

may upon written application to the department and presentation of satisfactory proof of the award of the purple heart medal, order special registration plates. The design of the plates shall include a representation of a purple heart medal and ribbon centered on the left side of the plate and the words "Combat Wounded" centered on the bottom of the plate. The plates shall be numbered in sequence beginning with 00001. The application is subject to approval by the department in consultation with the adjutant general. The special registration plates shall be issued to the applicant in exchange for the registration plates previously issued to the person. The fee for the purple heart plates shall be twenty-five dollars which shall be in addition to the regular annual registration fee. The department shall validate the special plates in the same manner as regular registration plates are validated under this section.

Approved April 3, 1990

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## CHAPTER 1129

### STATE HOSPITAL-SCHOOLS TRAINING PROGRAMS AND EMPLOYEE RECORDS

*H.F. 2177*

**AN ACT** relating to the operation of state hospital-schools under the control of the department of human services by authorizing the offering of goods and services to the public as part of client training programs and by deleting the requirement of maintaining daily records of time worked by institutional staff.

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

Section 1. Section 23A.2, subsection 10, Code 1989, is amended by adding the following new paragraph:

**NEW PARAGRAPH. 1.** The offering of goods and services to the public as part of a client training program operated by a state hospital-school under the control of the department of human services provided that all of the following conditions are met:

(1) Any off-campus vocational or employment training program developed or operated by the department of human services for clients of a state hospital-school is a supported vocational training program or a supported employment program offered by a community-based provider of services or other employer in the community.

(2) (a) If a resident of a state hospital-school is to participate in an employment or training program which pays a wage in compliance with the federal Fair Labor Standards Act, the state hospital-school shall develop a community placement plan for the resident. The community placement plan shall identify the services and supports the resident would need in order to be discharged from the state hospital-school and to live and work in the community. The state hospital-school shall make reasonable efforts to implement the community placement plan including referring the resident to community-based providers of services.

(b) If a community-based provider of services is unable to accept a resident who is referred by the state hospital-school, the state hospital-school shall request and the provider shall indicate in writing to the state hospital-school the provider's reasons for its inability to accept the resident and describe what is needed to accept the resident.

(c) A resident who cannot be placed in a community placement plan with a community-based provider of services may be placed by the state hospital-school in an on-campus or off-campus vocational or employment training program. However, prior to placing a resident in an on-campus vocational or employment training program, the state hospital-school shall seek an off-campus vocational or employment training program offered by a community-based provider who serves the county in which the state hospital-school is based or the counties contiguous

to the county, provided that the resident will not be required to travel for more than thirty minutes one way to obtain services.

If off-campus services cannot be provided by a community-based provider, the state hospital-school shall offer the resident an on-campus vocational or employment training program. The on-campus program shall be operated in compliance with the federal Fair Labor Standards Act. At least semiannually, the state hospital-school shall seek an off-campus community-based vocational or employment training option for each resident placed in an on-campus program. The state hospital-school shall not place a resident in an off-campus program in which the cost to the state hospital-school would be in excess of the provider's actual cost as determined by purchase of service rules or if the service would not be reimbursed under the medical assistance program.

(3) The price of any goods and services offered to anyone other than a state agency or a political subdivision shall be at a minimum sufficient to cover the cost of any materials and supplies used in the program and to cover client wages as established in accordance with the federal Fair Labor Standards Act.

(4) Nothing in this paragraph shall be construed to prohibit a state hospital-school from providing a service a resident needs for compliance with accreditation standards for intermediate care facilities for the mentally retarded.

Sec. 2. Section 218.18, Code 1989, is repealed.

Approved April 3, 1990

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## CHAPTER 1130

### PRESCRIPTION DRUG INSURANCE RESTRICTION

*H.F. 2436*

**AN ACT** restricting the conditions under which a third-party payor of medical benefits may limit coverage for prescription drugs.

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

Section 1. **NEW SECTION. 514C.5 PRESCRIPTION DRUG BENEFIT RESTRICTIONS.**

1. A group policy or contract providing for third-party payment or prepayment for prescription drugs shall not require a person covered under the policy or contract to obtain prescription drugs from a mail order pharmacy as a condition of obtaining benefits for prescription drugs if the pharmacy selected by the covered person agrees to provide pharmaceutical services under the same terms and conditions as those provided by the mail order pharmacy.

2. Group third-party payor policies or contracts delivered, issued for delivery, continued, or renewed in this state on or after July 1, 1990, are subject to this section, including but not limited to the following classes:

- a. A group accident and sickness insurance policy.
- b. A group hospital or medical service contract.
- c. A group health maintenance organization contract.
- d. A group medicare supplemental policy.

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