

## House File 757 - Introduced

HOUSE FILE 757

BY COMMITTEE ON HEALTH AND HUMAN  
SERVICES

(SUCCESSOR TO HSB 215)

### A BILL FOR

1 An Act relating to matters under the purview of the department  
2 of health and human services, including administrative  
3 services organizations, child foster care, child and dependent  
4 adult abuse, internal audit and examination information,  
5 and the region incentive fund in the mental health and  
6 disability services regional service fund, health maintenance  
7 organization's premium tax, and making appropriations and  
8 including effective date and retroactive applicability  
9 provisions.  
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

ADMINISTRATIVE SERVICES ORGANIZATIONS

Section 1. Section 97B.1A, subsection 8, paragraph b, Code 2025, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (10) Employees of an administrative services organization as defined in section 225A.1.

Sec. 2. Section 229.19, subsection 1, paragraph a, Code 2025, is amended by striking the paragraph and inserting in lieu thereof the following:

a. (1) The board of supervisors of each county shall appoint an individual to act as an advocate representing the interests of patients involuntarily hospitalized by the court in matters relating to a patient's hospitalization or treatment under section 229.14 or 229.15. The individual shall have prior experience advocating for or promoting the welfare and rehabilitation of persons with mental illness.

(2) A person appointed under this section shall not be any of the following:

(a) An officer or employee of the department.

(b) An officer or employee of an administrative services organization.

(c) An officer or employee of an agency or facility providing care or treatment to persons with mental illness.

DIVISION II

CHILD FOSTER CARE

Sec. 3. Section 232.69, subsection 1, paragraph b, subparagraph (9), Code 2025, is amended to read as follows:

(9) An employee or operator of a child foster care facility licensed ~~or approved~~ under chapter 237.

Sec. 4. Section 232.78, subsection 8, paragraph a, subparagraph (4), Code 2025, is amended to read as follows:

(4) An individual ~~licensed to provide foster care pursuant to licensee under~~ chapter 237. If the child is placed with ~~a licensed foster care provider~~ an individual licensee, the department shall assign decision-making authority to the ~~foster~~

1 ~~care-provider~~ individual licensee for the purpose of applying  
2 the reasonable and prudent parent standard during the child's  
3 placement.

4 Sec. 5. Section 232.95, subsection 2, paragraph c,  
5 subparagraph (4), Code 2025, is amended to read as follows:

6 (4) An individual ~~licensed to provide foster care pursuant~~  
7 ~~to~~ licensee under chapter 237. If the child is placed with  
8 ~~a licensed foster care provider~~ an individual licensee, the  
9 department shall assign decision-making authority to the ~~foster~~  
10 ~~care-provider~~ individual licensee for the purpose of applying  
11 the reasonable and prudent parent standard during the child's  
12 placement.

13 Sec. 6. Section 232.102, subsection 1, paragraph a,  
14 subparagraph (4), Code 2025, is amended to read as follows:

15 (4) An individual ~~licensed to provide foster care pursuant~~  
16 ~~to~~ licensee under chapter 237. If the child is placed with  
17 ~~a licensed foster care provider~~ an individual licensee, the  
18 department shall assign decision-making authority to the ~~foster~~  
19 ~~care-provider~~ individual licensee for the purpose of applying  
20 the reasonable and prudent parent standard during the child's  
21 placement.

22 Sec. 7. Section 234.1, subsection 1, paragraph a,  
23 subparagraphs (1) and (2), Code 2025, are amended to read as  
24 follows:

25 (1) After reaching eighteen years of age, the person has  
26 remained continuously and voluntarily under the care of an  
27 individual, ~~as defined in section 237.1, licensed to provide~~  
28 ~~foster care pursuant to~~ licensee under chapter 237, or in a  
29 supervised apartment living arrangement, in this state.

30 (2) The person aged out of foster care after reaching  
31 eighteen years of age and subsequently voluntarily applied for  
32 placement with an individual, ~~as defined in section 237.1,~~  
33 ~~licensed to provide foster care pursuant to~~ licensee under  
34 chapter 237, or for placement in a supervised apartment living  
35 arrangement, in this state.

