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HUMAN RESOURCES

SENATE FILE 2214  
BY HATCH and TINSMAN

(COMPANION TO LSB 5635HH  
BY CARROLL)

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

**A BILL FOR**

1 An Act relating to persons with mental illness, mental  
2 retardation, developmental disabilities, or brain injury by  
3 addressing purposes and quality standards for services and  
4 other support available for such persons, establishing basic  
5 financial eligibility standards, addressing state and county  
6 financial responsibility for the cost of the services and  
7 other support, and providing an applicability date.

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

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HUMAN RESOURCES

SC 2214

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DIVISION I

PURPOSES AND QUALITY STANDARDS

Section 1. Section 225C.1, Code 2005, is amended to read as follows:

225C.1 FINDINGS AND PURPOSE.

1. The general assembly finds that services to persons with mental illness, mental retardation, developmental disabilities, or brain injury are provided in many parts of the state by highly autonomous community-based service providers working cooperatively with state and county officials. However, the general assembly recognizes that heavy reliance on property tax funding for mental health and mental retardation services has restricted uniform availability of this care. Consequently, greater efforts should be made to assure close coordination and continuity of care for those persons receiving publicly supported disability services in Iowa. It is the purpose of this chapter to continue and to strengthen the services to persons with disabilities now available in the state of Iowa, to make these disability services conveniently available to all persons in this state upon a reasonably uniform financial basis, and to assure the continued high quality of these services.

2. It is the intent of the general assembly that the service system for persons with disabilities emphasize the ability of persons with disabilities to exercise their own choices about the amounts and types of services received; that all levels of the service system seek to empower persons with disabilities to accept responsibility, exercise choices, and take risks; that disability services are individualized, provided to produce results, flexible, and cost-effective; and that disability services be provided in a manner which supports the ability of persons with disabilities to live, learn, work, and recreate in ~~natural~~ communities of their choice.

Sec. 2. Section 225C.2, subsection 6, Code 2005, is

1 amended to read as follows:

2 6. "Disability services" means services ~~or~~ and other  
3 assistance support available to a person with mental illness,  
4 mental retardation or other developmental disability, or brain  
5 injury.

6 Sec. 3. Section 225C.4, subsection 1, paragraph d, Code  
7 2005, is amended to read as follows:

8 d. Encourage and facilitate coordination of disability  
9 services with the objective of developing and maintaining in  
10 the state a disability service delivery system to provide  
11 disability services to all persons in this state who need the  
12 services, regardless of the place of residence or economic  
13 circumstances of those persons. The administrator shall work  
14 with the commission and other state agencies, including but  
15 not limited to the departments of corrections, education, and  
16 public health and the state board of regents to develop and  
17 implement a strategic plan to expand access to qualified  
18 mental health workers across the state.

19 Sec. 4. Section 225C.4, subsection 1, paragraph j, Code  
20 2005, is amended to read as follows:

21 j. Establish and maintain a data collection and management  
22 information system oriented to the needs of patients,  
23 providers, the department, and other programs or facilities.  
24 The administrator shall annually submit to the commission  
25 information collected by the department indicating the changes  
26 and trends in the disability services system.

27 Sec. 5. Section 225C.6, subsection 1, paragraph n, Code  
28 2005, is amended to read as follows:

29 n. Identify ~~basic-disability-services-for-planning~~  
30 purposes disability services outcomes and indicators to  
31 support the ability of eligible persons with a disability to  
32 live, learn, work, and recreate in communities of the persons'  
33 choice. The identification duty includes but is not limited  
34 to responsibility for identifying, collecting, and analyzing  
35 data as necessary to issue reports on outcomes and indicators

1 at the county and state levels.

2 Sec. 6. Section 225C.27, Code 2005, is amended to read as  
3 follows:

4 225C.27 PURPOSE.

5 Sections 225C.25 through 225C.28B shall be liberally  
6 construed and applied to promote their purposes and the stated  
7 rights and service quality standards. The commission, in  
8 coordination with appropriate agencies, shall adopt rules to  
9 implement the purposes of section 225C.28B, subsections 3 and  
10 4, which include, but are not limited to, the following:

11 1. Promotion of the human dignity and protection of the  
12 constitutional and statutory rights of persons with mental  
13 retardation, developmental disabilities, brain injury, or  
14 chronic mental illness in the state.

15 2. Encouraging the development of the ability and  
16 potential of each person with mental retardation,  
17 developmental disabilities, brain injury, or chronic mental  
18 illness in the state to the fullest extent possible.

