

**House File 193 - Introduced**

HOUSE FILE 193  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO HSB 83)

**A BILL FOR**

1 An Act relating to programs and services under the purview  
2 of the department of public health including the board of  
3 hearing aid dispensers and the medical residency training  
4 matching grants program and including effective date and  
5 retroactive applicability provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

HEARING AID SPECIALISTS

1  
2  
3 Section 1. Section 147.1, subsections 3 and 6, Code 2015,  
4 are amended to read as follows:

5 3. "*Licensed*" or "*certified*", when applied to a physician  
6 and surgeon, podiatric physician, osteopathic physician and  
7 surgeon, physician assistant, psychologist, chiropractor,  
8 nurse, dentist, dental hygienist, dental assistant,  
9 optometrist, speech pathologist, audiologist, pharmacist,  
10 physical therapist, physical therapist assistant, occupational  
11 therapist, occupational therapy assistant, orthotist,  
12 prosthetist, pedorthist, respiratory care practitioner,  
13 practitioner of cosmetology arts and sciences, practitioner  
14 of barbering, funeral director, dietitian, marital and family  
15 therapist, mental health counselor, social worker, massage  
16 therapist, athletic trainer, acupuncturist, nursing home  
17 administrator, hearing aid ~~dispenser~~ specialist, or sign  
18 language interpreter or transliterator means a person licensed  
19 under this subtitle.

20 6. "*Profession*" means medicine and surgery, podiatry,  
21 osteopathic medicine and surgery, practice as a physician  
22 assistant, psychology, chiropractic, nursing, dentistry,  
23 dental hygiene, dental assisting, optometry, speech pathology,  
24 audiology, pharmacy, physical therapy, physical therapist  
25 assisting, occupational therapy, occupational therapy  
26 assisting, respiratory care, cosmetology arts and sciences,  
27 barbering, mortuary science, marital and family therapy, mental  
28 health counseling, social work, dietetics, massage therapy,  
29 athletic training, acupuncture, nursing home administration,  
30 practice as a hearing aid dispensing specialist, sign language  
31 interpreting or transliterating, orthotics, prosthetics, or  
32 pedorthics.

33 Sec. 2. Section 147.2, subsection 1, Code 2015, is amended  
34 to read as follows:

35 1. A person shall not engage in the practice of medicine

1 and surgery, podiatry, osteopathic medicine and surgery,  
2 psychology, chiropractic, physical therapy, physical  
3 therapist assisting, nursing, dentistry, dental hygiene,  
4 dental assisting, optometry, speech pathology, audiology,  
5 occupational therapy, occupational therapy assisting,  
6 orthotics, prosthetics, pedorthics, respiratory care,  
7 pharmacy, cosmetology arts and sciences, barbering, social  
8 work, dietetics, marital and family therapy or mental health  
9 counseling, massage therapy, mortuary science, athletic  
10 training, acupuncture, nursing home administration, ~~hearing aid~~  
11 ~~dispensing~~, or sign language interpreting or transliterating,  
12 or shall not practice as a physician assistant or a hearing aid  
13 specialist, unless the person has obtained a license for that  
14 purpose from the board for the profession.

15 Sec. 3. Section 147.13, subsection 22, Code 2015, is amended  
16 to read as follows:

17 22. For hearing aid ~~dispensing~~ specialists, the board of  
18 hearing aid ~~dispensers~~ specialists.

19 Sec. 4. Section 147.14, subsection 1, paragraph v, Code  
20 2015, is amended to read as follows:

21 v. For hearing aid ~~dispensers~~ specialists, three licensed  
22 hearing aid ~~dispensers~~ specialists and two members who are not  
23 licensed hearing aid ~~dispensers~~ specialists who shall represent  
24 the general public. No more than two members of the board  
25 shall be employees of, or ~~dispensers~~ specialists principally  
26 for, the same hearing aid manufacturer.

27 Sec. 5. Section 154A.1, subsections 1, 3, 6, 7, and 9, Code  
28 2015, are amended to read as follows:

29 1. "Board" means the board of hearing aid ~~dispensers~~  
30 specialists.

31 3. "Dispense" or "sell" means a transfer of title or of  
32 the right to use by lease, bailment, or any other means,  
33 but excludes a wholesale transaction with a distributor or  
34 ~~dispenser~~ hearing aid specialist, and excludes the temporary,  
35 charitable loan or educational loan of a hearing aid without

1 remuneration.

