

by the community action agencies during the federal fiscal year which commences October 1, 2000, the Iowa utilities board shall issue an order prohibiting disconnection of service from November 1 through April 1 by a regulated public utility furnishing gas or electricity to households whose income falls at or below one hundred fifty percent of the federal poverty level as established by the United States office of management and budget. The board shall promptly adopt rules in accordance with section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement this requirement. The energy assistance bureau of the department of human rights, in consultation with the community action agencies, shall certify to the utilities, households that are eligible for moratorium protection utilizing the agency's existing electronic database. Rules adopted under this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 60. EFFECTIVE DATE. The following provisions of this Act, being deemed of immediate importance, take effect upon enactment:

1. Section 10, subsection 3, of this Act, appropriating federal community development block grant moneys for the federal fiscal year beginning October 1, 1999.

2. Section 14, subsection 7, relating to contracts for projects for assistance in transition from homelessness.

Approved April 21, 2000

CHAPTER 1221

TOBACCO SETTLEMENT FUND APPROPRIATIONS

H.F. 2555

AN ACT relating to and making appropriations from the tobacco settlement fund, providing an effective date, and providing for retroactive applicability.

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

Section 1. TOBACCO SETTLEMENT FUND — APPROPRIATIONS TO DEPARTMENTS. There is appropriated from the tobacco settlement fund created in section 12.65 to the following departments for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. To the department of human services:
 - a. Beginning November 1, 2000, to increase the reimbursement rate for all noninstitutional medical assistance providers, excluding anesthesia and dental services, to the rate in effect on January 1, 2000, under the fee schedule established for Iowa under the federal Medicare program that incorporates the resource-based relative value scale methodology:

	\$ 6,000,000
--	--------------
 - b. To increase the reimbursement rate to 75 percent of the usual and customary rate for the fiscal year July 1, 2000, through June 30, 2001, for dental services under the medical assistance program:

	\$ 3,600,000
--	--------------
 - c. To provide a cost-of-living adjustment for the fiscal year July 1, 2000, through June 30, 2001, of 5 percent to rehabilitative treatment and support services providers under the medical assistance program:

	\$ 3,100,000
--	--------------

The cost-of-living adjustment for rehabilitative treatment and support services providers shall be applied to each individual provider's state negotiated rate.

d. To provide a cost-of-living adjustment for the fiscal year July 1, 2000, through June 30, 2001, of 5 percent to adoption, independent living, shelter care, and home studies services providers:

..... \$ 500,000

The cost-of-living adjustment for licensed or approved shelter care providers shall be applied to each individual licensed or approved shelter care provider's state negotiated rate. On or before August 1, 2000, the department shall recalculate the statewide average cost of shelter care to include the total amount of the individual providers' cost-of-living adjustments. The cost-of-living adjustment percentage specified in this lettered paragraph shall be applied directly to the state's negotiated shelter care per diem reimbursement rate.

e. To increase the reimbursement rate for the fiscal year July 1, 2000, through June 30, 2001, for hospitals under the medical assistance program by 3 percent over the reimbursement rate in effect on June 30, 2000:

..... \$ 2,300,000

f. To increase the reimbursement rate for the fiscal year July 1, 2000, through June 30, 2001, for home health care services under the medical assistance program to the rate provided for such services under the federal Medicare program:

..... \$ 2,400,000

g. To increase the reimbursement rate for the fiscal year July 1, 2000, through June 30, 2001, for critical access hospitals under the medical assistance program to the rate provided for such hospitals under the federal Medicare program:

..... \$ 250,000

h. To provide for expansion of home health care services and habilitative day care under the medical assistance program for children with special needs:

..... \$ 4,400,000

i. To provide for expansion of respite care services provided through home and community-based waivers under the medical assistance program:

..... \$ 1,200,000

j. To increase the reimbursement rate for the fiscal year July 1, 2000, through June 30, 2001, to service providers under the purview of the department of human services, with the exception of family support subsidy providers, by up to 1 percent over the rates in effect on June 30, 2000:

..... \$ 550,000

Of the funds appropriated to the department of human services under this subsection, \$182,381 shall be used to meet the maintenance of effort requirements under the state supplementary assistance program.

