

HOUSE FILE _____
BY (PROPOSED HOUSE
APPROPRIATIONS SUBCOMMITTEE
ON HEALTH AND HUMAN
SERVICES BILL)

A BILL FOR

1 An Act relating to and making appropriations for veterans
2 and health and human services, including other related
3 provisions and appropriations, and including effective date
4 and retroactive applicability provisions.

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

DRAFT

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DIVISION I

DEPARTMENT OF VETERANS AFFAIRS — FY 2024-2025

Section 1. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

| | | |
|-------|------|-----------|
| | \$ | 1,369,205 |
| | FTEs | 15.00 |

2. STATE VETERANS CEMETERY

For cemetery grounds services and miscellaneous purposes:

| | | |
|-------|----|---------|
| | \$ | 292,000 |
|-------|----|---------|

3. IOWA VETERANS HOME

For salaries, support, maintenance, and miscellaneous purposes:

| | | |
|-------|----|-----------|
| | \$ | 8,145,736 |
|-------|----|-----------|

a. The Iowa veterans home billings involving the department of health and human services shall be submitted to the department on at least a monthly basis.

b. The Iowa veterans home expenditure report shall be submitted monthly to the general assembly.

4. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

| | | |
|-------|----|-----------|
| | \$ | 2,200,000 |
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DIVISION II

AGING AND DISABILITY SERVICES — FY 2024-2025

Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES — AGING

1 AND DISABILITY SERVICES. There is appropriated from the
2 general fund of the state to the department of health and human
3 services for the fiscal year beginning July 1, 2024, and ending
4 June 30, 2025, the following amount, or so much thereof as is
5 necessary, to be used for the purposes designated:

6 For aging programs for the department of health and human
7 services and area agencies on aging to provide citizens of
8 Iowa who are 60 years of age and older with case management;
9 Iowa's aging and disabilities resource centers; for the
10 return to community program; for the purposes of chapter 231E,
11 to administer the prevention of elder abuse, neglect, and
12 exploitation program pursuant to section 231.56A, in accordance
13 with the requirements of the federal Older Americans Act of
14 1965, 42 U.S.C. §3001 et seq., as amended; for the reporting
15 and evaluation of cases of dependant adult abuse pursuant to
16 chapter 235B; and for other services which may include but are
17 not limited to adult day, respite care, chore, information
18 and assistance, and material aid, for information and options
19 counseling for persons with disabilities, and for salaries,
20 support, administration, maintenance, and miscellaneous
21 purposes:

22 \$ 19,088,714

23 1. Funds appropriated in this section may be used to
24 supplement federal funds under federal regulations. To
25 receive funds appropriated in this section, a local area
26 agency on aging shall match the funds with moneys from other
27 sources according to rules adopted by the department. Funds
28 appropriated in this section may be used for services not
29 specifically enumerated in this section only if approved by the
30 department as part of an area agency on aging's area plan.

31 2. Of the funds appropriated in this section, \$949,282
32 shall be used for the family support center component of the
33 comprehensive family support program under chapter 225C,
34 subchapter V.

35 3. Of the funds appropriated in this section, \$33,632 shall

1 be used to build community capacity through the coordination
2 and provision of training opportunities in accordance with the
3 consent decree of Conner v. Branstad, No. 4-86-CV-30871 (S.D.
4 Iowa, July 14, 1994).

5 DIVISION III

6 BEHAVIORAL HEALTH — FY 2024-2025

7 Sec. 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
8 BEHAVIORAL HEALTH. There is appropriated from the general fund
9 of the state to the department of health and human services for
10 the fiscal year beginning July 1, 2024, and ending June 30,
11 2025, the following amount, or so much thereof as is necessary,
12 to be used for the purposes designated:

13 For behavioral health prevention, treatment, and recovery
14 efforts to reduce the prevalence of the use of, provide
15 treatment for, and support recovery from tobacco and substance
16 use and misuse pursuant to the applicable policy, purpose,
17 and intent described in sections 125.1 and 142A.1, alcohol,
18 problem gambling, and other addictive behaviors. Activities
19 shall align with accepted best practice guidance standards for
20 behavioral health including those published by the centers for
21 disease control and prevention and the substance abuse and
22 mental health services administration of the United States
23 department of health and human services for health promotion;
24 universal, selective, and indicated prevention; treatment; and
25 recovery services and supports; and shall include a 24-hour
26 helpline, public information resources, professional training,
27 youth prevention, program evaluation, and efforts at the state
28 and local levels:

29 \$ 24,400,114

30 Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SPORTS
31 WAGERING RECEIPTS FUND. There is appropriated from the sports
32 wagering receipts fund created in section 8.57, subsection 6,
33 to the department of health and human services for the fiscal
34 year beginning July 1, 2024, and ending June 30, 2025, the
35 following amount, or so much thereof as is necessary, to be

1 used for behavioral health prevention, treatment, and recovery
2 efforts to reduce the prevalence of the use of, provide
3 treatment for, and support recovery from tobacco and substance
4 use and misuse pursuant to the applicable policy, purpose, and
5 intent described in sections 125.1 and 142A.1, alcohol, problem
6 gambling, and other addictive behaviors:

7 \$ 1,750,000

8 Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MENTAL
9 HEALTH AND DISABILITY SERVICES REGIONAL SERVICE FUND —
10 REGION INCENTIVE FUND. There is appropriated from the region
11 incentive fund of the mental health and disability services
12 regional service fund created in section 225C.7A, to the
13 department of health and human services for the fiscal year
14 beginning July 1, 2024, and ending June 30, 2025, the following
15 amount, or so much thereof as is necessary, to be used to
16 support the statewide 988 suicide and crisis line, and to
17 support the transition to the new behavioral health system
18 pursuant to 2024 Iowa Acts, House File 2509, or successor
19 legislation, if enacted:

20 \$ 3,000,000

21 DIVISION IV

22 PUBLIC HEALTH — FY 2024-2025

23 Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PUBLIC
24 HEALTH. There is appropriated from the general fund of the
25 state to the department of health and human services for the
26 fiscal year beginning July 1, 2024, and ending June 30, 2025,
27 the following amount, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 For programs that support health promotion, protect the
30 health and safety of the public, conduct disease surveillance
31 and investigation to reduce the incidence of morbidity and
32 mortality, serve individuals with chronic conditions, and
33 strengthen the health care delivery system to improve health
34 outcomes for all Iowans:

35 \$ 22,916,821

1 1. Of the funds appropriated in this section, \$2,100,000
2 shall be deposited in the medical residency training account
3 created in section 135.175, subsection 5, paragraph "a", and is
4 appropriated from the account to the department to be used for
5 the purposes of the medical residency training state matching
6 grants program as specified in section 135.176.

7 2. Of the funds appropriated in this section, \$800,000
8 shall be used for rural psychiatric residencies to annually
9 fund eight psychiatric residents who will provide mental health
10 services in underserved areas of the state.

11 3. Of the funds appropriated in this section, \$425,000
12 shall be used for the continuation of a centers of excellence
13 program for the awarding of two grants to encourage innovation
14 and collaboration among regional health care providers in a
15 rural area based upon the results of a regional community
16 needs assessment to transform health care delivery in order to
17 provide quality, sustainable care that meets the needs of the
18 local communities. An applicant for the grant shall specify
19 how the grant will be expended to accomplish the goals of the
20 program and shall provide a detailed five-year sustainability
21 plan prior to being awarded any grant. Following receipt
22 of the grant, a recipient shall submit periodic reports as
23 specified by the department to the governor and the general
24 assembly regarding the recipient's expenditure of the grant and
25 progress in accomplishing the program's goals.

26 4. Of the funds appropriated in this section, \$560,000 shall
27 be deposited in the state-funded family medicine obstetrics
28 fellowship program fund to be used for the state-funded family
29 medicine obstetrics fellowship program, in accordance with
30 section 135.193.

31 5. The department shall work with the board established
32 in chapter 135D to develop plans for program enhancements
33 in the Iowa health information network for the purpose of
34 empowering Iowa patients to access and direct their health
35 information utilizing the Iowa health information network.

1 Program enhancements shall protect data privacy, facilitate the
2 interchange of health data for the purpose of improving public
3 health outcomes, and increase participation by health care
4 providers.