2 6. "*Hearing aid fitting*" means the measurement of  
3 human hearing by any means for the purpose of selections,  
4 adaptations, and sales of hearing aids, ~~and~~ the instruction and  
5 counseling pertaining ~~thereto~~ to the selections, adaptations,  
6 and sales of hearing aids, ~~and~~ demonstration of techniques in  
7 the use of hearing aids, and the making of earmold impressions  
8 as part of the fitting of hearing aids.

9 7. "*License*" means a license issued by the state under this  
10 chapter to a hearing aid dispensers specialist.

11 9. "*Temporary permit*" means a permit issued while the  
12 applicant is in training to become a licensed hearing aid  
13 ~~dispenser~~ specialist.

14 Sec. 6. Section 154A.1, subsection 5, Code 2015, is amended  
15 by striking the subsection.

16 Sec. 7. Section 154A.1, Code 2015, is amended by adding the  
17 following new subsection:

18 NEW SUBSECTION. 6A. "*Hearing aid specialist*" means any  
19 person engaged in the fitting, dispensing, and sale of hearing  
20 aids and providing hearing aid services or maintenance, by  
21 means of procedures stipulated by this chapter or the board.

22 Sec. 8. Section 154A.13, Code 2015, is amended to read as  
23 follows:

24 **154A.13 Temporary permit.**

25 A person who has not been licensed as a hearing aid ~~dispenser~~  
26 specialist may obtain a temporary permit from the department  
27 upon completion of the application accompanied by the written  
28 verification of employment from a licensed hearing aid  
29 ~~dispenser~~ specialist. The department shall issue a temporary  
30 permit for one year which shall not be renewed or reissued.  
31 The fee for issuance of the temporary permit shall be set by  
32 the board in accordance with the provisions for establishment  
33 of fees in section 147.80. The temporary permit entitles an  
34 applicant to engage in the fitting or selection and sale of  
35 hearing aids under the supervision of a person holding a valid

1 license.

2 Sec. 9. Section 154A.19, Code 2015, is amended to read as  
3 follows:

4 **154A.19 Exceptions.**

5 1. This chapter shall not prohibit a corporation,  
6 partnership, trust, association, or other organization  
7 maintaining an established business address from engaging in  
8 the business of selling or offering for sale hearing aids at  
9 retail without a license if it employs only licensed hearing  
10 aid ~~dispensers~~ specialists in the direct fitting or selection  
11 and sale of hearing aids. Such an organization shall file  
12 annually with the board a list of all licensed hearing aid  
13 ~~dispensers~~ specialists and persons holding temporary permits  
14 directly or indirectly employed by it. Such an organization  
15 shall also file with the board a statement on a form approved  
16 by the board that the organization submits itself to the rules  
17 and regulations of the board and the provisions of this chapter  
18 which the department deems applicable.

19 2. This chapter shall not apply to a person who engages  
20 in the practices covered by this chapter if this activity is  
21 part of the academic curriculum of an accredited institution of  
22 higher education, or part of a program conducted by a public  
23 or charitable institution, or nonprofit organization, unless  
24 the institution or organization also dispenses or sells hearing  
25 aids.

26 3. This chapter shall not prevent any person from engaging  
27 in practices covered by this chapter, provided the person, or  
28 organization employing the person, does not dispense or sell  
29 hearing aids.

30 Sec. 10. Section 154A.20, Code 2015, is amended to read as  
31 follows:

32 **154A.20 Rights of purchaser.**

33 1. A hearing aid ~~dispenser~~ specialist shall deliver, to  
34 each person supplied with a hearing aid, a receipt which  
35 contains the licensee's signature and shows the licensee's

1 business address and the number of the license, together with  
2 specifications as to the make, model, and serial number of the  
3 hearing aid furnished, and full terms of sale clearly stated,  
4 including the date of consummation of the sale of the hearing  
5 aid. If a hearing aid is sold which is not new, the receipt and  
6 the container must be clearly marked "used" or "reconditioned",  
7 with the terms of guarantee, if any.

