

Senate File 515 - Introduced

SENATE FILE 515
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 1199)

A BILL FOR

1 An Act relating to appropriations for health and human
2 services and veterans and including other related provisions
3 and appropriations, providing penalties, and including
4 effective date and retroactive and other applicability date
5 provisions.

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

DIVISION I

DEPARTMENT ON AGING — FY 2017-2018

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Section 1. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2017, and ending June 30, 2018, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa's aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | |
|-------|---------------|
| | \$ 11,042,476 |
| | FTEs 27.00 |

1. Funds appropriated in this section may be used to supplement federal funds under federal regulations. To receive funds appropriated in this section, a local area agency on aging shall match the funds with moneys from other sources according to rules adopted by the department. Funds appropriated in this section may be used for elderly services not specifically enumerated in this section only if approved by an area agency on aging for provision of the service within the area.

2. Of the funds appropriated in this section, \$279,946 is transferred to the economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

3. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds

1 by area agencies on aging that require compliance with both
2 state and federal laws, rules, and regulations, including but
3 not limited to all of the following:

4 (1) Requiring that expenditures are incurred only for goods
5 or services received or performed prior to the end of the
6 fiscal period designated for use of the funds.

7 (2) Prohibiting prepayment for goods or services not
8 received or performed prior to the end of the fiscal period
9 designated for use of the funds.

10 (3) Prohibiting the prepayment for goods or services
11 not defined specifically by good or service, time period, or
12 recipient.

13 (4) Prohibiting the establishment of accounts from which
14 future goods or services which are not defined specifically by
15 good or service, time period, or recipient, may be purchased.

16 b. The procedures shall provide that if any funds are
17 expended in a manner that is not in compliance with the
18 procedures and applicable federal and state laws, rules, and
19 regulations, and are subsequently subject to repayment, the
20 area agency on aging expending such funds in contravention of
21 such procedures, laws, rules and regulations, not the state,
22 shall be liable for such repayment.

23 4. Of the funds appropriated in this section, at least
24 \$250,000 shall be used to fund the unmet needs identified
25 through Iowa's aging and disability resource center network.

26 5. Of the funds appropriated in this section, at least
27 \$600,000 shall be used to fund home and community-based
28 services through the area agencies on aging that enable older
29 individuals to avoid more costly utilization of residential or
30 institutional services and remain in their own homes.

31 6. Of the funds appropriated in this section, \$812,537
32 shall be used for the purposes of [chapter 231E](#) and section
33 231.56A, of which \$350,000 shall be used for the office of
34 substitute decision maker pursuant to [chapter 231E](#), and the
35 remainder shall be distributed equally to the area agencies on

1 aging to administer the prevention of elder abuse, neglect, and
2 exploitation program pursuant to [section 231.56A](#), in accordance
3 with the requirements of the federal Older Americans Act of
4 1965, 42 U.S.C. §3001 et seq., as amended.

5 7. Of the funds appropriated in this section, \$750,000
6 shall be used to fund continuation of the aging and disability
7 resource center lifelong links to provide individuals and
8 caregivers with information and services to plan for and
9 maintain independence.

10 8. Notwithstanding section 8.39, for the fiscal year
11 beginning July 1, 2017, the department may transfer funds
12 within or between the allocations made in this division of this
13 Act for the same fiscal year in accordance with departmental
14 priorities. The department shall report any such transfers
15 to the individuals specified in this Act for submission of
16 reports. This subsection shall not be construed to prohibit
17 the use of existing state transfer authority for other
18 purposes.

19 DIVISION II

20 OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2017-2018

21 Sec. 2. OFFICE OF LONG-TERM CARE OMBUDSMAN. There is
22 appropriated from the general fund of the state to the office
23 of long-term care ombudsman for the fiscal year beginning July
24 1, 2017, and ending June 30, 2018, the following amount, or
25 so much thereof as is necessary, to be used for the purposes
26 designated:

27 For salaries, support, administration, maintenance, and
28 miscellaneous purposes, and for not more than the following
29 full-time equivalent positions:

| | | |
|----------|------|-----------|
| 30 | \$ | 1,160,281 |
| 31 | FTEs | 16.00 |

32 DIVISION III

33 DEPARTMENT OF PUBLIC HEALTH — FY 2017-2018

34 Sec. 3. DEPARTMENT OF PUBLIC HEALTH. There is appropriated
35 from the general fund of the state to the department of public

1 health for the fiscal year beginning July 1, 2017, and ending
2 June 30, 2018, the following amounts, or so much thereof as is
3 necessary, to be used for the purposes designated:

4 1. ADDICTIVE DISORDERS

5 For reducing the prevalence of the use of tobacco, alcohol,
6 and other drugs, and treating individuals affected by addictive
7 behaviors, including gambling, and for not more than the
8 following full-time equivalent positions:

| | | |
|----------|---------------|-------|
| 9 | \$ 24,985,831 | |
| 10 | FTEs | 10.00 |

11 a. (1) Of the funds appropriated in this subsection,
12 \$4,021,225 shall be used for the tobacco use prevention
13 and control initiative, including efforts at the state and
14 local levels, as provided in [chapter 142A](#). The commission
15 on tobacco use prevention and control established pursuant
16 to [section 142A.3](#) shall advise the director of public health
17 in prioritizing funding needs and the allocation of moneys
18 appropriated for the programs and initiatives. Activities
19 of the programs and initiatives shall be in alignment with
20 the United States centers for disease control and prevention
21 best practices for comprehensive tobacco control programs that
22 include the goals of preventing youth initiation of tobacco
23 usage, reducing exposure to secondhand smoke, and promotion
24 of tobacco cessation. To maximize resources, the department
25 shall determine if third-party sources are available to
26 instead provide nicotine replacement products to an applicant
27 prior to provision of such products to an applicant under
28 the initiative. The department shall track and report to
29 the individuals specified in this Act, any reduction in
30 the provision of nicotine replacement products realized by
31 the initiative through implementation of the prerequisite
32 screening.

33 (2) (a) The department shall collaborate with the
34 alcoholic beverages division of the department of commerce for
35 enforcement of tobacco laws, regulations, and ordinances and to

1 engage in tobacco control activities approved by the division
2 of tobacco use prevention and control of the department of
3 public health as specified in the memorandum of understanding
4 entered into between the divisions.

5 (b) For the fiscal year beginning July 1, 2017, and ending
6 June 30, 2018, the terms of the memorandum of understanding,
7 entered into between the division of tobacco use prevention
8 and control of the department of public health and the
9 alcoholic beverages division of the department of commerce,
10 governing compliance checks conducted to ensure licensed retail
11 tobacco outlet conformity with tobacco laws, regulations, and
12 ordinances relating to persons under 18 years of age, shall
13 continue to restrict the number of such checks to one check per
14 retail outlet, and one additional check for any retail outlet
15 found to be in violation during the first check.

16 b. Of the funds appropriated in this subsection,
17 \$20,964,606 shall be used for problem gambling and
18 substance-related disorder prevention, treatment, and recovery
19 services, including a 24-hour helpline, public information
20 resources, professional training, youth prevention, and program
21 evaluation.

22 c. The requirement of section 123.17, subsection 5, is met
23 by the appropriations and allocations made in this division of
24 this Act for purposes of substance-related disorder treatment
25 and addictive disorders for the fiscal year beginning July 1,
26 2017.

27 2. HEALTHY CHILDREN AND FAMILIES

28 For promoting the optimum health status for children,
29 adolescents from birth through 21 years of age, and families,
30 and for not more than the following full-time equivalent
31 positions:

32 \$ 5,325,632
33 FTEs 12.00

34 a. Of the funds appropriated in this subsection, not more
35 than \$734,841 shall be used for the healthy opportunities for

1 parents to experience success (HOPES)-healthy families Iowa
2 (HFI) program established pursuant to [section 135.106](#). The
3 funding shall be distributed to renew the grants that were
4 provided to the grantees that operated the program during the
5 fiscal year ending June 30, 2017.

6 b. In order to implement the legislative intent stated in
7 sections [135.106](#) and [256I.9](#), that priority for home visitation
8 program funding be given to programs using evidence-based or
9 promising models for home visitation, it is the intent of the
10 general assembly to phase in the funding priority in accordance
11 with [2012 Iowa Acts, chapter 1133, section 2, subsection 2](#),
12 paragraph "0b".

13 c. Of the funds appropriated in this subsection, \$3,075,101
14 shall be used for continuation of the department's initiative
15 to provide for adequate developmental surveillance and
16 screening during a child's first five years. The funds shall
17 be used first to fully fund the current sites to ensure that
18 the sites are fully operational, with the remaining funds
19 to be used for expansion to additional sites. The full
20 implementation and expansion shall include enhancing the scope
21 of the program through collaboration with the child health
22 specialty clinics to promote healthy child development through
23 early identification and response to both biomedical and social
24 determinants of healthy development; by monitoring child
25 health metrics to inform practice, document long-term health
26 impacts and savings, and provide for continuous improvement
27 through training, education, and evaluation; and by providing
28 for practitioner consultation particularly for children with
29 behavioral conditions and needs. The department of public
30 health shall also collaborate with the Iowa Medicaid enterprise
31 and the child health specialty clinics to integrate the
32 activities of the first five initiative into the establishment
33 of patient-centered medical homes, community utilities,
34 accountable care organizations, and other integrated care
35 models developed to improve health quality and population

1 health while reducing health care costs. To the maximum extent
2 possible, funding allocated in this paragraph shall be utilized
3 as matching funds for medical assistance program reimbursement.

4 d. Of the funds appropriated in this subsection, \$64,640
5 shall be distributed to a statewide dental carrier to provide
6 funds to continue the donated dental services program patterned
7 after the projects developed by the lifeline network to provide
8 dental services to indigent individuals who are elderly or with
9 disabilities.

10 e. Of the funds appropriated in this subsection, \$156,482
11 shall be used to provide audiological services and hearing
12 aids for children. The department may enter into a contract
13 to administer this paragraph.

14 f. Of the funds appropriated in this subsection, \$23,000 is
15 transferred to the university of Iowa college of dentistry for
16 provision of primary dental services to children. State funds
17 shall be matched on a dollar-for-dollar basis. The university
18 of Iowa college of dentistry shall coordinate efforts with the
19 department of public health, bureau of oral and health delivery
20 systems, to provide dental care to underserved populations
21 throughout the state.

22 g. Of the funds appropriated in this subsection, \$50,000
23 shall be used to address youth suicide prevention.

24 h. Of the funds appropriated in this subsection, \$40,511
25 shall be used to support the Iowa effort to address the survey
26 of children who experience adverse childhood experiences known
27 as ACEs.

28 i. The department of public health shall continue to
29 administer the program to assist parents in this state with
30 costs resulting from the death of a child in accordance with
31 the provisions of 2014 Iowa Acts, chapter 1140, section 22,
32 subsection 12.

33 3. CHRONIC CONDITIONS

34 For serving individuals identified as having chronic
35 conditions or special health care needs, and for not more than

1 the following full-time equivalent positions:

| | | |
|---------|------|-----------|
| 2 | \$ | 4,170,750 |
| 3 | FTEs | 5.00 |

4 a. Of the funds appropriated in this subsection, \$153,755
5 shall be used for grants to individual patients who have an
6 inherited metabolic disorder to assist with the costs of
7 medically necessary foods and formula.

8 b. Of the funds appropriated in this subsection, \$1,020,794
9 shall be used for the brain injury services program pursuant
10 to section 135.22B, including for contracting with an existing
11 nationally affiliated and statewide organization whose purpose
12 is to educate, serve, and support Iowans with brain injury and
13 their families for resource facilitator services in accordance
14 with section 135.22B, subsection 9, and for contracting to
15 enhance brain injury training and recruitment of service
16 providers on a statewide basis. Of the amount allocated in
17 this paragraph, \$95,000 shall be used to fund one full-time
18 equivalent position to serve as the state brain injury services
19 program manager.

20 c. Of the funds appropriated in this subsection, \$144,097
21 shall be used for the public purpose of continuing to contract
22 with an existing national-affiliated organization to provide
23 education, client-centered programs, and client and family
24 support for people living with epilepsy and their families.
25 The amount allocated in this paragraph in excess of \$100,000
26 shall be matched dollar-for-dollar by the organization
27 specified.

28 d. Of the funds appropriated in this subsection, \$809,550
29 shall be used for child health specialty clinics.

30 e. Of the funds appropriated in this subsection, \$384,552
31 shall be used by the regional autism assistance program
32 established pursuant to [section 256.35](#), and administered by
33 the child health specialty clinic located at the university of
34 Iowa hospitals and clinics. The funds shall be used to enhance
35 interagency collaboration and coordination of educational,

1 medical, and other human services for persons with autism,
2 their families, and providers of services, including delivering
3 regionalized services of care coordination, family navigation,
4 and integration of services through the statewide system of
5 regional child health specialty clinics and fulfilling other
6 requirements as specified in [chapter 225D](#). The university of
7 Iowa shall not receive funds allocated under this paragraph for
8 indirect costs associated with the regional autism assistance
9 program.

10 f. Of the funds appropriated in this subsection, \$577,375
11 shall be used for the comprehensive cancer control program to
12 reduce the burden of cancer in Iowa through prevention, early
13 detection, effective treatment, and ensuring quality of life.
14 Of the funds allocated in this paragraph "f", \$150,000 shall
15 be used to support a melanoma research symposium, a melanoma
16 biorepository and registry, basic and translational melanoma
17 research, and clinical trials.

18 g. Of the funds appropriated in this subsection, \$97,532
19 shall be used for cervical and colon cancer screening, and
20 \$177,720 shall be used to enhance the capacity of the cervical
21 cancer screening program to include provision of recommended
22 prevention and early detection measures to a broader range of
23 low-income women.

24 h. Of the funds appropriated in this subsection, \$506,355
25 shall be used for the center for congenital and inherited
26 disorders.

27 i. Of the funds appropriated in this subsection,
28 \$215,263 shall be used by the department of public health
29 for reform-related activities, including but not limited to
30 facilitation of communication to stakeholders at the state and
31 local level, administering the patient-centered health advisory
32 council pursuant to [section 135.159](#), and involvement in health
33 care system innovation activities occurring across the state.

34 j. Of the funds appropriated in this subsection, \$22,100
35 shall be used for administration of [chapter 124D](#), the medical

1 cannabidiol Act.

2 4. COMMUNITY CAPACITY

3 For strengthening the health care delivery system at the
4 local level, and for not more than the following full-time
5 equivalent positions:

| | |
|---------|--------------|
| 6 | \$ 2,807,776 |
| 7 | FTEs 13.00 |

8 a. Of the funds appropriated in this subsection, \$95,575
9 is allocated for continuation of the child vision screening
10 program implemented through the university of Iowa hospitals
11 and clinics in collaboration with early childhood Iowa areas.
12 The program shall submit a report to the individuals identified
13 in this Act for submission of reports regarding the use of
14 funds allocated under this paragraph "a". The report shall
15 include the objectives and results for the program year
16 including the target population and how the funds allocated
17 assisted the program in meeting the objectives; the number,
18 age, and location within the state of individuals served;
19 the type of services provided to the individuals served; the
20 distribution of funds based on service provided; and the
21 continuing needs of the program.

22 b. Of the funds appropriated in this subsection, \$105,656 is
23 allocated for continuation of an initiative implemented at the
24 university of Iowa to expand and improve the workforce engaged
25 in mental health treatment and services. The initiative shall
26 receive input from the university of Iowa, the department of
27 human services, the department of public health, and the mental
28 health and disability services commission to address the focus
29 of the initiative.

30 c. Of the funds appropriated in this section, \$83,315 shall
31 be deposited in the governmental public health system fund
32 created in [section 135A.8](#) to be used for the purposes of the
33 fund.

34 d. Of the funds appropriated in this subsection,
35 \$48,069 shall be used for a grant to a statewide association

1 of psychologists that is affiliated with the American
2 psychological association to be used for continuation of a
3 program to rotate intern psychologists in placements in urban
4 and rural mental health professional shortage areas, as defined
5 in [section 135.180](#).

6 e. Of the funds appropriated in this subsection, the
7 following amounts are allocated to be used as follows to
8 support the Iowa collaborative safety net provider network
9 goals of increased access, health system integration, and
10 engagement:

11 (1) Not less than \$521,863 is allocated to the Iowa
12 prescription drug corporation for continuation of the
13 pharmaceutical infrastructure for safety net providers as
14 described in [2007 Iowa Acts, chapter 218, section 108](#), and for
15 the prescription drug donation repository program created in
16 chapter 135M.

17 (2) Not less than \$334,870 is allocated to free clinics and
18 free clinics of Iowa for necessary infrastructure, statewide
19 coordination, provider recruitment, service delivery, and
20 provision of assistance to patients in securing a medical home
21 inclusive of oral health care.

22 (3) Not less than \$25,000 is allocated to the Iowa
23 association of rural health clinics for necessary
24 infrastructure and service delivery transformation.

25 f. Of the funds appropriated in this subsection, \$163,400
26 shall be used for continuation of the work of the direct care
27 worker advisory council established pursuant to 2008 Iowa Acts,
28 chapter 1188, section 69, in implementing the recommendations
29 in the final report submitted by the advisory council to the
30 governor and the general assembly in March 2012, including
31 by continuing to develop, promote, and make available on a
32 statewide basis the prepare-to-care core curriculum and its
33 associated modules and specialties through various formats
34 including online access, community colleges, and other venues;
35 exploring new and maintaining existing specialties including

1 but not limited to oral health and dementia care; supporting
2 instructor training; and assessing and making recommendations
3 concerning the Iowa care book and information technology
4 systems and infrastructure uses and needs.

5 g. Of the funds appropriated in this subsection, \$104,019
6 shall be allocated for continuation of the contract with
7 an independent statewide direct care worker organization
8 previously selected through a request for proposals process.
9 The contract shall continue to include performance and outcomes
10 measures, and shall continue to allow the contractor to use a
11 portion of the funds received under the contract to collect
12 data to determine results based on the performance and outcomes
13 measures.

14 h. Of the funds appropriated in this subsection, the
15 department may use up to \$58,175 for up to one full-time
16 equivalent position to administer the volunteer health care
17 provider program pursuant to [section 135.24](#).

18 i. Of the funds appropriated in this subsection, \$96,138
19 shall be used for a matching dental education loan repayment
20 program to be allocated to a dental nonprofit health service
21 corporation to continue to develop the criteria and implement
22 the loan repayment program.

23 j. Of the funds appropriated in this subsection, \$52,911 is
24 transferred to the college student aid commission for deposit
25 in the rural Iowa primary care trust fund created in section
26 261.113 to be used for the purposes of the fund.

27 k. Of the funds appropriated in this subsection, \$150,000
28 shall be used for the purposes of the Iowa donor registry as
29 specified in [section 142C.18](#).

30 l. Of the funds appropriated in this subsection, \$96,138
31 shall be used for continuation of a grant to a nationally
32 affiliated volunteer eye organization that has an established
33 program for children and adults and that is solely dedicated to
34 preserving sight and preventing blindness through education,
35 nationally certified vision screening and training, and

1 community and patient service programs. The organization
2 shall submit a report to the individuals identified in this
3 Act for submission of reports regarding the use of funds
4 allocated under this paragraph "1". The report shall include
5 the objectives and results for the program year including
6 the target population and how the funds allocated assisted
7 the program in meeting the objectives; the number, age, and
8 location within the state of individuals served; the type of
9 services provided to the individuals served; the distribution
10 of funds based on services provided; and the continuing needs
11 of the program.

12 5. ESSENTIAL PUBLIC HEALTH SERVICES

13 To provide public health services that reduce risks and
14 invest in promoting and protecting good health over the
15 course of a lifetime with a priority given to older Iowans and
16 vulnerable populations:

17 \$ 8,197,878

18 6. INFECTIOUS DISEASES

19 For reducing the incidence and prevalence of communicable
20 diseases, and for not more than the following full-time
21 equivalent positions:

22 \$ 1,646,426

23 FTEs 4.00

24 7. PUBLIC PROTECTION

25 For protecting the health and safety of the public through
26 establishing standards and enforcing regulations, and for not
27 more than the following full-time equivalent positions:

28 \$ 4,195,139

29 FTEs 138.00

30 a. Of the funds appropriated in this subsection, not more
31 than \$304,700 shall be credited to the emergency medical
32 services fund created in [section 135.25](#). Moneys in the
33 emergency medical services fund are appropriated to the
34 department to be used for the purposes of the fund.

35 b. Of the funds appropriated in this subsection, up

1 to \$243,260 shall be used for sexual violence prevention
2 programming through a statewide organization representing
3 programs serving victims of sexual violence through the
4 department's sexual violence prevention program, and for
5 continuation of a training program for sexual assault
6 response team (SART) members, including representatives of
7 law enforcement, victim advocates, prosecutors, and certified
8 medical personnel. The amount allocated in this paragraph "b"
9 shall not be used to supplant funding administered for other
10 sexual violence prevention or victims assistance programs.

11 c. Of the funds appropriated in this subsection, up to
12 \$575,627 shall be used for the state poison control center.
13 Pursuant to the directive under 2014 Iowa Acts, chapter
14 1140, section 102, the federal matching funds available to
15 the state poison control center from the department of human
16 services under the federal Children's Health Insurance Program
17 Reauthorization Act allotment shall be subject to the federal
18 administrative cap rule of 10 percent applicable to funding
19 provided under Tit. XXI of the federal Social Security Act and
20 included within the department's calculations of the cap.

21 d. Of the funds appropriated in this subsection, up to
22 \$516,982 shall be used for childhood lead poisoning provisions.

23 8. RESOURCE MANAGEMENT

24 For establishing and sustaining the overall ability of the
25 department to deliver services to the public, and for not more
26 than the following full-time equivalent positions:

| | | |
|----------|------|---------|
| 27 | \$ | 971,215 |
| 28 | FTEs | 4.00 |

29 9. MISCELLANEOUS PROVISIONS

30 The university of Iowa hospitals and clinics under the
31 control of the state board of regents shall not receive
32 indirect costs from the funds appropriated in this section.
33 The university of Iowa hospitals and clinics billings to the
34 department shall be on at least a quarterly basis.

35 10. GENERAL REDUCTION

1 For the period beginning July 1, 2017, and ending June 30,
2 2018, the department of public health, in consultation with
3 the department of management, shall identify and implement a
4 reduction in expenditures made from appropriations from the
5 general fund to the department of public health in the amount
6 of \$1,281,367.

7 11. TRANSFERS

8 Notwithstanding section 8.39, for the fiscal year beginning
9 July 1, 2017, the department may transfer funds within or
10 between any of the allocations or appropriations made in this
11 division of this Act for the same fiscal year, to be used in
12 accordance with departmental priorities as specified in the
13 department's report to the general assembly submitted pursuant
14 to 2016 Iowa Acts, chapter 1139, section 3. The department
15 shall report any such transfers to the individuals specified
16 in this Act for submission of reports. This subsection shall
17 not be construed to prohibit the use of existing state transfer
18 authority for other purposes.

19 DIVISION IV

20 DEPARTMENT OF VETERANS AFFAIRS — FY 2017-2018

21 Sec. 4. DEPARTMENT OF VETERANS AFFAIRS. There is
22 appropriated from the general fund of the state to the
23 department of veterans affairs for the fiscal year beginning
24 July 1, 2017, and ending June 30, 2018, the following amounts,
25 or so much thereof as is necessary, to be used for the purposes
26 designated:

27 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

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

| | | |
|----------|------|-----------|
| 31 | \$ | 1,142,557 |
| 32 | FTEs | 15.00 |

33 2. IOWA VETERANS HOME

34 For salaries, support, maintenance, and miscellaneous
35 purposes:

1 \$ 7,228,140

2 a. The Iowa veterans home billings involving the department
3 of human services shall be submitted to the department on at
4 least a monthly basis.

5 b. Within available resources and in conformance with
6 associated state and federal program eligibility requirements,
7 the Iowa veterans home may implement measures to provide
8 financial assistance to or on behalf of veterans or their
9 spouses who are participating in the community reentry program.

10 c. The Iowa veterans home expenditure report shall be
11 submitted monthly to the legislative services agency.

12 d. The Iowa veterans home shall continue to include in the
13 annual discharge report applicant information to provide for
14 the collection of demographic information including but not
15 limited to the number of individuals applying for admission and
16 admitted or denied admittance and the basis for the admission
17 or denial; the age, gender, and race of such individuals;
18 and the level of care for which such individuals applied for
19 admission including residential or nursing level of care.

20 3. HOME OWNERSHIP ASSISTANCE PROGRAM

21 For transfer to the Iowa finance authority for the
22 continuation of the home ownership assistance program for
23 persons who are or were eligible members of the armed forces of
24 the United States, pursuant to [section 16.54](#):

25 \$ 2,000,000

26 Sec. 5. LIMITATION OF COUNTY COMMISSIONS OF VETERAN AFFAIRS
27 FUND STANDING APPROPRIATIONS. Notwithstanding the standing
28 appropriation in [section 35A.16](#) for the fiscal year beginning
29 July 1, 2017, and ending June 30, 2018, the amount appropriated
30 from the general fund of the state pursuant to that section
31 for the following designated purposes shall not exceed the
32 following amount:

33 For the county commissions of veteran affairs fund under
34 section 35A.16:

35 \$ 947,925

DIVISION V

DEPARTMENT OF HUMAN SERVICES — FY 2017-2018

Sec. 6. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK

GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2017, and ending June 30, 2018, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 5,112,462

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program and implementing family investment agreements in accordance with chapter 239B:

..... \$ 5,575,693

3. To be used for the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 2,898,980

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, unless such moneys are encumbered or obligated on or before September 30, 2017, the moneys shall revert.

4. For field operations:
..... \$ 31,296,232

5. For general administration:

1 \$ 3,744,000
2 6. For state child care assistance:
3 \$ 47,866,826
4 a. Of the funds appropriated in this subsection,
5 \$26,328,097 is transferred to the child care and development
6 block grant appropriation made by the Eighty-seventh General
7 Assembly, 2017 session, for the federal fiscal year beginning
8 October 1, 2017, and ending September 30, 2018. Of this
9 amount, \$200,000 shall be used for provision of educational
10 opportunities to registered child care home providers in order
11 to improve services and programs offered by this category
12 of providers and to increase the number of providers. The
13 department may contract with institutions of higher education
14 or child care resource and referral centers to provide
15 the educational opportunities. Allowable administrative
16 costs under the contracts shall not exceed 5 percent. The
17 application for a grant shall not exceed two pages in length.
18 b. Any funds appropriated in this subsection remaining
19 unallocated shall be used for state child care assistance
20 payments for families who are employed including but not
21 limited to individuals enrolled in the family investment
22 program.
23 7. For child and family services:
24 \$ 32,380,654
25 8. For child abuse prevention grants:
26 \$ 125,000
27 9. For pregnancy prevention grants on the condition that
28 family planning services are funded:
29 \$ 1,930,067
30 Pregnancy prevention grants shall be awarded to programs
31 in existence on or before July 1, 2017, if the programs have
32 demonstrated positive outcomes. Grants shall be awarded to
33 pregnancy prevention programs which are developed after July
34 1, 2017, if the programs are based on existing models that
35 have demonstrated positive outcomes. Grants shall comply with

1 the requirements provided in 1997 Iowa Acts, chapter 208,
2 section 14, subsections 1 and 2, including the requirement that
3 grant programs must emphasize sexual abstinence. Priority in
4 the awarding of grants shall be given to programs that serve
5 areas of the state which demonstrate the highest percentage of
6 unplanned pregnancies of females of childbearing age within the
7 geographic area to be served by the grant.

8 10. For technology needs and other resources necessary
9 to meet federal welfare reform reporting, tracking, and case
10 management requirements:

11 \$ 1,037,186

12 11. a. Notwithstanding any provision to the contrary,
13 including but not limited to requirements in [section 8.41](#) or
14 provisions in 2016 or 2017 Iowa Acts regarding the receipt and
15 appropriation of federal block grants, federal funds from the
16 temporary assistance for needy families block grant received by
17 the state and not otherwise appropriated in this section and
18 remaining available for the fiscal year beginning July 1, 2017,
19 are appropriated to the department of human services to the
20 extent as may be necessary to be used in the following priority
21 order: the family investment program, for state child care
22 assistance program payments for families who are employed, and
23 for the family investment program share of costs to develop and
24 maintain a new, integrated eligibility determination system.
25 The federal funds appropriated in this paragraph "a" shall be
26 expended only after all other funds appropriated in subsection
27 1 for the assistance under the family investment program,
28 in subsection 6 for child care assistance, or in subsection
29 12 for the family investment program share of the costs to
30 continue to develop and maintain a new, integrated eligibility
31 determination system, as applicable, have been expended. For
32 the purposes of this subsection, the funds appropriated in
33 subsection 6, paragraph "a", for transfer to the child care
34 and development block grant appropriation are considered fully
35 expended when the full amount has been transferred.

1 b. The department shall, on a quarterly basis, advise the
2 legislative services agency and department of management of
3 the amount of funds appropriated in this subsection that was
4 expended in the prior quarter.

5 12. Of the amounts appropriated in this section,
6 \$12,962,008 for the fiscal year beginning July 1, 2017, is
7 transferred to the appropriation of the federal social services
8 block grant made to the department of human services for that
9 fiscal year.

10 13. For continuation of the program providing categorical
11 eligibility for the food assistance program as specified
12 for the program in the section of this division of this Act
13 relating to the family investment program account:

14 \$ 25,000

15 14. The department may transfer funds allocated in this
16 section to the appropriations made in this division of this Act
17 for the same fiscal year for general administration and field
18 operations for resources necessary to implement and operate the
19 services referred to in this section and those funded in the
20 appropriation made in this division of this Act for the same
21 fiscal year for the family investment program from the general
22 fund of the state.

23 15. With the exception of moneys allocated under this
24 section for the family development and self-sufficiency grant
25 program, to the extent moneys allocated in this section are
26 deemed by the department not to be necessary to support the
27 purposes for which they are allocated, such moneys may be
28 credited to the family investment program account as specified
29 under subsection 1 of this section and used for the purposes of
30 assistance under the family investment program in accordance
31 with chapter 239B in the same fiscal year.