1     Sec. 8. Section 234.39, subsection 2, paragraph b, Code 2025,  
2 is amended to read as follows:

3     b. ~~This subsection~~ An assignment of support under paragraph  
4 "a" shall not apply when a child is placed with a relative or  
5 fictive kin as those terms are defined in section 232.2, ~~who~~  
6 unless the relative or fictive kin is not licensed a licensee  
7 under chapter 237 to provide child foster care.

8     Sec. 9. Section 237.1, subsection 3, unnumbered paragraph 1,  
9 Code 2025, is amended to read as follows:

10     *"Child foster care"* means the provision of parental nurturing,  
11 including but not limited to the furnishing of food, lodging,  
12 training, education, supervision, treatment, or other care, to  
13 a child on a full-time basis by a person, including a relative  
14 or fictive kin of the child if the relative or fictive kin is  
15 licensed under this chapter, but not including a guardian of the  
16 child. *"Child foster care"* does not include any of the following  
17 care situations:

18     Sec. 10. Section 237.1, subsection 3, paragraph f, Code 2025,  
19 is amended to read as follows:

20     f. Care furnished by a relative or fictive kin of a child  
21 ~~or an individual person with a meaningful relationship with the~~  
22 ~~child~~ where the child is not under the placement, care, or  
23 supervision of the department.

24     Sec. 11. Section 237.1, Code 2025, is amended by adding the  
25 following new subsections:

26     NEW SUBSECTION. 6A. *"Fictive kin"* means the same as defined  
27 in section 232.2.

28     NEW SUBSECTION. 6B. *"Foster family home"* means a licensed  
29 single-family home environment in which an individual provides  
30 child foster care.

31     Sec. 12. Section 237.1, subsections 8 and 9, Code 2025, are  
32 amended to read as follows:

33     8. *"Licensee"* means an individual or an agency licensed under  
34 this chapter, or an individual who has been approved by the  
35 department to provide child foster care.

1     9. "Reasonable and prudent parent standard" means the  
2 standard characterized by careful and sensible parenting  
3 decisions that maintain the health, safety, and best interests  
4 of a child, while at the same time encouraging the emotional  
5 and developmental growth of a child, that a caregiver shall  
6 use when determining whether to allow a child in foster care  
7 under the placement, care, or supervision of the department to  
8 participate in extracurricular, enrichment, cultural, or social  
9 activities. For the purposes of this subsection, "caregiver"  
10 means ~~an individual or an agency licensed under this chapter a~~  
11 licensee with which a child in foster care has been placed or a  
12 juvenile shelter care home approved under chapter 232 in which a  
13 child in foster care has been placed.

14     Sec. 13. Section 237.2, Code 2025, is amended to read as  
15 follows:

16     **237.2 Purpose.**

17     It is the policy of this state to provide appropriate  
18 protection for children who are separated from the direct  
19 personal care of their parents, relatives, fictive kin, or  
20 guardians and, as a result, are subject to difficulty in  
21 achieving appropriate physical, mental, emotional, educational,  
22 or social development. This chapter shall be construed and  
23 administered to further that policy by assuring that child  
24 foster care is adequately provided by competently staffed and  
25 well-equipped child foster care facilities, including but not  
26 limited to residential treatment centers, group homes, and foster  
27 family homes.

28     Sec. 14. Section 237.3, subsection 10, Code 2025, is amended  
29 to read as follows:

30     10. The department shall adopt rules to administer the  
31 exception to the definition of child care in section 237A.1,  
32 subsection 2, paragraph "l", allowing a child care facility, for  
33 purposes of providing respite care to a foster family home, to  
34 provide care, supervision, or guidance of a child for a period of  
35 twenty-four hours or more who is placed with the ~~licensed~~ foster

1 family home.

2 Sec. 15. Section 237.4, unnumbered paragraph 1, Code 2025, is  
3 amended to read as follows:

4 An individual or an agency, ~~as defined in section 237.1,~~  
5 shall not provide child foster care unless the individual or  
6 agency ~~obtains a license issued under this chapter~~ is a licensee.  
7 However, a license under this chapter is not required of the  
8 following:

9 Sec. 16. Section 237.4, subsection 8, Code 2025, is amended  
10 to read as follows:

11 8. An individual providing child care as a babysitter at the  
12 request of a parent, guardian, fictive kin, or relative having  
13 lawful custody of the child.

