

**CHAPTER 172**

**APPROPRIATIONS — HUMAN SERVICES**

*H.F. 518*

**\*AN ACT** relating to appropriations for the department of human services and the prevention of disabilities policy council and including other provisions and appropriations involving health care and the child and dependent care individual income tax credit, providing for the application of a civil penalty, providing for effective and applicability dates, and providing for retroactive applicability.

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

Section 1. **AID TO FAMILIES WITH DEPENDENT CHILDREN.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For aid to families with dependent children:

..... \$ 43,247,427

1. The department may fund the employee portion of the cash bonus program from unspent funds under the appropriations made in this section.

2. The department shall continue to contract for services in developing and monitoring a demonstration waiver program to facilitate providing assistance in self-employment investment to aid to dependent children families. The demonstration waiver program shall be provided for the fiscal period beginning July 1, 1993, and ending June 30, 1994, or for as long as federal approval of the program continues for the 12 covered counties. Of the funds appropriated in this section, up to \$49,700 shall be used to provide technical assistance for aid to dependent children families seeking self-employment. The technical assistance may be provided through the department or through a contract with the division of job training of the Iowa department of economic development.

3. The department shall apply the self-employment investment demonstration waiver project statewide during the fiscal period delineated in the federal waiver submitted to operate the Iowa Self-employed Household Incentive Program (ISHIP) waiver project statewide, provided training is available to a recipient through a recognized self-employment training program. Of the funds appropriated in this section, up to \$49,700 shall be used to provide technical assistance for AFDC families seeking self-employment and to build the capacity of service providers statewide.

4. The department shall continue the special needs program under the aid to families with dependent children program.

5. Notwithstanding section 239.6, the department is not required to reconsider eligibility of aid to dependent children recipients every six months if a federal waiver is granted.

6. The department may transfer funds appropriated in this Act if any waiver request involving welfare reform is denied by the federal department of health and human services.

Sec. 2. **EMERGENCY ASSISTANCE.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For emergency assistance to families with dependent children under Title IV-A of the federal Social Security Act to match federal funding for homeless prevention programs:

..... \$ 883,750

The emergency assistance provided for in this section shall be available beginning October 1 and shall be provided only if all other publicly funded resources have been exhausted. The emergency assistance includes, but is not limited to, assisting people who face eviction, potential eviction, or foreclosure, utility shutoff or fuel shortage, loss of heating energy supply or equipment, homelessness, utility or rental deposits, or other specified crisis which threatens

\*Estimate of additional local revenue expenditures required by state mandate on file with the Secretary of State

family or living arrangements. The emergency assistance shall be available to migrant families who would otherwise meet eligibility criteria.

Sec. 3. MEDICAL ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical assistance, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$ 342,058,555

1. Medically necessary abortions are those performed under any of the following conditions:

- a. The attending physician certifies that continuing the pregnancy would endanger the life of the pregnant woman.
- b. The attending physician certifies that the fetus is physically deformed, mentally deficient, or afflicted with a congenital illness.
- c. The pregnancy is the result of a rape which is reported within 45 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
- d. The pregnancy is the result of incest which is reported within 150 days of the incident to a law enforcement agency or public or private health agency which may include a family physician.
- e. Any spontaneous abortion, commonly known as a miscarriage, if not all of the products of conception are expelled.

2. a. The county of legal settlement shall be billed for 50 percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization in accordance with the provision of sections 249A.26 and 249A.27, and for 100 percent of the nonfederal share of the cost of care which is reimbursed under a federally approved home and community-based waiver that would otherwise be approved for provision in an intermediate care facility for the mentally retarded, provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness. The state shall have responsibility for the remaining 50 percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization. For persons without a county of legal settlement, the state shall have responsibility for 100 percent of the nonfederal share of the cost of case management provided to adults, day treatment, partial hospitalization, and the home and community-based waiver services.

b. The state shall pay the entire nonfederal share of the costs for case management services provided to persons who are less than 18 years of age and are served under the medical assistance home and community-based waiver program for persons with mental retardation.

c. Medical assistance funding for case management services for eligible persons who are less than 18 years of age shall also be provided to persons residing in counties with decategorization projects, provided these projects have included these persons in their service plan and the decategorization project provides the nonfederal share of costs.

d. Notwithstanding section 8.39, the department may transfer funds appropriated in this section to a separate account established in the department's case management unit for expenditures required to provide case management services under medical assistance for persons with mental illness, mental retardation, or developmental disabilities services which are jointly funded by the state and county, pending final settlement of the expenditures. Funds received by the case management unit in settlement of the expenditures shall be used to replace the transferred funds and are available for the purposes which the funds were appropriated in this section.

3. If the department submits a report to the governor and the legislative fiscal committee which shows that adding a drug to the list of prescription drugs requiring prior authorization under the medical assistance program would maintain the level of quality and access to health

care for recipients, the department may include that drug in the list of drugs requiring prior authorization. The report shall be submitted prior to adding a drug to the list and shall provide an analysis of the potential impact on recipient access to prescription drugs, cost offset to be realized from substitution of an alternative drug regimen for the drug proposed for prior authorization, and the potential impact on utilization of other institutional health care resources due to requiring the prior authorization of the drug. Drug selections shall be made by the department with the assistance of the Iowa medicaid drug utilization review commission and in consultation with representatives of consumers, health care providers, and other parties which may be affected by the prior authorization requirements. The department may adopt emergency rules in implementing the provisions of this subsection.

4. The department shall expand the list of over-the-counter drugs covered under the medical assistance program where it is anticipated that such expansion will result in savings to the medical assistance program. The department may adopt emergency rules in order to implement this change.

5. The department shall expand managed care programs within the medical assistance program to increase the enrollment of medical assistance recipients in managed care programs to the extent possible above the current enrollment. The department shall develop cost-effective reimbursement methodologies for the managed care providers under the medical assistance program. The department may adopt emergency rules in order to implement this change.

*\*6. The department in coordination with the Iowa foundation for medical care and nursing facility providers shall develop criteria for medical assistance-eligible nursing facility residents to identify persons with special care needs and persons with minimal care needs. Effective July 1, 1993, nursing facilities shall receive, in addition to their regular medical assistance rate, \$4 per day for each day of care provided to medical assistance-eligible residents meeting special criteria. Additionally, notwithstanding their regular approved medical assistance rate, each nursing facility shall receive a \$4 per day rate reduction for medical assistance-eligible residents with minimal care needs. The department may use up to \$50,000 of the funds appropriated in this section in order to update the facility payment system, which will be necessary to implement this change. The department may adopt emergency rules to implement the provisions of this subsection.\**

7. The department shall revise the medical assistance payment policy for hospital emergency room services to provide a lower rate of reimbursement for nonemergency services when the referral has been made by a physician. The department may adopt emergency rules in order to implement this change.

8. The department shall utilize not more than \$60,000 of the funds appropriated in this section to continue the AIDS/HIV health insurance premium payment program as established in 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 409. Of the moneys allocated in this subsection, not more than \$10,000 may be expended for administrative purposes.

9. The department of human services in cooperation with the judicial department shall review and make recommendations to the general assembly by January 1, 1994, regarding the feasibility of receiving additional federal funding under the medical assistance program for adult mental health and substance abuse treatment services.

10. The department shall not promote and shall not discourage the utilization of mail order purchasing of pharmaceuticals under the medical assistance program.

11. The department shall review all claims submitted under court-ordered services provided to juveniles pursuant to section 232.141 and the appropriation in this Act for that purpose to determine the claims' medical assistance eligibility. Any claims eligible for reimbursement under medical assistance shall be submitted for payment under medical assistance, and the nonfederal share of the payment shall be transferred from the appropriation in this Act for court-ordered services provided to juveniles.

12. The department shall determine the portion of the administrative costs associated with health care licensure which can be attributed to medical assistance. The Iowa department of public health shall identify the funds associated with health care provider licensure in an amount

\*Item veto; see message at end of the Act

necessary to qualify for matching federal medical assistance funding. Those costs which can be attributed shall be charged to medical assistance and the federal funds received shall be deposited with and used for the purposes of the appropriation made in this section, with the exception of \$115,000 of the funds received which shall be transferred to the child support recovery appropriation under this Act to be used for the purposes of the child support recovery program.

Sec. 4. MEDICAL CONTRACTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

..... \$ 5,542,950

1. The department shall expand the contract with the Iowa foundation for medical care for drug utilization review under the medical assistance program and shall implement a program of prospective drug utilization review.

2. The department may use not more than \$50,000 of the funds appropriated in this section to contract for services necessary to develop and implement a new system for reimbursing hospitals for outpatient services. The department may adopt emergency rules in order to implement the new system.

3. The department shall continue the point-of-service claims transmission system through the medicaid management information system for the prescription drug component of the medical assistance program and shall seek to implement point-of-service claims processing systems for other components of the medical assistance program.

4. The department may use not more than \$62,500 of the funds appropriated in this section to contract for maximization of the health insurance premium payment (HIPP) program.

Sec. 5. STATE SUPPLEMENTARY ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For state supplementary assistance:

..... \$ 18,792,860

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. The department may adopt emergency rules to implement the provisions of this paragraph.