19 3. Encouraging activities to ensure that recipients of  
20 services shall not be deprived of any rights, benefits, or  
21 privileges guaranteed by law, the Constitution of the State of  
22 Iowa, or the Constitution of the United States solely on  
23 account of the receipt of the services.

24 4. Promoting access by each person in the state with  
25 mental retardation, developmental disabilities, brain injury,  
26 or chronic mental illness to effective services and other  
27 support and treatment essential for living, working, and  
28 participating fully in the community.

29 Sec. 7. Section 225C.28A, Code 2005, is amended to read as  
30 follows:

31 225C.28A SERVICE QUALITY STANDARDS.

32 As the state participates more fully in funding services  
33 and other support to persons with mental retardation,  
34 developmental disabilities, brain injury, or chronic mental  
35 illness, it is the intent of the general assembly that the

1 state shall seek to attain the following quality standards in  
2 the provision of the services:

3 1. Provide comprehensive evaluation and diagnosis adapted  
4 to the cultural background, primary language, and ethnic  
5 origin of the person.

6 2. Provide an individual treatment, habilitation, and  
7 program plan.

8 3. Provide individualized treatment, habilitation, and  
9 program services that are individualized, provided to produce  
10 results, flexible, and cost-effective, as appropriate.

11 4. Provide periodic review of the individual plan.

12 5. Provide for the least restrictive environment and age-  
13 appropriate services.

14 6. Provide appropriate training and employment  
15 opportunities so that the person's ability to contribute to  
16 and participate in the community is maximized.

17 7. Provide an ongoing process to determine the degree of  
18 access to and the effectiveness of the services and other  
19 support in achieving the disability services outcomes and  
20 indicators identified by the commission pursuant to section  
21 225C.6.

22 Sec. 8. Section 331.439, subsection 1, paragraph b,  
23 subparagraphs (2) and (3), Code Supplement 2005, are amended  
24 to read as follows:

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

31 The annual review shall also identify measurable outcomes and  
32 results showing the county's progress in fulfilling the  
33 purposes listed in paragraph "bb", and in achieving the  
34 disability services outcomes and indicators identified by the  
35 commission pursuant to section 225C.6.

1 (3) For informational purposes, every three years the  
2 county shall submit to the department of human services a  
3 three-year strategic plan. The strategic plan shall describe  
4 how the county will proceed to attain the plan's goals and  
5 objectives ~~contained in the strategic plan for the duration of~~  
6 the plan, and the measurable outcomes and results necessary  
7 for moving the county's service system toward an  
8 individualized, community-based focus in accordance with  
9 paragraph "bb". The three-year strategic plan shall be  
10 submitted by April 1, 2000, and by April 1 of every third year  
11 thereafter.

12 Sec. 9. Section 331.439, subsection 1, Code Supplement  
13 2005, is amended by adding the following new paragraphs:

14 NEW PARAGRAPH. bb. The county implements its county  
15 management plan under paragraph "b" and other service  
16 management functions in a manner that seeks to achieve all of  
17 the following purposes identified in section 225C.1 for  
18 persons who are covered by the plan or are otherwise subject  
19 to the county's service management functions:

20 (1) The persons are allowed to exercise their own choices  
21 about the amounts and types of services and other support  
22 received.

23 (2) The service system seeks to empower the persons to  
24 accept responsibility, exercise choices, and take risks.

25 (3) Services and other support are individualized,  
26 provided to produce results, flexible, and cost-effective.

27 (4) Services and other support are provided in a manner  
28 which supports the ability of the persons to live, learn,  
29 work, and recreate in communities of their choice.

30 NEW PARAGRAPH. bbb. Commencing with the fiscal year  
31 beginning July 1, 2007, the county management plan under  
32 paragraph "bb" shall do both of the following:

33 (1) Describe how the county will provide services and  
34 other support that are individualized, provided to produce  
35 results, flexible, and cost-effective in accordance with

1 paragraph "bb", subparagraph (3).

2 (2) Describe how the ability of each individual covered by  
3 the plan to live, learn, work, and recreate in communities of  
4 the individual's choice will be enhanced as provided in  
5 paragraph "bb", subparagraph (4).

6 Sec. 10. Section 426B.5, Code Supplement 2005, is amended  
7 by adding the following new subsection:

8 NEW SUBSECTION. 3. INCENTIVE POOL.

9 a. An incentive pool is created in the property tax relief  
10 fund. The incentive pool shall consist of the moneys credited  
11 to the incentive pool by law.