14 Sec. 17. Section 237.9, Code 2025, is amended to read as  
15 follows:

16 **237.9 Confidential information.**

17 A person who receives information from or through the  
18 department ~~concerning a child who has received or is receiving~~  
19 ~~child foster care, a relative or guardian of the child, a~~  
20 ~~single-family, home licensee, or an individual employee of~~  
21 ~~a licensee,~~ shall not disclose that information directly or  
22 indirectly, except as authorized by section 217.30, or as  
23 authorized or required by section 232.69- if the information  
24 concerns any of the following:

25 1. A child who has received or is receiving child foster  
26 care.

27 2. A relative, fictive kin, or guardian of a child who has  
28 received or is receiving child foster care.

29 3. An individual licensee.

30 4. An employee of a licensee.

31 Sec. 18. Section 237.11, Code 2025, is amended to read as  
32 follows:

33 **237.11 Penalty.**

34 An individual or an agency who provides child foster care  
35 without obtaining a license under this chapter, or approval from

1 the department to provide child foster care, or who knowingly  
2 violates this chapter or the rules promulgated pursuant to this  
3 chapter is guilty of a serious misdemeanor.

4 Sec. 19. Section 237.12, Code 2025, is amended to read as  
5 follows:

6 **237.12 Injunctive relief.**

7 An individual or an agency who provides child foster care  
8 without obtaining a license under this chapter, or approval from  
9 the department to provide child foster care, or who knowingly  
10 violates this chapter or the rules promulgated pursuant to this  
11 chapter may be temporarily or permanently enjoined by a court in  
12 an action brought by the state, a political subdivision of the  
13 state or an interested person.

14 Sec. 20. Section 237.13, Code 2025, is amended to read as  
15 follows:

16 **237.13 Foster family home insurance fund.**

17 ~~1. For the purposes of this section, "foster home" means an~~  
18 ~~individual, as defined in section 237.1, subsection 7, who is~~  
19 ~~licensed to provide child foster care and shall also be known as~~  
20 ~~a "licensed foster home".~~

21 ~~2.~~ The foster family home insurance fund shall be  
22 administered by the department. The fund shall consist of all  
23 moneys appropriated by the general assembly for deposit in the  
24 fund. The department shall use moneys in the fund to provide  
25 home and property coverage for foster parents to cover damages to  
26 property resulting from the actions of a foster child residing  
27 in a foster family home or to reimburse foster parents for  
28 the cost of purchasing foster care liability insurance and to  
29 perform the administrative functions necessary to carry out this  
30 section. The department may establish limitations of liability  
31 for individual claims as deemed reasonable by the department.

32 ~~3.~~ 2. The department shall adopt rules, pursuant to chapter  
33 17A, to carry out the provisions of this section.

34 Sec. 21. Section 237.15, subsection 1, paragraph a, Code  
35 2025, is amended to read as follows:

1     a. The efforts to place the child with a relative or fictive  
2 kin.

3     Sec. 22. Section 237.15, subsection 5, Code 2025, is amended  
4 by striking the subsection.

5     Sec. 23. Section 237A.3A, subsection 1, paragraph d, Code  
6 2025, is amended to read as follows:

7     d. ~~A person who holds a child foster care license~~ licensee  
8 under chapter 237 shall register as a child development home  
9 provider in order to provide child care.

10    Sec. 24. Section 237C.1, subsection 2, paragraph f, Code  
11 2025, is amended to read as follows:

12    f. Care furnished by a child foster care ~~facility licensed~~  
13 licensee under chapter 237.

14    Sec. 25. Section 237C.3, subsection 2, Code 2025, is amended  
15 to read as follows:

16    2. Standards established by the department under this chapter  
17 shall at a minimum address the basic health and educational needs  
18 of children; protection of children from mistreatment, abuse,  
19 and neglect; background and records checks of persons providing  
20 care to children in facilities certified under this chapter; the  
21 use of seclusion, restraint, or other restrictive interventions;  
22 health; safety; emergency; and the physical premises on which  
23 care is provided by a children's residential facility. The  
24 background check requirements shall be substantially equivalent  
25 to those applied under chapter 237 for a child foster care  
26 ~~facility provider~~ licensee.