Sec. 6. CHILD DAY CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For protective child day care assistance and state child care assistance:

..... \$ 7,680,962

1. Of the funds appropriated in this section \$3,107,695 shall be used for protective child day care assistance.

2. Of the funds appropriated in this section \$1,437,942 shall be used for state child care assistance.

3. a. The funds appropriated in this section for protective and state child care assistance shall be allocated to the department of human services regions and each region shall distribute the allocation to the counties within the region. If a region determines that a specified portion of the funds provided to a county in that region is sufficient to meet the county's current demand and projected growth, the region may transfer the excess amount of funds to another county in that region. If the region determines that a specified portion of the funds

provided to the region is sufficient to meet the region's current demand and projected growth for the remainder of the fiscal year, the excess amount may be transferred for use in another region.

b. For state child care assistance, eligibility shall be limited to children whose family income is equal to or less than 100 percent of the federal office of management and budget poverty guidelines. However, on or after October 1, 1993, the department may increase the income eligibility limit to be equal to or less than 75 percent of the Iowa median family income. Persons receiving child care assistance on June 30, 1993, shall not be cancelled in the succeeding fiscal year due to the reduction in income guideline from the guideline used in the fiscal year ending June 30, 1993.

c. The department may adopt emergency rules to comply with the federal child care development block grant and federal at-risk child care program; to streamline the existing day care program including but not limited to adopting definitions for units of service, payment rates, and eligibility for services; and to deliver the services within state and federal funds appropriated.

d. Nothing in this section shall be construed or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for assistance due to an income level consistent with the requirements of this section. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

e. Beginning July 1, 1993, the department shall terminate the use of the child care assistance waiting list established during the fiscal year beginning July 1, 1992. Families who were on the waiting list which continue to require child care assistance may reapply for assistance beginning July 1, 1993, and may receive services based upon the availability of funding and based upon the prioritization schedule established by the department in descending order of prioritization as follows:

(1) Families who are at or below 100 percent of the poverty level with a child under five years of age in which the parents are employed at least 35 hours per week.

(2) Families who are participating in a JOBS program who have a child and who are not eligible for child care assistance under any other criteria.

(3) Parents under the age of 21 and who are either employed full-time or part-time, or who are participating in an approved training program, or who are enrolled in an education program.

(4) Families who are providing foster care.

(5) Families who are at or below 155 percent of the poverty level who have a special needs child.

(6) Families who are receiving ADC, who are participating in an approved training program, and who are named on the JOBS waiting list.

(7) Families who are at or below 100 percent of the poverty level who have a child under five years of age and who are employed part-time.

The department may adopt emergency rules to implement the provisions of this lettered paragraph.

4. Of the funds appropriated in this section, \$633,931 is allocated for the statewide program for child day care resource and referral services under section 237A.26.

5. The department may use any of the funds appropriated in this section as matching funds to obtain federal grants for use in expanding child day care assistance and related programs.

6. a. Of the funds appropriated in this section \$350,962 shall be used for transitional child care assistance.

b. Notwithstanding section 239.21, the department of human services shall provide the transitional child care assistance in accordance with the federal Family Support Act of 1988, Pub. L. No. 100-485, § 302, and applicable federal regulations. Reimbursement for services shall be limited to registered or licensed child day care providers and programs providing care, supervision, or guidance of a child which is excluded under the definition of "child day care" pursuant to section 237A.1, subsection 4.

7. Of the funds appropriated in this section, the department shall use up to \$233,735 to increase the department's staff as necessary to meet federal requirements.

8. During the 1993-1994 fiscal year, the department shall utilize the moneys deposited in the child day care credit fund, created in this Act, in descending order of priority as follows:

- (1) If a federal waiver is granted, to extend transitional child care assistance in accordance with federal requirements and section 239.21, to a period of 24 months from the current period of 12 months.
- (2) To expand the number of children receiving assistance under the state child care assistance program in accordance with the provisions of subsection 3.
- (3) To expand the eligibility limit for state child care assistance to be equal to or less than 75 percent of the Iowa median family income as provided in subsection 3, paragraph "b".

Sec. 7. JOBS PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the federal-state job opportunities and basic skills (JOBS) program, food stamp employment and training program, family development and self-sufficiency grants, and implementing agreements between the department and recipients of aid to dependent children, in accordance with this section:

..... \$ 7,718,000

- 1. Of the funds appropriated in this section, \$4,580,701 is allocated for the JOBS program.
- 2. Of the funds appropriated in this section, \$129,985 is allocated for the food stamp employment and training program.
- 3. The department shall work with family development and self-sufficiency grantees and the state's community action agencies to develop an administrative process for initiatives which generate local funds to match federal funds under the JOBS program in order to expand or to develop additional family development program initiatives.
- 4. Of the funds appropriated in this section, \$779,314 is allocated to the family development and self-sufficiency grant program as provided under section 217.12.
  - a. Not more than 5 percent of the funds allocated in this subsection shall be used for the administration of the grant program.
  - b. Federal funding matched by state, county, or other funding which is not appropriated in this section shall be deposited in the department's JOBS account. If the matching funds are generated by a family development and self-sufficiency grantee, the federal funding received shall be used exclusively to expand the family development and self-sufficiency grant program. If the match funding is generated by another source, the federal funding received shall be used to expand the grant program or the JOBS program. The department may adopt emergency rules to implement the provisions of this paragraph.
  - c. Based upon the annual evaluation report concerning each grantee funded by this allocation, the family development and self-sufficiency council may use funds allocated to renew grants.
- 5. Of the funds appropriated in this section, \$2,228,000 shall be used to implement agreements between the department and recipients of aid to dependent children as a component of a welfare reform initiative.

Sec. 8. CHILD SUPPORT RECOVERY. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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

..... \$ 4,307,709

- 1. The director of human services, within the limitations of the funds appropriated in this section, or funds transferred from the aid to families with dependent children program for this purpose, shall establish new positions and add additional employees to the child support recovery unit if the director determines that the current and additional employees, combined,

can reasonably be expected to maintain or increase net state revenue at or beyond the budgeted level. If the director adds additional employees, the department shall demonstrate the cost-effectiveness of the current and additional employees by reporting to the joint appropriations subcommittee on human services the ratio of the total amount of administrative costs for child support recoveries to the total amount of the child support recovered.

2. Moneys received by the child support recovery program through a transfer of federal funds received through the attribution to medical assistance of administrative costs associated with health care licensure, are appropriated and shall be used for the purposes of the child support recovery program. The director of human services may add additional positions if moneys transferred are sufficient to pay the salaries and support for the positions. The director shall report any new positions added pursuant to this subsection to the chairpersons and ranking members of the joint appropriations subcommittee on human services and the legislative fiscal bureau.

3. The director of human services, in consultation with the department of management and the legislative fiscal committee, may receive and deposit state child support incentive earnings in the manner specified under applicable federal requirements.

4. The director of human services may establish new positions and add additional state employees to the child support recovery unit if the director determines the employees are necessary to replace county-funded positions eliminated due to termination, reduction, or non-renewal of a chapter 28E contract. However, the director must also determine that the resulting increase in the state share of child support recovery incentives exceeds the cost of the positions, the positions are necessary to ensure continued federal funding of the program, or the new positions can reasonably be expected to recover more than twice the amount of money to pay the salaries and support for the new positions.

5. The child support recovery unit shall, in cooperation with the judicial department, determine the feasibility of a pilot project utilizing a court-appointed referee for judicial determinations on child support matters. The provisions of this subsection shall apply only if the 75th General Assembly, 1993 Session, enacts legislation allowing for the court appointment of a referee for child support matters, and if funding can be identified through existing appropriations or nonstate general fund sources. If these conditions are met, a pilot project may be implemented during the 1993-1994 fiscal year. The extent and location of any pilot project shall be jointly developed by the judicial department and the child support recovery unit.

6. Funding is provided within this appropriation for expenses relating to a child support public awareness campaign. The department shall transfer \$50,000 to the office of the attorney general and the department and the attorney general shall cooperate as necessary for continuation of the campaign.

**Sec. 9. JUVENILE INSTITUTIONS.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the operation of the state training school and the Iowa juvenile home, including salaries, support, maintenance, and miscellaneous purposes:

For the state juvenile institutions: \$ 12,615,714

1. The following amount of the funds appropriated in this section is allocated for the Iowa juvenile home at Toledo:

\$ 4,683,351

2. The following amount of the funds appropriated in this section is allocated for the state training school at Eldora:

\$ 7,932,363

3. During the fiscal year beginning July 1, 1993, the population levels at the state juvenile institutions shall not exceed the population guidelines established under 1990 Iowa Acts, chapter 1239, section 21.

