

CHAPTER 8  
SOCIAL SERVICES

H. F. 755

AN ACT relating to the administration and financing of current programs under the jurisdiction of the department of social services.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. For general administration, including salaries and support, maintenance and miscellaneous purposes .....	\$ 6,140,000	\$ 6,220,000

2. It is the intent of the general assembly that the budget for the bureau of communications not exceed fifty thousand (50,000) dollars in each of the fiscal years beginning July 1, 1979 and July 1, 1980, none of which shall be used for political purposes.

3. Acts of the Sixty-seventh General Assembly, 1977 Session, chapter thirty-seven (37), section one (1), subsection three (3), as amended by Acts of the Sixty-seventh General Assembly, 1978 Session, chapter one thousand eighteen (1018), section two (2), subsection three (3), is further amended to read as follows:

3. Medicaid Management Information System (MMIS)

For development and implementation of medicaid management information system ..... \$ 140,000

Notwithstanding section eight point thirty-three (8.33) of the Code, unencumbered or unobligated funds appropriated by this subsection shall not revert to the general fund until June 30, ~~1979~~ 1980. The department of social services shall submit to the joint budget appropriations subcommittee on social services, during the 1979 1980 Session of the general assembly, a written report on the status of the medicaid management information system.

Sec. 2. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, the following amounts or so much thereof as may be necessary, to be used for the purposes designated:

	<u>1979-1980</u>	<u>1980-1981</u>
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. For the division of field operations, including salaries and support, maintenance and miscellaneous purposes .....	\$15,000,000	\$15,000,000

2. It is the intent of the general assembly that those employees occupying the thirty-eight intermittent income maintenance positions authorized by the Sixty-seventh General Assembly shall be made permanent, full-time merit employees effective July 1, 1979, in accordance with the Iowa merit employment department's policies relative to changes from exempt to classified status and each such intermittent employee shall be given credit for all benefits which that employee has accrued as an intermittent employee of the department of social services.

It is the further intent of the general assembly that the department shall delete from its table of organization the thirty-eight intermittent positions established for income maintenance services which had been authorized by the Acts of the Sixty-sixth General Assembly, 1976 Session, chapter one thousand one hundred thirty-two (1132).

3. It is the intent of the general assembly to authorize the department of social services to act, within the appropriation provided by this section and the provisions of section thirty (30) of this Act, to meet critical needs in the child abuse, food stamp and income maintenance programs within the division of field operations by creating eighty new positions and reallocating fifty-seven positions from the Comprehensive Employment Training Act (CETA) program and thirty-eight positions from the nursing review program.

4. It is the intent of the general assembly that counties shall continue to furnish and pay for the office space presently in use by personnel administering the food stamp program.

Sec. 3. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

	<u>1979-1980</u>	<u>1980-1981</u>
	<u>Fiscal Year</u>	<u>Fiscal Year</u>

**FAMILY AND CHILDREN SERVICES:**

1. For the operation of the Eldora training school, Mitchellville training school and state juvenile home, including salaries and support, maintenance and miscellaneous purposes .....	\$ 7,000,000	\$ 6,900,000
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2. Juveniles adjudicated delinquent shall not be placed at the state juvenile home at Toledo.

3. It is the intent of the general assembly that the department of social services develop a three-year plan for juvenile deinstitutionalization through the use of community-based, family-oriented services. The department shall coordinate these efforts with the joint appropriations subcommittee on social services, county officials, employees of the courts and other organizations or individuals who might have a significant interest in, and

contribution to make to, this effort. It is the intent of the general assembly that this plan will be presented to the joint appropriations subcommittee on social services, and to the other members of the general assembly, by January 15, 1980 and that a preliminary report be made to the joint appropriations subcommittee on social services by December 1, 1979.

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
4. For operation of the Iowa veterans home, including salaries and support, maintenance and miscellaneous purposes .....	\$10,400,000	\$10,600,000

Sec. 4. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services for juvenile community-based corrections the following amounts, or so much thereof as may be necessary:

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. The department of social services shall continue the program of project grants to communities which are developing community-based juvenile residential correctional programs. It shall work with local communities and the Iowa crime commission to provide incentives to make maximum use of available federal funds. Insofar as practical, the department shall provide technical assistance to local groups which intend to establish or improve community-based juvenile residential correctional programs.	\$ 320,000	\$ 320,000

Sec. 5. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services the following amounts, or so much thereof as may be necessary, to be used for adult correctional services as designated:

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. For operation of adult correctional institutions (Fort Madison, Anamosa, Rockwell City, Oakdale, Mount Pleasant, John Bennett Center, Riverview Release Center) including salaries and support, maintenance and miscellaneous purposes .....	\$26,234,000	\$26,885,000

2. During the fiscal year beginning July 1, 1979, the department is authorized to expand staffing, in order to provide additional correctional personnel required by unitization, by twenty-five new positions at Fort Madison and thirty-three new positions at Anamosa. Within the limitations of the funds appropriated by this section and the provisions of section thirty (30) of this Act, the department may expand staffing at the John Bennett Center by adding seven new correctional personnel.

3. It is the intent of the general assembly that a concentrated training program for correctional officers at Fort Madison be established as soon as possible, and that a continuing in-service training program be established for correctional officers at all correctional institutions. There may be

used for this purpose up to two hundred ten thousand (210,000) dollars of the appropriation made by subsection one (1) of this section for the fiscal year beginning July 1, 1979, and up to one hundred forty thousand (140,000) dollars of the appropriation made by subsection one (1) of this section for the fiscal year beginning July 1, 1980. The general assembly also recommends that in addition to using existing staff for training, the department utilize other community and state resources in the development and implementation of a comprehensive training program.

4. It is the intent of the general assembly that the department of social services utilize to the extent possible crime commission funds for development and implementation of a specialized training program for all personnel who will be involved in the unitization program.

5. The general assembly recognizes that serious problems have been created by the low base salary and pay structure for staff positions at adult correctional institutions. Accordingly:

a. The department of social services and the merit employment department shall by July 1, 1979 submit to the governor and the joint appropriations subcommittee on social services recommendations formulated by the two departments on the basis of a review of the base salary and pay structure for all security and support personnel, and of the compression problem relating to salary levels assigned certain merit employment positions at the adult correctional institutions.

b. It is the intent of the general assembly that not more than two hundred fifty thousand (250,000) dollars of the funds appropriated for each year of the biennium by subsection one (1) of this section be used to implement base pay increases and salary structure adjustments recommended pursuant to paragraph a of this subsection, when the increases and adjustments are approved in the same manner as is provided for other pay increase and salary adjustment recommendations under the merit employment system. If the merit employment commission does not approve base pay increases and salary structure adjustments recommended pursuant to paragraph a of this subsection, or the increases and adjustments so approved do not require the full two hundred fifty thousand (250,000) dollars in either or both fiscal years of the biennium, those amounts or the portion thereof not used as prescribed by this paragraph shall revert to the general fund of the state on the 30th of June of the fiscal year in which the funds have been appropriated.

6. It is the intent of the general assembly that the division of adult corrections in cooperation with the Iowa merit employment commission study the cost of raising the salaries of all corrections personnel, the cost of making a greater distinction in salary between corrections officers and supervisory personnel, the costs of bringing the salaries of corrections officers at Rockwell City into uniformity with the salaries at the other adult corrections institutions, and the cost of early retirement for correctional officers, and that after study and consultation with the Iowa merit employment system, the division report its recommendations to the joint appropriations subcommittee on social services not later than December 1, 1979, and that the division of adult corrections, with a representative of

the merit employment commission, send a progress report to the chairpersons of the joint appropriations subcommittee on social services at least twice prior to December 1, 1979.

7. It is the intent of the general assembly that fifty thousand (50,000) dollars of the appropriation made by subsection one (1) of this section be used to increase the pay for inmates of the adult correctional institutions who are employed within the correctional system as permitted by law.

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
8. Community-based corrections .....	\$ 8,747,250	\$ 9,359,557

Each judicial district which uses funds appropriated under this subsection may contract for services from or provide funds to private agencies which provide to ex-offenders education, job placement or counseling services intended to facilitate the transition of the ex-offenders from incarceration to free society.

9. Acts of the Sixty-seventh General Assembly, 1978 Session, chapter one thousand eighteen (1018), section six (6), subsection one (1), paragraph c, is amended to read as follows:

c. Community-based corrections ..... \$ 8,175,000

Notwithstanding section eight point thirty-three (8.33) of the Code, unencumbered or unobligated funds appropriated by this paragraph shall not revert to the general fund until June 30, 1980.

10. For parole services, including salaries and support, maintenance and miscellaneous purposes .....	\$ 1,030,000	\$ 1,030,000
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11. For a legal assistance program to provide civil legal assistance to inmates of the Iowa correctional system in matters of child custody, bankruptcy and dissolution of marriage .....	\$ 25,000	\$ 25,000
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12. For reimbursement of counties for temporary confinement of work release and parole violators, as provided by sections two hundred forty-seven A point ten (247A.10), nine hundred one point seven (901.7), and nine hundred six point seventeen (906.17) of the Code .....	\$ 45,000	\$ 47,500
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13. For substance abuse screening ..... \$ 200,000 \$ 200,000

14. For a central classification system, including salaries and support, maintenance and miscellaneous purposes .....	\$ 100,000	\$ 100,000
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It is the intent of the general assembly to authorize the department of social services to establish ten new positions within the appropriation provided by this subsection and the provisions of section thirty (30) of this Act.

The department of social services may use not more than one hundred thousand (100,000) dollars of the appropriation provided by subsection one (1) of this section, in addition to funds appropriated by this subsection, for the purpose of developing a central classification system.

Sec. 6. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, for the mental health institutes at Cherokee, Clarinda, Independence and Mount Pleasant the following amounts, or so much thereof as may be necessary:

	<u>1979-1980</u>	<u>1980-1981</u>
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. For salaries and support, maintenance and miscellaneous purposes .....	\$28,150,000	\$28,365,000

2. It is the intent of the general assembly that all funds received from client participation shall be deposited in the general fund of the state.

3. The state mental health institutes' daily per diem as determined pursuant to section two hundred thirty point twenty (230.20) of the Code shall be billed at eighty percent for each fiscal year. [In addition, each county which pays, from county funds, the costs of care and treatment of mentally ill persons transferred from a state mental health institute to a public or private inpatient treatment facility, other than a state mental health institute, is entitled to reimbursement from the state for a portion of the cost incurred by the county for each day an individual is so treated or cared for at county expense. However, such reimbursement shall only apply to patients admitted to the facility after February 1, 1980. The reimbursement shall be equal to twenty percent of the average of the four state mental health institutes' individual average daily patient costs for the most recent quarter.

Each county may claim the reimbursement by filing a claim for such reimbursement on a quarterly basis. The comptroller, upon verifying the claim, shall issue warrants to the respective counties drawn upon money in the general fund not otherwise appropriated. ] e.s.r.

4. It is the intent of the general assembly that a mental health institute shall not accept physical custody of children alleged to be children in need of assistance on guest status or otherwise, for more than thirty days. It is also the intent of the general assembly that children found to be children in need of assistance shall not be placed in a mental health institute on the basis of that adjudication. The juvenile court may, however, order a commitment to a mental health institute or other appropriate secure facility for the purposes of treatment of a mental or emotional condition, but only after making findings pursuant to the standards set out for involuntary commitment in chapter two hundred twenty-nine (229) of the Code.

5. It is the intent of the general assembly that the superintendents of the mental health institutes at Cherokee and Independence, in discharging the duties imposed on them by section two hundred thirty point twenty (230.20) of the Code, shall consider the costs of the psychiatric residency and chaplain intern programs maintained at those institutes as costs not to be included in the expenditures of those institutes for the purpose of establishing the institutes' respective daily charges to patients, the same as the costs enumerated in section two hundred thirty point twenty (230.20), subsection one (1), paragraphs a, b and c of the Code. It is the objective of the

\*Item veto

general assembly, in expressing this intent, that the commissioner of social services seek to maintain reasonably uniform daily charges at the four mental health institutes.

6. It is the intent of the general assembly that not more than one hundred thousand (100,000) dollars of the appropriation provided under subsection one (1) of this section for each of the fiscal years beginning July 1, 1979 and July 1, 1980 shall be used by the division of mental health resources to contract for mental health and mental retardation screening services for inmates of the state's adult correctional system and juvenile offenders at the state's juvenile institutions.

\*\*\* 7. It is the intent of the general assembly that the proposed upgrading and expansion of staffing at the four mental health institutes be phased-in over the biennium, with up to one-half of the proposed staff upgrading and expansion occurring in the fiscal year beginning July 1, 1979 and with the remaining proposed staff upgrading and expansion occurring in the fiscal year beginning July 1, 1980.\*\*\*

Sec. 7. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, for the state hospital-schools at Glenwood and at Woodward the following amounts, or so much thereof as may be necessary:

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
1. For salaries and support, maintenance and miscellaneous purposes .....	\$24,000,000	\$23,800,000

2. It is the intent of the general assembly that all funds received from client participation shall be deposited in the general fund of the state.

3. The state hospital-schools' per-patient-per-day cost as determined pursuant to section two hundred twenty-two point seventy-three (222.73) of the Code shall be billed at eighty percent for the fiscal year, except as otherwise provided by subsection four (4) of this section.

4. If more than twenty percent of the cost of a patient's care is initially paid from any source other than state-appropriated funds, the amount so paid shall be subtracted from the per-patient-per-day cost of that patient's care computed pursuant to section two hundred twenty-two point seventy-three (222.73) of the Code and the patient's county of legal settlement shall be billed for the full balance of the cost so computed.

5. It is the intent of the general assembly that the department of social services shall identify and evaluate problems in the development and funding of community-based services for the mentally retarded. The department shall report its findings and recommendations to the general assembly by December 1, 1979.

Sec. 8. There is appropriated from the general fund of the state for each fiscal year of the biennium beginning July 1, 1979 and ending June 30, 1981 to the department of social services, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

\*\*\*Item veto

	1979-1980	1980-1981
	<u>Fiscal Year</u>	<u>Fiscal Year</u>
SPECIAL PROGRAMS DIVISION:		
1. For aid to the blind .....	\$ 20,000	\$ 20,000
2. For aid to dependent children .....	\$47,130,000	\$47,100,000
3. For aid to Indians residing on a settle- ment .....	\$ 36,000	\$ 36,000
4. For medical assistance, including reim- bursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically nec- essary. Medically necessary abortions are those performed when:		
a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman; or		
b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness; or		
c. The pregnancy is the result of a rape which is reported to a law enforcement agency or public or private health agency within sixty days of the incident, or the result of incest which is reported in the first two trimesters of pregnancy to a law enforcement agency or the department of social services;		
d. Any spontaneous abortion, commonly known as a miscarriage, wherein not all of the products of conception are expelled .....	\$88,260,000	\$95,350,000
5. For contractual services-medical carrier .	\$ 1,084,000	\$ 1,232,000
6. For children's services .....	\$20,455,000	\$21,250,000
7. For work and training programs .....	\$ 438,000	\$ 438,000
8. For adult and family services .....	\$ 758,000	\$ 758,000
9. For state supplementary assistance, in- cluding state supplementary assistance for the blind .....	\$ 6,090,000	\$ 6,520,000

It is the intent of the general assembly that the department of social services shall increase the maximum cost-related reimbursement for residential care facility services to thirteen dollars and fifty cents per day and the flat rate to eight dollars and twenty cents per day.

10. For the governor's youth opportunity pro- gram .....	\$ 750,000	\$ 750,000
11. For child support recoveries, including salary and support, maintenance and miscellaneous purposes .....	\$ 428,219	\$ 435,160
12. For assistance to child care centers ....	\$ 400,000	\$ 400,000

Real property shall not be purchased with funds appropriated by this subsection.

It is the intent of the general assembly that as more centers improve their facilities in order to meet minimum requirements for the health, safety, and welfare of the children, the emphasis of the program should be shifted to providing aid in staff development and training in order to upgrade programs and the delivery of services. To the extent possible, the department shall develop a means of selecting private child care facilities for receiving funds, and shall promulgate rules governing these procedures in accordance with chapter seventeen A (17A) of the Code. At the same time, the department shall gather statistics on the number of such child care centers, and report to the joint appropriations subcommittee on social services by December 1, 1979.

13. State supplementation to Title XX ..... \$ 1,000,000      \$ 1,000,000

It is the intent of the general assembly that funds appropriated under this subsection be used for local purchase of service contracts, and primarily to help avoid the institutionalization of individuals and to provide child care.

14. Homemaker services ..... \$ 1,580,000      \$ 1,580,000

Funds provided in this subsection for homemaker services may be used either for direct service or state purchase match for federal Title XX funds. Any decision to change homemaker services from direct service to state purchase shall be made on a district by district basis, at the district level and shall not be influenced by a consideration of departmental staff size. If direct homemaker services are transferred from direct service to state purchase, the vacant positions that result shall be deleted from the department's table of organization.

Sec. 9. Section two hundred thirty-four point thirty-eight (234.38), unnumbered paragraph two (2), Code 1979, is amended by striking the unnumbered paragraph.

Sec. 10.

1. It is the intent of the general assembly that the schedule of living costs and the payment for persons on the aid to dependent children program shall be increased for all family sizes by six percent commencing October 1, 1979 and by an additional six percent commencing October 1, 1980.

\*\*\* 2. It is the intent of the general assembly that assistance shall be granted under chapter two hundred thirty-nine (239) of the Code to an expectant mother experiencing her first pregnancy and in the last trimester of pregnancy if she meets other income and resource standards for the aid to dependent children program. The mother and fetus together shall be treated as a one-person family with assistance payable to the mother as an eligible group of one. The department of social services shall promulgate rules and regulations, pursuant to chapter seventeen A (17A) of the Code to implement this subsection on October 1, 1979. \*\*\*

3. It is the intent of the general assembly in appropriating funds in section eight (8), subsection two (2) of this Act that, notwithstanding the provisions of section two hundred thirty-nine point eighteen (239.18) of the Code, the department of social services shall not reduce the standards of payment referred to in subsection one (1) of this section, nor establish eligibility criteria for recipients under the aid to dependent children

\*\*\*Item veto

program which are more restrictive than the criteria required by applicable federal regulations. The special needs program of the aid to dependent children program shall be continued.

4. It is the intent of the general assembly that the department shall maintain a system of current needs budgeting in computing monthly assistance grants for ADC recipients until the department has presented to the governor and the joint social services appropriations subcommittee of the Sixty-eighth General Assembly a study and report including a cost-benefit comparison and client impact comparison between prior-month budgeting and current needs budgeting. The report shall be submitted on December 3, 1979.

\*\*\*Sec. 11. If the United States department of health, education and welfare regulations allow such a policy, the department of social services shall adopt administrative rules pursuant to chapter seventeen A (17A) of the Code which provide that in determination of eligibility for assistance under the aid to dependent children program established by chapter two hundred thirty-nine (239) of the Code, there shall be recognition of a stepparent's responsibility for the reasonable and necessary expenses of the family and the education of the children as long as the stepparent remains married to the stepchild's parent. In adopting such rules, the department shall give consideration to any financial obligations the stepparent may have as a result of court orders, or of commitments made prior to the marriage.\*\*\*

Sec. 12. It is the intent of the general assembly that for the first six months of the fiscal year beginning July 1, 1979 the department of social services shall increase the maximum reimbursement for intermediate care facilities under medical assistance to a level fixed at the seventy-fourth percentile on the basis of cost data on file as of December 31, 1978, indexed forward by an inflation factor of one percent. The department shall organize a committee composed of representatives of the department, the nursing home associations, the medical assistance advisory board, and three members of the joint appropriations subcommittee on social services appointed by the chairpersons of the appropriations committees to study alternative cost-related methods for intermediate care facility reimbursements and for accounting procedures to reduce reporting time lags. Prior to September 1, 1979, the committee shall make recommendations for changes in the reimbursement system to become effective January 1, 1980. No recommendations shall be made which would result in a cost to the state for the last six months of the fiscal year ending June 30, 1980 greater than the cost of maintaining for that six-month period a maximum reimbursement level equal to that used in the first six months of the fiscal year beginning July 1, 1979, indexed forward by an inflation factor of four percent.

Sec. 13. It is the intent of the general assembly that payment for reserve bed days under the medical assistance program shall be made at eighty percent of the allowable audited costs for those beds, not to exceed the maximum reimbursement rate.

Sec. 14. It is the intent of the general assembly that medical assistance shall be made available to any person who is an inpatient of a hospital, skilled nursing facility or intermediate care facility; who is eligible for supplemental security income in all respects except income; and whose income does not exceed six hundred dollars per month.

\*\*\*Item veto

Sec. 15. It is the intent of the general assembly that the department of social services shall increase the fee paid to pharmacists under the medical assistance program from two dollars and fifty-five cents to three dollars per prescription for the 1979-1981 biennium.

Sec. 16. It is the intent of the general assembly that, for the fiscal year beginning July 1, 1979, foster parent payments be increased by ten percent.

Sec. 17.

1. It is the intent of the general assembly that of the total amount appropriated for children's services by section eight (8), subsection six (6) of this Act, not more than twenty-four thousand (24,000) dollars shall be used to establish a pilot program providing additional payments to foster families with children with very special needs. The department of social services shall report to the joint appropriations subcommittee on social services on the effectiveness of this program by March 1, 1980.

2. Six hundred sixty thousand (660,000) dollars of the funds appropriated by section eight (8), subsection six (6) of this Act may be used for reimbursement of county juvenile court expenses pursuant to section two hundred thirty-two point one hundred forty-one (232.141), subsection four (4) of the Code. If it appears at any given time that six hundred sixty thousand (660,000) dollars will be insufficient for reimbursement of county juvenile court costs, the department shall report to the comptroller and the joint appropriations subcommittee on social services relative to the need for additional funds for such costs. The department of social services shall also report to the joint appropriations subcommittee on social services and to the legislative council no later than December 1, 1979 on the projected costs to the state for county juvenile court expenses, based upon reports received from the counties for the first quarter of the fiscal year beginning July 1, 1979.

3. Funds appropriated under section eight (8), subsection six (6) of this Act shall be used to pay at least one-half of one percent of the total cost of the establishment, improvements, operation, and maintenance of approved county or multicounty juvenile homes as aid from the state, pursuant to section two hundred thirty-two point one hundred forty-two (232.142), subsection four (4) of the Code. The department is authorized to provide additional aid, subject to the funding limitations of this subsection.

\*\*\*4. It is the intent of the general assembly that of the appropriation made by section eight (8), subsection six (6) of this Act, one million (1,000,000) dollars shall be used to provide in-home treatment and seven hundred fifty thousand (750,000) dollars shall be used to provide alternatives to foster care. It is the intent of the general assembly that in-home treatment programs which were funded through state and federal Title XX funds in the fiscal year beginning July 1, 1978 shall be maintained at their current program operating level through funds provided pursuant to this subsection. Federal Title XX funds may be used to match, but not to replace, funds provided pursuant to this subsection. The department shall submit to the appropriations subcommittee on social services by December 1, 1979 a report of the actual expenditures during the first quarter of the fiscal year

\*\*\*Item veto

beginning July 1, 1979 for all programs within the children's services appropriation.\*\*\*

Sec. 18. It is the intent of the general assembly that at least two hundred thirty-five thousand (235,000) dollars of the appropriation made by section eight (8), subsection eight (8) of this Act for each fiscal year shall be used to provide chore services. These funds shall be used as state matching funds for Title XX federal funds.

Sec. 19. It is the intent of the general assembly that at least one hundred thousand (100,000) dollars of the appropriation made by section eight (8), subsection eight (8) of this Act for each fiscal year shall be used to fund special programs for displaced homemakers. The funds referred to in this subsection shall not be used for tuition.

Sec. 20. It is the intent of the general assembly that at least one hundred thousand (100,000) dollars of the appropriation made by section eight (8), subsection eight (8) of this Act for each fiscal year shall be used to fund special programs to provide emergency shelter services and support services to victims of domestic abuse.

Sec. 21. It is the intent of the general assembly that funds appropriated under section eight (8), subsection eight (8) of this Act for special programs shall be used to provide start-up moneys for programs which will develop community support and establish means of support independent of long-term state funding. Where possible, special programs receiving state funds under this section for more than one year should be established to receive declining amounts of state funding after the first twelve months of full operation and to be supported locally after thirty-six months of operation. Special programs deviating from these guidelines shall be reported to the joint appropriations social services subcommittee. It is the intent of the general assembly that the department shall consult persons knowledgeable in the respective subjects of domestic abuse and displaced homemakers with respect to establishment and selection of special programs.

Sec. 22. It is the intent of the general assembly that no otherwise eligible client be denied participation in sheltered work or work activity services solely due to length of time that person has been in receipt of services.

Sec. 23. It is the intent of the general assembly that continuing emphasis be placed on local purchase of services and that local purchase of services be expanded, where possible, within the state Title XX plan and the funds appropriated by this Act.

Sec. 24. Each hospital-school and mental health institute shall, upon receipt of any payment made under chapter two hundred forty-nine A (249A) of the Code for the care of any patient, segregate an amount equal to that portion of the payment which is required by law to be made from nonfederal funds. The money segregated shall be deposited in the medical assistance fund of the department of social services. It is the intent of the general assembly that charges assessed to the county will be credited with one hundred percent of client participation for eligible Title XIX medical assistance patients at the hospital-schools, in the calculation of per diem rates.

\*\*\*Item veto.

Sec. 25. Notwithstanding the maximum amounts to which sections two hundred thirty-nine point nine (239.9) and two hundred forty-nine point nine (249.9) of the Code limit payment by the department of social services toward the cost of funerals for persons receiving public assistance under chapters two hundred thirty-nine (239) and two hundred forty-nine (249) of the Code, the department is authorized to pay not more than four hundred dollars toward the cost of a funeral for any such public assistance recipient provided that:

1. The total cost of the person's funeral does not exceed one thousand dollars;

2. The decedent does not leave an estate which may be probated, with sufficient proceeds to allow a funeral claim of at least one thousand dollars; and

3. Any payment which is due the decedent's estate or beneficiary by reason of the liability of any life insurance or death or funeral benefit company, association or society, or in the form of United States social security, railroad retirement, or veterans' benefits, upon the death of the decedent shall be deducted from the department's liability under this section.

The provisions of sections two hundred thirty-nine point nine (239.9) and two hundred forty-nine point nine (249.9) of the Code shall be of no force or effect during the biennium beginning July 1, 1979 and ending June 30, 1981.

Sec. 26. All federal grants to and the federal receipts of the department of social services are appropriated for the purposes set forth in such federal grants or receipts except the veterans per diem payable for veterans at the veterans home and Title XIX medicaid assistance funds received by the mental health institutes shall be deposited in the general fund.

Sec. 27. No funds appropriated by any provision of this Act shall be used for capital improvements.

Sec. 28. Notwithstanding section eight point thirty-three (8.33) of the Code, the unencumbered or unobligated funds remaining in the farm accounts of the department of social services on June 30, 1979 shall not revert to the general fund until June 30, 1980.

Sec. 29. It is the intent of the general assembly that the department not enter into any farm land lease agreements that would extend beyond March 1, 1981.

Sec. 30. The number of full-time equivalent positions funded under this Act shall not exceed nine thousand two hundred sixty-eight (9268) for the biennium beginning July 1, 1979 and ending June 30, 1981. However, positions funded primarily from federal grants, and positions funded from institutional canteen and farm operation funds and as otherwise provided by section eight (8), subsection fourteen (14) of this Act, shall be exempt from the limits on the number of full-time equivalent positions provided in this section, but are approved only for the period of time for which funds are available for the positions.

Approved June 10, 1979, except the five items which I hereby disapprove and which are designated as the portion of Section 6, Subsection 3 which is here-in bracketed in ink and initialed by me; Section 6, Subsection 7; Section 10, Subsection 2; Section 11; and Section 17, Subsection 4. These are all delineated with my reasons for vetoing in the item veto message pertaining to this Act to the Secretary of State this same date, a copy of which is attached hereto.

Robert D. Ray  
Governor

The Honorable Melvin D. Synhorst  
Secretary of State  
State Capitol Building  
L O C A L

Dear Mr. Secretary:

I hereby transmit House File 755, an act relating to the administration and financing of current programs under the jurisdiction of the Department of Social Services.

House File 755 is approved June 10, 1979, with the following exceptions which I hereby disapprove.

I am unable to approve that portion of Section 6, Subsection 3 which reads as follows:

In addition, each county which pays, from county funds, the costs of care and treatment of mentally ill persons transferred from a state mental health institute to a public or private inpatient treatment facility, other than a state mental health institute, is entitled to reimbursement from the state for a portion of the cost incurred by the county for each day an individual is so treated or cared for at county expense. However, such reimbursement shall only apply to patients admitted to the facility after February 1, 1980. The reimbursement shall be equal to twenty percent of the average of the four state mental health institutes' individual average daily patient costs for the most recent quarter.

Each county may claim the reimbursement by filing a claim for such reimbursement on a quarterly basis. The comptroller, upon verifying the claim, shall issue warrants to the respective counties drawn upon money in the general fund not otherwise appropriated.

I am unable to approve the item designated in the Act as Section 6, Subsection 7 which reads as follows:

7. It is the intent of the general assembly that the proposed upgrading and expansion of staffing at the four mental health institutes be phased-in over the biennium, with up to one-half of the proposed staff upgrading and expansion occurring in the fiscal year beginning July 1, 1979 and with the remaining proposed staff upgrading and expansion occurring in the fiscal year beginning July 1, 1980.

I am unable to approve the item designated in the Act as Section 10, Subsection 2 which reads as follows:

2. It is the intent of the general assembly that assistance shall be granted under chapter two hundred thirty-nine (239) of the Code to an expectant mother experiencing her first pregnancy and in the last trimester of pregnancy if she meets other income and resource standards for the aid to dependent children program. The mother and fetus together shall be treated as a one-person family with assistance payable to the mother as an eligible group of one. The department of social services shall promulgate rules and regulations, pursuant to chapter seventeen A (17A) of the Code to implement this subsection on October 1, 1979.

I am unable to approve the item designated in the Act as Section 11 which reads as follows:

Sec. 11. If the United States department of health, education and welfare regulations allow such a policy, the department of social services shall adopt administrative rules pursuant to chapter seventeen A (17A) of the Code which provide that in determination of eligibility for assistance under the aid to dependent children program established by chapter two hundred thirty-nine (239) of the Code, there shall be recognition of a stepparent's responsibility for the reasonable and necessary expenses of the family and the education of the children as long as the stepparent remains married to the stepchild's parent. In adopting such rules, the department shall give consideration to any financial obligations the stepparent may have as a result of court orders, or of commitments made prior to the marriage.

I am unable to approve the item designated in the Act as Section 17, Subsection 4 which reads as follows:

4. It is the intent of the general assembly that of the appropriation made by section eight (8), subsection six (6) of this Act, one million (1,000,000) dollars shall be used to provide in-home treatment and seven hundred fifty thousand (750,000) dollars shall be used to provide alternatives to foster care. It is the intent of the general assembly that in-home treatment programs which were funded through state and federal Title XX funds in the fiscal year beginning July 1, 1978 shall be maintained at their current program operating level through funds provided pursuant to this subsection. Federal Title XX funds may be used to match, but not to replace, funds provided pursuant to this subsection. The department shall submit to the appropriations subcommittee on social services by December 1, 1979 a report of the actual expenditures during the first quarter of the fiscal year beginning July 1, 1979 for all programs within the children's services appropriation.

A portion of Section 6, Subsection 3 requires the state to pay a percentage of the cost of care of individuals transferred from mental health institutes to other facilities if their care is still county-supported. The state is planning a mental health reorganization within the next year with possible changes in funding mechanisms. The language of a portion of this subsection might pre-empt wise and orderly revision and would cost an estimated \$1.3 million beyond which has been planned.

We believe funding should be addressed as a part of the complete reorganization. At present, for example, no planning has been done to incorporate the new Sidney Sands Center into a statewide system. Originally Polk County did not wish their services to be part of a state system. Their center was intended to be a lower-cost alternative to the mental health institutes. Estimates now indicate that the cost will be close to double that of the state institutes. Thus, Polk County now wishes state assistance and because of that wants to be included.

While the state in recent years has been obligated to pay 20 percent of the care of patients in our mental health institutes, actual figures show the state's participation has been approximately 33 percent. In addition, the state is planning to increase its participation by approximately 7 percent in FY 80 by crediting to the counties \$2 million in Title XIX medicaid reimbursement received for care of patients at the institutes.

Since county budgets were finalized by local officials before this bill was passed, there could have been no reliance on these funds for FY 80.

The language of this section is also imprecise and does not adequately clarify the following:

-- Does "inpatient treatment facility" refer only to hospital psychiatric units, or should it include residential or intermediate care facilities, county care facilities, residential care for children, physical medicine hospital units, halfway houses, or others?

-- Does the state's obligation apply only to the immediate transfer from a mental health institute, or also to subsequent transfers to other facilities at a later date?

-- It appears that payment mandated under this subsection could exceed 100 percent of the total cost of care of a transferred patient in cases of transfer to residential care or a halfway house.

-- There is no clarification regarding the extent nor type of the counties' participation in the care of any patient under this subsection.

Section 6, Subsection 7 requires mental health institutes to delay half their proposed upgrading of staff positions until fiscal 1981. The staff upgrading proposed for Cherokee and Independence results from JCAH accreditation reviews. Both of these mental health institutes will receive their next scheduled accreditation reviews prior to the end of the 1980 fiscal year. Failure to respond to the recommendations of the previous review could endanger continued accreditation.

Section 10, Subsection 2 provides Aid to Families with Dependent Children and medical benefits to a woman in the last trimester of her first pregnancy as a one-person unit. Subsequent to the passage of House File 755, it was discovered that the General Assembly had overlooked a federal requirement that some part of the grant be set aside for the fetus, identifying it as a child. Also, the language of this subsection limited coverage to first pregnancies, although the intent was to cover any woman without children, even though the pregnancy might not be her first. House File 766 was drafted and passed to correct these errors. To remove any ambiguities regarding which language should prevail, we are removing the incorrect language from House File 755.

Section 11 requires the Department of Social Services to establish rules as allowed by the Department of Health, Education and Welfare defining the financial responsibility of stepparents. This section presents unnecessary legal complications for the department as follows:

-- The requirement for the establishment of such rules may result in financial sanctions against the state by HEW consisting of the withdrawal of federal matching funds for Aid to Families with Dependent Children.

-- Current federal law sets out in definitive terms State options in establishing stepparent responsibility. The State of Iowa has solicited an opinion from HEW as to whether or not Iowa's law permits this state to assess stepparents for support in cases where Aid to Families with Dependent Children has been requested. This section is premature in that this opinion has not yet been received.

-- This section could be interpreted to require a greater obligation on the part of a stepparent than that set by the court or by Section 252A of the Code of Iowa, 1979.

-- No definition of stepparent is offered nor distinction established between a stepparent married to a custodial natural parent or to a non-custodial natural parent.

We agree with the intent indicated in Section 17, Subsection 4 and have the assurance of the Department of Social Services that it will be carried out. However, the language presents unnecessary complications.

-- The second sentence of the subsection requires that in-home treatment programs funded in FY 79 be maintained at their "current program operating level." There were three changes in allocation for in-home treatment during FY 79, and there is no indication as to which of these levels should be used in defining "current." Several differing opinions have already been offered.

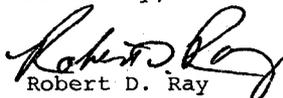
-- It is unclear whether "operating level" refers to the number of dollars spent on those programs (which won't be known precisely until the end of September 1979) or the quality of those programs (which is a clearly subjective determination).

-- The language as drafted was not comprehensive since it makes no mention of services not funded under Title XX. If these budget constraints are applied, the department would be forced to discriminate arbitrarily against other in-home treatment programs which may be viewed as worthy of funding.

In addition to those items which I am disapproving, I would like to clarify my approval of one subsection. Section 1, Subsection 2 substantially reduces the budget of the Bureau of Communications. The bureau fills many valuable roles, some federally mandated, such as food stamp outreach programs. Cutting the budget as drastically as this section does may damage the programs as well as endanger federal compliance. I am leaving this section intact with the understanding that the \$50,000 limitation applies only to state-appropriated dollars and that the department may supplement the activities of this bureau with help from other department resources, if necessary to meet its mandated responsibilities.

For these reasons, I hereby disapprove these items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of House File 755 are hereby approved this date.

Sincerely,

  
Robert D. Ray  
Governor