5 DIVISION V

6 COMMUNITY ACCESS AND ELIGIBILITY — FY 2024-2025

7 Sec. 7. DEPARTMENT OF HEALTH AND HUMAN SERVICES — COMMUNITY
8 ACCESS AND ELIGIBILITY. There is appropriated from the
9 general fund of the state to the department of health and human
10 services for the fiscal year beginning July 1, 2024, and ending
11 June 30, 2025, the following amount, or so much thereof as is
12 necessary, to be used for the purposes designated:

13 To be used for salaries, support, maintenance, and
14 miscellaneous purposes and for family investment program (FIP)
15 assistance in accordance with chapter 239B, and for other costs
16 associated with providing needs-based benefits or assistance
17 including but not limited to maternal and child health, oral
18 health, obesity prevention, the promoting independence and
19 self-sufficiency through employment, job opportunities and
20 basic skills (PROMISE JOBS) program, supplemental nutrition
21 assistance program (SNAP) employment and training, the FIP
22 diversion program, family planning, rent reimbursement,
23 and eligibility determinations for medical assistance, food
24 assistance, and the children's health insurance program:

25 \$ 68,043,944

26 1. Of the child support collections assigned under FIP,
27 the federal share of support collections shall be credited to
28 the child support services appropriation made in this division
29 of this Act. Of the remainder of the assigned child support
30 collections received by child support services, a portion
31 shall be credited to community access and eligibility, and
32 the remaining funds may be used to increase recoveries, to
33 sustain cash flow in the child support payments account, or for
34 technology needs. If child support collections assigned under
35 FIP are greater than estimated or are otherwise determined not

1 to be required for maintenance of effort, the state share of
2 either amount may be transferred to or retained in the child
3 support payments account.

4 2. Of the funds appropriated in this section, \$3,075,000
5 shall be used for continuation of the department's initiative
6 to provide for adequate developmental surveillance and
7 screening during a child's first five years. The funds shall
8 be used first to fully fund the current participating counties
9 to ensure that those counties are fully operational, with the
10 remaining funds to be used for expanding participation to
11 additional counties. The full implementation and expansion
12 shall include enhancing the scope of the initiative through
13 collaboration with the child health specialty clinics to
14 promote the use of developmental surveillance and screening to
15 support healthy child development through early identification
16 and response to both biomedical and social determinants of
17 healthy development by providing practitioner consultation
18 and continuous improvement through training and education,
19 particularly for children with behavioral conditions and
20 needs. The department shall also collaborate with the Medicaid
21 program and the child health specialty clinics to assist in
22 coordinating the activities of the first five initiative into
23 the establishment of patient-centered medical homes developed
24 to improve health quality and population health while reducing
25 health care costs. To the maximum extent possible, funding
26 allocated in this subsection shall be utilized as matching
27 funds for Medicaid program reimbursement.

28 3. The university of Iowa hospitals and clinics under
29 the control of the state board of regents shall not receive
30 indirect costs from the funds appropriated in this section.
31 The university of Iowa hospitals and clinics billings to the
32 department shall be on at least a quarterly basis.

33 CHILD SUPPORT SERVICES

34 Sec. 8. CHILD SUPPORT SERVICES. There is appropriated from
35 the general fund of the state to the department of health and

1 human services for the fiscal year beginning July 1, 2024, and
2 ending June 30, 2025, the following amount, or so much thereof
3 as is necessary, to be used for the purposes designated:

4 For child support services, including salaries, support,
5 maintenance, and miscellaneous purposes:

6 \$ 15,434,282

7 1. Federal access and visitation grant moneys shall be used
8 for services designed to increase compliance with the child
9 access provisions of court orders, including but not limited to
10 neutral visitation sites and mediation services.

11 2. The appropriation made to the department for child
12 support services may be used throughout the fiscal year in the
13 manner necessary for purposes of cash flow management, and for
14 cash flow management purposes the department may temporarily
15 draw more than the amount appropriated, provided the amount
16 appropriated is not exceeded at the close of the fiscal year.

17 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT

18 Sec. 9. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK
19 GRANT. There is appropriated from the special fund created in
20 section 8.41 to the department of health and human services
21 for the fiscal year beginning July 1, 2024, and ending June
22 30, 2025, from moneys received under the federal temporary
23 assistance for needy families (TANF) block grant pursuant
24 to the federal Personal Responsibility and Work Opportunity
25 Reconciliation Act of 1996, Pub. L. No. 104-193, and successor
26 legislation, the following amounts, or so much thereof as is
27 necessary, to be used for the purposes designated:

28 1. For community access and eligibility, FIP, the PROMISE
29 JOBS program, implementing family investment agreements in
30 accordance with chapter 239B, and for continuation of the
31 program promoting awareness of the benefits of a healthy
32 marriage:

33 \$ 12,988,627

34 2. For community access and eligibility to provide
35 pregnancy prevention grants on the condition that family

1 planning services are funded:

2 \$ 1,913,203

3 Pregnancy prevention grants shall be awarded to programs
4 in existence on or before July 1, 2024, if the programs have
5 demonstrated positive outcomes. Grants shall be awarded to
6 pregnancy prevention programs which are developed after July
7 1, 2024, if the programs are based on existing models that
8 have demonstrated positive outcomes. Grants shall comply with
9 the requirements provided in 1997 Iowa Acts, chapter 208,
10 section 14, subsections 1 and 2, including the requirement that
11 grant programs must emphasize sexual abstinence. Priority in
12 the awarding of grants shall be given to programs that serve
13 areas of the state which demonstrate the highest percentage of
14 unplanned pregnancies of females of childbearing age within the
15 geographic area to be served by the grant.

16 3. For community access and eligibility to meet one of the
17 four core purposes of TANF as specified in 45 C.F.R. §260.20,
18 including by modernizing the program to promote economic
19 mobility and self-sufficiency, ensuring that families are able
20 to overcome benefit cliffs, encouraging healthy families, and
21 streamlining service delivery to reduce duplication:
22 \$ 5,000,000

23 4. For technology needs related to child support
24 modernization of the Iowa collections and reporting (ICAR)
25 system and for a closed loop referral system for the thrive
26 Iowa program:
27 \$ 5,000,000

28 5. For early intervention and supports for the family
29 development and self-sufficiency (FaDSS) grant program in
30 accordance with section 216A.107:
31 \$ 2,888,980

32 Of the funds allocated for the FaDSS grant program in this
33 subsection, not more than 5 percent of the funds shall be used
34 for administrative purposes.

35 6. For early intervention and supports for child abuse

1 prevention grants:
2 \$ 125,000
3 7. For accountability, compliance, program integrity,
4 technology needs, and other resources necessary to meet federal
5 and state reporting, tracking, and case management requirements
6 and other departmental needs:
7 \$ 3,533,647
8 8. For state child care assistance:
9 \$ 47,166,826
10 9. For child protective services:
11 \$ 62,364,100
12 10. For child protective services for the kinship stipend
13 program:
14 \$ 3,000,000

DIVISION VI

16 MEDICAL ASSISTANCE — STATE SUPPLEMENTARY ASSISTANCE — HEALTHY
17 AND WELL KIDS IN IOWA PROGRAM AND OTHER HEALTH-RELATED PROGRAMS
18 — FY 2024-2025

19 Sec. 10. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY
20 ASSISTANCE, AND HEALTHY AND WELL KIDS IN IOWA PROGRAM. There
21 is appropriated from the general fund of the state to the
22 department of health and human services for the fiscal year
23 beginning July 1, 2024, and ending June 30, 2025, the following
24 amount, or so much thereof as is necessary, to be used for the
25 purposes designated:

26 For medical assistance program reimbursement and associated
27 costs as specifically provided in the reimbursement
28 methodologies in effect on June 30, 2024, except as otherwise
29 expressly authorized by law, consistent with options under
30 federal law and regulations, and contingent upon receipt of
31 approval from the office of the governor of reimbursement
32 for each abortion performed under the program; for the state
33 supplementary assistance program; for the health insurance
34 premium payment program; and for maintenance of the healthy and
35 well kids in Iowa (Hawki) program pursuant to chapter 514I,

1 including supplemental dental services, for receipt of federal
2 financial participation under Tit. XXI of the federal Social
3 Security Act, which creates the children's health insurance
4 program; and for other specified health-related programs:

5 \$ 1,651,307,614

6 1. Of the funds appropriated in this section,
7 \$1,605,504,882 is allocated for medical assistance program
8 reimbursement and associated costs.

9 a. Of the funds allocated in this subsection, \$800,000 shall
10 be used for the renovation and construction of certain nursing
11 facilities, consistent with the provisions of chapter 249K.

12 b. Of the funds allocated in this subsection, \$3,383,880
13 shall be used for program administration, outreach, and
14 enrollment activities of the state family planning services
15 program pursuant to section 217.41B, and of this amount, the
16 department may use \$200,000 for administrative expenses.

17 c. Of the funds allocated in this subsection, \$369,000 shall
18 be used to provide enhanced reimbursement for a psychiatric
19 medical institution for children that meets the selection
20 criteria and for the purposes specified in 2024 Iowa Acts,
21 House File 2402, or successor legislation, if enacted.

22 d. Of the funds allocated in this subsection, \$86,000 shall
23 be used to provide biomarker testing under the Medicaid program
24 as specified in 2024 Iowa Acts, House File 2668, or successor
25 legislation, if enacted.

26 e. Of the funds allocated in this subsection, \$32,832 shall
27 be used to increase the reimbursement rate under the Medicaid
28 program for psychologists.

29 f. Of the funds allocated in this subsection, \$198,624 shall
30 be used to increase the reimbursement rate under the Medicaid
31 program for nurse practitioners.

