible for the family investment program if diversion  
64 28 program incentives would not be provided to the families.

64 29 Sec. 72. Section 249.3, subsection 4, paragraphs e and g,  
64 30 Code 2005, are amended to read as follows:

64 31 e. Receive full medical assistance benefits under chapter  
64 32 249A and are not required to meet a spend-down or pay a  
64 33 premium to be eligible for such benefits.

~~64 34 g. Have income exceeding of at least one hundred thirty-  
~~64 35 five twenty percent of the federal poverty level but not~~  
65 1 exceeding the medical assistance income limit for the  
65 2 eligibility group for the individual person's living  
65 3 arrangement.~~

65 4 Sec. 73. Section 249A.12, subsection 6, paragraph c, Code  
65 5 2005, is amended to read as follows:

65 6 c. The person's county of legal settlement shall pay for  
65 7 the nonfederal share of the cost of services provided under  
65 8 the waiver, and the state shall pay for the nonfederal share  
65 9 of such costs if the person does not have ~~a county of legal~~  
65 10 settlement in this state or the legal settlement is unknown.

65 11 Sec. 74. Section 249A.12, subsection 6, Code 2005, is  
65 12 amended by adding the following new paragraph:

65 13 NEW PARAGRAPH. d. The county of legal settlement shall  
65 14 pay for one hundred percent of the nonfederal share of the  
65 15 costs of care provided for adults which is reimbursed under a  
65 16 home and community-based services waiver that would otherwise  
65 17 be approved for provision in an intermediate care facility for  
65 18 persons with mental retardation provided under the medical  
65 19 assistance program.

65 20 Sec. 75. Section 249A.12, Code 2005, is amended by adding  
65 21 the following new subsection:

65 22 NEW SUBSECTION. 7. When paying the necessary and legal  
65 23 expenses of services for persons with mental retardation in an  
65 24 intermediate care facility for persons with mental  
65 25 retardation, the cost requirements of section 222.60 shall be  
65 26 considered fulfilled when payment is made in accordance with  
65 27 the medical assistance payment rates established by the  
65 28 department for intermediate care facilities for persons with  
65 29 mental retardation, and the state or a county of legal  
65 30 settlement shall not be obligated for any amount in excess of  
65 31 the rates.

65 32 Sec. 76. Section 249A.24, Code 2005, is amended by adding  
65 33 the following new subsection:

65 34 NEW SUBSECTION. 3. The commission shall submit an annual  
65 35 review, including facts and findings, of the drugs on the  
66 1 department's prior authorization list to the department and to  
66 2 the members of the general assembly's joint appropriations  
66 3 subcommittee on health and human services.

66 4 Sec. 77. Section 249A.26, Code 2005, is amended to read as  
66 5 follows:

66 6 249A.26 STATE AND COUNTY PARTICIPATION IN FUNDING FOR  
66 7 SERVICES TO PERSONS WITH DISABILITIES == CASE MANAGEMENT.

66 8 1. The state shall pay for one hundred percent of the  
66 9 nonfederal share of the services paid for under any prepaid  
66 10 mental health services plan for medical assistance implemented  
66 11 by the department as authorized by law.

~~66 12 2. a. The Except as provided for disallowed costs in  
~~66 13 section 269A.27, the county of legal settlement shall pay for  
66 14 fifty percent of the nonfederal share of the cost and the  
~~66 15 state shall have responsibility for the remaining fifty  
66 16 percent of the nonfederal share of the cost of case management  
66 17 provided to adults, day treatment, and partial hospitalization  
66 18 provided under the medical assistance program for persons with  
66 19 mental retardation, a developmental disability, or chronic  
66 20 mental illness. For purposes of this section, persons with  
66 21 mental disorders resulting from Alzheimer's disease or  
66 22 substance abuse shall not be considered chronically mentally  
66 23 ill. To the maximum extent allowed under federal law and  
66 24 regulations, the department shall consult with and inform a  
66 25 county of legal settlement's central point of coordination  
66 26 process, as defined in section 331.440, regarding the  
66 27 necessity for and the provision of any service for which the  
66 28 county is required to provide reimbursement under this  
66 29 subsection.~~~~~~