- 4. Each state juvenile institution shall apply for adolescent pregnancy prevention grants.
- 5. Within the funds appropriated in this section, the department may reallocate funds as necessary to fulfill the needs of the institutions provided for in this appropriation.
- 6. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

Sec. 10. JUVENILE DETENTION HOMES — FISCAL YEAR 1994. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For reimbursement of counties for juvenile detention homes in accordance with the provisions of this section:

..... \$ 170,000

Notwithstanding sections 8.33 and 8.39, of the funds appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, for reimbursement of counties for juvenile detention homes, pursuant to 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 408, \$330,000 shall not revert to the general fund of the state on June 30, 1993, but shall remain available in the fiscal year beginning July 1, 1993, and shall be used in addition to the funds appropriated in this section for state payment of financial aid of ten percent of the total cost of county or multicounty juvenile detention homes in accordance with the provisions of section 232.142, subsection 3. However, if the funds designated in this section are insufficient to pay ten percent of the total cost of the homes, notwithstanding section 232.142, subsection 3, the state payment shall be less than ten percent and the department shall prorate the state payment as necessary to keep expenditures within the funds designated in this section.

Sec. 11. CHILD AND FAMILY SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

..... \$ 67,538,435

1. Upon receipt of federal approval, the department shall add family-centered services, family preservation, treatment foster care, and group care services to the medicaid state plan, utilizing the early and periodic screening, diagnosis, and treatment (EPSDT) authority provided by the federal government. The department may transfer moneys appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under medical assistance which are provided to children who would otherwise receive services paid under this appropriation. The department may adopt emergency rules to implement the provisions of this subsection. The rules may include, but are not limited to, the development of program descriptions, provider certification standards, cost principles, rate-setting, contract requirements, clinical assessment and consultation team standards, service necessity criteria, claims submission requirements, and program accountability standards for program components included in the medical assistance state plan and for program components not eligible for medical assistance funding. The department shall work with affected parties in developing the rules authorized by this subsection.

2. The department may transfer funds appropriated in this section to the appropriations in this Act for general administration and to field operations for resources necessary to develop, implement, and operate the initiative in subsection 1.

3. The department may adopt emergency rules if the department secures additional non-state funding for child and family services for which a state appropriation is provided. If the



funding is available, the department may transfer moneys appropriated in this Act as necessary to pay the nonfederal share of the costs of services reimbursed under a federal program which are provided to children who would otherwise receive services paid under this appropriation.

4. Of the funds appropriated in this section, up to \$629,918 may be used to develop and maintain the state's implementation of the national adoption and foster care information system pursuant to the requirements of Pub. L. No. 99-509. In developing the system the department shall involve representatives of the court, service providers, advocates, and other persons interested in the adoption and foster care process. The department may transfer funds as necessary to implement this subsection to the appropriations in this Act for field operations and general administration.

5. The department shall draw from the reasonable efforts model court project in continuing training seminars for child welfare practitioners throughout the state on the use of reasonable efforts to prevent or eliminate the need for removal of a child from the child's home. In addition, the department shall draw upon the reasonable efforts model court project in working with the supreme court to provide ongoing instruction and technical assistance in selected counties in the state concerning application of reasonable efforts. Counties shall be selected by targeting those with a high rate of placement of children outside the children's homes. The recipients of technical assistance shall include court officials, department of human services referral workers, and child welfare service providers. Trainers shall include respected peers and colleagues of the training recipients. The department shall use up to \$49,922 of the funds appropriated in this section for the contract. The department shall seek assistance from the national conference of state legislatures and private foundations in implementing the provisions of this subsection.

6. The department shall incorporate family-centered approaches to serving families into the department's general child welfare training for all child welfare workers. The training shall include an introduction to family preservation and family-centered services and these services' usages as alternatives to out-of-home care. In addition, the department shall develop specific training concerning these services for workers who are involved with referrals of children to foster care. The department shall work with the judicial department to make the training applicable and available to court officers involved with referrals of children to foster care. In developing the training, the department shall seek assistance from the child welfare league of America and the national association of family-based services and shall draw from successful initiatives used in other states. In implementing the provisions of this subsection, the department may use up to \$87,364 of the funds appropriated in this section.

7. Of the funds appropriated in this section, not more than \$3,000,000 may be used for services to families of children with mental retardation or other developmental disabilities, who would otherwise enter or continue group foster care.

8. a. Of the funds appropriated in this section, up to \$21,161,299 is allocated for group foster care maintenance and services. For the fiscal year beginning July 1, 1993, the statewide target, as provided for in section 232.143, for the average number of children placed in group foster care on any day of the fiscal year which are a charge upon or are paid for by the state, shall be 1,350. Notwithstanding the statewide target established in this subsection and sections 232.52, 232.102, 232.117, 232.127, and 232.182, a target established in a region's group foster care plan pursuant to section 232.143 may be exceeded, a group foster care placement may be ordered, and state payment may be made if a clinical assessment and consultation team finds that the placement is necessary to meet the child's service needs. If the daily average target established in a region's group foster care plan is exceeded, the department and courts in that region shall refer at least five percent of the region's group foster care placements to a clinical assessment and consultation team to determine if an alternative service would meet the child's service needs and to assist the region in reducing the number of children in group foster care to the regional target within 45 days from the date the target was exceeded. The department and the courts shall work together to ensure that a region's group

foster care expenditures shall not exceed the funds allocated to the region for group foster care in the 1993-1994 fiscal year. The department may adopt emergency rules in order to implement the provisions of this paragraph.

b. Notwithstanding the formula specified in section 232.143, subsection 1, the department and the judicial department shall develop a formula for allocating a portion of the statewide target to each of the department's regions based on factors determined by the department and the judicial department which may include but are not limited to historical usage of group foster care beds and indicators of need for group foster care placements. The formula shall be established by May 1, 1993. The department may adopt emergency rules in order to implement the provisions of this paragraph.

c. The department shall report quarterly to the legislative fiscal bureau concerning the status of each region's efforts to limit the number of group foster care placements in accordance with the regional plan established pursuant to section 232.143.

d. The reimbursement rates paid for placement of children out-of-state shall not exceed the maximum reimbursement rate established by the general assembly for group foster care placements in this state unless the director determines that appropriate care cannot be provided within the state. The department shall adopt emergency rules defining the criteria and process for making the determination of need for out-of-state care.

e. The plans developed by the department and the juvenile court pursuant to section 232.143 for containing the number of children placed in group foster care shall ensure that, effective November 1, 1993, all potential group foster care referrals are reviewed by a clinical assessment and consultation team prior to submission of a recommendation for group foster care placement to the court. Prior to November 1, 1993, all group foster care referrals shall be reviewed jointly by a team that includes representatives appointed by the department and the juvenile court.

9. Not more than 25 percent of the children placed in foster care funded under the federal Social Security Act, Title IV-E, shall be placed in foster care for a period of more than 24 months.

10. The department shall continue to contract for a statewide system for recruiting, retaining, and supporting foster care families consistent with the recommendation of the department's family foster care advisory committee. The department may continue the contract initiated in the fiscal year beginning July 1, 1992, if defined goals have been achieved. The department shall involve the family foster care advisory committee in overseeing the work of the contractor, and further defining needs in the system. The department shall also involve the committee in seeking new financial support for enhancing the family foster care system, including government and foundation grants.

11. In accordance with the provisions of section 232.188, the department shall continue the demonstration program to decategorize child welfare services in the five counties in which the program has commenced. The department may approve additional applications from a county or cluster of counties to initiate a demonstration program provided the department, the boards of supervisors in the counties, and the affected judicial districts agree to implement the program. The schedule for implementing the demonstration program in additional counties shall provide that the program be implemented on or after January 1, 1994. The department shall establish for the demonstration program counties a child welfare fund composed of all or part of the amount that would otherwise be expected to be used for residents of the counties for foster care, child and family services, family-centered services, subsidized adoption, child day care, local purchase portion of the mental health, mental retardation, developmental disabilities, and brain injury community services appropriated in this Act, state juvenile institution care, mental health institute care, state hospital-school care, juvenile detention, department-direct services, and court-ordered evaluation and treatment of juvenile services. Notwithstanding any other provision of law, the fund shall be considered encumbered for purposes of section 8.33. Notwithstanding other service funding provisions in law, the department shall establish the fund by transferring funds from the budgets affected, except for the funds appropriated for the state mental health institutes, the state hospital-schools,

the state training school, and the Iowa juvenile home which shall remain on account for the county at these institutions. By June 15 preceding the fiscal year, the department shall inform each demonstration program county of the estimated amount that will be available in the county's child welfare fund and on account at the institutions for that county during the ensuing fiscal year. The department shall confirm each county's budgeted amount by October 1 of the fiscal year. A limited amount of the fund may be used to support services and reimbursement rates not allowable within historical program or service categories and administrative rules. In addition, a limited amount of the child welfare fund may be used for emergency family assistance to provide resources for a family to remain together or to be unified. The demonstration program shall be designed to operate in a county for a three-year period. The three-year time period for a decategorization project shall be considered to begin on January 1 in the first year following the year in which the county's decategorization project was approved by the department.

12. Of the funds appropriated in this section, up to \$520,324 is allocated for continued foster care services to a child who is 18 years of age or older in accordance with the provisions of section 234.35, subsection 4, paragraph "c". The department shall distribute the moneys allocated in this subsection to the departmental regions based on each region's proportion of the total number of children placed in foster care on March 31 preceding the beginning of the fiscal year, who, during the fiscal year would no longer be eligible for foster care due to age. The department may adopt administrative rules to implement the provisions of this subsection.