The department of human services shall conduct a review of reimbursement rates and the reimbursement methodology for providers of dental services, including the feasibility of changing from a system that is based upon a percentage of the usual, customary, and reasonable rates to one that is percentile-based, and shall submit a report of its findings to the governor and the general assembly on or before December 1, 2000.

The department of human services may adopt emergency rules to implement this subsection.

2. To the department of human services to supplement the children's health insurance program appropriation:

..... \$ 200,000

3. To the department of human services for performance of the evaluation required under this subsection:

..... \$ 35,000

The department of human services shall seek a waiver from the health care financing administration of the United States department of health and human services to implement a pilot project in fiscal year 2000-2001 to study the effects of providing continuous eligibility for children under the medical assistance program. If the waiver is approved, the pilot

project shall be implemented in one rural and one urban county, and the department shall enter into a contract with an entity outside of the department to perform an evaluation of the pilot project. The evaluating entity shall coordinate its efforts with efforts of the United States department of health and human services relating to evaluation of continuous eligibility. The evaluating entity shall submit a report to the general assembly on or before December 15, 2000, regarding the findings of the pilot project including, but not limited to, any increased costs which may be incurred through continuous eligibility. The report shall also include recommendations for discontinuation or expansion of the pilot project.

4. To the Iowa department of public health:

a. For additional substance abuse treatment under the substance abuse treatment program:

..... \$ 11,900,000

(1) The department shall use funds appropriated in this paragraph to enhance the quality of and to expand the capacity to provide 24-hour substance abuse treatment programs.

(2) The department shall use funds appropriated in this paragraph to expand the length of individual client substance abuse treatment plans, as necessary to reduce program recidivism.

(3) The department shall use funds appropriated in this paragraph to share research-based best practices for treatment with substance abuse treatment facilities.

(4) The department shall use funds appropriated in this paragraph to develop a results-based funding approach for substance abuse treatment services.

(5) The department shall use funds appropriated in this paragraph to develop a program to encourage individuals who are successfully managing their substance abuse problems to serve as role models.

b. For development of a healthy Iowans 2010 plan within the Iowa department of public health and for not more than the following full-time equivalent positions:

..... \$ 2,800,000
..... FTEs 4.00

(1) Of the funds appropriated in this paragraph, not more than \$1,500,000 shall be used for core public health functions, including home health care and public health nursing services, contracted through a formula by local boards of health, to enhance disease and injury prevention services.

(2) Of the funds appropriated in this paragraph, not more than \$400,000 shall be used for the implementation and support of a coordinated system of delivery of trauma and emergency medical services.

(3) Of the funds appropriated in this paragraph, not more than \$437,000 shall be used for the establishment of a state poison control center.

(4) Of the funds appropriated in this paragraph, not more than \$300,000 shall be used for the development of scientific and medical expertise in environmental epidemiology.

(5) Of the funds appropriated in this paragraph, not more than \$163,000 shall be used to implement prevention strategies of healthy Iowans 2010 to address the leading causes of death in Iowa.

5. To the department of corrections:

..... \$ 610,000

a. Of the funds appropriated in this subsection, \$127,217 is allocated to the second judicial district department of correctional services to replace expired federal funding for day programming.

b. Of the funds appropriated in this subsection, \$35,359 is allocated to the third judicial district department of correctional services to replace expired federal funding for the drug court program.

c. Of the funds appropriated in this subsection, \$191,731 is allocated to the fourth judicial district department of correctional services for a drug court program.

d. Of the funds appropriated in this subsection, \$255,693 is allocated to the fifth judicial district department of correctional services to replace expired funding for the drug court program.