~~66 30 b. The state shall pay for one hundred percent of the  
66 31 nonfederal share of the costs of case management provided for  
66 32 adults, day treatment, partial hospitalization, and the home  
66 33 and community-based services waiver services for persons who  
66 34 do not have legal settlement in this state or the legal  
66 35 settlement is unknown.~~

~~67 1 c. The case management services specified in this  
67 2 subsection shall be paid for by a county only if the services  
67 3 are provided outside of a managed care contract.~~

67 4 3. To the maximum extent allowed under federal law and  
67 5 regulations, a person with mental illness or mental  
67 6 retardation shall not be eligible for any service which is

67 7 funded in whole or in part by a county share of the nonfederal  
67 8 portion of medical assistance funds unless the person is  
67 9 referred through the central point of coordination process, as  
67 10 defined in section 331.440. However, to the extent federal  
67 11 law allows referral of a medical assistance recipient to a  
67 12 service without approval of the central point of coordination  
67 13 process, the county of legal settlement shall be billed for  
67 14 the nonfederal share of costs for any adult person for whom  
67 15 the county would otherwise be responsible.

67 16 4. The county of legal settlement shall pay for one  
67 17 hundred percent of the nonfederal share of the cost of  
67 18 services provided to persons with chronic mental illness  
67 19 implemented under the adult rehabilitation option of the state  
67 20 medical assistance plan. The state shall pay for one hundred  
67 21 percent of the nonfederal share of the cost of such services  
67 22 provided to such persons ~~without a county of~~ who do not have  
67 23 legal settlement in this state or the legal settlement is  
67 24 unknown.

67 25 5. The state shall pay for the entire nonfederal share of  
67 26 the costs for case management services provided to persons  
67 27 seventeen years of age or younger who are served in a home and  
67 28 community-based services waiver program under the medical  
67 29 assistance program for persons with mental retardation.

67 30 6. Funding under the medical assistance program shall be  
67 31 provided for case management services for eligible persons  
67 32 seventeen years of age or younger residing in counties with  
67 33 child welfare decategorization projects implemented in  
67 34 accordance with section 232.188, provided these projects have  
67 35 included these persons in the service plan and the  
68 1 decategorization project county is willing to provide the  
68 2 nonfederal share of the costs.

68 3 7. Unless a county has paid or is paying for the  
68 4 nonfederal share of the costs of a person's home and  
68 5 community-based waiver services or placement in an  
68 6 intermediate care facility for persons with mental retardation  
68 7 under the county's mental health, mental retardation, and  
68 8 developmental disabilities services fund, or unless a county  
68 9 of legal settlement would become liable for the costs of  
68 10 services for a person at the level of care provided in an  
68 11 intermediate care facility for persons with mental retardation  
68 12 due to the person reaching the age of majority, the state  
68 13 shall pay for the nonfederal share of the costs of an eligible  
68 14 person's services under the home and community-based services  
68 15 waveer for persons with brain injury.

68 16 5- 8. If a dispute arises between different counties or  
68 17 between the department and a county as to the legal settlement  
68 18 of a person who receives medical assistance for which the  
68 19 nonfederal share is payable in whole or in part by a county of  
68 20 legal settlement, and cannot be resolved by the parties, the  
68 21 dispute shall be resolved as provided in section 225C.8.

68 22 9. Notwithstanding section 8.39, the department may  
68 23 transfer funds appropriated for the medical assistance program  
68 24 to a separate account established in the department's case  
68 25 management unit in an amount necessary to pay for expenditures  
68 26 required to provide case management for mental health, mental  
68 27 retardation, and developmental disabilities services under the  
68 28 medical assistance program which are jointly funded by the  
68 29 state and county, pending final settlement of the  
68 30 expenditures. Funds received by the case management unit in  
68 31 settlement of the expenditures shall be used to replace the  
68 32 transferred funds and are available for the purposes for which  
68 33 the funds were originally appropriated.