13. The provisions of this section continue a significant change in state policy involving child welfare. In order to determine whether the change in policy has the intended effect and to provide information for future decision making, adequate information is required. During the fiscal period of this appropriation, the department, in coordination with the legislative fiscal bureau and the judicial department, shall continue to track those out-of-home placements of children in which the state or a county is financially involved. The tracking information shall be submitted quarterly to the governor, the chairpersons and ranking members of the joint appropriations subcommittee on human services, and the legislative fiscal bureau and shall include all of the following information:

a. The number of placements of children within each of the following age ranges: 0 through 5; 6 through 10; 11 through 15; and 16 through 21.

b. The number of children placed in each of the following: family foster care, group foster care, state training school, Iowa juvenile home, psychiatric medical institutions for children (PMICs), residential substance abuse treatment programs, hospitals for acute psychiatric care, state mental health institutes, shelter care, juvenile detention, adult correctional facilities, state hospital-schools, intermediate care facilities for the mentally retarded (ICF/MR), and residential care facilities for the mentally retarded (RCF/MR).

14. The amount of the appropriation made in this section available for foster care is based upon expansion of the number of children in foster care who are eligible for federal supplemental security income (SSI). The department may use up to \$300,000 of this appropriation to enter into a performance-based contract to secure SSI benefits for children placed in foster care. The contract shall include provisions for training of department of human services and juvenile court staff, completion of applications, tracking of application results, and representation during the appeals process whenever an appeal is necessary to secure SSI benefits. Notwithstanding section 217.30 and section 232.2, subsection 11, and any other provision of law to the contrary, the custodian of a child in foster care may release medical, mental health, substance abuse, or any other information necessary only to determine the child's eligibility for SSI benefits, and may sign releases for the information. In any release of information made pursuant to this subsection, confidentiality shall be maintained to the maximum extent possible.

15. A limited amount of the funds appropriated in this section may be used for emergency family assistance to provide other resources required for a family participating in a family preservation or reunification project to stay together or to be reunified.

16. Notwithstanding section 234.35, subsection 1, state funding for shelter care paid pursuant to section 234.35, subsection 1, shall be limited to \$6,889,756. The department may adopt emergency rules to implement the provisions of this subsection.

17. Of the funds appropriated in this section, up to \$720,213 may be used as determined by the department for any of the following purposes:

- a. For general administration of the department to improve staff training efforts.
- b. For oversight of termination of parental rights and permanency planning efforts on a statewide basis on the condition that regular reports regarding the statewide program efforts shall be provided to the legislative fiscal bureau.
- c. For use by the department in general administration to promote innovative treatment programs, write grants to obtain federal and private funding, and promote public and private efforts to treat and prevent child abuse.
- d. For personnel, assigned by the attorney general, to provide additional services relating to termination of parental rights and child in need of assistance cases.
- e. For funding of the state multidisciplinary team to assist with difficult cases within the child abuse and foster care system and with respect to child protective investigation and initial case planning and to develop and coordinate local multidisciplinary teams.
- f. For use by the department in conducting outcome-oriented evaluations of child protection, prevention, and treatment programs.
- g. For specialized foster care permanency planning field operations staff.

18. Moneys appropriated in 1992 Iowa Acts, chapter 1241, section 12, subsection 12, for wrap-around services remaining unexpended on June 30, 1993, shall be considered encumbered for purposes of section 8.33, and shall be used to provide wrap-around services or support funds as provided in this subsection in fiscal year 1993-1994. The moneys shall be used by each region to reduce the number or length of group foster care placements from that region. For the purposes of this subsection, "wrap-around services or support funds" means individualized and community-based services or support funds for children and families which enable group foster care placement to be prevented or the length of stay reduced. The department shall establish flexible approval and payment mechanisms for this pilot project. Notwithstanding section 232.187, each department region shall establish procedures for developing and approving the use of wrap-around services or support funds. The department may adopt emergency rules to implement the provisions of this subsection.

19. The department shall develop at least 30 contract family foster care homes for children who present severe emotional or behavioral management problems who might otherwise be placed in group foster care. The funding for the development and implementation of these homes shall include up to \$750,000 of the funds encumbered under 1992 Iowa Acts, chapter 1241, section 12, subsection 9, which for purposes of section 8.33 shall remain available for expenditure during the 1993-1994 fiscal year. Contracts shall provide that the family receives a certain fixed payment regardless of placements, and shall specify that at least one parent shall generally be available in the home 24 hours a day in order to provide intensive and consistent structure and therapeutic intervention, and to respond to crises. Each home shall serve a maximum of three children.

Sec. 12. COMMUNITY-BASED PROGRAMS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For community-based programs, on the condition that family planning services are funded, including salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 1,624,226

1. Of the funds appropriated in this section, \$652,451 shall be used for adolescent pregnancy prevention grants. The department may use a limited amount of the funds appropriated in this subsection for administrative costs.

2. Of the funds appropriated in this section, \$532,789 shall be used by the department for child abuse prevention grants.

Sec. 13. COURT-ORDERED SERVICES PROVIDED TO JUVENILES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purpose designated:

Payment of the expenses of court-ordered services provided to juveniles which are a charge upon the state pursuant to section 232.141, subsection 4:

..... \$ 3,590,000

1. Notwithstanding section 232.141 or any other provision of law, the funds appropriated in this section shall be allocated to the judicial districts as determined by the state court administrator. The state court administrator shall make the determination on the allocations on or before June 15 of each fiscal year.

2. a. Each judicial district shall continue the planning group for the court-ordered services for juveniles provided in that district which was established pursuant to 1991 Iowa Acts, chapter 267, section 119. A planning group shall continue to perform its duties as specified in that law. Reimbursement rates for providers of court-ordered evaluation and treatment services paid under section 232.141, subsection 4, shall be negotiated with providers by each judicial district's planning group.

b. Each district planning group shall submit an annual report in January to the state court administrator and the department of human services. The report shall cover the preceding fiscal year and shall include a preliminary report on the current fiscal year. The administrator and the department shall compile these reports and submit the reports to the chairpersons and ranking members of the joint appropriations subcommittee on human services and the legislative fiscal bureau.

3. The department of human services shall develop policies and procedures to ensure that the funds appropriated in this section are spent only after all other reasonable actions have been taken to utilize other funding sources and community-based services. The policies and procedures shall be designed to achieve the following objectives relating to services provided under chapter 232:

a. Maximize the utilization of funds which may be available from the medical assistance program including usage of the early and periodic screening, diagnosis, and treatment (EPSDT) program.

b. Recover payments from any third-party insurance carrier which is liable for coverage of the services, including health insurance coverage.

c. Pursue development of agreements with regularly utilized out-of-state service providers which are intended to reduce per diem costs paid to those providers.

4. The department of human services, in consultation with the state court administrator and the judicial district planning groups, shall compile a monthly report describing spending in the districts for court-ordered services for juveniles, including the utilization of the medical assistance program. The reports shall be submitted on or before the twentieth day of each month to the chairpersons and ranking members of the joint appropriations subcommittee on human services and the legislative fiscal bureau.

5. Notwithstanding chapter 232 or any other provision of law, a district or juvenile court in a department of human services region shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the regional allocation to pay for the service. The chief juvenile court officer in cooperation with the judicial district planning group shall encourage use of the funds appropriated in this section such that there are sufficient funds to pay for all court-related services during the entire year. The eight chief juvenile court officers shall attempt to anticipate potential surpluses and shortfalls in the allocations and shall cooperatively request the state court administrator to transfer funds between the districts' allocations, as prudent.

6. Notwithstanding any provision of law to the contrary, a district or juvenile court shall not order a county to pay for any service provided to a juvenile pursuant to an order entered under chapter 232 which is a charge upon the state under section 232.141, subsection 4.

7. Of the funds appropriated in this section, up to \$200,000 may be used by the judicial department for administration of the requirements under this section and for travel associated with court-ordered placements which are a charge upon the state pursuant to section 232.141, subsection 4.

8. The department of human services shall identify services funded under the appropriation which are eligible for funding under medical assistance pursuant to the early and periodic screening, diagnosis, and treatment initiative implemented in the appropriation in this Act for child and family services. Identified services shall be included in the initiative and moneys appropriated in this section may be transferred as necessary to pay the nonfederal share of the costs of the services.

Sec. 14. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the state mental health institutes for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	42,043,149
1. The funds appropriated in this section are allocated as follows:		
a. State mental health institute at Cherokee:		
.....	\$	14,251,852
b. State mental health institute at Clarinda:		
.....	\$	5,987,667
c. State mental health institute at Independence:		
.....	\$	16,976,476
d. State mental health institute at Mount Pleasant:		
.....	\$	4,827,154

2. The department may reallocate funds appropriated in this section as necessary to fulfill the needs of the institutions provided for in this appropriation.

3. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations in this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

4. As part of the discharge planning process at the state mental health institutes, the department shall provide assistance to patients being discharged in obtaining eligibility for federal supplemental security income (SSI).

Sec. 15. HOSPITAL-SCHOOLS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

For the state hospital-schools, for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	66,254,348
1. The funds appropriated in this section are allocated as follows:		
a. State hospital-school at Glenwood:		
.....	\$	35,798,473
b. State hospital-school at Woodward:		
.....	\$	30,455,875

2. The department may reallocate funds appropriated in this section as necessary to fulfill the needs of the institutions provided for in this appropriation.