12 b. Moneys available in the incentive pool for a fiscal  
13 year shall be distributed to those counties that show progress  
14 toward meeting the purposes described in section 331.439,  
15 subsection 1, paragraph "bb". The moneys received by a county  
16 from the incentive pool shall be used to build community  
17 capacity to support individuals covered by the county's  
18 management plan approved under section 331.439, in meeting  
19 such purposes.

20 Sec. 11. APPLICABILITY DATE. The section of this division  
21 of this Act amending section 426B.5 is first applicable for  
22 allowed growth funding distributed in the fiscal year  
23 beginning July 1, 2008.

24 DIVISION II

25 FINANCIAL ELIGIBILITY

26 Sec. 12. Section 225C.6, subsection 1, paragraph m, Code  
27 2005, is amended to read as follows:

28 m. Identify ~~model~~ basic financial eligibility guidelines  
29 standards for disability services. The standards shall  
30 include but are not limited to the following:

31 (1) A financial eligibility standard providing that a  
32 person with an income equal to or less than one hundred fifty  
33 percent of the federal poverty level, as defined by the most  
34 recently revised poverty income guidelines published by the  
35 United States department of health and human services, is

1 eligible for disability services wholly paid with public  
2 funding. A person with an income above one hundred fifty  
3 percent of the federal poverty level may be eligible subject  
4 to a copayment or other cost-sharing arrangement subject to  
5 limitations adopted in rule by the commission.

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

9 (3) Resource limitations that are based upon the federal  
10 supplemental security income program limitations. A person  
11 with resources above the federal supplemental security income  
12 program limitations may be eligible subject to limitations  
13 adopted in rule by the commission. If a person does not  
14 qualify for federally funded services and other support but  
15 meets income, resource, and functional eligibility  
16 requirements, the following types of resources shall be  
17 disregarded:

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

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

22 DIVISION III

23 CENTRAL POINT OF COORDINATION PROCESS -- COUNTY OF RESIDENCE  
24 RESPONSIBILITIES AND STATE CASES

25 Sec. 13. Section 331.440, Code 2005, is amended by adding  
26 the following new subsection:

27 NEW SUBSECTION. 1A. For the purposes of this section,  
28 unless the context otherwise requires:

29 a. "Adult person" means a person who is age eighteen or  
30 older and is a United States citizen or a qualified alien as  
31 defined in 8 U.S.C. § 1641.

32 b. "County of residence" means the county in this state in  
33 which, at the time an adult person applies for or receives  
34 services, the adult person is living and has established an  
35 ongoing presence with the declared, good faith intention of

1 living for a permanent or indefinite period of time. The  
2 county of residence of an adult person who is a homeless  
3 person is the county where the homeless person usually sleeps.

4 c. "Homeless person" means the same as defined in section  
5 48A.2.

6 d. "State case services and other support" means the  
7 mental health, mental retardation, and developmental  
8 disabilities services and other support paid for under the  
9 rules and requirements in effect prior to July 1, 2008, from  
10 the annual appropriation made to the department of human  
11 services for such services and other support provided to  
12 persons who have no established county of legal settlement or  
13 the legal settlement is unknown so that the person is deemed  
14 to be a state case.

15 Sec. 14. Section 331.440, subsection 3, Code 2005, is  
16 amended to read as follows:

17 3. An application for services may be made through the  
18 central point of coordination process of a an adult person's  
19 county of residence. ~~However, if a~~ If an adult person who is  
20 subject to a central point of coordination process has legal  
21 settlement in another county, ~~or the costs of services or~~  
22 ~~other support provided to the person are the financial~~  
23 ~~responsibility of the state, an authorization through the~~  
24 ~~central point of coordination process shall be coordinated~~  
25 ~~with the person's county of legal settlement or with the~~  
26 ~~state, as applicable. The county of residence and county of~~  
27 ~~legal settlement of a person subject to a central point of~~  
28 ~~coordination process may mutually agree that the central point~~  
29 of coordination process functions shall be performed by the  
30 central point of coordination process of the adult person's  
31 county of ~~legal settlement~~ residence in accordance with the  
32 county of residence's management plan approved under section  
33 331.439 and the person's county of legal settlement is  
34 responsible for the cost of the services or other support  
35 authorized at the rates reimbursed by the county of residence.

1 At the time services or other support are authorized, the  
2 county of residence shall send the county of legal settlement  
3 a copy of the authorization notice.