32 g. Of the funds allocated in this subsection, \$2,000,000
33 shall be used for adjustment of the Medicaid pharmacy
34 dispensing fee.

35 h. Of the funds allocated in this subsection, \$1,779,122

1 shall be used to increase income eligibility for the Medicaid
2 for employed people with disabilities program to 300 percent of
3 the most recently revised official poverty guidelines published
4 by the United States department of health and human services.

5 i. Of the funds allocated in this subsection, \$2,251,436
6 shall be used to increase reimbursement rates under the
7 Medicaid program for mental health providers.

8 2. Iowans support reducing the number of abortions
9 performed in our state. Funds appropriated under this section
10 shall not be used for abortions, unless otherwise authorized
11 under this section.

12 3. The provisions of this section relating to abortions
13 shall also apply to the Iowa health and wellness plan created
14 pursuant to chapter 249N.

15 4. Of the funds appropriated in this section, \$4,479,762 is
16 allocated for the state supplementary assistance program.

17 5. Of the funds appropriated in this section, \$41,322,970
18 is allocated for maintenance of the Hawki program pursuant
19 to chapter 514I, including supplemental dental services, for
20 receipt of federal financial participation under Tit. XXI of
21 the federal Social Security Act, which creates the children's
22 health insurance program.

23 HEALTH PROGRAM OPERATIONS

24 Sec. 11. HEALTH PROGRAM OPERATIONS. There is appropriated
25 from the general fund of the state to the department of health
26 and human services for the fiscal year beginning July 1,
27 2024, and ending June 30, 2025, the following amount, or so
28 much thereof as is necessary, to be used for the purposes
29 designated:

30 For health program operations:

31 \$ 39,597,231

32 1. The department of inspections, appeals, and licensing
33 shall provide all state matching funds for survey and
34 certification activities performed by the department of
35 inspections, appeals, and licensing. The department of health

1 and human services is solely responsible for distributing the
2 federal matching funds for such activities.

3 2. Of the funds appropriated in this section, a sufficient
4 amount shall be used for the administration of the health
5 insurance premium payment program, including salaries, support,
6 maintenance, and miscellaneous purposes.

7 3. Of the funds appropriated in this section, \$750,000 shall
8 be used for the state poison control center. Pursuant to the
9 directive under 2014 Iowa Acts, chapter 1140, section 102, the
10 federal matching funds available to the state poison control
11 center from the department under the federal Children's Health
12 Insurance Program Reauthorization Act of 2009 allotment shall
13 be subject to the federal administrative cap rule of 10 percent
14 applicable to funding provided under Tit. XXI of the federal
15 Social Security Act and included within the department's
16 calculations of the cap.

17 4. Unless otherwise provided, annual increases for services
18 provided through contracts funded under this section shall
19 not exceed the amount by which the consumer price index for
20 all urban consumers increased during the most recently ended
21 calendar year.

22 HEALTH CARE ACCOUNTS AND FUNDS

23 Sec. 12. PHARMACEUTICAL SETTLEMENT ACCOUNT — DEPARTMENT
24 OF HEALTH AND HUMAN SERVICES. There is appropriated from the
25 pharmaceutical settlement account created in section 249A.33 to
26 the department of health and human services for the fiscal year
27 beginning July 1, 2024, and ending June 30, 2025, the following
28 amount, or so much thereof as is necessary, to be used for the
29 purposes designated:

30 Notwithstanding any provision of law to the contrary, to
31 supplement the appropriation made in this Act for health
32 program operations under the medical assistance program for the
33 same fiscal year:

34 \$ 234,193

35 Sec. 13. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF

1 HEALTH AND HUMAN SERVICES. Notwithstanding any provision to
2 the contrary and subject to the availability of funds, there is
3 appropriated from the quality assurance trust fund created in
4 section 249L.4 to the department of health and human services
5 for the fiscal year beginning July 1, 2024, and ending June 30,
6 2025, the following amount, or so much thereof as is necessary,
7 for the purposes designated:

8 To supplement the appropriation made in this Act from the
9 general fund of the state to the department of health and human
10 services for medical assistance for the same fiscal year:
11 \$111,216,205

12 Sec. 14. HOSPITAL HEALTH CARE ACCESS TRUST FUND —

13 DEPARTMENT OF HEALTH AND HUMAN SERVICES. Notwithstanding any
14 provision to the contrary and subject to the availability of
15 funds, there is appropriated from the hospital health care
16 access trust fund created in section 249M.4 to the department
17 of health and human services for the fiscal year beginning July
18 1, 2024, and ending June 30, 2025, the following amount, or so
19 much thereof as is necessary, for the purposes designated:

20 To supplement the appropriation made in this Act from the
21 general fund of the state to the department of health and human
22 services for medical assistance for the same fiscal year:
23 \$ 33,920,554

24 REIMBURSEMENT RATES

25 Sec. 15. REIMBURSEMENT RATES.

26 1. Reimbursement for medical assistance, state
27 supplementary assistance, and social service providers and
28 services reimbursed under the purview of the department of
29 health and human services shall remain at the reimbursement
30 rate or shall be determined pursuant to the reimbursement
31 methodology in effect on June 30, 2024, with the exception of
32 the following:

- 33 a. If reimbursement is otherwise negotiated by contract or
- 34 pursuant to an updated fee schedule.
- 35 b. As otherwise provided in this section.

1 2. a. Notwithstanding any provision of law to the contrary,
2 for the fiscal year beginning July 1, 2024, and ending June
3 30, 2025, the department of health and human services shall
4 reimburse case-mix nursing facility rates at the amounts in
5 effect on June 30, 2024.

6 b. The department of health and human services shall
7 calculate each nursing facility's case-mix index for the period
8 beginning July 1, 2023, using weighting based on the current
9 patient driven payment model (PDPM) schedule. Rosters shall be
10 made to show a separate calculation to determine the average
11 case-mix index for a nursing-facility-wide case mix index, and
12 a case-mix index for the residents of a nursing facility who
13 are Medicaid recipients using all minimum data set reports by
14 the nursing facility for the previous semi-annual period using
15 a day weighted calculation.

16 3. For the fiscal year beginning July 1, 2024, Medicaid
17 provider rates shall be adjusted to 85 percent of the benchmark
18 rates based on the department's 2023 Medicaid rate review for
19 all of the following Medicaid providers:

- 20 a. Home health agencies.
- 21 b. Medical supply providers.
- 22 c. Physician assistants.
- 23 d. Physical therapists.
- 24 e. Occupational therapists.
- 25 f. Certified nurse midwives.

26 4. For the fiscal year beginning July 1, 2024, reimbursement
27 rates for home and community-based services providers shall be
28 increased compared to the rates in effect on June 30, 2024, to
29 the extent possible within the state funding, including the
30 \$14,600,000 provided for this purpose.

31 5. For the fiscal year beginning July 1, 2024, reimbursement
32 rates for community mental health centers shall be increased
33 compared to the rates in effect on June 30, 2024, to the extent
34 possible within the state funding, including the \$276,947
35 provided for this purpose.

1 6. For the fiscal year beginning July 1, 2024, enhanced
2 reimbursement shall be provided for a psychiatric medical
3 institution for children that meets the selection criteria
4 specified in 2024 Iowa Acts, House File 2402, or successor
5 legislation, if enacted.

6 7. For the fiscal year beginning July 1, 2024, the
7 reimbursement rate for psychologists shall be increased within
8 the additional \$32,832 appropriated for this purpose.

9 8. For the fiscal year beginning July 1, 2024, the pharmacy
10 dispensing fee shall be adjusted within the additional
11 \$2,000,000 appropriated for this purpose.

12 9. For the fiscal year beginning July 1, 2024, the
13 reimbursement rate for nurse practitioners shall be increased
14 within the additional \$198,624 appropriated for this purpose.

15 10. For the fiscal year beginning July 1, 2024, the
16 reimbursement rates for mental health providers shall be
17 increased within the additional \$2,251,436 appropriated for
18 this purpose.

19 DIVISION VII

20 FAMILY WELL-BEING AND PROTECTION — FY 2024-2025

21 STATE CHILD CARE ASSISTANCE

22 Sec. 16. STATE CHILD CARE ASSISTANCE. There is appropriated
23 from the general fund of the state to the department of health
24 and human services for the fiscal year beginning July 1,
25 2024, and ending June 30, 2025, the following amount, or so
26 much thereof as is necessary, to be used for the purposes
27 designated:

28 For state child care assistance in accordance with section
29 237A.13:
30 \$ 34,966,931

31 A portion of the state match for the federal child care and
32 development block grant shall be provided as necessary to meet
33 federal matching funds requirements through the state general
34 fund appropriation made for child development grants and other
35 programs for at-risk children in section 279.51.

