

House Study Bill 233 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON MOHR)

A BILL FOR

1 An Act relating to state child care assistance eligibility
2 requirements and child care provider reimbursement rates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 237A.1, Code 2023, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 7A. *“Children needing special needs care”*
4 or *“special needs child”* means a child or children with one or
5 more of the following conditions:

6 a. The child has been diagnosed by a physician or by a
7 person endorsed for service as a school psychologist by the
8 department of education to have a developmental disability
9 which substantially limits one or more major life activities,
10 and the child requires professional treatment, assistance in
11 self-care, or the purchase of special adaptive equipment.

12 b. The child has been determined by a qualified intellectual
13 disability professional to have a condition which impairs the
14 child’s intellectual and social functioning.

15 c. The child has been diagnosed by a mental health
16 professional to have a behavioral or emotional disorder
17 characterized by situationally inappropriate behavior which
18 deviates substantially from behavior appropriate to the
19 child’s age, or which significantly interferes with the child’s
20 intellectual, social, or personal development.

21 Sec. 2. Section 237A.13, subsection 1, paragraph c, Code
22 2023, is amended to read as follows:

23 c. The child’s parent, guardian, or custodian is employed
24 ~~and the family income meets income requirements~~ a minimum of
25 thirty-two hours per week or an average of thirty-two hours per
26 week during the month.

27 Sec. 3. Section 237A.13, Code 2023, is amended by adding the
28 following new subsection:

29 NEW SUBSECTION. 1A. A family shall only be initially
30 eligible for state child care assistance if the family’s gross
31 monthly income does not exceed the lesser of:

32 a. (1) One hundred fifty-five percent of the federal
33 poverty level applicable to the family size for children
34 needing basic care.

35 (2) Two hundred percent of the federal poverty level

1 applicable to the family size for children needing special
2 needs care.

3 *b.* Eighty-five percent of the state median gross monthly
4 income.

5 Sec. 4. Section 237A.13, subsection 3, Code 2023, is amended
6 to read as follows:

7 3. ~~The department shall set reimbursement rates as~~
8 ~~authorized by appropriations enacted for payment of the~~
9 ~~reimbursements.~~ The department shall conduct a statewide
10 reimbursement rate survey to compile information on each county
11 and the survey shall be conducted at least every two years.
12 The department shall set rates in a manner so as to provide
13 incentives for an unregistered provider to become registered.

14 Sec. 5. Section 237A.13, Code 2023, is amended by adding the
15 following new subsection:

16 NEW SUBSECTION. 10. The department shall not change and
17 the director shall not provide waivers or policy exceptions
18 regarding reimbursement rates for child care providers
19 reimbursed under the state child care assistance program or
20 eligibility requirements for a family participating in the
21 state child care assistance program without prior enabling
22 legislation in this state passed on or after January 1, 2023.

23 Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
24 INCREASED STATE CHILD CARE ASSISTANCE REIMBURSEMENT RATES. The
25 department of health and human services shall amend its
26 administrative rules pursuant to chapter 17A to increase the
27 half-day reimbursement rates paid to child care providers
28 reimbursed under the state child care assistance program as
29 follows:

30 1. For a licensed child care center:

31 a. For the care of infants and toddlers requiring basic
32 care:

33 (1) The rate for providers with no quality rating or
34 a quality rating of one, two, three, or four shall be
35 twenty-three dollars and twenty-one cents.

- 1 (2) The rate for providers with a quality rating of five
2 shall be twenty-four dollars and five cents.
- 3 b. For the care of preschool children requiring basic care:
- 4 (1) The rate for providers with no quality rating shall be
5 eighteen dollars and ninety-eight cents.
- 6 (2) The rate for providers with a quality rating of one or
7 two shall be nineteen dollars and fifty cents.
- 8 (3) The rate for providers with a quality rating of three or
9 four shall be twenty dollars.
- 10 (4) The rate for providers with a quality rating of five
11 shall be twenty-one dollars.
- 12 c. For school age children requiring basic care:
- 13 (1) The rate for providers with no quality rating shall be
14 fifteen dollars.
- 15 (2) The rate for providers with a quality rating of one or
16 two shall be fifteen dollars and fifty cents.
- 17 (3) The rate for providers with a quality rating of three or
18 four shall be sixteen dollars.
- 19 (4) The rate for providers with a quality rating of five
20 shall be seventeen dollars.
- 21 2. For a category A or B child development home:
- 22 a. For the care of infants and toddlers requiring basic
23 care:
- 24 (1) The rate for providers with no quality rating or a
25 quality rating of one, two, three, or four shall be fourteen
26 dollars.
- 27 (2) The rate for providers with a quality rating of five
28 shall be fifteen dollars.
- 29 b. For the care of infants and toddlers with special needs:
- 30 (1) The rate for providers with no quality rating or a
31 quality rating of one, two, three, or four shall be twenty-one
32 dollars.
- 33 (2) The rate for providers with a quality rating of five
34 shall be twenty-two dollars and fifty cents.
- 35 c. For the care of preschool children requiring basic care:

1 (1) The rate for providers with no quality rating shall be
2 twelve dollars and seventy-five cents.

3 (2) The rate for providers with a quality rating of one or
4 two shall be thirteen dollars.

5 (3) The rate for providers with a quality rating of three or
6 four shall be thirteen dollars and seventy-five cents.

7 (4) The rate for providers with a quality rating of five
8 shall be fifteen dollars.

9 d. For the care of preschool children with special needs:

10 (1) The rate for providers with no quality rating shall be
11 nineteen dollars and thirteen cents.