4 Sec. 15. Section 331.440, Code 2005, is amended by adding  
5 the following new subsection:

6 NEW SUBSECTION. 3A. a. During the period beginning July  
7 1, 2006, and ending June 30, 2008, if an adult person has no  
8 established county of legal settlement or the legal settlement  
9 is unknown so that the person is deemed to be a state case,  
10 the person's eligibility and the authorization for services  
11 and other support shall be determined by the adult person's  
12 county of residence in accordance with that county's  
13 management plan approved under section 331.439. The cost of  
14 state case services and other support shall be paid by the  
15 state at the rates reimbursed by the county of residence.

16 b. Beginning July 1, 2008, it is the intent of the general  
17 assembly that the funding annually appropriated by the state  
18 for state case services and other support will be distributed  
19 to the individual counties of residence to compensate those  
20 counties for the costs of assuming financial responsibility  
21 for providing state case services and other support to a  
22 county resident who is deemed to be a state case because the  
23 adult person has no established county of legal settlement or  
24 the legal settlement is unknown. Beginning July 1, 2008, it  
25 is the intent of the general assembly that eligibility and the  
26 authorization for state case services and other support for an  
27 adult person who is deemed to be a state case will be  
28 determined by the person's county of residence in accordance  
29 with that county's management plan approved under section  
30 331.439 and the costs of the state case services and other  
31 support for such a person will be the responsibility of that  
32 person's county of residence.

33 DIVISION IV

34 STATE MANDATE

35 Sec. 16. IMPLEMENTATION OF ACT. Except for the section of

1 this Act amending section 331.440 to enact new subsection 3A,  
2 section 25B.2, subsection 3, shall not apply to this Act.

3 EXPLANATION

4 This bill relates to persons with mental illness, mental  
5 retardation, developmental disabilities, or brain injury  
6 (MI/MR/DD/BI) by addressing purposes and quality standards for  
7 services or other support necessary to allow the persons to  
8 live, work, and have meaningful activities in the community;  
9 establishing basic financial eligibility standards; and  
10 addressing state and county financial responsibility for the  
11 costs of the services and other support.

12 DIVISION I -- PURPOSES AND QUALITY STANDARDS. Code section  
13 225C.1, relating to legislative findings and purpose, is  
14 amended to revise service terminology to incorporate other  
15 support provided in addition to services. In addition,  
16 legislative intent is modified to state the intent that  
17 services and other support are individualized, provided to  
18 produce results, flexible, and cost-effective.

19 Code section 225C.2, relating to the definitions used in  
20 Code chapter 225C, is amended. The term "disability services"  
21 is amended to replace "assistance" provided with "support"  
22 provided.

23 Code section 225C.4, relating to the duties of the  
24 administrator of the division of mental health and  
25 developmental disabilities, department of human services, is  
26 amended to expand the duty regarding coordination of  
27 disability services to include working to fulfill the duty  
28 with the Iowa department of public health, other state  
29 agencies, and other persons. In addition, the administrator  
30 is required to work with the MI/MR/DD/BI commission and the  
31 other agencies in developing and implementing a strategic plan  
32 for expanding access to qualified mental health workers. An  
33 existing duty of the department of human services  
34 administrator to establish and maintain a data collection and  
35 management system is expanded to require submission of an

1 annual report to the MH/MR/DD/BI commission regarding changes  
2 and trends in the disability services system.

3 Code section 225C.6, relating to the duties of the mental  
4 health, mental retardation, developmental disabilities, and  
5 brain injury commission, is amended to revise the duty to  
6 identify basic disabilities services for planning purposes.  
7 The commission is directed to identify disability services  
8 outcomes and indicators to support the ability of eligible  
9 persons with a disability to live, learn, work, and recreate  
10 in the communities chosen by the persons. This commission's  
11 duty includes responsibility for identifying, collecting, and  
12 analyzing reports on outcomes and indicators at the county and  
13 state levels.

14 Code sections 225C.27 and 225C.28A, relating to the purpose  
15 and service quality standards for the bill of rights and  
16 service quality standards of persons with mental retardation,  
17 developmental disabilities, brain injury, or chronic mental  
18 illness, are amended. The purpose section is amended to  
19 include references to persons with brain injury and to state  
20 the purpose of promoting access by each person in the state  
21 with mental retardation, developmental disabilities, brain  
22 injury, or chronic mental illness to effective services and  
23 other support and treatment essential for living, working, and  
24 participating fully in the community. The service quality  
25 standards section is amended to provide for treatment,  
26 habilitation, and program services that are individualized,  
27 provided to produce results, flexible, and cost-effective. In  
28 addition, a quality standard is added to provide an ongoing  
29 process to determine the degree of access to and the  
30 effectiveness of the services and other support in achieving  
31 the disability services outcomes and indicators identified by  
32 the commission.