32 Sec. 7. FAMILY INVESTMENT PROGRAM ACCOUNT.

33 1. Moneys credited to the family investment program (FIP)
34 account for the fiscal year beginning July 1, 2017, and
35 ending June 30, 2018, shall be used to provide assistance in

1 accordance with chapter 239B.

2 2. The department may use a portion of the moneys credited
3 to the FIP account under this section as necessary for
4 salaries, support, maintenance, and miscellaneous purposes.

5 3. The department may transfer funds allocated in
6 subsection 4 to the appropriations made in this division of
7 this Act for the same fiscal year for general administration
8 and field operations for resources necessary to implement and
9 operate the family investment program services referred to in
10 this section and those funded in the appropriation made in this
11 division of this Act for the same fiscal year for the family
12 investment program from the general fund of the state.

13 4. Moneys appropriated in this division of this Act and
14 credited to the FIP account for the fiscal year beginning July
15 1, 2017, and ending June 30, 2018, are allocated as follows:

16 a. To be retained by the department of human services to
17 be used for coordinating with the department of human rights
18 to more effectively serve participants in FIP and other shared
19 clients and to meet federal reporting requirements under the
20 federal temporary assistance for needy families block grant:
21 \$ 20,000

22 b. To the department of human rights for staffing,
23 administration, and implementation of the family development
24 and self-sufficiency grant program in accordance with section
25 216A.107:
26 \$ 6,192,834

27 (1) Of the funds allocated for the family development
28 and self-sufficiency grant program in this paragraph "b",
29 not more than 5 percent of the funds shall be used for the
30 administration of the grant program.

31 (2) The department of human rights may continue to implement
32 the family development and self-sufficiency grant program
33 statewide during fiscal year 2017-2018.

34 (3) The department of human rights may engage in activities
35 to strengthen and improve family outcomes measures and

1 data collection systems under the family development and
2 self-sufficiency grant program.

3 c. For the diversion subaccount of the FIP account:
4 \$ 815,000

5 A portion of the moneys allocated for the subaccount may
6 be used for field operations, salaries, data management
7 system development, and implementation costs and support
8 deemed necessary by the director of human services in order to
9 administer the FIP diversion program. To the extent moneys
10 allocated in this paragraph "c" are deemed by the department
11 not to be necessary to support diversion activities, such
12 moneys may be used for other efforts intended to increase
13 engagement by family investment program participants in work,
14 education, or training activities, or for the purposes of
15 assistance under the family investment program in accordance
16 with chapter 239B.

17 d. For the food assistance employment and training program:
18 \$ 66,588

19 (1) The department shall apply the federal supplemental
20 nutrition assistance program (SNAP) employment and training
21 state plan in order to maximize to the fullest extent permitted
22 by federal law the use of the 50 percent federal reimbursement
23 provisions for the claiming of allowable federal reimbursement
24 funds from the United States department of agriculture
25 pursuant to the federal SNAP employment and training program
26 for providing education, employment, and training services
27 for eligible food assistance program participants, including
28 but not limited to related dependent care and transportation
29 expenses.

30 (2) The department shall continue the categorical federal
31 food assistance program eligibility at 160 percent of the
32 federal poverty level and continue to eliminate the asset test
33 from eligibility requirements, consistent with federal food
34 assistance program requirements. The department shall include
35 as many food assistance households as is allowed by federal

1 law. The eligibility provisions shall conform to all federal
2 requirements including requirements addressing individuals who
3 are incarcerated or otherwise ineligible.

4 e. For the JOBS program:

5 \$ 13,523,290

6 5. Of the child support collections assigned under FIP,
7 an amount equal to the federal share of support collections
8 shall be credited to the child support recovery appropriation
9 made in this division of this Act. Of the remainder of the
10 assigned child support collections received by the child
11 support recovery unit, a portion shall be credited to the FIP
12 account, a portion may be used to increase recoveries, and a
13 portion may be used to sustain cash flow in the child support
14 payments account. If as a consequence of the appropriations
15 and allocations made in this section the resulting amounts
16 are insufficient to sustain cash assistance payments and meet
17 federal maintenance of effort requirements, the department
18 shall seek supplemental funding. If child support collections
19 assigned under FIP are greater than estimated or are otherwise
20 determined not to be required for maintenance of effort, the
21 state share of either amount may be transferred to or retained
22 in the child support payments account.

23 6. The department may adopt emergency rules for the family
24 investment, JOBS, food assistance, and medical assistance
25 programs if necessary to comply with federal requirements.

26 Sec. 8. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
27 is appropriated from the general fund of the state to the
28 department of human services for the fiscal year beginning July
29 1, 2017, and ending June 30, 2018, the following amount, or
30 so much thereof as is necessary, to be used for the purpose
31 designated:

32 To be credited to the family investment program (FIP)
33 account and used for family investment program assistance under
34 chapter 239B:
35 \$ 43,004,480

1 1. Of the funds appropriated in this section, \$7,947,597 is
2 allocated for the JOBS program.

3 2. Of the funds appropriated in this section, \$3,313,854 is
4 allocated for the family development and self-sufficiency grant
5 program.

6 3. Notwithstanding [section 8.39](#), for the fiscal year
7 beginning July 1, 2017, if necessary to meet federal
8 maintenance of effort requirements or to transfer federal
9 temporary assistance for needy families block grant funding
10 to be used for purposes of the federal social services block
11 grant or to meet cash flow needs resulting from delays in
12 receiving federal funding or to implement, in accordance with
13 this division of this Act, activities currently funded with
14 juvenile court services, county, or community moneys and state
15 moneys used in combination with such moneys; to comply with
16 federal requirements; or to maximize the use of federal funds,
17 the department of human services may transfer funds within or
18 between any of the appropriations made in this division of this
19 Act and appropriations in law for the federal social services
20 block grant to the department for the following purposes,
21 provided that the combined amount of state and federal
22 temporary assistance for needy families block grant funding
23 for each appropriation remains the same before and after the
24 transfer:

25 a. For the family investment program.

26 b. For child care assistance.

27 c. For child and family services.

28 d. For field operations.

29 e. For general administration.

30 This subsection shall not be construed to prohibit the use
31 of existing state transfer authority for other purposes. The
32 department shall report any transfers made pursuant to this
33 subsection to the legislative services agency.

34 4. Of the funds appropriated in this section, \$195,678 shall
35 be used for continuation of a grant to an Iowa-based nonprofit

1 organization with a history of providing tax preparation
2 assistance to low-income Iowans in order to expand the usage of
3 the earned income tax credit. The purpose of the grant is to
4 supply this assistance to underserved areas of the state.

5 5. Of the funds appropriated in this section, \$60,000 shall
6 be used for the continuation of an unfunded pilot project, as
7 defined in 441 IAC 100.1, relating to parental obligations,
8 in which the child support recovery unit participates, to
9 support the efforts of a nonprofit organization committed
10 to strengthening the community through youth development,
11 healthy living, and social responsibility headquartered in
12 a county with a population over 350,000 according to the
13 latest certified federal census. The funds allocated in this
14 subsection shall be used by the recipient organization to
15 develop a larger community effort, through public and private
16 partnerships, to support a broad-based multi-county fatherhood
17 initiative that promotes payment of child support obligations,
18 improved family relationships, and full-time employment.

19 6. The department may transfer funds appropriated in this
20 section to the appropriations made in this division of this Act
21 for general administration and field operations as necessary
22 to administer this section and the overall family investment
23 program.

24 Sec. 9. CHILD SUPPORT RECOVERY. There is appropriated
25 from the general fund of the state to the department of human
26 services for the fiscal year beginning July 1, 2017, and ending
27 June 30, 2018, the following amount, or so much thereof as is
28 necessary, to be used for the purposes designated:

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

32 \$ 12,586,635
33 FTEs 459.00

34 1. The department shall expend up to \$24,329, including
35 federal financial participation, for the fiscal year beginning

1 July 1, 2017, for a child support public awareness campaign.
2 The department and the office of the attorney general shall
3 cooperate in continuation of the campaign. The public
4 awareness campaign shall emphasize, through a variety of
5 media activities, the importance of maximum involvement of
6 both parents in the lives of their children as well as the
7 importance of payment of child support obligations.

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

13 3. The appropriation made to the department for child
14 support recovery may be used throughout the fiscal year in the
15 manner necessary for purposes of cash flow management, and for
16 cash flow management purposes the department may temporarily
17 draw more than the amount appropriated, provided the amount
18 appropriated is not exceeded at the close of the fiscal year.

19 4. With the exception of the funding amount specified, the
20 requirements established under 2001 Iowa Acts, chapter 191,
21 section 3, subsection 5, paragraph "c", subparagraph (3), shall
22 be applicable to parental obligation pilot projects for the
23 fiscal year beginning July 1, 2017, and ending June 30, 2018.
24 Notwithstanding 441 IAC 100.8, providing for termination of
25 rules relating to the pilot projects, the rules shall remain
26 in effect until June 30, 2018.

27 Sec. 10. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE —
28 FY 2017-2018. Any funds remaining in the health care trust
29 fund created in [section 453A.35A](#) for the fiscal year beginning
30 July 1, 2017, and ending June 30, 2018, are appropriated to
31 the department of human services to supplement the medical
32 assistance program appropriations made in this division of this
33 Act, for medical assistance reimbursement and associated costs,
34 including program administration and costs associated with
35 program implementation.

1 Sec. 11. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY
2 2017-2018. Any funds remaining in the Medicaid fraud fund
3 created in [section 249A.50](#) for the fiscal year beginning
4 July 1, 2017, and ending June 30, 2018, are appropriated to
5 the department of human services to supplement the medical
6 assistance appropriations made in this division of this Act,
7 for medical assistance reimbursement and associated costs,
8 including program administration and costs associated with
9 program implementation.

10 Sec. 12. MEDICAL ASSISTANCE. There is appropriated from the
11 general fund of the state to the department of human services
12 for the fiscal year beginning July 1, 2017, and ending June 30,
13 2018, the following amount, or so much thereof as is necessary,
14 to be used for the purpose designated:

15 For medical assistance program reimbursement and associated
16 costs as specifically provided in the reimbursement
17 methodologies in effect on June 30, 2017, except as otherwise
18 expressly authorized by law, consistent with options under
19 federal law and regulations, and contingent upon receipt of
20 approval from the office of the governor of reimbursement for
21 each abortion performed under the program:

22 \$ 1,284,605,740

23 1. Iowans support reducing the number of abortions
24 performed in our state. Funds appropriated under this section
25 shall not be used for abortions, unless otherwise authorized
26 under this section.

27 2. The provisions of this section relating to abortions
28 shall also apply to the Iowa health and wellness plan created
29 pursuant to [chapter 249N](#).

30 3. The department shall utilize not more than \$60,000 of
31 the funds appropriated in this section to continue the AIDS/HIV
32 health insurance premium payment program as established in 1992
33 Iowa Acts, Second Extraordinary Session, chapter 1001, section
34 409, subsection 6. Of the funds allocated in this subsection,
35 not more than \$5,000 may be expended for administrative

1 purposes.

2 4. Of the funds appropriated in this Act to the department
3 of public health for addictive disorders, \$950,000 for
4 the fiscal year beginning July 1, 2017, is transferred
5 to the department of human services for an integrated
6 substance-related disorder managed care system. The
7 departments of human services and public health shall
8 work together to maintain the level of mental health and
9 substance-related disorder treatment services provided by the
10 managed care contractors. Each department shall take the steps
11 necessary to continue the federal waivers as necessary to
12 maintain the level of services.

13 5. a. The department shall aggressively pursue options for
14 providing medical assistance or other assistance to individuals
15 with special needs who become ineligible to continue receiving
16 services under the early and periodic screening, diagnostic,
17 and treatment program under the medical assistance program
18 due to becoming 21 years of age who have been approved for
19 additional assistance through the department's exception to
20 policy provisions, but who have health care needs in excess
21 of the funding available through the exception to policy
22 provisions.

23 b. Of the funds appropriated in this section, \$100,000
24 shall be used for participation in one or more pilot projects
25 operated by a private provider to allow the individual or
26 individuals to receive service in the community in accordance
27 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
28 (1999), for the purpose of providing medical assistance or
29 other assistance to individuals with special needs who become
30 ineligible to continue receiving services under the early and
31 periodic screening, diagnostic, and treatment program under
32 the medical assistance program due to becoming 21 years of
33 age who have been approved for additional assistance through
34 the department's exception to policy provisions, but who have
35 health care needs in excess of the funding available through

1 the exception to the policy provisions.

2 6. Of the funds appropriated in this section, up to
3 \$3,050,082 may be transferred to the field operations or
4 general administration appropriations in this division of this
5 Act for operational costs associated with Part D of the federal
6 Medicare Prescription Drug Improvement and Modernization Act
7 of 2003, Pub. L. No. 108-173.

8 7. Of the funds appropriated in this section, up to \$442,100
9 may be transferred to the appropriation in this division
10 of this Act for medical contracts to be used for clinical
11 assessment services and prior authorization of services.

12 8. A portion of the funds appropriated in this section
13 may be transferred to the appropriations in this division of
14 this Act for general administration, medical contracts, the
15 children's health insurance program, or field operations to be
16 used for the state match cost to comply with the payment error
17 rate measurement (PERM) program for both the medical assistance
18 and children's health insurance programs as developed by the
19 centers for Medicare and Medicaid services of the United States
20 department of health and human services to comply with the
21 federal Improper Payments Information Act of 2002, Pub. L. No.
22 107-300.

23 9. The department shall continue to implement the
24 recommendations of the assuring better child health and
25 development initiative II (ABCDII) clinical panel to the
26 Iowa early and periodic screening, diagnostic, and treatment
27 services healthy mental development collaborative board
28 regarding changes to billing procedures, codes, and eligible
29 service providers.

30 10. Of the funds appropriated in this section, a sufficient
31 amount is allocated to supplement the incomes of residents of
32 nursing facilities, intermediate care facilities for persons
33 with mental illness, and intermediate care facilities for
34 persons with an intellectual disability, with incomes of less
35 than \$50 in the amount necessary for the residents to receive a

1 personal needs allowance of \$50 per month pursuant to section
2 249A.30A.

3 11. a. Hospitals that meet the conditions specified
4 in subparagraphs (1) and (2) shall either certify public
5 expenditures or transfer to the medical assistance program
6 an amount equal to provide the nonfederal share for a
7 disproportionate share hospital payment in an amount up to the
8 hospital-specific limit as approved in the Medicaid state plan.
9 The hospitals that meet the conditions specified shall receive
10 and retain 100 percent of the total disproportionate share
11 hospital payment in an amount up to the hospital-specific limit
12 as approved in the Medicaid state plan.

13 (1) The hospital qualifies for disproportionate share and
14 graduate medical education payments.

15 (2) The hospital is an Iowa state-owned hospital with more
16 than 500 beds and eight or more distinct residency specialty
17 or subspecialty programs recognized by the American college of
18 graduate medical education.

19 b. Distribution of the disproportionate share payments
20 shall be made on a monthly basis. The total amount of
21 disproportionate share payments including graduate medical
22 education, enhanced disproportionate share, and Iowa
23 state-owned teaching hospital payments shall not exceed the
24 amount of the state's allotment under Pub. L. No. 102-234.
25 In addition, the total amount of all disproportionate
26 share payments shall not exceed the hospital-specific
27 disproportionate share limits under Pub. L. No. 103-66.

28 12. One hundred percent of the nonfederal share of payments
29 to area education agencies that are medical assistance
30 providers for medical assistance-covered services provided to
31 medical assistance-covered children, shall be made from the
32 appropriation made in this section.

33 13. A portion of the funds appropriated in this section
34 may be transferred to the appropriation in this division of
35 this Act for medical contracts to be used for administrative

1 activities associated with the money follows the person
2 demonstration project.

3 14. Of the funds appropriated in this section, \$349,011
4 shall be used for the administration of the health insurance
5 premium payment program, including salaries, support,
6 maintenance, and miscellaneous purposes.

7 15. a. The department shall implement all of the following
8 cost containment strategies:

9 (1) An adjustment to the reimbursement policy in order
10 to eliminate the primary care physician rate increase
11 originally authorized by the federal Health Care and Education
12 Reconciliation Act of 2010, section 1202, Pub. L. No. 111-152,
13 42 U.S.C. §1396a(a)(13)(C) that allows qualified primary care
14 physicians to receive the greater of the Medicare rate or
15 Medicaid rate for a specified set of codes.

16 (2) A strategy to ensure that total reimbursement for
17 Medicare Part A and Medicare Part B crossover claims is limited
18 to the Medicaid reimbursement rate.

19 (3) An adjustment to Medicaid reimbursement rates for
20 physician services by applying a site of service differential
21 to reflect the difference between the cost of physician
22 services when provided in a health facility setting and the
23 cost of physician services when provided in a physician's
24 office.

25 (4) An adjustment to the inpatient diagnostic related group
26 (DRG) cost threshold formula to be the greater of two times the
27 statewide average DRG payment for that case or the hospital's
28 individual DRG payment for that case plus \$75,000.

29 (5) An adjustment to the Medicaid anesthesia conversion
30 factor to be equal to the calendar year 2017 Medicare
31 anesthesia conversion factor as adjusted for the state, and
32 converted to a per minute amount. Each January 1, thereafter,
33 the department shall apply the applicable Medicare anesthesia
34 conversion factor adjusted for the state, and converted to a
35 per minute amount.

1 (6) An alignment of billing and reimbursement for
2 consultation services rendered in an office, other outpatient,
3 or inpatient setting with Medicare billing and reimbursement.

4 (7) Elimination of the three-month retroactive Medicaid
5 coverage benefit for Medicaid applicants effective October 1,
6 2017. The department shall seek a waiver from the centers for
7 Medicare and Medicaid services of the United States department
8 of health and human services to implement the strategy.

9 If federal approval is received, an applicant's Medicaid
10 coverage shall be effective on the first day of the month of
11 application, as allowed under the Medicaid state plan.

12 b. The department shall implement the cost containment
13 strategies specified in this subsection beginning July 1, 2017,
14 or as otherwise specified. If federal approval is required,
15 the strategy shall be implemented effective upon receipt of
16 federal approval.

17 c. The department may adopt emergency rules to implement
18 this subsection.

19 16. a. The department may increase the amounts allocated
20 for salaries, support, maintenance, and miscellaneous purposes
21 associated with the medical assistance program, as necessary,
22 to implement cost containment strategies. The department shall
23 report any such increase to the legislative services agency and
24 the department of management.

25 b. If the savings to the medical assistance program from
26 cost containment efforts exceed the cost for the fiscal
27 year beginning July 1, 2017, the department may transfer any
28 savings generated for the fiscal year due to medical assistance
29 program cost containment efforts to the appropriation
30 made in this division of this Act for medical contracts or
31 general administration to defray the increased contract costs
32 associated with implementing such efforts.

33 17. For the fiscal year beginning July 1, 2017, and ending
34 June 30, 2018, the replacement generation tax revenues required
35 to be deposited in the property tax relief fund pursuant to

1 section 437A.8, subsection 4, paragraph "d", and section
2 437A.15, subsection 3, paragraph "f", shall instead be credited
3 to and supplement the appropriation made in this section and
4 used for the allocations made in this section.

5 18. a. Of the funds appropriated in this section, up
6 to \$50,000 may be transferred by the department to the
7 appropriation made in this division of this Act to the
8 department for the same fiscal year for general administration
9 to be used for associated administrative expenses and for not
10 more than one full-time equivalent position, in addition to
11 those authorized for the same fiscal year, to be assigned to
12 implementing the children's mental health home project.

13 b. Of the funds appropriated in this section, up to \$400,000
14 may be transferred by the department to the appropriation made
15 to the department in this division of this Act for the same
16 fiscal year for Medicaid program-related general administration
17 planning and implementation activities. The funds may be used
18 for contracts or for personnel in addition to the amounts
19 appropriated for and the positions authorized for general
20 administration for the fiscal year.

21 c. Of the funds appropriated in this section, up to
22 \$3,000,000 may be transferred by the department to the
23 appropriations made in this division of this Act for the same
24 fiscal year for general administration or medical contracts
25 to be used to support the development and implementation of
26 standardized assessment tools for persons with mental illness,
27 an intellectual disability, a developmental disability, or a
28 brain injury.

29 19. Of the funds appropriated in this section, \$150,000
30 shall be used for lodging expenses associated with care
31 provided at the university of Iowa hospitals and clinics for
32 patients with cancer whose travel distance is 30 miles or more
33 and whose income is at or below 200 percent of the federal
34 poverty level as defined by the most recently revised poverty
35 income guidelines published by the United States department of

1 health and human services. The department of human services
2 shall establish the maximum number of overnight stays and the
3 maximum rate reimbursed for overnight lodging, which may be
4 based on the state employee rate established by the department
5 of administrative services. The funds allocated in this
6 subsection shall not be used as nonfederal share matching
7 funds.

8 20. Of the funds appropriated in this section, up to
9 \$3,383,880 shall be used for administration of the state family
10 planning services program as enacted in this 2017 Act, and
11 of this amount, the department may use up to \$200,000 for
12 administrative expenses.

13 21. The department shall report the implementation of
14 any cost containment strategies to the individuals specified
15 in this division of this Act for submission of reports upon
16 implementation.

17 22. The department shall report the implementation of any
18 process improvement changes and any related cost reductions
19 to the individuals specified in this division of this Act for
20 submission of reports upon implementation.

21 23. The Medicaid managed care organizations shall explore
22 options provided by national human services nonprofit
23 organizations that provide innovative services for persons with
24 behavioral health challenges to incorporate assertive community
25 treatment teams into the services provided to individuals with
26 severe and persistent mental illness in order to minimize or
27 prevent recurrent acute episodes and to enhance quality of life
28 and functioning.

29 24. To the extent a managed care organization has developed
30 a closed or exclusive provider network through contractual
31 arrangements with selected providers, such managed care
32 organization shall accept into such closed or exclusive network
33 any willing licensed or certified health care provider who
34 holds a current, active license or certification in good
35 standing, as applicable, who is not experiencing adverse care

1 quality issues, and who agrees to accept the fee schedule,
2 payment, or reimbursement rate for such health care provider in
3 that network in the specific geographic area of the licensed or
4 certified health care provider.

5 25. The department of human services shall include in the
6 Medicaid managed care contracts beginning with the contract
7 period effective July 1, 2017, per member per month capitation
8 payments to managed care organizations that encourage the
9 utilization of home and community-based services as an
10 alternative to residential care for members.

11 Sec. 13. MEDICAL CONTRACTS. There is appropriated from the
12 general fund of the state to the department of human services
13 for the fiscal year beginning July 1, 2017, and ending June 30,
14 2018, the following amount, or so much thereof as is necessary,
15 to be used for the purpose designated:

16 For medical contracts:

17 \$ 17,626,464

18 1. The department of inspections and appeals shall
19 provide all state matching funds for survey and certification
20 activities performed by the department of inspections
21 and appeals. The department of human services is solely
22 responsible for distributing the federal matching funds for
23 such activities.

24 2. Of the funds appropriated in this section, \$50,000 shall
25 be used for continuation of home and community-based services
26 waiver quality assurance programs, including the review and
27 streamlining of processes and policies related to oversight and
28 quality management to meet state and federal requirements.

29 3. Of the amount appropriated in this section, up to
30 \$200,000 may be transferred to the appropriation for general
31 administration in this division of this Act to be used for
32 additional full-time equivalent positions in the development of
33 key health initiatives such as cost containment, development
34 and oversight of managed care programs, and development of
35 health strategies targeted toward improved quality and reduced

1 costs in the Medicaid program.

2 4. Of the funds appropriated in this section, \$1,000,000
3 shall be used for planning and development, in cooperation with
4 the department of public health, of a phased-in program to
5 provide a dental home for children.

6 5. Of the funds appropriated in this section, \$950,000
7 shall be credited to the autism support program fund created
8 in section 225D.2 to be used for the autism support program
9 created in [chapter 225D](#), with the exception of the following
10 amounts of this allocation which shall be used as follows:

11 a. Of the amount appropriated in this section, \$202,000
12 shall be used for the public purpose of providing a one-year
13 grant to Drake university to establish a master's program in
14 applied behavioral analysis, including the establishment of
15 remote learning sites and a remote system to maximize outreach
16 and enrollment in the program.

17 b. Of the funds allocated in this subsection, \$25,000
18 shall be used for the public purpose of continuation of a
19 grant to a child welfare services provider headquartered in a
20 county with a population between 205,000 and 215,000 in the
21 latest certified federal census that provides multiple services
22 including but not limited to a psychiatric medical institution
23 for children, shelter, residential treatment, after school
24 programs, school-based programming, and an Asperger's syndrome
25 program, to be used for support services for children with
26 autism spectrum disorder and their families.

27 c. Of the funds allocated in this subsection, \$25,000
28 shall be used for the public purpose of continuing a grant to
29 a hospital-based provider headquartered in a county with a
30 population between 90,000 and 95,000 in the latest certified
31 federal census that provides multiple services including
32 but not limited to diagnostic, therapeutic, and behavioral
33 services to individuals with autism spectrum disorder across
34 one's lifespan. The grant recipient shall utilize the funds
35 to continue the pilot project to determine the necessary

1 support services for children with autism spectrum disorder and
2 their families to be included in the children's disabilities
3 services system. The grant recipient shall submit findings and
4 recommendations based upon the results of the pilot project
5 to the individuals specified in this division of this Act for
6 submission of reports by December 31, 2017.

7 Sec. 14. STATE SUPPLEMENTARY ASSISTANCE.

8 1. There is appropriated from the general fund of the
9 state to the department of human services for the fiscal year
10 beginning July 1, 2017, and ending June 30, 2018, the following
11 amount, or so much thereof as is necessary, to be used for the
12 purpose designated:

13 For the state supplementary assistance program:

14 \$ 10,372,658

15 2. The department shall increase the personal needs
16 allowance for residents of residential care facilities by the
17 same percentage and at the same time as federal supplemental
18 security income and federal social security benefits are
19 increased due to a recognized increase in the cost of living.
20 The department may adopt emergency rules to implement this
21 subsection.

22 3. If during the fiscal year beginning July 1, 2017,
23 the department projects that state supplementary assistance
24 expenditures for a calendar year will not meet the federal
25 pass-through requirement specified in Tit. XVI of the federal
26 Social Security Act, section 1618, as codified in 42 U.S.C.
27 §1382g, the department may take actions including but not
28 limited to increasing the personal needs allowance for
29 residential care facility residents and making programmatic
30 adjustments or upward adjustments of the residential care
31 facility or in-home health-related care reimbursement rates
32 prescribed in this division of this Act to ensure that federal
33 requirements are met. In addition, the department may make
34 other programmatic and rate adjustments necessary to remain
35 within the amount appropriated in this section while ensuring

1 compliance with federal requirements. The department may adopt
2 emergency rules to implement the provisions of this subsection.

3 Sec. 15. CHILDREN'S HEALTH INSURANCE PROGRAM.

4 1. There is appropriated from the general fund of the
5 state to the department of human services for the fiscal year
6 beginning July 1, 2017, and ending June 30, 2018, the following
7 amount, or so much thereof as is necessary, to be used for the
8 purpose designated:

9 For maintenance of the healthy and well kids in Iowa (hawk-i)
10 program pursuant to [chapter 514I](#), including supplemental dental
11 services, for receipt of federal financial participation under
12 Tit. XXI of the federal Social Security Act, which creates the
13 children's health insurance program:

14 \$ 8,518,452

15 2. Of the funds appropriated in this section, \$42,800 is
16 allocated for continuation of the contract for outreach with
17 the department of public health.

18 Sec. 16. CHILD CARE ASSISTANCE. There is appropriated
19 from the general fund of the state to the department of human
20 services for the fiscal year beginning July 1, 2017, and ending
21 June 30, 2018, the following amount, or so much thereof as is
22 necessary, to be used for the purpose designated:

23 For child care programs:

24 \$ 39,343,616

25 1. Of the funds appropriated in this section, \$33,493,616
26 shall be used for state child care assistance in accordance
27 with [section 237A.13](#).

28 2. Nothing in this section shall be construed or is
29 intended as or shall imply a grant of entitlement for services
30 to persons who are eligible for assistance due to an income
31 level consistent with the waiting list requirements of section
32 237A.13. Any state obligation to provide services pursuant to
33 this section is limited to the extent of the funds appropriated
34 in this section.

35 3. A list of the registered and licensed child care

1 facilities operating in the area served by a child care
2 resource and referral service shall be made available to the
3 families receiving state child care assistance in that area.

4 4. Of the funds appropriated in this section, \$5,850,000
5 shall be credited to the early childhood programs grants
6 account in the early childhood Iowa fund created in section
7 256I.11. The moneys shall be distributed for funding of
8 community-based early childhood programs targeted to children
9 from birth through five years of age developed by early
10 childhood Iowa areas in accordance with approved community
11 plans as provided in [section 256I.8](#).

12 5. The department may use any of the funds appropriated
13 in this section as a match to obtain federal funds for use in
14 expanding child care assistance and related programs. For
15 the purpose of expenditures of state and federal child care
16 funding, funds shall be considered obligated at the time
17 expenditures are projected or are allocated to the department's
18 service areas. Projections shall be based on current and
19 projected caseload growth, current and projected provider
20 rates, staffing requirements for eligibility determination
21 and management of program requirements including data systems
22 management, staffing requirements for administration of the
23 program, contractual and grant obligations and any transfers
24 to other state agencies, and obligations for decategorization
25 or innovation projects.

26 6. A portion of the state match for the federal child care
27 and development block grant shall be provided as necessary to
28 meet federal matching funds requirements through the state
29 general fund appropriation made for child development grants
30 and other programs for at-risk children in [section 279.51](#).

31 7. If a uniform reduction ordered by the governor under
32 section 8.31 or other operation of law, transfer, or federal
33 funding reduction reduces the appropriation made in this
34 section for the fiscal year, the percentage reduction in the
35 amount paid out to or on behalf of the families participating

1 in the state child care assistance program shall be equal to or
2 less than the percentage reduction made for any other purpose
3 payable from the appropriation made in this section and the
4 federal funding relating to it. The percentage reduction to
5 the other allocations made in this section shall be the same as
6 the uniform reduction ordered by the governor or the percentage
7 change of the federal funding reduction, as applicable.