27    Sec. 26. Section 282.19, subsection 2, Code 2025, is amended  
28 to read as follows:

29    2. A child who is living in a ~~licensed individual or agency~~  
30 child foster care facility, as defined in section 237.1, or in an  
31 unlicensed relative foster care placement, shall remain enrolled  
32 in and attend an accredited school in the school district in  
33 which the child resided and is enrolled at the time of placement,  
34 unless it is determined by the juvenile court or the public or  
35 private agency of this state that has responsibility for the

1 child's placement that remaining in such school is not in the  
2 best interests of the child. If such a determination is made,  
3 the child may attend an accredited school located in the school  
4 district in which the child is living and not in the school  
5 district in which the child resided prior to receiving foster  
6 care.

7 Sec. 27. Section 335.25, subsection 2, paragraph c, Code  
8 2025, is amended to read as follows:

9 c. "Family home" means a community-based residential home  
10 which is licensed as a residential care facility under chapter  
11 135C or as a child foster care facility under chapter 237 to  
12 provide room and board, personal care, habilitation services, and  
13 supervision in a family environment exclusively for not more than  
14 eight persons with a developmental disability or brain injury and  
15 any necessary support personnel. However, family home does not  
16 mean ~~an individual~~ a foster family home licensed under chapter  
17 237.

18 Sec. 28. Section 414.22, subsection 2, paragraph c, Code  
19 2025, is amended to read as follows:

20 c. "Family home" means a community-based residential home  
21 which is licensed as a residential care facility under chapter  
22 135C or as a child foster care facility under chapter 237 to  
23 provide room and board, personal care, habilitation services, and  
24 supervision in a family environment exclusively for not more than  
25 eight persons with a developmental disability or brain injury  
26 and any necessary support personnel. However, family home does  
27 not mean ~~an individual~~ a foster care family home licensed under  
28 chapter 237.

29 Sec. 29. Section 423.3, subsection 18, paragraph b, Code  
30 2025, is amended to read as follows:

31 b. Residential facilities licensed by the department of  
32 health and human services pursuant to chapter 237, other than  
33 those maintained by ~~individuals~~ an individual as defined in  
34 section 237.1, ~~subsection 7~~.

35 Sec. 30. Section 709.16, subsection 2, paragraph b,

1 subparagraph (1), Code 2025, is amended to read as follows:

2 (1) A child foster care facility licensed under ~~section 237.4~~  
3 chapter 237.

4 Sec. 31. RULES. The department of health and human services  
5 shall adopt rules pursuant to chapter 17A to administer this  
6 division of this Act, including rules for the approval of  
7 relatives or fictive kin to provide child foster care.

8 DIVISION III

9 CHILD AND DEPENDENT ADULT ABUSE

10 Sec. 32. Section 235A.1, subsection 1, paragraph b, Code  
11 2025, is amended to read as follows:

12 b. Funds for the programs or projects shall be applied for  
13 and received by a community-based ~~volunteer coalition or council~~  
14 entity.

15 Sec. 33. Section 235A.15, subsection 1, Code 2025, is amended  
16 to read as follows:

17 1. ~~Notwithstanding chapter 22, the~~ Child abuse information  
18 shall be confidential and shall not be a public record under  
19 chapter 22. The confidentiality of all child abuse information  
20 shall be maintained, except as specifically provided by this  
21 section.

22 Sec. 34. Section 235B.2, subsection 5, paragraph a,  
23 subparagraph (1), subparagraph division (c), Code 2025, is  
24 amended to read as follows:

25 (c) Exploitation of a dependent adult which means the act or  
26 process of ~~taking unfair advantage~~ an individual, including a  
27 caregiver or fiduciary, that uses the resources of a dependent  
28 adult or the adult's physical or financial resources, without  
29 the informed consent of the dependent adult, including theft,  
30 by the use of undue influence, harassment, duress, deception,  
31 false representation, or false pretenses for monetary or personal  
32 benefit, profit, or gain, or that results in depriving a  
33 dependent adult of rightful access to, or use of, benefits,  
34 resources, belongings, or assets.