8 2. The receipt shall bear the following statement in type no  
9 smaller than the largest used in the body copy portion of the  
10 receipt:

11 The purchaser has been advised that any examination or  
12 representation made by a licensed hearing aid ~~dispenser~~  
13 specialist in connection with the fitting or selection and  
14 selling of this hearing aid is not an examination, diagnosis,  
15 or prescription by a person licensed to practice medicine in  
16 this state and therefore, must not be regarded as medical  
17 opinion or advice.

18 3. Whenever any of the following conditions are found to  
19 exist either from observations by the licensed hearing aid  
20 ~~dispenser~~ specialist or person holding a temporary permit or on  
21 the basis of information furnished by a prospective hearing aid  
22 user, the hearing aid ~~dispenser~~ specialist or person holding a  
23 temporary permit shall, prior to fitting and selling a hearing  
24 aid to any individual, suggest to that individual in writing  
25 that the individual's best interests would be served if the  
26 individual would consult a licensed physician specializing  
27 in diseases of the ear, or if no such licensed physician is  
28 available in the community, then a duly licensed physician:

29 a. Visible congenital or traumatic deformity of the ear.

30 b. History of, or active drainage from the ear within the  
31 previous ninety days.

32 c. History of sudden or rapidly progressive hearing loss  
33 within the previous ninety days.

34 d. Acute or chronic dizziness.

35 e. Unilateral hearing loss of sudden or recent onset within

1 the previous ninety days.

2 *f.* Significant air-bone gap (~~greater~~ greater than or equal  
3 to 15dB ANSI 500, 1000 and 2000 Hz. ~~average~~) average.

4 *g.* Obstruction of the ear canal, by structures of  
5 undetermined origin, such as foreign bodies, impacted cerumen,  
6 redness, swelling, or tenderness from localized infections of  
7 the otherwise normal ear canal.

8 4. A copy of the written recommendation shall be retained by  
9 the licensed hearing aid ~~dispenser~~ specialist for the period  
10 of seven years. A person receiving the written recommendation  
11 who elects to purchase a hearing aid shall sign a receipt for  
12 the same, and the receipt shall be kept with the other papers  
13 retained by the licensed hearing aid ~~dispenser~~ specialist for  
14 the period of seven years. Nothing in this section required  
15 to be performed by a licensed hearing aid ~~dispenser~~ specialist  
16 shall mean that the hearing aid ~~dispenser~~ specialist is engaged  
17 in the diagnosis of illness or the practice of medicine or any  
18 other activity prohibited by this chapter.

19 5. No hearing aid shall be sold by any individual licensed  
20 under this chapter to a person twelve years of age or younger,  
21 unless within the preceding six months a recommendation for  
22 a hearing aid has been made by a physician specializing in  
23 otolaryngology. A replacement of an identical hearing aid  
24 within one year shall be an exception to this requirement.

25 6. A licensed hearing aid ~~dispenser~~ specialist shall, upon  
26 the consummation of a sale of a hearing aid, keep and maintain  
27 records in the ~~dispenser's~~ specialist's office or place of  
28 business at all times and each such record shall be kept  
29 and maintained for a seven-year period. These records shall  
30 include:

31 *a.* Results of test techniques as they pertain to fitting of  
32 the hearing aids.

33 *b.* A copy of the written receipt and the written  
34 recommendation.

35 Sec. 11. Section 154A.21, Code 2015, is amended to read as

1 follows:

2 **154A.21 Notice of address.**

3 1. A licensee or person holding a temporary permit shall  
4 notify the department in writing of the address of the place  
5 where the licensee or permittee engages or intends to engage in  
6 business as a hearing aid ~~dispenser~~ specialist. The department  
7 shall keep a record of the place of business of licensees and  
8 persons holding temporary permits.

9 2. Any notice required to be given by the department to a  
10 licensee shall be adequately served if sent by certified mail  
11 to the address of the last place of business recorded.

12 Sec. 12. Section 154A.24, subsection 3, paragraphs e and i,  
13 Code 2015, are amended to read as follows:

14 e. Representing that the service or advice of a person  
15 licensed to practice medicine, or one who is certificated as  
16 a clinical audiologist by the board of speech pathology and  
17 audiology or its equivalent, will be used or made available in  
18 the fitting or selection, adjustment, maintenance, or repair  
19 of hearing aids when that is not true, or using the words  
20 "doctor", "clinic", "clinical audiologist", "state approved",  
21 or similar words, abbreviations, or symbols which tend to  
22 connote the medical or other professions, except where the  
23 title "certified hearing aid audiologist" has been granted  
24 by the national hearing aid society, or that the hearing aid  
25 ~~dispenser~~ specialist has been recommended by this state or the  
26 board when such is not accurate.