3. The department shall report to the legislative fiscal bureau, on or before the twentieth day of each month, the department's current expenditures for the institutions receiving allocations under this appropriation. The report shall include a comparison of actual to budgeted expenditures for each institution.

Sec. 16. MENTAL HEALTH – MENTAL RETARDATION – DEVELOPMENTAL DISABILITIES SPECIAL SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental health, mental retardation, and developmental disabilities special services: ..... \$ 370,069

1. The department and the Iowa finance authority shall develop methods to implement the financing for existing community-based facilities and to implement financing for small community-based facilities, including those facilities which may be developed under a federally approved home and community-based waiver for services provided under the medical assistance program. The department shall develop criteria for these facilities which may include provisions to restrict placements to current state hospital-school clients or to avert the placement of persons in a state hospital-school. The department shall assure that clients are referred to these facilities upon development of the facilities.

2. Of the funds appropriated in this section, \$248,862 is allocated to provide supplemental per diems to community-based residential care facilities and community living arrangements. The per diem is restricted to clients placed from the state hospital-schools and persons averted from placement in a state hospital-school who meet the appropriate level of functioning for this type of care.

3. Of the funds appropriated in this section, \$121,207 is allocated to provide funds for construction and start-up costs to develop community living arrangements for persons who are mentally ill and homeless. The funds may be used to match federal Stewart B. McKinney Homeless Assistance Act grant funds.

Sec. 17. FAMILY SUPPORT SUBSIDY PROGRAM. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program: ..... \$ 1,050,000

Sec. 18. SPECIAL NEEDS GRANTS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To provide special needs grants to families with a family member at home who has a developmental disability or to a person with a developmental disability: ..... \$ 53,212

Grants must be used by a family to defray special costs of caring for the family member to prevent out-of-home placement of the family member or to provide for independent living costs. A grant may provide up to \$5,000 per person for costs associated with an assistive animal. The grants may be administered by a private nonprofit agency which serves people statewide provided that no administrative costs are received by the agency. Regular reports regarding the special needs grants with the family support subsidy program and an annual report concerning the characteristics of the grantees shall be provided to the legislative fiscal bureau.

Sec. 19. MI/MR/DD STATE CASES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For purchase of local services for persons with mental illness, mental retardation, and developmental disabilities where the client has no established county of legal settlement:

..... \$ 4,031,891

Sec. 20. MENTAL ILLNESS — MENTAL RETARDATION — DEVELOPMENTAL DISABILITIES — BRAIN INJURY — COMMUNITY SERVICES. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For mental illness, mental retardation, developmental disabilities, and brain injury community services in accordance with the provisions of this Act:

..... \$ 28,708,109

1. Of the funds appropriated in this section, \$15,639,333 shall be allocated to counties for funding of community-based mental illness, mental retardation, developmental disabilities, and brain injury services. The moneys shall be allocated to a county as follows:

a. Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

b. Fifty percent based upon the county's proportion of the state's general population.

2. a. A county shall utilize the funding the county receives pursuant to subsection 1 for services provided to persons with mental illness, mental retardation, developmental disability, and brain injury. However, no more than 50 percent of the funding shall be used for services provided to any one of the service populations.

b. For each fiscal year, a county shall use at least 50 percent of the funding the county receives pursuant to subsection 1 for the contemporary services.

c. The mental health and mental retardation commission shall adopt rules pursuant to chapter 17A describing the contemporary services. The commission may adopt emergency rules to implement this subsection.

3. Of the funds appropriated in this section, \$30,000 shall be used to support the Iowa compass program providing computerized information and referral services for Iowans with disabilities and their families.

4. The department shall submit an annual report concerning each population served and each service funded in this section to the chairpersons and ranking members of the joint appropriations subcommittee on human services and the legislative fiscal bureau.

5. a. Provision of funding under subsection 1 is contingent upon a county participating in the county's mental illness, mental retardation, developmental disabilities, and brain injury (MI/MR/DD/BI) planning councils established pursuant to 1992 Iowa Acts, chapter 1241, section 25, subsection 4. However, a planning council's planning area shall utilize the borders of the county clusters established by the department in accordance with section 217.42 or include a population of at least 40,000 and include counties with a historical pattern of cooperation in providing MI/MR/DD/BI services.

b. A planning council shall develop plans for the provision of services for the fiscal year beginning July 1, 1994, for persons with MI/MR/DD/BI in the county or counties comprising the planning council.

c. County MI/MR/DD/BI expenditure reports for the prior fiscal year are due to the department on October 15 of each year. The county MI/MR/DD/BI plan for the fiscal year beginning July 1, 1994, is due to the department April 1, 1994.

d. If a county has not established or is not affiliated with a community mental health center under chapter 230A, the county shall expend a portion of the money received under this appropriation to contract with a community mental health center to provide mental health services to the county's residents. If such a contractual relationship is unworkable or undesirable, the mental health and mental retardation commission may waive the expenditure requirement. However, if the commission waives the requirement, the commission shall address the specific concerns of the county and shall attempt to facilitate the provision of mental health



services to the county's residents through an affiliation agreement or other means. The mental health and mental retardation commission shall adopt emergency rules to implement the provisions of this section.

e. (1) A county is entitled to receive moneys under this appropriation if the county raised by county levy and expended for mental health, mental retardation, and developmental disabilities services, in the preceding fiscal year, an amount at least equal to the amount so raised and expended for those purposes during the fiscal year beginning July 1, 1980. The mental health and mental retardation commission shall adopt emergency rules to implement the provisions of this section.

(2) With reference to the fiscal year beginning July 1, 1980, money "raised by county levy and expended for mental health, mental retardation, and developmental disabilities services" means the county's maintenance of effort determined by using the general allocation application for the state community mental health and mental retardation services fund under section 225C.10, subsection 1, Code 1993. The department, with the agreement of each county, shall establish the actual amount expended by each county for persons with mental illness, mental retardation, or a developmental disability in the fiscal year beginning July 1, 1980, and this amount shall be deemed each county's maintenance of effort.

6. a. Of the funds appropriated in this section, \$13,038,776 is allocated for distribution to counties for local purchase of services for persons with mental illness or mental retardation or other developmental disability.

b. The funds allocated in this subsection shall be expended by counties in accordance with eligibility guidelines established in the department's rules outlining general provisions for service administration. Services eligible for payment with funds allocated in this subsection are limited to any of the following which are provided in accordance with the department's administrative rules for the services: community supervised apartment living arrangements, residential services for adults, sheltered work, supported employment, supported work training, transportation, work activity, administrative support for volunteers, adult day care, adult support, and family-centered services. The department may adopt emergency rules to increase the eligibility guidelines by the same percentage and at the same time as federal social security benefits are increased due to a recognized increase in the cost of living.

c. In purchasing services with funds allocated in this subsection, a county shall designate a person to provide for eligibility determination and development of a case plan for individuals for whom the services are purchased. The designated person shall be a medical assistance case manager serving the person's county of residence. If an individual does not have a case manager, the individual's eligibility shall be determined by a social services caseworker of the department serving the individual's county of residence. The case plan shall be developed in accordance with the department's rules outlining general provisions for service administration.

d. Services purchased with funds allocated in this subsection must be the result of a referral by the person who identified the services in developing the individual's case plan.

e. Services purchased with funds allocated in this subsection must be under a purchase of service contract established in accordance with the department's administrative rules for purchase of service.

f. The funds provided by this subsection shall be allocated to each county as follows:

(1) Fifty percent based upon the county's proportion of the state's population of persons with an annual income which is equal to or less than the poverty guideline established by the federal office of management and budget.

(2) Fifty percent based upon the amount provided to the county for local purchase services in the preceding fiscal year.

The mental health and mental retardation commission may adopt emergency rules to implement the provisions of this lettered paragraph.

g. Each county shall submit to the department a plan for funding of the services eligible for payment under this subsection. The plan may provide for allocation of the funds for one or more of the eligible services. The plan shall identify the funding amount the county

allocates for each service and the time period for which the funding will be available. Only those services which have funding allocated in the plan are eligible for payment with funds provided in this subsection.

h. A county shall provide advance notice to the individual receiving services, the service provider, and the person responsible for developing the case plan of the date the county determines that funding will no longer be available for a service.

i. Moneys allocated to a county pursuant to paragraph "f" shall be provided to the county as claims are submitted to the state.

j. The moneys provided in this subsection do not establish an entitlement to the services funded in this subsection.

7. The department shall apply for grants to establish pilot projects for placements of geriatric patients who have a mental illness. Any grant received may be used by the department to fund a coordinator to work with hospitals and nursing homes concerning placements of geriatric patients who have a mental illness.