1 EARLY INTERVENTION AND SUPPORTS

2 Sec. 17. EARLY INTERVENTION AND SUPPORTS. There is
3 appropriated from the general fund of the state to the
4 department of health and human services for the fiscal year
5 beginning July 1, 2024, and ending June 30, 2025, the following
6 amount, or so much thereof as is necessary, to be used for the
7 purposes designated:

8 For promoting the optimum health status for children
9 and adolescents from birth through 21 years of age, and for
10 families:

11 \$ 35,277,739

12 1. Of the funds appropriated in this section, not more
13 than \$734,000 shall be used for the healthy opportunities for
14 parents to experience success (HOPES)-healthy families Iowa
15 (HFI) program established pursuant to section 135.106.

16 2. Of the funds appropriated in this section, \$4,313,854 is
17 allocated for the FaDSS grant program. Of the funds allocated
18 for the FaDSS grant program in this subsection, not more than 5
19 percent of the funds shall be used for administration of the
20 grant program.

21 3. Of the funds appropriated in this section, \$29,256,799
22 shall be used for the purposes of the early childhood Iowa fund
23 created in section 256I.11.

24 4. Of the funds appropriated in this section, \$1,000,000
25 shall be used for the purposes of program administration and
26 provision of pregnancy support services through the more
27 options for maternal support program in accordance with section
28 217.41C.

29 CHILD PROTECTIVE SERVICES

30 Sec. 18. CHILD PROTECTIVE SERVICES. There is appropriated
31 from the general fund of the state to the department of health
32 and human services for the fiscal year beginning July 1,
33 2024, and ending June 30, 2025, the following amount, or so
34 much thereof as is necessary, to be used for the purposes
35 designated:

1 For child, family, and adoption services, and for salaries,
2 support, maintenance, and miscellaneous purposes:
3 \$170,374,778

4 1. Of the funds appropriated in this section, \$1,717,000
5 is allocated specifically for expenditure for fiscal year
6 2024-2025 through the decategorization services funding pools
7 and governance boards established pursuant to section 232.188.

8 2. Federal funds received by the state during the fiscal
9 year beginning July 1, 2024, as the result of the expenditure
10 of state funds appropriated during a previous state fiscal
11 year for a service or activity funded under this section, are
12 appropriated to the department to be used as additional funding
13 for services and purposes provided for under this section.
14 Notwithstanding section 8.33, moneys received in accordance
15 with this subsection that remain unencumbered or unobligated at
16 the close of the fiscal year shall not revert to any fund but
17 shall remain available for the purposes designated until the
18 close of the succeeding fiscal year.

19 3. a. Of the funds appropriated in this section, \$748,000
20 is allocated for the payment of the expenses of court-ordered
21 services provided to children who are under the supervision
22 of the department, which expenses are a charge upon the state
23 pursuant to section 232.141, subsection 4.

24 b. Notwithstanding chapter 232 or any other provision of
25 law to the contrary, a district or juvenile court shall not
26 order any service which is a charge upon the state pursuant
27 to section 232.141 if the court-ordered services distribution
28 amount is insufficient to pay for the service.

29 4. Of the funds appropriated in this section, \$1,658,000
30 shall be used for the child protection center grant program for
31 child protection centers located in Iowa in accordance with
32 section 135.118. The grant amounts under the program shall be
33 equalized so that each center receives a uniform base amount of
34 \$245,000, and so that the remaining funds are awarded through
35 a funding formula based upon the volume of children served.

1 To increase access to child protection center services for
2 children in rural areas, the funding formula for the awarding
3 of the remaining funds shall provide for the awarding of an
4 enhanced amount to eligible grantees to develop and maintain
5 satellite centers in underserved regions of the state.

6 5. Of the funds appropriated in this section, \$4,359,500 is
7 allocated for the preparation for adult living program pursuant
8 to section 234.46.

9 6. Of the funds appropriated in this section, a portion may
10 be used for family-centered services for purposes of complying
11 with the federal Family First Prevention Services Act of 2018,
12 Pub. L. No. 115-123, and successor legislation.

13 7. a. Of the funds appropriated in this section, a
14 sufficient amount is allocated for adoption subsidy payments
15 and related costs.

16 b. Any funds allocated in this subsection remaining after
17 the allocation under paragraph "a" are designated and allocated
18 as state savings resulting from implementation of the federal
19 Fostering Connections to Success and Increasing Adoptions Act
20 of 2008, Pub. L. No. 110-351, and successor legislation, as
21 determined in accordance with 42 U.S.C. §673(a)(8), and shall
22 be used for post-adoption services and for other purposes
23 allowed under these federal laws, Tit. IV-B or Tit. IV-E of the
24 federal Social Security Act.

25 c. Of the funds appropriated in this section, \$296,463
26 shall be used to increase the adoption subsidy paid to a person
27 pursuant to section 600.17 who adopts a child after July 1,
28 2024, by ten percent over the rates in effect on June 30, 2024.

29 8. Of the funds appropriated in this section, \$193,000 shall
30 be used to expand the availability of supervised apartment
31 living arrangements.

32 9. Of the funds appropriated in this section, \$617,530 shall
33 be used to increase the foster care reimbursement rates paid
34 pursuant to section 234.38, by ten percent over the rates in
35 effect on June 30, 2024.

1 10. Of the funds appropriated in this section, \$2,000,000
2 shall be used to pay the cost of the preplacement investigation
3 and the postplacement investigations related to adoptions.

4 11. Of the funds appropriated in this section, \$2,623,748
5 shall be used to lower the required ratio of supervisors to
6 social workers from one supervisor for every six and one-half
7 social workers to one supervisor for every five social workers.

8 12. If a separate funding source is identified that reduces
9 the need for state funds within an allocation under this
10 section, the allocated state funds may be redistributed to
11 other allocations under this section for the same fiscal year.

12 DIVISION VIII

13 STATE SPECIALTY CARE — FY 2024-2025

14 Sec. 19. STATE SPECIALTY CARE. There is appropriated from
15 the general fund of the state to the department of health and
16 human services for the fiscal year beginning July 1, 2024, and
17 ending June 30, 2025, the following amount, or so much thereof
18 as is necessary, to be used for the purposes designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes at institutions under the jurisdiction of the
21 department of health and human services:

22 \$100,006,128

23 1. The department shall utilize the funds appropriated in
24 this section as necessary to maximize bed capacity and to most
25 effectively meet the needs of the individuals served.

26 2. Of the amount appropriated in this section, the following
27 amounts are allocated to each institution as follows:

28 a. For the state mental health institute at Cherokee:

29 \$ 19,439,086

30 b. For the state mental health institute at Independence:

31 \$ 23,916,279

32 c. For the civil commitment unit for sexual offenders at
33 Cherokee:

34 \$ 17,755,397

35 d. For the state resource center at Woodward:

1 \$ 14,018,717
 2 e. For the state resource center at Glenwood:
 3 \$ 5,255,132
 4 f. For the state training school at Eldora:
 5 \$ 19,621,517

DIVISION IX

ADMINISTRATION AND COMPLIANCE — FY 2024-2025

Sec. 20. ACCOUNTABILITY, COMPLIANCE, AND PROGRAM

9 INTEGRITY. There is appropriated from the general fund of the
 10 state to the department of health and human services for the
 11 fiscal year beginning July 1, 2024, and ending June 30, 2025,
 12 the following amount, or so much thereof as is necessary, to be
 13 used for the purposes designated:

14 For accountability, compliance, and program integrity,
 15 including salaries, support, maintenance, and miscellaneous
 16 purposes:

17 \$ 22,356,598

18 1. Of the funds appropriated in this section, \$200,000 shall
 19 be transferred to and deposited in the Iowa ABLE savings plan
 20 trust administrative fund created in section 12I.4, to be used
 21 for implementation and administration activities of the Iowa
 22 ABLE savings plan trust.

23 2. Of the funds appropriated in this section, \$2,602,312
 24 shall be used for foster care review and the court appointed
 25 special advocate program, including for salaries, support,
 26 maintenance, and miscellaneous purposes.

27 3. Of the funds appropriated in this section, \$1,148,959
 28 shall be used for the office of long-term care ombudsman
 29 for salaries, support, administration, maintenance, and
 30 miscellaneous purposes.

31 4. For the fiscal year beginning July 1, 2024, and ending
 32 June 30, 2025, the department of health and human services
 33 may utilize the funds appropriated from the general fund of
 34 the state to the department under this Act for up to 4,156.00
 35 full-time equivalent positions. The department shall report to

1 the general assembly by December 15, 2024, the distribution of
2 the approved number of full-time equivalent positions across
3 the organizational divisions of the department.