27 i. Directly or indirectly giving or offering to give, or  
28 permitting or causing to be given, money or anything of value  
29 to a person who advises another in a professional capacity, as  
30 an inducement to influence the person or cause the person to  
31 influence others to purchase or contract to purchase products  
32 sold or offered for sale by a hearing aid ~~dispenser~~ specialist,  
33 or to influence others to refrain from dealing in the products  
34 of competitors.

35 Sec. 13. Section 154A.25, subsection 2, Code 2015, is



1 amended to read as follows:

2 2. Purchase or procure by barter a license or temporary  
3 permit with intent to use it as evidence of the holder's  
4 qualifications to engage in business as a hearing aid ~~dispenser~~  
5 specialist.

6 Sec. 14. Section 154F.2, subsection 1, paragraph b, Code  
7 2015, is amended to read as follows:

8 b. Hearing aid fitting, the dispensing or sale of hearing  
9 aids, and the providing of hearing aid service and maintenance  
10 by a hearing aid ~~dispenser~~ specialist or holder of a temporary  
11 permit as defined and licensed under chapter 154A.

12 Sec. 15. Section 154F.2, subsection 2, Code 2015, is amended  
13 to read as follows:

14 2. A person exempted from the provisions of this chapter by  
15 this section shall not use the title "speech pathologist" or  
16 "audiologist" or any title or device indicating or representing  
17 in any manner that the person is a speech pathologist or is  
18 an audiologist; provided, a hearing aid ~~dispenser~~ specialist  
19 licensed under chapter 154A may use the title "certified  
20 hearing aid audiologist" when granted by the national hearing  
21 aid society; and provided, persons who meet the requirements  
22 of section 154F.3, subsection 1, who are certified by the  
23 department of education as speech clinicians may use the title  
24 "speech pathologist" and persons who meet the requirements  
25 of section 154F.3, subsection 2, who are certified by the  
26 department of education as hearing clinicians may use the  
27 title "audiologist", while acting within the scope of their  
28 employment.

29 Sec. 16. Section 216E.7, Code 2015, is amended to read as  
30 follows:

31 **216E.7 Exemptions.**

32 This chapter does not apply to a hearing aid sold, leased,  
33 or transferred to a consumer by an audiologist licensed under  
34 chapter 154F, or a hearing aid ~~dispenser~~ specialist licensed  
35 under chapter 154A, if the audiologist or ~~dispenser~~ specialist

1 provides either an express warranty for the hearing aid or  
2 provides for service and replacement of the hearing aid.

3 Sec. 17. Section 272C.1, subsection 6, paragraph v, Code  
4 2015, is amended to read as follows:

5 v. The board of hearing aid ~~dispensers~~ specialists, created  
6 pursuant to chapter 154A.

7 DIVISION II

8 MEDICAL RESIDENCY TRAINING STATE MATCHING GRANTS PROGRAM —  
9 REENACTMENT

10 Sec. 18. NEW SECTION. 135.176 **Medical residency training**  
11 **state matching grants program.**

12 1. The department shall establish a medical residency  
13 training state matching grants program to provide matching  
14 state funding to sponsors of accredited graduate medical  
15 education residency programs in this state to establish,  
16 expand, or support medical residency training programs.  
17 Funding for the program may be provided through the health  
18 care workforce shortage fund or the medical residency training  
19 account created in section 135.175. For the purposes of this  
20 section, unless the context otherwise requires, "accredited"  
21 means a graduate medical education program approved by the  
22 accreditation council for graduate medical education or the  
23 American osteopathic association. The grant funds may be  
24 used to support medical residency programs through any of the  
25 following:

26 a. The establishment of new or alternative campus accredited  
27 medical residency training programs. For the purposes of  
28 this paragraph, "*new or alternative campus accredited medical*  
29 *residency training program*" means a program that is accredited  
30 by a recognized entity approved for such purpose by the  
31 accreditation council for graduate medical education or the  
32 American osteopathic association with the exception that  
33 a new medical residency training program that, by reason  
34 of an insufficient period of operation is not eligible for  
35 accreditation on or before the date of submission of an

1 application for a grant, may be deemed accredited if the  
2 accreditation council for graduate medical education or the  
3 American osteopathic association finds, after consultation with  
4 the appropriate accreditation entity, that there is reasonable  
5 assurance that the program will meet the accreditation  
6 standards of the entity prior to the date of graduation of the  
7 initial class in the program.