8 If there is an unanticipated increase in federal funding
9 provided for state child care assistance, the entire amount
10 of the increase shall be used for state child care assistance
11 payments. If the appropriations made for purposes of the
12 state child care assistance program for the fiscal year are
13 determined to be insufficient, it is the intent of the general
14 assembly to appropriate sufficient funding for the fiscal year
15 in order to avoid establishment of waiting list requirements.

16 8. Notwithstanding [section 8.33](#), moneys advanced for
17 purposes of the programs developed by early childhood Iowa
18 areas, advanced for purposes of wraparound child care, or
19 received from the federal appropriations made for the purposes
20 of this section that remain unencumbered or unobligated at the
21 close of the fiscal year shall not revert to any fund but shall
22 remain available for expenditure for the purposes designated
23 until the close of the succeeding fiscal year.

24 Sec. 17. JUVENILE INSTITUTION. There is appropriated
25 from the general fund of the state to the department of human
26 services for the fiscal year beginning July 1, 2017, and ending
27 June 30, 2018, the following amounts, or so much thereof as is
28 necessary, to be used for the purposes designated:

29 1. For operation of the state training school at Eldora and
30 for salaries, support, maintenance, and miscellaneous purposes,
31 and for not more than the following full-time equivalent
32 positions:

| | |
|----------|---------------|
| 33 | \$ 11,350,443 |
| 34 | FTEs 189.00 |

35 Of the funds appropriated in this subsection, \$91,150 shall

1 be used for distribution to licensed classroom teachers at this
2 and other institutions under the control of the department of
3 human services based upon the average student yearly enrollment
4 at each institution as determined by the department.

5 2. A portion of the moneys appropriated in this section
6 shall be used by the state training school at Eldora for
7 grants for adolescent pregnancy prevention activities at the
8 institution in the fiscal year beginning July 1, 2017.

9 Sec. 18. CHILD AND FAMILY SERVICES.

10 1. There is appropriated from the general fund of the
11 state to the department of human services for the fiscal year
12 beginning July 1, 2017, and ending June 30, 2018, the following
13 amount, or so much thereof as is necessary, to be used for the
14 purpose designated:

15 For child and family services:

16 \$ 87,329,375

17 2. The department may transfer funds appropriated in this
18 section as necessary to pay the nonfederal costs of services
19 reimbursed under the medical assistance program, state child
20 care assistance program, or the family investment program which
21 are provided to children who would otherwise receive services
22 paid under the appropriation in this section. The department
23 may transfer funds appropriated in this section to the
24 appropriations made in this division of this Act for general
25 administration and for field operations for resources necessary
26 to implement and operate the services funded in this section.

27 3. a. Of the funds appropriated in this section, up to
28 \$35,736,649 is allocated as the statewide expenditure target
29 under [section 232.143](#) for group foster care maintenance and
30 services. If the department projects that such expenditures
31 for the fiscal year will be less than the target amount
32 allocated in this paragraph "a", the department may reallocate
33 the excess to provide additional funding for shelter care
34 or the child welfare emergency services addressed with the
35 allocation for shelter care.

1 b. If at any time after September 30, 2017, annualization
2 of a service area's current expenditures indicates a service
3 area is at risk of exceeding its group foster care expenditure
4 target under [section 232.143](#) by more than 5 percent, the
5 department and juvenile court services shall examine all
6 group foster care placements in that service area in order to
7 identify those which might be appropriate for termination.
8 In addition, any aftercare services believed to be needed
9 for the children whose placements may be terminated shall be
10 identified. The department and juvenile court services shall
11 initiate action to set dispositional review hearings for the
12 placements identified. In such a dispositional review hearing,
13 the juvenile court shall determine whether needed aftercare
14 services are available and whether termination of the placement
15 is in the best interest of the child and the community.

16 4. In accordance with the provisions of [section 232.188](#),
17 the department shall continue the child welfare and juvenile
18 justice funding initiative during fiscal year 2017-2018. Of
19 the funds appropriated in this section, \$1,717,753 is allocated
20 specifically for expenditure for fiscal year 2017-2018 through
21 the decategorization services funding pools and governance
22 boards established pursuant to [section 232.188](#).

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

28 6. Notwithstanding [section 234.35](#) or any other provision
29 of law to the contrary, state funding for shelter care and
30 the child welfare emergency services contracting implemented
31 to provide for or prevent the need for shelter care shall be
32 limited to \$8,096,158.

33 7. Federal funds received by the state during the fiscal
34 year beginning July 1, 2017, as the result of the expenditure
35 of state funds appropriated during a previous state fiscal

1 year for a service or activity funded under this section are
2 appropriated to the department to be used as additional funding
3 for services and purposes provided for under this section.
4 Notwithstanding [section 8.33](#), moneys received in accordance
5 with this subsection that remain unencumbered or unobligated at
6 the close of the fiscal year shall not revert to any fund but
7 shall remain available for the purposes designated until the
8 close of the succeeding fiscal year.

9 8. a. Of the funds appropriated in this section, up to
10 \$3,290,000 is allocated for the payment of the expenses of
11 court-ordered services provided to juveniles who are under the
12 supervision of juvenile court services, which expenses are a
13 charge upon the state pursuant to [section 232.141](#), subsection
14 4. Of the amount allocated in this paragraph "a", up to
15 \$1,556,287 shall be made available to provide school-based
16 supervision of children adjudicated under [chapter 232](#), of which
17 not more than \$15,000 may be used for the purpose of training.
18 A portion of the cost of each school-based liaison officer
19 shall be paid by the school district or other funding source as
20 approved by the chief juvenile court officer.

21 b. Of the funds appropriated in this section, up to \$748,985
22 is allocated for the payment of the expenses of court-ordered
23 services provided to children who are under the supervision
24 of the department, which expenses are a charge upon the state
25 pursuant to [section 232.141](#), subsection 4.

26 c. Notwithstanding [section 232.141](#) or any other provision
27 of law to the contrary, the amounts allocated in this
28 subsection shall be distributed to the judicial districts
29 as determined by the state court administrator and to the
30 department's service areas as determined by the administrator
31 of the department of human services' division of child and
32 family services. The state court administrator and the
33 division administrator shall make the determination of the
34 distribution amounts on or before June 15, 2017.

35 d. Notwithstanding [chapter 232](#) or any other provision of

1 law to the contrary, a district or juvenile court shall not
2 order any service which is a charge upon the state pursuant
3 to [section 232.141](#) if there are insufficient court-ordered
4 services funds available in the district court or departmental
5 service area distribution amounts to pay for the service. The
6 chief juvenile court officer and the departmental service area
7 manager shall encourage use of the funds allocated in this
8 subsection such that there are sufficient funds to pay for
9 all court-related services during the entire year. The chief
10 juvenile court officers and departmental service area managers
11 shall attempt to anticipate potential surpluses and shortfalls
12 in the distribution amounts and shall cooperatively request the
13 state court administrator or division administrator to transfer
14 funds between the judicial districts' or departmental service
15 areas' distribution amounts as prudent.

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

21 f. Of the funds allocated in this subsection, not more than
22 \$83,000 may be used by the judicial branch for administration
23 of the requirements under this subsection.

24 g. Of the funds allocated in this subsection, \$17,000
25 shall be used by the department of human services to support
26 the interstate commission for juveniles in accordance with
27 the interstate compact for juveniles as provided in section
28 232.173.

29 9. Of the funds appropriated in this section, \$12,253,227 is
30 allocated for juvenile delinquent graduated sanctions services.
31 Any state funds saved as a result of efforts by juvenile court
32 services to earn a federal Tit. IV-E match for juvenile court
33 services administration may be used for the juvenile delinquent
34 graduated sanctions services.

35 10. Of the funds appropriated in this section, \$1,658,285 is

1 transferred to the department of public health to be used for
2 the child protection center grant program for child protection
3 centers located in Iowa in accordance with [section 135.118](#).
4 The grant amounts under the program shall be equalized so that
5 each center receives a uniform base amount of \$245,000, so that
6 \$50,000 is awarded to establish a satellite child protection
7 center in a city in north central Iowa that is the county
8 seat of a county with a population between 44,000 and 45,000
9 according to the latest certified federal census, and so that
10 the remaining funds are awarded through a funding formula based
11 upon the volume of children served.

12 11. If the department receives federal approval to
13 implement a waiver under Tit. IV-E of the federal Social
14 Security Act to enable providers to serve children who remain
15 in the children's families and communities, for purposes of
16 eligibility under the medical assistance program through 25
17 years of age, children who participate in the waiver shall be
18 considered to be placed in foster care.

19 12. Of the funds appropriated in this section, \$4,025,167 is
20 allocated for the preparation for adult living program pursuant
21 to [section 234.46](#).

22 13. Of the funds appropriated in this section, \$227,337
23 shall be used for the public purpose of continuing a grant to
24 a nonprofit human services organization providing services to
25 individuals and families in multiple locations in southwest
26 Iowa and Nebraska for support of a project providing immediate,
27 sensitive support and forensic interviews, medical exams, needs
28 assessments, and referrals for victims of child abuse and their
29 nonoffending family members.

30 14. Of the funds appropriated in this section, \$300,620
31 is allocated for the foster care youth council approach of
32 providing a support network to children placed in foster care.

33 15. Of the funds appropriated in this section, \$202,000 is
34 allocated for use pursuant to [section 235A.1](#) for continuation
35 of the initiative to address child sexual abuse implemented

1 pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection
2 21.

3 16. Of the funds appropriated in this section, \$630,240 is
4 allocated for the community partnership for child protection
5 sites.

6 17. Of the funds appropriated in this section, \$371,250
7 is allocated for the department's minority youth and family
8 projects under the redesign of the child welfare system.

9 18. Of the funds appropriated in this section, \$1,186,595
10 is allocated for funding of the community circle of care
11 collaboration for children and youth in northeast Iowa.

12 19. Of the funds appropriated in this section, at least
13 \$147,158 shall be used for the continuation of the child
14 welfare provider training academy, a collaboration between the
15 coalition for family and children's services in Iowa and the
16 department.

17 20. Of the funds appropriated in this section, \$211,872
18 shall be used for continuation of the central Iowa system of
19 care program grant through June 30, 2018.

20 21. Of the funds appropriated in this section, \$235,000
21 shall be used for the public purpose of the continuation
22 and expansion of a system of care program grant implemented
23 in Cerro Gordo and Linn counties to utilize a comprehensive
24 and long-term approach for helping children and families by
25 addressing the key areas in a child's life of childhood basic
26 needs, education and work, family, and community.

27 22. Of the funds appropriated in this section, at least
28 \$25,000 shall be used to continue and to expand the foster
29 care respite pilot program in which postsecondary students in
30 social work and other human services-related programs receive
31 experience by assisting family foster care providers with
32 respite and other support.

33 23. Of the funds appropriated in this section, \$110,000
34 shall be used for the public purpose of funding community-based
35 services and other supports with a system of care approach

1 for children with a serious emotional disturbance and their
2 families through a nonprofit provider of child welfare services
3 that has been in existence for more than 115 years, is located
4 in a county with a population of more than 200,000 but less
5 than 220,000 according to the latest certified federal census,
6 is licensed as a psychiatric medical institution for children,
7 and was a system of care grantee prior to July 1, 2017.

8 Sec. 19. ADOPTION SUBSIDY.

9 1. There is appropriated from the general fund of the
10 state to the department of human services for the fiscal year
11 beginning July 1, 2017, and ending June 30, 2018, the following
12 amount, or so much thereof as is necessary, to be used for the
13 purpose designated:

14 a. For adoption subsidy payments and services:
15 \$ 40,777,910

16 b. (1) The funds appropriated in this section shall be used
17 as authorized or allowed by federal law or regulation for any
18 of the following purposes:

- 19 (a) For adoption subsidy payments and related costs.
- 20 (b) For post-adoption services and for other purposes under
21 Tit. IV-B or Tit. IV-E of the federal Social Security Act.

22 (2) The department of human services may transfer funds
23 appropriated in this subsection to the appropriation for
24 child and family services in this Act for the purposes of
25 post-adoption services as specified in this paragraph "b".

26 2. The department may transfer funds appropriated in
27 this section to the appropriation made in this division of
28 this Act for general administration for costs paid from the
29 appropriation relating to adoption subsidy.

30 3. Federal funds received by the state during the
31 fiscal year beginning July 1, 2017, as the result of the
32 expenditure of state funds during a previous state fiscal
33 year for a service or activity funded under this section are
34 appropriated to the department to be used as additional funding
35 for the services and activities funded under this section.

1 Notwithstanding [section 8.33](#), moneys received in accordance
2 with this subsection that remain unencumbered or unobligated
3 at the close of the fiscal year shall not revert to any fund
4 but shall remain available for expenditure for the purposes
5 designated until the close of the succeeding fiscal year.

6 Sec. 20. JUVENILE DETENTION HOME FUND. Moneys deposited
7 in the juvenile detention home fund created in [section 232.142](#)
8 during the fiscal year beginning July 1, 2017, and ending June
9 30, 2018, are appropriated to the department of human services
10 for the fiscal year beginning July 1, 2017, and ending June 30,
11 2018, for distribution of an amount equal to a percentage of
12 the costs of the establishment, improvement, operation, and
13 maintenance of county or multicounty juvenile detention homes
14 in the fiscal year beginning July 1, 2015. Moneys appropriated
15 for distribution in accordance with this section shall be
16 allocated among eligible detention homes, prorated on the basis
17 of an eligible detention home's proportion of the costs of all
18 eligible detention homes in the fiscal year beginning July
19 1, 2015. The percentage figure shall be determined by the
20 department based on the amount available for distribution for
21 the fund. Notwithstanding [section 232.142, subsection 3](#), the
22 financial aid payable by the state under that provision for the
23 fiscal year beginning July 1, 2017, shall be limited to the
24 amount appropriated for the purposes of this section.

25 Sec. 21. FAMILY SUPPORT SUBSIDY PROGRAM.

26 1. There is appropriated from the general fund of the
27 state to the department of human services for the fiscal year
28 beginning July 1, 2017, and ending June 30, 2018, the following
29 amount, or so much thereof as is necessary, to be used for the
30 purpose designated:

31 For the family support subsidy program subject to the
32 enrollment restrictions in [section 225C.37, subsection 3](#):
33 \$ 1,069,282

34 2. At least \$787,500 of the moneys appropriated in this
35 section is transferred to the department of public health for

1 the family support center component of the comprehensive family
2 support program under chapter 225C, subchapter V.

3 3. If at any time during the fiscal year, the amount of
4 funding available for the family support subsidy program
5 is reduced from the amount initially used to establish the
6 figure for the number of family members for whom a subsidy
7 is to be provided at any one time during the fiscal year,
8 notwithstanding [section 225C.38, subsection 2](#), the department
9 shall revise the figure as necessary to conform to the amount
10 of funding available.

11 Sec. 22. CONNER DECREE. There is appropriated from the
12 general fund of the state to the department of human services
13 for the fiscal year beginning July 1, 2017, and ending June 30,
14 2018, the following amount, or so much thereof as is necessary,
15 to be used for the purpose designated:

16 For building community capacity through the coordination
17 and provision of training opportunities in accordance with the
18 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.
19 Iowa, July 14, 1994):

20 \$ 33,632

21 Sec. 23. MENTAL HEALTH INSTITUTES.

22 1. There is appropriated from the general fund of the
23 state to the department of human services for the fiscal year
24 beginning July 1, 2017, and ending June 30, 2018, the following
25 amounts, or so much thereof as is necessary, to be used for the
26 purposes designated:

27 a. For operation of the state mental health institute at
28 Cherokee as required by chapters [218](#) and [226](#) for salaries,
29 support, maintenance, and miscellaneous purposes, and for not
30 more than the following full-time equivalent positions:

31 \$ 13,870,254

32 FTEs 162.00

33 b. For operation of the state mental health institute at
34 Independence as required by chapters [218](#) and [226](#) for salaries,
35 support, maintenance, and miscellaneous purposes, and for not

1 more than the following full-time equivalent positions:

| | |
|---------|---------------|
| 2 | \$ 17,513,621 |
| 3 | FTEs 204.00 |

4 2. Notwithstanding sections 218.78 and 249A.11, any revenue
5 received from the state mental health institute at Cherokee or
6 the state mental health institute at Independence pursuant to
7 42 C.F.R §438.6(e) may be retained and expended by the mental
8 health institute.

9 3. Notwithstanding any provision of law to the contrary,
10 a Medicaid member residing at the state mental health
11 institute at Cherokee or the state mental health institute
12 at Independence shall retain Medicaid eligibility during
13 the period of the Medicaid member's stay for which federal
14 financial participation is available.

15 Sec. 24. STATE RESOURCE CENTERS.

16 1. There is appropriated from the general fund of the
17 state to the department of human services for the fiscal year
18 beginning July 1, 2017, and ending June 30, 2018, the following
19 amounts, or so much thereof as is necessary, to be used for the
20 purposes designated:

| | |
|---|---------------|
| 21 a. For the state resource center at Glenwood for salaries, 22 support, maintenance, and miscellaneous purposes: 23 | \$ 17,887,781 |
|---|---------------|

| | |
|---|---------------|
| 24 b. For the state resource center at Woodward for salaries, 25 support, maintenance, and miscellaneous purposes: 26 | \$ 12,077,034 |
|---|---------------|

27 2. The department may continue to bill for state resource
28 center services utilizing a scope of services approach used for
29 private providers of intermediate care facilities for persons
30 with an intellectual disability services, in a manner which
31 does not shift costs between the medical assistance program,
32 counties, or other sources of funding for the state resource
33 centers.

34 3. The state resource centers may expand the time-limited
35 assessment and respite services during the fiscal year.

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

17 5. If existing capacity limitations are reached in
18 operating units, a waiting list is in effect for a service or
19 a special need for which a payment source or other funding
20 is available for the service or to address the special need,
21 and facilities for the service or to address the special need
22 can be provided within the available payment source or other
23 funding, the superintendent of a state resource center may
24 authorize opening not more than two units or other facilities
25 and begin implementing the service or addressing the special
26 need during fiscal year 2017-2018.

27 Sec. 25. SEXUALLY VIOLENT PREDATORS.

28 1. There is appropriated from the general fund of the
29 state to the department of human services for the fiscal year
30 beginning July 1, 2017, and ending June 30, 2018, the following
31 amount, or so much thereof as is necessary, to be used for the
32 purpose designated:

33 For costs associated with the commitment and treatment of
34 sexually violent predators in the unit located at the state
35 mental health institute at Cherokee, including costs of legal

1 services and other associated costs, including salaries,
2 support, maintenance, and miscellaneous purposes, and for not
3 more than the following full-time equivalent positions:

4 \$ 9,464,747
5 FTEs 112.00

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

15 Sec. 26. FIELD OPERATIONS. There is appropriated from the
16 general fund of the state to the department of human services
17 for the fiscal year beginning July 1, 2017, and ending June 30,
18 2018, the following amount, or so much thereof as is necessary,
19 to be used for the purposes designated:

20 For field operations, including salaries, support,
21 maintenance, and miscellaneous purposes, and for not more than
22 the following full-time equivalent positions:

23 \$ 48,484,435
24 FTEs 1,583.00

25 Priority in filling full-time equivalent positions shall be
26 given to those positions related to child protection services
27 and eligibility determination for low-income families.

28 Sec. 27. GENERAL ADMINISTRATION. There is appropriated
29 from the general fund of the state to the department of human
30 services for the fiscal year beginning July 1, 2017, and ending
31 June 30, 2018, the following amount, or so much thereof as is
32 necessary, to be used for the purpose designated:

33 For general administration, including salaries, support,
34 maintenance, and miscellaneous purposes, and for not more than
35 the following full-time equivalent positions:

1 \$ 13,883,040

2 FTEs 294.00

3 1. The department shall report at least monthly to the
4 legislative services agency concerning the department's
5 operational and program expenditures.

6 2. Of the funds appropriated in this section, \$150,000 shall
7 be used to continue the contract for the provision of a program
8 to provide technical assistance, support, and consultation to
9 providers of habilitation services and home and community-based
10 services waiver services for adults with disabilities under the
11 medical assistance program.

12 3. Of the funds appropriated in this section, \$50,000
13 is transferred to the Iowa finance authority to be used
14 for administrative support of the council on homelessness
15 established in [section 16.2D](#) and for the council to fulfill its
16 duties in addressing and reducing homelessness in the state.

17 4. Of the funds appropriated in this section, \$250,000 shall
18 be transferred to and deposited in the administrative fund of
19 the Iowa ABLE savings plan trust created in [section 12I.4](#), to
20 be used for implementation and administration activities of the
21 Iowa ABLE savings plan trust.

22 5. Of the funds appropriated in this section, \$200,000
23 is transferred to the economic development authority for
24 the Iowa commission on volunteer services to continue to be
25 used for RefugeeRISE AmeriCorps program established under
26 Code section 15H.8 for member recruitment and training to
27 improve the economic well-being and health of economically
28 disadvantaged refugees in local communities across Iowa. Funds
29 transferred may be used to supplement federal funds under
30 federal regulations.

31 6. Of the funds appropriated in this section, \$300,000 shall
32 be used to contract for children's well-being collaboratives
33 grants for the development and implementation of children's
34 well-being collaboratives to establish and coordinate
35 prevention and early intervention services to promote improved

1 mental health and well-being for children and families, as
2 enacted in this 2017 Act.

3 Sec. 28. DEPARTMENT-WIDE DUTIES. There is appropriated
4 from the general fund of the state to the department of human
5 services for the fiscal year beginning July 1, 2017, and ending
6 June 30, 2018, the following amount, or so much thereof as is
7 necessary, to be used for the purposes designated:

8 For salaries, support, maintenance, and miscellaneous
9 purposes at facilities under the purview of the department of
10 human services:

11 \$ 2,879,274

12 Sec. 29. VOLUNTEERS. There is appropriated from the general
13 fund of the state to the department of human services for the
14 fiscal year beginning July 1, 2017, and ending June 30, 2018,
15 the following amount, or so much thereof as is necessary, to be
16 used for the purpose designated:

17 For development and coordination of volunteer services:

18 \$ 84,686

19 Sec. 30. GENERAL REDUCTION. For the period beginning July
20 1, 2017, and ending June 30, 2018, the department of human
21 services, in consultation with the department of management,
22 shall identify and implement a reduction in expenditures made
23 from appropriations from the general fund to the department of
24 human services in the amount of \$1,467,303.

25 Sec. 31. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
26 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
27 DEPARTMENT OF HUMAN SERVICES.

28 1. a. (1) (a) For the fiscal year beginning July 1, 2017,
29 the department shall rebase case-mix nursing facility rates
30 effective July 1, 2017, to the extent possible within the state
31 funding appropriated for this purpose.

32 (b) For the fiscal year beginning July 1, 2017, non-case-mix
33 and special population nursing facilities shall be reimbursed
34 in accordance with the methodology in effect on June 30 of the
35 prior fiscal year.

1 (c) For managed care claims, the department of human
2 services shall adjust the payment rate floor for nursing
3 facilities, annually, to maintain a rate floor that is no
4 lower than the Medicaid fee-for-service case-mix adjusted rate
5 calculated in accordance with 441 IAC 81.6. The department
6 shall then calculate adjusted reimbursement rates, including
7 but not limited to add-on-payments, annually, and shall
8 notify Medicaid managed care organizations of the adjusted
9 reimbursement rates within 30 days of determining the adjusted
10 reimbursement rates. Any adjustment of reimbursement rates
11 under this subparagraph division shall be budget neutral to the
12 state budget.

13 (2) For any open or unsettled nursing facility cost report
14 for a fiscal year prior to and including the fiscal year
15 beginning July 1, 2016, including any cost report remanded on
16 judicial review for inclusion of prescription drug, laboratory,
17 or x-ray costs, the department shall offset all reported
18 prescription drug, laboratory, and x-ray costs with any revenue
19 received from Medicare or other revenue source for any purpose.
20 For purposes of this subparagraph, a nursing facility cost
21 report is not considered open or unsettled if the facility did
22 not initiate an administrative appeal under [chapter 17A](#) or if
23 any appeal rights initiated have been exhausted.

24 b. (1) For the fiscal year beginning July 1, 2017,
25 the department shall establish the pharmacy dispensing fee
26 reimbursement at \$10.02 per prescription, until a cost of
27 dispensing survey is completed. The actual dispensing fee
28 shall be determined by a cost of dispensing survey performed
29 by the department and required to be completed by all medical
30 assistance program participating pharmacies every two years,
31 adjusted as necessary to maintain expenditures within the
32 amount appropriated to the department for this purpose for the
33 fiscal year.

34 (2) The department shall utilize an average acquisition
35 cost reimbursement methodology for all drugs covered under the

1 medical assistance program in accordance with 2012 Iowa Acts,
2 chapter 1133, section 33.

3 c. (1) For the fiscal year beginning July 1, 2017,
4 reimbursement rates for outpatient hospital services shall
5 be rebased effective January 1, 2018, subject to Medicaid
6 program upper payment limit rules, and adjusted as necessary
7 to maintain expenditures within the amount appropriated to the
8 department for this purpose for the fiscal year.

9 (2) For the fiscal year beginning July 1, 2017,
10 reimbursement rates for inpatient hospital services shall
11 remain at the rates in effect on June 30, 2017, subject to
12 Medicaid program upper payment limit rules, and adjusted
13 as necessary to maintain expenditures within the amount
14 appropriated to the department for this purpose for the fiscal
15 year.

16 (3) For the fiscal year beginning July 1, 2017, the graduate
17 medical education and disproportionate share hospital fund
18 shall remain at the amount in effect on June 30, 2017, except
19 that the portion of the fund attributable to graduate medical
20 education shall be reduced in an amount that reflects the
21 elimination of graduate medical education payments made to
22 out-of-state hospitals.

23 (4) In order to ensure the efficient use of limited state
24 funds in procuring health care services for low-income Iowans,
25 funds appropriated in this Act for hospital services shall
26 not be used for activities which would be excluded from a
27 determination of reasonable costs under the federal Medicare
28 program pursuant to 42 U.S.C. §1395x(v)(1)(N).

29 d. For the fiscal year beginning July 1, 2017, reimbursement
30 rates for hospices and acute mental hospitals shall be
31 increased in accordance with increases under the federal
32 Medicare program or as supported by their Medicare audited
33 costs.

34 e. For the fiscal year beginning July 1, 2017, independent
35 laboratories and rehabilitation agencies shall be reimbursed

1 using the same methodology in effect on June 30, 2017.

2 f. (1) For the fiscal year beginning July 1, 2017,
3 reimbursement rates for home health agencies shall continue to
4 be based on the Medicare low utilization payment adjustment
5 (LUPA) methodology with state geographic wage adjustments.
6 The department shall continue to update the rates every two
7 years to reflect the most recent Medicare LUPA rates to the
8 extent possible within the state funding appropriated for this
9 purpose.

10 (2) For the fiscal year beginning July 1, 2017, rates for
11 private duty nursing and personal care services under the early
12 and periodic screening, diagnostic, and treatment program
13 benefit shall be calculated based on the methodology in effect
14 on June 30, 2017.

15 g. For the fiscal year beginning July 1, 2017, federally
16 qualified health centers and rural health clinics shall receive
17 cost-based reimbursement for 100 percent of the reasonable
18 costs for the provision of services to recipients of medical
19 assistance.

20 h. For the fiscal year beginning July 1, 2017, the
21 reimbursement rates for dental services shall remain at the
22 rates in effect on June 30, 2017.

23 i. (1) For the fiscal year beginning July 1, 2017,
24 reimbursement rates for non-state-owned psychiatric medical
25 institutions for children shall be based on the reimbursement
26 methodology in effect on June 30, 2017.

27 (2) As a condition of participation in the medical
28 assistance program, enrolled providers shall accept the medical
29 assistance reimbursement rate for any covered goods or services
30 provided to recipients of medical assistance who are children
31 under the custody of a psychiatric medical institution for
32 children.

33 j. For the fiscal year beginning July 1, 2017, unless
34 otherwise specified in this Act, all noninstitutional medical
35 assistance provider reimbursement rates shall remain at the

1 rates in effect on June 30, 2017, except for area education
2 agencies, local education agencies, infant and toddler
3 services providers, home and community-based services providers
4 including consumer-directed attendant care providers under a
5 section 1915(c) or 1915(i) waiver, targeted case management
6 providers, and those providers whose rates are required to be
7 determined pursuant to [section 249A.20](#).

8 k. Notwithstanding any provision to the contrary, for the
9 fiscal year beginning July 1, 2017, the reimbursement rate
10 for anesthesiologists shall be adjusted to implement the cost
11 containment strategies authorized for the medical assistance
12 program in this 2017 Act.

13 l. Notwithstanding [section 249A.20](#), for the fiscal year
14 beginning July 1, 2017, the average reimbursement rate for
15 health care providers eligible for use of the federal Medicare
16 resource-based relative value scale reimbursement methodology
17 under [section 249A.20](#) shall remain at the rate in effect on
18 June 30, 2017; however, this rate shall not exceed the maximum
19 level authorized by the federal government.

20 m. For the fiscal year beginning July 1, 2017, the
21 reimbursement rate for residential care facilities shall not
22 be less than the minimum payment level as established by the
23 federal government to meet the federally mandated maintenance
24 of effort requirement. The flat reimbursement rate for
25 facilities electing not to file annual cost reports shall not
26 be less than the minimum payment level as established by the
27 federal government to meet the federally mandated maintenance
28 of effort requirement.

29 n. For the fiscal year beginning July 1, 2017, the
30 reimbursement rates for inpatient mental health services
31 provided at hospitals shall remain at the rates in effect on
32 June 30, 2017, subject to Medicaid program upper payment limit
33 rules; and psychiatrists shall be reimbursed at the medical
34 assistance program fee-for-service rate in effect on June 30,
35 2017.

1 o. For the fiscal year beginning July 1, 2017, community
2 mental health centers may choose to be reimbursed for the
3 services provided to recipients of medical assistance through
4 either of the following options:

5 (1) For 100 percent of the reasonable costs of the services.

6 (2) In accordance with the alternative reimbursement rate
7 methodology approved by the department of human services in
8 effect on June 30, 2017.

9 p. For the fiscal year beginning July 1, 2017, the
10 reimbursement rate for providers of family planning services
11 that are eligible to receive a 90 percent federal match shall
12 remain at the rates in effect on June 30, 2017.