4 DIVISION X

5 MEDICAL ASSISTANCE HOME AND COMMUNITY-BASED SERVICES WAIVER
6 FOR INDIVIDUALS WITH AN INTELLECTUAL DISABILITY — ADDITIONAL
7 WAIVER SLOTS — FY 2025-2026

8 Sec. 21. MEDICAL ASSISTANCE — HOME AND COMMUNITY-BASED
9 SERVICES WAIVER FOR INDIVIDUALS WITH AN INTELLECTUAL
10 DISABILITY — ADDITIONAL WAIVER SLOTS — APPROPRIATION — FY
11 2025-2026. There is appropriated from the general fund of
12 the state to the department of health and human services for
13 the fiscal year beginning July 1, 2025, and ending June 30,
14 2026, the following amount, or so much thereof as is necessary,
15 to be used for the medical assistance program to provide for
16 additional home and community-based services waiver slots for
17 individuals with an intellectual disability:

18 \$ 1,950,000

19 DIVISION XI

20 DEPARTMENT OF HEALTH AND HUMAN SERVICES NONREVERSIONS

21 Sec. 22. DEPARTMENT OF HEALTH AND HUMAN SERVICES
22 NONREVERSIONS.

23 1. Notwithstanding section 8.33, moneys appropriated from
24 the general fund of the state and the temporary assistance for
25 needy families block grant to the department of health and
26 human services for the fiscal year beginning July 1, 2024,
27 and ending June 30, 2025, for the purposes of the FaDSS grant
28 program that remain unencumbered or unobligated at the close of
29 the fiscal year shall not revert, but shall remain available
30 for expenditure for the purposes designated until the close of
31 the succeeding fiscal year.

32 2. Notwithstanding section 8.33, of the moneys appropriated
33 from the general fund of the state, the quality assurance trust
34 fund, and the hospital health care access trust fund to the
35 department of health and human services for the fiscal year

1 beginning July 1, 2024, and ending June 30, 2025, for the
2 purposes of the medical assistance program, the amount that is
3 in excess of actual expenditures for the medical assistance
4 program that remains unencumbered or unobligated at the close
5 of the fiscal year shall not revert, but shall remain available
6 for expenditure for the medical assistance program until the
7 close of the succeeding fiscal year.

8 3. Notwithstanding section 8.33, and notwithstanding the
9 nonreversion amount limitation specified in section 222.92,
10 moneys appropriated from the general fund of the state to the
11 department of health and human services for the fiscal year
12 beginning July 1, 2024, and ending June 30, 2025, for the
13 purposes of state specialty care that remain unencumbered or
14 unobligated at the close of the fiscal year shall not revert,
15 but shall remain available for expenditure for the purposes
16 designated for subsequent fiscal years.

17 4. Notwithstanding section 8.33, moneys appropriated from
18 the general fund of the state to the department of health and
19 human services for the fiscal year beginning July 1, 2024,
20 and ending June 30, 2025, for the commission on volunteer
21 service for purposes of the Iowa state commission grant program
22 that remain unencumbered or unobligated at the close of the
23 fiscal year shall not revert, but shall remain available for
24 expenditure for the purposes designated for subsequent fiscal
25 years.

26 5. Notwithstanding section 8.33, moneys appropriated from
27 the general fund of the state to the department of health and
28 human services for the fiscal year beginning July 1, 2024,
29 and ending June 30, 2025, and allocated for rural psychiatric
30 residencies to annually fund eight psychiatric residents who
31 will provide mental health services to underserved areas of the
32 state that remain unencumbered or unobligated at the close of
33 the fiscal year shall not revert, but shall remain available
34 for expenditure for the purposes designated until the close of
35 the succeeding fiscal year.

1 6. Notwithstanding section 8.33, moneys appropriated from
2 the general fund of the state to the department of health and
3 human services for the fiscal year beginning July 1, 2024, and
4 ending June 30, 2025, and allocated to provide audiological
5 services and hearing aids for children that remain unencumbered
6 or unobligated at the close of the fiscal year shall not
7 revert, but shall remain available for expenditure for the
8 purposes designated until the close of the succeeding fiscal
9 year.

10 7. Notwithstanding section 8.33, moneys appropriated from
11 the general fund of the state to the department of health and
12 human services for the fiscal year beginning July 1, 2024,
13 and ending June 30, 2025, and allocated for adoption subsidy
14 payments and related costs or for post-adoption services
15 and related allowable purposes that remain unencumbered or
16 unobligated at the close of the fiscal year shall not revert,
17 but shall remain available for expenditure for the purposes
18 designated until the close of the succeeding fiscal year.

19 DIVISION XII

20 HEALTH AND HUMAN SERVICES — PRIOR APPROPRIATIONS AND OTHER
21 PROVISIONS — FY 2022-2023
22 RURAL PSYCHIATRIC RESIDENCIES

23 Sec. 23. 2022 Iowa Acts, chapter 1131, section 3, subsection
24 4, paragraph j, is amended to read as follows:

25 j. Of the funds appropriated in this subsection, \$800,000
26 shall be used for rural psychiatric residencies to support the
27 annual creation and training of ~~six~~ eight psychiatric residents
28 who will provide mental health services in underserved areas of
29 the state. Notwithstanding section 8.33, moneys that remain
30 unencumbered or unobligated at the close of the fiscal year
31 shall not revert but shall remain available for expenditure for
32 the purposes designated for subsequent fiscal years.

33 Sec. 24. EFFECTIVE DATE. This division of this Act, being
34 deemed of immediate importance, takes effect upon enactment.

35 Sec. 25. RETROACTIVE APPLICABILITY. This division of this

1 Act applies retroactively to July 1, 2022.

2

DIVISION XIII

3

HEALTH AND HUMAN SERVICES — PRIOR APPROPRIATIONS AND OTHER

4

PROVISIONS — FY 2023-2024

5

OFFICE OF PUBLIC GUARDIAN

6

Sec. 26. 2023 Iowa Acts, chapter 112, section 3, is amended

7

by adding the following new subsection:

8

NEW SUBSECTION. 7. Notwithstanding section 8.33,

9

moneys appropriated in this section for the state office of

10

public guardian established under chapter 231E that remain

11

unencumbered or unobligated at the close of the fiscal year

12

shall not revert but shall remain available for the purposes

13

designated until the close of the succeeding fiscal year.

14

AUDIOLOGICAL SERVICES

15

Sec. 27. 2023 Iowa Acts, chapter 112, section 5, subsection

16

2, paragraph e, is amended to read as follows:

17

e. Of the funds appropriated in this subsection, \$156,000

18

shall be used to provide audiological services and hearing aids

19

for children. Notwithstanding section 8.33, moneys allocated

20

in this paragraph that remain unencumbered or unobligated at

21

the close of the fiscal year shall not revert but shall remain

22

available for the purposes designated until the close of the

23

succeeding fiscal year.

24

RURAL PSYCHIATRIC RESIDENCIES

25

Sec. 28. 2023 Iowa Acts, chapter 112, section 5, subsection

26

4, paragraph j, is amended to read as follows:

27

j. Of the funds appropriated in this subsection, \$800,000

28

shall be used for rural psychiatric residencies to annually

29

fund ~~six~~ eight psychiatric residents who will provide

30

mental health services in underserved areas of the state.

31

Notwithstanding section 8.33, moneys that remain unencumbered

32

or unobligated at the close of the fiscal year shall not revert

33

but shall remain available for expenditure for the purposes

34

designated for subsequent fiscal years.

35

CHILD CARE ASSISTANCE

1 Sec. 29. 2023 Iowa Acts, chapter 112, section 17, subsection
2 8, is amended to read as follows:

3 8. Notwithstanding section 8.33, moneys ~~advanced for~~
4 ~~purposes of the programs developed by early childhood Iowa~~
5 ~~areas, advanced for purposes of wraparound child care, or~~
6 ~~received from the federal appropriations made for the purposes~~
7 of appropriated in this section that remain unencumbered or
8 unobligated at the close of the fiscal year shall not revert
9 to any fund but shall remain available for expenditure for the
10 purposes designated until the close of the succeeding fiscal
11 year.

12 CHILD AND FAMILY SERVICES

13 Sec. 30. 2023 Iowa Acts, chapter 112, section 19, is amended
14 by adding the following new subsection:

15 NEW SUBSECTION. 23. Notwithstanding section 8.33, moneys
16 appropriated in this section that remain unencumbered or
17 unobligated at the close of the fiscal year shall not revert
18 but shall remain available for the purposes designated until
19 the close of the succeeding fiscal year.

20 FIELD OPERATIONS

21 Sec. 31. 2023 Iowa Acts, chapter 112, section 26, is amended
22 by adding the following new subsection:

23 NEW SUBSECTION. 4. Notwithstanding section 8.33, moneys
24 appropriated in this section that remain unencumbered or
25 unobligated at the close of the fiscal year shall not revert
26 but shall remain available for the purposes designated until
27 the close of the succeeding fiscal year.

28 GENERAL ADMINISTRATION — MORE OPTIONS FOR MATERNAL SUPPORT
29 PROGRAM

30 Sec. 32. 2023 Iowa Acts, chapter 112, section 27, subsection
31 8, is amended to read as follows:

32 8. Of the funds appropriated under this section, \$1,000,000
33 shall be used for the purposes of program administration and
34 provision of pregnancy support services through the more
35 options for maternal support program in accordance with section

1 217.41C. Notwithstanding section 8.33, moneys allocated in
2 this subsection that remain unencumbered or unobligated at the
3 close of the fiscal year shall not revert but shall remain
4 available for the purposes designated until the close of the
5 succeeding fiscal year.

