

**House File 2220 - Introduced**

HOUSE FILE 2220  
BY MOHR and A. MEYER

**A BILL FOR**

1 An Act relating to mental health care, including subacute mental  
2 health care facility requirements; admission to and discharge  
3 from a subacute mental health care facility; employment  
4 requirements at a subacute mental health care facility;  
5 insurance coverage for subacute mental health care; and  
6 the establishment of a psychiatric medical institution for  
7 children bed tracking system, and providing penalties and  
8 including effective date provisions.

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

unofficial

1 Section 1. Section 135G.1, Code 2026, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 3A. "Health carrier" means the same as  
4 defined in section 514J.102.

5 Sec. 2. Section 135G.1, subsection 12, paragraph c, Code  
6 2026, is amended by striking the paragraph.

7 Sec. 3. Section 135G.3, Code 2026, is amended to read as  
8 follows:

9 **135G.3 Nature of care — seclusion room — admissions —**  
10 **discharge.**

11 1. a. A subacute care facility shall utilize a team of  
12 professionals to direct an organized program of diagnostic  
13 services, subacute mental health services, social services,  
14 and rehabilitative services to meet the needs of residents in  
15 accordance with a treatment care plan developed for each resident  
16 under the supervision of a mental health professional.

17 b. The goal of a treatment care plan is to transition  
18 residents to a less restrictive environment, including a  
19 home-based community setting. ~~Social and rehabilitative services~~  
20 ~~shall also be provided under the direction of a mental health~~  
21 ~~professional.~~

22 c. Within twenty-four hours of a resident's admission to a  
23 subacute care facility, the subacute care facility shall develop  
24 a written treatment care plan with the resident.

25 2. a. Prior authorization shall not be required for an  
26 individual's admission to a subacute care facility or for  
27 the first fifteen consecutive calendar days of a resident's  
28 treatment.

29 b. Starting from a resident's first day of treatment, on  
30 or after a resident's forty-fifth consecutive day of treatment,  
31 a managed care organization may review the medical necessity  
32 of the resident's treatment. After the initial review of a  
33 resident's treatment, a managed care organization may only review  
34 the medical necessity of the resident's treatment a maximum of  
35 one time within any consecutive thirty-calendar-day period.

1     ~~2.~~ 3. The mental health professional providing supervision  
2 of the subacute care facility's treatment care plans shall  
3 evaluate the condition of each resident as medically necessary,  
4 and shall be available to residents of the facility on an  
5 on-call basis at all other times. Additional evaluation and  
6 treatment may be provided by a mental health professional.  
7 The subacute care facility may employ a seclusion room meeting  
8 the conditions described in 42 C.F.R. §483.364(b) with approval  
9 of a licensed psychiatrist, or by order of the resident's  
10 physician, a physician assistant, or an advanced registered nurse  
11 practitioner.

12     4. A managed care organization shall not require a resident  
13 to be discharged from a subacute care facility until the mental  
14 health professional providing supervision of the resident's  
15 treatment care plan has determined that there are proper supports  
16 in place prior to the resident's discharge to mitigate the risk  
17 of self-harm by the resident, or harm to another individual by  
18 the resident.

19     5. Pursuant to section 505.36, a health carrier shall provide  
20 coverage for subacute mental health services provided by a  
21 subacute care facility.

22     Sec. 4. NEW SECTION.   **135H.9A Bed tracking system.**

23     The department of health and human services shall establish  
24 an electronic system to track the availability of beds at each  
25 psychiatric medical institution for children.

26     Sec. 5. NEW SECTION.   **505.36 Health carriers — subacute**  
27 **mental health care services.**

28     1. For purposes of this section:

29     a. "Health carrier" means the same as defined in section  
30 514J.102.

31     b. "Subacute care facility" means the same as defined in  
32 section 135G.1.

33     c. "Subacute mental health services" means the same as  
34 defined in section 135G.1.

35     2. A health carrier shall provide coverage for subacute

1 mental health services provided by a subacute care facility. A  
2 health carrier that violates this section shall be subject to  
3 penalties pursuant to section 505.7A.

4 Sec. 6. DEPARTMENTS OF HEALTH AND HUMAN SERVICES AND  
5 INSPECTIONS, APPEALS, AND LICENSING — ADMINISTRATIVE RULE  
6 REVIEW. The department of health and human services and  
7 the department of inspections, appeals, and licensing shall  
8 collaborate to review each department's administrative rules  
9 adopted pursuant to section 135G.10 and eliminate any rule the  
10 departments determine impedes any of the following goals without  
11 providing an equal or greater benefit:

12 1. Establishment of new subacute mental health care  
13 facilities and services.