13 q. Unless otherwise subject to a tiered rate methodology,
14 for the fiscal year beginning July 1, 2017, the upper
15 limits and reimbursement rates for providers of home and
16 community-based services waiver services shall be reimbursed
17 using the reimbursement methodology in effect on June 30, 2017.

18 r. For the fiscal year beginning July 1, 2017, the
19 reimbursement rates for emergency medical service providers
20 shall remain at the rates in effect on June 30, 2017.

21 s. For the fiscal year beginning July 1, 2017, reimbursement
22 rates for substance-related disorder treatment programs
23 licensed under section 125.13 shall remain at the rates in
24 effect on June 30, 2017.

25 2. For the fiscal year beginning July 1, 2017, the
26 reimbursement rate for providers reimbursed under the
27 in-home-related care program shall not be less than the minimum
28 payment level as established by the federal government to meet
29 the federally mandated maintenance of effort requirement.

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

1 4. Notwithstanding section 234.38, for the fiscal
2 year beginning July 1, 2017, the foster family basic daily
3 maintenance rate and the maximum adoption subsidy rate for
4 children ages 0 through 5 years shall be \$16.78, the rate for
5 children ages 6 through 11 years shall be \$17.45, the rate for
6 children ages 12 through 15 years shall be \$19.10, and the
7 rate for children and young adults ages 16 and older shall
8 be \$19.35. For youth ages 18 to 21 who have exited foster
9 care, the preparation for adult living program maintenance rate
10 shall be \$602.70 per month. The maximum payment for adoption
11 subsidy nonrecurring expenses shall be limited to \$500 and the
12 disallowance of additional amounts for court costs and other
13 related legal expenses implemented pursuant to 2010 Iowa Acts,
14 chapter 1031, section 408, shall be continued.

15 5. For the fiscal year beginning July 1, 2017, the maximum
16 reimbursement rates for social services providers under
17 contract shall remain at the rates in effect on June 30, 2017,
18 or the provider's actual and allowable cost plus inflation for
19 each service, whichever is less. However, if a new service
20 or service provider is added after June 30, 2017, the initial
21 reimbursement rate for the service or provider shall be based
22 upon a weighted average of provider rates for similar services.

23 6. a. For the fiscal year beginning July 1, 2017, the
24 reimbursement rates for resource family recruitment and
25 retention contractors shall be established by contract.

26 b. For the fiscal year beginning July 1, 2017, the
27 reimbursement rates for supervised apartment living foster care
28 providers shall be established by contract.

29 7. a. For the purposes of this subsection, "combined
30 reimbursement rate" means the combined service and maintenance
31 reimbursement rate for a service level under the department's
32 reimbursement methodology. Effective July 1, 2017, the
33 combined reimbursement rate for a group foster care service
34 level shall be the amount designated in this subsection.

35 However, if a group foster care provider's reimbursement rate

1 for a service level as of June 30, 2017, is more than the rate
2 designated in this subsection, the provider's reimbursement
3 shall remain at the higher rate.

4 b. Unless a group foster care provider is subject to the
5 exception provided in paragraph "a", effective July 1, 2017,
6 the combined reimbursement rates for the service levels under
7 the department's reimbursement methodology shall be as follows:

8 (1) For service level, community - D1, the daily rate shall
9 be at least \$84.17.

10 (2) For service level, comprehensive - D2, the daily rate
11 shall be at least \$119.09.

12 (3) For service level, enhanced - D3, the daily rate shall
13 be at least \$131.09.

14 8. The group foster care reimbursement rates paid for
15 placement of children out of state shall be calculated
16 according to the same rate-setting principles as those used for
17 in-state providers, unless the director of human services or
18 the director's designee determines that appropriate care cannot
19 be provided within the state. The payment of the daily rate
20 shall be based on the number of days in the calendar month in
21 which service is provided.

22 9. a. For the fiscal year beginning July 1, 2017, the
23 reimbursement rate paid for shelter care and the child welfare
24 emergency services implemented to provide or prevent the need
25 for shelter care shall be established by contract.

26 b. For the fiscal year beginning July 1, 2017, the combined
27 service and maintenance components of the reimbursement rate
28 paid for shelter care services shall be based on the financial
29 and statistical report submitted to the department. The
30 maximum reimbursement rate shall be \$101.83 per day. The
31 department shall reimburse a shelter care provider at the
32 provider's actual and allowable unit cost, plus inflation, not
33 to exceed the maximum reimbursement rate.

34 c. Notwithstanding [section 232.141, subsection 8](#), for the
35 fiscal year beginning July 1, 2017, the amount of the statewide

1 average of the actual and allowable rates for reimbursement of
2 juvenile shelter care homes that is utilized for the limitation
3 on recovery of unpaid costs shall remain at the amount in
4 effect for this purpose in the fiscal year beginning July 1,
5 2016.

6 10. For the fiscal year beginning July 1, 2017, the
7 department shall calculate reimbursement rates for intermediate
8 care facilities for persons with an intellectual disability
9 at the 80th percentile. Beginning July 1, 2017, the rate
10 calculation methodology shall utilize the consumer price index
11 inflation factor applicable to the fiscal year beginning July
12 1, 2017.

13 11. For the fiscal year beginning July 1, 2017, for child
14 care providers reimbursed under the state child care assistance
15 program, the department shall set provider reimbursement
16 rates based on the rate reimbursement survey completed in
17 December 2004. Effective July 1, 2017, the child care provider
18 reimbursement rates shall remain at the rates in effect on June
19 30, 2017. The department shall set rates in a manner so as
20 to provide incentives for a nonregistered provider to become
21 registered by applying the increase only to registered and
22 licensed providers.

23 12. For the fiscal year beginning July 1, 2017,
24 notwithstanding any provision to the contrary under this
25 section, affected providers or services shall be reimbursed as
26 follows:

27 a. For fee-for-service claims, a rate or reimbursement
28 shall be calculated based on the methodology otherwise
29 specified in this section for the fiscal year beginning July 1,
30 2017, for the respective provider or service.

31 b. For claims subject to a managed care contract with
32 the exception of any provider or service to which a rate or
33 reimbursement increase is applicable for the fiscal year under
34 this section, the rate or reimbursement shall be based on the
35 methodology established by the managed care contract. However,

1 any rate or reimbursement established under such contract
2 shall not be lower than the rate or reimbursement floor
3 established by the department of human services as the managed
4 care organization rate or reimbursement floor for a respective
5 provider or service in effect on April 1, 2016.

6 13. Notwithstanding any provision to the contrary,
7 reimbursement rates and methodologies under this section may
8 be adjusted as necessary to implement the cost containment
9 strategies authorized for the medical assistance program in
10 this 2017 Act.

11 14. The department may adopt emergency rules to implement
12 this section.

13 Sec. 32. EMERGENCY RULES.

14 1. If specifically authorized by a provision of this
15 division of this Act, the department of human services or
16 the mental health and disability services commission may
17 adopt administrative rules under section 17A.4, subsection
18 3, and [section 17A.5, subsection 2, paragraph "b"](#), to
19 implement the provisions of this division of this Act and
20 the rules shall become effective immediately upon filing or
21 on a later effective date specified in the rules, unless the
22 effective date of the rules is delayed or the applicability
23 of the rules is suspended by the administrative rules review
24 committee. Any rules adopted in accordance with this section
25 shall not take effect before the rules are reviewed by the
26 administrative rules review committee. The delay authority
27 provided to the administrative rules review committee under
28 section 17A.4, subsection 7, and [section 17A.8, subsection 9](#),
29 shall be applicable to a delay imposed under this section,
30 notwithstanding a provision in those sections making them
31 inapplicable to [section 17A.5, subsection 2, paragraph "b"](#).
32 Any rules adopted in accordance with the provisions of this
33 section shall also be published as a notice of intended action
34 as provided in [section 17A.4](#).

35 2. If during a fiscal year, the department of human

1 services is adopting rules in accordance with this section
2 or as otherwise directed or authorized by state law, and the
3 rules will result in an expenditure increase beyond the amount
4 anticipated in the budget process or if the expenditure was
5 not addressed in the budget process for the fiscal year, the
6 department shall notify the persons designated by this division
7 of this Act for submission of reports, the chairpersons and
8 ranking members of the committees on appropriations, and
9 the department of management concerning the rules and the
10 expenditure increase. The notification shall be provided at
11 least 30 calendar days prior to the date notice of the rules
12 is submitted to the administrative rules coordinator and the
13 administrative code editor.

14 Sec. 33. REPORTS. Any reports or other information
15 required to be compiled and submitted under this Act during the
16 fiscal year beginning July 1, 2017, shall be submitted to the
17 chairpersons and ranking members of the joint appropriations
18 subcommittee on health and human services, the legislative
19 services agency, and the legislative caucus staffs on or
20 before the dates specified for submission of the reports or
21 information.

22 Sec. 34. TRANSFER OF MEDICAID MODERNIZATION SAVINGS BETWEEN
23 APPROPRIATIONS FY 2017-2018. Notwithstanding section 8.39,
24 subsection 1, for the fiscal year beginning July 1, 2017, if
25 savings resulting from the governor's Medicaid modernization
26 initiative accrue to the medical contracts or children's health
27 insurance program appropriation from the general fund of the
28 state and not to the medical assistance appropriation from the
29 general fund of the state under this division of this Act,
30 such savings may be transferred to such medical assistance
31 appropriation for the same fiscal year without prior written
32 consent and approval of the governor and the director of the
33 department of management. The department of human services
34 shall report any transfers made pursuant to this section to the
35 legislative services agency.

DIVISION VI

HEALTH CARE ACCOUNTS AND FUNDS — FY 2017-2018

1
2
3 Sec. 35. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
4 appropriated from the pharmaceutical settlement account created
5 in section 249A.33 to the department of human services for the
6 fiscal year beginning July 1, 2017, and ending June 30, 2018,
7 the following amount, or so much thereof as is necessary, to be
8 used for the purpose designated:

9 Notwithstanding any provision of law to the contrary, to
10 supplement the appropriations made in this Act for medical
11 contracts under the medical assistance program for the fiscal
12 year beginning July 1, 2017, and ending June 30, 2018:

13 \$ 800,000

14 Sec. 36. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN
15 SERVICES. Notwithstanding any provision to the contrary and
16 subject to the availability of funds, there is appropriated
17 from the quality assurance trust fund created in section
18 249L.4 to the department of human services for the fiscal year
19 beginning July 1, 2017, and ending June 30, 2018, the following
20 amounts, or so much thereof as is necessary, for the purposes
21 designated:

22 To supplement the appropriation made in this Act from the
23 general fund of the state to the department of human services
24 for medical assistance for the same fiscal year:

25 \$ 36,705,208

26 Sec. 37. HOSPITAL HEALTH CARE ACCESS TRUST FUND —
27 DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to
28 the contrary and subject to the availability of funds, there is
29 appropriated from the hospital health care access trust fund
30 created in section 249M.4 to the department of human services
31 for the fiscal year beginning July 1, 2017, and ending June
32 30, 2018, the following amounts, or so much thereof as is
33 necessary, for the purposes designated:

34 To supplement the appropriation made in this Act from the
35 general fund of the state to the department of human services

1 for medical assistance for the same fiscal year:

2 \$ 33,920,554

3 Sec. 38. MEDICAL ASSISTANCE PROGRAM — NONREVERSION

4 FOR FY 2017-2018. Notwithstanding section 8.33, if moneys
5 appropriated for purposes of the medical assistance program for
6 the fiscal year beginning July 1, 2017, and ending June 30,
7 2018, from the general fund of the state, the quality assurance
8 trust fund and the hospital health care access trust fund, are
9 in excess of actual expenditures for the medical assistance
10 program and remain unencumbered or unobligated at the close
11 of the fiscal year, the excess moneys shall not revert but
12 shall remain available for expenditure for the purposes of the
13 medical assistance program until the close of the succeeding
14 fiscal year.

15 DIVISION VII

16 DEPARTMENT ON AGING — FY 2018-2019

17 Sec. 39. DEPARTMENT ON AGING. There is appropriated from
18 the general fund of the state to the department on aging for
19 the fiscal year beginning July 1, 2018, and ending June 30,
20 2019, the following amount, or so much thereof as is necessary,
21 to be used for the purposes designated:

22 For aging programs for the department on aging and area
23 agencies on aging to provide citizens of Iowa who are 60 years
24 of age and older with case management for frail elders, Iowa's
25 aging and disabilities resource center, and other services
26 which may include but are not limited to adult day services,
27 respite care, chore services, information and assistance,
28 and material aid, for information and options counseling for
29 persons with disabilities who are 18 years of age or older,
30 and for salaries, support, administration, maintenance, and
31 miscellaneous purposes, and for not more than the following
32 full-time equivalent positions:

33 \$ 5,521,238

34 FTEs 27.00

35 1. Funds appropriated in this section may be used to

1 supplement federal funds under federal regulations. To
2 receive funds appropriated in this section, a local area
3 agency on aging shall match the funds with moneys from other
4 sources according to rules adopted by the department. Funds
5 appropriated in this section may be used for elderly services
6 not specifically enumerated in this section only if approved
7 by an area agency on aging for provision of the service within
8 the area.

9 2. Of the funds appropriated in this section, \$139,973 is
10 transferred to the economic development authority for the Iowa
11 commission on volunteer services to be used for the retired and
12 senior volunteer program.

13 3. a. The department on aging shall establish and enforce
14 procedures relating to expenditure of state and federal funds
15 by area agencies on aging that require compliance with both
16 state and federal laws, rules, and regulations, including but
17 not limited to all of the following:

18 (1) Requiring that expenditures are incurred only for goods
19 or services received or performed prior to the end of the
20 fiscal period designated for use of the funds.

21 (2) Prohibiting prepayment for goods or services not
22 received or performed prior to the end of the fiscal period
23 designated for use of the funds.

24 (3) Prohibiting the prepayment for goods or services
25 not defined specifically by good or service, time period, or
26 recipient.

27 (4) Prohibiting the establishment of accounts from which
28 future goods or services which are not defined specifically by
29 good or service, time period, or recipient, may be purchased.

30 b. The procedures shall provide that if any funds are
31 expended in a manner that is not in compliance with the
32 procedures and applicable federal and state laws, rules, and
33 regulations, and are subsequently subject to repayment, the
34 area agency on aging expending such funds in contravention of
35 such procedures, laws, rules and regulations, not the state,

1 shall be liable for such repayment.

2 4. Of the funds appropriated in this section, at least
3 \$125,000 shall be used to fund the unmet needs identified
4 through Iowa's aging and disability resource center network.

5 5. Of the funds appropriated in this section, at least
6 \$300,000 shall be used to fund home and community-based
7 services through the area agencies on aging that enable older
8 individuals to avoid more costly utilization of residential or
9 institutional services and remain in their own homes.

10 6. Of the funds appropriated in this section, \$406,268
11 shall be used for the purposes of [chapter 231E](#) and section
12 231.56A, of which \$175,000 shall be used for the office of
13 substitute decision maker pursuant to [chapter 231E](#), and the
14 remainder shall be distributed equally to the area agencies on
15 aging to administer the prevention of elder abuse, neglect, and
16 exploitation program pursuant to [section 231.56A](#), in accordance
17 with the requirements of the federal Older Americans Act of
18 1965, 42 U.S.C. §3001 et seq., as amended.

19 7. Of the funds appropriated in this section, \$375,000
20 shall be used to fund continuation of the aging and disability
21 resource center lifelong links to provide individuals and
22 caregivers with information and services to plan for and
23 maintain independence.

24 8. Notwithstanding section 8.39, for the fiscal year
25 beginning July 1, 2018, the department may transfer funds
26 within or between the allocations made in this division of this
27 Act for the same fiscal year in accordance with departmental
28 priorities. The department shall report any such transfers
29 to the individuals specified in this Act for submission of
30 reports. This subsection shall not be construed to prohibit
31 the use of existing state transfer authority for other
32 purposes.

33 DIVISION VIII

34 OFFICE OF LONG-TERM CARE OMBUDSMAN — FY 2018-2019

35 Sec. 40. OFFICE OF LONG-TERM CARE OMBUDSMAN. There is

1 appropriated from the general fund of the state to the office
2 of long-term care ombudsman for the fiscal year beginning July
3 1, 2018, and ending June 30, 2019, the following amount, or
4 so much thereof as is necessary, to be used for the purposes
5 designated:

6 For salaries, support, administration, maintenance, and
7 miscellaneous purposes, and for not more than the following
8 full-time equivalent positions:

| | | |
|----------|------|---------|
| 9 | \$ | 580,140 |
| 10 | FTEs | 16.00 |

11 DIVISION IX

12 DEPARTMENT OF PUBLIC HEALTH — FY 2018-2019

13 Sec. 41. DEPARTMENT OF PUBLIC HEALTH. There is appropriated
14 from the general fund of the state to the department of public
15 health for the fiscal year beginning July 1, 2018, and ending
16 June 30, 2019, the following amounts, or so much thereof as is
17 necessary, to be used for the purposes designated:

18 1. ADDICTIVE DISORDERS

19 For reducing the prevalence of the use of tobacco, alcohol,
20 and other drugs, and treating individuals affected by addictive
21 behaviors, including gambling, and for not more than the
22 following full-time equivalent positions:

| | | |
|----------|------|------------|
| 23 | \$ | 12,492,915 |
| 24 | FTEs | 10.00 |

25 a. (1) Of the funds appropriated in this subsection,
26 \$2,010,612 shall be used for the tobacco use prevention
27 and control initiative, including efforts at the state and
28 local levels, as provided in [chapter 142A](#). The commission
29 on tobacco use prevention and control established pursuant
30 to [section 142A.3](#) shall advise the director of public health
31 in prioritizing funding needs and the allocation of moneys
32 appropriated for the programs and initiatives. Activities
33 of the programs and initiatives shall be in alignment with
34 the United States centers for disease control and prevention
35 best practices for comprehensive tobacco control programs that

1 include the goals of preventing youth initiation of tobacco
2 usage, reducing exposure to secondhand smoke, and promotion
3 of tobacco cessation. To maximize resources, the department
4 shall determine if third-party sources are available to
5 instead provide nicotine replacement products to an applicant
6 prior to provision of such products to an applicant under
7 the initiative. The department shall track and report to
8 the individuals specified in this Act, any reduction in
9 the provision of nicotine replacement products realized by
10 the initiative through implementation of the prerequisite
11 screening.

12 (2) (a) The department shall collaborate with the
13 alcoholic beverages division of the department of commerce for
14 enforcement of tobacco laws, regulations, and ordinances and to
15 engage in tobacco control activities approved by the division
16 of tobacco use prevention and control of the department of
17 public health as specified in the memorandum of understanding
18 entered into between the divisions.

19 (b) For the fiscal year beginning July 1, 2018, and ending
20 June 30, 2019, the terms of the memorandum of understanding,
21 entered into between the division of tobacco use prevention
22 and control of the department of public health and the
23 alcoholic beverages division of the department of commerce,
24 governing compliance checks conducted to ensure licensed retail
25 tobacco outlet conformity with tobacco laws, regulations, and
26 ordinances relating to persons under 18 years of age, shall
27 continue to restrict the number of such checks to one check per
28 retail outlet, and one additional check for any retail outlet
29 found to be in violation during the first check.

30 b. Of the funds appropriated in this subsection,
31 \$10,482,303 shall be used for problem gambling and
32 substance-related disorder prevention, treatment, and recovery
33 services, including a 24-hour helpline, public information
34 resources, professional training, youth prevention, and program
35 evaluation.

1 c. The requirement of section 123.17, subsection 5, is met
2 by the appropriations and allocations made in this division of
3 this Act for purposes of substance-related disorder treatment
4 and addictive disorders for the fiscal year beginning July 1,
5 2018.

6 2. HEALTHY CHILDREN AND FAMILIES

7 For promoting the optimum health status for children,
8 adolescents from birth through 21 years of age, and families,
9 and for not more than the following full-time equivalent
10 positions:

| | | |
|----------|------|-----------|
| 11 | \$ | 2,662,816 |
| 12 | FTEs | 12.00 |

13 a. Of the funds appropriated in this subsection, not more
14 than \$367,420 shall be used for the healthy opportunities for
15 parents to experience success (HOPES)-healthy families Iowa
16 (HFI) program established pursuant to [section 135.106](#). The
17 funding shall be distributed to renew the grants that were
18 provided to the grantees that operated the program during the
19 fiscal year ending June 30, 2018.

20 b. In order to implement the legislative intent stated in
21 sections [135.106](#) and [256I.9](#), that priority for home visitation
22 program funding be given to programs using evidence-based or
23 promising models for home visitation, it is the intent of the
24 general assembly to phase in the funding priority in accordance
25 with [2012 Iowa Acts, chapter 1133, section 2, subsection 2,](#)
26 paragraph "0b".

27 c. Of the funds appropriated in this subsection, \$1,537,550
28 shall be used for continuation of the department's initiative
29 to provide for adequate developmental surveillance and
30 screening during a child's first five years. The funds shall
31 be used first to fully fund the current sites to ensure that
32 the sites are fully operational, with the remaining funds
33 to be used for expansion to additional sites. The full
34 implementation and expansion shall include enhancing the scope
35 of the program through collaboration with the child health

1 specialty clinics to promote healthy child development through
2 early identification and response to both biomedical and social
3 determinants of healthy development; by monitoring child
4 health metrics to inform practice, document long-term health
5 impacts and savings, and provide for continuous improvement
6 through training, education, and evaluation; and by providing
7 for practitioner consultation particularly for children with
8 behavioral conditions and needs. The department of public
9 health shall also collaborate with the Iowa Medicaid enterprise
10 and the child health specialty clinics to integrate the
11 activities of the first five initiative into the establishment
12 of patient-centered medical homes, community utilities,
13 accountable care organizations, and other integrated care
14 models developed to improve health quality and population
15 health while reducing health care costs. To the maximum extent
16 possible, funding allocated in this paragraph shall be utilized
17 as matching funds for medical assistance program reimbursement.

18 d. Of the funds appropriated in this subsection, \$32,320
19 shall be distributed to a statewide dental carrier to provide
20 funds to continue the donated dental services program patterned
21 after the projects developed by the lifeline network to provide
22 dental services to indigent individuals who are elderly or with
23 disabilities.

24 e. Of the funds appropriated in this subsection, \$78,241
25 shall be used to provide audiological services and hearing
26 aids for children. The department may enter into a contract
27 to administer this paragraph.

28 f. Of the funds appropriated in this subsection, \$11,500 is
29 transferred to the university of Iowa college of dentistry for
30 provision of primary dental services to children. State funds
31 shall be matched on a dollar-for-dollar basis. The university
32 of Iowa college of dentistry shall coordinate efforts with the
33 department of public health, bureau of oral and health delivery
34 systems, to provide dental care to underserved populations
35 throughout the state.

1 g. Of the funds appropriated in this subsection, \$25,000
2 shall be used to address youth suicide prevention.

3 h. Of the funds appropriated in this subsection, \$20,255
4 shall be used to support the Iowa effort to address the survey
5 of children who experience adverse childhood experiences known
6 as ACEs.

7 i. The department of public health shall continue to
8 administer the program to assist parents in this state with
9 costs resulting from the death of a child in accordance with
10 the provisions of 2014 Iowa Acts, chapter 1140, section 22,
11 subsection 12.

12 3. CHRONIC CONDITIONS

13 For serving individuals identified as having chronic
14 conditions or special health care needs, and for not more than
15 the following full-time equivalent positions:

| | | |
|----------|------|-----------|
| 16 | \$ | 2,085,375 |
| 17 | FTEs | 5.00 |

18 a. Of the funds appropriated in this subsection, \$76,877
19 shall be used for grants to individual patients who have an
20 inherited metabolic disorder to assist with the costs of
21 medically necessary foods and formula.

22 b. Of the funds appropriated in this subsection, \$510,397
23 shall be used for the brain injury services program pursuant
24 to section 135.22B, including for contracting with an existing
25 nationally affiliated and statewide organization whose purpose
26 is to educate, serve, and support Iowans with brain injury and
27 their families for resource facilitator services in accordance
28 with section 135.22B, subsection 9, and for contracting to
29 enhance brain injury training and recruitment of service
30 providers on a statewide basis. Of the amount allocated in
31 this paragraph, \$47,500 shall be used to fund one full-time
32 equivalent position to serve as the state brain injury services
33 program manager.

34 c. Of the funds appropriated in this subsection, \$72,048
35 shall be used for the public purpose of continuing to contract

1 with an existing national-affiliated organization to provide
2 education, client-centered programs, and client and family
3 support for people living with epilepsy and their families.
4 The amount allocated in this paragraph in excess of \$50,000
5 shall be matched dollar-for-dollar by the organization
6 specified.

7 d. Of the funds appropriated in this subsection, \$404,775
8 shall be used for child health specialty clinics.

9 e. Of the funds appropriated in this subsection, \$192,276
10 shall be used by the regional autism assistance program
11 established pursuant to [section 256.35](#), and administered by
12 the child health specialty clinic located at the university of
13 Iowa hospitals and clinics. The funds shall be used to enhance
14 interagency collaboration and coordination of educational,
15 medical, and other human services for persons with autism,
16 their families, and providers of services, including delivering
17 regionalized services of care coordination, family navigation,
18 and integration of services through the statewide system of
19 regional child health specialty clinics and fulfilling other
20 requirements as specified in [chapter 225D](#). The university of
21 Iowa shall not receive funds allocated under this paragraph for
22 indirect costs associated with the regional autism assistance
23 program.

24 f. Of the funds appropriated in this subsection, \$288,687
25 shall be used for the comprehensive cancer control program to
26 reduce the burden of cancer in Iowa through prevention, early
27 detection, effective treatment, and ensuring quality of life.
28 Of the funds allocated in this paragraph "f", \$75,000 shall
29 be used to support a melanoma research symposium, a melanoma
30 biorepository and registry, basic and translational melanoma
31 research, and clinical trials.

32 g. Of the funds appropriated in this subsection, \$48,766
33 shall be used for cervical and colon cancer screening, and
34 \$88,860 shall be used to enhance the capacity of the cervical
35 cancer screening program to include provision of recommended

1 prevention and early detection measures to a broader range of
2 low-income women.

3 h. Of the funds appropriated in this subsection, \$253,177
4 shall be used for the center for congenital and inherited
5 disorders.

6 i. Of the funds appropriated in this subsection,
7 \$107,631 shall be used by the department of public health
8 for reform-related activities, including but not limited to
9 facilitation of communication to stakeholders at the state and
10 local level, administering the patient-centered health advisory
11 council pursuant to [section 135.159](#), and involvement in health
12 care system innovation activities occurring across the state.

13 j. Of the funds appropriated in this subsection, \$11,050
14 shall be used for administration of [chapter 124D](#), the medical
15 cannabidiol Act.

16 4. COMMUNITY CAPACITY

17 For strengthening the health care delivery system at the
18 local level, and for not more than the following full-time
19 equivalent positions:

| | |
|----------|--------------|
| 20 | \$ 1,403,888 |
| 21 | FTEs 13.00 |

22 a. Of the funds appropriated in this subsection, \$47,787
23 is allocated for continuation of the child vision screening
24 program implemented through the university of Iowa hospitals
25 and clinics in collaboration with early childhood Iowa areas.
26 The program shall submit a report to the individuals identified
27 in this Act for submission of reports regarding the use of
28 funds allocated under this paragraph "a". The report shall
29 include the objectives and results for the program year
30 including the target population and how the funds allocated
31 assisted the program in meeting the objectives; the number,
32 age, and location within the state of individuals served;
33 the type of services provided to the individuals served; the
34 distribution of funds based on service provided; and the
35 continuing needs of the program.

1 b. Of the funds appropriated in this subsection, \$52,828 is
2 allocated for continuation of an initiative implemented at the
3 university of Iowa to expand and improve the workforce engaged
4 in mental health treatment and services. The initiative shall
5 receive input from the university of Iowa, the department of
6 human services, the department of public health, and the mental
7 health and disability services commission to address the focus
8 of the initiative.

9 c. Of the funds appropriated in this section, \$41,657 shall
10 be deposited in the governmental public health system fund
11 created in [section 135A.8](#) to be used for the purposes of the
12 fund.

13 d. Of the funds appropriated in this subsection,
14 \$24,034 shall be used for a grant to a statewide association
15 of psychologists that is affiliated with the American
16 psychological association to be used for continuation of a
17 program to rotate intern psychologists in placements in urban
18 and rural mental health professional shortage areas, as defined
19 in [section 135.180](#).

20 e. Of the funds appropriated in this subsection, the
21 following amounts are allocated to be used as follows to
22 support the Iowa collaborative safety net provider network
23 goals of increased access, health system integration, and
24 engagement.

25 (1) Not less than \$260,931 is allocated to the Iowa
26 prescription drug corporation for continuation of the
27 pharmaceutical infrastructure for safety net providers as
28 described in [2007 Iowa Acts, chapter 218, section 108](#), and for
29 the prescription drug donation repository program created in
30 chapter 135M.

31 (2) Not less than \$167,435 is allocated to free clinics and
32 free clinics of Iowa for necessary infrastructure, statewide
33 coordination, provider recruitment, service delivery, and
34 provision of assistance to patients in securing a medical home
35 inclusive of oral health care.

1 (3) Not less than \$12,500 is allocated to the Iowa
2 association of rural health clinics for necessary
3 infrastructure and service delivery transformation.

4 f. Of the funds appropriated in this subsection, \$81,700
5 shall be used for continuation of the work of the direct care
6 worker advisory council established pursuant to 2008 Iowa Acts,
7 chapter 1188, section 69, in implementing the recommendations
8 in the final report submitted by the advisory council to the
9 governor and the general assembly in March 2012, including
10 by continuing to develop, promote, and make available on a
11 statewide basis the prepare-to-care core curriculum and its
12 associated modules and specialties through various formats
13 including online access, community colleges, and other venues;
14 exploring new and maintaining existing specialties including
15 but not limited to oral health and dementia care; supporting
16 instructor training; and assessing and making recommendations
17 concerning the Iowa care book and information technology
18 systems and infrastructure uses and needs.

19 g. Of the funds appropriated in this subsection, \$52,009
20 shall be allocated for continuation of the contract with
21 an independent statewide direct care worker organization
22 previously selected through a request for proposals process.
23 The contract shall continue to include performance and outcomes
24 measures, and shall continue to allow the contractor to use a
25 portion of the funds received under the contract to collect
26 data to determine results based on the performance and outcomes
27 measures.