6 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM ADMINISTRATIVE
7 ALLOCATION — FEDERAL BLOCK GRANT

8 Sec. 33. 2023 Iowa Acts, chapter 161, section 10, subsection
9 3, is amended to read as follows:

10 3. After subtracting the allocation in subsection 2, ~~up to~~
11 ~~10~~ no less than 8.4 percent of the remaining moneys for each
12 federal fiscal year are allocated for administrative expenses
13 of low-income home energy assistance program contractors and
14 up to 1.6 percent of the remaining moneys for each fiscal year
15 are allocated for the administrative expenses of the department
16 of health and human services under the low-income home energy
17 assistance program of which \$377,000 is allocated each federal
18 fiscal year for administrative expenses of the department of
19 health and human services. The costs of auditing the use and
20 administration of the portion of the appropriation in this
21 section that is retained by the state shall be paid from the
22 amount allocated in this subsection each federal fiscal year to
23 the department of health and human services. The auditor of
24 state shall bill the department of health and human services
25 for the audit costs.

26 Sec. 34. EFFECTIVE DATE. This division of this Act, being
27 deemed of immediate importance, takes effect upon enactment.

28 Sec. 35. RETROACTIVE APPLICABILITY. This division of this
29 Act applies retroactively to July 1, 2023.

30 DIVISION XIV

31 EMERGENCY RULES AND REPORTS

32 Sec. 36. EMERGENCY RULES.

33 1. If necessary to comply with federal requirements
34 including time frames, or if specifically authorized by a
35 provision of this Act, the department of health and human

1 services or the mental health and disability services
2 commission shall adopt administrative rules under section
3 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph
4 "b", to implement the applicable provisions of this Act. The
5 rules shall be effective immediately upon filing unless a
6 later date is specified in the rules. Any rules adopted in
7 accordance with this section shall also be published as a
8 notice of intended action as provided in section 17A.4.

9 2. If during a fiscal year, the department of health and
10 human services is adopting rules in accordance with this
11 section or as otherwise directed or authorized by state
12 law, and the rules will result in an expenditure increase
13 beyond the amount anticipated in the budget process or if the
14 expenditure was not addressed in the budget process for the
15 fiscal year, the department shall notify the general assembly
16 and the department of management concerning the rules and the
17 expenditure increase. The notification shall be provided at
18 least thirty calendar days prior to the date notice of the
19 rules is submitted to the administrative rules coordinator and
20 the administrative code editor.

21 Sec. 37. REPORTS. Unless otherwise provided, any reports or
22 other information required to be compiled and submitted under
23 this Act during the fiscal year beginning July 1, 2024, shall
24 be submitted on or before the date specified for submission of
25 the reports or information.

26 DIVISION XV

27 CODIFIED PROVISIONS

28 SUBSTANCE USE DISORDER — BEER AND LIQUOR CONTROL FUND

29 Sec. 38. Section 123.17, subsection 5, Code 2024, is amended
30 to read as follows:

31 5. After any transfer provided for in subsection 3 is
32 made, the department shall transfer into a special revenue
33 account in the general fund of the state, a sum of money at
34 least equal to seven percent of the gross amount of sales made
35 by the department from the beer and liquor control fund on a

1 monthly basis but not less than nine million dollars annually.
2 Of the amounts transferred, two million dollars, ~~plus an~~
3 ~~additional amount determined by the general assembly,~~ shall be
4 appropriated to the department of health and human services for
5 use by the staff who administer the comprehensive substance use
6 disorder program under chapter 125 for substance use disorder
7 treatment and prevention programs. Any amounts received in
8 excess of the amounts appropriated to the department of health
9 and human services for use by the staff who administer the
10 comprehensive substance use disorder program under chapter 125
11 shall be considered part of the general fund balance.

12 TOBACCO USE PREVENTION AND CONTROL

13 Sec. 39. Section 142A.5, Code 2024, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 9. Collaborate with the department of
16 revenue for enforcement of tobacco laws, regulations, and
17 ordinances and to engage in tobacco control activities approved
18 by the departments.

19 AREA AGENCIES ON AGING

20 Sec. 40. NEW SECTION. 231.35 **Procedures related to**
21 **expenditure of state and federal funds.**

22 1. The department shall establish and enforce procedures
23 relating to expenditure of state and federal funds by area
24 agencies on aging that require compliance with both state and
25 federal laws, rules, and regulations, including but not limited
26 to all of the following:

27 *a.* Requiring that expenditures are incurred only for goods
28 or services received or performed prior to the end of the
29 fiscal period designated for use of the funds.

30 *b.* Prohibiting prepayment for goods or services not received
31 or performed prior to the end of the fiscal period designated
32 for use of the funds.

33 *c.* Prohibiting prepayment for goods or services not defined
34 specifically by good or service, time period, or recipient.

35 *d.* Prohibiting the establishment of accounts from which

1 future goods or services which are not defined specifically by
2 good or service, time period, or recipient, may be purchased.

3 2. The procedures shall provide that if any funds are
4 expended in a manner that is not in compliance with the
5 procedures and applicable federal and state laws, rules, and
6 regulations, and are subsequently subject to repayment, the
7 area agency on aging expending such funds in contravention of
8 such procedures, laws, rules and regulations, not the state,
9 shall be liable for such repayment.

10 PERSONAL NEEDS ALLOWANCE FOR FACILITIES UNDER MEDICAID

11 Sec. 41. Section 249A.30A, Code 2024, is amended to read as
12 follows:

13 **249A.30A Medical assistance — personal needs allowance.**

14 1. The personal needs allowance under the medical
15 assistance program, which may be retained by a person who is a
16 resident of a nursing facility, an intermediate care facility
17 for persons with an intellectual disability, or an intermediate
18 care facility for persons with mental illness, as defined in
19 section 135C.1, or a person who is a resident of a psychiatric
20 medical institution for children as defined in section 135H.1,
21 shall be fifty dollars per month.

22 2. A resident who has income of less than fifty dollars
23 per month shall receive a supplement from the state in the
24 amount necessary to receive a personal needs allowance of fifty
25 dollars per month, ~~if funding is specifically appropriated for~~
26 ~~this purpose.~~ The general assembly shall annually appropriate
27 a sufficient amount from the general fund of the state to the
28 department of health and human services for this purpose.

29 REPLACEMENT GENERATION TAX REVENUES

30 Sec. 42. Section 437A.8, subsection 4, paragraph d, Code
31 2024, is amended to read as follows:

32 *d.* Notwithstanding paragraph “a”, a taxpayer who owns
33 or leases a new electric power generating plant and who has
34 no other operating property in the state of Iowa except for
35 operating property directly serving the new electric power

1 generating plant as described in section 437A.16 shall pay
2 the replacement generation tax associated with the allocation
3 of the local amount to the county treasurer of the county in
4 which the local amount is located and shall remit the remaining
5 replacement generation tax, if any, to the director according
6 to paragraph "a" for remittance of the tax to county treasurers.
7 The director shall notify each taxpayer on or before August 31
8 following a tax year of its remaining replacement generation
9 tax to be remitted to the director. All remaining replacement
10 generation tax revenues received by the director shall be
11 ~~deposited in the property tax relief fund created in section~~
12 ~~426B.1, and shall be distributed as provided in section 426B.2~~
13 appropriated annually to the department of health and human
14 services to supplement any appropriation made for medical
15 assistance.

16 If a taxpayer has paid an amount of replacement tax,
17 penalty, or interest which was ~~deposited into the property~~
18 ~~tax relief fund~~ appropriated to the department of health and
19 human services under this paragraph and which was not due, all
20 of the provisions of section 437A.14, subsection 1, paragraph
21 "b", shall apply with regard to any claim for refund or credit
22 filed by the taxpayer. The director shall have sole discretion
23 as to whether the erroneous payment will be refunded to the
24 taxpayer or credited against any replacement tax due, or to
25 become due, from the taxpayer that would be ~~subject to deposit~~
26 ~~in the property tax relief fund~~ appropriated to the department
27 of health and human services under this paragraph.

28 Sec. 43. Section 437A.15, subsection 3, paragraph f, Code
29 2024, is amended to read as follows:

30 f. Notwithstanding the provisions of this section, if
31 a taxpayer is a municipal utility or a municipal owner of
32 an electric power facility financed under the provisions
33 of chapter 28F or 476A, the assessed value, other than the
34 local amount, of a new electric power generating plant shall
35 be allocated to each taxing district in which the municipal

1 utility or municipal owner is serving customers and has
2 electric meters in operation in the ratio that the number of
3 operating electric meters of the municipal utility or municipal
4 owner located in the taxing district bears to the total number
5 of operating electric meters of the municipal utility or
6 municipal owner in the state as of January 1 of the tax year.
7 If the municipal utility or municipal owner of an electric
8 power facility financed under the provisions of chapter 28F
9 or 476A has a new electric power generating plant but the
10 municipal utility or municipal owner has no operating electric
11 meters in this state, the municipal utility or municipal owner
12 shall pay the replacement generation tax associated with the
13 new electric power generating plant allocation of the local
14 amount to the county treasurer of the county in which the local
15 amount is located and shall remit the remaining replacement
16 generation tax, if any, to the director at the times contained
17 in section 437A.8, subsection 4, for remittance of the tax to
18 the county treasurers. All remaining replacement generation
19 tax revenues received by the director shall be ~~deposited in~~
20 ~~the property tax relief fund created in section 426B.1, and~~
21 ~~shall be distributed as provided in section 426B.2~~ appropriated
22 annually to the department of health and human services to
23 supplement any appropriation made for medical assistance.

