

**EIGHTY-NINTH GENERAL ASSEMBLY
2021 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

April 22, 2021

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
SF 524	S-3161	Filed	RECEIVED FROM THE HOUSE
HF 304	S-3163	Adopted	WAYLON BROWN
HF 839	S-3162	Adopted	TIM KRAAYENBRINK
HF 855	S-3164	Adopted	ROBY SMITH

Fiscal Notes

[SF 524](#) — [Telehealth, Mental Health Payment Parity and Bed Tracking Study](#) (LSB2623SV.1)

[SF 593](#) — [Public Defenders, Discovery Request Fees](#) (LSB1205SZ)

[SF 601](#) — [Sales Tax Exemption, Food Banks](#) (LSB2808SV)

HOUSE AMENDMENT TO
SENATE FILE 524

S-3161

1 Amend Senate File 524, as passed by the Senate, as follows:

2 1. Page 1, before line 1 by inserting:

3 <DIVISION I

4 REIMBURSEMENT RATES — MENTAL HEALTH SERVICES — TELEHEALTH

5 Section 1. Section 514C.34, subsection 1, Code 2021, is
6 amended by adding the following new paragraphs:

7 NEW PARAGRAPH. *0a.* “*Covered person*” means the same as
8 defined in section 514J.102.

9 NEW PARAGRAPH. *00a.* “*Facility*” means the same as defined in
10 section 514J.102.

11 NEW PARAGRAPH. *0c.* “*Health carrier*” means the same as
12 defined in section 514J.102.

13 Sec. _____. Section 514C.34, subsection 1, paragraph c, Code
14 2021, is amended to read as follows:

15 *c.* “*Telehealth*” means the delivery of health care services
16 through the use of real-time interactive audio and video, or
17 other real-time interactive electronic media, regardless of
18 where the health care professional and the covered person are
19 each located. “*Telehealth*” does not include the delivery of
20 health care services delivered solely through an audio-only
21 telephone, electronic mail message, or facsimile transmission.

22 Sec. _____. Section 514C.34, Code 2021, is amended by adding
23 the following new subsection:

24 NEW SUBSECTION. 3A. *a.* A health carrier shall reimburse
25 a health care professional and a facility for health care
26 services provided by telehealth to a covered person for a
27 mental health condition, illness, injury, or disease on the
28 same basis and at the same rate as the health carrier would
29 apply to the same health care services for a mental health
30 condition, illness, injury, or disease provided in person to a
31 covered person by the health care professional or the facility.

32 *b.* As a condition of reimbursement pursuant to paragraph
33 “*a*”, a health carrier shall not require that an additional
34 health care professional be located in the same room as a
35 covered person while health care services for a mental health

S-3161 (Continued)

1 condition, illness, injury, or disease are provided via
2 telehealth by another health care professional to the covered
3 person.

4 Sec. _____. EFFECTIVE DATE. This division of this Act, being
5 deemed of immediate importance, takes effect upon enactment.

6 Sec. _____. RETROACTIVE APPLICABILITY. This division
7 of this Act applies to health care services for a mental
8 health condition, illness, injury, or disease provided by a
9 health care professional or a facility to a covered person by
10 telehealth on or after January 1, 2021.

11 DIVISION _____

12 INPATIENT PSYCHIATRIC BED TRACKING SYSTEM — STUDY COMMITTEE>

13 2. Title page, by striking lines 1 and 2 and inserting
14 <An Act relating to mental health including reimbursement
15 rates for health care services for mental health conditions,
16 illnesses, injuries, or diseases provided to covered persons by
17 telehealth, the establishment of an inpatient psychiatric bed
18 tracking system study committee, and including effective date
19 and retroactive applicability provisions.>

20 3. By renumbering as necessary.

S-3161 FILED APRIL 21, 2021

HOUSE FILE 304

S-3163

1 Amend the amendment, S-3114, to House File 304, as amended,
2 passed, and reprinted by the House, as follows:

- 3 1. Page 1, by striking lines 3 through 5.
- 4 2. Page 1, by striking lines 11 through 24.
- 5 3. Page 1, by striking lines 28 and 29.
- 6 4. Page 2, by striking lines 3 through 6.
- 7 5. Page 2, by striking lines 13 through 24.
- 8 6. By renumbering as necessary.

By WAYLON BROWN

S-3163 FILED APRIL 21, 2021

ADOPTED

HOUSE FILE 839

S-3162

- 1 Amend House File 839, as passed by the House, as follows:
2 1. Page 6, by striking lines 18 through 33.
3 2. Page 6, line 34, by striking <502.811> and inserting
4 <502.810>
5 3. Title page, line 2, by striking <adults, and making an
6 appropriation> and inserting <adults>
7 4. By renumbering as necessary.

