

# **Elder Group Homes and Assisted Living House File 675**

Last Action:  
**House Appropriations  
Committee**  
April 8, 2003

**Executive Summary Only**

**An Act relating to the regulation of elder family homes, elder group homes, and assisted living programs, providing for appropriation of fees, and providing penalties.**



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**LEGISLATIVE FISCAL BUREAU**  
**NOTES ON BILLS AND AMENDMENTS (NOBA)**

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**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 675  
ELDER GROUP HOMES AND ASSISTED LIVING**

**SIGNIFICANT CHANGES TO THE  
CODE OF IOWA**

House File 675 provides for changes to several sections of the Code of Iowa relating to the oversight of elder group homes and assisted living programs including, but not limited to, the following:

- Amends Section 100.1(6), Code of Iowa, to allow the Fire Marshal to establish a non-reversionary fund to be used to monitor and enforce fire and life safety standards for assisted living programs.
- Amends Section 231B.2, Code of Iowa, to require the Department of Elder Affairs, in cooperation with the Department of Inspections and Appeals, to establish a special classification and certification requirements for elder group homes by administrative rule.
- Amends Section 231B.2(2)(c), Code of Iowa, to require an elder group home be staffed by an on-site manager 24 hours per day, seven days per week.
- Amends Section 231C.1, Code of Iowa, to specify it is the intent of the General Assembly that the Department of Elder Affairs establish policy for assisted living programs and that the Department of Inspections and Appeals work in cooperation with the Department of Elder Affairs to provide enforcement.
- Amends Section 231C.3, Code of Iowa, to include the following:
  - Requires the Department of Elder Affairs, in cooperation with the Department of Inspections and Appeals, to establish a system for the certification and monitoring of assisted living programs.
  - Requires the administrative rules include recognized accrediting entities and provisions related to dementia-specific programs.
  - Requires the Department of Inspections and Appeals to accept voluntary accreditation by a recognized accrediting entity as the basis for certification.
  - Permits services to be provided by individuals employed by the tenant, if the tenant agrees to assume the responsibility and risk associated with the contractual relationship.
  - Permits assisted living programs to enter into written agreements with Medicare-certified hospice programs for tenants that are terminally ill that elect to receive hospice services under the federal Medicare Program.
  - Permits the Department of Elder Affairs, in cooperation with the Department of Inspections and Appeals, to establish special classifications for affordable assisted living programs.
  - Prohibits the approval of payment or reimbursement with public funds to any assisted living program that is not certified.

**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 675  
ELDER GROUP HOMES AND ASSISTED LIVING**

**SIGNIFICANT CHANGES TO THE  
CODE OF IOWA (CONTINUED)**

- Amends Section 231C.4, Code of Iowa, to require the State Fire Marshal to adopt rules, in coordination with the Department of Inspections and Appeals, for the certification and monitoring of fire and safety standards for assisted living programs.
- Amends Section 231C.5, Code of Iowa, to prohibit an assisted living program from operating unless a written occupancy agreement is executed between the program and each tenant or tenant’s representative.
- Amends Section 231C.6, Code of Iowa, to provide for the procedure required to be followed by an assisted living program that initiates the involuntary transfer of a tenant.
- Repeals Chapter 231A, Code of Iowa, relating to elder family homes.

**COMPLAINTS AND INFORMAL  
REVIEW**

- Requires the Department of Elder Affairs, in cooperation with the Department of Inspections and Appeals, to establish a complaint procedure for assisted living programs.
- Provides for the requirements to be followed when assisted living program contests regulatory insufficiencies found as a result of a monitoring evaluation or complaint investigation.

**PUBLIC DISCLOSURE OF FINDINGS**

- Requires the Department of Inspections and Appeals to provide certification compliance findings to the public in a readily available form and place.

**CERTIFICATION DENIAL,  
SUSPENSION, OR REVOCATION**

- Permits the Department of Inspections and Appeals to deny, suspend, or revoke certification if there has been a substantial or repeated failure on the part of an assisted living program to comply with Chapter 231C, Code of Iowa.

**CIVIL PENALTIES**

- Permits the Department of Elder Affairs, in cooperation with the Department of Inspections and Appeals, to establish civil penalties for noncompliance with regulatory requirements that present an imminent danger, substantial probability of death, or physical harm to a tenant.

**LONG-TERM CARE TRANSITIONAL  
PROVISIONS**

- Permits a hospital licensed under Chapter 135B, Code of Iowa, or a health care facility licensed under Chapter 135C, Code of Iowa, to operate a certified assisted living program that is located in a distinct or separate structure in the hospital or facility.
- Prohibits a certified assisted living program from having to be licensed as a health care facility unless the program is represented to the public in such a manner.

**CERTIFICATION FEES**

- Requires the Department of Inspections and Appeals to collect and retain assisted living program certification fees and that fees be deposited into a non-reversionary fund to be used for oversight activities associated with assisted living programs.

**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 675  
ELDER GROUP HOMES AND ASSISTED LIVING**

TRANSITION OF EMPLOYEES

- Requires all employees of the Department of Elder Affairs performing duties related to the certification, monitoring, or complaint investigation of assisted living programs as of June 30, 2003, become employees of the Department of Inspections and Appeals without loss of classification, pay, or benefits, and requires all employees of the Department of Elder Affairs performing duties related to affordable assisted living as of June 30, 2003, become employees of the Iowa Finance Authority without loss of classification, pay, or benefits, effective July 1, 2003.

FISCAL IMPACT

- House File 667 (FY 2004 Health and Human Services Appropriations Bill) appropriates \$800,000 and 6.0 FTE positions to the Department of Inspections and Appeals from the Senior Living Trust Fund for the oversight of assisted living and adult day services programs. The Department of Inspections and Appeals estimates that \$75,000 in assisted living program certification fees will be collected in FY 2004 to offset costs associated with the oversight of assisted living programs, in addition to any amount that may carryover from FY 2003. The Department of Inspections and Appeals estimates that up to \$120,000 may carryover into FY 2004.