8     **b.** The provision of new residency positions within existing  
9 accredited medical residency or fellowship training programs.

10     **c.** The funding of residency positions which are in excess of  
11 the federal residency cap. For the purposes of this paragraph,  
12 *"in excess of the federal residency cap"* means a residency  
13 position for which no federal Medicare funding is available  
14 because the residency position is a position beyond the cap for  
15 residency positions established by the federal Balanced Budget  
16 Act of 1997, Pub. L. No. 105-33.

17     2. The department shall adopt rules pursuant to chapter 17A  
18 to provide for all of the following:

19     **a.** Eligibility requirements for and qualifications  
20 of a sponsor of an accredited graduate medical education  
21 residency program to receive a grant. The requirements and  
22 qualifications shall include but are not limited to all of the  
23 following:

24         (1) Only a sponsor that establishes a dedicated fund to  
25 support a residency program that meets the specifications of  
26 this section shall be eligible to receive a matching grant. A  
27 sponsor funding residency positions in excess of the federal  
28 residency cap, as defined in subsection 1, paragraph "c",  
29 exclusive of funds provided under the medical residency  
30 training state matching grants program established in this  
31 section, is deemed to have satisfied this requirement and  
32 shall be eligible for a matching grant equal to the amount of  
33 funds expended for such residency positions, subject to the  
34 limitation on the maximum award of grant funds specified in  
35 paragraph "e".

1 (2) A sponsor shall demonstrate, through documented  
2 financial information as prescribed by rule of the department,  
3 that funds have been reserved and will be expended by the  
4 sponsor in the amount required to provide matching funds for  
5 each residency proposed in the request for state matching  
6 funds.

7 (3) A sponsor shall demonstrate, through objective evidence  
8 as prescribed by rule of the department, a need for such  
9 residency program in the state.

10 *b.* The application process for the grant.

11 *c.* Criteria for preference in awarding of the grants,  
12 including preference in the residency specialty.

13 *d.* Determination of the amount of a grant. The total amount  
14 of a grant awarded to a sponsor shall be limited to no more  
15 than twenty-five percent of the amount that the sponsor has  
16 demonstrated through documented financial information has been  
17 reserved and will be expended by the sponsor for each residency  
18 sponsored for the purpose of the residency program.

19 *e.* The maximum award of grant funds to a particular  
20 individual sponsor per year. An individual sponsor shall not  
21 receive more than twenty-five percent of the state matching  
22 funds available each year to support the program. However,  
23 if less than ninety-five percent of the available funds has  
24 been awarded in a given year, a sponsor may receive more than  
25 twenty-five percent of the state matching funds available  
26 if total funds awarded do not exceed ninety-five percent of  
27 the available funds. If more than one sponsor meets the  
28 requirements of this section and has established, expanded,  
29 or supported a graduate medical residency training program,  
30 as specified in subsection 1, in excess of the sponsor's  
31 twenty-five percent maximum share of state matching funds, the  
32 state matching funds shall be divided proportionately among  
33 such sponsors.

34 *f.* Use of the funds awarded. Funds may be used to pay the  
35 costs of establishing, expanding, or supporting an accredited

1 graduate medical education program as specified in this  
2 section, including but not limited to the costs associated with  
3 residency stipends and physician faculty stipends.

4 Sec. 19. EFFECTIVE DATE. This division of this Act, being  
5 deemed of immediate importance, takes effect upon enactment.