Sec. 21. FIELD OPERATIONS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes: \$ 35,980,389

\*1. *The general assembly finds the following concerning department of human services' field staff caseweight factors used to measure the number and difficulty of cases assigned to individual social workers and income maintenance workers:*

a. *If workers carry a caseweight factor which is too high, the workers will be unable to do their jobs effectively. A high caseweight factor indicates that a worker is likely to be over-worked and will not have time to deal with a client's needs beyond the task of completing necessary paperwork.*

b. *Clients present serious problems which require sensitivity, time, and experience to adequately address. The problems encountered by workers include family violence, child abuse, neglect, incest, isolation and illness, homelessness, and disabilities. Workers are expected to effectively relate to persons of all ages, incomes, and backgrounds. A worker's ability to effectively respond to clients and client problems is adversely affected by an excessive caseweight level.*

c. *Excessive caseweight factor levels contribute to high turnover in the field staff positions and to administrative delays in replacing vacant positions, resulting in further increases in caseweight factors.*

d. *Excessive caseweight factor levels may create delays in service delivery causing clients to seek services from counties under general relief in order to receive assistance in a timely manner. Increases in general relief result in additional demands upon property taxes.*

e. *Beginning with the 1989-1990 fiscal year, the general assembly has appropriated funding and authorized full-time equivalent positions for field staff based upon caseweight factor levels stated in statute. Funding was appropriated in each of the years in order that sufficient staff persons were to be employed to achieve the stated caseweight factor levels. However, in each fiscal year in which the caseweight factor levels were stated, insufficient numbers of persons were employed and as a result the stated caseweight factor levels were not met.*

f. *As of February 1993, the caseweight factor levels for income maintenance workers and social workers exceed the levels stated in statute and the funding appropriated to achieve the stated levels has not been expended as intended. As a result, the caseweight factor levels have become too high for workers to effectively perform their duties.*

2. *The general assembly finds that the optimum caseweight levels for department of human services' field staff according to the last comprehensive analysis of the levels, is 145 for income maintenance workers and 130 for social workers. Federal courts have mandated in other states*

\*Item veto; see message at end of the Act

*the maximum number of cases per foster care field worker the state government agencies are allowed to manage. In addition, the child welfare league of America (CWLA) has published guidelines for caseloads for various field service positions. Both the court-ordered caseloads and the CWLA guideline caseloads are lower than those caseloads borne by comparable positions in this state.*

*3. The departments of human services, management, and personnel shall take every action necessary to fill vacant positions in a manner so as to reduce department of human services' field staff caseweight factor levels closer to the optimum levels. The actions shall include, but are not limited to, expedited hiring and training processes and restructuring jobs and workloads to improve the manageability of caseloads.\**

**Sec. 22. GENERAL ADMINISTRATION.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For general administration, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 9,097,174

Of the funds appropriated in this section, \$57,094 shall be transferred to the prevention of disabilities policy council established in section 225B.3.

**Sec. 23. VOLUNTEERS.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:

..... \$ 85,793

**Sec. 24. "X-PERT" PUBLIC ASSISTANCE BENEFIT ELIGIBILITY DETERMINATION SYSTEM.** There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the development costs of the "X-PERT" knowledge-based computer software package for public assistance benefit eligibility determination, including salaries, support, maintenance, and miscellaneous purposes:

..... \$ 774,645

**Sec. 25. MEDICAL ASSISTANCE, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICE PROVIDERS REIMBURSED UNDER THE DEPARTMENT OF HUMAN SERVICES.**

1. a. For the fiscal year beginning July 1, 1993, the department of human services may allocate any increases for durable medical products and supplies so that equipment and supplies which have greater wholesale cost increases may be reimbursed at a higher rate and those which have a lower or no wholesale cost increase may be reimbursed at a lower rate or have no increase.

b. For the fiscal year beginning July 1, 1993, providers of obstetric services when provided by physicians or certified nurse-midwives shall have their medical assistance reimbursement rates increased by 10 percent over the rates in effect on June 30, 1993.

c. For the fiscal year beginning July 1, 1993, early and periodic screening, diagnosis, and treatment reimbursements for screening services under the medical assistance programs shall be increased by 50 percent over the rates in effect on June 30, 1993.

d. For the fiscal year beginning July 1, 1993, facilities certified as skilled nursing facilities pursuant to the federal medicare repayments shall have their medical assistance rates increased by 4.33 percent over the rate in effect on June 30, 1993.

\*Item veto; see message at end of the Act

e. The dispensing fee for pharmacists shall remain at the rate in effect on June 30, 1993. The reimbursement policy for drug product costs shall be in accordance with federal requirements.

f. Reimbursement rates for in-patient hospital services shall be increased by an average of 5.5 percent over the rates in effect on June 30, 1993, in conjunction with the rebasing and recalibration of the diagnosis-related groups. Reimbursement rates for out-patient services shall remain according to the federal Medicare methodology until implementation of the new methodology referenced in the appropriation in this Act for medical contracts.

g. Reimbursement rates for rural health clinics shall be increased in accordance with increases under the federal medicare program.

h. Home health agencies certified for the federal medicare program, hospice services, and acute care mental hospitals shall be reimbursed for their current federal Medicare audited costs.

i. The basis for establishing the maximum medical assistance reimbursement rate for nursing facilities shall be the 69th percentile of facility costs as calculated from the June 30, 1993, unaudited compilation of cost and statistical data. However, to the extent funds are available within the amount projected for reimbursement of nursing facilities within the appropriation for medical assistance in this Act, the department may adjust the maximum medical assistance reimbursement for nursing facilities, not to exceed the 70th percentile, as calculated from the December 31, 1993, unaudited compilation of cost and statistical data and the adjustment shall take effect January 1, 1994.

j. The department may revise the fee schedule used for physician reimbursement.

k. Federally qualified health centers shall be reimbursed at 100 percent of reasonable costs as determined by the department in accordance with federal requirements.

1. The department shall review and utilize small area analysis to identify differences in utilization of physician and hospital services. In addition, the department shall identify incentives to reward efficient, effective, and quality care.

2. a. For the fiscal year beginning July 1, 1993, the maximum cost reimbursement rate for residential care facilities reimbursed by the department under the appropriation in this Act for state supplementary assistance shall be \$19.82 per day. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be \$14.17 per day.

b. For the fiscal year beginning July 1, 1993, the maximum cost reimbursement rate for residential care facilities reimbursed by the department which are not subject to paragraph "a" shall be \$19.62 per day. The flat reimbursement rate for facilities electing not to file semiannual cost reports shall be \$14.03 per day. For the fiscal year beginning July 1, 1993, the maximum reimbursement rate for providers reimbursed under the in-home health-related care program shall be \$390.15 per month.

3. If the department's reimbursement methodology for any provider reimbursed in accordance with this section includes an inflation factor, this factor shall not exceed the amount by which the consumer price index for all urban consumers increased during the calendar year ending December 31, 1992.

4. For the fiscal year beginning July 1, 1993, the foster family basic monthly maintenance rate for children ages 0 through 5 years shall be \$308, the rate for children ages 6 through 11 years shall be \$322, the rate for children ages 12 through 15 years shall be \$359, and the rate for children ages 16 and older shall be \$382. Effective January 1, 1994, the department shall increase the monthly allowance for children in independent living from \$400 to \$441. Effective January 1, 1994, the department shall increase the maximum basic monthly adoption subsidy for children ages 0 through 5 years to \$308, for children ages 6 through 11 years to \$322, for children ages 12 through 15 to \$359, and for children ages 16 and older to \$382.

5. For the fiscal year beginning July 1, 1993, the maximum reimbursement rates for social service providers shall be the same as the rates in effect on June 30, 1993, except under any of the following circumstances:

a. If a new service was added after June 30, 1993, the initial reimbursement rate for the service shall be based upon actual and allowable costs.

b. If a social service provider loses a source of income used to determine the reimbursement rate for the provider, the provider's reimbursement rate may be adjusted to reflect the loss of income, provided that the lost income was used to support actual and allowable costs of a service purchased under a purchase of service contract.

c. For group foster care and shelter care providers reimbursed through the purchase of service system, the maximum reimbursement rate shall be \$76.61 per day.

d. On July 1, 1993, subject to the maximum reimbursement rate established in paragraph "c", the following service providers reimbursed under the appropriation in this Act for child and family services and psychiatric medical institutions for children shall have their reimbursement rates increased by 2 percent over the rates in effect on June 30, 1993, as an adjustment for increases in the cost of living: group foster care, purchased family foster care, shelter care, family-centered services, family preservation services, and independent living services.

e. The increase in rates provided in paragraph "d" shall apply to shelter care and independent living services through June 30, 1994. However, effective November 1, 1993, the reimbursement rates for group foster care, purchased family foster care, family-centered services, and family preservation services shall be established by the department in accordance with the rules adopted for this purpose pursuant to section 11, subsection 1, relating to the provision of certain child and family services under medical assistance. When the department establishes the rates, the department may also adjust the rates for group foster care maintenance and establish the maximum reimbursement rates for group foster care service and maintenance. Under the new reimbursement rates, the reimbursement rate paid to a group foster care provider for combined service and maintenance shall be at least the reimbursement rate in effect for that provider on October 31, 1993, or \$76.61 per day, whichever is less.

f. The rate used by the department for reimbursement of any group foster care provider in the fiscal period beginning July 1, 1993, and ending October 31, 1993, shall be equal to the provider's actual and allowable costs. However, if the provider's costs are equal to or greater than \$76.61 per day, the provider's reimbursement rate shall be equal to \$76.61 per day.

g. Child day care providers reimbursed by the department under the certificate program or under a purchase of service contract during the 1992-1993 fiscal year, shall have their reimbursement rates increased by 1 percent over the rates in effect on June 30, 1993. However, the department may revise the adjusted rates on or after October 1, 1993, pursuant to the rule changes made by the department in accordance with the provisions of the appropriation in this Act for child day care assistance.