14 2. Expansion of existing subacute mental health care  
15 facilities and services.

16 3. Ease of access to subacute mental health care facilities  
17 and services.

18 Sec. 7. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING  
19 — SUBACUTE MENTAL HEALTH CARE FACILITIES — BED CAPACITY  
20 — FACILITY AND EMPLOYEE REQUIREMENTS. The department of  
21 inspections, appeals, and licensing shall adopt rules pursuant to  
22 chapter 17A to do the following:

23 1. Increase the maximum number of beds a subacute care  
24 facility may have without the subacute care facility being  
25 defined as a state mental health institute.

26 2. Provide that requirements applicable to a subacute mental  
27 health care facility, and subacute mental health care facility  
28 employees, are less stringent than comparable requirements that  
29 apply to a state mental health institute or a state mental health  
30 institute's employees.

31 Sec. 8. EMERGENCY RULES. The department of health and  
32 human services and the department of inspections, appeals,  
33 and licensing may adopt emergency rules under section 17A.4,  
34 subsection 3, and section 17A.5, subsection 2, paragraph "b", to  
35 implement the provisions of this Act and shall submit such rules

1 to the administrative rules coordinator and the administrative  
2 code editor pursuant to section 17A.5, subsection 1, within the  
3 same period. The rules shall be effective immediately upon  
4 filing unless a later date is specified in the rules. Any rules  
5 adopted in accordance with this section shall also be published  
6 as a notice of intended action as provided in section 17A.4.

7 Sec. 9. EFFECTIVE DATE. This Act, being deemed of immediate  
8 importance, takes effect upon enactment.

9 EXPLANATION

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

12 This bill relates to mental health care.

13 The bill eliminates the requirement that subacute mental  
14 health care (SMHC) must be limited to a period of 10 calendar  
15 days unless a longer period of time is adopted by the department  
16 of health and human services (HHS).

17 The bill requires an SMHC facility to develop a written  
18 treatment care plan with a resident within 24 hours of the  
19 resident's admission to the SMHC facility.

20 The bill prohibits a preauthorization requirement for an  
21 individual's admission to an SMHC facility or for the first 15  
22 consecutive calendar days of a resident's treatment. Starting  
23 from the date of a resident's first day of treatment, on or  
24 after a resident's 45th consecutive day of treatment, a managed  
25 care organization (MCO) may review the medical necessity of the  
26 resident's treatment. After the initial review of a resident's  
27 treatment, an MCO may only review the medical necessity of the  
28 resident's treatment a maximum of one time within any consecutive  
29 30-calendar-day period.

30 The bill prohibits an MCO from requiring a resident's  
31 discharge until the mental health professional providing  
32 supervision of the resident's treatment care plan has determined  
33 that there are proper supports in place prior to the resident's  
34 discharge to mitigate the risk of the patient committing  
35 self-harm or the patient harming other individuals.

1 The bill defines "health carrier" and requires a health  
2 carrier to provide coverage for SMHC services provided by an SMHC  
3 facility. A health carrier that violates the bill is subject  
4 to a civil penalty of up to \$1,000 for each violation of the  
5 bill, up to an aggregate of \$10,000, unless the person knew  
6 or reasonably should have known the person was in violation of  
7 the bill, in which case the penalty is up to \$5,000 for each  
8 violation, up to an aggregate of \$50,000 in any one six-month  
9 period.

10 The bill requires HHS to establish an electronic system  
11 to track the availability of beds at each psychiatric medical  
12 institution for children.

13 The bill directs HHS and the department of inspections,  
14 appeals, and licensing (DIAL) to collaborate to review each  
15 department's rules and eliminate any rule the departments  
16 determine impedes the establishment of new SMHC facilities and  
17 services; expansion of existing SMHC facilities and services; or  
18 ease of access to SMHC facilities and services.

19 The bill directs DIAL to adopt rules to increase the maximum  
20 number of beds an SMHC facility may have without the SMHC  
21 facility being defined as a state mental health institute, and  
22 provide that requirements applicable to an SMHC facility, and  
23 SMHC facility employees, are less stringent than comparable  
24 requirements that apply to a state mental health institute or a  
25 state mental health institute's employees.

26 The bill allows HHS and DIAL to adopt emergency rules to  
27 implement the bill.

28 The bill takes effect upon enactment.