Sec. 2. TOBACCO SETTLEMENT FUND — APPROPRIATION — IOWA DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the tobacco settlement fund created in section 12.65 to the Iowa department of public health for the fiscal period beginning April 1, 2000, and ending June 30, 2001, the following amounts, or so much thereof as is necessary, for the purpose designated, and for not more than the following full-time equivalent positions:

For a tobacco use prevention and control program, including efforts at the state and local levels, as provided by the 2000 Session of the Seventy-eighth General Assembly:

.....	\$	9,345,394
.....	FTEs	7.00

1. Of the funds appropriated in this section, \$1,782,420 shall be used to expand activities that ensure compliance with section 453A.2 and other laws and ordinances prohibiting the sale of tobacco products to persons under 18 years of age. Funds allocated in this subsection and used for the purposes of this subsection shall supplement, not supplant, other funds received or used to enforce these laws and ordinances.

The director of public health shall dedicate sufficient resources to promote and ensure retailer compliance with tobacco laws and ordinances relating to persons under 18 years of age, and shall prioritize the state’s compliance in the allocation of available funds with section 218 of H.R. 3424 as enacted in Division B, Section 1000(a)(4) of H.R. 3194, and as incorporated by cross-reference in the conference report, H. Rept. 106-479 to H.R. 3194, as enacted in Pub. L. No. 106-113.

2. Of the funds appropriated in this section, not more than \$300,000 shall be used to conduct a statewide youth summit on tobacco use prevention and control. The summit shall be held no later than August 15, 2000.

3. Of the full-time equivalent positions authorized under this section, two full-time equivalent positions shall be utilized to provide for enforcement of tobacco laws and regulations under contracts entered into between the Iowa department of public health and the alcoholic beverages division of the department of commerce.

4. Of the funds appropriated in this section, not more than \$525,759 shall be expended on administration and management of the program.

Sec. 3. PURCHASE OF SERVICE CONTRACT PROVIDERS — REIMBURSEMENT INCREASE. There is appropriated from the tobacco settlement fund created in section 12.65 to the property tax relief fund created in section 426B.1 for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For assistance to certain counties with limited county mental health, mental retardation, and developmental disabilities services fund balances to pay reimbursement increases in accordance with this section:

.....	\$	2,000,000
-------	----	-----------

1. For the purposes of this section unless the context otherwise requires:

a. “Adjusted actual cost” means a POS provider’s cost as computed using the financial and statistical report for the provider’s fiscal year which ended during the state fiscal year beginning July 1, 1998, as adjusted by multiplying those actual costs by 103.4 percent or the percentage adopted by the risk pool board in accordance with subsection 3, paragraph “c”.

b. “Host county” means the county in which the primary offices of a POS provider are located. However, if a POS provider operates a separate program in more than one county, “host county” means the county in which the separate program is operated.

c. “Purchase of service provider” or “POS provider” means a provider of sheltered work, work activity, supported employment, job placement, enclave services, adult day care, transportation, supported community living services, or adult residential services paid by a county from the county’s services fund created in section 331.424A under a state purchase of service or county contract.

d. "Risk pool board" means the same as used in section 426B.5, subsection 3.

e. "Services fund" means the same as defined in section 331.424A.

2. a. For the fiscal year beginning July 1, 2000, the counties receiving state payments from the property tax relief fund shall provide a reimbursement rate increase for the fiscal year to eligible POS providers. The purpose of the reimbursement rate increase is to assist POS providers that have increased the compensation of their service staff. The reimbursement rate increase shall apply to POS services provided during the entire fiscal year beginning July 1, 2000.

b. In order to be eligible, a POS provider's adjusted actual cost of providing a service must be in excess of the reimbursement rate paid to the provider by the county as of June 30, 2000, and the excess cost must be attributable, at least in part, to service staff compensation. The documentation used in determining whether actual costs have increased for a POS provider shall be the applicable amounts submitted to the host county in the provider's annual financial and statistical reports, completed in accordance with department of human services' rules for purchase of services. The determination shall be made by comparing the applicable amounts in the report for the POS provider's fiscal year which ended during state fiscal year 1998-1999, with the applicable amounts in the report for the POS provider's fiscal year which ended during state fiscal year 1999-2000.