28 h. Of the funds appropriated in this subsection, the
29 department may use up to \$29,087 for up to one full-time
30 equivalent position to administer the volunteer health care
31 provider program pursuant to [section 135.24](#).

32 i. Of the funds appropriated in this subsection, \$48,069
33 shall be used for a matching dental education loan repayment
34 program to be allocated to a dental nonprofit health service
35 corporation to continue to develop the criteria and implement

1 the loan repayment program.

2 j. Of the funds appropriated in this subsection, \$26,455 is
3 transferred to the college student aid commission for deposit
4 in the rural Iowa primary care trust fund created in section
5 261.113 to be used for the purposes of the fund.

6 k. Of the funds appropriated in this subsection, \$75,000
7 shall be used for the purposes of the Iowa donor registry as
8 specified in [section 142C.18](#).

9 l. Of the funds appropriated in this subsection, \$48,069
10 shall be used for continuation of a grant to a nationally
11 affiliated volunteer eye organization that has an established
12 program for children and adults and that is solely dedicated to
13 preserving sight and preventing blindness through education,
14 nationally certified vision screening and training, and
15 community and patient service programs. The organization
16 shall submit a report to the individuals identified in this
17 Act for submission of reports regarding the use of funds
18 allocated under this paragraph "l". The report shall include
19 the objectives and results for the program year including
20 the target population and how the funds allocated assisted
21 the program in meeting the objectives; the number, age, and
22 location within the state of individuals served; the type of
23 services provided to the individuals served; the distribution
24 of funds based on services provided; and the continuing needs
25 of the program.

26 m. Of the funds appropriated in this subsection, \$436,327
27 shall be deposited in the medical residency training account
28 created in section 135.175, subsection 5, paragraph "a", and
29 is appropriated from the account to the department of public
30 health to be used for the purposes of the medical residency
31 training state matching grants program as specified in section
32 135.176.

33 5. ESSENTIAL PUBLIC HEALTH SERVICES

34 To provide public health services that reduce risks and
35 invest in promoting and protecting good health over the

1 course of a lifetime with a priority given to older Iowans and
2 vulnerable populations:

3 \$ 4,098,939

4 6. INFECTIOUS DISEASES

5 For reducing the incidence and prevalence of communicable
6 diseases, and for not more than the following full-time
7 equivalent positions:

8 \$ 823,213

9 FTEs 4.00

10 7. PUBLIC PROTECTION

11 For protecting the health and safety of the public through
12 establishing standards and enforcing regulations, and for not
13 more than the following full-time equivalent positions:

14 \$ 2,097,569

15 FTEs 138.00

16 a. Of the funds appropriated in this subsection, not more
17 than \$152,350 shall be credited to the emergency medical
18 services fund created in [section 135.25](#). Moneys in the
19 emergency medical services fund are appropriated to the
20 department to be used for the purposes of the fund.

21 b. Of the funds appropriated in this subsection, up
22 to \$121,630 shall be used for sexual violence prevention
23 programming through a statewide organization representing
24 programs serving victims of sexual violence through the
25 department's sexual violence prevention program, and for
26 continuation of a training program for sexual assault
27 response team (SART) members, including representatives of
28 law enforcement, victim advocates, prosecutors, and certified
29 medical personnel. The amount allocated in this paragraph "b"
30 shall not be used to supplant funding administered for other
31 sexual violence prevention or victims assistance programs.

32 c. Of the funds appropriated in this subsection, up to
33 \$287,813 shall be used for the state poison control center.
34 Pursuant to the directive under 2014 Iowa Acts, chapter
35 1140, section 102, the federal matching funds available to

1 the state poison control center from the department of human
2 services under the federal Children's Health Insurance Program
3 Reauthorization Act allotment shall be subject to the federal
4 administrative cap rule of 10 percent applicable to funding
5 provided under Tit. XXI of the federal Social Security Act and
6 included within the department's calculations of the cap.

7 d. Of the funds appropriated in this subsection, up to
8 \$258,491 shall be used for childhood lead poisoning provisions.

9 8. RESOURCE MANAGEMENT

10 For establishing and sustaining the overall ability of the
11 department to deliver services to the public, and for not more
12 than the following full-time equivalent positions:

| | | |
|----------|------|---------|
| 13 | \$ | 485,607 |
| 14 | FTEs | 4.00 |

15 9. MISCELLANEOUS PROVISIONS

16 The university of Iowa hospitals and clinics under the
17 control of the state board of regents shall not receive
18 indirect costs from the funds appropriated in this section.
19 The university of Iowa hospitals and clinics billings to the
20 department shall be on at least a quarterly basis.

21 10. GENERAL REDUCTION

22 For the period beginning July 1, 2018, and ending June 30,
23 2019, the department of public health, in consultation with
24 the department of management, shall identify and implement a
25 reduction in expenditures made from appropriations from the
26 general fund of the state to the department of public health in
27 the amount of \$640,683.

28 11. TRANSFERS

29 Notwithstanding section 8.39, for the fiscal year beginning
30 July 1, 2018, the department may transfer funds within or
31 between any of the allocations or appropriations made in this
32 division of this Act for the same fiscal year, to be used in
33 accordance with departmental priorities as specified in the
34 department's report to the general assembly submitted pursuant
35 to 2016 Iowa Acts, chapter 1139, section 3. The department

1 shall report any such transfers to the individuals specified
2 in this Act for submission of reports. This subsection shall
3 not be construed to prohibit the use of existing state transfer
4 authority for other purposes.

5 DIVISION X

6 DEPARTMENT OF VETERANS AFFAIRS — FY 2018-2019

7 Sec. 42. DEPARTMENT OF VETERANS AFFAIRS. There is
8 appropriated from the general fund of the state to the
9 department of veterans affairs for the fiscal year beginning
10 July 1, 2018, and ending June 30, 2019, the following amounts,
11 or so much thereof as is necessary, to be used for the purposes
12 designated:

13 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

14 For salaries, support, maintenance, and miscellaneous
15 purposes, and for not more than the following full-time
16 equivalent positions:

| | | |
|----------|------|---------|
| 17 | \$ | 571,278 |
| 18 | FTEs | 15.00 |

19 2. IOWA VETERANS HOME

20 For salaries, support, maintenance, and miscellaneous
21 purposes:

| | | |
|----------|----|-----------|
| 22 | \$ | 3,614,070 |
|----------|----|-----------|

23 a. The Iowa veterans home billings involving the department
24 of human services shall be submitted to the department on at
25 least a monthly basis.

26 b. Within available resources and in conformance with
27 associated state and federal program eligibility requirements,
28 the Iowa veterans home may implement measures to provide
29 financial assistance to or on behalf of veterans or their
30 spouses who are participating in the community reentry program.

31 c. The Iowa veterans home expenditure report shall be
32 submitted monthly to the legislative services agency.

33 d. The Iowa veterans home shall continue to include in the
34 annual discharge report applicant information and to provide
35 for the collection of demographic information including but not

1 limited to the number of individuals applying for admission and
2 admitted or denied admittance and the basis for the admission
3 or denial; the age, gender, and race of such individuals;
4 and the level of care for which such individuals applied for
5 admission including residential or nursing level of care.

6 3. HOME OWNERSHIP ASSISTANCE PROGRAM

7 For transfer to the Iowa finance authority for the
8 continuation of the home ownership assistance program for
9 persons who are or were eligible members of the armed forces of
10 the United States, pursuant to [section 16.54](#):

11 \$ 1,000,000

12 Sec. 43. LIMITATION OF COUNTY COMMISSIONS OF VETERAN
13 AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the
14 standing appropriation in [section 35A.16](#) for the fiscal year
15 beginning July 1, 2018, and ending June 30, 2019, the amount
16 appropriated from the general fund of the state pursuant to
17 that section for the following designated purposes shall not
18 exceed the following amount:

19 For the county commissions of veteran affairs fund under
20 section 35A.16:

21 \$ 473,962

22 DIVISION XI

23 DEPARTMENT OF HUMAN SERVICES — FY 2018-2019

24 Sec. 44. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
25 GRANT. There is appropriated from the fund created in section
26 8.41 to the department of human services for the fiscal year
27 beginning July 1, 2018, and ending June 30, 2019, from moneys
28 received under the federal temporary assistance for needy
29 families (TANF) block grant pursuant to the federal Personal
30 Responsibility and Work Opportunity Reconciliation Act of 1996,
31 Pub. L. No. 104-193, and successor legislation, the following
32 amounts, or so much thereof as is necessary, to be used for the
33 purposes designated:

34 1. To be credited to the family investment program account
35 and used for assistance under the family investment program

1 under chapter 239B:

2 \$ 2,556,231

3 2. To be credited to the family investment program account
4 and used for the job opportunities and basic skills (JOBS)
5 program and implementing family investment agreements in
6 accordance with chapter 239B:

7 \$ 2,787,846

8 3. To be used for the family development and
9 self-sufficiency grant program in accordance with section
10 216A.107:

11 \$ 1,449,490

12 Notwithstanding section 8.33, moneys appropriated in this
13 subsection that remain unencumbered or unobligated at the close
14 of the fiscal year shall not revert but shall remain available
15 for expenditure for the purposes designated until the close of
16 the succeeding fiscal year. However, unless such moneys are
17 encumbered or obligated on or before September 30, 2018, the
18 moneys shall revert.

19 4. For field operations:

20 \$ 15,648,116

21 5. For general administration:

22 \$ 1,872,000

23 6. For state child care assistance:

24 \$ 23,933,413

25 a. Of the funds appropriated in this subsection,
26 \$13,164,048 is transferred to the child care and development
27 block grant appropriation made by the Eighty-seventh General
28 Assembly, 2018 session, for the federal fiscal year beginning
29 October 1, 2018, and ending September 30, 2019. Of this
30 amount, \$100,000 shall be used for provision of educational
31 opportunities to registered child care home providers in order
32 to improve services and programs offered by this category
33 of providers and to increase the number of providers. The
34 department may contract with institutions of higher education
35 or child care resource and referral centers to provide

1 the educational opportunities. Allowable administrative
2 costs under the contracts shall not exceed 5 percent. The
3 application for a grant shall not exceed two pages in length.

4 b. Any funds appropriated in this subsection remaining
5 unallocated shall be used for state child care assistance
6 payments for families who are employed including but not
7 limited to individuals enrolled in the family investment
8 program.

9 7. For child and family services:

10 \$ 16,190,327

11 8. For child abuse prevention grants:

12 \$ 62,500

13 9. For pregnancy prevention grants on the condition that
14 family planning services are funded:

15 \$ 965,033

16 Pregnancy prevention grants shall be awarded to programs
17 in existence on or before July 1, 2018, if the programs have
18 demonstrated positive outcomes. Grants shall be awarded to
19 pregnancy prevention programs which are developed after July
20 1, 2018, if the programs are based on existing models that
21 have demonstrated positive outcomes. Grants shall comply with
22 the requirements provided in 1997 Iowa Acts, chapter 208,
23 section 14, subsections 1 and 2, including the requirement that
24 grant programs must emphasize sexual abstinence. Priority in
25 the awarding of grants shall be given to programs that serve
26 areas of the state which demonstrate the highest percentage of
27 unplanned pregnancies of females of childbearing age within the
28 geographic area to be served by the grant.

29 10. For technology needs and other resources necessary
30 to meet federal welfare reform reporting, tracking, and case
31 management requirements:

32 \$ 518,593

33 11. a. Notwithstanding any provision to the contrary,
34 including but not limited to requirements in [section 8.41](#) or
35 provisions in 2017 or 2018 Iowa Acts regarding the receipt and

1 appropriation of federal block grants, federal funds from the
 2 temporary assistance for needy families block grant received by
 3 the state and not otherwise appropriated in this section and
 4 remaining available for the fiscal year beginning July 1, 2018,
 5 are appropriated to the department of human services to the
 6 extent as may be necessary to be used in the following priority
 7 order: the family investment program, for state child care
 8 assistance program payments for families who are employed, and
 9 for the family investment program share of costs to develop and
 10 maintain a new, integrated eligibility determination system.
 11 The federal funds appropriated in this paragraph "a" shall be
 12 expended only after all other funds appropriated in subsection
 13 1 for the assistance under the family investment program,
 14 in subsection 6 for child care assistance, or in subsection
 15 12 for the family investment program share of the costs to
 16 continue to develop and maintain a new, integrated eligibility
 17 determination system, as applicable, have been expended. For
 18 the purposes of this subsection, the funds appropriated in
 19 subsection 6, paragraph "a", for transfer to the child care
 20 and development block grant appropriation are considered fully
 21 expended when the full amount has been transferred.

22 b. The department shall, on a quarterly basis, advise the
 23 legislative services agency and department of management of
 24 the amount of funds appropriated in this subsection that was
 25 expended in the prior quarter.

26 12. Of the amounts appropriated in this section, \$6,481,004
 27 for the fiscal year beginning July 1, 2018, is transferred to
 28 the appropriation of the federal social services block grant
 29 made to the department of human services for that fiscal year.

30 13. For continuation of the program providing categorical
 31 eligibility for the food assistance program as specified
 32 for the program in the section of this division of this Act
 33 relating to the family investment program account:

34 \$ 12,500

35 14. The department may transfer funds allocated in this

1 section to the appropriations made in this division of this Act
2 for the same fiscal year for general administration and field
3 operations for resources necessary to implement and operate the
4 services referred to in this section and those funded in the
5 appropriation made in this division of this Act for the same
6 fiscal year for the family investment program from the general
7 fund of the state.

8 15. With the exception of moneys allocated under this
9 section for the family development and self-sufficiency grant
10 program, to the extent moneys allocated in this section are
11 deemed by the department not to be necessary to support the
12 purposes for which they are allocated, such moneys may be
13 credited to the family investment program account as specified
14 under subsection 1 of this section and used for the purposes of
15 assistance under the family investment program under chapter
16 239B in the same fiscal year.

17 Sec. 45. FAMILY INVESTMENT PROGRAM ACCOUNT.

18 1. Moneys credited to the family investment program (FIP)
19 account for the fiscal year beginning July 1, 2018, and
20 ending June 30, 2019, shall be used to provide assistance in
21 accordance with [chapter 239B](#).

22 2. The department may use a portion of the moneys credited
23 to the FIP account under this section as necessary for
24 salaries, support, maintenance, and miscellaneous purposes.

25 3. The department may transfer funds allocated in
26 subsection 4 to the appropriations made in this division of
27 this Act for the same fiscal year for general administration
28 and field operations for resources necessary to implement and
29 operate the family investment program services referred to in
30 this section and those funded in the appropriation made in this
31 division of this Act for the same fiscal year for the family
32 investment program from the general fund of the state.

33 4. Moneys appropriated in this division of this Act and
34 credited to the FIP account for the fiscal year beginning July
35 1, 2018, and ending June 30, 2019, are allocated as follows:

1 a. To be retained by the department of human services to
 2 be used for coordinating with the department of human rights
 3 to more effectively serve participants in FIP and other shared
 4 clients and to meet federal reporting requirements under the
 5 federal temporary assistance for needy families block grant:
 6 \$ 10,000

7 b. To the department of human rights for staffing,
 8 administration, and implementation of the family development
 9 and self-sufficiency grant program in accordance with section
 10 216A.107:
 11 \$ 3,096,417

12 (1) Of the funds allocated for the family development
 13 and self-sufficiency grant program in this paragraph "b",
 14 not more than 5 percent of the funds shall be used for the
 15 administration of the grant program.

16 (2) The department of human rights may continue to implement
 17 the family development and self-sufficiency grant program
 18 statewide during fiscal year 2018-2019.

19 (3) The department of human rights may engage in activities
 20 to strengthen and improve family outcomes measures and
 21 data collection systems under the family development and
 22 self-sufficiency grant program.

23 c. For the diversion subaccount of the FIP account:
 24 \$ 407,500

25 A portion of the moneys allocated for the subaccount may
 26 be used for field operations, salaries, data management
 27 system development, and implementation costs and support
 28 deemed necessary by the director of human services in order to
 29 administer the FIP diversion program. To the extent moneys
 30 allocated in this paragraph "c" are deemed by the department
 31 not to be necessary to support diversion activities, such
 32 moneys may be used for other efforts intended to increase
 33 engagement by family investment program participants in work,
 34 education, or training activities, or for the purposes of
 35 assistance under the family investment program in accordance

1 with chapter 239B.

2 d. For the food assistance employment and training program:
3 \$ 33,294

4 (1) The department shall apply the federal supplemental
5 nutrition assistance program (SNAP) employment and training
6 state plan in order to maximize to the fullest extent permitted
7 by federal law the use of the 50 percent federal reimbursement
8 provisions for the claiming of allowable federal reimbursement
9 funds from the United States department of agriculture
10 pursuant to the federal SNAP employment and training program
11 for providing education, employment, and training services
12 for eligible food assistance program participants, including
13 but not limited to related dependent care and transportation
14 expenses.

15 (2) The department shall continue the categorical federal
16 food assistance program eligibility at 160 percent of the
17 federal poverty level and continue to eliminate the asset test
18 from eligibility requirements, consistent with federal food
19 assistance program requirements. The department shall include
20 as many food assistance households as is allowed by federal
21 law. The eligibility provisions shall conform to all federal
22 requirements including requirements addressing individuals who
23 are incarcerated or otherwise ineligible.

24 e. For the JOBS program:
25 \$ 6,761,645

26 5. Of the child support collections assigned under FIP,
27 an amount equal to the federal share of support collections
28 shall be credited to the child support recovery appropriation
29 made in this division of this Act. Of the remainder of the
30 assigned child support collections received by the child
31 support recovery unit, a portion shall be credited to the FIP
32 account, a portion may be used to increase recoveries, and a
33 portion may be used to sustain cash flow in the child support
34 payments account. If as a consequence of the appropriations
35 and allocations made in this section the resulting amounts

1 are insufficient to sustain cash assistance payments and meet
2 federal maintenance of effort requirements, the department
3 shall seek supplemental funding. If child support collections
4 assigned under FIP are greater than estimated or are otherwise
5 determined not to be required for maintenance of effort, the
6 state share of either amount may be transferred to or retained
7 in the child support payments account.

8 6. The department may adopt emergency rules for the family
9 investment, JOBS, food assistance, and medical assistance
10 programs if necessary to comply with federal requirements.

11 Sec. 46. FAMILY INVESTMENT PROGRAM GENERAL FUND. There
12 is appropriated from the general fund of the state to the
13 department of human services for the fiscal year beginning July
14 1, 2018, and ending June 30, 2019, the following amount, or
15 so much thereof as is necessary, to be used for the purpose
16 designated:

17 To be credited to the family investment program (FIP)
18 account and used for family investment program assistance under
19 chapter 239B:

20 \$ 21,502,240

21 1. Of the funds appropriated in this section, \$3,973,798 is
22 allocated for the JOBS program.

23 2. Of the funds appropriated in this section, \$1,656,927 is
24 allocated for the family development and self-sufficiency grant
25 program.

26 3. Notwithstanding [section 8.39](#), for the fiscal year
27 beginning July 1, 2018, if necessary to meet federal
28 maintenance of effort requirements or to transfer federal
29 temporary assistance for needy families block grant funding
30 to be used for purposes of the federal social services block
31 grant or to meet cash flow needs resulting from delays in
32 receiving federal funding or to implement, in accordance with
33 this division of this Act, activities currently funded with
34 juvenile court services, county, or community moneys and state
35 moneys used in combination with such moneys; to comply with

1 federal requirements; or to maximize the use of federal funds,
2 the department of human services may transfer funds within or
3 between any of the appropriations made in this division of this
4 Act and appropriations in law for the federal social services
5 block grant to the department for the following purposes,
6 provided that the combined amount of state and federal
7 temporary assistance for needy families block grant funding
8 for each appropriation remains the same before and after the
9 transfer:

- 10 a. For the family investment program.
- 11 b. For child care assistance.
- 12 c. For child and family services.
- 13 d. For field operations.
- 14 e. For general administration.

15 This subsection shall not be construed to prohibit the use
16 of existing state transfer authority for other purposes. The
17 department shall report any transfers made pursuant to this
18 subsection to the legislative services agency.

19 4. Of the funds appropriated in this section, \$97,839 shall
20 be used for continuation of a grant to an Iowa-based nonprofit
21 organization with a history of providing tax preparation
22 assistance to low-income Iowans in order to expand the usage of
23 the earned income tax credit. The purpose of the grant is to
24 supply this assistance to underserved areas of the state.

25 5. Of the funds appropriated in this section, \$30,000 shall
26 be used for the continuation of an unfunded pilot project, as
27 defined in 441 IAC 100.1, relating to parental obligations,
28 in which the child support recovery unit participates, to
29 support the efforts of a nonprofit organization committed
30 to strengthening the community through youth development,
31 healthy living, and social responsibility headquartered in
32 a county with a population over 350,000 according to the
33 latest certified federal census. The funds allocated in this
34 subsection shall be used by the recipient organization to
35 develop a larger community effort, through public and private

1 partnerships, to support a broad-based multi-county fatherhood
2 initiative that promotes payment of child support obligations,
3 improved family relationships, and full-time employment.

4 6. The department may transfer funds appropriated in this
5 section to the appropriations made in this division of this Act
6 for general administration and field operations as necessary
7 to administer this section and the overall family investment
8 program.

9 Sec. 47. CHILD SUPPORT RECOVERY. There is appropriated
10 from the general fund of the state to the department of human
11 services for the fiscal year beginning July 1, 2018, and ending
12 June 30, 2019, the following amount, or so much thereof as is
13 necessary, to be used for the purposes designated:

14 For child support recovery, including salaries, support,
15 maintenance, and miscellaneous purposes, and for not more than
16 the following full-time equivalent positions:

| | | |
|----------|------|-----------|
| 17 | \$ | 6,293,317 |
| 18 | FTEs | 459.00 |

19 1. The department shall expend up to \$12,164, including
20 federal financial participation, for the fiscal year beginning
21 July 1, 2018, for a child support public awareness campaign.
22 The department and the office of the attorney general shall
23 cooperate in continuation of the campaign. The public
24 awareness campaign shall emphasize, through a variety of
25 media activities, the importance of maximum involvement of
26 both parents in the lives of their children as well as the
27 importance of payment of child support obligations.

28 2. Federal access and visitation grant moneys shall be
29 issued directly to private not-for-profit agencies that provide
30 services designed to increase compliance with the child access
31 provisions of court orders, including but not limited to
32 neutral visitation sites and mediation services.

33 3. The appropriation made to the department for child
34 support recovery may be used throughout the fiscal year in the
35 manner necessary for purposes of cash flow management, and for

1 cash flow management purposes the department may temporarily
2 draw more than the amount appropriated, provided the amount
3 appropriated is not exceeded at the close of the fiscal year.

4 4. With the exception of the funding amount specified, the
5 requirements established under 2001 Iowa Acts, chapter 191,
6 section 3, subsection 5, paragraph "c", subparagraph (3), shall
7 be applicable to parental obligation pilot projects for the
8 fiscal year beginning July 1, 2018, and ending June 30, 2019.
9 Notwithstanding 441 IAC 100.8, providing for termination of
10 rules relating to the pilot projects, the rules shall remain
11 in effect until June 30, 2019.

12 Sec. 48. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE —
13 FY 2018-2019. Any funds remaining in the health care trust
14 fund created in [section 453A.35A](#) for the fiscal year beginning
15 July 1, 2018, and ending June 30, 2019, are appropriated to
16 the department of human services to supplement the medical
17 assistance program appropriations made in this division of this
18 Act, for medical assistance reimbursement and associated costs,
19 including program administration and costs associated with
20 program implementation.

21 Sec. 49. MEDICAID FRAUD FUND — MEDICAL ASSISTANCE — FY
22 2018-2019. Any funds remaining in the Medicaid fraud fund
23 created in [section 249A.50](#) for the fiscal year beginning
24 July 1, 2018, and ending June 30, 2019, are appropriated to
25 the department of human services to supplement the medical
26 assistance appropriations made in this division of this Act,
27 for medical assistance reimbursement and associated costs,
28 including program administration and costs associated with
29 program implementation.

30 Sec. 50. MEDICAL ASSISTANCE. There is appropriated from the
31 general fund of the state to the department of human services
32 for the fiscal year beginning July 1, 2018, and ending June 30,
33 2019, the following amount, or so much thereof as is necessary,
34 to be used for the purpose designated:

35 For medical assistance program reimbursement and associated

1 costs as specifically provided in the reimbursement
2 methodologies in effect on June 30, 2018, except as otherwise
3 expressly authorized by law, consistent with options under
4 federal law and regulations, and contingent upon receipt of
5 approval from the office of the governor of reimbursement for
6 each abortion performed under the program:

7 \$642,302,870

8 1. Iowans support reducing the number of abortions
9 performed in our state. Funds appropriated under this section
10 shall not be used for abortions, unless otherwise authorized
11 under this section.

12 2. The provisions of this section relating to abortions
13 shall also apply to the Iowa health and wellness plan created
14 pursuant to [chapter 249N](#).

15 3. The department shall utilize not more than \$30,000 of
16 the funds appropriated in this section to continue the AIDS/HIV
17 health insurance premium payment program as established in 1992
18 Iowa Acts, Second Extraordinary Session, chapter 1001, section
19 409, subsection 6. Of the funds allocated in this subsection,
20 not more than \$2,500 may be expended for administrative
21 purposes.

22 4. Of the funds appropriated in this Act to the department
23 of public health for addictive disorders, \$475,000 for
24 the fiscal year beginning July 1, 2018, is transferred
25 to the department of human services for an integrated
26 substance-related disorder managed care system. The
27 departments of human services and public health shall
28 work together to maintain the level of mental health and
29 substance-related disorder treatment services provided by the
30 managed care contractors. Each department shall take the steps
31 necessary to continue the federal waivers as necessary to
32 maintain the level of services.

33 5. a. The department shall aggressively pursue options for
34 providing medical assistance or other assistance to individuals
35 with special needs who become ineligible to continue receiving

1 services under the early and periodic screening, diagnostic,
2 and treatment program under the medical assistance program
3 due to becoming 21 years of age who have been approved for
4 additional assistance through the department's exception to
5 policy provisions, but who have health care needs in excess
6 of the funding available through the exception to policy
7 provisions.

8 b. Of the funds appropriated in this section, \$50,000
9 shall be used for participation in one or more pilot projects
10 operated by a private provider to allow the individual or
11 individuals to receive service in the community in accordance
12 with principles established in *Olmstead v. L.C.*, 527 U.S. 581
13 (1999), for the purpose of providing medical assistance or
14 other assistance to individuals with special needs who become
15 ineligible to continue receiving services under the early and
16 periodic screening, diagnostic, and treatment program under
17 the medical assistance program due to becoming 21 years of
18 age who have been approved for additional assistance through
19 the department's exception to policy provisions, but who have
20 health care needs in excess of the funding available through
21 the exception to the policy provisions.

22 6. Of the funds appropriated in this section, up to
23 \$1,525,041 may be transferred to the field operations or
24 general administration appropriations in this division of this
25 Act for operational costs associated with Part D of the federal
26 Medicare Prescription Drug Improvement and Modernization Act
27 of 2003, Pub. L. No. 108-173.

28 7. Of the funds appropriated in this section, up to \$221,050
29 may be transferred to the appropriation in this division
30 of this Act for medical contracts to be used for clinical
31 assessment services and prior authorization of services.

32 8. A portion of the funds appropriated in this section
33 may be transferred to the appropriations in this division of
34 this Act for general administration, medical contracts, the
35 children's health insurance program, or field operations to be

1 used for the state match cost to comply with the payment error
2 rate measurement (PERM) program for both the medical assistance
3 and children's health insurance programs as developed by the
4 centers for Medicare and Medicaid services of the United States
5 department of health and human services to comply with the
6 federal Improper Payments Information Act of 2002, Pub. L. No.
7 107-300.

8 9. The department shall continue to implement the
9 recommendations of the assuring better child health and
10 development initiative II (ABCDII) clinical panel to the
11 Iowa early and periodic screening, diagnostic, and treatment
12 services healthy mental development collaborative board
13 regarding changes to billing procedures, codes, and eligible
14 service providers.

15 10. Of the funds appropriated in this section, a sufficient
16 amount is allocated to supplement the incomes of residents of
17 nursing facilities, intermediate care facilities for persons
18 with mental illness, and intermediate care facilities for
19 persons with an intellectual disability, with incomes of less
20 than \$50 in the amount necessary for the residents to receive a
21 personal needs allowance of \$50 per month pursuant to section
22 249A.30A.

23 11. a. Hospitals that meet the conditions specified
24 in subparagraphs (1) and (2) shall either certify public
25 expenditures or transfer to the medical assistance program
26 an amount equal to provide the nonfederal share for a
27 disproportionate share hospital payment in an amount up to the
28 hospital-specific limit as approved in the Medicaid state plan.
29 The hospitals that meet the conditions specified shall receive
30 and retain 100 percent of the total disproportionate share
31 hospital payment in an amount up to the hospital-specific limit
32 as approved in the Medicaid state plan.

33 (1) The hospital qualifies for disproportionate share and
34 graduate medical education payments.

35 (2) The hospital is an Iowa state-owned hospital with more

1 than 500 beds and eight or more distinct residency specialty
2 or subspecialty programs recognized by the American college of
3 graduate medical education.

4 b. Distribution of the disproportionate share payments
5 shall be made on a monthly basis. The total amount of
6 disproportionate share payments including graduate medical
7 education, enhanced disproportionate share, and Iowa
8 state-owned teaching hospital payments shall not exceed the
9 amount of the state's allotment under Pub. L. No. 102-234.
10 In addition, the total amount of all disproportionate
11 share payments shall not exceed the hospital-specific
12 disproportionate share limits under Pub. L. No. 103-66.

13 12. One hundred percent of the nonfederal share of payments
14 to area education agencies that are medical assistance
15 providers for medical assistance-covered services provided to
16 medical assistance-covered children, shall be made from the
17 appropriation made in this section.

18 13. A portion of the funds appropriated in this section
19 may be transferred to the appropriation in this division of
20 this Act for medical contracts to be used for administrative
21 activities associated with the money follows the person
22 demonstration project.