68 34 Sec. 78. Section 249A.26A, Code 2005, is amended to read  
68 35 as follows:

69 1 249A.26A STATE AND COUNTY PARTICIPATION IN FUNDING FOR  
69 2 REHABILITATION SERVICES FOR PERSONS WITH CHRONIC MENTAL  
69 3 ILLNESS.

69 4 The county of legal settlement shall pay for the nonfederal  
69 5 share of the cost of rehabilitation services provided under  
69 6 the medical assistance program for persons with chronic mental  
69 7 illness, except that the state shall pay for the nonfederal  
69 8 share of such costs if the person does not have ~~a county of~~  
69 9 legal settlement in this state or the legal settlement is  
69 10 unknown.

69 11 Sec. 79. NEW SECTION. 249A.32A HOME AND COMMUNITY=BASED  
69 12 SERVICES WAIVERS == LIMITATIONS.

69 13 In administering a home and community-based services  
69 14 waiver, the total number of openings at any one time shall be  
69 15 limited to the number approved for the waiver by the secretary  
69 16 of the United States department of health and human services.  
69 17 The openings shall be available on a first-come, first-served

69 18 basis.

69 19 Sec. 80. NEW SECTION. 249A.32B EARLY AND PERIODIC  
69 20 SCREENING, DIAGNOSIS, AND TREATMENT FUNDING.

69 21 The department of human services, in consultation with the  
69 22 Iowa department of public health and the department of  
69 23 education, shall continue the program to utilize the early and  
69 24 periodic screening, diagnosis, and treatment program funding  
69 25 under the medical assistance program, to the extent possible,  
69 26 to implement the screening component of the early and periodic  
69 27 screening, diagnosis, and treatment program through the  
69 28 schools. The department may enter into contracts to utilize  
69 29 maternal and child health centers, the public health nursing  
69 30 program, or school nurses in implementing this section.

69 31 Sec. 81. Section 252B.4, subsection 3, Code 2005, is  
69 32 amended to read as follows:

69 33 3. Fees collected pursuant to this section shall be  
69 34 ~~retained by the department for use by~~ considered repayment  
69 35 receipts, as defined in section 8.2, and shall be used for the  
70 1 purposes of the unit. The director or a designee shall keep  
70 2 an accurate record of ~~funds so retained~~ the fees collected and  
70 3 expended.

70 4 Sec. 82. Section 252B.23, subsection 11, Code 2005, is  
70 5 amended to read as follows:

70 6 11. All surcharge payments shall be received and disbursed  
70 7 by the collection services center. The surcharge payments  
70 8 received by the collection services center shall be considered  
70 9 repayment receipts as defined in section 8.2 and shall be used  
70 10 to pay the costs of any contracts with a collection entity.

70 11 Sec. 83. NEW SECTION. 252B.25 USE OF FUNDING FOR  
70 12 ADDITIONAL POSITIONS.

70 13 1. The director, within the limitations of the amount  
70 14 appropriated for the limit, or moneys transferred for this  
70 15 purpose from the family investment program account created in  
70 16 section 239B.11, may establish new positions and add employees  
70 17 to the unit if the director determines that both the current  
70 18 and additional employees together can reasonably be expected  
70 19 to maintain or increase net state revenue at or beyond the  
70 20 budgeted level for the fiscal year.

70 21 2. a. The director may establish new positions and add  
70 22 state employees to the unit or contract for delivery of  
70 23 services if the director determines the employees are  
70 24 necessary to replace county-funded positions eliminated due to  
70 25 termination, reduction, or nonrenewal of a chapter 28E  
70 26 contract. However, the director must also determine that the  
70 27 resulting increase in the state share of child support  
70 28 recovery incentives exceeds the cost of the positions or  
70 29 contract, the positions or contract are necessary to ensure  
70 30 continued federal funding of the unit, or the new positions or  
70 31 contract can reasonably be expected to recover at least twice  
70 32 the amount of money necessary to pay the salaries and support  
70 33 for the new positions or the contract will generate at least  
70 34 two hundred percent of the cost of the contract.