35 Sec. 35. Section 235B.3, subsection 7, Code 2025, is amended

1 to read as follows:

2 7. a. Upon a showing of probable cause that a dependent  
3 adult has been abused, a court may authorize a person, also  
4 authorized by the department, to make an evaluation, to enter the  
5 residence of, and to examine the dependent adult.

6 b. Upon a showing of probable cause that there has been  
7 exploitation of a dependent adult ~~has been financially exploited,~~  
8 a court may authorize a person, also authorized by the  
9 department, to make an evaluation, and to gain access to the  
10 financial records that the department reasonably believes are  
11 related to the resources of the dependent adult.

12 Sec. 36. Section 235B.6, subsection 1, Code 2025, is amended  
13 to read as follows:

14 1. ~~Notwithstanding chapter 22, the~~ Dependent adult abuse  
15 information shall be confidential and shall not be a public  
16 record under chapter 22. The confidentiality of all dependent  
17 adult abuse information shall be maintained, except as  
18 specifically provided by subsections 2 and 3.

19 Sec. 37. Section 235B.6, subsection 2, paragraph e,  
20 subparagraph (2), Code 2025, is amended to read as follows:

21 (2) Registry or department personnel when necessary to  
22 the performance of their official duties, or a person, an  
23 instrumentality of the state, or an agency under contract with  
24 the department to carry out official duties and functions ~~of the~~  
25 ~~registry.~~

26 Sec. 38. Section 249A.4, Code 2025, is amended by adding the  
27 following new subsection:

28 NEW SUBSECTION. 16. Require providers to share information  
29 with the department as necessary to identify, prevent, or respond  
30 to child abuse as defined in section 232.68, and dependent adult  
31 abuse as defined in section 235B.2.

32 DIVISION IV

33 DEPARTMENT OF HEALTH AND HUMAN SERVICES — CONFIDENTIALITY OF  
34 INTERNAL AUDIT AND EXAMINATION INFORMATION

35 Sec. 39. Section 11.41, subsection 4, paragraph a, Code 2025,

1 is amended by adding the following new subparagraph:

2 NEW SUBPARAGRAPH. (10) Information created or received by  
3 the department of health and human services in the course of  
4 an internal audit or examination, including any allegations  
5 of misconduct or noncompliance and all audit or examination  
6 workpapers, as specified in section 217.31A.

7 Sec. 40. NEW SECTION. **217.31A Internal audits and**  
8 **examinations — confidentiality.**

9 1. Information created or received by the department in  
10 the course of an internal audit or examination, including any  
11 allegations of misconduct or noncompliance, and all audit or  
12 examination workpapers, shall be maintained as confidential.

13 2. Information maintained as confidential under subsection 1  
14 may be disclosed for any of the following reasons:

15 a. As necessary to complete the audit or examination.

16 b. To the extent the department's auditor is required by law  
17 to report the same or to testify in court.

18 DIVISION V

19 REGION INCENTIVE FUND — DISTRIBUTIONS AND TRANSFERS

20 Sec. 41. DEPARTMENT OF HEALTH AND HUMAN SERVICES —  
21 BEHAVIORAL HEALTH SERVICES SYSTEM — REGION INCENTIVE FUND.

22 1. For purposes of this section:

23 a. "Administrative services organization" means the same as  
24 defined in 2024 Iowa Acts, chapter 1161, section 1.

25 b. "Behavioral health fund" means the behavioral health  
26 fund established in 2024 Iowa Acts, chapter 1161, section 7,  
27 subsection 2.

28 c. "Behavioral health services system" means the behavioral  
29 health services system established in 2024 Iowa Acts, chapter  
30 1161, section 3, subsection 1.

31 d. "Mental health and disability services system" means the  
32 mental health and disability services system described in section  
33 225C.6B.

34 2. Notwithstanding any provision of law to the contrary,  
35 there is appropriated from the region incentive fund created

1 in section 225C.7A, subsection 8, to the department of health  
 2 and human services for the fiscal year beginning July 1, 2024,  
 3 and ending June 30, 2025, an amount necessary to ensure the  
 4 continuity of care for persons transferring from the mental  
 5 health and disability services system to the behavioral health  
 6 services system, and for distribution to administrative services  
 7 organizations to be used for expenses related to the duties of  
 8 the administrative services organizations under the behavioral  
 9 health services system.