23 14. Of the funds appropriated in this section, \$174,505
24 shall be used for the administration of the health insurance
25 premium payment program, including salaries, support,
26 maintenance, and miscellaneous purposes.

27 15. a. The department may increase the amounts allocated
28 for salaries, support, maintenance, and miscellaneous purposes
29 associated with the medical assistance program, as necessary,
30 to implement cost containment strategies. The department shall
31 report any such increase to the legislative services agency and
32 the department of management.

33 b. If the savings to the medical assistance program from
34 cost containment efforts exceed the cost for the fiscal
35 year beginning July 1, 2018, the department may transfer any

1 savings generated for the fiscal year due to medical assistance
2 program cost containment efforts to the appropriation
3 made in this division of this Act for medical contracts or
4 general administration to defray the increased contract costs
5 associated with implementing such efforts.

6 16. For the fiscal year beginning July 1, 2018, and ending
7 June 30, 2019, the replacement generation tax revenues required
8 to be deposited in the property tax relief fund pursuant to
9 section 437A.8, subsection 4, paragraph "d", and section
10 437A.15, subsection 3, paragraph "f", shall instead be credited
11 to and supplement the appropriation made in this section and
12 used for the allocations made in this section.

13 17. a. Of the funds appropriated in this section, up
14 to \$25,000 may be transferred by the department to the
15 appropriation made in this division of this Act to the
16 department for the same fiscal year for general administration
17 to be used for associated administrative expenses and for not
18 more than one full-time equivalent position, in addition to
19 those authorized for the same fiscal year, to be assigned to
20 implementing the children's mental health home project.

21 b. Of the funds appropriated in this section, up to \$200,000
22 may be transferred by the department to the appropriation made
23 to the department in this division of this Act for the same
24 fiscal year for Medicaid program-related general administration
25 planning and implementation activities. The funds may be used
26 for contracts or for personnel in addition to the amounts
27 appropriated for and the positions authorized for general
28 administration for the fiscal year.

29 c. Of the funds appropriated in this section, up to
30 \$1,500,000 may be transferred by the department to the
31 appropriations made in this division of this Act for the same
32 fiscal year for general administration or medical contracts
33 to be used to support the development and implementation of
34 standardized assessment tools for persons with mental illness,
35 an intellectual disability, a developmental disability, or a

1 brain injury.

2 18. Of the funds appropriated in this section, \$75,000
3 shall be used for lodging expenses associated with care
4 provided at the university of Iowa hospitals and clinics for
5 patients with cancer whose travel distance is 30 miles or more
6 and whose income is at or below 200 percent of the federal
7 poverty level as defined by the most recently revised poverty
8 income guidelines published by the United States department of
9 health and human services. The department of human services
10 shall establish the maximum number of overnight stays and the
11 maximum rate reimbursed for overnight lodging, which may be
12 based on the state employee rate established by the department
13 of administrative services. The funds allocated in this
14 subsection shall not be used as nonfederal share matching
15 funds.

16 19. Of the funds appropriated in this section, up to
17 \$1,691,940 shall be used for administration of the state
18 family planning services program as enacted in this 2017 Act,
19 and of this amount the department may use to up \$100,000 for
20 administrative expenses.

21 20. The department shall report the implementation of
22 any cost containment strategies to the individuals specified
23 in this division of this Act for submission of reports upon
24 implementation.

25 21. The department shall report the implementation of any
26 process improvement changes and any related cost reductions
27 to the individuals specified in this division of this Act for
28 submission of reports upon implementation.

29 Sec. 51. MEDICAL CONTRACTS. There is appropriated from the
30 general fund of the state to the department of human services
31 for the fiscal year beginning July 1, 2018, and ending June 30,
32 2019, the following amount, or so much thereof as is necessary,
33 to be used for the purpose designated:

34 For medical contracts:

35 \$ 8,813,232

1 1. The department of inspections and appeals shall
2 provide all state matching funds for survey and certification
3 activities performed by the department of inspections
4 and appeals. The department of human services is solely
5 responsible for distributing the federal matching funds for
6 such activities.

7 2. Of the funds appropriated in this section, \$25,000 shall
8 be used for continuation of home and community-based services
9 waiver quality assurance programs, including the review and
10 streamlining of processes and policies related to oversight and
11 quality management to meet state and federal requirements.

12 3. Of the amount appropriated in this section, up to
13 \$100,000 may be transferred to the appropriation for general
14 administration in this division of this Act to be used for
15 additional full-time equivalent positions in the development of
16 key health initiatives such as cost containment, development
17 and oversight of managed care programs, and development of
18 health strategies targeted toward improved quality and reduced
19 costs in the Medicaid program.

20 4. Of the funds appropriated in this section, \$500,000 shall
21 be used for planning and development, in cooperation with the
22 department of public health, of a phased-in program to provide
23 a dental home for children.

24 5. Of the funds appropriated in this section, \$475,000
25 shall be credited to the autism support program fund created
26 in section 225D.2 to be used for the autism support program
27 created in [chapter 225D](#), with the exception of the following
28 amounts of this allocation which shall be used as follows:

29 a. Of the funds allocated in this subsection, \$125,000
30 shall be deposited in the board-certified behavior analyst and
31 board-certified assistant behavior analyst grants program fund
32 created in [section 135.181](#), to be used for the purposes of the
33 fund.

34 b. Of the funds allocated in this subsection, \$12,500
35 shall be used for the public purpose of continuation of a

1 grant to a child welfare services provider headquartered in a
2 county with a population between 205,000 and 215,000 in the
3 latest certified federal census that provides multiple services
4 including but not limited to a psychiatric medical institution
5 for children, shelter, residential treatment, after school
6 programs, school-based programming, and an Asperger's syndrome
7 program, to be used for support services for children with
8 autism spectrum disorder and their families.

9 c. Of the funds allocated in this subsection, \$12,500
10 shall be used for the public purpose of continuing a grant to
11 a hospital-based provider headquartered in a county with a
12 population between 90,000 and 95,000 in the latest certified
13 federal census that provides multiple services including
14 but not limited to diagnostic, therapeutic, and behavioral
15 services to individuals with autism spectrum disorder across
16 one's lifespan. The grant recipient shall utilize the funds
17 to continue the pilot project to determine the necessary
18 support services for children with autism spectrum disorder and
19 their families to be included in the children's disabilities
20 services system. The grant recipient shall submit findings and
21 recommendations based upon the results of the pilot project
22 to the individuals specified in this division of this Act for
23 submission of reports by December 31, 2018.

24 Sec. 52. STATE SUPPLEMENTARY ASSISTANCE.

25 1. There is appropriated from the general fund of the
26 state to the department of human services for the fiscal year
27 beginning July 1, 2018, and ending June 30, 2019, the following
28 amount, or so much thereof as is necessary, to be used for the
29 purpose designated:

30 For the state supplementary assistance program:

31 \$ 5,186,329

32 2. The department shall increase the personal needs
33 allowance for residents of residential care facilities by the
34 same percentage and at the same time as federal supplemental
35 security income and federal social security benefits are

1 increased due to a recognized increase in the cost of living.
2 The department may adopt emergency rules to implement this
3 subsection.

4 3. If during the fiscal year beginning July 1, 2018,
5 the department projects that state supplementary assistance
6 expenditures for a calendar year will not meet the federal
7 pass-through requirement specified in Tit. XVI of the federal
8 Social Security Act, section 1618, as codified in 42 U.S.C.
9 §1382g, the department may take actions including but not
10 limited to increasing the personal needs allowance for
11 residential care facility residents and making programmatic
12 adjustments or upward adjustments of the residential care
13 facility or in-home health-related care reimbursement rates
14 prescribed in this division of this Act to ensure that federal
15 requirements are met. In addition, the department may make
16 other programmatic and rate adjustments necessary to remain
17 within the amount appropriated in this section while ensuring
18 compliance with federal requirements. The department may adopt
19 emergency rules to implement the provisions of this subsection.

20 Sec. 53. CHILDREN'S HEALTH INSURANCE PROGRAM.

21 1. There is appropriated from the general fund of the
22 state to the department of human services for the fiscal year
23 beginning July 1, 2018, and ending June 30, 2019, the following
24 amount, or so much thereof as is necessary, to be used for the
25 purpose designated:

26 For maintenance of the healthy and well kids in Iowa (hawk-i)
27 program pursuant to [chapter 514I](#), including supplemental dental
28 services, for receipt of federal financial participation under
29 Tit. XXI of the federal Social Security Act, which creates the
30 children's health insurance program:

31 \$ 4,259,226

32 2. Of the funds appropriated in this section, \$21,400 is
33 allocated for continuation of the contract for outreach with
34 the department of public health.

35 Sec. 54. CHILD CARE ASSISTANCE. There is appropriated

1 from the general fund of the state to the department of human
2 services for the fiscal year beginning July 1, 2018, and ending
3 June 30, 2019, the following amount, or so much thereof as is
4 necessary, to be used for the purpose designated:

5 For child care programs:

6 \$ 19,671,808

7 1. Of the funds appropriated in this section, \$16,746,808
8 shall be used for state child care assistance in accordance
9 with [section 237A.13](#).

10 2. Nothing in this section shall be construed or is
11 intended as or shall imply a grant of entitlement for services
12 to persons who are eligible for assistance due to an income
13 level consistent with the waiting list requirements of section
14 237A.13. Any state obligation to provide services pursuant to
15 this section is limited to the extent of the funds appropriated
16 in this section.

17 3. A list of the registered and licensed child care
18 facilities operating in the area served by a child care
19 resource and referral service shall be made available to the
20 families receiving state child care assistance in that area.

21 4. Of the funds appropriated in this section, \$2,925,000
22 shall be credited to the early childhood programs grants
23 account in the early childhood Iowa fund created in section
24 256I.11. The moneys shall be distributed for funding of
25 community-based early childhood programs targeted to children
26 from birth through five years of age developed by early
27 childhood Iowa areas in accordance with approved community
28 plans as provided in [section 256I.8](#).

29 5. The department may use any of the funds appropriated
30 in this section as a match to obtain federal funds for use in
31 expanding child care assistance and related programs. For
32 the purpose of expenditures of state and federal child care
33 funding, funds shall be considered obligated at the time
34 expenditures are projected or are allocated to the department's
35 service areas. Projections shall be based on current and

1 projected caseload growth, current and projected provider
2 rates, staffing requirements for eligibility determination
3 and management of program requirements including data systems
4 management, staffing requirements for administration of the
5 program, contractual and grant obligations and any transfers
6 to other state agencies, and obligations for decategorization
7 or innovation projects.

8 6. A portion of the state match for the federal child care
9 and development block grant shall be provided as necessary to
10 meet federal matching funds requirements through the state
11 general fund appropriation made for child development grants
12 and other programs for at-risk children in [section 279.51](#).

13 7. If a uniform reduction ordered by the governor under
14 [section 8.31](#) or other operation of law, transfer, or federal
15 funding reduction reduces the appropriation made in this
16 section for the fiscal year, the percentage reduction in the
17 amount paid out to or on behalf of the families participating
18 in the state child care assistance program shall be equal to or
19 less than the percentage reduction made for any other purpose
20 payable from the appropriation made in this section and the
21 federal funding relating to it. The percentage reduction to
22 the other allocations made in this section shall be the same as
23 the uniform reduction ordered by the governor or the percentage
24 change of the federal funding reduction, as applicable.

25 If there is an unanticipated increase in federal funding
26 provided for state child care assistance, the entire amount
27 of the increase shall be used for state child care assistance
28 payments. If the appropriations made for purposes of the
29 state child care assistance program for the fiscal year are
30 determined to be insufficient, it is the intent of the general
31 assembly to appropriate sufficient funding for the fiscal year
32 in order to avoid establishment of waiting list requirements.

33 8. Notwithstanding [section 8.33](#), moneys advanced for
34 purposes of the programs developed by early childhood Iowa
35 areas, advanced for purposes of wraparound child care, or

1 received from the federal appropriations made for the purposes
2 of this section that remain unencumbered or unobligated at the
3 close of the fiscal year shall not revert to any fund but shall
4 remain available for expenditure for the purposes designated
5 until the close of the succeeding fiscal year.

6 Sec. 55. JUVENILE INSTITUTION. There is appropriated
7 from the general fund of the state to the department of human
8 services for the fiscal year beginning July 1, 2018, and ending
9 June 30, 2019, the following amounts, or so much thereof as is
10 necessary, to be used for the purposes designated:

11 1. For operation of the state training school at Eldora and
12 for salaries, support, maintenance, and miscellaneous purposes,
13 and for not more than the following full-time equivalent
14 positions:

15 \$ 5,675,221
16 FTEs 189.00

17 Of the funds appropriated in this subsection, \$45,575 shall
18 be used for distribution to licensed classroom teachers at this
19 and other institutions under the control of the department of
20 human services based upon the average student yearly enrollment
21 at each institution as determined by the department.

22 2. A portion of the moneys appropriated in this section
23 shall be used by the state training school at Eldora for
24 grants for adolescent pregnancy prevention activities at the
25 institution in the fiscal year beginning July 1, 2018.

26 Sec. 56. CHILD AND FAMILY SERVICES.

27 1. There is appropriated from the general fund of the
28 state to the department of human services for the fiscal year
29 beginning July 1, 2018, and ending June 30, 2019, the following
30 amount, or so much thereof as is necessary, to be used for the
31 purpose designated:

32 For child and family services:

33 \$ 43,664,687

34 2. The department may transfer funds appropriated in this
35 section as necessary to pay the nonfederal costs of services

1 reimbursed under the medical assistance program, state child
2 care assistance program, or the family investment program which
3 are provided to children who would otherwise receive services
4 paid under the appropriation in this section. The department
5 may transfer funds appropriated in this section to the
6 appropriations made in this division of this Act for general
7 administration and for field operations for resources necessary
8 to implement and operate the services funded in this section.

9 3. a. Of the funds appropriated in this section, up to
10 \$17,868,324 is allocated as the statewide expenditure target
11 under [section 232.143](#) for group foster care maintenance and
12 services. If the department projects that such expenditures
13 for the fiscal year will be less than the target amount
14 allocated in this paragraph "a", the department may reallocate
15 the excess to provide additional funding for shelter care
16 or the child welfare emergency services addressed with the
17 allocation for shelter care.

18 b. If at any time after September 30, 2018, annualization
19 of a service area's current expenditures indicates a service
20 area is at risk of exceeding its group foster care expenditure
21 target under [section 232.143](#) by more than 5 percent, the
22 department and juvenile court services shall examine all
23 group foster care placements in that service area in order to
24 identify those which might be appropriate for termination.
25 In addition, any aftercare services believed to be needed
26 for the children whose placements may be terminated shall be
27 identified. The department and juvenile court services shall
28 initiate action to set dispositional review hearings for the
29 placements identified. In such a dispositional review hearing,
30 the juvenile court shall determine whether needed aftercare
31 services are available and whether termination of the placement
32 is in the best interest of the child and the community.

33 4. In accordance with the provisions of [section 232.188](#),
34 the department shall continue the child welfare and juvenile
35 justice funding initiative during fiscal year 2018-2019. Of

1 the funds appropriated in this section, \$858,876 is allocated
2 specifically for expenditure for fiscal year 2018-2019 through
3 the decategorization services funding pools and governance
4 boards established pursuant to [section 232.188](#).

5 5. A portion of the funds appropriated in this section
6 may be used for emergency family assistance to provide other
7 resources required for a family participating in a family
8 preservation or reunification project or successor project to
9 stay together or to be reunified.

10 6. Notwithstanding [section 234.35](#) or any other provision
11 of law to the contrary, state funding for shelter care and
12 the child welfare emergency services contracting implemented
13 to provide for or prevent the need for shelter care shall be
14 limited to \$4,048,079.

15 7. Federal funds received by the state during the fiscal
16 year beginning July 1, 2018, as the result of the expenditure
17 of state funds appropriated during a previous state fiscal
18 year for a service or activity funded under this section are
19 appropriated to the department to be used as additional funding
20 for services and purposes provided for under this section.
21 Notwithstanding [section 8.33](#), moneys received in accordance
22 with this subsection that remain unencumbered or unobligated at
23 the close of the fiscal year shall not revert to any fund but
24 shall remain available for the purposes designated until the
25 close of the succeeding fiscal year.

26 8. a. Of the funds appropriated in this section, up to
27 \$1,645,000 is allocated for the payment of the expenses of
28 court-ordered services provided to juveniles who are under
29 the supervision of juvenile court services, which expenses
30 are a charge upon the state pursuant to [section 232.141](#),
31 subsection 4. Of the amount allocated in this paragraph "a",
32 up to \$778,143 shall be made available to provide school-based
33 supervision of children adjudicated under [chapter 232](#), of which
34 not more than \$7,500 may be used for the purpose of training.
35 A portion of the cost of each school-based liaison officer

1 shall be paid by the school district or other funding source as
2 approved by the chief juvenile court officer.

3 b. Of the funds appropriated in this section, up to \$374,492
4 is allocated for the payment of the expenses of court-ordered
5 services provided to children who are under the supervision
6 of the department, which expenses are a charge upon the state
7 pursuant to [section 232.141, subsection 4](#).

8 c. Notwithstanding [section 232.141](#) or any other provision
9 of law to the contrary, the amounts allocated in this
10 subsection shall be distributed to the judicial districts
11 as determined by the state court administrator and to the
12 department's service areas as determined by the administrator
13 of the department of human services' division of child and
14 family services. The state court administrator and the
15 division administrator shall make the determination of the
16 distribution amounts on or before June 15, 2018.

17 d. Notwithstanding [chapter 232](#) or any other provision of
18 law to the contrary, a district or juvenile court shall not
19 order any service which is a charge upon the state pursuant
20 to [section 232.141](#) if there are insufficient court-ordered
21 services funds available in the district court or departmental
22 service area distribution amounts to pay for the service. The
23 chief juvenile court officer and the departmental service area
24 manager shall encourage use of the funds allocated in this
25 subsection such that there are sufficient funds to pay for
26 all court-related services during the entire year. The chief
27 juvenile court officers and departmental service area managers
28 shall attempt to anticipate potential surpluses and shortfalls
29 in the distribution amounts and shall cooperatively request the
30 state court administrator or division administrator to transfer
31 funds between the judicial districts' or departmental service
32 areas' distribution amounts as prudent.

33 e. Notwithstanding any provision of law to the contrary,
34 a district or juvenile court shall not order a county to pay
35 for any service provided to a juvenile pursuant to an order

1 entered under [chapter 232](#) which is a charge upon the state
2 under [section 232.141, subsection 4](#).

3 f. Of the funds allocated in this subsection, not more than
4 \$41,500 may be used by the judicial branch for administration
5 of the requirements under this subsection.

6 g. Of the funds allocated in this subsection, \$8,500
7 shall be used by the department of human services to support
8 the interstate commission for juveniles in accordance with
9 the interstate compact for juveniles as provided in section
10 232.173.

11 9. Of the funds appropriated in this section, \$6,126,613 is
12 allocated for juvenile delinquent graduated sanctions services.
13 Any state funds saved as a result of efforts by juvenile court
14 services to earn a federal Tit. IV-E match for juvenile court
15 services administration may be used for the juvenile delinquent
16 graduated sanctions services.

17 10. Of the funds appropriated in this section, \$829,142 is
18 transferred to the department of public health to be used for
19 the child protection center grant program for child protection
20 centers located in Iowa in accordance with [section 135.118](#).
21 The grant amounts under the program shall be equalized so that
22 each center receives a uniform base amount of \$122,500, so that
23 \$25,000 is awarded to establish a satellite child protection
24 center in a city in north central Iowa that is the county
25 seat of a county with a population between 44,000 and 45,000
26 according to the 2010 federal decennial census, and so that the
27 remaining funds are awarded through a funding formula based
28 upon the volume of children served.

29 11. If the department receives federal approval to
30 implement a waiver under Tit. IV-E of the federal Social
31 Security Act to enable providers to serve children who remain
32 in the children's families and communities, for purposes of
33 eligibility under the medical assistance program through 25
34 years of age, children who participate in the waiver shall be
35 considered to be placed in foster care.

1 12. Of the funds appropriated in this section, \$2,012,583 is
2 allocated for the preparation for adult living program pursuant
3 to [section 234.46](#).

4 13. Of the funds appropriated in this section, \$113,668
5 shall be used for the public purpose of continuing a grant to
6 a nonprofit human services organization providing services to
7 individuals and families in multiple locations in southwest
8 Iowa and Nebraska for support of a project providing immediate,
9 sensitive support and forensic interviews, medical exams, needs
10 assessments, and referrals for victims of child abuse and their
11 nonoffending family members.

12 14. Of the funds appropriated in this section, \$150,310
13 is allocated for the foster care youth council approach of
14 providing a support network to children placed in foster care.

15 15. Of the funds appropriated in this section, \$101,000 is
16 allocated for use pursuant to [section 235A.1](#) for continuation
17 of the initiative to address child sexual abuse implemented
18 pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection
19 21.

20 16. Of the funds appropriated in this section, \$315,120 is
21 allocated for the community partnership for child protection
22 sites.

23 17. Of the funds appropriated in this section, \$185,625
24 is allocated for the department's minority youth and family
25 projects under the redesign of the child welfare system.

26 18. Of the funds appropriated in this section, \$593,297
27 is allocated for funding of the community circle of care
28 collaboration for children and youth in northeast Iowa.

29 19. Of the funds appropriated in this section, at least
30 \$73,579 shall be used for the continuation of the child
31 welfare provider training academy, a collaboration between the
32 coalition for family and children's services in Iowa and the
33 department.

34 20. Of the funds appropriated in this section, \$105,936
35 shall be used for continuation of the central Iowa system of

1 care program grant through June 30, 2019.

2 21. Of the funds appropriated in this section, \$117,500
3 shall be used for the public purpose of the continuation
4 and expansion of a system of care program grant implemented
5 in Cerro Gordo and Linn counties to utilize a comprehensive
6 and long-term approach for helping children and families by
7 addressing the key areas in a child's life of childhood basic
8 needs, education and work, family, and community.

9 22. Of the funds appropriated in this section, at least
10 \$12,500 shall be used to continue and to expand the foster
11 care respite pilot program in which postsecondary students in
12 social work and other human services-related programs receive
13 experience by assisting family foster care providers with
14 respite and other support.

15 23. Of the funds appropriated in this section, \$55,000
16 shall be used for the public purpose of funding community-based
17 services and other supports with a system of care approach
18 for children with a serious emotional disturbance and their
19 families through a nonprofit provider of child welfare services
20 that has been in existence for more than 115 years, is located
21 in a county with a population of more than 200,000 but less
22 than 220,000 according to the latest certified federal census,
23 is licensed as a psychiatric medical institution for children,
24 and was a system of care grantee prior to July 1, 2018.

25 Sec. 57. ADOPTION SUBSIDY.

26 1. There is appropriated from the general fund of the
27 state to the department of human services for the fiscal year
28 beginning July 1, 2018, and ending June 30, 2019, the following
29 amount, or so much thereof as is necessary, to be used for the
30 purpose designated:

31 a. For adoption subsidy payments and services:
32 \$ 20,388,955

33 b. (1) The funds appropriated in this section shall be used
34 as authorized or allowed by federal law or regulation for any
35 of the following purposes:

1 (a) For adoption subsidy payments and related costs.

2 (b) For post-adoption services and for other purposes under
3 Tit. IV-B or Tit. IV-E of the federal Social Security Act.

4 (2) The department of human services may transfer funds
5 appropriated in this subsection to the appropriation for
6 child and family services in this Act for the purposes of
7 post-adoption services as specified in this paragraph "b".

8 2. The department may transfer funds appropriated in
9 this section to the appropriation made in this division of
10 this Act for general administration for costs paid from the
11 appropriation relating to adoption subsidy.

12 3. Federal funds received by the state during the
13 fiscal year beginning July 1, 2018, as the result of the
14 expenditure of state funds during a previous state fiscal
15 year for a service or activity funded under this section are
16 appropriated to the department to be used as additional funding
17 for the services and activities funded under this section.
18 Notwithstanding [section 8.33](#), moneys received in accordance
19 with this subsection that remain unencumbered or unobligated
20 at the close of the fiscal year shall not revert to any fund
21 but shall remain available for expenditure for the purposes
22 designated until the close of the succeeding fiscal year.

23 Sec. 58. JUVENILE DETENTION HOME FUND. Moneys deposited
24 in the juvenile detention home fund created in [section 232.142](#)
25 during the fiscal year beginning July 1, 2018, and ending June
26 30, 2019, are appropriated to the department of human services
27 for the fiscal year beginning July 1, 2018, and ending June 30,
28 2019, for distribution of an amount equal to a percentage of
29 the costs of the establishment, improvement, operation, and
30 maintenance of county or multicounty juvenile detention homes
31 in the fiscal year beginning July 1, 2015. Moneys appropriated
32 for distribution in accordance with this section shall be
33 allocated among eligible detention homes, prorated on the basis
34 of an eligible detention home's proportion of the costs of all
35 eligible detention homes in the fiscal year beginning July

1 1, 2015. The percentage figure shall be determined by the
2 department based on the amount available for distribution for
3 the fund. Notwithstanding [section 232.142, subsection 3](#), the
4 financial aid payable by the state under that provision for the
5 fiscal year beginning July 1, 2018, shall be limited to the
6 amount appropriated for the purposes of this section.

7 Sec. 59. FAMILY SUPPORT SUBSIDY PROGRAM.

8 1. There is appropriated from the general fund of the
9 state to the department of human services for the fiscal year
10 beginning July 1, 2018, and ending June 30, 2019, the following
11 amount, or so much thereof as is necessary, to be used for the
12 purpose designated:

13 For the family support subsidy program subject to the
14 enrollment restrictions in [section 225C.37, subsection 3](#):

15 \$ 534,641

16 2. At least \$393,750 of the moneys appropriated in this
17 section is transferred to the department of public health for
18 the family support center component of the comprehensive family
19 support program under chapter 225C, subchapter V.

20 3. If at any time during the fiscal year, the amount of
21 funding available for the family support subsidy program
22 is reduced from the amount initially used to establish the
23 figure for the number of family members for whom a subsidy
24 is to be provided at any one time during the fiscal year,
25 notwithstanding [section 225C.38, subsection 2](#), the department
26 shall revise the figure as necessary to conform to the amount
27 of funding available.

28 Sec. 60. CONNER DECREE. There is appropriated from the
29 general fund of the state to the department of human services
30 for the fiscal year beginning July 1, 2018, and ending June 30,
31 2019, the following amount, or so much thereof as is necessary,
32 to be used for the purpose designated:

33 For building community capacity through the coordination
34 and provision of training opportunities in accordance with the
35 consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D.

1 Iowa, July 14, 1994):

2 \$ 16,816

3 Sec. 61. MENTAL HEALTH INSTITUTES.

4 1. There is appropriated from the general fund of the
5 state to the department of human services for the fiscal year
6 beginning July 1, 2018, and ending June 30, 2019, the following
7 amounts, or so much thereof as is necessary, to be used for the
8 purposes designated:

9 a. For operation of the state mental health institute at
10 Cherokee as required by chapters 218 and 226 for salaries,
11 support, maintenance, and miscellaneous purposes, and for not
12 more than the following full-time equivalent positions:
13 \$ 6,935,127
14 FTEs 162.00

15 b. For operation of the state mental health institute at
16 Independence as required by chapters 218 and 226 for salaries,
17 support, maintenance, and miscellaneous purposes, and for not
18 more than the following full-time equivalent positions:
19 \$ 8,756,810
20 FTEs 204.00

21 2. Notwithstanding sections 218.78 and 249A.11, any revenue
22 received from the state mental health institute at Cherokee or
23 the state mental health institute at Independence pursuant to
24 42 C.F.R §438.6(e) may be retained and expended by the mental
25 health institute.

26 3. Notwithstanding any provision of law to the contrary,
27 a Medicaid member residing at the state mental health
28 institute at Cherokee or the state mental health institute
29 at Independence shall retain Medicaid eligibility during
30 the period of the Medicaid member's stay for which federal
31 financial participation is available.

32 Sec. 62. STATE RESOURCE CENTERS.

33 1. There is appropriated from the general fund of the
34 state to the department of human services for the fiscal year
35 beginning July 1, 2018, and ending June 30, 2019, the following

1 amounts, or so much thereof as is necessary, to be used for the
2 purposes designated:

3 a. For the state resource center at Glenwood for salaries,
4 support, maintenance, and miscellaneous purposes:
5 \$ 8,943,890

6 b. For the state resource center at Woodward for salaries,
7 support, maintenance, and miscellaneous purposes:
8 \$ 6,038,517

9 2. The department may continue to bill for state resource
10 center services utilizing a scope of services approach used for
11 private providers of intermediate care facilities for persons
12 with an intellectual disability services, in a manner which
13 does not shift costs between the medical assistance program,
14 counties, or other sources of funding for the state resource
15 centers.

16 3. The state resource centers may expand the time-limited
17 assessment and respite services during the fiscal year.

18 4. If the department's administration and the department
19 of management concur with a finding by a state resource
20 center's superintendent that projected revenues can reasonably
21 be expected to pay the salary and support costs for a new
22 employee position, or that such costs for adding a particular
23 number of new positions for the fiscal year would be less
24 than the overtime costs if new positions would not be added,
25 the superintendent may add the new position or positions. If
26 the vacant positions available to a resource center do not
27 include the position classification desired to be filled, the
28 state resource center's superintendent may reclassify any
29 vacant position as necessary to fill the desired position. The
30 superintendents of the state resource centers may, by mutual
31 agreement, pool vacant positions and position classifications
32 during the course of the fiscal year in order to assist one
33 another in filling necessary positions.

34 5. If existing capacity limitations are reached in
35 operating units, a waiting list is in effect for a service or

1 a special need for which a payment source or other funding
2 is available for the service or to address the special need,
3 and facilities for the service or to address the special need
4 can be provided within the available payment source or other
5 funding, the superintendent of a state resource center may
6 authorize opening not more than two units or other facilities
7 and begin implementing the service or addressing the special
8 need during fiscal year 2018-2019.