70 35 b. Employees in full-time positions that transition from  
71 1 county government to state government employment under this  
71 2 subsection are exempt from testing, selection, and appointment  
71 3 provisions of chapter 19A and from the provisions of  
71 4 collective bargaining agreements relating to the filling of  
71 5 vacant positions.

71 6 Sec. 84. Section 505.25, Code 2005, is amended to read as  
71 7 follows:

71 8 505.25 INFORMATION PROVIDED TO MEDICAL ASSISTANCE ~~PROGRAM~~  
71 9 AND HAWK=I PROGRAMS.

71 10 A carrier, as defined in section 514C.13, shall enter into  
71 11 a health insurance data match program with the department of  
71 12 human services for the sole purpose of comparing the names of  
71 13 the carrier's insureds with the names of recipients of the  
71 14 medical assistance program under chapter 249A or enrollees of  
71 15 the hawk=i program under chapter 514I.

71 16 Sec. 85. Section 514I.11, subsection 2, Code 2005, is  
71 17 amended to read as follows:

71 18 2. The trust fund shall be separate from the general fund  
71 19 of the state and shall not be considered part of the general  
71 20 fund of the state. The moneys in the trust fund are not  
71 21 subject to section 8.33 and shall not be transferred, used,  
71 22 obligated, appropriated, or otherwise encumbered, except to  
71 23 provide for the purposes of this chapter and except as  
71 24 provided in subsection 4. Notwithstanding section 12C.7,  
71 25 subsection 2, interest or earnings on moneys deposited in the  
71 26 trust fund shall be credited to the trust fund.

71 27 Sec. 86. Section 514I.11, Code 2005, is amended by adding  
71 28 the following new subsections:

71 29 NEW SUBSECTION. 3. Moneys in the fund are appropriated to  
71 30 the department and shall be used to offset any program costs.  
71 31 NEW SUBSECTION. 4. The department may transfer moneys  
71 32 appropriated from the fund to be used for the purpose of  
71 33 expanding health care coverage to children under the medical  
71 34 assistance program.  
71 35 NEW SUBSECTION. 5. The department shall provide periodic  
72 1 updates to the general assembly regarding expenditures from  
72 2 the fund.

72 3 Sec. 87. Section 600.17, Code 2005, is amended by adding  
72 4 the following new subsection:

72 5 NEW SUBSECTION. 3. The department of human services shall  
72 6 make adoption presubsidy and adoption subsidy payments to  
72 7 adoptive parents at the beginning of the month for the current  
72 8 month.

72 9 Sec. 88. EFFECTIVE DATE. The amendment in this Act to  
72 10 section 144A.13A, being deemed of immediate importance, takes  
72 11 effect upon enactment.

#### 72 12 EXPLANATION

72 13 This bill relates to and makes appropriations for health  
72 14 and human services for fiscal year 2005=2006 to the state  
72 15 commission of veterans affairs, the Iowa veterans home, the  
72 16 department of elder affairs, the Iowa department of public  
72 17 health, and the department of human services.

72 18 ELDER AFFAIRS, PUBLIC HEALTH, VETERANS AFFAIRS, AND HUMAN  
72 19 SERVICES. This division appropriates funding from the general  
72 20 fund of the state for the department of elder affairs.

72 21 The division appropriates funding from the general fund of  
72 22 the state to the Iowa department of public health.

72 23 The division appropriates funds from the gambling treatment  
72 24 fund in lieu of the standing appropriation in Code section  
72 25 135.150 for addictive disorders and provides for use of the  
72 26 funds remaining in the fund.

72 27 The division appropriates funding from the general fund of  
72 28 the state to the commission of veterans affairs.