6 Sec. 20. APPLICABILITY. This division of this Act applies  
7 retroactively to June 30, 2014.

8 DIVISION III

9 MEDICAL RESIDENCY TRAINING STATE MATCHING GRANTS PROGRAM —

10 AMENDMENTS

11 Sec. 21. Section 135.176, as enacted in this Act, is amended  
12 to read as follows:

13 **135.176 Medical residency training state matching grants**  
14 **program.**

15 1. The department shall establish a medical residency  
16 training state matching grants program to provide matching  
17 state funding to sponsors of accredited graduate medical  
18 education residency programs in this state to establish,  
19 expand, or support medical residency training programs.  
20 Funding for the program may be provided through the health  
21 care workforce shortage fund or the medical residency training  
22 account created in section 135.175. For the purposes of this  
23 section, unless the context otherwise requires, "*accredited*"  
24 means a graduate medical education program approved by the  
25 accreditation council for graduate medical education or the  
26 American osteopathic association. The grant funds may be  
27 used to support medical residency programs through any of the  
28 following:

29 *a.* The establishment of new or alternative campus accredited  
30 medical residency training programs. For the purposes of  
31 this paragraph, "*new or alternative campus accredited medical*  
32 *residency training program*" means a program that is accredited  
33 by a recognized entity approved for such purpose by the  
34 accreditation council for graduate medical education or the  
35 American osteopathic association with the exception that

1 a new medical residency training program that, by reason  
2 of an insufficient period of operation is not eligible for  
3 accreditation on or before the date of submission of an  
4 application for a grant, may be deemed accredited if the  
5 accreditation council for graduate medical education or the  
6 American osteopathic association finds, after consultation with  
7 the appropriate accreditation entity, that there is reasonable  
8 assurance that the program will meet the accreditation  
9 standards of the entity prior to the date of graduation of the  
10 initial class in the program.

11 *b.* The provision of new residency positions within existing  
12 accredited medical residency or fellowship training programs.

13 *c.* The funding of residency positions which are in excess of  
14 the federal residency cap. For the purposes of this paragraph,  
15 *"in excess of the federal residency cap"* means a residency  
16 position for which no federal Medicare funding is available  
17 because the residency position is a position beyond the cap for  
18 residency positions established by the federal Balanced Budget  
19 Act of 1997, Pub. L. No. 105-33.

20 2. The department shall adopt rules pursuant to chapter 17A  
21 to provide for all of the following:

22 *a.* Eligibility requirements for and qualifications  
23 of a sponsor of an accredited graduate medical education  
24 residency program to receive a grant. The requirements and  
25 qualifications shall include but are not limited to all of the  
26 following:

27 ~~(1) Only a sponsor that establishes a dedicated fund to~~  
28 ~~support a residency program that meets the specifications of~~  
29 ~~this section shall be eligible to receive a matching grant. A~~  
30 ~~sponsor funding residency positions in excess of the federal~~  
31 ~~residency cap, as defined in subsection 1, paragraph "c",~~  
32 ~~exclusive of funds provided under the medical residency~~  
33 ~~training state matching grants program established in this~~  
34 ~~section, is deemed to have satisfied this requirement and~~  
35 ~~shall be eligible for a matching grant equal to the amount of~~

1 ~~funds expended for such residency positions, subject to the~~  
2 ~~limitation on the maximum award of grant funds specified in~~  
3 ~~paragraph "e".~~

4 (2) A sponsor shall demonstrate, ~~through documented~~  
5 ~~financial information as prescribed by rule of the department,~~  
6 that funds have been reserved budgeted and will be expended by  
7 the sponsor in the amount required to provide matching funds  
8 for each residency proposed in the request for state matching  
9 funds.

10 (3) (2) A sponsor shall demonstrate, through objective  
11 evidence as prescribed by rule of the department, a need for  
12 such residency program in the state.

13 b. The application process for the grant.

14 c. Criteria for preference in awarding of the grants,  
15 including preference in the residency specialty.

16 d. Determination of the amount of a grant. The total amount  
17 of a grant awarded to a sponsor proposing the establishment  
18 of a new or alternative campus accredited medical residency  
19 training program as defined in subsection 1, paragraph "a",  
20 shall be limited to no more than ~~twenty-five~~ one hundred  
21 percent of the amount the sponsor has budgeted as demonstrated  
22 under paragraph "a". The total amount of a grant awarded to  
23 a sponsor proposing the provision of a new residency position  
24 within an existing accredited medical residency or fellowship  
25 training program as specified in subsection 1, paragraph "b"  
26 or the funding of residency positions which are in excess of  
27 the federal residency cap as defined in subsection 1, paragraph  
28 "c", shall be limited to no more than twenty-five percent of  
29 the amount that the sponsor has demonstrated through documented  
30 financial information has been reserved and will be expended by  
31 the sponsor budgeted for each residency position sponsored for  
32 the purpose of the residency program.