9 Sec. 63. SEXUALLY VIOLENT PREDATORS.

10 1. There is appropriated from the general fund of the
11 state to the department of human services for the fiscal year
12 beginning July 1, 2018, and ending June 30, 2019, the following
13 amount, or so much thereof as is necessary, to be used for the
14 purpose designated:

15 For costs associated with the commitment and treatment of
16 sexually violent predators in the unit located at the state
17 mental health institute at Cherokee, including costs of legal
18 services and other associated costs, including salaries,
19 support, maintenance, and miscellaneous purposes, and for not
20 more than the following full-time equivalent positions:

| | | |
|----------|------|-----------|
| 21 | \$ | 4,732,373 |
| 22 | FTEs | 112.00 |

23 2. Unless specifically prohibited by law, if the amount
24 charged provides for recoupment of at least the entire amount
25 of direct and indirect costs, the department of human services
26 may contract with other states to provide care and treatment
27 of persons placed by the other states at the unit for sexually
28 violent predators at Cherokee. The moneys received under
29 such a contract shall be considered to be repayment receipts
30 and used for the purposes of the appropriation made in this
31 section.

32 Sec. 64. FIELD OPERATIONS. There is appropriated from the
33 general fund of the state to the department of human services
34 for the fiscal year beginning July 1, 2018, and ending June 30,
35 2019, the following amount, or so much thereof as is necessary,

1 to be used for the purposes designated:

2 For field operations, including salaries, support,
3 maintenance, and miscellaneous purposes, and for not more than
4 the following full-time equivalent positions:

5 \$ 24,242,217
6 FTEs 1,583.00

7 Priority in filling full-time equivalent positions shall be
8 given to those positions related to child protection services
9 and eligibility determination for low-income families.

10 Sec. 65. GENERAL ADMINISTRATION. There is appropriated
11 from the general fund of the state to the department of human
12 services for the fiscal year beginning July 1, 2018, and ending
13 June 30, 2019, the following amount, or so much thereof as is
14 necessary, to be used for the purpose designated:

15 For general administration, including salaries, support,
16 maintenance, and miscellaneous purposes, and for not more than
17 the following full-time equivalent positions:

18 \$ 6,941,520
19 FTEs 294.00

20 1. The department shall report at least monthly to the
21 legislative services agency concerning the department's
22 operational and program expenditures.

23 2. Of the funds appropriated in this section, \$75,000 shall
24 be used to continue the contract for the provision of a program
25 to provide technical assistance, support, and consultation to
26 providers of habilitation services and home and community-based
27 services waiver services for adults with disabilities under the
28 medical assistance program.

29 3. Of the funds appropriated in this section, \$25,000
30 is transferred to the Iowa finance authority to be used
31 for administrative support of the council on homelessness
32 established in [section 16.2D](#) and for the council to fulfill its
33 duties in addressing and reducing homelessness in the state.

34 4. Of the funds appropriated in this section, \$125,000 shall
35 be transferred to and deposited in the administrative fund of

1 the Iowa ABLE savings plan trust created in section 12I.4, to
2 be used for implementation and administration activities of the
3 Iowa ABLE savings plan trust.

4 5. Of the funds appropriated in this section, \$100,000
5 is transferred to the economic development authority for
6 the Iowa commission on volunteer services to continue to be
7 used for RefugeeRISE AmeriCorps program established under
8 Code section 15H.8 for member recruitment and training to
9 improve the economic well-being and health of economically
10 disadvantaged refugees in local communities across Iowa. Funds
11 transferred may be used to supplement federal funds under
12 federal regulations.

13 Sec. 66. DEPARTMENT-WIDE DUTIES. There is appropriated
14 from the general fund of the state to the department of human
15 services for the fiscal year beginning July 1, 2018, and ending
16 June 30, 2019, the following amount, or so much thereof as is
17 necessary, to be used for the purposes designated:

18 For salaries, support, maintenance, and miscellaneous
19 purposes at facilities under the purview of the department of
20 human services:
21 \$ 1,439,637

22 Sec. 67. VOLUNTEERS. There is appropriated from the general
23 fund of the state to the department of human services for the
24 fiscal year beginning July 1, 2018, and ending June 30, 2019,
25 the following amount, or so much thereof as is necessary, to be
26 used for the purpose designated:

27 For development and coordination of volunteer services:
28 \$ 42,343

29 Sec. 68. GENERAL REDUCTION. For the period beginning July
30 1, 2018, and ending June 30, 2019, the department of human
31 services, in consultation with the department of management,
32 shall identify and implement a reduction in expenditures made
33 from appropriations from the general fund to the department of
34 human services in the amount of \$733,651.

35 Sec. 69. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY

1 ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE
2 DEPARTMENT OF HUMAN SERVICES.

3 1. a. (1) (a) For the fiscal year beginning July
4 1, 2018, case-mix, non-case mix, and special population
5 nursing facilities shall be reimbursed in accordance with the
6 methodology in effect on June 30, 2018.

7 (b) For managed care claims, the department of human
8 services shall adjust the payment rate floor for nursing
9 facilities, annually, to maintain a rate floor that is no
10 lower than the Medicaid fee-for-service case-mix adjusted rate
11 calculated in accordance with 441 IAC 81.6. The department
12 shall then calculate adjusted reimbursement rates, including
13 but not limited to add-on-payments, annually, and shall
14 notify Medicaid managed care organizations of the adjusted
15 reimbursement rates within 30 days of determining the adjusted
16 reimbursement rates. Any adjustment of reimbursement rates
17 under this subparagraph division shall be budget neutral to the
18 state budget.

19 (2) For any open or unsettled nursing facility cost report
20 for a fiscal year prior to and including the fiscal year
21 beginning July 1, 2017, including any cost report remanded on
22 judicial review for inclusion of prescription drug, laboratory,
23 or x-ray costs, the department shall offset all reported
24 prescription drug, laboratory, and x-ray costs with any revenue
25 received from Medicare or other revenue source for any purpose.
26 For purposes of this subparagraph, a nursing facility cost
27 report is not considered open or unsettled if the facility did
28 not initiate an administrative appeal under [chapter 17A](#) or if
29 any appeal rights initiated have been exhausted.

30 b. (1) For the fiscal year beginning July 1, 2018,
31 the department shall establish the pharmacy dispensing fee
32 reimbursement at \$10.02 per prescription, until a cost of
33 dispensing survey is completed. The actual dispensing fee
34 shall be determined by a cost of dispensing survey performed
35 by the department and required to be completed by all medical

1 assistance program participating pharmacies every two years,
2 adjusted as necessary to maintain expenditures within the
3 amount appropriated to the department for this purpose for the
4 fiscal year.

5 (2) The department shall utilize an average acquisition
6 cost reimbursement methodology for all drugs covered under the
7 medical assistance program in accordance with 2012 Iowa Acts,
8 chapter 1133, section 33.

9 c. (1) For the fiscal year beginning July 1, 2018,
10 reimbursement rates for outpatient hospital services shall
11 remain at the rates in effect on June 30, 2018, subject to
12 Medicaid program upper payment limit rules, and adjusted
13 as necessary to maintain expenditures within the amount
14 appropriated to the department for this purpose for the fiscal
15 year.

16 (2) For the fiscal year beginning July 1, 2018,
17 reimbursement rates for inpatient hospital services shall
18 be rebased effective October 1, 2018, subject to Medicaid
19 program upper payment limit rules, and adjusted as necessary
20 to maintain expenditures within the amount appropriated to the
21 department for this purpose for the fiscal year.

22 (3) For the fiscal year beginning July 1, 2018, the graduate
23 medical education and disproportionate share hospital fund
24 shall remain at the amount in effect on June 30, 2018, except
25 that the portion of the fund attributable to graduate medical
26 education shall be reduced in an amount that reflects the
27 elimination of graduate medical education payments made to
28 out-of-state hospitals.

29 (4) In order to ensure the efficient use of limited state
30 funds in procuring health care services for low-income Iowans,
31 funds appropriated in this Act for hospital services shall
32 not be used for activities which would be excluded from a
33 determination of reasonable costs under the federal Medicare
34 program pursuant to 42 U.S.C. §1395x(v)(1)(N).

35 d. For the fiscal year beginning July 1, 2018, reimbursement

1 rates for hospices and acute mental hospitals shall be
2 increased in accordance with increases under the federal
3 Medicare program or as supported by their Medicare audited
4 costs.

5 e. For the fiscal year beginning July 1, 2018, independent
6 laboratories and rehabilitation agencies shall be reimbursed
7 using the same methodology in effect on June 30, 2018.

8 f. (1) For the fiscal year beginning July 1, 2018,
9 reimbursement rates for home health agencies shall continue to
10 be based on the Medicare low utilization payment adjustment
11 (LUPA) methodology with state geographic wage adjustments.
12 The department shall continue to update the rates every two
13 years to reflect the most recent Medicare LUPA rates to the
14 extent possible within the state funding appropriated for this
15 purpose.

16 (2) For the fiscal year beginning July 1, 2018, rates for
17 private duty nursing and personal care services under the early
18 and periodic screening, diagnostic, and treatment program
19 benefit shall be calculated based on the methodology in effect
20 on June 30, 2018.

21 g. For the fiscal year beginning July 1, 2018, federally
22 qualified health centers and rural health clinics shall receive
23 cost-based reimbursement for 100 percent of the reasonable
24 costs for the provision of services to recipients of medical
25 assistance.

26 h. For the fiscal year beginning July 1, 2018, the
27 reimbursement rates for dental services shall remain at the
28 rates in effect on June 30, 2018.

29 i. (1) For the fiscal year beginning July 1, 2018,
30 reimbursement rates for the non-state-owned psychiatric medical
31 institution for children shall be based on the methodology in
32 effect on June 30, 2018.

33 (2) As a condition of participation in the medical
34 assistance program, enrolled providers shall accept the medical
35 assistance reimbursement rate for any covered goods or services

1 provided to recipients of medical assistance who are children
2 under the custody of a psychiatric medical institution for
3 children.

4 j. For the fiscal year beginning July 1, 2018, unless
5 otherwise specified in this Act, all noninstitutional medical
6 assistance provider reimbursement rates shall remain at the
7 rates in effect on June 30, 2018, except for area education
8 agencies, local education agencies, infant and toddler
9 services providers, home and community-based services providers
10 including consumer-directed attendant care providers under a
11 section 1915(c) or 1915(i) waiver, targeted case management
12 providers, and those providers whose rates are required to be
13 determined pursuant to [section 249A.20](#).

14 k. Notwithstanding any provision to the contrary, for the
15 fiscal year beginning July 1, 2018, the reimbursement rate
16 for anesthesiologists shall be adjusted to implement the cost
17 containment strategies authorized for the medical assistance
18 program in this 2017 Act.

19 l. Notwithstanding [section 249A.20](#), for the fiscal year
20 beginning July 1, 2018, the average reimbursement rate for
21 health care providers eligible for use of the federal Medicare
22 resource-based relative value scale reimbursement methodology
23 under [section 249A.20](#) shall remain at the rate in effect on
24 June 30, 2018; however, this rate shall not exceed the maximum
25 level authorized by the federal government.

26 m. For the fiscal year beginning July 1, 2018, the
27 reimbursement rate for residential care facilities shall not
28 be less than the minimum payment level as established by the
29 federal government to meet the federally mandated maintenance
30 of effort requirement. The flat reimbursement rate for
31 facilities electing not to file annual cost reports shall not
32 be less than the minimum payment level as established by the
33 federal government to meet the federally mandated maintenance
34 of effort requirement.

35 n. For the fiscal year beginning July 1, 2018, the

1 reimbursement rates for inpatient mental health services
2 provided at hospitals shall remain at the rates in effect on
3 June 30, 2018, subject to Medicaid program upper payment limit
4 rules; and psychiatrists shall be reimbursed at the medical
5 assistance program fee-for-service rate in effect on June 30,
6 2018.

7 o. For the fiscal year beginning July 1, 2018, community
8 mental health centers may choose to be reimbursed for the
9 services provided to recipients of medical assistance through
10 either of the following options:

11 (1) For 100 percent of the reasonable costs of the services.

12 (2) In accordance with the alternative reimbursement rate
13 methodology approved by the department of human services in
14 effect on June 30, 2018.

15 p. For the fiscal year beginning July 1, 2018, the
16 reimbursement rate for providers of family planning services
17 that are eligible to receive a 90 percent federal match shall
18 remain at the rates in effect on June 30, 2018.

19 q. Unless otherwise subject to a tiered rate methodology,
20 for the fiscal year beginning July 1, 2018, the upper
21 limits and reimbursement rates for providers of home and
22 community-based services waiver services shall be reimbursed
23 using the reimbursement methodology in effect on June 30, 2018.

24 r. For the fiscal year beginning July 1, 2018, the
25 reimbursement rates for emergency medical service providers
26 shall remain at the rates in effect on June 30, 2018.

27 s. For the fiscal year beginning July 1, 2018, reimbursement
28 rates for substance-related disorder treatment programs
29 licensed under section 125.13 shall remain at the rates in
30 effect on June 30, 2018.

31 2. For the fiscal year beginning July 1, 2018, the
32 reimbursement rate for providers reimbursed under the
33 in-home-related care program shall not be less than the minimum
34 payment level as established by the federal government to meet
35 the federally mandated maintenance of effort requirement.

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

7 4. Notwithstanding section 234.38, for the fiscal
8 year beginning July 1, 2018, the foster family basic daily
9 maintenance rate and the maximum adoption subsidy rate for
10 children ages 0 through 5 years shall be \$16.78, the rate for
11 children ages 6 through 11 years shall be \$17.43, the rate for
12 children ages 12 through 15 years shall be \$19.10, and the
13 rate for children and young adults ages 16 and older shall
14 be \$19.35. For youth ages 18 to 21 who have exited foster
15 care, the preparation for adult living program maintenance rate
16 shall be \$602.70 per month. The maximum payment for adoption
17 subsidy nonrecurring expenses shall be limited to \$500 and the
18 disallowance of additional amounts for court costs and other
19 related legal expenses implemented pursuant to 2010 Iowa Acts,
20 chapter 1031, section 408, shall be continued.

21 5. For the fiscal year beginning July 1, 2018, the maximum
22 reimbursement rates for social services providers under
23 contract shall remain at the rates in effect on June 30, 2018,
24 or the provider's actual and allowable cost plus inflation for
25 each service, whichever is less. However, if a new service
26 or service provider is added after June 30, 2018, the initial
27 reimbursement rate for the service or provider shall be based
28 upon a weighted average of provider rates for similar services.

29 6. a. For the fiscal year beginning July 1, 2018, the
30 reimbursement rates for resource family recruitment and
31 retention contractors shall be established by contract.

32 b. For the fiscal year beginning July 1, 2018, the
33 reimbursement rates for supervised apartment living foster care
34 providers shall be established by contract.

35 7. a. For the purposes of this subsection, "combined

1 reimbursement rate" means the combined service and maintenance
2 reimbursement rate for a service level under the department's
3 reimbursement methodology. Effective July 1, 2018, the
4 combined reimbursement rate for a group foster care service
5 level shall be the amount designated in this subsection.
6 However, if a group foster care provider's reimbursement rate
7 for a service level as of June 30, 2018, is more than the rate
8 designated in this subsection, the provider's reimbursement
9 shall remain at the higher rate.

10 b. Unless a group foster care provider is subject to the
11 exception provided in paragraph "a", effective July 1, 2018,
12 the combined reimbursement rates for the service levels under
13 the department's reimbursement methodology shall be as follows:

14 (1) For service level, community - D1, the daily rate shall
15 be at least \$84.17.

16 (2) For service level, comprehensive - D2, the daily rate
17 shall be at least \$119.09.

18 (3) For service level, enhanced - D3, the daily rate shall
19 be at least \$131.09.

20 8. The group foster care reimbursement rates paid for
21 placement of children out of state shall be calculated
22 according to the same rate-setting principles as those used for
23 in-state providers, unless the director of human services or
24 the director's designee determines that appropriate care cannot
25 be provided within the state. The payment of the daily rate
26 shall be based on the number of days in the calendar month in
27 which service is provided.

28 9. a. For the fiscal year beginning July 1, 2018, the
29 reimbursement rate paid for shelter care and the child welfare
30 emergency services implemented to provide or prevent the need
31 for shelter care shall be established by contract.

32 b. For the fiscal year beginning July 1, 2018, the combined
33 service and maintenance components of the reimbursement rate
34 paid for shelter care services shall be based on the financial
35 and statistical report submitted to the department. The

1 maximum reimbursement rate shall be \$101.83 per day. The
2 department shall reimburse a shelter care provider at the
3 provider's actual and allowable unit cost, plus inflation, not
4 to exceed the maximum reimbursement rate.

5 c. Notwithstanding [section 232.141, subsection 8](#), for the
6 fiscal year beginning July 1, 2018, the amount of the statewide
7 average of the actual and allowable rates for reimbursement of
8 juvenile shelter care homes that is utilized for the limitation
9 on recovery of unpaid costs shall remain at the amount in
10 effect for this purpose in the fiscal year beginning July 1,
11 2017.

12 10. For the fiscal year beginning July 1, 2018, the
13 department shall calculate reimbursement rates for intermediate
14 care facilities for persons with an intellectual disability
15 at the 80th percentile. Beginning July 1, 2018, the rate
16 calculation methodology shall utilize the consumer price index
17 inflation factor applicable to the fiscal year beginning July
18 1, 2018.

19 11. For the fiscal year beginning July 1, 2018, for child
20 care providers reimbursed under the state child care assistance
21 program, the department shall set provider reimbursement
22 rates based on the rate reimbursement survey completed in
23 December 2004. Effective July 1, 2018, the child care provider
24 reimbursement rates shall remain at the rates in effect on June
25 30, 2018. The department shall set rates in a manner so as
26 to provide incentives for a nonregistered provider to become
27 registered by applying the increase only to registered and
28 licensed providers.

29 12. For the fiscal year beginning July 1, 2018,
30 notwithstanding any provision to the contrary under this
31 section, affected providers or services shall be reimbursed as
32 follows:

33 a. For fee-for-service claims, reimbursement shall be
34 calculated based on the methodology otherwise specified in this
35 section for the fiscal year beginning July 1, 2018, for the

1 respective provider or service.

2 b. For claims subject to a managed care contract with the
3 exception of any provider or service to which a reimbursement
4 increase is applicable for the fiscal year under this section,
5 reimbursement shall be based on the methodology established by
6 the managed care contract. However, any rate or reimbursement
7 established under such contract shall not be lower than the
8 rate or reimbursement floor established by the department
9 of human services as the managed care organization rate or
10 reimbursement floor for a respective provider or service in
11 effect on April 1, 2016.

12 13. Notwithstanding any provision to the contrary,
13 reimbursement rates and methodologies under this section may
14 be adjusted as necessary to implement the cost containment
15 strategies authorized for the medical assistance program in
16 this 2017 Act.

17 14. The department may adopt emergency rules to implement
18 this section.

19 Sec. 70. EMERGENCY RULES.

20 1. If specifically authorized by a provision of this
21 division of this Act, the department of human services or
22 the mental health and disability services commission may
23 adopt administrative rules under section 17A.4, subsection
24 3, and [section 17A.5, subsection 2, paragraph "b"](#), to
25 implement the provisions of this division of this Act and
26 the rules shall become effective immediately upon filing or
27 on a later effective date specified in the rules, unless the
28 effective date of the rules is delayed or the applicability
29 of the rules is suspended by the administrative rules review
30 committee. Any rules adopted in accordance with this section
31 shall not take effect before the rules are reviewed by the
32 administrative rules review committee. The delay authority
33 provided to the administrative rules review committee under
34 [section 17A.4, subsection 7, and \[section 17A.8, subsection 9,\]\(#\)](#)
35 shall be applicable to a delay imposed under this section,

1 notwithstanding a provision in those sections making them
2 inapplicable to [section 17A.5, subsection 2, paragraph "b"](#).
3 Any rules adopted in accordance with the provisions of this
4 section shall also be published as a notice of intended action
5 as provided in [section 17A.4](#).

6 2. If during a fiscal year, the department of human
7 services is adopting rules in accordance with this section
8 or as otherwise directed or authorized by state law, and the
9 rules will result in an expenditure increase beyond the amount
10 anticipated in the budget process or if the expenditure was
11 not addressed in the budget process for the fiscal year, the
12 department shall notify the persons designated by this division
13 of this Act for submission of reports, the chairpersons and
14 ranking members of the committees on appropriations, and
15 the department of management concerning the rules and the
16 expenditure increase. The notification shall be provided at
17 least 30 calendar days prior to the date notice of the rules
18 is submitted to the administrative rules coordinator and the
19 administrative code editor.

20 Sec. 71. REPORTS. Any reports or other information
21 required to be compiled and submitted under this Act during the
22 fiscal year beginning July 1, 2018, shall be submitted to the
23 chairpersons and ranking members of the joint appropriations
24 subcommittee on health and human services, the legislative
25 services agency, and the legislative caucus staffs on or
26 before the dates specified for submission of the reports or
27 information.

28 Sec. 72. TRANSFER OF MEDICAID MODERNIZATION SAVINGS BETWEEN
29 APPROPRIATIONS FY 2018-2019. Notwithstanding section 8.39,
30 subsection 1, for the fiscal year beginning July 1, 2018, if
31 savings resulting from the governor's Medicaid modernization
32 initiative accrue to the medical contracts or children's health
33 insurance program appropriation from the general fund of the
34 state and not to the medical assistance appropriation from the
35 general fund of the state under this division of this Act,

1 such savings may be transferred to such medical assistance
2 appropriation for the same fiscal year without prior written
3 consent and approval of the governor and the director of the
4 department of management. The department of human services
5 shall report any transfers made pursuant to this section to the
6 legislative services agency.

7 DIVISION XII

8 HEALTH CARE ACCOUNTS AND FUNDS — FY 2018-2019

9 Sec. 73. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is
10 appropriated from the pharmaceutical settlement account created
11 in section 249A.33 to the department of human services for the
12 fiscal year beginning July 1, 2018, and ending June 30, 2019,
13 the following amount, or so much thereof as is necessary, to be
14 used for the purpose designated:

15 Notwithstanding any provision of law to the contrary, to
16 supplement the appropriations made in this Act for medical
17 contracts under the medical assistance program for the fiscal
18 year beginning July 1, 2018, and ending June 30, 2019:

19 \$ 400,000

20 Sec. 74. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN
21 SERVICES. Notwithstanding any provision to the contrary and
22 subject to the availability of funds, there is appropriated
23 from the quality assurance trust fund created in section
24 249L.4 to the department of human services for the fiscal year
25 beginning July 1, 2018, and ending June 30, 2019, the following
26 amounts, or so much thereof as is necessary, for the purposes
27 designated:

28 To supplement the appropriation made in this Act from the
29 general fund of the state to the department of human services
30 for medical assistance for the same fiscal year:

31 \$ 18,352,604

32 Sec. 75. HOSPITAL HEALTH CARE ACCESS TRUST FUND —
33 DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to
34 the contrary and subject to the availability of funds, there is
35 appropriated from the hospital health care access trust fund

1 created in section 249M.4 to the department of human services
2 for the fiscal year beginning July 1, 2018, and ending June
3 30, 2019, the following amounts, or so much thereof as is
4 necessary, for the purposes designated:

5 To supplement the appropriation made in this Act from the
6 general fund of the state to the department of human services
7 for medical assistance for the same fiscal year:

8 \$ 16,960,277

9 Sec. 76. MEDICAL ASSISTANCE PROGRAM — NONREVERSION
10 FOR FY 2018-2019. Notwithstanding section 8.33, if moneys
11 appropriated for purposes of the medical assistance program for
12 the fiscal year beginning July 1, 2018, and ending June 30,
13 2019, from the general fund of the state, the quality assurance
14 trust fund and the hospital health care access trust fund, are
15 in excess of actual expenditures for the medical assistance
16 program and remain unencumbered or unobligated at the close
17 of the fiscal year, the excess moneys shall not revert but
18 shall remain available for expenditure for the purposes of the
19 medical assistance program until the close of the succeeding
20 fiscal year.

21 DIVISION XIII

22 CHILD CARE FACILITY FUND — USE FOR FIELD OPERATIONS

23 Sec. 77. CHILD CARE FACILITY FUND — USE FOR FIELD
24 OPERATIONS. Notwithstanding section 237A.4A, subsection 5,
25 Code 2017, for the fiscal year beginning July 1, 2017, and
26 ending June 30, 2018, in addition to the costs of dedicated
27 staffing to perform the duties described in section 237A.4A,
28 up to \$590,082 of the moneys in the child care facility fund
29 may be used by the department of human services for additional
30 expenditures of the child care regulatory unit within the
31 department's field operations.

32 Sec. 78. EFFECTIVE UPON ENACTMENT. This division of this
33 Act, being deemed of immediate importance, takes effect upon
34 enactment.

35 DIVISION XIV

1 BIOLOGICS AND GENETICALLY TARGETED DRUGS — MEDICAID

2 Sec. 79. Section 249A.20A, subsection 3, Code 2017, is
3 amended to read as follows:

4 3. a. The pharmaceutical and therapeutics committee shall
5 recommend a preferred drug list to the department.

6 b. The committee shall develop the preferred drug list
7 by considering each drug's clinically meaningful therapeutic
8 advantages in terms of safety, effectiveness, and clinical
9 outcome.

10 c. The committee shall use evidence-based research methods
11 in selecting the drugs to be included on the preferred drug
12 list.

13 d. When making recommendations or determinations regarding
14 beneficiary access to drugs and biological products for rare
15 diseases and drugs and biological products that are genetically
16 targeted, the committee shall request and consider information
17 from individuals who possess scientific or medical training
18 with respect to the drug, biological product, or rare disease.

19 e. The committee shall periodically review all drug classes
20 included on the preferred drug list and may amend the list to
21 ensure that the list provides for medically appropriate drug
22 therapies for medical assistance recipients and achieves cost
23 savings to the medical assistance program.

24 f. The department may procure a sole source contract
25 with an outside entity or contractor to provide professional
26 administrative support to the pharmaceutical and therapeutics
27 committee in researching and recommending drugs to be placed on
28 the preferred drug list.

29 Sec. 80. Section 249A.24, Code 2017, is amended by adding
30 the following new subsection:

31 NEW SUBSECTION. 2A. When making recommendations or
32 determinations regarding beneficiary access to drugs and
33 biological products for rare diseases and drugs and biological
34 products that are genetically targeted, the commission shall
35 request and consider information from individuals who possess

1 scientific or medical training with respect to the drug,
2 biological product, or rare disease.

3 DIVISION XV

4 PUBLIC ASSISTANCE PROGRAMS OVERSIGHT

5 Sec. 81. 2017 Iowa Acts, House File 531, section 2,
6 subsection 1, as enacted, is amended to read as follows:

7 1. The department of human services shall review state
8 efforts, including pilot programs related to data sharing
9 between states and technology-based solutions designed to curb
10 interstate dual participation, to address program integrity
11 for public assistance programs including Medicaid, the family
12 investment program (FIP), the supplemental nutrition assistance
13 program (SNAP), and the child care assistance program. As
14 part of the review, the department shall explore opportunities
15 to join existing pilot efforts in collaboration with other
16 states including the effort involving the national accuracy
17 clearinghouse, or to develop a separate pilot effort in Iowa.

18 Sec. 82. EFFECTIVE UPON ENACTMENT. This division of this
19 Act, being deemed of immediate importance, takes effect upon
20 enactment.

21 Sec. 83. RETROACTIVE APPLICABILITY. This division of this
22 Act applies retroactively to March 30, 2017.

23 DIVISION XVI

24 BACKGROUND CHECK PRIVATE SECTOR ALTERNATIVES

25 Sec. 84. BACKGROUND CHECK — PRIVATE SECTOR
26 ALTERNATIVES. The department of human services and the
27 department of public safety shall jointly review private sector
28 alternatives to the performance of state mandated criminal
29 background checks currently performed solely by the department
30 of public safety. The departments shall submit a report to
31 the governor and the general assembly by December 15, 2017,
32 including a description of the process used in reviewing
33 private sector alternatives to perform criminal background
34 checks, the findings from the review, and recommendations for
35 utilizing private sector entities as an alternative to the

1 department of public safety in performing criminal background
2 checks.

3 DIVISION XVII

4 PSYCHIATRIC BED TRACKING SYSTEM

5 Sec. 85. DEPARTMENT OF HUMAN SERVICES PSYCHIATRIC BED
6 TRACKING SYSTEM. The department of human services shall amend
7 its administrative rules pursuant to chapter 17A to require
8 the state mental health institutes and hospitals licensed
9 to provide inpatient psychiatric treatment and services to
10 participate in the psychiatric bed tracking system and to
11 ensure updates are made, at a minimum, two times per day to
12 the psychiatric bed tracking system. Updates shall include
13 information on the availability of inpatient child, adult,
14 and geriatric psychiatric beds staffed and available and
15 information on the gender that can be accepted for each
16 available bed.

17 DIVISION XVIII

18 CHILDREN'S WELL-BEING COLLABORATIVES AND ADVISORY COMMITTEE

19 Sec. 86. CHILDREN'S WELL-BEING COLLABORATIVES — GRANTS.

- 20 1. The department of human services shall establish a
21 request for proposals process which shall be based upon
22 recommendations for the development and implementation
23 of children's well-being collaboratives described in the
24 children's mental health study report submitted by the
25 department to the general assembly on December 15, 2016.
- 26 2. A well-being collaborative shall consist of a
27 broad-based group of entities in a defined geographical area
28 represented by a lead agency. Entities in the well-being
29 collaborative shall include a broad-based representation of key
30 providers including but not limited to providers of prevention
31 and early intervention services and mental health services to
32 the target population.
- 33 3. A well-being collaborative shall be responsible for
34 developing interagency coordination and collaboration for
35 the provision of prevention and early intervention services

1 within the designated geographic area and shall, at a minimum,
2 demonstrate all of the following:

3 a. Experience and a strong understanding of how best to
4 engage children and families to achieve positive mental health
5 and well-being outcomes.

6 b. An ability to provide or administer prevention services
7 for the improvement of children's mental health and well-being.

8 c. Experience and effectiveness in coordinating the
9 collaborative efforts of multiple stakeholders working toward
10 a common goal of improving the effectiveness of the group's
11 efforts to achieve measurable improved outcomes.

12 4. A well-being collaborative shall build and maintain
13 intentional collaboration among all entities with the goal of
14 providing measurable improvements in outcomes for children and
15 families.