33 Code section 331.439, relating to county eligibility  
34 requirements for receiving payment from the state property tax  
35 relief fund and from the allowed growth factor adjustment

1 appropriation for mental health, mental retardation, and  
2 developmental disabilities service expenditures, is amended to  
3 apply new requirements in county management plans for such  
4 services. County management plans are required to address the  
5 purposes for such services identified in Code section 225C.1.  
6 Beginning July 1, 2007, the county management plans must  
7 describe how the county will provide services and other  
8 support that are individualized, provided to produce results,  
9 flexible, and cost-effective and how the ability of each  
10 individual covered by the plan to live, learn, work, and  
11 recreate in communities of the individual's choice will be  
12 enhanced.

13 Code section 331.439 requirements for counties to submit to  
14 the department of human services an annual management plan  
15 review and a triennial strategic plan are amended to require  
16 the provision of information regarding county progress in  
17 seeking to achieve the new service system purposes and  
18 outcomes and indicators for disability services identified by  
19 the commission required by the bill. The submission date for  
20 the annual review is changed from April to December.

21 Code section 426B.5, relating to funding pools within the  
22 property tax relief fund, is amended to create a new incentive  
23 pool. The pool is to distribute funding to those counties  
24 that show progress toward meeting the new service system  
25 purposes identified in the bill. This provision is first  
26 applicable for the fiscal year beginning July 1, 2008.

27 DIVISION II -- FINANCIAL ELIGIBILITY. This division  
28 establishes basic financial eligibility requirements for  
29 persons eligible to receive mental health, mental retardation,  
30 developmental disabilities, and brain injury services under a  
31 county management plan.

32 Code section 225C.6 is amended regarding the duties of the  
33 mental health, mental retardation, developmental disability,  
34 and brain injury commission. The commission is required to  
35 identify basic financial eligibility standards for disability

1 services, including income levels, a requirement for a person  
2 to apply for federally funded assistance, and resource  
3 limitations.

4 DIVISION III -- CENTRAL POINT OF COORDINATION PROCESS --  
5 COUNTY OF RESIDENCE RESPONSIBILITIES AND STATE CASES. This  
6 division relates to state and county responsibility for mental  
7 illness, mental retardation, and developmental disabilities  
8 services.

9 Code section 331.440, relating to the central point of  
10 coordination process utilized by counties for eligibility  
11 determination and service authorization, is amended by adding  
12 new subsection 1A, providing new definitions for that section.  
13 The new subsection defines the terms "adult person", "county  
14 of residence", "homeless person", and "state case services and  
15 other support".

16 Code section 331.440, subsection 3, is amended to provide  
17 that, if an adult person has legal settlement in another  
18 county, these functions are to be performed by the person's  
19 county of residence. The person's county of legal settlement  
20 is responsible for the costs of the services or other support  
21 authorized by the county of residence at the reimbursement  
22 rates paid by the county of residence. At the time services  
23 or other support are authorized, the county of residence is  
24 required to send the county of legal settlement a copy of the  
25 authorization notice.

26 Code section 331.440 is also amended to include new  
27 subsection 3A addressing those cases in which a person has no  
28 established county of legal settlement or a person's legal  
29 settlement is unknown so that the person is deemed to be a  
30 state case. For the period of July 1, 2006, through June 30,  
31 2008, the county of residence is responsible for state case  
32 eligibility and service authorization and the state is  
33 responsible for the costs at the reimbursement rates paid by  
34 the county of residence. Beginning July 1, 2008, legislative  
35 intent language provides that the state will distribute the

1 funding appropriated by the state for state cases to the  
2 individual counties of residence to compensate those counties  
3 for the costs and the county of residence will assume  
4 responsibility for the costs.

5 DIVISION IV -- STATE MANDATE. This bill may include a  
6 state mandate as defined in Code section 25B.3. The division  
7 makes inapplicable Code section 25B.2, subsection 3, which  
8 would relieve a political subdivision from complying with a  
9 state mandate if funding for the cost of the state mandate is  
10 not provided or specified. Therefore, political subdivisions  
11 are required to comply with any state mandate included in the  
12 bill except for the provision of the bill amending Code  
13 section 331.440, with new subsection 3A, stating legislative  
14 intent for the county of residence to assume responsibility  
15 for state case costs beginning July 1, 2008, with state case  
16 funding distributed by the state to counties by formula.

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