6. The department may adopt emergency rules to implement the provisions of this section.

Sec. 26. ASSISTANCE TO GAMBLERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the gamblers assistance program: ..... \$ 250,000

The Iowa lottery board and the state racing and gaming commission shall cooperate with the gamblers assistance program to incorporate information regarding the gamblers assistance program and its toll-free telephone number in printed materials distributed by the board and commission. The commission may require licensees to have the information available in a conspicuous place as a condition of licensure.

Sec. 27. STATE INSTITUTIONS — CLOSINGS AND REDUCTIONS. If a state institution administered by the department of human services is to be closed or reduced in size, prior to the closing or reduction, the department shall initiate and coordinate efforts in cooperation with the Iowa department of economic development to develop new jobs in the area in which the state institution is located.

Sec. 28. MORATORIUM — CERTIFICATE OF NEED — INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED. Beginning July 1, 1993, and ending June 30, 1995, the Iowa department of public health shall not process applications for and shall not issue a certificate of need based upon an application for a new institutional health service or changed institutional health service for which a letter of intent was received after April 1, 1993, and for which an application was not received by June 30, 1993, for an intermediate care facility for the mentally retarded.

Sec. 29. Section 135H.4, Code 1993, is amended to read as follows:  
135H.4 LICENSURE.

A person shall not establish, operate, or maintain a psychiatric medical institution for children unless the person obtains a license for the institution under this chapter and holds a license under section 237.3, subsection 2, paragraph "a", subparagraph (3).

Sec. 30. Section 135H.6, subsection 6, Code 1993, is amended to read as follows:

6. The proposed psychiatric institution is under the direction of an agency which has operated a facility licensed under section 237.3, subsection 2, paragraph "a", subparagraph (3), for three years or of an agency which has operated a facility for three years providing psychiatric services exclusively to children or adolescents and the facility meets or exceeds requirements for licensure under section 237.3, subsection 2, paragraph "a", subparagraph (3).

Sec. 31. Section 225C.20, Code 1993, is amended to read as follows:

225C.20 RESPONSIBILITIES OF COUNTIES FOR INDIVIDUAL CASE MANAGEMENT SERVICES.

Individual case management services funded under medical assistance shall be provided by the department except when a county or a consortium of counties contracts with the department to provide the services. A county or consortium of counties may contract to be the provider at any time and the department shall agree to the contract so long as the contract meets the standards for case management adopted by the department. The county or consortium of counties may subcontract for the provision of case management services so long as the subcontract meets the same standards. A ~~mental health, mental retardation, and developmental disabilities coordinating~~ county board of supervisors may change the provider of individual case management services at any time. If the current or proposed contract is with the department, the ~~coordinating~~ county board of supervisors shall provide written notification of a proposed change to the department on or before August 15 and written notification of an approved change on or before ~~October~~ November 15 in the fiscal year which precedes the fiscal year in which the change will take effect.

Sec. 32. Section 232.71, subsections 3 and 6, Code 1993, are amended to read as follows:

3. The investigation may, with the consent of the parent or guardian, include a visit to the home of the child named in the report and an interview or observation of the child may be conducted. If permission to enter the home to interview or observe the child is refused, the juvenile court or district court upon a showing of probable cause may authorize the person making the investigation to enter the home and interview or observe the child. ~~The department may utilize a multidisciplinary team in investigations of child abuse.~~

6. The investigation may include a visit to a facility providing care to the child named in the report or to any public or private school subject to the authority of the department of education where the child named in the report is located. The administrator of a facility, or a public or private school shall cooperate with the investigator by providing confidential access to the child named in the report for the purpose of interviewing the child, and shall allow the investigator confidential access to other children for the purpose of conducting interviews in order to obtain relevant information. The investigator may observe a child named in a report in accordance with the provisions of section 232.68, subsection 3, paragraph "b". A witness shall be present during an observation of a child. Any child age ten years of age or older can terminate contact with the investigator by stating or indicating the child's wish to discontinue

the contact. The immunity granted by section 232.73 applies to acts or omissions in good faith of such administrators and their facilities or school districts for cooperating in an investigation and allowing confidential access to a child. ~~The department may utilize a multidisciplinary team to conduct investigations of child abuse involving employees or agents of a facility providing care for a child.~~

Sec. 33. Section 232.71, subsection 17, Code 1993, is amended by striking the subsection.

Sec. 34. Section 232.141, subsection 8, Code 1993, is amended by striking the subsection.

Sec. 35. Section 232.147, subsection 3, paragraph g, Code 1993, is amended by striking the paragraph.

Sec. 36. Section 232.183, subsection 7, Code 1993, is amended to read as follows:

7. A dispositional hearing is not required if the court has approved either the local citizen foster care review board review or the department's administrative review procedure as defined under section 234.42, and all parties agree. This provision does not eliminate the initial judicial determination required under section 232.182.

Sec. 37. Section 234.35, subsection 3, Code 1993, is amended by striking the subsection.

Sec. 38. Section 235A.13, subsection 7, Code 1993, is amended by striking the subsection.

Sec. 39. Section 235A.15, subsection 2, paragraph b, subparagraph (4), Code 1993, is amended by striking the subparagraph and renumbering the succeeding paragraph.

Sec. 40. Section 237.3, subsection 2, paragraph a, Code 1993, is amended by striking the paragraph and inserting in lieu thereof the following:

a. Types of facilities which include but are not limited to group foster care facilities and family foster care homes.

Sec. 41. Section 237.13, subsection 6, Code 1993, is amended to read as follows:

6. The fund is not liable for the first ~~one hundred fifty~~ seventy-five dollars of any claim based on a single occurrence. ~~Claims may not be aggregated or accumulated to avoid payment of this deductible.~~ The fund is not liable for damages in excess of three hundred thousand dollars for a single foster home for all claims arising out of one or more occurrences during a calendar year.

Sec. 42. NEW SECTION. 237A.28 CHILD DAY CARE CREDIT FUND.

A child day care credit fund is created in the state treasury under the authority of the department of human services. The moneys in the fund shall consist of moneys deposited pursuant to section 422.100 and shall be used for child day care services as annually directed by the general assembly.

Sec. 43. Section 249A.26, subsection 2, Code 1993, is amended to read as follows:

2. The county of legal settlement shall be billed for fifty percent of the nonfederal share of the cost of case management provided to adults, day treatment, and partial hospitalization provided under the medical assistance program for persons with mental retardation, a developmental disability, or chronic mental illness. For purposes of this section, chronic mental illness does not include organic mental disorders persons with mental disorders resulting from Alzheimer's disease or substance abuse shall not be considered chronically mentally ill.

Sec. 44. Section 422.12C, subsection 1, paragraphs f, g, and h, Code 1993, are amended by striking the paragraphs and inserting in lieu thereof the following:

f. For a taxpayer with net income of forty thousand dollars or more, zero percent.

**Sec. 45. NEW SECTION. 422.100 ALLOCATION TO THE CHILD DAY CARE CREDIT FUND.**

The treasurer of state shall credit during the first month of each quarter of each fiscal year to the child day care credit fund created in section 237A.28 the sum of six hundred fifty thousand dollars from the individual income tax withholding receipts.

**Sec. 46. MI/MR/DD/BI TASK FORCE CONTINUED.** The legislative council shall authorize \$4,000 for consultant services and other expenses associated with continuation of the MI/MR/DD/BI service delivery system restructuring task force created in 1992 Iowa Acts, chapter 1241, section 26. The task force shall submit to the governor and general assembly on or before January 15, 1994, a five-year plan providing financing options for the MI/MR/DD/BI service delivery system. The plan shall be consistent with the provisions of the task force report submitted to the governor and general assembly in January 1993. In addition, the plan shall incorporate any task force recommendations concerning issues of legal settlement, mandated services, MI/MR/DD/BI planning councils, and other pertinent issues developed through June 30, 1993. Staffing services for the task force shall be provided by the legislative service bureau and the legislative fiscal bureau.