33 e. The maximum award of grant funds to a particular  
34 individual sponsor per year. An individual sponsor that  
35 establishes a new or alternative campus accredited medical

1 residency training program as defined in subsection 1,  
 2 paragraph "a" shall not receive more than ~~twenty-five~~ fifty  
 3 percent of the state matching funds available each year to  
 4 support the program. ~~However, if less than ninety-five percent~~  
 5 ~~of the available funds has been awarded in a given year, a~~  
 6 ~~sponsor may receive more than twenty-five percent of the~~  
 7 ~~state matching funds available if total funds awarded do not~~  
 8 ~~exceed ninety-five percent of the available funds. If more~~  
 9 ~~than one sponsor meets the requirements of this section and~~  
 10 ~~has established, expanded, or supported a graduate medical~~  
 11 ~~residency training program, as specified in subsection 1, in~~  
 12 ~~excess of the sponsor's twenty-five percent maximum share of~~  
 13 ~~state matching funds, the state matching funds shall be divided~~  
 14 ~~proportionately among such sponsors. An individual sponsor~~  
 15 ~~proposing the provision of a new residency position within an~~  
 16 ~~existing accredited medical residency or fellowship training~~  
 17 ~~program as specified in subsection 1, paragraph "b" or the~~  
 18 ~~funding of residency positions which are in excess of the~~  
 19 ~~federal residency cap as defined in subsection 1, paragraph "c",~~  
 20 ~~shall not receive more than twenty-five percent of the state~~  
 21 ~~matching funds available each year to support the program.~~

22 *f.* Use of the funds awarded. Funds may be used to pay the  
 23 costs of establishing, expanding, or supporting an accredited  
 24 graduate medical education program as specified in this  
 25 section, including but not limited to the costs associated with  
 26 residency stipends and physician faculty stipends.

27

## EXPLANATION

28  
29

The inclusion of this explanation does not constitute agreement with  
 the explanation's substance by the members of the general assembly.

30 This bill relates to programs and services under the purview  
 31 of the department of public health.

32 Division I of the bill changes references to and relating  
 33 to "hearing aid dispensers" to "hearing aid specialists".

34 The bill changes the references to the "board of hearing aid  
 35 dispensers" to the "board of hearing aid specialists" and makes



1 other conforming changes throughout the Code.

2 Division II of the bill relates to the medical residency  
3 training state matching grants program. The medical residency  
4 training state matching grants program (Code section 135.176,  
5 Code 2013), that was repealed on June 30, 2014, is reenacted  
6 as amended by 2014 Iowa Acts, chapter 1190, section 7. The  
7 division takes effect upon enactment and is retroactively  
8 applicable to June 30, 2014.

9 Division III of the bill amends the newly reenacted Code  
10 section 135.176, to provide that instead of a requirement that  
11 a sponsor establish a dedicated fund to support a residency  
12 program, a sponsor shall demonstrate that funds have been  
13 budgeted in the amount required in the request for matching  
14 funds. Additionally, the bill provides that the limit on the  
15 total amount of a grant made to a sponsor is based upon the  
16 type of residency position to be funded. Under the bill, the  
17 limit is no more than 100 percent of the amount the sponsor  
18 budgeted if the sponsor is proposing the establishment of  
19 a new or alternative campus accredited medical residency  
20 training program, and the limit is not more than 25 percent  
21 of the amount the sponsor has budgeted if the sponsor is  
22 proposing provision of a new residency position within an  
23 existing accredited medical residency or fellowship training  
24 program or the funding of residency positions which are in  
25 excess of the federal residency cap. Under the bill, the  
26 maximum award of grant funds to a particular sponsor that  
27 establishes a new or alternative campus accredited medical  
28 residency training program shall be not more than 50 percent  
29 of the state matching funds available each year; and the  
30 maximum award to a particular sponsor that is proposing  
31 provision of a new residency position within an existing  
32 accredited medical residency or fellowship training program  
33 or the funding of residency positions which are in excess of  
34 the federal residency cap shall not be more than 25 percent of  
35 the state matching funds available each year. Under the bill,

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1 unlike under the prior program, there is not a formula for the  
2 awarding of funds if less than 95 percent of the available  
3 funds were awarded.