16 5. A well-being collaborative shall build and improve
17 coordination and effectiveness among entities to develop and
18 provide primary, secondary, and tertiary prevention and early
19 intervention services that are nonduplicative and that are
20 aligned to meet the needs of children and families in the
21 geographic area.

22 6. A well-being collaborative shall provide technical
23 assistance to a diverse array of stakeholders, facilitate
24 the distribution of public awareness materials that include
25 information aimed at reducing the stigma of mental illness,
26 and provide updates on changes in state and federal policy
27 in relation to prevention and early intervention efforts
28 concerning children's mental health and well-being.

29 7. A well-being collaborative shall establish or enhance
30 collaborative efforts in all of the following areas:

31 a. The selection and implementation of evidence-based or
32 promising prevention and early intervention models.

33 b. Understanding funding sources and how to utilize
34 available funding most effectively.

35 c. The adoption or development, implementation, and

1 analysis of community needs assessments.

2 d. The development, implementation, and analysis of a
3 community work plan based on the results of the community needs
4 assessment.

5 e. The adoption or development and implementation of a
6 uniform family assessment.

7 f. The utilization of research and data analysis to guide
8 the work of the well-being collaborative.

9 g. The provision of culturally competent services and the
10 ability to address issues relating to the disproportionate
11 representation of a population group.

12 h. The development of public awareness and training
13 programs, including programs aimed at reducing the stigma of
14 mental illness.

15 i. The recruitment and retention of members in the
16 well-being collaborative with a focus on achieving the goals
17 and outcomes of the collaborative and supporting all members in
18 the collaborative.

19 8. Each grantee shall submit reports to the department of
20 human services by December 15, 2017, and April 15, 2018, to
21 include information relating to the accomplishments and future
22 plans of each well-being collaborative.

23 Sec. 87. CHILDREN'S MENTAL HEALTH AND WELL-BEING ADVISORY
24 COMMITTEE. The department of human services shall create and
25 provide support to a children's mental health and well-being
26 advisory committee to continue efforts relating to improving
27 children's mental health crisis services and children's
28 well-being learning labs and supporting the children's
29 well-being collaboratives.

30 DIVISION XIX

31 STATE FAMILY PLANNING SERVICES PROGRAM

32 Sec. 88. NEW SECTION. 217.41B State family planning
33 services program — establishment — discontinuation of Medicaid
34 family planning network waiver.

35 1. The department of human services shall discontinue the

1 Medicaid family planning network waiver effective July 1, 2017,
2 and shall instead establish a state family planning services
3 program. The state program shall replicate the eligibility
4 requirements and other provisions included in the Medicaid
5 family planning network waiver as approved by the centers for
6 Medicare and Medicaid services of the United States department
7 of health and human services in effect on June 30, 2017.

8 2. Distribution of family planning services program funds
9 under this section shall be made in a manner that continues
10 access to family planning services.

11 3. Distribution of family planning services program funds
12 shall not be made to any entity that performs abortions or that
13 maintains or operates a facility where abortions are performed.
14 For the purposes of this section, "abortion" does not include
15 any of the following:

16 a. The treatment of a woman for a physical disorder,
17 physical injury, or physical illness, including a
18 life-endangering physical condition caused by or arising from
19 the pregnancy itself, that would, as certified by a physician,
20 place the woman in danger of death.

21 b. The treatment of a woman for a spontaneous abortion,
22 commonly known as a miscarriage, when not all of the products
23 of human conception are expelled.

24 4. Family planning services program funds distributed in
25 accordance with this section shall not be used for direct or
26 indirect costs, including but not limited to administrative
27 costs or expenses, overhead, employee salaries, rent, and
28 telephone and other utility costs, related to providing
29 abortions as specified in subsection 3.

30 Sec. 89. EMERGENCY RULES. The department of human services
31 may adopt emergency rules under section 17A.4, subsection 3,
32 and section 17A.5, subsection 2, paragraph "b", to implement
33 the provisions of this division of this Act, and the rules
34 shall be effective immediately upon filing unless a later date
35 is specified in the rules. Any rules adopted in accordance

1 with this section shall also be published as a notice of
2 intended action as provided in section 17A.4.

3 Sec. 90. EFFECTIVE UPON ENACTMENT. This division of this
4 Act, being deemed of immediate importance, takes effect upon
5 enactment.

6 DIVISION XX

7 MEDICAID HOME AND COMMUNITY-BASED SERVICES PROVIDERS —
8 COST-REPORTING

9 Sec. 91. MEDICAID HOME AND COMMUNITY-BASED SERVICES
10 PROVIDERS — TIERED RATES AND DOCUMENTATION CHANGES —
11 EMERGENCY RULES.

12 1. Beginning July 1, 2017, the department of human
13 services shall discontinue application of the retrospectively
14 limited cost settlement methodology based on submission of
15 required cost reports under 441 IAC 79.1, and shall implement
16 tiered rates for providers of supported community living,
17 day habilitation and adult day services for persons with an
18 intellectual disability under the home and community-based
19 services waiver program. The tiered rates shall be implemented
20 in a phased-in approach to accommodate transition of providers
21 to the revised reimbursement model. The department of human
22 services and Medicaid managed care organizations may also
23 establish tiered rates for other services.

24 2. The department of human services shall amend 441 IAC
25 24.4 relating to standards of service for providers of services
26 to persons with mental illness, intellectual disabilities, or
27 developmental disabilities pursuant to chapter 225C and 441
28 IAC 79.3(2) relating to medical clinical records for providers
29 of services under the Medicaid program pursuant to chapter
30 249A, to provide, effective November 1, 2017, that in addition
31 to allowing documentation of the provision of services or
32 standards of service in a narrative format, the following
33 providers may also provide documentation in a checkbox form
34 format in accordance with the provider's organizational
35 policies and procedures and in compliance with procedures

1 established by the centers for Medicare and Medicaid services
2 of the United States department of health and human services:

- 3 a. Advanced registered nurse practitioners.
 - 4 b. Psychologists.
 - 5 c. Community mental health centers.
 - 6 d. Home and community-based habilitation services
7 providers.
 - 8 e. Behavioral health intervention.
 - 9 f. Case management services including home and
10 community-based services case management services.
 - 11 g. Home and community-based services waiver services.
 - 12 h. Behavioral health services.
 - 13 i. Community-based neurobehavioral rehabilitation
14 residential services and intermittent services.
- 15 3. The department of human services may adopt emergency
16 rules under section 17A.4, subsection 3, and section 17A.5,
17 subsection 2, paragraph "b", to implement the provisions of
18 this division of this Act, and the rules shall be effective
19 immediately upon filing unless a later date is specified in the
20 rules. Any rules adopted in accordance with this section shall
21 also be published as a notice of intended action as provided
22 in section 17A.4.

23 Sec. 92. EFFECTIVE UPON ENACTMENT. This division of this
24 Act, being deemed of immediate importance, takes effect upon
25 enactment.

26 DIVISION XXI

27 TELEHEALTH PARITY INTERIM COMMITTEE

28 Sec. 93. TELEHEALTH PARITY INTERIM COMMITTEE.

- 29 1. The legislative council is requested to establish
30 a study committee for the 2017 interim to examine issues
31 relating to telehealth parity for private insurance and state
32 employee health plans. The study committee shall consult with
33 stakeholders to evaluate the benefits of telehealth parity
34 within the context of the needs of Iowans such as access to
35 health care, review existing policies related to telehealth

1 reimbursement and the impact on private insurance and state
2 employee health plans, consider the costs associated with
3 telehealth service utilization, consider telehealth's potential
4 impact to economic development opportunities for Iowa's
5 rural communities, and evaluate obstacles such as broadband
6 accessibility.

7 2. The members of the committee shall include:

8 a. Ten members of the general assembly as voting members.

9 (1) Three members shall be appointed by the majority leader
10 of the senate, two by the minority leader of the senate, three
11 by the speaker of the house of representatives, and two by the
12 minority leader of the house of representatives.

13 (2) The legislators appointed shall include:

14 (a) The chairpersons and ranking members of the general
15 assembly's committees on human resources or a member of the
16 committee designated by the chairperson or ranking member.

17 (b) The co-chairpersons and ranking members of the joint
18 appropriations subcommittee on health and human services, or a
19 member of the subcommittee designated by the co-chairperson or
20 ranking member.

21 b. One representative of each of the following
22 organizations as nonvoting members:

23 (1) The signal center for health innovation.

24 (2) The Iowa hospital association.

25 (3) An independent medical clinic.

26 (4) The Iowa medical society.

27 (5) The Iowa healthcare association.

28 (6) The federation of Iowa insurers.

29 (7) AARP Iowa.

30 (8) The Iowa telecommunications association.

31 (9) A mental health and disability services region.

32 c. The following agency directors or commissioner as ex
33 officio nonvoting members:

34 (1) The director of public health, or the director's
35 designee.

1 (2) The director of the department of administrative
2 services, or the director's designee.

3 (3) The director of the department on aging, or the
4 director's designee.

5 (4) The commissioner of insurance or the commissioner's
6 designee.

7 3. The interim committee may request information and
8 assistance from state agencies as applicable to the purpose of
9 the interim committee, as needed to complete the work of the
10 interim committee.

11 4. The interim committee shall submit its findings and
12 recommendations to the general assembly by December 15, 2017,
13 for consideration during the 2018 legislative session.

14 DIVISION XXII

15 ALZHEIMER'S AND OTHER FORMS OF DEMENTIA — HEALTH AND
16 RESILIENCE OUTREACH (HERO) PROJECT — DEMENTIA-SPECIFIC CARE

17 Sec. 94. HERO PROJECT. The department of public health
18 shall collaborate with stakeholders that support individuals
19 with Alzheimer's disease to identify funding opportunities
20 to support the health and resilience outreach (HERO) project
21 for individuals caring for a family member with Alzheimer's or
22 other forms of dementia.

23 Sec. 95. ACCESS TO DEMENTIA-SPECIFIC CARE. The department
24 on aging, the department of public health, the department of
25 inspections and appeals, and the department of human services
26 shall jointly analyze and make recommendations regarding
27 options for coordination between state agencies and private
28 entities to promote increased access to dementia-specific care
29 in both residential and home and community-based settings. The
30 analyses and recommendations shall address barriers to, gaps
31 in, and opportunities for increased access, the availability of
32 services in home and community-based settings as an alternative
33 to residential settings, and any changes in law necessary to
34 better address the needs of individuals with dementia and their
35 families. The departments shall submit a joint report of

1 findings and recommendations to the governor and the general
2 assembly by December 15, 2017.

3 DIVISION XXIII

4 OFFICE OF MINORITY AND MULTICULTURAL HEALTH — REPEAL

5 Sec. 96. Section 135.159, subsection 3, paragraph i, Code
6 2017, is amended to read as follows:

7 *i.* For children, coordinate with and integrate guidelines,
8 data, and information from existing newborn and child health
9 programs and entities, including but not limited to the healthy
10 opportunities for parents to experience success — healthy
11 families Iowa program, the early childhood Iowa initiative,
12 the center for congenital and inherited disorders screening
13 and health care programs, standards of care for pediatric
14 health guidelines, ~~the office of minority and multicultural~~
15 ~~health established in section 135.12~~, the oral health bureau
16 established in [section 135.15](#), and other similar programs and
17 services.

18 Sec. 97. REPEAL. Section 135.12, Code 2017, is repealed.

19 DIVISION XXIV

20 PRIOR YEAR APPROPRIATIONS AND OTHER PRIOR PROVISIONS

21 ADOPTION SUBSIDY PAYMENTS AND SERVICES

22 Sec. 98. 2015 Iowa Acts, chapter 137, section 139, as
23 amended by 2016 Iowa Acts, chapter 1139, section 17, subsection
24 1, is amended by adding the following new paragraph:

25 NEW PARAGRAPH. c. Notwithstanding section 8.33,
26 moneys corresponding to the state savings resulting from
27 implementation of the federal Fostering Connections to Success
28 and Increasing Adoptions Act of 2008, Pub. L. No. 110-351,
29 and successor legislation, as determined in accordance with
30 42 U.S.C. §673(a)(8), that remain unencumbered or unobligated
31 at the close of the fiscal year, shall not revert to any fund
32 but shall remain available for the purposes designated in this
33 subsection until expended. The amount of such savings and any
34 corresponding funds remaining at the close of the fiscal year
35 shall be determined separately and any changes in either amount

1 between fiscal years shall not result in an unfunded need.

2 DECATEGORIZATION

3 Sec. 99. DECATEGORIZATION CARRYOVER FUNDING — TRANSFER TO
4 MEDICAID PROGRAM. Notwithstanding section 232.188, subsection
5 5, paragraph “b”, any state appropriated moneys in the funding
6 pool that remained unencumbered or unobligated at the close
7 of the fiscal year beginning July 1, 2014, and were deemed
8 carryover funding to remain available for the two succeeding
9 fiscal years that still remain unencumbered or unobligated at
10 the close of the fiscal year beginning July 1, 2016, shall
11 not revert but shall be transferred to the medical assistance
12 program for the fiscal year beginning July 1, 2017.

13 Sec. 100. EFFECTIVE UPON ENACTMENT. This division of this
14 Act, being deemed of immediate importance, takes effect upon
15 enactment.

16 Sec. 101. RETROACTIVE APPLICABILITY. This division of this
17 Act applies retroactively to July 1, 2016.

18 DIVISION XXV

19 NONPARTICIPATING PROVIDER REIMBURSEMENT FUND AND IOWACARE
20 ACCOUNT — BALANCES — REVERSIONS

21 Sec. 102. NONPARTICIPATING PROVIDER REIMBURSEMENT FUND AND
22 IOWACARE ACCOUNT — AVAILABILITY — REVERSIONS.

23 Notwithstanding any provision of law to the contrary, for the
24 fiscal year beginning July 1, 2016, and ending June 30, 2017,
25 there is appropriated from the IowaCare account established in
26 section 249J.24, Code 2013, and the nonparticipating provider
27 reimbursement fund established in section 249J.24A, Code
28 2013, to the department of human services medical assistance
29 appropriation in this 2017 Act any unencumbered or unobligated
30 moneys from the account and fund to be used for the purposes of
31 the IowaCare account as provided in section 249J.24, Code 2013.
32 Notwithstanding section 8.33, moneys appropriated in this
33 section that remain unencumbered or unobligated at the close of
34 a fiscal year shall not revert but shall remain available for
35 expenditure for the purposes designated until expended.

1 Sec. 103. EFFECTIVE UPON ENACTMENT. This division of this
2 Act, being deemed of immediate importance, takes effect upon
3 enactment.

4 DIVISION XXVI

5 HOSPITAL HEALTH CARE ACCESS ASSESSMENT PROGRAM — REPEAL

6 Sec. 104. Section 249M.5, Code 2017, is amended to read as
7 follows:

8 **249M.5 Future repeal.**

9 This chapter is repealed July 1, ~~2017~~ 2019.

10 Sec. 105. EFFECTIVE UPON ENACTMENT. This division of this
11 Act, being deemed of immediate importance, takes effect upon
12 enactment.

13 Sec. 106. RETROACTIVE APPLICABILITY. This division of this
14 Act applies retroactively to June 30, 2017.

15 DIVISION XXVII

16 CUSTODIAL CARE

17 Sec. 107. Section 249.12, Code 2017, is amended to read as
18 follows:

19 **249.12 Cost-related system.**

20 1. In order to assure that the necessary data is available
21 to aid the general assembly to determine appropriate funding
22 for the custodial care program, the department of human
23 services shall develop a cost-related system for financial
24 supplementation to individuals who need custodial care and who
25 have insufficient resources to purchase the care needed.

26 2. All privately operated licensed custodial facilities in
27 Iowa shall cooperate with the department of human services to
28 develop the cost-related plan. ~~After the plan is implemented,~~
29 ~~state supplemental funds shall not be used for the care of~~
30 ~~any individual in facilities that have not submitted cost~~
31 ~~statements to the department of human services.~~

32 3. Beginning July 1, 2017, privately operated licensed
33 custodial facilities in Iowa shall be reimbursed based on the
34 maximum per diem rates established by the general assembly
35 through the appropriations process.

1 DIVISION XXVIII
2 JUVENILE BEDS CAP

3 Sec. 108. Section 232.142, subsection 5, Code 2017, is
4 amended to read as follows:

5 5. The director shall approve annually all such homes
6 established and maintained under the provisions of this
7 chapter. A home shall not be approved unless it complies with
8 minimal rules and standards adopted by the director and has
9 been inspected by the department of inspections and appeals.
10 The statewide number of beds in the homes approved by the
11 director shall not exceed two hundred ~~sixty-two~~ seventy-two
12 beds beginning July 1, 2017, and shall not exceed two hundred
13 eighty-two beds beginning July 1, 2018, and thereafter.

14 DIVISION XXIX
15 TRANSFERS OF FUNDS BETWEEN DHS INSTITUTIONS

16 Sec. 109. Section 218.6, Code 2017, is amended to read as
17 follows:

18 **218.6 Transfer of appropriations made to institutions.**

19 Notwithstanding [section 8.39, subsection 1](#), without the
20 prior written consent and approval of the governor and the
21 director of the department of management, the director of human
22 services may transfer funds between the appropriations made for
23 the ~~same type of institution~~ institutions, listed as follows:

- 24 1. The state resource centers.
- 25 2. The state mental health institutes.
- 26 3. The state ~~juvenile institutions consisting of the state~~
27 ~~training school and the Iowa juvenile home.~~
- 28 4. The civil commitment unit for sexual offenders.

29 DIVISION XXX
30 PELVIC EXAMS — PRIOR CONSENT

31 Sec. 110. NEW SECTION. 147.114 **Prior informed consent**
32 **relative to pelvic examinations — patient under anesthesia or**
33 **unconscious — penalties.**

34 1. A person licensed or certified to practice a
35 profession, or a student undertaking a course of instruction

1 or participating in a clinical training or residency program
2 for a profession, shall not perform a pelvic examination on an
3 anesthetized or unconscious patient unless one of the following
4 conditions is met:

5 *a.* The patient or the patient's authorized representative
6 provides prior written informed consent to the pelvic
7 examination, and the pelvic examination is necessary for
8 preventive, diagnostic, or treatment purposes.

9 *b.* The patient or the patient's authorized representative
10 has provided prior written informed consent to a surgical
11 procedure or diagnostic examination to be performed on the
12 patient, and the performance of a pelvic examination is within
13 the scope of care ordered for that surgical procedure or
14 diagnostic examination.

15 *c.* The patient is unconscious and incapable of providing
16 prior informed consent, and the pelvic examination is necessary
17 for diagnostic or treatment purposes.

18 *d.* A court has ordered the performance of the pelvic
19 examination for the purposes of collection of evidence.

20 2. A person who violates this section is subject to the
21 penalty specified under section 147.86, and any professional
22 disciplinary provisions, as applicable.

23

EXPLANATION

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

26 This bill relates to appropriations for health and human
27 services for fiscal years 2017-2018 and 2018-2019 to the
28 department of veterans affairs, Iowa veterans home, department
29 on aging (IDA), office of long-term care ombudsman, department
30 of public health (DPH), Iowa finance authority, department of
31 human rights, and department of human services (DHS).

32 The bill is organized into divisions.

33 DEPARTMENT ON AGING. This division makes appropriations
34 from the general fund of the state to the department on aging
35 for FY 2017-2018 and FY 2018-2019.

1 OFFICE OF LONG-TERM CARE OMBUDSMAN. This division makes
2 appropriations from the general fund of the state to the office
3 of long-term care ombudsman for FY 2017-2018 and FY 2018-2019.

4 DEPARTMENT OF PUBLIC HEALTH. This division makes
5 appropriations from the general fund of the state to the
6 department of public health for FY 2017-2018 and FY 2018-2019.

7 DEPARTMENT OF VETERANS AFFAIRS AND IOWA VETERANS HOME. This
8 division makes appropriations from the general fund of the
9 state to the department of veterans affairs for FY 2017-2018
10 and FY 2018-2019 for administration, the Iowa veterans home,
11 for transfer to the Iowa finance authority for the home
12 ownership assistance program, and for the county commissions
13 of veteran affairs.

14 DEPARTMENT OF HUMAN SERVICES. This division makes
15 appropriations from the general fund of the state and the
16 federal temporary assistance for needy families block grant to
17 DHS for FY 2017-2018 and FY 2018-2019. The allocation for the
18 family development and self-sufficiency grant program is made
19 directly to the department of human rights. The reimbursement
20 section addresses reimbursement for providers reimbursed by the
21 department of human services.

22 HEALTH CARE ACCOUNTS AND FUNDS. This division makes
23 certain health-related appropriations for FY 2017-2018 and
24 FY 2018-2019. A number of the appropriations are made for
25 purposes of the medical assistance (Medicaid) program in
26 addition to the general fund appropriations made for this
27 purpose for the same fiscal year.

28 CHILD CARE FACILITY FUND — USE FOR FIELD OPERATIONS. This
29 division provides for the use of a specified amount of the
30 moneys in the child care facility fund for field operations
31 related to the child care regulatory unit in FY 2017-2018.
32 This division takes effect upon enactment.

33 BIOLOGICS AND GENETICALLY TARGETED DRUGS — MEDICAID.
34 This division directs the pharmaceutical and therapeutics
35 committee and the drug utilization review committee when

1 making recommendations or determinations regarding Medicaid
2 beneficiary access to drugs and biological products for rare
3 diseases and drugs and biological products that are genetically
4 targeted, to request and consider information from individuals
5 who possess scientific or medical training with respect to the
6 drug, biological product, or rare disease.

7 PUBLIC ASSISTANCE PROGRAMS OVERSIGHT. This division amends
8 2017 Iowa Acts, House File 531, to specifically include the
9 national accuracy clearinghouse in the pilot efforts DHS is to
10 explore in addressing program integrity for public assistance
11 programs. The division takes effect upon enactment and is
12 retroactively applicable to March 30, 2017.

13 BACKGROUND CHECKS — PRIVATE SECTOR ALTERNATIVES. This
14 division directs DHS and the department of public safety to
15 jointly review private sector alternatives to the performance
16 of state mandated criminal background checks currently
17 performed solely by the department of public safety. The
18 departments shall submit a report to the governor and the
19 general assembly by December 15, 2017, including a description
20 of the process used in reviewing private sector alternatives,
21 findings from the review, and recommendations for utilizing
22 private sector entities as an alternative to the department of
23 public safety in performing criminal background checks.

24 PSYCHIATRIC BED TRACKING SYSTEM. This division directs
25 DHS to amend administrative rules to require the state
26 mental health institutes and hospitals licensed to provide
27 inpatient psychiatric treatment and services to participate
28 in the psychiatric bed tracking system and to ensure updates,
29 including the availability of inpatient child, adult,
30 and geriatric psychiatric beds staffed and available and
31 information on the gender that can be accepted for each
32 available bed, are made, at a minimum two times per day to the
33 psychiatric bed tracking system.

34 CHILDREN'S WELL-BEING COLLABORATIVES AND ADVISORY COMMITTEE.
35 This division directs DHS to establish a request for proposals

1 process, based upon recommendations for the development
2 and implementation of children's well-being collaboratives
3 described in the children's mental health and well-being
4 workgroup final report submitted by the department on
5 December 15, 2016, to issue grants to children's well-being
6 collaboratives. Entities selected as well-being collaboratives
7 shall include a broad-based representation of key providers,
8 and each entity shall be responsible for developing interagency
9 coordination and collaboration, provide technical assistance to
10 a diverse array of stakeholders, distribute public awareness
11 materials, and provide updates on changes in state and federal
12 policy in relation to prevention and early intervention efforts
13 concerning children's mental health and well-being. Each
14 grantee is required to submit two reports: one by December
15 15, 2017, and the other by April 15, 2018. The division also
16 directs DHS to create and provide support to a children's
17 mental health and well-being advisory committee to continue
18 efforts relating to improving children's mental health crisis
19 services and children's well-being learning labs and supporting
20 the children's well-being collaboratives.

21 STATE FAMILY PLANNING SERVICES PROGRAM. This division
22 establishes the state family planning services program July 1,
23 2017, and discontinues the Medicaid family planning network
24 waiver in effect on June 30, 2017. The state program is to
25 replicate the eligibility requirements and other provisions
26 included in the Medicaid waiver program. Distribution of
27 family planning services program funds shall not be made to
28 any entity that performs abortions as defined in the division,
29 including for direct or indirect costs related to providing
30 abortions. The division provides for emergency rulemaking and
31 takes effect upon enactment.

32 MEDICAID HOME AND COMMUNITY-BASED SERVICES (HCBS) PROVIDERS
33 TIERED REIMBURSEMENT — DOCUMENTATION. This division
34 directs DHS to discontinue application of the retrospectively
35 limited cost settlement methodology based on submission

1 of required cost reports and to implement tiered rates for
2 providers of supported community living, day habilitation,
3 and adult day services for persons with an intellectual
4 disability under the home and community-based services
5 waiver program. The tiered rates shall be implemented in a
6 phased-in approach to accommodate transition of providers to
7 the revised reimbursement model. DHS and Medicaid managed
8 care organizations may also establish tiered rates for
9 other services. The division also directs DHS to amend
10 administrative rules to allow documentation of certain
11 providers specified in the division to submit documentation in
12 a checkbox form format rather than in a narrative format. The
13 division authorizes DHS to adopt emergency rules to implement
14 the division. The division takes effect upon enactment.

15 TELEHEALTH PARITY INTERIM COMMITTEE. This division
16 requests that the legislative council create a legislative
17 interim committee to study and make recommendations regarding
18 telehealth parity.

19 ALZHEIMER'S AND OTHER FORMS OF DEMENTIA — HEALTH AND
20 RESILIENCE OUTREACH (HERO) PROJECT. This division directs
21 DPH to collaborate with stakeholders that support individuals
22 with Alzheimer's disease to identify funding opportunities
23 to support the health and resilience outreach (HERO) project
24 for individuals caring for a family member with Alzheimer's
25 or other forms of dementia. The division also directs the
26 department on aging, DPH, the department of inspections and
27 appeals, and DHS to analyze and make recommendations regarding
28 options for coordination between state agencies and private
29 entities to promote increased access to dementia-specific
30 care in both residential and community-based settings. The
31 departments shall submit a joint report of findings and
32 recommendations to the governor and the general assembly by
33 December 15, 2017.

34 OFFICE OF MINORITY AND MULTICULTURAL HEALTH. This division
35 repeals Code section 135.12, the office of minority and

1 multicultural health, and makes conforming changes in the Code.

2 PRIOR YEAR APPROPRIATIONS AND PROVISIONS. This division
3 provides for the nonreversion of funds appropriated for FY
4 2016-2017 for adoption subsidy payments and services; and
5 provides for transfer to the medical assistance appropriation
6 for FY 2016-2017 of state-appropriated moneys in the funding
7 pool for decategorization that remain unencumbered or
8 unobligated at the close of the fiscal year beginning July
9 1, 2014, and that were deemed carryover funding to remain
10 available for the two succeeding fiscal years that still remain
11 unencumbered or unobligated at the close of the fiscal year
12 beginning July 1, 2016. These provisions take effect upon
13 enactment and are retroactively applicable to July 1, 2016.

14 NONPARTICIPATING PROVIDER REIMBURSEMENT FUND AND IOWACARE
15 ACCOUNT REVERSIONS. This division provides that for FY
16 2016-2017, any moneys remaining in the nonparticipating
17 provider reimbursement fund or the IowaCare account are
18 appropriated to the department of human services medical
19 assistance appropriation to be used for the purposes of the
20 IowaCare account as provided in Code section 249J.24. Moneys
21 that remain unencumbered or unobligated at the close of a
22 fiscal year shall not revert but shall remain available for
23 expenditure for the purposes designated until expended. This
24 provision takes effect upon enactment.

25 HOSPITAL HEALTH CARE ACCESS ASSESSMENT REPEAL. This
26 division extends the repeal of the hospital health care access
27 assessment program from July 1, 2017, to July 1, 2019. This
28 provision takes effect upon enactment and is retroactively
29 applicable to June 30, 2017.

30 CUSTODIAL CARE REIMBURSEMENT. This division amends
31 provisions related to reimbursement of custodial care provided
32 for persons receiving state supplementary assistance. Under
33 current law, DHS is required to develop a cost-related system
34 for financial supplementation to individuals who need custodial
35 care and who have insufficient resources to purchase the care

1 needed. In developing the cost-related system, all privately
2 operated licensed custodial facilities in the state are
3 required to cooperate with DHS to develop the plan, and once
4 the plan is developed, state supplemental funds are prohibited
5 from being used for the care of any individual in a facility
6 that has not submitted costs statements to DHS. Under the
7 division, the prohibition that no state supplemental funds are
8 to be used for the care of any individual in a facility that has
9 not submitted cost statements to DHS is eliminated and instead,
10 beginning July 1, 2018, all privately operated licensed
11 custodial facilities in Iowa are to be reimbursed based on the
12 maximum per diem rates established by the general assembly.

13 JUVENILE BED CAP. This division increases the statewide
14 number of beds in juvenile homes approved by the director of
15 the department of human services from not to exceed 262 to not
16 to exceed 272 beginning July 1, 2017, and not to exceed 282
17 beginning July 1, 2018, and thereafter.

18 TRANSFERS OF FUNDS BETWEEN DHS INSTITUTIONS. This division
19 provides that, in addition to authorizing the transfer of
20 funds between the appropriations made for facilities under the
21 purview of the department of human services including the state
22 resource centers, the state mental health institutes, and the
23 state training school, transfers are also authorized between
24 these institutions and the civil commitment unit for sexual
25 offenders.

26 PELVIC EXAMS — PRIOR CONSENT. This division prohibits
27 a person licensed or certified to practice a health-related
28 profession or a student undertaking a course of professional
29 instruction or participating in a clinical training or
30 residency program for such a profession as defined in Code
31 section 147.1 (health-related professions), from performing a
32 pelvic examination on an anesthetized or unconscious patient
33 unless one of four specified conditions is met. A person who
34 violates a provision of the division is subject to the existing
35 penalty in Code section 147.86, which is a serious misdemeanor,

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1 and to any professional disciplinary provisions, as applicable.
2 A serious misdemeanor is punishable by confinement for no more
3 than one year and a fine of at least \$315 but not more than
4 \$1,875.