24 PERSONAL NEEDS ALLOWANCE FOR STATE SUPPLEMENTARY ASSISTANCE

25 Sec. 44. NEW SECTION. 249.9A Personal needs allowance.

26 1. The department shall increase the personal needs
27 allowance for residents of residential care facilities by the
28 same percentage and at the same time as federal supplemental
29 security income and federal social security benefits are
30 increased due to a recognized increase in the cost of living.
31 2. If during a fiscal year, the department projects that
32 state supplementary assistance expenditures for a calendar year
33 will not meet the federal pass-through requirement specified
34 in Tit. XVI of the federal Social Security Act, section 1618,
35 as codified in 42 U.S.C. §1382g, the department may take

1 actions including but not limited to increasing the personal
2 needs allowance for residential care facility residents
3 and making programmatic adjustments or upward adjustments
4 of the residential care facility or in-home health-related
5 care reimbursement rates to ensure compliance with federal
6 requirements. In addition, the department may make other
7 programmatic and rate adjustments necessary to remain within
8 the funds appropriated for a fiscal year while ensuring
9 compliance with federal requirements.

10 3. The department may adopt emergency rules under section
11 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph
12 "b", to implement the provisions of this section and the rules
13 shall be effective immediately upon filing unless a later date
14 is specified in the rules. Any rules adopted in accordance
15 with this section shall also be published as a notice of
16 intended action as provided in section 17A.4.

17 MEDICAID FRAUD FUND AND HEALTH CARE TRUST FUND

18 Sec. 45. Section 249A.50, subsection 3, Code 2024, is
19 amended to read as follows:

20 3. a. A Medicaid fraud fund is created in the state
21 treasury under the authority of the department of inspections,
22 appeals, and licensing. Moneys from penalties, investigative
23 costs recouped by the Medicaid fraud control unit, and other
24 amounts received as a result of prosecutions involving
25 the department of inspections, appeals, and licensing
26 investigations and audits to ensure compliance with the medical
27 assistance program that are not credited to the program shall
28 be credited to the fund.

29 b. Notwithstanding section 8.33, moneys credited to the
30 fund from any other account or fund shall not revert to the
31 other account or fund. Moneys in the fund shall only be used as
32 provided in appropriations from the fund and shall be used in
33 accordance with applicable laws, regulations, and the policies
34 of the office of inspector general of the United States
35 department of health and human services.

1 c. Any funds remaining in the Medicaid fraud fund at the
2 close of a fiscal year are appropriated to the department of
3 health and human services to supplement any medical assistance
4 program appropriation for the same fiscal year to be used
5 for medical assistance reimbursement and associated costs,
6 including program administration and costs associated with
7 program implementation.

8 ~~e.~~ d. For the purposes of this subsection, "*investigative*
9 *costs*" means the reasonable value of a Medicaid fraud control
10 unit investigator's, auditor's or employee's time, any moneys
11 expended by the Medicaid fraud control unit, and the reasonable
12 fair market value of resources used or expended by the Medicaid
13 fraud control unit in a case resulting in a criminal conviction
14 of a provider under this chapter or chapter 714 or 715A.

15 Sec. 46. Section 453A.35A, Code 2024, is amended to read as
16 follows:

17 **453A.35A Health care trust fund — appropriation to Medicaid**
18 **program.**

19 1. A health care trust fund is created in the office of
20 the treasurer of state. The fund consists of the revenues
21 generated from the tax on cigarettes pursuant to section
22 453A.6, subsection 1, and from the tax on tobacco products
23 as specified in section 453A.43, subsections 1, 2, 3, and 4,
24 that are credited to the health care trust fund, annually,
25 pursuant to section 453A.35. Moneys in the fund shall be
26 separate from the general fund of the state and shall not be
27 considered part of the general fund of the state. However, the
28 fund shall be considered a special account for the purposes
29 of section 8.53 relating to generally accepted accounting
30 principles. Moneys in the fund shall be used only as specified
31 in this section and shall be appropriated only for the uses
32 specified. Moneys in the fund are not subject to section 8.33
33 and shall not be transferred, used, obligated, appropriated,
34 or otherwise encumbered, except as provided in this section.
35 Notwithstanding section 12C.7, subsection 2, interest or

1 earnings on moneys deposited in the fund shall be credited to
2 the fund.

3 2. Moneys in the fund shall be used only for purposes
4 related to health care, substance use disorder treatment and
5 prevention, and tobacco use prevention, cessation, and control.

6 3. Any funds remaining in the health care trust fund at the
7 close of a fiscal year are appropriated to the department of
8 health and human services to supplement any medical assistance
9 program appropriation for the same fiscal year to be used
10 for medical assistance reimbursement and associated costs,
11 including program administration and costs associated with
12 program implementation.

13 MENTAL HEALTH INSTITUTES — RETAINING OF REVENUE

14 Sec. 47. NEW SECTION. 218.97 Retaining of revenue by mental
15 health institutes.

16 Notwithstanding sections 218.78 and 249A.11, any revenue
17 received from the state mental health institute at Cherokee or
18 the state mental health institute at Independence pursuant to
19 42 C.F.R. §438.6(e) may be retained and expended by the mental
20 health institute.

21 RESIDENTS OF MENTAL HEALTH INSTITUTES — RETAINING MEDICAID
22 ELIGIBILITY

23 Sec. 48. NEW SECTION. 249A.38A Residents of mental health
24 institutes — retaining of Medicaid eligibility.

25 Notwithstanding any provision of law to the contrary,
26 a Medicaid recipient residing at the state mental health
27 institute at Cherokee or the state mental health institute
28 at Independence shall retain Medicaid eligibility during the
29 period of the Medicaid recipient's stay for which federal
30 financial participation is available.

31 STATE RESOURCES CENTERS — SCOPE OF SERVICES

32 Sec. 49. NEW SECTION. 218.97A State resource centers —
33 scope of services approach — time-limited assessment and respite
34 services.

35 1. The department may continue to bill for state resource

1 center services utilizing a scope of services approach used for
2 private providers of intermediate care facilities for persons
3 with an intellectual disability services, in a manner which
4 does not shift costs between the medical assistance program,
5 mental health and disability services regions, or other sources
6 of funding for the state resource centers.

7 2. The state resource centers may expand the time-limited
8 assessment and respite services during a fiscal year.

9 JUVENILE DETENTION HOME FUND — APPROPRIATION

10 Sec. 50. Section 232.142, Code 2024, is amended to read as
11 follows:

12 **232.142 Maintenance and cost of juvenile homes — fund —**
13 **appropriation of moneys in fund.**

14 1. County boards of supervisors which singly or in
15 conjunction with one or more other counties provide and
16 maintain juvenile detention and juvenile shelter care homes are
17 subject to this section.

18 2. For the purpose of providing and maintaining a county
19 or multicounty home, the board of supervisors of any county
20 may issue general county purpose bonds in accordance with
21 sections 331.441 through 331.449. Expenses for providing and
22 maintaining a multicounty home shall be paid by the counties
23 participating in a manner to be determined by the boards of
24 supervisors.

25 3. A county or multicounty juvenile detention home approved
26 pursuant to this section shall receive financial aid from the
27 state in a manner approved by the director. Aid paid by the
28 state shall be at least ten percent and not more than fifty
29 percent of the total cost of the establishment, improvements,
30 operation, and maintenance of the home.

31 4. The director shall adopt minimal rules and standards for
32 the establishment, maintenance, and operation of such homes as
33 shall be necessary to effect the purposes of this chapter. The
34 rules shall apply the requirements of section 237.8, concerning
35 employment and evaluation of persons with direct responsibility

1 for a child or with access to a child when the child is
2 alone and persons residing in a child foster care facility,
3 to persons employed by, residing in, or volunteering for a
4 home approved under this section. The director shall, upon
5 request, give guidance and consultation in the establishment
6 and administration of the homes and programs for the homes.

7 5. The director shall approve annually all such homes
8 established and maintained under the provisions of this
9 chapter. A home shall not be approved unless it complies with
10 minimal rules and standards adopted by the director and has
11 been inspected by the department of inspections, appeals, and
12 licensing. The statewide number of beds in the homes approved
13 by the director shall not exceed two hundred seventy-two beds
14 beginning July 1, 2017.