10 3. Moneys distributed to and used by an administrative  
 11 services organization pursuant to subsection 1, shall not be  
 12 considered in the computation of any limit on the administrative  
 13 costs of an administrative services organization including those  
 14 prescribed in 2024 Iowa Acts, chapter 1161, section 7, subsection  
 15 5.

16 4. Moneys in the mental health and disability services  
 17 regional service fund established in section 225C.7A, subsection  
 18 1, that remain unencumbered or unobligated on June 30, 2025,  
 19 shall be transferred to the behavioral health fund.

20 Sec. 42. EFFECTIVE DATE. This division of this Act, being  
 21 deemed of immediate importance, takes effect upon enactment.

22 Sec. 43. RETROACTIVE APPLICABILITY. This division of this  
 23 Act applies retroactively to July 1, 2024.

#### 24 DIVISION VI

#### 25 HEALTH MAINTENANCE ORGANIZATION — APPLICABLE PERCENTAGE FOR 26 PREMIUM TAX

27 Sec. 44. Section 432.1, subsection 2, unnumbered paragraph 1,  
 28 Code 2025, is amended to read as follows:

29 The "*applicable percent*" for purposes of subsection 1 of this  
 30 section, section 432.1B, and section 432.2 is the following:

31 Sec. 45. Section 432.1B, subsection 1, Code 2025, is amended  
 32 to read as follows:

33 1. Pursuant to section 514B.31, subsection 3, a health  
 34 maintenance organization contracting with the department of  
 35 health and human services to administer the medical assistance

1 program under chapter 249A, shall pay as taxes to the director  
2 of the department of revenue for deposit in the Medicaid managed  
3 care organization premiums fund created in section 249A.13, an  
4 amount equal to ~~two and one-half~~ the applicable percent of the  
5 premiums received and taxable under section 514B.31, subsection  
6 3.

7 Sec. 46. EFFECTIVE DATE. This division of this Act, being  
8 deemed of immediate importance, takes effect upon enactment.

9 Sec. 47. RETROACTIVE APPLICABILITY. This division of this  
10 Act applies retroactively to January 1, 2024.

11 EXPLANATION

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

14 This bill relates to matters under the purview of the  
15 department of health and human services (HHS).

16 DIVISION I — ADMINISTRATIVE SERVICES ORGANIZATIONS. The  
17 bill excludes persons employed by an administrative services  
18 organization (ASO) from the definition of an employee for the  
19 purposes of the Iowa public employees' retirement system.

20 The bill prohibits an ASO, or an officer or an employee of  
21 an ASO, from acting as a county's advocate to represent the  
22 interests of patients involuntarily hospitalized by the court in  
23 matters relating to a patient's hospitalization or treatment.

24 DIVISION II — CHILD FOSTER CARE. Under current law, a  
25 person's periodic support payments pursuant to an order or  
26 judgment are deemed assigned to HHS if the person is or has a  
27 child receiving foster care services. The assignment does not  
28 apply when a child is placed with a relative or fictive kin of  
29 the child who is not licensed to provide child foster care. The  
30 bill permits the assignment unless the relative or fictive kin is  
31 not licensed to provide child foster care and not approved by HHS  
32 to provide services as specified by HHS.

33 The bill defines "fictive kin" as an adult person who is  
34 not a relative of a child but who has an emotionally positive  
35 significant relationship with the child or the child's family.

1 The bill defines "foster family home" as a licensed  
2 single-family home environment in which an individual provides  
3 child foster care.

4 The bill includes within the Code chapter 237 (child foster  
5 care facilities) definition of "licensee", an individual who has  
6 been approved by HHS to provide child foster care.

7 The bill makes several changes to Code chapter 237 and to  
8 Code sections 232.78 (temporary custody of a child pursuant  
9 to ex parte court order), 232.98 (hearing concerning temporary  
10 removal), 232.102 (transfer of legal custody of child and  
11 placement), 234.1 (child and family services — definitions),  
12 234.39 (child and family services — responsibility for costs  
13 of services), 237A.3A (child development homes), and 423.3  
14 (streamlined sales and use tax Act — exemptions).