12 (2) The rate for providers with a quality rating of one or
13 two shall be nineteen dollars and fifty cents.

14 (3) The rate for providers with a quality rating of three or
15 four shall be twenty dollars and sixty-three cents.

16 (4) The rate for providers with a quality rating of five
17 shall be twenty-two dollars and fifty cents.

18 e. For the care of school age children requiring basic care:

19 (1) The rate for providers with no quality rating shall be
20 eleven dollars and twenty-five cents.

21 (2) The rate for providers with a quality rating of one or
22 two shall be twelve dollars and fifty cents.

23 (3) The rate for providers with a quality rating of three or
24 four shall be thirteen dollars.

25 (4) The rate for providers with a quality rating of five
26 shall be thirteen dollars and fifty cents.

27 f. For the care of school age children with special needs:

28 (1) The rate for providers with no quality rating shall be
29 sixteen dollars and eighty-eight cents.

30 (2) The rate for providers with a quality rating of one or
31 two shall be eighteen dollars and seventy-five cents.

32 (3) The rate for providers with a quality rating of three or
33 four shall be nineteen dollars and fifty cents.

34 (4) The rate for providers with a quality rating of five
35 shall be twenty dollars and twenty-five cents.

1 3. For a category C child development home:

2 a. For the care of infants and toddlers requiring basic
3 care:

4 (1) The rate for providers with no quality rating or a
5 quality rating of one, two, three, or four shall be fifteen
6 dollars and twenty-five cents.

7 (2) The rate for providers with a quality rating of five
8 shall be sixteen dollars and twenty-five cents.

9 b. For the care of infants and toddlers with special needs:

10 (1) The rate for providers with no quality rating or a
11 quality rating of one, two, three, or four shall be twenty-two
12 dollars and eighty-eight cents.

13 (2) The rate for providers with a quality rating of five
14 shall be twenty-four dollars and thirty-eight cents.

15 c. For the care of preschool children requiring basic care:

16 (1) The rate for providers with no quality rating or a
17 quality rating of one, two, three, or four shall be fifteen
18 dollars.

19 (2) The rate for providers with a quality rating of five
20 shall be sixteen dollars.

21 d. For the care of preschool children with special needs:

22 (1) The rate for providers with no quality rating or a
23 rating of one, two, three, or four shall be twenty-two dollars
24 and fifty cents.

25 (2) The rate for providers with a quality rating of five
26 shall be twenty-four dollars.

27 e. For the care of school age children requiring basic care:

28 (1) The rate for providers with no quality rating shall be
29 thirteen dollars.

30 (2) The rate for providers with a quality rating of one or
31 two shall be thirteen dollars and seventy-five cents.

32 (3) The rate for providers with a quality rating of three or
33 four shall be fourteen dollars and fifty cents.

34 (4) The rate for providers with a quality rating of five
35 shall be fifteen dollars.

1 f. For the care of school age children with special needs:

2 (1) The rate for providers with no quality rating shall be
3 nineteen dollars and fifty cents.

4 (2) The rate for providers with a quality rating of one or
5 two shall be twenty dollars and sixty-three cents.

6 (3) The rate for providers with a quality rating of three or
7 four shall be twenty-one dollars and seventy-five cents.

8 (4) The rate for providers with a quality rating of five
9 shall be twenty-two dollars and fifty cents.

10

EXPLANATION

11

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

12

13 This bill relates to state child care assistance eligibility
14 requirements and child care provider reimbursement rates.

15 The bill defines "child needing special needs care" or
16 "special needs child" as a child that has been diagnosed
17 by a physician or by a person endorsed for service as a
18 school psychologist by the department of education to have a
19 developmental disability which substantially limits one or more
20 major life activities, and the child requires professional
21 treatment, assistance in self-care, or the purchase of special
22 adaptive equipment; determined by a qualified intellectual
23 disability professional to have a condition which impairs the
24 child's intellectual and social functioning; diagnosed by a
25 mental health professional to have a behavioral or emotional
26 disorder characterized by situationally inappropriate behavior
27 which deviates substantially from behavior appropriate to the
28 child's age, or which significantly interferes with the child's
29 intellectual, social, or personal development; or a combination
30 of these conditions.

31 The bill requires a child's parent, guardian, or custodian
32 who is employed to work a minimum of 32 hours per week or an
33 average of 32 hours per week during the month in order to be
34 eligible for state child care assistance.

35 The bill provides that a family shall only be initially

1 eligible for state child care assistance if the family's gross
2 monthly income does not exceed the lesser of: 1) 155 percent
3 of the federal poverty level applicable to the family size for
4 children needing basic care, 2) 200 percent of the federal
5 poverty level applicable to the family size for children
6 needing special needs care, or 3) 85 percent of the state
7 median gross monthly income.

8 The bill prohibits the department of health and human
9 services (HHS) and the director of HHS from changing, providing
10 waivers regarding, or making policy exceptions regarding
11 reimbursement rates for child care providers reimbursed
12 under the state child care assistance program or eligibility
13 requirements for a family participating in the state child care
14 assistance program without prior enabling legislation in this
15 state passed on or after January 1, 2023.

16 The bill directs HHS to implement various half-day
17 reimbursement rate increases to child care providers reimbursed
18 under the state child care assistance program.

19 The bill makes a conforming change to Code section
20 237A.13(3) to reflect HHS's ability to set rates only when
21 authorized by prior enabling legislation passed on or after
22 January 1, 2023.