15 6. a. A juvenile detention home fund is created in the
16 state treasury under the authority of the department. The
17 fund shall consist of moneys deposited in the fund pursuant to
18 section 602.8108. The moneys in the fund shall be used for
19 the costs of the establishment, improvement, operation, and
20 maintenance of county or multicounty juvenile detention homes
21 in accordance with ~~annual appropriations made by the general~~
22 ~~assembly from the fund for these purposes~~ this subsection.

23 b. (1) Moneys deposited in the juvenile detention home
24 fund during a fiscal year are appropriated to the department
25 for the same fiscal year for distribution of an amount equal to
26 a percentage of the costs of the establishment, improvement,
27 operation, and maintenance of county or multicounty juvenile
28 detention homes in the prior fiscal year. Such percentage
29 shall be determined by the department based on the amount
30 available for distribution from the fund.

31 (2) Moneys appropriated for distribution in accordance with
32 this subsection shall be allocated among eligible detention
33 homes, prorated on the basis of an eligible detention home's
34 proportion of the costs of all eligible detention homes in the
35 prior fiscal year.

1 FAMILY INVESTMENT PROGRAM ACCOUNT ELIMINATION

2 Sec. 51. Section 239B.14, subsection 2, Code 2024, is
3 amended to read as follows:

4 2. An individual who commits a fraudulent practice under
5 this section is personally liable for the amount of assistance
6 or other benefits fraudulently obtained. The amount of the
7 assistance or other benefits may be recovered from the offender
8 or the offender's estate in an action brought or by claim
9 filed in the name of the state and the recovered funds shall
10 ~~be deposited in the family investment program account~~ credited
11 to the appropriation to the department for community access
12 and eligibility to be used for the purposes of the family
13 investment program. The action or claim filed in the name of
14 the state shall not be considered an election of remedies to
15 the exclusion of other remedies.

16 Sec. 52. Section 252B.27, subsection 1, Code 2024, is
17 amended to read as follows:

18 1. The director, within the limitations of the amount
19 appropriated for child support services, or moneys transferred
20 for this purpose from the ~~family investment program account~~
21 ~~created in section 239B.11~~ appropriation to the department for
22 community access and eligibility, may establish new positions
23 and add employees to child support services if the director
24 determines that both the current and additional employees
25 together can reasonably be expected to maintain or increase net
26 state revenue at or beyond the budgeted level for the fiscal
27 year.

28 Sec. 53. REPEAL. Section 239B.11, Code 2024, is repealed.

29 Sec. 54. TRANSITION PROVISION. All unencumbered and
30 unobligated moneys remaining on June 30, 2024, in the family
31 investment program account created in section 239B.11, are
32 appropriated to the department of health and human services for
33 community access and eligibility.

34 QUALITY ASSURANCE ASSESSMENT — PAYMENT PERIOD BASIS

35 Sec. 55. Section 249L.3, subsection 2, Code 2024, is amended

1 to read as follows:

2 2. The quality assurance assessment shall be paid by each
3 nursing facility to the department on a ~~quarterly~~ monthly basis
4 after the nursing facility's medical assistance payment rates
5 are adjusted to include funds appropriated from the quality
6 assurance trust fund for that purpose. The department shall
7 prepare and distribute a form upon which nursing facilities
8 shall calculate and report the quality assurance assessment.
9 A nursing facility shall submit the completed form with the
10 assessment amount ~~no later than thirty days following the end~~
11 ~~of each calendar quarter.~~

12 SUPPORTED COMMUNITY LIVING SERVICES

13 Sec. 56. Section 225C.21, subsection 1, Code 2024, is
14 amended to read as follows:

15 1. As used in this section, "*supported community living*
16 *services*" means services provided in a noninstitutional
17 setting to ~~adult~~ persons sixteen years of age and older with
18 mental illness, an intellectual disability, brain injury, or
19 developmental disabilities to meet the persons' daily living
20 needs.

21 CENTERS OF EXCELLENCE GRANT PROGRAM

22 Sec. 57. NEW SECTION. 135.194 **Centers of excellence grant**
23 **program.**

24 1. The department shall administer a centers of excellence
25 grant program to encourage innovation and collaboration among
26 regional health care providers in rural areas, based upon the
27 results of a regional community needs assessment, in order
28 to transform health care delivery that provides quality,
29 sustainable care in meeting the needs of the local community.

30 2. An applicant for a grant shall specify how the grant will
31 be expended to accomplish the goals of the program and shall
32 provide a detailed five-year sustainability plan prior to being
33 awarded the grant.

34 3. Following receipt of a grant, a recipient shall submit
35 periodic reports as specified by the department to the governor

1 and the general assembly regarding the recipient's expenditure
2 of the grant and progress in accomplishing the program's goals.

3 REGIONAL AUTISM ASSISTANCE PROGRAM

4 Sec. 58. Section 256.35, Code 2024, is amended to read as
5 follows:

6 **256.35 Regional autism assistance program.**

7 The department shall establish a regional autism assistance
8 program, to be administered by the child health specialty
9 clinics of the university of Iowa hospitals and clinics. The
10 program shall ~~be designed to coordinate~~ collaborate with the
11 autism support program created in chapter 225D to enhance
12 interagency collaboration in coordinating educational, medical,
13 and other human services for persons with autism, their
14 parents, and providers of services to persons with autism. The
15 ~~function~~ functions of the program shall include but ~~is~~ are
16 not limited to regionalized and integrated care delivery and
17 coordination, family navigation, the coordination of diagnostic
18 and assessment services, the maintaining of a research base,
19 coordination of in-service training, ~~providing~~ provision of
20 technical assistance, and ~~providing~~ provision of consultation.

21 LODGING EXPENSES UNIVERSITY OF IOWA HOSPITALS AND CLINICS —
22 CANCER PATIENTS

23 Sec. 59. NEW SECTION. **217.41D Lodging for cancer patients**
24 **— university of Iowa hospitals and clinics.**

25 The department shall use funding appropriated to the
26 department for lodging expenses associated with care provided
27 at the university of Iowa hospitals and clinics for patients
28 with cancer in accordance with this section. The funding shall
29 be used for patients whose travel distance is thirty miles
30 or more and whose income is at or below two hundred percent
31 of the federal poverty level as defined by the most recently
32 revised poverty income guidelines published by the United
33 States department of health and human services. The department
34 shall establish the maximum number of overnight stays and the
35 maximum rate reimbursed for overnight lodging, which may be

1 based on the state employee rate established by the department
2 of administrative services.

3 ASSISTED LIVING PROGRAM — REVISED PAYMENT MODEL STUDY

4 Sec. 60. ASSISTED LIVING PROGRAM — REVISED PAYMENT
5 MODEL STUDY. The department of health and human services,
6 in consultation with Medicaid provider associations and
7 stakeholders, shall explore options for a revised payment model
8 for reimbursement of assisted living programs that provide
9 services to Medicaid recipients. The study shall include
10 consideration of all sources of funding utilized by residents
11 of assisted living programs. The department of health and
12 human services shall report all options identified to the
13 general assembly by December 1, 2024.

14 COUNTY COMMISSIONS OF VETERAN AFFAIRS — APPROPRIATION

15 Sec. 61. Section 35A.16, subsection 1, paragraph b, Code
16 2024, is amended to read as follows:

17 b. There is appropriated from the general fund of the state
18 to the department, for the fiscal year beginning July 1, 2009,
19 and for each subsequent fiscal year, the sum of ~~one million~~
20 nine hundred ninety thousand dollars to be credited to the
21 county commissions of veteran affairs fund.

22 EXPLANATION

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

25 This bill makes appropriations from the general fund of
26 the state to the department of veterans affairs and to the
27 department of health and human services (HHS) for fiscal
28 year 2024-2025. The appropriations from the general fund
29 of the state to the department of veterans affairs include
30 appropriations for administration, the state veterans
31 cemetery, the Iowa veterans home, the home ownership assistance
32 program, and county commissions of veterans affairs. The
33 appropriations from the general fund of the state to HHS
34 include appropriations for aging and disability services;
35 behavioral health; public health; community access and

1 eligibility including for child support services; Medicaid,
2 state supplementary assistance, the healthy and well kids
3 in Iowa (Hawki) program, and other specified health-related
4 programs including health program operations and reimbursement
5 rate provisions; family well-being and protection including
6 state child care assistance, early intervention and supports,
7 and child protective services; state specialty care; and
8 administration and compliance. The bill makes an appropriation
9 from the general fund of the state to HHS for FY 2025-2026 to be
10 used for the Medicaid program to provide for additional home
11 and community-based services waiver slots for individuals with
12 an intellectual disability. The bill also makes appropriations
13 to HHS from the temporary assistance for needy families block
14 grant, the pharmaceutical settlement account, the quality
15 assurance trust fund, and the hospital health care access trust
16 fund.

17 The bill includes nonreversion provisions; emergency
18 rulemaking authority and reporting requirements; and certain
19 codified provisions relating to the duties and programs under
20 the purview of HHS.