By TIM KRAAYENBRINK

S-3162 FILED APRIL 21, 2021

ADOPTED

HOUSE FILE 855

S-3164

1 Amend House File 855, as passed by the House, as follows:

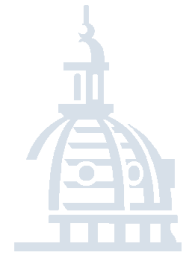
2 1. By striking page 4, line 34, through page 5, line 1, and
3 inserting:

4 <a. Establishment, collection, and deposit of fees in
5 accordance with section 144.46 for issuance of a noncertified
6 copy of the original certificate of birth under this section.
7 The fee established shall not exceed the fee established for
8 issuance of a certified copy of a certificate of birth.>

By ROBY SMITH

S-3164 FILED APRIL 21, 2021

ADOPTED



SF 524 – Telehealth, Mental Health Payment Parity and Bed Tracking Study (LSB2623SVV.1)
Staff Contact: Jess Benson (515.281.4611) jess.benson@legis.iowa.gov
Fiscal Note Version – As amended by House Amendment S-3161

Description

Division I of [Senate File 524](#) as amended requires Iowa health carriers to reimburse health care professionals or facilities for health care services for mental health conditions, illnesses, injuries, or diseases provided to a covered person by telehealth on the same basis and at the same rate as the health carrier would apply to the same mental health care services provided to a covered person by the health care professional or facility in person. This requirement would become effective upon enactment, and is retroactive to January 1, 2021.

Division II establishes an Inpatient Psychiatric Bed Tracking System Study Committee and directs the Department of Human Services (DHS) to convene the Study Committee during the 2021 Interim to examine issues and develop policy recommendations relating to improvements to the inpatient psychiatric bed tracking system. The Division specifies membership of the Study Committee and requires the DHS to submit the Study Committee’s findings and recommendations for improvements to the General Assembly and to the Governor’s Office by December 15, 2021.

Background

Between 2018 and 2019, the number of telehealth visits increased by more than 460.0% for persons covered by a State of Iowa health plan, and the number increased in 2020 by more than 4,800.0% across all conditions. In 2020, the number of telehealth visits increased by 6,000.0% for mental health-related conditions. The average amount paid in 2019 for mental health-related services provided via telehealth was approximately \$80 per visit. In 2020, this increased to around \$138, owing to the following three changes:

- As telehealth became much more common/preferred in 2020 (likely due to the COVID-19 pandemic), the mix of services changed and more costly services that had previously only been done in person were performed via telehealth.
- Carriers (and self-funded plans, like the State of Iowa Plan) agreed to reimburse telehealth services at parity with in-person alternatives.
- Carriers (and self-funded plans, like the State of Iowa Plan) covered member cost sharing related to services received by telehealth.

Assumptions

- In FY 2021 and beyond, the telehealth utilization trend for individuals with coverage will align more closely with utilization of in-person office visits.
- Based on current utilization trends, the utilization of telehealth services for mental health-related conditions for State of Iowa Plan members will be roughly 1,425 visits each week.
- Telehealth parity will increase the per visit cost as carriers, including the State of Iowa Plan, are required to match the costs associated with in-person services.
- The amount paid by the State of Iowa Plan will be roughly \$128 per visit.
- To pay at parity for mental health services delivered through telehealth, instead of at 75.0% of the in-person rate, the additional cost per visit will be \$34.50.

Fiscal Impact

The estimated cost increase to the State of Iowa Plan for reimbursing health care professionals and facilities for mental health services delivered via telehealth is estimated to be \$2.6 million for the first year of implementation. As health care costs increase and utilization patterns change, additional costs are expected in subsequent fiscal years.

Division II, relating to the Inpatient Psychiatric Bed Tracking System Study Committee, has no fiscal impact.

Telehealth Claims Paid Through Medicaid

Currently, there is no available data on telehealth claims paid through Medicaid. However, Medicaid currently pays Area Education Agencies (AEAs) and local education agencies (LEAs) for behavioral health services identified in a student's Individualized Education Plan; subsequently, the AEAs and LEAs return the State portion of the payment to Iowa Medicaid Enterprise for those services. The fiscal impact of telehealth parity cannot be determined at this time for these cases as schools, AEAs, and LEAs maintain the authority to negotiate how services are to be reimbursed.

Sources

Wellmark
LSA calculations

/s/ Holly M. Lyons

April 21, 2021

Doc ID 1219694

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

www.legis.iowa.gov



SF 593 – Public Defenders, Discovery Request Fees (LSB1205SZ)
 Staff Contact: Laura Book (515.205.9275) laura.book@legis.iowa.gov
 Fiscal Note Version – New

Description

Senate File 593 relates to the assessment of fees when a public defender or designee requests copies of certain documents. The Bill provides that a written request for a discovery document by a public defender or public defender’s designee shall be provided at no more than \$10 per document request unless otherwise ordered by the court. A request for multiple discovery documents made at the same time is considered to be a single request. Digital Discovery documents are to be provided in a format that is generally accessible to the public. However, no fee will be charged if the discovery document requested is available on a cloud-based system or if the discovery document is available for downloading by an individual from an existing system such as a State, county, or city Internet site.