72 29 The division appropriates funding from the general fund of  
72 30 the state and the federal temporary assistance for needy  
72 31 families block grant to the department of human services.

72 32 Provisions in division I related to issuance of funding  
72 33 plans by representatives of the department of human services  
72 34 and the judicial branch and for carryforward of funding  
72 35 allocated for FY 2004=2005 for purposes of electronic benefit  
73 1 transfer activities and for field operations take effect upon  
73 2 enactment.

73 3 SENIOR AND HOSPITAL TRUST FUNDS. This division makes  
73 4 appropriations for the 2005=2006 fiscal year from the senior  
73 5 living trust fund to the department of elder affairs, the  
73 6 department of human services, the department of inspections  
73 7 and appeals, and the Iowa finance authority.

73 8 The division makes an appropriation from the hospital trust  
73 9 fund to the department of human services to supplement the  
73 10 medical assistance appropriation.

73 11 The division provides for nonreversion of assisted living  
73 12 conversion grant funding that remains unexpended at the close  
73 13 of FY 2004=2005 or FY 2005=2006. This section takes effect  
73 14 upon enactment.

73 15 MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL  
73 16 DISABILITIES, AND BRAIN INJURY SERVICES. This division  
73 17 relates to mental health, mental retardation and other  
73 18 developmental disabilities, and brain injury (MH/MR/DD/BI)  
73 19 services funding.

73 20 The division provides for distribution of the services  
73 21 funding previously appropriated for FY 2005=2006 and shifts an  
73 22 allocation made from that funding to the risk pool fund to  
73 23 instead be used for the Medicaid program.

73 24 CODE CHANGES == This division makes Code changes involving  
73 25 older Iowans, health, human services, and veterans programs.

73 26 Code section 28.9, creating the Iowa empowerment fund, is  
73 27 amended to provide for distribution to community empowerment  
73 28 areas of moneys credited to the early childhood programs grant  
73 29 account by the department of human services.

73 30 New Code section 35D.18 provides for operation of the Iowa  
73 31 veterans home through the use of a net appropriation from the  
73 32 general fund of the state.

73 33 Code section 84A.26, relating to employment and training  
73 34 programs operated by the department of workforce development,  
73 35 is amended to require the department of workforce development  
74 1 to consult with the department of human services in developing  
74 2 and implementing departmental recruitment and training  
74 3 practices that address the needs of former and current family  
74 4 investment program participants.



74 5 New Code section 135.39C requires the Iowa department of  
74 6 public health to implement elderly wellness services in a  
74 7 manner that makes the department the payor of last resort.  
74 8 Code section 136C.10, relating to fees collected by the  
74 9 Iowa department of public health from regulation of radiation  
74 10 machines and radioactive materials, is amended. The bill  
74 11 authorizes the department to retain the fees collected for  
74 12 licensing, registration, authorization, accreditation, and  
74 13 inspection of radiation machines used for mammographically  
74 14 guided breast biopsy, screening, and diagnostic mammography to  
74 15 support the department's regulation of radiation machines and  
74 16 radioactive materials.

74 17 Code section 144.13A, providing for appropriation of a  
74 18 portion of certificate of birth fees for child abuse  
74 19 prevention and the center for congenital and inherited  
74 20 disorders central registry, is amended to provide that the  
74 21 appropriation does not revert at the close of the fiscal year.  
74 22 This section takes effect upon enactment.

74 23 New Code section 144.46A establishes the vital records  
74 24 modernization project as a permanent project of the Iowa  
74 25 department of public health. The project allows the  
74 26 department to increase fees for vital records services and  
74 27 appropriates the fee increase proceeds for use in modernizing  
74 28 the technology used for vital records. The project was  
74 29 originally authorized in 1993 and has been annually  
74 30 reauthorized in appropriations legislation.

74 31 New Code section 147.28A directs the Iowa department of  
74 32 public health to utilize scope of practice review committees  
74 33 to evaluate and make recommendations concerning health  
74 34 professional licensing requests, scope of practice requests,  
74 35 and unresolved disputes between health professionals  
75 1 concerning rulemaking authority. The department is authorized  
75 2 to retain a portion of licensing fees for the costs of scope  
75 3 of practice review committees.

75 4 Code section 147.82, relating to examination, licensing,  
75 5 and other fees for regulation of health professions, requires  
75 6 the fees to be credited to the general fund of the state.  
75 7 Current law in Code section 12.10 allows departments to retain  
75 8 up to 10 percent of such fees. The bill allows the Iowa  
75 9 department of public health to retain more than the 10 percent  
75 10 amount for certain purposes. The purposes include expenses  
75 11 associated with a scope of practice review committee or  
75 12 unanticipated litigation; a specified amount for lease and  
75 13 maintenance expenses for the boards of dental examiners,  
75 14 pharmacy examiners, medical examiners, and nursing; a  
75 15 specified amount for processing medical license requests and  
75 16 consideration of malpractice cases by the board of medical  
75 17 examiners; a specified amount for the board of dental  
75 18 examiners regulation of dental assistants; a specified amount  
75 19 for program services and investigations by the board of  
75 20 nursing; and a specified amount for the duties of the board of  
75 21 pharmacy examiners.

75 22 Code section 217.13, relating to the requirement for the  
75 23 department of human services to implement volunteer programs,  
75 24 is amended to provide that volunteers can be used for any  
75 25 functions that complement and supplement the department's work  
75 26 with clients.

75 27 New Code section 217.35 makes a contingent appropriation to  
75 28 the department of human services of recovered moneys generated  
75 29 through fraud and recoupment activities to be used for  
75 30 additional recovery activities of the departments of human  
75 31 services and inspections and appeals. The director of human  
75 32 services must make a determination that there will be an  
75 33 increase in recoveries exceeding the amount recovered in the  
75 34 previous fiscal year and the amount expended for additional  
75 35 fraud and recoupment activities cannot exceed the additional  
76 1 amount recovered. If the appropriation is utilized, a  
76 2 requirement in Code section 239B.14 for deposit of recovered  
76 3 family investment program moneys in that program's account is  
76 4 superseded.

76 5 New Code section 218.6 authorizes the department of human  
76 6 services to transfer between the institutional appropriations  
76 7 made for the same type of institution without the prior  
76 8 approval of the governor and the department of management.

76 9 New Code sections 222.92, 226.9B, and 226.9C provide for  
76 10 operation of the state resource centers, a psychiatric medical  
76 11 institution for children located at the state mental health  
76 12 institute at Independence, and a dual diagnosis mental health  
76 13 and substance abuse treatment program located at the state  
76 14 mental health institute at Mount Pleasant through the use of a  
76 15 net appropriation from the general fund of the state.

76 16 Code section 226.19, relating to discharge of patients from  
76 17 a state mental health institute, is amended to require the  
76 18 discharge planning for a patient whose care is paid for by the  
76 19 state or a county to include assistance to the patient in  
76 20 obtaining eligibility for the federal supplemental security  
76 21 income program.

76 22 Code section 229A.12, relating to the responsibility of the  
76 23 director of human services for the costs incurred on behalf of  
76 24 a person committed to the unit for sexually violent predators,  
76 25 is amended to provide that benefits received by the person  
76 26 under the federal Social Security Act shall be applied against  
76 27 the costs.

76 28 New Code section 231.34 limits the percentage amount of the  
76 29 moneys allocated to the area agencies on aging that may be  
76 30 used for administrative purposes.

76 31 New Code section 232.1A provides that the annual goal for  
76 32 the percentage of children placed in foster care for more than  
76 33 24 months is 15 percent or less.

76 34 The bill amends Code sections 233A.1 and 233B.1 to provide  
76 35 that the number of children present at any one time at the  
77 1 state training school at Eldora or the Iowa juvenile home  
77 2 cannot exceed the populations guidelines established pursuant  
77 3 to a 1990 enactment, as adjusted for subsequent changes in  
77 4 capacity.

77 5 Code section 234.12A, relating to the elections benefits  
77 6 transfer program administered by the department of human  
77 7 services, is amended. The bill requires the department to  
77 8 maintain the program. Under current law, operation of the  
77 9 program is authorized but not mandated.

77 10 Code section 237A.28, establishing the child care credit  
77 11 fund, is amended to make a standing appropriation of the  
77 12 proceeds in the fund to the department for the state child  
77 13 care assistance program for low-income families.

77 14 Code section 239B.4, relating to the duties of the  
77 15 department of human services involving the family investment  
77 16 program (FIP), is amended to require the department to work  
77 17 with the department of workforce development and local  
77 18 collaborative efforts in providing support services to FIP  
77 19 participants. In addition, the department of human services  
77 20 is required to increase the availability of host homes to  
77 21 provide a supportive living arrangement for minor parents  
77 22 participating in FIP.

77 23 Code section 239B.11 provisions relating to the diversion  
77 24 subaccount of the family investment program account are  
77 25 amended to provide additional purposes for which the funding  
77 26 may be used and to require the program to be operated  
77 27 statewide while allowing for local flexibility.

77 28 Code section 249.3, relating to persons who may be eligible  
77 29 for the state supplementary assistance program at the option  
77 30 of the department of human services, is amended to decrease  
77 31 the upper income eligibility limitation and to change the  
77 32 requirement relative to receiving benefits under the Medicaid  
77 33 program.

77 34 Code sections 249A.12, 249A.26, and 249A.26A are amended to  
77 35 address state and county participation in funding for persons  
78 1 with mental retardation and disabilities, including case  
78 2 management services.

78 3 Code section 249A.24, relating to the Medicaid program drug  
78 4 utilization review commission, is amended to require the  
78 5 commission to submit an annual review of the drugs on the  
78 6 department of human services' prescription drug prior  
78 7 authorization list.

78 8 New Code section 249A.32A establishes various procedural  
78 9 and funding requirements for home and community-based services  
78 10 waivers implemented under the Medicaid program.

78 11 New Code section 249A.32B requires the department of human  
78 12 services to continue the early and periodic screening,  
78 13 diagnosis, and treatment services program under the medical  
78 14 assistance program and to involve other departments.

78 15 Code section 252B.4 is amended to authorize the department  
78 16 of human services to retain and expend the fees collected for  
78 17 providing child support collection services.

78 18 Code section 252B.23 authorizes the department to retain  
78 19 and expend child support collection surcharges for the costs  
78 20 of contracts with a collection entity.

78 21 New Code section 252B.25 authorizes the department of human  
78 22 services to add new positions to the child support recovery  
78 23 unit if the new positions along with the current positions can  
78 24 reasonably be expected to maintain or increase net state  
78 25 revenue beyond the level budgeted for the fiscal year. In  
78 26 addition, the department is authorized to add state employees

78 27 to the child support recovery unit or contract for services if  
78 28 necessary to replace county-funded positions eliminated due to  
78 29 a termination, reduction, or nonrenewal of a chapter 28E  
78 30 contract.  
78 31 Code section 505.25, requiring health insurance carriers to  
78 32 enter into a data match program with the department of human  
78 33 services to compare the names of the carrier's insureds with  
78 34 recipients of the Medicaid program, is amended to also compare  
78 35 the names with enrollees of the hawk=i program.  
79 1 Code section 514I.11 is amended to appropriate moneys in  
79 2 the hawk=i trust fund to the department of human services and  
79 3 to allow for transfer of the moneys in the trust fund to  
79 4 expand health care coverage to children under the medical  
79 5 assistance program.  
79 6 Code section 600.17 is amended to require the department of  
79 7 human services to make subsidized adoption payments at the  
79 8 beginning of the month.  
79 9 LSB 1089HA 81  
79 10 pf:jp/cf/24