HOUSE FILE 2698
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO LSB 5004HB)

(As Amended and Passed by the House April 19, 2024)
ALL New Language by the House

A BILL FOR

An Act relating to and making appropriations for veterans and health and human services, including other related provisions and appropriations including but not limited to the personal needs allowance for certain persons under Medicaid and the state supplementary assistance programs, replacement generation tax revenues, the Medicaid fraud and health care trust funds, the retention of certain revenues by the mental health institutes, the retention of Medicaid eligibility by residents of mental health institutes, the scope of services of the state resource centers, the appropriation of moneys in the juvenile detention home fund, the family investment program account and diversion program, the child support collection services center refund account, the quality assurance assessment payment period, the centers of excellence grant program, an assisted living program revised payment model study, funding for county commissions of veteran affairs, foster care provisions including those relating to a relative or fictive kin, health care employment agencies and health care technology platforms, medical cannabidiol practitioner requirements, nursing facility oversight, and state-funded psychiatry residency and fellowship positions, providing penalties, and including effective date and retroactive applicability provisions.

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

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. 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.

3. 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

DIVISION II

AGING AND DISABILITY SERVICES —— FY 2024-2025

Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES —— AGING AND DISABILITY SERVICES. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending

June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 19,088,714

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

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

3. Of the funds appropriated in this section, $33,632 shall be used to build community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871 (S.D.

Iowa, July 14, 1994).

DIVISION III

BEHAVIORAL HEALTH —— FY 2024-2025

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

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

..... $ 24,400,114

1. Of the funds appropriated in this section, $300,000 shall be used to support the work of the children's behavioral health system including evidence-based behavioral health prevention, treatment, and recovery services and supports for children and their families pursuant to the intent specified in section 225C.6B, subsection 1.

2. Of the funds appropriated in this section, $950,000 shall be used for an integrated substance use disorder managed care system. The department shall maintain the level of mental

health and substance use disorder treatment services provided by the managed care contractors. The department shall take the steps necessary to continue the federal waivers as needed to maintain the level of services.

Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES —— SPORTS WAGERING RECEIPTS FUND. There is appropriated from the sports wagering receipts fund created in section 8.57, subsection 6, to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for behavioral health prevention, treatment, and recovery efforts to reduce the prevalence of the use of, provide treatment for, and support recovery from tobacco and substance use and misuse pursuant to the applicable policy, purpose, and intent described in sections 125.1 and 142A.1, alcohol, problem gambling, and other addictive behaviors:

..... $ 1,750,000

DIVISION IV

PUBLIC HEALTH —— FY 2024-2025

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

For programs that support health promotion, protect the health and safety of the public, conduct disease surveillance and investigation to reduce the incidence of morbidity and mortality, serve individuals with chronic conditions including but not limited to cancer, support the Iowa donor registry as specified in section 142C.18, and strengthen the health care delivery system and workforce to improve health outcomes for all Iowans:

..... $ 22,531,821

1. Of the funds appropriated in this section, $2,100,000

shall be deposited in the medical residency training account created in section 135.175, subsection 5, paragraph "a", and is appropriated from the account to the department to be used for the purposes of the medical residency training state matching grants program as specified in section 135.176.

2. Of the funds appropriated in this section, the following amounts are allocated to be used as follows to support the goals of increased access, health system integration, and engagement:

a. $600,000 is allocated to the Iowa prescription drug corporation for continuation of the pharmaceutical infrastructure for safety net providers originally established as described in 2007 Iowa Acts, chapter 218, section 108, and for the prescription drug donation repository program created in chapter 135M. Funds allocated under this paragraph shall be distributed in their entirety for the purpose specified on July 1, 2024.

b. $374,000 is allocated to free clinics and free clinics of Iowa for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care. Of the funds allocated, $40,000 shall be used to cover fees associated with using an electronic prescribing system. Funds allocated under this paragraph shall be distributed in their entirety for the purpose specified on July 1, 2024.

c. $25,000 is allocated to the Iowa association of rural health clinics for necessary infrastructure and service delivery transformation. Funds allocated under this paragraph shall be distributed in their entirety for the purpose specified on July 1, 2024.

d. $225,000 is allocated to the Polk county medical society for continuation of the safety net provider patients access to specialty care initiative as described in 2007 Iowa Acts, chapter 218, section 109. Funds allocated under this paragraph

shall be distributed in their entirety for the purpose specified on July 1, 2024.

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

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

5. The department shall work with the board established in chapter 135D to develop plans for program enhancements in the Iowa health information network for the purpose of empowering Iowa patients to access and direct their health information utilizing the Iowa health information network. Program enhancements shall protect data privacy, facilitate the interchange of health data for the purpose of improving public health outcomes, and increase participation by health care providers.

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

DIVISION V

COMMUNITY ACCESS AND ELIGIBILITY —— FY 2024-2025

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

To be used for salaries, support, maintenance, and miscellaneous purposes and for family investment program (FIP)

assistance in accordance with chapter 239B, and for other costs associated with providing needs-based benefits or assistance including but not limited to maternal and child health, oral health, obesity prevention, the promoting independence and self-sufficiency through employment, job opportunities and basic skills (PROMISE JOBS) program, supplemental nutrition assistance program (SNAP) employment and training, the FIP diversion program, family planning, rent reimbursement, and eligibility determinations for medical assistance, food assistance, and the children's health insurance program:
..... $ 68,043,944

1. Of the child support collections assigned under FIP, the federal share of support collections shall be credited to the child support services appropriation made in this division of this Act. Of the remainder of the assigned child support collections received by child support services, a portion shall be credited to community access and eligibility, and the remaining funds may be used to increase recoveries, to sustain cash flow in the child support payments account, or for technology needs. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payments account.

2. Of the funds appropriated in this section, $3,075,000 shall be used for continuation of the department's initiative to provide for adequate developmental surveillance and screening during a child's first five years. The funds shall be used first to fully fund the current participating counties to ensure that those counties are fully operational, with the remaining funds to be used for expanding participation to additional counties. The full implementation and expansion shall include enhancing the scope of the initiative through collaboration with the child health specialty clinics to promote the use of developmental surveillance and screening to

support healthy child development through early identification and response to both biomedical and social determinants of healthy development by providing practitioner consultation and continuous improvement through training and education, particularly for children with behavioral conditions and needs. The department shall also collaborate with the Medicaid program and the child health specialty clinics to assist in coordinating the activities of the first five initiative into the establishment of patient-centered medical homes developed to improve health quality and population health while reducing health care costs. To the maximum extent possible, funding allocated in this subsection shall be utilized as matching funds for Medicaid program reimbursement.

3. Of the funds appropriated in this section, $1,145,102 is allocated to the Iowa commission on volunteer service for programs and grants.

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

CHILD SUPPORT SERVICES

Sec. 7. CHILD SUPPORT SERVICES. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 15,434,282

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

2. The appropriation made to the department for child

support services may be used throughout the fiscal year in the manner necessary for purposes of cash flow management, and for cash flow management purposes the department may temporarily draw more than the amount appropriated, provided the amount appropriated is not exceeded at the close of the fiscal year.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT

Sec. 8. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the special fund created in section 8.41 to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 12,988,627

2. For community access and eligibility to provide pregnancy prevention grants on the condition that family planning services are funded:

..... $ 1,913,203

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2024, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2024, if the programs are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in

the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.

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

..... $ 5,000,000

4. For technology needs related to child support modernization of the Iowa collections and reporting (ICAR) system and for a closed loop referral system for the thrive Iowa program:

..... $ 5,000,000

5. For early intervention and supports for the family development and self-sufficiency (FaDSS) grant program in accordance with section 216A.107:

..... $ 2,888,980

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

6. For early intervention and supports for child abuse prevention grants:

..... $ 125,000

7. For accountability, compliance, program integrity, technology needs, and other resources necessary to meet federal and state reporting, tracking, and case management requirements and other departmental needs:

..... $ 3,533,647

8. For state child care assistance:

..... $ 47,166,826

9. For child protective services:

..... $ 62,364,100

10. For child protective services for the kinship stipend program:

..... $ 3,000,000

DIVISION VI

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

Sec. 9. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND HEALTHY AND WELL KIDS IN IOWA PROGRAM. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2024, except as otherwise expressly authorized by law, consistent with options under federal law and regulations, and contingent upon receipt of approval from the office of the governor of reimbursement for each abortion performed under the program; for the state supplementary assistance program; for the health insurance premium payment program; and for maintenance of the healthy and well kids in Iowa (Hawki) program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit. XXI of the federal Social Security Act, which creates the children's health insurance program; and for other specified health-related programs:

..... $ 1,650,866,536

1. Of the funds appropriated in this section, $1,605,063,804 is allocated for medical assistance program reimbursement and associated costs.

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

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

c. Of the funds allocated in this subsection, $1,700,000 shall be used to provide for additional home and community-based services waiver slots for individuals with an intellectual disability.

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

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

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

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

HEALTH PROGRAM OPERATIONS

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

For health program operations and the autism support program:

..... $ 39,597,231

1. The department of inspections, appeals, and licensing

shall provide all state matching funds for survey and certification activities performed by the department of inspections, appeals, and licensing. The department of health and human services is solely responsible for distributing the federal matching funds for such activities.

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

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

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

HEALTH CARE ACCOUNTS AND FUNDS

Sec. 11. PHARMACEUTICAL SETTLEMENT ACCOUNT —— DEPARTMENT OF HEALTH AND HUMAN SERVICES. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriation made in this Act for health program operations under the medical assistance program for the

same fiscal year:
..... $ 234,193

Sec. 12. QUALITY ASSURANCE TRUST FUND —— DEPARTMENT OF HEALTH AND HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, for the purposes designated:

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

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

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

REIMBURSEMENT RATES

Sec. 14. REIMBURSEMENT RATES.

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

a. If reimbursement is otherwise negotiated by contract or pursuant to an updated fee schedule.

b. As otherwise provided in this section.

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

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

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

a. Medical supply providers.

b. Physician assistants.

c. Physical therapists.

d. Occupational therapists.

e. Certified nurse midwives.

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

5. For the fiscal year beginning July 1, 2024, reimbursement rates for community mental health centers shall be increased compared to the rates in effect on June 30, 2024, to the extent

possible within the state funding, including the $276,947 provided for this purpose.

6. For the fiscal year beginning July 1, 2024, enhanced reimbursement shall be provided within the additional $369,000 appropriated for this purpose for a psychiatric medical institution for children that meets the selection criteria specified in 2024 Iowa Acts, House File 2402, or successor legislation, if enacted.

7. For the fiscal year beginning July 1, 2024, the pharmacy dispensing fee shall be adjusted within the additional $500,000 appropriated for this purpose.

8. For the fiscal year beginning July 1, 2024, the reimbursement rates for mental health providers shall be increased within the additional $2,104,186 appropriated for this purpose.

9. For the fiscal year beginning July 1, 2024, residential-based supported community living provider rates shall be increased within the additional $1,352,750 appropriated for this purpose.

10. For the fiscal year beginning July 1, 2024, reimbursement rates for home heath agencies shall continue to be based on the Medicare low utilization payment adjustment (LUPA) methodology with state geographic wage adjustments and shall be adjusted to increase the rates to the extent possible within the state funding appropriated. The department shall continue to update the rates every two years to reflect the most recent Medicare LUPA rates.

11. For the fiscal year beginning July 1, 2024, reimbursement rates for air medical services provided by an entity that has over 40 years of experience and is the largest community-based provider of air medical services shall be increased within the additional $250,000 appropriated for this purpose.

DIVISION VII

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

STATE CHILD CARE ASSISTANCE

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

For state child care assistance in accordance with section 237A.13:

..... $ 34,966,931

1. If the appropriations made for purposes of the state child care assistance program for the fiscal year are determined to be insufficient, it is the intent of the general assembly to appropriate sufficient funding for the fiscal year in order to avoid establishment of waiting list requirements.

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

EARLY INTERVENTION AND SUPPORTS

Sec. 16. EARLY INTERVENTION AND SUPPORTS. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 35,277,739

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

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

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

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

CHILD PROTECTIVE SERVICES

Sec. 17. CHILD PROTECTIVE SERVICES. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child, family, and adoption services, and for salaries, support, maintenance, and miscellaneous purposes:

..... $166,101,034

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

2. A portion of the funds appropriated in this section may be used to provide other resources based on client need required to support family preservation, emergency client need, or family reunification efforts.

3. Of the funds appropriated in this section, a sufficient amount is allocated for foster family care, group foster care maintenance and services, shelter care, child welfare emergency services, and supervised apartment living contracts.

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

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

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

6. Of the funds appropriated in this section, $1,658,000 shall be used for the child protection center grant program for child protection centers located in Iowa in accordance with section 135.118. The grant amounts under the program shall be equalized so that each center receives a uniform base amount of $245,000, and so that the remaining funds are awarded through a funding formula based upon the volume of children served. To increase access to child protection center services for children in rural areas, the funding formula for the awarding of the remaining funds shall provide for the awarding of an enhanced amount to eligible grantees to develop and maintain satellite centers in underserved regions of the state.

7. Of the funds appropriated in this section, $4,359,500 is allocated for the preparation for adult living program pursuant

to section 234.46.

8. Of the funds appropriated in this section, up to $227,000 shall be used for the public purpose of continuing a grant to a nonprofit human services organization, providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments, and referrals for victims of child abuse and their nonoffending family members.

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

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

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

c. Of the funds appropriated in this section, $148,232 shall be used to increase the adoption subsidy paid to a person pursuant to section 600.17 who adopts a child after July 1, 2024, by five percent over the rates in effect on June 30, 2024.

11. Of the funds appropriated in this section, a sufficient amount is allocated to support training needs for child welfare providers and to address disproportionality within the child welfare system.

12. Of the funds appropriated in this section, $308,765

shall be used to increase the foster care reimbursement rates paid pursuant to section 234.38, by five percent over the rates in effect on June 30, 2024.

13. Of the funds appropriated in this section, $1,000,000 is allocated for enhanced training for child protective services workers and for additional social worker supervisors to appropriately manage caseloads.

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

DIVISION VIII

STATE SPECIALTY CARE —— FY 2024-2025

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

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

..... $100,006,128

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

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

a. For the state mental health institute at Cherokee:

..... $ 19,439,086

b. For the state mental health institute at Independence:

..... $ 23,916,279

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

..... $ 17,755,397

d. For the state resource center at Woodward:

..... $ 14,018,717

e. For the state resource center at Glenwood:

..... $ 5,255,132

f. For the state training school at Eldora:

..... $ 19,621,517

DIVISION IX

ADMINISTRATION AND COMPLIANCE —— FY 2024-2025

Sec. 19. ACCOUNTABILITY, COMPLIANCE, AND PROGRAM INTEGRITY. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

..... $ 22,356,598

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

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

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

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

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

DIVISION X

AUTISM SUPPORT FUND

Sec. 20. AUTISM SUPPORT FUND —— APPROPRIATION. Notwithstanding any provision to the contrary under section 225D.2, there is appropriated from the autism support fund created in section 225D.2 to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, for the purposes designated:

For allocation to a nonprofit agency that provides expert care for children with medical complexity as infrastructure funding to expand its facilities to provide behavioral analysis treatment for eligible individuals:

..... $ 750,000

DIVISION XI

DEPARTMENT OF HEALTH AND HUMAN SERVICES TRANSFERS, CASHFLOW, AND NONREVERSIONS

Sec. 21. DEPARTMENT OF HEALTH AND HUMAN SERVICES TRANSFERS AND CASHFLOW.

1. The department of health and human services may transfer funds appropriated in this Act to support continuing alignment efforts, to maximize federal support in accordance with the department's federal costs allocation plan, and for resources necessary to implement and administer the services for which funds are provided. The department shall report any transfers made pursuant to this subsection to the general assembly.

2. If the savings to the appropriations made for the Medicaid program from ongoing cost management efforts exceed the associated costs for the fiscal year, the department may transfer any savings generated for the fiscal year due to cost management efforts to the appropriations made in this Act for health program operations or for accountability, compliance,

and program integrity to defray the costs associated with implementation of the cost management efforts.

3. The department may transfer funds appropriated for child protective services to pay the nonfederal share costs of services reimbursed under the medical assistance program, state child care assistance program, or the family investment program which are provided to children who would otherwise receive services paid under the appropriation for child protective services.

4. The department may transfer funds from the temporary assistance for needy families block grant to the federal social services block grant appropriation, and to the child care and development block grant appropriation, in accordance with federal law.

5. To the extent the department determines that moneys appropriated under this Act or allocated for a specific purpose under the Act will remain unencumbered or unobligated at the close of the fiscal year, such unencumbered or unobligated moneys may be used in the same fiscal year for any other purpose for which the moneys appropriated may be used, or for any other allocation within the same appropriation.

6. To the extent the department determines that moneys appropriated under this Act will remain unencumbered or unobligated at the close of the fiscal year or that services will not be impacted, the department may utilize up to $3,000,000 of such unencumbered or unobligated moneys appropriated to develop and support the thrive Iowa program, a closed-loop referral system utilizing a navigator model, that acts as the connection point to link Iowans on an individualized path to prosperity and self-sufficiency to available resources in all sectors of the community.

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

1. Notwithstanding section 8.33, moneys appropriated from the general fund of the state and the temporary assistance for

needy families block grant to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, for the purposes of the FaDSS grant program that remain unencumbered or unobligated at the close of the fiscal year shall not revert, but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

2. Notwithstanding section 8.33, of the moneys appropriated from the general fund of the state, the quality assurance trust fund, and the hospital health care access trust fund to the department of health and human services for the fiscal year beginning July 1, 2024, and ending June 30, 2025, for the purposes of the medical assistance program, the amount that is in excess of actual expenditures for the medical assistance program that remains unencumbered or unobligated at the close of the fiscal year shall not revert, but shall remain available for expenditure for the medical assistance program until the close of the succeeding fiscal year.

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

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

years.

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

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

DIVISION XII

HEALTH AND HUMAN SERVICES — PRIOR APPROPRIATIONS AND OTHER PROVISIONS — FY 2022-2023

RURAL PSYCHIATRIC RESIDENCIES

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

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

FAMILY INVESTMENT PROGRAM

Sec. 24. 2022 Iowa Acts, chapter 1131, section 9, subsection 7, as enacted by 2023 Iowa Acts, chapter 112, section 41, is amended to read as follows:

7. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated, or may be transferred to other appropriations in this division of this Act or used as necessary to enhance agency accountability, program integrity, compliance, and efficiency, until the close of the succeeding fiscal year.

Sec. 25. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 26. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2022.

DIVISION XIII

HEALTH AND HUMAN SERVICES —— PRIOR APPROPRIATIONS AND OTHER PROVISIONS —— FY 2023-2024

OFFICE OF PUBLIC GUARDIAN

Sec. 27. 2023 Iowa Acts, chapter 112, section 3, is amended by adding the following new subsection:

NEW SUBSECTION. 7. Notwithstanding section 8.33, moneys appropriated in this section for the state office of public guardian established under chapter 231E that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the succeeding fiscal year.

AUDIOLOGICAL SERVICES

Sec. 28. 2023 Iowa Acts, chapter 112, section 5, subsection 2, paragraph e, is amended to read as follows:

e. Of the funds appropriated in this subsection, $156,000 shall be used to provide audiological services and hearing aids for children. Notwithstanding section 8.33, moneys allocated in this paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain

available for the purposes designated until the close of the succeeding fiscal year.

RURAL PSYCHIATRIC RESIDENCIES

Sec. 29. 2023 Iowa Acts, chapter 112, section 5, subsection 4, paragraph j, is amended to read as follows:

j. Of the funds appropriated in this subsection, $800,000 shall be used for rural psychiatric residencies to annually fund ~~six~~ eight psychiatric residents who will provide mental health services in underserved areas of the state. Notwithstanding section 8.33, moneys that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated for subsequent fiscal years.

CHILD AND FAMILY SERVICES —— CHILD PROTECTIVE SERVICES

Sec. 30. 2023 Iowa Acts, chapter 112, section 7, subsection 7, is amended to read as follows:

7. For child ~~and family~~ protective services:

..... $ ~~32,380,654~~
35,380,654

Of the funds appropriated in this subsection, up to $3,000,000 shall be used for the kinship caregiver stipend program.

FAMILY INVESTMENT PROGRAM

Sec. 31. 2023 Iowa Acts, chapter 112, section 9, is amended by adding the following new subsection:

NEW SUBSECTION. 7. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated, or may be transferred to other appropriations in this division of this Act or used as necessary to enhance agency accountability, program integrity, compliance, and efficiency, until the close of the succeeding fiscal year.

CHILD CARE ASSISTANCE

Sec. 32. 2023 Iowa Acts, chapter 112, section 17, subsection

8, is amended to read as follows:

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

CHILD AND FAMILY SERVICES

Sec. 33. 2023 Iowa Acts, chapter 112, section 19, is amended by adding the following new subsection:

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

ADOPTION SUBSIDY —— QUALIFIED RESIDENTIAL TREATMENT PROVIDERS —— PMIC PROVIDER

Sec. 34. 2023 Iowa Acts, chapter 112, section 20, subsection 4, is amended to read as follows:

4. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated; and may be used for child protective services qualified residential treatment provider rates and security enhancements; and up to $3,000,000 may be used by the department, notwithstanding any provision of law to the contrary regarding competitive bidding, to enter into a sole source contract with a nonprofit provider founded in 1912, with centers in 11 states that provide a comprehensive behavioral health network of clinical, therapeutic, education, and employment programs and services, for renovation or purchase of a facility for use as a psychiatric medical

institution for children, until the close of the succeeding fiscal year.

FIELD OPERATIONS

Sec. 35. 2023 Iowa Acts, chapter 112, section 26, is amended by adding the following new subsection:

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

GENERAL ADMINISTRATION — MORE OPTIONS FOR MATERNAL SUPPORT PROGRAM

Sec. 36. 2023 Iowa Acts, chapter 112, section 27, subsection 8, is amended to read as follows:

8. Of the funds appropriated under this section, $1,000,000 shall be used for the purposes of program administration and provision of pregnancy support services through the more options for maternal support program in accordance with section 217.41C. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the succeeding fiscal year.

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

Sec. 37. 2023 Iowa Acts, chapter 161, section 10, subsection 3, is amended to read as follows:

3. After subtracting the allocation in subsection 2, ~~up to 10~~ no less than 8.4 percent of the remaining moneys for each federal fiscal year are allocated for administrative expenses of low-income home energy assistance program contractors and up to 1.6 percent of the remaining moneys for each fiscal year are allocated for the administrative expenses of the department of health and human services under the low-income home energy assistance program ~~of which $377,000 is allocated each federal~~

~~fiscal year for administrative expenses of the department of health and human services~~. The costs of auditing the use and administration of the portion of the appropriation in this section that is retained by the state shall be paid from the amount allocated in this subsection each federal fiscal year to the department of health and human services. The auditor of state shall bill the department of health and human services for the audit costs.

Sec. 38. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 39. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2023.

DIVISION XIV

REPORT ON NONREVERSION OF FUNDS

Sec. 40. REPORT ON NONREVERSION OF FUNDS. The department of health and human services shall report the expenditure of any moneys for which nonreversion authorization was provided for the fiscal year beginning July 1, 2023, and ending June 30, 2024, to the general assembly on a quarterly basis beginning October 1, 2024.

DIVISION XV

EMERGENCY RULES AND REPORTS

Sec. 41. EMERGENCY RULES.

1. If necessary to comply with federal requirements including time frames, or if specifically authorized by a provision of this Act, the department of health and human services or the mental health and disability services commission shall adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the applicable provisions of this Act. The rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

2. If during a fiscal year, the department of health and

human services is adopting rules in accordance with this section or as otherwise directed or authorized by state law, and the rules will result in an expenditure increase beyond the amount anticipated in the budget process or if the expenditure was not addressed in the budget process for the fiscal year, the department shall notify the general assembly and the department of management concerning the rules and the expenditure increase. The notification shall be provided at least thirty calendar days prior to the date notice of the rules is submitted to the administrative rules coordinator and the administrative code editor.

Sec. 42. REPORTS. Unless otherwise provided, any reports or other information required to be compiled and submitted under this Act during the fiscal year beginning July 1, 2024, shall be submitted on or before the date specified for submission of the reports or information.

DIVISION XVI

CODIFIED PROVISIONS

PERSONAL NEEDS ALLOWANCE FOR FACILITIES UNDER MEDICAID

Sec. 43. Section 249A.30A, Code 2024, is amended to read as follows:

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

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

2. A resident who has income of less than fifty dollars per month shall receive a supplement from the state in the amount necessary to receive a personal needs allowance of fifty dollars per month~~, if funding is specifically appropriated for this purpose~~. The general assembly shall annually appropriate

a sufficient amount from the general fund of the state to the department of health and human services for this purpose.

REPLACEMENT GENERATION TAX REVENUES

Sec. 44. Section 437A.8, subsection 4, paragraph d, Code 2024, is amended to read as follows:

d. Notwithstanding paragraph *"a"*, a taxpayer who owns or leases a new electric power generating plant and who has no other operating property in the state of Iowa except for operating property directly serving the new electric power generating plant as described in section 437A.16 shall pay the replacement generation tax associated with the allocation of the local amount to the county treasurer of the county in which the local amount is located and shall remit the remaining replacement generation tax, if any, to the director according to paragraph *"a"* for remittance of the tax to county treasurers. The director shall notify each taxpayer on or before August 31 following a tax year of its remaining replacement generation tax to be remitted to the director. All remaining replacement generation tax revenues received by the director shall be ~~deposited in the property tax relief fund created in section 426B.1, and shall be distributed as provided in section 426B.2~~ appropriated annually to the department of health and human services to supplement any appropriation made for medical assistance.

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

of health and human services under this paragraph.

Sec. 45. Section 437A.15, subsection 3, paragraph f, Code 2024, is amended to read as follows:

f. Notwithstanding the provisions of this section, if a taxpayer is a municipal utility or a municipal owner of an electric power facility financed under the provisions of chapter 28F or 476A, the assessed value, other than the local amount, of a new electric power generating plant shall be allocated to each taxing district in which the municipal utility or municipal owner is serving customers and has electric meters in operation in the ratio that the number of operating electric meters of the municipal utility or municipal owner located in the taxing district bears to the total number of operating electric meters of the municipal utility or municipal owner in the state as of January 1 of the tax year. If the municipal utility or municipal owner of an electric power facility financed under the provisions of chapter 28F or 476A has a new electric power generating plant but the municipal utility or municipal owner has no operating electric meters in this state, the municipal utility or municipal owner shall pay the replacement generation tax associated with the new electric power generating plant allocation of the local amount to the county treasurer of the county in which the local amount is located and shall remit the remaining replacement generation tax, if any, to the director at the times contained in section 437A.8, subsection 4, for remittance of the tax to the county treasurers. All remaining replacement generation tax revenues received by the director shall be ~~deposited in the property tax relief fund created in section 426B.1, and shall be distributed as provided in section 426B.2~~ appropriated annually to the department of health and human services to supplement any appropriation made for medical assistance.

PERSONAL NEEDS ALLOWANCE FOR STATE SUPPLEMENTARY ASSISTANCE

Sec. 46. NEW SECTION. **249.9A Personal needs allowance.**

1. The department shall increase the personal needs

allowance for residents of residential care facilities by the same percentage and at the same time as federal supplemental security income and federal social security benefits are increased due to a recognized increase in the cost of living.

2. If during a fiscal year, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-through requirement specified in Tit. XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. §1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates to ensure compliance with federal requirements. In addition, the department may make other programmatic and rate adjustments necessary to remain within the funds appropriated for a fiscal year while ensuring compliance with federal requirements.

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

MEDICAID FRAUD FUND AND HEALTH CARE TRUST FUND

Sec. 47. Section 249A.50, subsection 3, Code 2024, is amended to read as follows:

3. *a.* A Medicaid fraud fund is created in the state treasury under the authority of the department of inspections, appeals, and licensing. Moneys from penalties, investigative costs recouped by the Medicaid fraud control unit, and other amounts received as a result of prosecutions involving the department of inspections, appeals, and licensing investigations and audits to ensure compliance with the medical

assistance program that are not credited to the program shall be credited to the fund.

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

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

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

Sec. 48. Section 453A.35A, Code 2024, is amended to read as follows:

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

1. A health care trust fund is created in the office of the treasurer of state. The fund consists of the revenues generated from the tax on cigarettes pursuant to section 453A.6, subsection 1, and from the tax on tobacco products as specified in section 453A.43, subsections 1, 2, 3, and 4, that are credited to the health care trust fund, annually, pursuant to section 453A.35. Moneys in the fund shall be separate from the general fund of the state and shall not be

considered part of the general fund of the state. However, the fund shall be considered a special account for the purposes of section 8.53 relating to generally accepted accounting principles. Moneys in the fund shall be used only as specified in this section and shall be appropriated only for the uses specified. Moneys in the fund are not subject to section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except as provided in this section. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

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

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

MENTAL HEALTH INSTITUTES —— RETAINING OF REVENUE

Sec. 49. NEW SECTION. **218.97 Retaining of revenue by mental health institutes.**

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

RESIDENTS OF MENTAL HEALTH INSTITUTES —— RETAINING MEDICAID ELIGIBILITY

Sec. 50. NEW SECTION. **249A.38A Residents of mental health institutes —— retaining of Medicaid eligibility.**

Notwithstanding any provision of law to the contrary, a Medicaid recipient residing at the state mental health

institute at Cherokee or the state mental health institute at Independence shall retain Medicaid eligibility during the period of the Medicaid recipient's stay for which federal financial participation is available.

STATE RESOURCE CENTERS — SCOPE OF SERVICES

Sec. 51. NEW SECTION. **218.97A State resource centers — scope of services approach — time-limited assessment and respite services.**

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

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

JUVENILE DETENTION HOME FUND — APPROPRIATION

Sec. 52. Section 232.142, Code 2024, is amended to read as follows:

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

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

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

3. A county or multicounty juvenile detention home approved pursuant to this section shall receive financial aid from the

state in a manner approved by the director. Aid paid by the state shall be at least ten percent and not more than fifty percent of the total cost of the establishment, improvements, operation, and maintenance of the home.

4. The director shall adopt minimal rules and standards for the establishment, maintenance, and operation of such homes as shall be necessary to effect the purposes of this chapter. The rules shall apply the requirements of section 237.8, concerning employment and evaluation of persons with direct responsibility for a child or with access to a child when the child is alone and persons residing in a child foster care facility, to persons employed by, residing in, or volunteering for a home approved under this section. The director shall, upon request, give guidance and consultation in the establishment and administration of the homes and programs for the homes.

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

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

b. (1) Moneys deposited in the juvenile detention home fund during a fiscal year are appropriated to the department for the same fiscal year for distribution of an amount equal to a percentage of the costs of the establishment, improvement,

operation, and maintenance of county or multicounty juvenile detention homes in the prior fiscal year. Such percentage shall be determined by the department based on the amount available for distribution from the fund.

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

FAMILY INVESTMENT PROGRAM ACCOUNT ELIMINATION

Sec. 53. Section 239B.11, Code 2024, is amended to read as follows:

239B.11 Family investment program ~~account — diversion program subaccount~~ — diversion program.

~~1. An account is established in the state treasury to be known as the family investment program account under control of the department to which shall be credited all funds appropriated by the state for the payment of assistance and JOBS program expenditures. All other moneys received at any time for these purposes, including child support revenues, shall be deposited into the account as provided by law. All assistance and JOBS program expenditures under this chapter shall be paid from the account.~~

~~2. *a.* A diversion program subaccount is created within the family investment program account. The subaccount may be used to provide incentives to divert a family's participation in the family investment program if the family meets the department's income eligibility requirements for the diversion program. Incentives may be provided in the form of payment or services to help a family to obtain or retain employment. The diversion program subaccount may also be used for payments to participants as necessary to cover the expenses of removing barriers to employment and to assist in stabilizing employment. In addition, the diversion program subaccount may be used for funding of services and payments for persons whose family~~

~~investment program eligibility has ended, in order to help the persons to stabilize or improve their employment status.~~

~~*b.* The~~ A diversion program is created under the family investment program. The program shall provide incentives to divert a family's participation in or transition of a family from the family investment program by helping a participant obtain or retain employment, by removing barriers to employment, by stabilizing a participant's employment, or by improving a participant's employment status. The program shall be implemented statewide in a manner that preserves local flexibility in program design. The department shall assess and screen individuals who would most likely benefit from diversion program assistance. The department ~~may~~ shall adopt income eligibility requirements and additional eligibility criteria for the diversion program as necessary for compliance with federal law and for screening those families ~~who would be~~ most likely to become eligible for the family investment program if diversion program incentives ~~would~~ were not ~~be~~ provided ~~to the families~~.

Sec. 54. Section 239B.14, subsection 2, Code 2024, is amended to read as follows:

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

Sec. 55. Section 252B.27, subsection 1, Code 2024, is amended to read as follows:

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

Sec. 56. TRANSITION PROVISION. All unencumbered and unobligated moneys remaining on June 30, 2024, in the family investment program account created in section 239B.11, are appropriated to the department of health and human services for community access and eligibility.

CHILD SUPPORT COLLECTION SERVICES CENTER REFUND ACCOUNT

Sec. 57. Section 252B.13A, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 3. Support payments received by the collection services center shall be deposited in the collection services center refund account. The account shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys deposited in the account are not subject to section 8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided for the purposes of this chapter. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the account shall be credited to the account.

QUALITY ASSURANCE ASSESSMENT —— PAYMENT PERIOD BASIS

Sec. 58. Section 249L.3, subsection 2, Code 2024, is amended to read as follows:

2. The quality assurance assessment shall be paid by each nursing facility to the department on a quarterly basis, or other schedule as determined by the department due to a nursing

facility's noncompliance or based on an indication of a nursing facility's financial instability, after the nursing facility's medical assistance payment rates are adjusted to include funds appropriated from the quality assurance trust fund for that purpose. The department shall prepare and distribute a form upon which nursing facilities shall calculate and report the quality assurance assessment. A nursing facility shall submit the completed form with the assessment amount no later than thirty days following the end of each ~~calendar quarter~~ assessment period.

CENTERS OF EXCELLENCE GRANT PROGRAM

Sec. 59. NEW SECTION. **135.194 Centers of excellence grant program.**

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

2. There is appropriated from the general fund of the state to the department, beginning July 1, 2024, and for each subsequent fiscal year, the sum of four hundred twenty-five thousand dollars to award two program grants.

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

4. Following receipt of a grant, a recipient shall submit periodic reports as specified by the department to the governor and the general assembly regarding the recipient's expenditure of the grant and progress in accomplishing the program's goals.

ASSISTED LIVING PROGRAM —— REVISED PAYMENT MODEL STUDY

Sec. 60. ASSISTED LIVING PROGRAM —— REVISED PAYMENT MODEL STUDY. The department of health and human services, in consultation with Medicaid provider associations and

stakeholders, shall explore options for a revised payment model for reimbursement of assisted living programs that provide services to Medicaid recipients. The study shall include consideration of all sources of funding utilized by residents of assisted living programs. The department of health and human services shall report all options identified to the general assembly by December 1, 2024.

COUNTY COMMISSIONS OF VETERAN AFFAIRS — APPROPRIATION

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

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

FOSTER CARE — RELATIVE OR FICTIVE KIN

Sec. 62. Section 234.39, subsection 2, Code 2024, is amended to read as follows:

2. *a.* A person entitled to periodic support payments pursuant to an order or judgment entered in any action for support, who also is or has a child receiving foster care services, is deemed to have assigned to the department current and accruing support payments attributable to the child effective as of the date the child enters foster care placement, to the extent of expenditure of foster care funds. The department shall notify the clerk of the district court when a child entitled to support payments is receiving foster care services pursuant to chapter 234. Upon notification by the department that a child entitled to periodic support payments is receiving foster care services, the clerk of the district court shall make a notation of the automatic assignment in the judgment docket and lien index. The notation constitutes constructive notice of assignment. The clerk of court shall furnish the department with copies of all orders and decrees awarding support when the child is receiving

foster care services. At the time the child ceases to receive foster care services, the assignment of support shall be automatically terminated. Unpaid support accrued under the assignment of support rights during the time that the child was in foster care remains due to the department up to the amount of unreimbursed foster care funds expended. The department shall notify the clerk of court of the automatic termination of the assignment. Unless otherwise specified in the support order, an equal and proportionate share of any child support awarded shall be presumed to be payable on behalf of each child subject to the order or judgment for purposes of an assignment under this section.

b. This subsection shall not apply when a child is placed with a relative or fictive kin as those terms are defined in section 232.2, who is not licensed under chapter 237 to provide child foster care.

DIVISION XVII

HEALTH CARE EMPLOYMENT AGENCIES AND HEALTH CARE TECHNOLOGY PLATFORMS

Sec. 63. Section 135Q.1, Code 2024, is amended to read as follows:

135Q.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. *"Affiliate"* means an entity that directly or indirectly is controlled with or by, or is under the common control with, a health care entity. For the purposes of this subsection, *"control"* means the same as defined in section 423.3, subsection 92, paragraph *"e"*.

~~1.~~ 2. *"Department"* means the department of inspections, appeals, and licensing.

~~2.~~ 3. *a. "Health care employment agency"* or *"agency"* means an agency that contracts with a health care entity in this state to provide agency workers for temporary or temporary-to-hire employee placements.

b. "Health care employment agency" does not include a health care entity or an affiliate of a health care entity when acting as a health care employment agency for the sole purpose of providing agency workers to the health care entity itself or to an affiliate of the health care entity.

c. "Health care employment agency" does not include a health care technology platform.

~~3.~~ 4. *"Health care employment agency worker"* or *"agency worker"* means an individual who contracts with or is employed by a health care employment agency to provide nursing services to health care entity consumers.

~~4.~~ 5. *"Health care entity"* means a facility, agency, or program licensed or certified by the department or by the centers for Medicare and Medicaid services of the United States department of health and human services.

6. *"Health care technology platform"* or *"platform"* includes an individual, a trust, a partnership, a corporation, a limited liability partnership or company, or any other business entity that develops and operates, offers, or maintains a system or technology that provides an internet-based or application-based marketplace through which an independent nursing services professional bids on open shifts posted by a health care entity to provide nursing services for the health care entity.

7. *"Independent nursing services professional"* means a person engaged as an independent contractor through a health care technology platform to provide nursing services for a health care entity. An independent nursing services professional shall be considered an independent contractor provided the independent nursing services professional in the independent nursing services professional's sole discretion bids on open shifts and chooses where, when, and how often to work.

8. *"Individual agency worker category"* includes registered nurses, licensed practical nurses, certified nurse aides, certified medication aides, home health aides, medication managers, and noncertified or nonlicensed staff providing

personal care as defined in section 231C.2 who are health care employment agency workers.

~~5.~~ 9. "*Managing entity*" means a business entity, owner, ownership group, chief executive officer, program administrator, director, or other decision maker whose responsibilities include directing the management or policies of a health care employment agency or a health care technology platform. "*Managing entity*" includes an individual who, directly or indirectly, holds a beneficial interest in a corporation, partnership, or other business entity that constitutes a managing entity.

~~6.~~ 10. "*Nursing services*" means those services which may be provided only by or under the supervision of a nurse. "*Nursing services*" includes services performed by a registered nurse, a licensed practical nurse, a certified nurse aide, a certified medication aide, a home health aide, a medication manager, or by noncertified or nonlicensed staff providing personal care as defined in section 231C.2. "*Nursing services*" does not include the practice of nursing by an advanced registered nurse practitioner or an advanced practice registered nurse licensed under chapter 152 or 152E.

11. "*Nursing services professionals*" includes registered nurses, licensed practical nurses, certified nurse aides, certified medication aides, home health aides, medication managers, and noncertified or nonlicensed staff providing personal care as defined in section 231C.2, who are not health care employment agency workers but instead are employed directly by or contract directly with a health care entity.

Sec. 64. Section 135Q.2, Code 2024, is amended to read as follows:

135Q.2 Health care employment agency requirements — registration — liability ~~— penalties~~.

1. *a.* A health care employment agency operating in the state shall register annually with the department. Each separate location of a health care employment agency shall

register annually with and pay an annual registration fee of five hundred dollars to the department. The department shall issue each location a separate certification of registration upon approval of registration and payment of the fee. The annual registration fees shall be retained by the department as repayment receipts as defined in section 8.2.

b. A health care employment agency that fails to register with the department as required under this subsection shall be prohibited from contracting with any health care entity in this state.

2. A health care employment agency shall do all of the following:

a. Ensure that agency workers comply with all applicable requirements relating to the health requirements and qualifications of personnel in health care entity settings.

b. Document that each agency worker meets the minimum licensing, certification, training, and health requirements and the continuing education standards for the agency worker's position in the health care entity setting.

c. Maintain records for each agency worker and report, file, or otherwise provide any required documentation to external parties or regulators which would otherwise be the responsibility of the health care entity if the agency worker was directly employed by the health care entity.

d. Maintain professional and general liability insurance coverage with minimum per occurrence coverage of one million dollars and aggregate coverage of three million dollars to insure against loss, damage, or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of services by the agency or an agency worker.

3. *a.* A health care employment agency shall not do any of the following:

(1) Restrict in any manner the employment opportunities of an agency worker by including a noncompete clause in any

contract with an agency worker or health care entity.

(2) In any contract with an agency worker or health care entity, require payment of liquidated damages, employment fees, or other compensation if the agency worker is subsequently hired as a permanent employee of the health care entity.

b. This subsection shall not apply to a contract between a health care employment agency and an agency worker or a health care entity if the contract meets all of the following criteria:

(1) The contract is entered into for the purpose of placing an agency worker the health care employment agency assisted in obtaining authorization to work in the United States.

(2) The contract contains an initial duration term of not less than twenty-four months and a total duration term, including any renewals or extensions, of not more than thirty-six months.

(3) The contract requires the agency worker to work for a single health care entity for the entire duration of the contract.

c. Any contract that violates this subsection shall be unenforceable in court.

4. A health care employment agency shall submit a report to the department on a quarterly basis for each health care entity participating in Medicare or Medicaid with whom the agency contracts that includes all of the following by provider type:

a. A detailed list of the average amount charged to the health care entity for each individual agency worker category.

b. A detailed list of the average amount paid by the agency to agency workers in each individual agency worker category.

~~5. *a.* A health care employment agency that violates subsection 1 or subsection 2 is subject to denial or revocation of registration for a period of one year and a monetary penalty of five hundred dollars for a first offense and five thousand dollars for each offense thereafter.~~

~~*b.* A health care employment agency that violates subsection~~

~~3 or that knowingly provides an agency worker who has an illegally or fraudulently obtained or issued diploma, registration, license, certification, or background check to a health care entity is subject to immediate revocation of registration. The department shall notify the agency thirty days in advance of the date of such revocation.~~

~~*c.* (1) The managing entity of an agency for which registration has been denied or revoked under this subsection shall not be eligible to apply for or be granted registration for another agency during the two-year period following the date of the denial or revocation.~~

~~(2) The department shall not approve a new registration or renew an existing registration for any agency for which the managing entity is also the managing entity of an agency for which registration has been denied or revoked during the two-year period in which registration of the violating agency is denied or revoked.~~

~~6.~~ 5. The department shall establish a system for members of the public to report complaints against an agency or agency worker. The department shall investigate any complaint received and shall report the department's findings to the complaining party and the agency involved.

Sec. 65. NEW SECTION. **135Q.3 Health care technology platform requirements — registration — liability.**

1. *a.* A health care technology platform operating in the state shall register annually with the department and pay an annual registration fee of five hundred dollars to the department. The department shall issue each health care technology platform a certificate of registration upon approval of registration and payment of the fee. The annual registration fees shall be retained by the department as repayment receipts as defined in section 8.2.

b. A health care technology platform that fails to register with the department as required under this subsection shall be prohibited from contracting with any health care entity in this

state.

c. A health care technology platform that allows independent nursing services professionals to utilize the platform to bid on open shifts is an authorized agency for purposes of access to the single contact repository. A health care technology platform shall rerun background checks for an independent nursing services professional following two consecutive years of inactivity on the platform by the independent nursing services professional.

2. A health care technology platform shall verify that an independent nursing services professional utilizing the platform does all of the following:

a. Supplies documentation demonstrating that the independent nursing services professional meets all applicable state requirements and qualifications of personnel in a health care entity setting.

b. Meets all applicable minimum state licensing and certification requirements.

c. Maintains professional liability insurance coverage with the minimum per occurrence coverage of one million dollars and aggregate coverage of three million dollars to insure against loss, damage, or expense incident to a claim arising out of the death or injury of any person as the result of negligence or malpractice in the provision of services by the independent nursing services professional.

3. *a.* A health care technology platform shall not do any of the following:

(1) Restrict in any manner the employment opportunities of an independent nursing services professional by including a noncompete clause in any contract with an independent nursing services professional or health care entity.

(2) In any contract with an independent nursing services professional or health care entity, require payment of liquidated damages, employment fees, or other compensation if the independent nursing services professional is subsequently

hired as a permanent employee or is engaged directly as a contractor of the health care entity.

b. Any contract that violates this subsection shall be unenforceable in court.

4. The department shall establish a system for members of the public to report complaints against a health care technology platform or an independent nursing services professional. The department shall investigate any complaint received and shall report the department's findings to the complaining party and the health care technology platform involved.

Sec. 66. NEW SECTION. **135Q.4 Penalties — enforcement.**

1. *a.* A health care employment agency that violates section 135Q.2, subsection 1 or 4, is subject to an initial monetary penalty of five thousand dollars and shall be provided notification by the department and given a thirty-day grace period in which to comply.

b. A health care employment agency that fails to comply following the notification and within the thirty-day grace period under paragraph "*a*", shall be subject to a monetary penalty of twenty-five thousand dollars.

c. If a health care employment agency fails to comply with paragraph "*b*", the health care employment agency shall be subject to an additional monetary penalty of twenty-five thousand dollars, revocation of registration, and denial of subsequent registration for up to three years.

2. *a.* A health care employment agency that violates section 135Q.2, subsection 2, or that knowingly provides an agency worker who has an illegally or fraudulently obtained or issued diploma, registration, license, certification, or background check to a health care entity is subject to a monetary penalty of five thousand dollars for each violation.

b. If a health care employment agency commits a second or subsequent violation of section 135Q.2, subsection 2, within any three-year period, the health care employment agency shall

be subject to immediate revocation of registration. The department shall notify the agency thirty days in advance of the date of such revocation.

3. A health care employment agency that violates section 135Q.2, subsection 3, is subject to a monetary penalty of twenty-five thousand dollars for the first violation. If a health care employment agency violates section 135Q.2, subsection 3, a second or subsequent time, the health care employment agency shall be subject to immediate revocation of registration, and shall not be eligible to apply for or be granted registration for the three-year period immediately following the date of revocation.

4. *a.* (1) A health care technology platform that violates section 135Q.3, subsection 1, is subject to an initial monetary penalty of five thousand dollars and shall be provided notification by the department and given a thirty-day grace period in which to comply.

(2) A health care technology platform that fails to comply with the notification and within the thirty-day grace period under subparagraph (1) shall be subject to a monetary penalty of twenty-five thousand dollars.

(3) If a health care technology platform knowingly fails to comply with subparagraph (2), the health care technology platform shall be subject to an additional monetary penalty of twenty-five thousand dollars, revocation of registration, and denial of subsequent registration for up to three years.

b. (1) A health care technology platform that violates section 135Q.3, subsection 2, or that knowingly allows an independent nursing services professional who has an illegally obtained or issued diploma, registration, license, certification, or background check to utilize the platform to bid on a shift for a health care entity is subject to a monetary penalty of five thousand dollars for each violation.

(2) If a health care technology platform commits a second or subsequent violation of section 135Q.3, subsection 2, within

any three-year period, the health care technology platform shall be subject to immediate revocation of registration. The department shall notify the health care technology platform thirty days in advance of the date of such revocation.

c. (1) A health care technology platform that violates section 135Q.3, subsection 3, is subject to a monetary penalty of twenty-five thousand dollars for the first violation.

(2) If a health care technology platform violates section 135Q.3, subsection 3, a second or subsequent time, the health care technology platform shall be subject to immediate revocation of registration, and shall not be eligible to apply for or be granted registration for the three-year period immediately following the date of revocation.

5. *a.* The managing entity of an agency for which registration has been denied or revoked under this section shall not be eligible to apply for or be granted registration for another agency during the three-year period following the date of the denial or revocation.

b. The department shall not approve a new registration or renew an existing registration for any agency for which the managing entity is also the managing entity of an agency for which registration has been denied or revoked during the three-year period in which registration of the violating agency is denied or revoked.

6. *a.* The managing entity of a health care technology platform for which registration has been denied or revoked under this section shall not be eligible to apply for or be granted registration for another health care technology platform during the two-year period following the date of the denial or revocation.

b. The department shall not approve a new registration or renew an existing registration for any health care technology platform for which the managing entity is also the managing entity of a health care technology platform for which registration has been denied or revoked during the two-year

period in which registration of the violating health care technology platform is denied or revoked.

7. Any monetary penalties collected under this section shall be retained by the department as repayment receipts as defined in section 8.2.

8. The attorney general shall enforce this chapter.

Sec. 67. NEW SECTION. **135Q.5 Department annual report.**

The department shall submit an annual report to the general assembly by January 15, for the immediately preceding fiscal year, that includes a summary of the number of registrations issued and the amount of registration fees collected, the violations of this chapter, the amount of monetary penalties collected, the number of health care employment agencies, health care technology platforms, and managing entities for whom a registration was revoked or denied, and any recommendations for changes to the chapter.

Sec. 68. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XVIII

MEDICAL CANNABIDIOL REGISTRATION CARD —— TELEMEDICINE —— PRACTITIONER REQUIREMENTS

Sec. 69. Section 124E.3, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 4. A health care practitioner that establishes or maintains a relationship with a patient through the use of telemedicine shall comply with the requirements of 653 IAC 13.11(7).

DIVISION XIX

NURSING FACILITY OVERSIGHT

Sec. 70. NEW SECTION. **135C.35C Nursing facilities —— joint training sessions.**

The department shall semiannually provide joint training sessions for inspectors and nursing facilities to review at least three of the ten most frequently issued federal citations in the state during the immediately preceding calendar year.

The department shall develop a protocol to identify regional citation patterns relating to complaints, standards, and outcomes in the nursing facility inspection process. The department shall include the state long-term care ombudsman, or the state long-term care ombudsman's designee, and representatives of each nursing facility provider association in the state in the planning process for the joint training sessions.

Sec. 71. Section 135C.40, subsection 1, Code 2024, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* (1) The department shall establish and maintain a process to review each citation issued for immediate jeopardy or substandard quality of care prior to issuance of final findings under section 135C.40A. Representatives of the nursing facility issued such a citation may participate in the review to provide context and evidence for the department to consider in determining if a final finding of immediate jeopardy or substandard quality of care should be issued. The review shall ensure consistent and accurate application of federal and state inspection protocols and defined regulatory standards.

(2) For the purposes of this paragraph:

(a) *"Immediate jeopardy"* means a situation in which the provider's noncompliance with one or more requirements of participation has caused, or is likely to cause, serious injury, harm, impairment, or death to a resident.

(b) *"Likely"* means probable and reasonably to be expected, and suggests a greater degree of probability than a mere risk, potential, or possibility that a particular event will cause serious injury, harm, impairment, or death to a resident.

(c) *"Substandard quality of care"* means the same as defined in 42 C.F.R. §488.301.

DIVISION XX

STATE-FUNDED PSYCHIATRY RESIDENCY AND FELLOWSHIP POSITIONS

Sec. 72. Section 135.180, Code 2024, is amended to read as

follows:

135.180 State-funded psychiatry residency and fellowship ~~program~~ positions — fund — appropriations.

1. *a.* The university of Iowa hospitals and clinics shall administer ~~a~~ state-funded psychiatry residency and fellowship ~~program~~ positions for up to ~~nine~~ seven residents and up to two fellows, annually. In addition, a county medical center, and a medical center operating for more than one hundred forty years, that are members of separate health systems, administer psychiatry residency programs, and are located in a county with a population over five hundred thousand shall each administer state-funded psychiatry residency positions for one resident, annually. The university of Iowa hospitals and clinics and the specified medical centers shall expand ~~the~~ their psychiatry residency ~~program~~ programs to provide additional residency positions by providing financial support for residency positions which are in excess of the federal residency cap established by the federal Balanced Budget Act of 1997, Pub. L. No. 105-33.

b. The university of Iowa hospitals and clinics and the specified medical centers shall cooperate with the state mental health institutes at Independence and Cherokee, the state resource center at Woodward, the state training school at Eldora, and the Iowa medical and classification center at Oakdale in administering ~~the program~~ the positions. Participating residents and fellows shall complete a portion of their psychiatry training at one of the state mental health institutes, the state resource center, the state training school, or the Iowa medical and classification center at Oakdale. For accreditation-required clinical experiences not available at the state mental health institutes, the state resource center, the state training school, or the Iowa medical and classification center at Oakdale, the residents ~~of the psychiatry residency and fellowship program~~ awarded the residency positions administered by the university of Iowa

hospitals and clinics may utilize clinical rotations at the university of Iowa hospitals and clinics and its affiliates across the state and the residents awarded the residency positions administered by the specified medical centers may utilize clinical rotations at affiliates of such medical centers across the state.

2. The university of Iowa hospitals and clinics shall apply to the accreditation council for graduate medical education for approval of ~~nine~~ seven additional residency positions for each class of residents and ~~the psychiatry residency and fellowship program~~ shall award the total number of residency positions approved for each class of residents. The university of Iowa hospitals and clinics shall approve and award up to two fellowship positions annually. The specified medical centers shall apply to the accreditation council for graduate medical education for approval of one additional residency position each for each class of residents and shall award the total number of residency positions approved for each class of residents. Preference in the awarding of residency and fellowship positions shall be given to candidates who are residents of Iowa, attended and earned an undergraduate degree from an Iowa college or university, or attended and earned a medical degree from a medical school in Iowa.

3. A psychiatry residency and fellowship ~~program~~ positions fund is created in the state treasury consisting of the moneys appropriated or credited to the fund by law. Notwithstanding section 8.33, moneys in the fund at the end of each fiscal year shall not revert to any other fund but shall remain in the psychiatry residency and fellowship ~~program~~ positions fund for use in subsequent fiscal years. Moneys in the fund are appropriated to the university of Iowa hospitals and clinics to be used for the purposes of ~~the program~~ this section. For the fiscal years beginning on or after July 1, 2023, there is appropriated from the general fund of the state to the psychiatry residency and fellowship ~~program~~ positions fund one

hundred thousand dollars for each residency position approved and awarded ~~under the program~~ and one hundred fifty thousand dollars for each fellowship position approved and awarded under ~~the program~~ this section. Of the amount appropriated annually from the fund to the university of Iowa hospitals and clinics, the university of Iowa hospitals and clinics shall distribute one hundred thousand dollars to each of the specified medical centers for each residency position approved and awarded.