c. The host county shall increase the POS provider's reimbursement rate to the POS provider's adjusted actual cost, subject to a maximum of 5 percent over the reimbursement rates paid by the host county to that POS provider as of June 30, 2000. The reimbursement rate increase approved by the host county shall be accepted by all other counties that have an arrangement with the POS provider for provision of the program or service.¹

3. a. If a county projects that payment of the reimbursement rate increase required pursuant to this section will cause the county to expend from the services fund during the fiscal year beginning July 1, 2000, an amount in excess of the sum of 100 percent of the county's budgeted expenses for that fiscal year and any amount of the county's previous fiscal year ending services fund balance in excess of 25 percent of the county's gross expenditures from the services fund in the previous fiscal year, the county may apply for assistance from the moneys appropriated in this section. The board may accept or reject an application for assistance in whole or in part. The decision of the board is final.

b. The funding appropriated in this section shall be administered separately from other funding administered by the risk pool board pursuant to section 426B.5, subsection 3. On or before September 1, 2000, the risk pool board shall adopt rules, and implement forms, deadlines, application procedures, and other provisions necessary for distributing assistance moneys to such counties. The risk pool board may adopt the rules on an emergency basis under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the procedures and requirements and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this paragraph shall also be published as a notice of intended action as provided in section 17A.4.

c. If the funds appropriated in this section are insufficient to pay the total amount of assistance to all counties that are determined by the risk pool board to be eligible for assistance under this subsection, the total amount of assistance shall be prorated among the eligible counties by the risk pool board. However, if the risk pool board determines that prorating the amount of assistance would be required, in addition to or in lieu of prorating the amount of assistance, the risk pool board may adopt a different percentage for the definition of "adjusted actual cost" used in this section. If a different percentage is adopted, the percentage shall be applicable to reimbursement rates payable throughout the fiscal year. A county may delay payment of the reimbursement rate increase required by this section until the risk pool board has completed action as to adopting or not adopting a different percentage for the definition of "adjusted actual cost". Moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall revert to the tobacco settlement fund.

¹ See chapter 1232, §4 herein

d. If a county receiving assistance in accordance with this subsection does not levy the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for the fiscal year beginning July 1, 2000, the county shall repay the assistance provided to the county in accordance with this subsection in the succeeding fiscal year. The repayment amount shall be limited to the amount by which the actual amount levied was less than the maximum amount allowed. Repayments shall be credited to the tobacco settlement fund.

4. The department of human services, in consultation with the risk pool board, shall develop and submit a recommendation on or before December 1, 2000, to the governor and the general assembly addressing provisions for counties receiving assistance under this section to continue receiving that assistance in subsequent fiscal years.

Sec. 4. SAVINGS ACCOUNT FOR HEALTHY IOWANS. There is appropriated from the tobacco settlement fund created in section 12.65 to the savings account for healthy Iowans established within the tobacco settlement fund, for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount:

..... \$ 3,800,000

Sec. 5. REVERSION. Any moneys appropriated under this Act which are unexpended or unencumbered at the end of the fiscal period ending June 30, 2001, shall revert to the tobacco settlement fund.

Sec. 6. Section 249A.3, subsection 1, Code Supplement 1999, is amended by adding the following new paragraph after paragraph k:

NEW PARAGRAPH. kk. Is an infant whose income is not more than two hundred percent of the federal poverty level, as defined by the most recently revised income guidelines published by the United States department of health and human services.

Sec. 7. NEW SECTION. 249A.20 NONINSTITUTIONAL HEALTH PROVIDERS — REIMBURSEMENT.

Beginning November 1, 2000, the department shall use the federal Medicare resource-based relative value scale methodology to reimburse all applicable noninstitutional health providers, excluding anesthesia and dental services, that on June 30, 2000, are reimbursed on a fee-for-service basis for provision of services under the medical assistance program. The department shall apply the federal Medicare resource-based relative value scale methodology to such health providers in the same manner as the methodology is applied under the federal Medicare program and shall not utilize the resource-based relative value scale methodology in a manner that discriminates between such health providers. The reimbursement schedule shall be adjusted, annually, on July 1, and shall provide for reimbursement that is not less than the reimbursement provided under the fee schedule established for Iowa under the federal Medicare program in effect on January 1 of that calendar year.

Sec. 8. Section 514I.8, subsection 1, Code 1999, is amended to read as follows:

1. Effective July 1, 1998, and notwithstanding any medical assistance program eligibility criteria to the contrary, medical assistance shall be provided to, or on behalf of, an eligible child under the age of nineteen whose family income does not exceed one hundred thirty-three percent of the federal poverty level, as defined by the most recently revised poverty income guidelines published by the United States department of health and human services. Additionally, effective July 1, 2000, and notwithstanding any medical assistance program eligibility criteria to the contrary, medical assistance shall be provided to, or on behalf of, an eligible infant whose family income does not exceed two hundred percent of the federal poverty level, as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

Sec. 9. Section 514I.8, subsection 2, paragraph c, Code 1999, is amended to read as follows:

c. Is a member of a family whose ~~adjusted gross~~ income does not exceed ~~one two~~ hundred ~~eighty-five~~ percent of the federal poverty level, as defined in 42 U.S.C. § 9902(2), including any revision required by such section.

Sec. 10. Section 514I.10, Code 1999, is amended to read as follows:

514I.10 COST SHARING.

1. Cost sharing for eligible children whose family ~~adjusted gross~~ income is at or below one hundred fifty percent of the federal poverty level shall not exceed the standards permitted under 42 U.S.C. § 1396(o)(a)(3) or § 1396(o)(b)(1).

2. Cost sharing for eligible children whose family ~~adjusted gross~~ income is between one hundred fifty percent and ~~one two~~ hundred ~~eighty-five~~ percent of the federal poverty level shall include a premium or copayment amount which is at least a minimum amount but which does not exceed five percent of the annual family ~~adjusted gross~~ income. The amount of the premium or the copayment amount shall be based on ~~a sliding fee scale established by rule which is based on~~ family ~~adjusted gross~~ income and the size of the family.

Sec. 11. EMERGENCY RULES. If specifically authorized by a provision of this Act, the department of human services may adopt administrative rules under section 17A.4, subsection 2, and section 17A.5, subsection 2, paragraph "b", to implement the provisions and the rules shall become effective immediately upon filing, unless the effective date is delayed by the administrative rules review committee, notwithstanding section 17A.4, subsection 5, and section 17A.8, subsection 9, or a later effective date is specified in the rules. 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 no later than June 14, 2000.

Sec. 12. EFFECTIVE DATE — RETROACTIVE APPLICABILITY. Section 2 of this Act, relating to appropriation of funding for the appropriation of funds to the Iowa department of public health for a tobacco use prevention and control program, being deemed of immediate importance, takes effect upon enactment and is retroactively applicable to April 1, 2000. Section 11 of this Act, being deemed of immediate importance, takes effect upon enactment.

Approved May 5, 2000

CHAPTER 1222

APPROPRIATIONS — HEALTH AND HUMAN RIGHTS

S.F. 2429

AN ACT relating to and making appropriations to the department for the blind, the Iowa state civil rights commission, the department of elder affairs, the Iowa department of public health, the department of human rights, the governor's office of drug control policy, and the commission of veterans affairs, and providing effective dates and retroactive applicability provisions.

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

Section 1. DEPARTMENT FOR THE BLIND. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2000,