Background

Currently, State agencies and local governments may charge a fee to the State Public Defender for discovery documents. The fees vary by the local or State agency providing the document and the document being provided. The fees are paid from the Indigent Defense Fund.

Assumptions

- The Bill will not change existing discovery practices and procedures other than to impose an upper limit on the amount that can be charged for the production of documents to an indigent defendant or person during a criminal case or other proceeding in which the indigent person is entitled to representation at State expense.
- Entities will charge the maximum amount allowed by the Bill, \$10 per request.
- The Bill does not require clerks’ offices to provide paper copies of electronic documents that are already available electronically.
- The average annual number of claims to the Indigent Defense Fund for discovery requests over the last four years was 2,964 claims. The average annual total paid for these claims was \$114,000. It is assumed that the number of claims to the Indigent Defense Fund for discovery requests will remain consistent in future fiscal years.

Fiscal Impact

Senate File 593 is estimated to result in a cost savings of \$84,000 per year to the Indigent Defense Fund beginning in FY 2022. **Table 1** provides the annual estimated costs to the Indigent Defense Fund under this Bill and current law.

Table 1 — Indigent Defense Fund — Annual Discovery Request Fee Costs

Annual Cases	Current Law	SF 593	SF 593 Cost Savings
2,964	\$ 114,000	\$ 30,000	\$ 84,000

Additionally, SF 593 is estimated to have an impact on several local agencies applicable under the Bill, including but not limited to local law enforcement and county attorneys. Due to the

varying nature of fees charged by local agencies for discovery materials, the overall local impact of the \$10 fee cap cannot be determined and will vary on a case-by-case basis.

Sources

Office of the State Public Defender
Judicial Branch
LSA analysis

/s/ Holly M. Lyons

April 21, 2021

Doc ID 1219664

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

www.legis.iowa.gov



[SF 601](#) – Sales Tax Exemption, Food Banks (LSB2808SV)
Staff Contact: Lora Vargason (515.725.2249) lora.vargason@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 601](#) exempts from the sales tax and use tax the purchase price from the sale or rental of tangible personal property or services furnished to a nonprofit food bank if the property or services are to be used by the nonprofit food bank for a charitable purpose. The exemption does not include specified digital products.

Background

A nonprofit food bank is defined as an organization under Iowa Code chapter [504](#) and qualifying under Section [501\(c\)\(3\)](#) of the Internal Revenue Code as an organization exempt from federal income tax that maintains an established operation involving the provision of food or edible commodities or the products thereof on a regular basis to persons in need or to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food on a regular basis to persons in need.

Six major food banks serve Iowa as part of the [Iowa Food Bank Association](#):

- River Bend Food Bank (includes St. Stephen's Food Bank)
- Northeast Food Bank
- Food Bank of Siouxland
- HACAP Food Reservoir (includes Linn Community Food Bank)
- Food Bank for the Heartland
- Food Bank of Iowa (merged with Food Bank of Southern Iowa)

In addition, there are 57 smaller food banks across the State.

Assumptions

- Of the six major food banks that serve Iowa, two would not be included in this new exemption. One is based in Omaha (Food Bank for the Heartland) and is assumed to not make significant purchases subject to Iowa sales/use tax. Another (Hawkeye Area Community Action Program) already qualifies for a sales/use tax exemption as a community action agency under Iowa Code section [423.3\(79\)](#).
- From information provided by the Iowa Food Bank Association, it is estimated that FY 2019 purchases that would qualify for the sales/use tax exemption were \$3.1 million.
- An estimated 57 additional smaller food banks and food pantries will qualify under the Bill. These entities are estimated to represent 5.0% of total purchases of all qualifying entries.
- Growth trends in future fiscal years are based on Consumer Price Index Urban (CPI-U) average estimated increases of 2.34% from FY 2019 to FY 2026.

Fiscal Impact

Senate File 601 will reduce revenues to the General Fund, Secure an Advanced Vision for Education (SAVE) Fund, and local option sales tax (LOST) by the estimated amounts listed below.

	<u>General Fund</u>	<u>SAVE</u>	<u>LOST</u>
FY 2022	\$ 170,000	\$ 34,000	\$ 33,000
FY 2023	174,000	35,000	34,000
FY 2024	178,000	36,000	35,000
FY 2025	182,000	36,000	35,000
FY 2026	186,000	37,000	36,000

Sources

Department of Revenue
Iowa Food Bank Association
LSA analysis and calculations

/s/ Holly M. Lyons

April 21, 2021

Doc ID 1219678

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

www.legis.iowa.gov