15 DIVISION III — CHILD AND DEPENDENT ADULT ABUSE. The bill  
16 allows a community-based entity to apply for and receive funds  
17 appropriated to HHS by the general assembly for child abuse  
18 prevention. Under current law, only a community-based volunteer  
19 coalition or council can apply for and receive such funds.

20 The bill makes child abuse information, and information  
21 obtained in the course of an assessment or evaluation of a report  
22 of dependent adult abuse, confidential records.

23 The bill defines "exploitation of a dependent adult" as  
24 the act or process of an individual, including a caregiver or  
25 fiduciary, that uses the resources of a dependent adult for  
26 monetary or personal benefit, profit, or gain, or that results  
27 in depriving a dependent adult of rightful access to, or use of,  
28 benefits, resources, belongings, or assets.

29 Under current law, upon a showing of probable cause that  
30 a dependent adult has been financially exploited a court may  
31 authorize a person, who is also authorized by HHS, to gain access  
32 to the financial records of the dependent adult. The bill amends  
33 the statute so the person authorized by the court and HHS can  
34 gain access to financial records that HHS has a reasonable belief  
35 are related to the financial resources of the dependent adult.

1 The bill authorizes an instrumentality of the state to access  
2 dependent adult abuse records.

3 The bill requires the director of HHS to require providers  
4 under the medical assistance program to share information with  
5 HHS as necessary to identify, prevent, or respond to child or  
6 dependent adult abuse.

7 DIVISION IV — DEPARTMENT OF HEALTH AND HUMAN SERVICES

8 — CONFIDENTIALITY OF INTERNAL AUDIT AND EXAMINATION

9 INFORMATION. The bill makes information, including allegations of  
10 misconduct or noncompliance and audit or examination workpapers,  
11 created or received by HHS during an internal audit or  
12 examination (information) confidential. HHS may disclose the  
13 information as necessary to complete an audit or examination, or  
14 to the extent HHS's auditor is required by law to report the same  
15 or to testify in court. The bill also prevents the state auditor  
16 from accessing the information except as required to comply with  
17 the standards for engagement described in Code section 11.3 (when  
18 audits and examinations begin), to comply with state or federal  
19 regulations, or in case of alleged or suspected embezzlement or  
20 theft.

21 DIVISION V — REGION INCENTIVE FUND — DISTRIBUTIONS AND  
22 TRANSFERS. The bill appropriates from the region incentive fund  
23 of the mental health and disability services regional service  
24 fund to HHS for FY 2024-2025, an amount as necessary to ensure  
25 the continuity of care for persons transferring services from the  
26 mental health and disability services system to the behavioral  
27 health services system (BHSS) and for distribution to ASOs to  
28 be used for expenses related to the duties of the ASO under the  
29 BHSS. The moneys used by an ASO do not count toward any limit on  
30 the ASO's administrative costs.

31 The bill requires any unobligated and unencumbered moneys  
32 remaining in the mental health and disability services regional  
33 service fund on June 30, 2025, to be transferred to the  
34 behavioral health fund.

35 This division of the bill is effective upon enactment and

1 applies retroactively to July 1, 2024.

2     DIVISION VI — HEALTH MAINTENANCE ORGANIZATION — APPLICABLE  
3 PERCENTAGE FOR PREMIUM TAX. Under current law, a health  
4 maintenance organization contracting with HHS to administer the  
5 medical assistance program must pay taxes to the director of the  
6 department of revenue for deposit in the Medicaid managed care  
7 organization premiums fund, an amount equal to 2.5 percent of the  
8 premiums received and taxable. The bill changes such amount to  
9 the applicable percent of the premiums received and taxable. The  
10 "applicable percent" is defined in Code section 432.1(2) (tax on  
11 gross premiums — exclusions), and is .95 percent for the 2025  
12 calendar year, .925 percent for the 2026 calendar year, and .9  
13 percent for the 2027 calendar year and all subsequent calendar  
14 years.

15     This division of the bill is effective upon enactment and  
16 applies retroactively to January 1, 2024.