**Sec. 47. WAIVER — NURSING HOME PILOT PROJECT.**

1. The department of human services shall submit a waiver request to the United States department of health and human services as necessary for federal authorization to implement a pilot project to allow two nursing homes, as defined in section 155.1, selected through a request for proposals process to be operated under an alternative plan of operation which is outcome-based and which to the greatest extent possible provides the least restrictive environment for the residents of the nursing home. The waiver shall include a request for suspension of federal regulations which the department identifies as more restrictive than necessary in order to provide a safe and healthy environment for the residents of a nursing home. Following receipt of a waiver, the department of human services shall establish a request for proposals process and shall select two nursing homes to operate under an alternative system based upon criteria and requirements which shall include but are not limited to all of the following:

- a. The nursing home shall not be subject to the requirements of chapter 135C.
- b. The department shall adopt rules which establish the minimum requirements for an alternative nursing home including but not limited to the physical structure and services to be provided and the nursing home shall comply with the minimum requirements established.
- c. The nursing home shall be constructed in compliance with applicable local building code requirements and the rules adopted for the alternative type of facility by the state fire marshal in accordance with the concept of the least restrictive environment for the facility residents.
- d. The nursing home shall develop and implement a written plan of operation which is outcome-based and which establishes goals for the facility in meeting the outcomes identified. The plan shall include an ongoing process for identifying and attaining the outcomes identified. The plan shall also include a method for evaluation of the effect of the alternative form of operation on the quality of life of the residents and the need for alternative methods of staff development and service delivery.
- e. The nursing home shall provide for input from the residents regarding the most appropriate environment and services to the residents.
- f. The nursing home shall report annually to the department regarding the success of the nursing home in reaching the goals established and regarding recommendations for additional improvements in the structure and operation of the nursing home and the services provided the residents of the facility.

2. The department of human services shall annually report to the senate and house of representatives standing committees on human resources, on the progress of the pilot project and shall include in the report recommendations regarding the use of alternatives to standard nursing homes.

**Sec. 48. REPEAL.** Sections 232.187 and 234.42, Code 1993, are repealed.



Sec. 49. Section 252.43, Code 1993, is repealed.

Sec. 50. **TRANSFER OF FUNCTIONS.** If the department of human services determines that the functions required to be performed by any of the following entities can be performed by another entity under the authority of the department, notwithstanding the indicated section of the Code, if agreed to in writing and filed with the governor and the general assembly by each of the appointing authorities specified in statute for the entity, the function shall be performed by the entity identified by the department:

1. A multidisciplinary team assisting the department in the assessment, diagnosis, and disposition of a child abuse report pursuant to section 232.71 and permitted access to child abuse information pursuant to section 235A.15.

2. A regional out-of-state placement committee jointly established by the department of human services and the judicial department pursuant to section 232.187.

3. A foster care review committee created by the department of human services pursuant to section 234.42.

Sec. 51. **ADOPTION AND FOSTER CARE INFORMATION SYSTEM.** Moneys allocated to develop and maintain the state's implementation of the national adoption and foster care information system in 1992 Iowa Acts, chapter 1241, section 12, subsection 6, shall be considered encumbered for purposes of section 8.33.

Sec. 52. **JUVENILE DETENTION HOMES — FISCAL YEAR 1993.**

1. Of the funds appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1992, for reimbursement of counties for juvenile detention homes, pursuant to 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 408, \$520,000, or so much thereof as is necessary, shall be used in the fiscal year beginning July 1, 1992, and ending June 30, 1993, for state payment of financial aid of ten percent of the total cost of county or multicounty juvenile detention homes in accordance with the provisions of section 232.142, subsection 3 and are in addition to the funds provided to counties for this purpose pursuant to 1992 Iowa Acts, chapter 1241, section 12. However, if the funds designated by this section are insufficient to pay ten percent of the total cost of the homes, notwithstanding section 232.142, subsection 3, the state payment shall be less than ten percent and the department shall prorate the state payment as necessary to keep expenditures within the funds designated by this section.

2. The provisions of 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 408, requiring reimbursement of a county if a child has been adjudicated delinquent and remains in a county detention home awaiting placement for more than 72 hours after adjudication, shall apply only to the period beginning July 1, 1992, and ending September 30, 1992, and shall not apply for the remainder of the 1992-1993 fiscal year following September 30, 1992.

Sec. 53. **USE OF CERTAIN FUNDS.** Of the funds appropriated pursuant to 1992 Iowa Acts, Second Extraordinary Session, chapter 1001, section 412, subsection 1, \$290,000 shall be used during the 1992-1993 fiscal year for services provided under the appropriation for community-based programs in 1992 Iowa Acts, chapter 1241, section 15.

Sec. 54. **CLEAN AIR ACT — APPLICATION TO CAPITOL BUILDING.** The capitol building shall be considered a public place pursuant to section 142B.1 and the rotunda area between the chambers of the house of representatives and the senate shall not be designated a smoking area pursuant to section 142B.2. A person who violates the provisions of this section is subject to the penalty provisions of section 142B.6.

Sec. 55. **EMERGENCY RULES.** If specifically authorized by a provision of this Act, the department of human services or the mental health and mental retardation commission may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions, the rules shall become effective immediately upon filing, unless a later effective date is specified in the rules, and the rules shall be in effect

for a period of 180 days following the date the rules take effect. In addition, the department may adopt administrative rules in accordance with the provisions of this section as necessary to comply with federal requirements or to adjust to a change in the level of federal funding which affect refugee programs during the fiscal biennium beginning July 1, 1993, and ending June 30, 1995. Any rules adopted in accordance with the provisions of this section shall also be published as notice of intended action as provided in section 17A.4.

**Sec. 56. EFFECTIVE DATES.**

1. Section 10 of this Act, relating to juvenile detention homes, and section 11, subsection 18 of this Act, relating to wrap-around services, take effect June 30, 1993.

2. Section 11, subsection 1, relating to provisions of various child and family services under the medical assistance program, subsection 8, relating to the cap on group foster care placements, and subsection 11, relating to the demonstration program to decategorize child welfare services, and section 13, subsection 1, relating to a determination of allocations by the state court administrator, and section 51, relating to moneys allocated for the adoption and foster care information system, being deemed of immediate importance, take effect upon enactment.

3. Sections 32, 33, 35 through 39 and 48 of this Act, take effect July 1, 1994.

4. Section 44 of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to January 1, 1993, for tax years beginning on or after that date.

5. Section 52 of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1992.

6. Section 11, subsection 19 of this Act, relating to contract family foster care homes, takes effect June 30, 1993.

7. Section 53 of this Act, being deemed of immediate importance, takes effect upon enactment and applies retroactively to July 1, 1992.

*Approved April 26, 1993, except the items which I hereby disapprove and which are designated as Section 3, subsection 6 in its entirety and Section 21, subsections 1, 2, and 3 in their entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the Speaker of the House this same date, a copy of which is attached hereto.*

TERRY E. BRANSTAD, Governor

Dear Mr. Speaker:

I hereby transmit House File 518, an Act relating to appropriations for the Department of Human Services and the Prevention of Disabilities Policy Council and including other provisions and appropriations involving health care and the child and dependent care individual income tax credit, providing for the application of a civil penalty, providing for effective and applicability dates, and providing for retroactive applicability.

House File 518 is a major accomplishment for this session of the General Assembly. I commend the General Assembly for passing key elements of budget and program reform and generally avoiding the use of budget tactics that in the past have created problems in ensuing years.

The appropriations in this bill reflect landmark policy changes in welfare, Medicaid, child support collections and child welfare. I encourage the General Assembly to complete this work by passing the companion legislation to provide the substantive program language.

The Human Investment Program establishes a contract with welfare recipients that will benefit them and taxpayers. Self-sufficiency agreements will require recipients to assume personal responsibility for getting education or employment to become self-supporting. The state will provide assistance through our child care, medical care, job training, and job placement programs. This legislation provides incentives to save and improve family stability.

For the past five years, Iowa has improved child support collections and significant progress is made in this legislation. Employers reporting new hires, early confirmation of paternity, withholding of child support for the self-employed, and publication of the names of those who owe will increase collections. Additional steps should be approved next year — a centralized lien file so those who owe cannot hide assets and withholding auto registrations from those who don't pay.

This legislation continues our efforts to reform spending and get control over automatic pilot spending. Medicaid spending reforms included in the bill save over \$3.5 million without reducing necessary care.

The child welfare initiatives contained in the bill redefine services for children in our state by placing greater emphasis on preventing placement of children in institutional care and strengthening services to keep families together and to keep children in a family home.

House File 518 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 3, subsection 6, in its entirety. This provision would change the method of determining reimbursements to nursing homes. This proposal should be studied further by the Health Care Reform Council to determine its impact on rural health care.

I am unable to approve the items designated as Section 21, subsections 1 through 3, in their entirety. These provisions include nonappropriation rhetoric concerning human services' field staff caseweight factors. While the bill establishes what are described as "optimum" caseweight levels, the amount of funding provided in the bill falls far short of the funding necessary to support the proposed "optimums". Moreover, the methodology for determining the caseweight factors was developed more than fifteen years ago and is outdated. It reflects none of the increases in productivity that have been made possible through better training and advances in technology. Furthermore, the concept of caseweight factors was established to guide the department in allocating staff across the state, it was not intended to be a mechanism for determining the department's budget.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 518 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD, *Governor*

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## CHAPTER 173

### APPROPRIATIONS FOR ENERGY CONSERVATION AND ENVIRONMENTAL PROTECTION

*H.F. 625*

**AN ACT** relating to energy conservation including making appropriations of petroleum over-charge funds.

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

Section 1. There is appropriated from those funds designated within the energy conservation trust created in section 473.11, for disbursement pursuant to section 473.11, to the following named agencies for the fiscal year beginning July 1, 1993, and ending June 30, 1994, the following amounts, or so much thereof as is necessary, to be used for the purposes designated: