

CHAPTER 1140

APPROPRIATIONS — HUMAN SERVICES

H.F. 2463

AN ACT relating to appropriations for health and human services and veterans and including other related provisions and appropriations, extending the duration of county mental health and disabilities services fund per capita levy provisions, and including effective date and retroactive and other applicability date provisions.

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

DIVISION I
DEPARTMENT ON AGING

Section 1. 2013 Iowa Acts, chapter 138, section 131, is amended to read as follows:

SEC. 131. DEPARTMENT ON AGING. There is appropriated from the general fund of the state to the department on aging for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department on aging and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management for frail elders, Iowa’s aging and disabilities resource center, and other services which may include but are not limited to adult day services, respite care, chore services, information and assistance, and material aid, for information and options counseling for persons with disabilities who are 18 years of age or older, and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,300,190
		<u>11,419,732</u>
.....	FTEs	28.00
		<u>31.00</u>

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

2. Of the funds appropriated in this section, ~~\$139,973~~ \$279,946 is transferred to the economic development authority for the Iowa commission on volunteer services to be used for the retired and senior volunteer program.

3. a. The department on aging shall establish and enforce procedures relating to expenditure of state and federal funds by area agencies on aging that require compliance with both state and federal laws, rules, and regulations, including but not limited to all of the following:

(1) Requiring that expenditures are incurred only for goods or services received or performed prior to the end of the fiscal period designated for use of the funds.

(2) Prohibiting prepayment for goods or services not received or performed prior to the end of the fiscal period designated for use of the funds.

(3) Prohibiting the prepayment for goods or services not defined specifically by good or service, time period, or recipient.

(4) Prohibiting the establishment of accounts from which future goods or services which are not defined specifically by good or service, time period, or recipient, may be purchased.

b. The procedures shall provide that if any funds are expended in a manner that is not in compliance with the procedures and applicable federal and state laws, rules, and regulations, and are subsequently subject to repayment, the area agency on aging expending such funds in contravention of such procedures, laws, rules and regulations, not the state, shall be liable for such repayment.

4. Of the funds appropriated in this section, ~~\$125,000~~ \$250,000 shall be used to fund services to meet the unmet needs of older individuals as identified in the annual compilation of unmet service units by the area agencies on aging through Iowa's aging and disability resource center network.

5. Of the funds appropriated in this section, ~~\$300,000~~ \$600,000 shall be used to fund home and community-based services through the area agencies on aging that enable older individuals to avoid more costly utilization of residential or institutional services and remain in their own homes.

6. Of the funds appropriated in this ~~subsection~~ section, ~~\$10,000~~ \$20,000 shall be used for ~~implementation~~ continuation of a guardianship and conservatorship monitoring and assistance pilot project as specified in this 2013 Act.

7. Of the funds appropriated in this section, \$813,666 shall be used for the purposes of chapter 231E and section 231.56A, of which \$288,666 shall be used to fund the initial reestablishment of the office of substitute decision maker pursuant to chapter 231E, and the remainder shall be distributed equally to the area agencies on aging to administer the prevention of elder abuse, neglect, and exploitation program pursuant to section 231.56A, in accordance with the requirements of the federal Older Americans Act of 1965, 42 U.S.C. §3001 et seq., as amended.

8. The department on aging shall analyze the meal programs coordinated through the area agencies on aging and shall submit its findings by December 15, 2014, to the persons designated in this Act for submission of reports.

DIVISION II
OFFICE OF LONG-TERM CARE OMBUDSMAN

Sec. 2. 2013 Iowa Acts, chapter 138, section 132, is amended to read as follows:

SEC. 132. OFFICE OF LONG-TERM CARE ~~RESIDENT'S ADVOCATE OMBUDSMAN~~. There is appropriated from the general fund of the state to the office of long-term care ~~resident's advocate ombudsman~~ for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	510,854
		<u>929,315</u>
.....	FTEs	13.00
		<u>12.00</u>

2. Of the funds appropriated in this section, ~~\$105,000~~ \$210,000 shall be used to provide two local long-term care ~~resident's advocates~~ ombudsmen to administer the certified volunteer long-term care ~~resident's advocates ombudsman~~ program pursuant to section 231.45, including operational certification and training costs.

3. Of the funds appropriated in this section, \$107,608 shall be used to provide a discharge specialist to assist residents and tenants with voluntary and involuntary discharges and evictions from health care facilities, elder group homes, and assisted living programs.

DIVISION III
DEPARTMENT OF PUBLIC HEALTH

Sec. 3. 2013 Iowa Acts, chapter 138, section 133, is amended to read as follows:

SEC. 133. DEPARTMENT OF PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of public health for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADDICTIVE DISORDERS

For reducing the prevalence of use of tobacco, alcohol, and other drugs, and treating individuals affected by addictive behaviors, including gambling, and for not more than the following full-time equivalent positions:

.....	\$	13,581,845
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	<u>27,263,690</u>
..... FTEs	<u>13.00</u>
	<u>10.00</u>

a. (1) Of the funds appropriated in this subsection, ~~\$2,574,181~~ \$5,173,361 shall be used for the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A. The commission on tobacco use prevention and control established pursuant to section 142A.3 shall advise the director of public health in prioritizing funding needs and the allocation of moneys appropriated for the programs and activities of the initiative under this subparagraph (1) and shall make recommendations to the director in the development of budget requests relating to the initiative.

(2) Of the funds allocated in this paragraph "a", ~~\$37,500 shall be used to develop a social media structure to engage youth and prevent youth initiation of tobacco use. Of the amount allocated in this subparagraph (2), \$12,500~~ \$25,000 shall be used for a youth summit.

(3) Of the funds allocated in this paragraph "a", ~~\$100,000~~ \$200,000 shall be used to increase the efficacy of local tobacco control efforts by community partnerships, including through professional development, regional trainings and round table planning efforts, and a training opportunity involving all community partnerships.

(4) Of the funds allocated in this paragraph "a", ~~\$600,000~~ \$1,950,000 shall be used to promote smoking cessation and to reduce the number of tobacco users in the state by offering nicotine replacement therapy to uninsured and underinsured lowans.

(5) (a) Of the funds allocated in this paragraph "a", ~~\$226,534~~ \$453,067 is transferred to the alcoholic beverages division of the department of commerce for enforcement of tobacco laws, regulations, and ordinances and to engage in tobacco control activities approved by the division of tobacco use prevention and control as specified in the memorandum of understanding entered into between the divisions.

(b) For the fiscal year beginning July 1, 2014, and ending June 30, 2015, the terms of the memorandum of understanding, entered into between the division of tobacco use prevention and control of the department of public health and the alcoholic beverages division of the department of commerce, governing compliance checks conducted to ensure licensed retail tobacco outlet conformity with tobacco laws, regulations, and ordinances relating to persons under eighteen years of age, shall continue to restrict the number of such checks to one check per retail outlet, and one additional check for any retail outlet found to be in violation during the first check.

b. Of the funds appropriated in this subsection, ~~\$11,007,665~~ \$22,015,329 shall be used for problem gambling and substance-related disorder prevention, treatment, and recovery services, including a 24-hour helpline, public information resources, professional training, and program evaluation.

(1) Of the funds allocated in this paragraph "b", ~~\$9,451,858~~ \$18,903,715 shall be used for substance-related disorder prevention and treatment.

(a) Of the funds allocated in this subparagraph (1), ~~\$449,650~~ \$899,300 shall be used for the public purpose of a grant program to provide substance-related disorder prevention programming for children.

(i) Of the funds allocated in this subparagraph division (a), ~~\$213,770~~ \$427,539 shall be used for grant funding for organizations that provide programming for children by utilizing mentors. Programs approved for such grants shall be certified or will be certified within six months of receiving the grant award by the Iowa commission on volunteer services as utilizing the standards for effective practice for mentoring programs.

(ii) Of the funds allocated in this subparagraph division (a), ~~\$213,420~~ \$426,839 shall be used for grant funding for organizations that provide programming that includes youth development and leadership. The programs shall also be recognized as being programs that are scientifically based with evidence of their effectiveness in reducing substance-related disorders in children.

(iii) The department of public health shall utilize a request for proposals process to implement the grant program.

(iv) All grant recipients shall participate in a program evaluation as a requirement for receiving grant funds.

(v) Of the funds allocated in this subparagraph division (a), up to ~~\$22,461~~ \$44,922 may be used to administer substance-related disorder prevention grants and for program evaluations.

(b) Of the funds allocated in this subparagraph (1), ~~\$136,302~~ \$272,603 shall be used for culturally competent substance-related disorder treatment pilot projects.

(i) The department shall utilize the amount allocated in this subparagraph division (b) for at least three pilot projects to provide culturally competent substance-related disorder treatment in various areas of the state. Each pilot project shall target a particular ethnic minority population. The populations targeted shall include but are not limited to African American, Asian, and Latino.

(ii) The pilot project requirements shall provide for documentation or other means to ensure access to the cultural competence approach used by a pilot project so that such approach can be replicated and improved upon in successor programs.

(2) Of the funds allocated in this paragraph "b", up to ~~\$1,555,807~~ \$3,111,614 may be used for problem gambling prevention, treatment, and recovery services.

(a) Of the funds allocated in this subparagraph (2), ~~\$1,286,881~~ \$2,573,762 shall be used for problem gambling prevention and treatment.

(b) Of the funds allocated in this subparagraph (2), up to ~~\$218,926~~ \$437,852 may be used for a 24-hour helpline, public information resources, professional training, and program evaluation.

(c) Of the funds allocated in this subparagraph (2), up to ~~\$50,000~~ \$100,000 may be used for the licensing of problem gambling treatment programs.

(3) It is the intent of the general assembly that from the moneys allocated in this paragraph "b", persons with a dual diagnosis of substance-related disorder and gambling addiction shall be given priority in treatment services.

c. Notwithstanding any provision of law to the contrary, to standardize the availability, delivery, cost of delivery, and accountability of problem gambling and substance-related disorder treatment services statewide, the department shall continue implementation of a process to create a system for delivery of treatment services in accordance with the requirements specified in 2008 Iowa Acts, chapter 1187, section 3, subsection 4. To ensure the system provides a continuum of treatment services that best meets the needs of Iowans, the problem gambling and substance-related disorder treatment services in any area may be provided either by a single agency or by separate agencies submitting a joint proposal.

(1) The system for delivery of substance-related disorder and problem gambling treatment shall include problem gambling prevention.

(2) The system for delivery of substance-related disorder and problem gambling treatment shall include substance-related disorder prevention by July 1, 2015.

(3) Of the funds allocated in paragraph "b", the department may use up to ~~\$50,000~~ \$100,000 for administrative costs to continue developing and implementing the process in accordance with this paragraph "c".

d. The requirement of section 123.53, subsection 5, is met by the appropriations and allocations made in this 2014 Act for purposes of substance-related disorder treatment and addictive disorders for the fiscal year beginning July 1, 2014.

e. The department of public health shall work with all other departments that fund substance-related disorder prevention and treatment services and all such departments shall, to the extent necessary, collectively meet the state maintenance of effort requirements for expenditures for substance-related disorder services as required under the federal substance-related disorder prevention and treatment block grant.

f. The department of public health shall engage stakeholders to review reimbursement provisions applicable to substance-related disorder providers. The issues considered shall include but not be limited to the adequacy of the reimbursement provisions, whether it is appropriate to rebase reimbursement, equity of the reimbursement provisions as compared to the reimbursement methodologies used for providers of similar behavioral health services, and the effect of health coverage expansion through the Iowa health and wellness plan on such providers. The department shall report its findings and recommendations to the general assembly on or before December 15, 2014.

2. HEALTHY CHILDREN AND FAMILIES

For promoting the optimum health status for children, adolescents from birth through 21

years of age, and families, and for not more than the following full-time equivalent positions:

.....	\$	1,826,780
.....		<u>4,046,602</u>
.....	FTEs	14.00
.....		<u>12.00</u>

a. Of the funds appropriated in this subsection, not more than ~~\$367,421~~ \$734,841 shall be used for the healthy opportunities for parents to experience success (HOPES)-healthy families Iowa (HFI) program established pursuant to section 135.106. The funding shall be distributed to renew the grants that were provided to the grantees that operated the program during the fiscal year ending June 30, 2014.

b. In order to implement the legislative intent stated in sections 135.106 and 256I.9, that priority for home visitation program funding be given to programs using evidence-based or promising models for home visitation, it is the intent of the general assembly to phase in the funding priority in accordance with 2012 Iowa Acts, chapter 1133, section 2, subsection 2, paragraph 0b.

c. Of the funds appropriated in this subsection, ~~\$663,944~~ \$1,627,887 shall be used to continue the department’s initiative to provide for adequate developmental surveillance and screening during a child’s first five years statewide. The funds shall be used first to fully fund the current sites to ensure that the sites are fully operational, with the remaining funds to be used for expansion to additional sites. The full implementation and expansion shall include enhancing the scope of the program through collaboration with the child health specialty clinics to promote healthy child development through early identification and response to both biomedical and social determinants of healthy development; by developing child health metrics to inform practice, document long-term health impacts and savings, and provide for continuous improvement through training, education, and evaluation; and by providing for practitioner consultation particularly for children with behavioral conditions and needs. The department of public health shall also collaborate with the Iowa Medicaid enterprise and the child health specialty clinics to integrate the activities of the first five initiative into the establishment of patient-centered medical homes, community utilities, accountable care organizations, and other integrated care models developed to improve health quality and population health while reducing health care costs. To the maximum extent possible, funding allocated in this paragraph shall be utilized as matching funds for medical assistance program reimbursement.

d. Of the funds appropriated in this subsection, ~~\$15,799~~ \$74,640 shall be distributed to a statewide dental carrier to provide funds to continue the donated dental services program patterned after the projects developed by the lifeline network to provide dental services to indigent elderly and disabled individuals.

e. Of the funds appropriated in this subsection, ~~\$55,998~~ \$111,995 shall be used for childhood obesity prevention.

f. Of the funds appropriated in this subsection, ~~\$81,384~~ \$162,768 shall be used to provide audiological services and hearing aids for children. The department may enter into a contract to administer this paragraph.

g. Of the funds appropriated in this subsection, ~~\$12,500~~ \$25,000 is transferred to the university of Iowa college of dentistry for provision of primary dental services to children. State funds shall be matched on a dollar-for-dollar basis. The university of Iowa college of dentistry shall coordinate efforts with the department of public health, bureau of oral and health delivery systems, to provide dental care to underserved populations throughout the state.

h. Of the funds appropriated in this subsection, ~~\$25,000~~ \$50,000 shall be used to address youth suicide prevention.

i. The university of Iowa college of dentistry shall develop and submit a proposal by December 15, 2014, to the individuals identified in this Act for submission of reports and to the chairpersons and ranking members of the joint appropriations subcommittee on education to offer a residency program in geriatric dentistry that prepares dentists with the specific skills needed to treat geriatric patients and provides incentives for the participants to remain in the state to practice dentistry upon completion of the program. The proposal shall include at a minimum, the curriculum to be utilized, the number of residency positions

to be made available, the incentives for participants to practice dentistry in the state upon completion of the residency, the projected cost of the program, and any potential funding sources.

j. In preparation for the completion of the youth and young adult suicide prevention program (Y-YASP) project funded through the federal Garrett Lee Smith youth suicide prevention grant awarded to the department of public health, the department of public health and the department of education shall submit recommendations by December 15, 2014, to the governor and the general assembly regarding options for continuing the foundation established by the project beyond the project's completion.

k. Of the funds appropriated in this subsection, \$50,000 shall be used to support the Iowa effort to address the survey of children who experience adverse childhood experiences known as ACEs.

3. CHRONIC CONDITIONS

For serving individuals identified as having chronic conditions or special health care needs, and for not more than the following full-time equivalent positions:

.....	\$	2,540,346
		<u>5,155,692</u>
.....	FTEs	6.00
		<u>5.00</u>

a. Of the funds appropriated in this subsection, ~~\$79,966~~ \$159,932 shall be used for grants to individual patients who have phenylketonuria (PKU) to assist with the costs of necessary special foods.

b. Of the funds appropriated in this subsection, ~~\$445,822~~ \$891,644 shall be used for the brain injury services program pursuant to section 135.22B, including for continuation of the contracts for resource facilitator services in accordance with section 135.22B, subsection 9, and to enhance brain injury training and recruitment of service providers on a statewide basis. Of the amount allocated in this paragraph, ~~\$47,500~~ \$95,000 shall be used to fund one full-time equivalent position to serve as the state brain injury service services program manager.

c. Of the funds appropriated in this subsection, ~~\$273,991~~ \$547,982 shall be used as additional funding to leverage federal funding through the federal Ryan White Care Act, Tit. II, AIDS drug assistance program supplemental drug treatment grants.

d. Of the funds appropriated in this subsection, ~~\$49,912~~ \$149,823 shall be used for the public purpose of continuing to contract with an existing national-affiliated organization to provide education, client-centered programs, and client and family support for people living with epilepsy and their families. The amount allocated in this paragraph in excess of \$100,000 shall be matched dollar-for-dollar by the organization specified.

e. Of the funds appropriated in this subsection, ~~\$392,557~~ \$785,114 shall be used for child health specialty clinics.

f. Of the funds appropriated in this subsection, ~~\$200,000~~ \$400,000 shall be used by the regional autism assistance program established pursuant to section 256.35, and administered by the child health specialty clinic located at the university of Iowa hospitals and clinics. The funds shall be used to enhance interagency collaboration and coordination of educational, medical, and other human services for persons with autism, their families, and providers of services, including delivering regionalized services of care coordination, family navigation, and integration of services through the statewide system of regional child health specialty clinics and fulfilling other requirements as specified in chapter 225D, ~~creating the autism support program, as enacted in this Act.~~ The university of Iowa shall not receive funds allocated under this paragraph for indirect costs associated with the regional autism assistance program.

g. Of the funds appropriated in this subsection, ~~\$285,497~~ \$570,993 shall be used for the comprehensive cancer control program to reduce the burden of cancer in Iowa through prevention, early detection, effective treatment, and ensuring quality of life. Of the funds allocated in this lettered paragraph, ~~\$75,000~~ \$150,000 shall be used to support a melanoma research symposium, a melanoma biorepository and registry, basic and translational melanoma research, and clinical trials.

h. Of the funds appropriated in this subsection, ~~\$63,225~~ \$126,450 shall be used for cervical and colon cancer screening, and ~~\$250,000~~ \$500,000 shall be used to enhance the capacity of

the cervical cancer screening program to include provision of recommended prevention and early detection measures to a broader range of low-income women.

i. Of the funds appropriated in this subsection, ~~\$263,348~~ \$526,695 shall be used for the center for congenital and inherited disorders.

j. Of the funds appropriated in this subsection, ~~\$64,706~~ \$129,411 shall be used for the prescription drug donation repository program created in chapter 135M.

k. Of the funds appropriated in this subsection, ~~\$107,632~~ \$215,263 shall be used for the costs of the medical home system advisory council established pursuant to section 135.159 including incorporation of the development and implementation of the prevention and chronic care management state initiative.

l. Of the funds appropriated in this subsection, \$25,000 shall be used for implementation of chapter 124D, the medical cannabidiol Act, or other provision authorizing the compassionate medical use of cannabidiol, if enacted by the 2014 regular session of the eighty-fifth general assembly. If no such enactment occurs, the funding allocated by this lettered paragraph shall be transferred to the allocation made in this 2014 Act to implement reductions in the waiting lists of all medical assistance home and community-based services waivers to be used as specified in that allocation.

4. COMMUNITY CAPACITY

For strengthening the health care delivery system at the local level, and for not more than the following full-time equivalent positions:

.....	\$	4,281,309
		<u>8,737,910</u>
.....	FTEs	18.25
		<u>11.00</u>

a. Of the funds appropriated in this subsection, ~~\$49,707~~ \$99,414 is allocated for continuation of the child vision screening program implemented through the university of Iowa hospitals and clinics in collaboration with early childhood Iowa areas. The program shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph "a". The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on service provided; and the continuing needs of the program.

b. Of the funds appropriated in this subsection, ~~\$55,328~~ \$110,656 is allocated for continuation of an initiative implemented at the university of Iowa and ~~\$49,952~~ \$99,904 is allocated for continuation of an initiative at the state mental health institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services. The initiatives shall receive input from the university of Iowa, the department of human services, the department of public health, and the mental health and disability services commission to address the focus of the initiatives.

c. Of the funds appropriated in this subsection, ~~\$582,314~~ \$1,164,628 shall be used for essential public health services that promote healthy aging throughout the lifespan, contracted through a formula for local boards of health, to enhance health promotion and disease prevention services.

d. Of the funds appropriated in this section, ~~\$49,643~~ \$99,286 shall be deposited in the governmental public health system fund created in section 135A.8 to be used for the purposes of the fund.

e. Of the funds appropriated in this subsection, ~~\$52,724~~ \$105,448 shall be used to continue to address the shortage of mental health professionals in the state.

f. Of the funds appropriated in this subsection, ~~\$25,000~~ \$50,000 shall be used for a grant to a statewide association of psychologists that is affiliated with the American psychological association to be used for continuation of a program to rotate intern psychologists in placements in urban and rural mental health professional shortage areas, as defined in section 135.180.

g. Of the funds appropriated in this subsection, the following amounts shall be allocated to the Iowa collaborative safety net provider network established pursuant to section

135.153 to be used for the purposes designated. The following amounts allocated under this lettered paragraph shall be distributed to the specified provider and shall not be reduced for administrative or other costs prior to distribution:

(1) For distribution to the Iowa primary care association for statewide coordination of the Iowa collaborative safety net provider network:

..... \$ 72,893
145,785

(2) For distribution to the Iowa primary care association to be used to continue a training program for sexual assault response team (SART) members, including representatives of law enforcement, victim advocates, prosecutors, and certified medical personnel:

..... \$ 25,000
50,000

(3) For distribution to federally qualified health centers for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care:

..... \$ 37,500
75,000

(4) For distribution to the local boards of health that provide direct services for pilot programs in three counties to assist patients in securing a medical home inclusive of oral health care:

..... \$ 38,577
77,153

(5) For distribution to maternal and child health centers for pilot programs in three service areas to assist patients in securing a medical home inclusive of oral health care:

..... \$ 47,563
95,126

(6) For distribution to free clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care:

..... \$ 174,161
348,322

(7) For distribution to rural health clinics for necessary infrastructure, statewide coordination, provider recruitment, service delivery, and provision of assistance to patients in securing a medical home inclusive of oral health care:

..... \$ 70,772
141,544

(8) For continuation of the safety net provider patient access to a specialty health care initiative as described in 2007 Iowa Acts, chapter 218, section 109:

..... \$ 189,237
378,474

(9) For continuation of the pharmaceutical infrastructure for safety net providers as described in 2007 Iowa Acts, chapter 218, section 108:

..... \$ 206,708
413,415

The Iowa collaborative safety net provider network may continue to distribute funds allocated pursuant to this lettered paragraph through existing contracts or renewal of existing contracts.

~~The Iowa collaborative safety net provider network may continue to distribute funds allocated pursuant to this lettered paragraph through existing contracts or renewal of existing contracts.~~

h. Of the funds appropriated in this subsection, ~~\$87,950~~ \$213,400 shall be used for continuation of the work of the direct care worker advisory council established pursuant to 2008 Iowa Acts, chapter 1188, section 69, in implementing the recommendations in the final report submitted by the advisory council to the governor and the general assembly in March 2012.

i. (1) Of the funds appropriated in this subsection, ~~\$89,438~~ \$216,375 shall be used for allocation to an independent statewide direct care worker organization under continuation

of the contract in effect during the fiscal year ending June 30, ~~2013~~ 2014, with terms determined by the director of public health relating to education, outreach, leadership development, mentoring, and other initiatives intended to enhance the recruitment and retention of direct care workers in health care and long-term care settings.

(2) Of the funds appropriated in this subsection, ~~\$37,500~~ \$75,000 shall be used to provide scholarships or other forms of subsidization for direct care worker educational conferences, training, or outreach activities.

j. Of the funds appropriated in this subsection, the department may use up to ~~\$29,088~~ \$58,175 for up to one full-time equivalent position to administer the volunteer health care provider program pursuant to section 135.24.

k. Of the funds appropriated in this subsection, ~~\$24,854~~ \$50,000 shall be used for a matching dental education loan repayment program to be allocated to a dental nonprofit health service corporation to develop the criteria and implement the loan repayment program.

l. Of the funds appropriated in this subsection, ~~\$52,912~~ \$105,823 is transferred to the college student aid commission for deposit in the rural Iowa primary care trust fund created in section 261.113 to be used for the purposes of the fund.

m. Of the funds appropriated in this subsection, ~~\$75,000~~ \$250,000 shall be used for the purposes of the Iowa donor registry as specified in section 142C.18.

n. Of the funds appropriated in this subsection, ~~\$50,000~~ \$100,000 shall be used for continuation of a grant to a nationally affiliated volunteer eye organization that has an established program for children and adults and that is solely dedicated to preserving sight and preventing blindness through education, nationally certified vision screening and training, and community and patient service programs. The organization shall submit a report to the individuals identified in this Act for submission of reports regarding the use of funds allocated under this paragraph "n". The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of funds based on services provided; and the continuing needs of the program.

o. Of the funds appropriated in this subsection, ~~\$12,500~~ \$25,000 shall be used for the ~~establishment~~ continuation of a wellness council under the direction of the director of public health to increase support for wellness activities in the state.

p. (1) Of the funds appropriated in this section, ~~\$579,075~~ \$1,158,150 is allocated to the Iowa collaborative safety net provider network established pursuant to section 135.153 to be used for the continued development and implementation of a statewide regionally based network to provide an integrated approach to health care delivery through care coordination that supports primary care providers and links patients with community resources necessary to empower patients in addressing biomedical and social determinants of health to improve health outcomes. The Iowa collaborative safety net provider network shall work in conjunction with the department of human services to align the integrated network with the health care delivery system model developed under the state innovation models initiative grant. The Iowa collaborative safety net provider network shall submit a progress report to the individuals designated in this Act for submission of reports by December 31, 2014, including progress in developing and implementing the network, how the funds were distributed and used in developing and implementing the network, and the remaining needs in developing and implementing the network.

**(2) The department of human services shall work with the Iowa collaborative safety net provider network and the Iowa primary care association to develop a long-term sustainability plan for the statewide regionally based network to provide the integrated approach to health care delivery as described in this lettered paragraph. The department shall pursue any appropriate payment mechanisms available such as a Medicaid program state plan amendment, Medicaid program waiver, state innovation model funding, or other funding through the centers for Medicare and Medicaid services of the United States department of*

* Item veto; see message at end of the Act

*health and human services to provide options for long-term sustainability by incorporating funding of the network into any such appropriate payment mechanism.**

q. Of the funds appropriated in this subsection, ~~\$1,000,000~~ \$2,000,000 shall be deposited in the medical residency training account created in section 135.175, subsection 5, paragraph “a”, and is appropriated from the account to the department of public health to be used for the purposes of the medical residency training state matching grants program as specified in section 135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.

r. Of the funds appropriated in this section, ~~\$25,000~~ \$50,000 shall be distributed to a statewide nonprofit organization to be used for the public purpose of supporting a partnership between medical providers and parents through community health centers to promote reading and encourage literacy skills so children enter school prepared for success in reading.

5. HEALTHY AGING

To provide public health services that reduce risks and invest in promoting and protecting good health over the course of a lifetime with a priority given to older Iowans and vulnerable populations:

.....	\$	3,648,571
		<u>7,297,142</u>

6. ENVIRONMENTAL HAZARDS

For reducing the public’s exposure to hazards in the environment, primarily chemical hazards, and for not more than the following full-time equivalent positions:

.....	\$	401,935
		<u>803,870</u>
.....	FTEs	4.00

Of the funds appropriated in this subsection, ~~\$268,875~~ \$537,750 shall be used for childhood lead poisoning provisions.

7. INFECTIOUS DISEASES

For reducing the incidence and prevalence of communicable diseases, and for not more than the following full-time equivalent positions:

.....	\$	667,578
		<u>1,335,155</u>
.....	FTEs	4.00

8. PUBLIC PROTECTION

For protecting the health and safety of the public through establishing standards and enforcing regulations, and for not more than the following full-time equivalent positions:

.....	\$	1,639,386
		<u>3,287,127</u>
.....	FTEs	131.00

a. Of the funds appropriated in this subsection, not more than ~~\$227,350~~ \$454,700 shall be credited to the emergency medical services fund created in section 135.25. Moneys in the emergency medical services fund are appropriated to the department to be used for the purposes of the fund.

b. Of the funds appropriated in this subsection, ~~\$101,516~~ \$203,032 shall be used for sexual violence prevention programming through a statewide organization representing programs serving victims of sexual violence through the department’s sexual violence prevention program. The amount allocated in this lettered paragraph shall not be used to supplant funding administered for other sexual violence prevention or victims assistance programs.

c. Of the funds appropriated in this subsection, ~~\$299,376~~ \$598,751 shall be used for the state poison control center. At such time as the department of human services receives approval from the centers for Medicare and Medicaid services of the United States department of health and human services to implement a new health services initiative under the federal Children’s Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, to provide funding for the state poison control center as directed in this 2014 Act,

* Item veto; see message at end of the Act

and notifies the department of public health, the department of public health shall transfer from the allocation made in this paragraph "c", an amount sufficient to provide the state matching funds necessary to draw down the maximum federal matching funds available for that purpose.

9. RESOURCE MANAGEMENT

For establishing and sustaining the overall ability of the department to deliver services to the public, and for not more than the following full-time equivalent positions:

.....	\$	402,027
		<u>855,072</u>
.....	FTEs	5.00
		<u>4.00</u>

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

DIVISION IV
VETERANS

Sec. 4. 2013 Iowa Acts, chapter 138, section 134, subsection 1, is amended to read as follows:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	546,754
		<u>1,095,951</u>
.....	FTEs	13.00

IOWA VETERANS HOME

Sec. 5. 2013 Iowa Acts, chapter 138, section 134, subsection 2, unnumbered paragraph 1, is amended to read as follows:

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	3,762,857
		<u>7,594,996</u>

*Sec. 6. 2013 Iowa Acts, chapter 138, section 134, subsection 2, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. The Iowa veterans home expenditure report shall be submitted monthly to the legislative services agency.*

Sec. 7. 2013 Iowa Acts, chapter 138, section 134, subsection 3, is amended to read as follows:

3. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

.....	\$	800,000
		<u>2,500,000</u>

Sec. 8. 2013 Iowa Acts, chapter 138, section 135, is amended to read as follows:

SEC. 135. LIMITATION OF COUNTY COMMISSIONS OF VETERAN AFFAIRS FUND STANDING APPROPRIATIONS. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the amounts amount appropriated from the general fund of the state pursuant to that section for the following designated purposes shall not exceed the following amount:

For the county commissions of veteran affairs fund under section 35A.16:

* Item veto; see message at end of the Act

..... \$ 495,000
 990,000

DIVISION V
 DEPARTMENT OF HUMAN SERVICES

Sec. 9. 2013 Iowa Acts, chapter 138, section 136, is amended to read as follows:

SEC. 136. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is appropriated from the fund created in section 8.41 to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, from moneys received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and successor legislation, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

..... \$ 9,058,474
 9,879,488

2. To be credited to the family investment program account and used for the job opportunities and basic skills (JOBS) program and implementing family investment agreements in accordance with chapter 239B:

..... \$ 5,933,220
 11,091,911

3. To be used for the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 1,449,490
 2,898,980

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. However, unless such moneys are encumbered or obligated on or before September 30, 2015, the moneys shall revert.

4. For field operations:

..... \$ 15,648,116
 31,296,232

5. For general administration:

..... \$ 1,872,000
 3,744,000

6. For state child care assistance:

..... \$ 12,866,344
 35,047,110

a. ~~The~~ Of the funds appropriated in this subsection ~~are~~, \$26,347,110 is transferred to the child care and development block grant appropriation made by the Eighty-fifth General Assembly, 2013 Session, in 2013 Iowa Acts, chapter 136, section 14 for the federal fiscal year beginning October 1, 2014, and ending September 30, 2015. Of this amount, \$100,000 \$200,000 shall be used for provision of educational opportunities to registered child care home providers in order to improve services and programs offered by this category of providers and to increase the number of providers. The department may contract with institutions of higher education or child care resource and referral centers to provide the educational opportunities. Allowable administrative costs under the contracts shall not exceed 5 percent. The application for a grant shall not exceed two pages in length.

b. Any funds appropriated in this subsection remaining unallocated shall be used for state child care assistance payments for individuals enrolled in the family investment program who are employed.

7. For distribution to counties and regions through the property tax relief fund for mental health and disability services as provided in an appropriation made for this purpose:

..... \$ 2,447,026

4,894,052

8. For child and family services: \$ 16,042,215

32,084,430

9. For child abuse prevention grants: \$ 62,500

125,000

10. For pregnancy prevention grants on the condition that family planning services are funded: \$ 965,034

1,930,067

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2014, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2014, if the programs are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.

11. For technology needs and other resources necessary to meet federal welfare reform reporting, tracking, and case management requirements: \$ 518,593

1,037,186

~~The department shall transfer TANF block grant funding appropriated and allocated in this subsection to the child care and development block grant appropriation in accordance with federal law as necessary to comply with the provisions of this subsection.~~

12. For the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system: \$ 2,525,226

6,549,549

13. a. Notwithstanding any provision to the contrary, including but not limited to requirements in section 8.41 or provisions in 2013 or 2014 Iowa Acts regarding the receipt and appropriation of federal block grants, federal funds from the temporary assistance for needy families block grant received by the state not otherwise appropriated in this section and remaining available for the fiscal year beginning July 1, 2014, are appropriated to the department of human services to the extent as may be necessary to be used in the following priority order: the family investment program, for state child care assistance program payments for individuals enrolled in the family investment program who are employed, and for the family investment program share of costs to develop and maintain a new, integrated eligibility determination system. The federal funds appropriated in this paragraph "a" shall be expended only after all other funds appropriated in subsection 1 for the assistance under the family investment program, in subsection 6 for child care assistance, or in subsection 12 for the family investment program share of the costs to continue to develop and maintain a new, integrated eligibility determination system, as applicable, have been expended.

b. The department shall, on a quarterly basis, advise the legislative services agency and department of management of the amount of funds appropriated in this subsection that was expended in the prior quarter.

14. Of the amounts appropriated in this section, ~~\$6,481,004~~ \$12,962,008 for the fiscal year beginning July 1, 2014, is transferred to the appropriation of the federal social services block grant made to the department of human services for that fiscal year.

15. For continuation of the program providing categorical eligibility for the food assistance program as specified for the program in the section of this division of this 2014 Act relating to the family investment program account: \$ 12,500

25,000

16. The department may transfer funds allocated in this section to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

Sec. 10. 2013 Iowa Acts, chapter 138, section 137, is amended to read as follows:

SEC. 137. FAMILY INVESTMENT PROGRAM ACCOUNT.

1. Moneys credited to the family investment program (FIP) account for the fiscal year beginning July 1, 2014, and ending June 30, 2015, shall be used to provide assistance in accordance with chapter 239B.

2. The department may use a portion of the moneys credited to the FIP account under this section as necessary for salaries, support, maintenance, and miscellaneous purposes.

3. The department may transfer funds allocated in this section to the appropriations made in this division of this Act for the same fiscal year for general administration and field operations for resources necessary to implement and operate the services referred to in this section and those funded in the appropriation made in this division of this Act for the same fiscal year for the family investment program from the general fund of the state.

4. Moneys appropriated in this division of this Act and credited to the FIP account for the fiscal year beginning July 1, 2014, and ending June 30, 2015, are allocated as follows:

a. To be retained by the department of human services to be used for coordinating with the department of human rights to more effectively serve participants in FIP and other shared clients and to meet federal reporting requirements under the federal temporary assistance for needy families block grant:

..... \$ 10,000
20,000

b. To the department of human rights for staffing, administration, and implementation of the family development and self-sufficiency grant program in accordance with section 216A.107:

..... \$ 3,021,417
6,192,834

(1) Of the funds allocated for the family development and self-sufficiency grant program in this lettered paragraph, not more than 5 percent of the funds shall be used for the administration of the grant program.

(2) The department of human rights may continue to implement the family development and self-sufficiency grant program statewide during fiscal year 2014-2015.

c. For the diversion subaccount of the FIP account:

..... \$ 849,200
815,000

A portion of the moneys allocated for the subaccount may be used for field operations, salaries, data management system development, and implementation costs and support deemed necessary by the director of human services in order to administer the FIP diversion program. To the extent moneys allocated in this lettered paragraph are not deemed by the department to be necessary to support diversion activities, such moneys may be used for other efforts intended to increase engagement by family investment program participants in work, education, or training activities.

d. For the food assistance employment and training program:

..... \$ 33,294
66,588

(1) The department shall apply the federal supplemental nutrition assistance program (SNAP) employment and training state plan in order to maximize to the fullest extent permitted by federal law the use of the 50 percent federal reimbursement provisions for the claiming of allowable federal reimbursement funds from the United States department of agriculture pursuant to the federal SNAP employment and training program for providing education, employment, and training services for eligible food assistance program participants, including but not limited to related dependent care and transportation expenses.

(2) The department shall continue the categorical federal food assistance program eligibility at 160 percent of the federal poverty level and continue to eliminate the asset test from eligibility requirements, consistent with federal food assistance program requirements. The department shall include as many food assistance households as is allowed by federal law. The eligibility provisions shall conform to all federal requirements including requirements addressing individuals who are incarcerated or otherwise ineligible.

e. For the JOBS program:

..... \$ 9,845,408
18,494,131

5. Of the child support collections assigned under FIP, an amount equal to the federal share of support collections shall be credited to the child support recovery appropriation made in this division of this Act. Of the remainder of the assigned child support collections received by the child support recovery unit, a portion shall be credited to the FIP account, a portion may be used to increase recoveries, and a portion may be used to sustain cash flow in the child support payments account. If as a consequence of the appropriations and allocations made in this section the resulting amounts are insufficient to sustain cash assistance payments and meet federal maintenance of effort requirements, the department shall seek supplemental funding. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of effort, the state share of either amount may be transferred to or retained in the child support payment account.

6. The department may adopt emergency rules for the family investment, JOBS, food assistance, and medical assistance programs if necessary to comply with federal requirements.

Sec. 11. 2013 Iowa Acts, chapter 138, section 138, is amended to read as follows:

SEC. 138. FAMILY INVESTMENT PROGRAM GENERAL FUND. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To be credited to the family investment program (FIP) account and used for family investment program assistance under chapter 239B:

..... \$ 24,218,607
48,693,875

1. Of the funds appropriated in this section, ~~\$3,912,189~~ \$7,402,220 is allocated for the JOBS program.

2. Of the funds appropriated in this section, ~~\$1,581,927~~ \$3,313,854 is allocated for the family development and self-sufficiency grant program.

3. Notwithstanding section 8.39, for the fiscal year beginning July 1, 2014, if necessary to meet federal maintenance of effort requirements or to transfer federal temporary assistance for needy families block grant funding to be used for purposes of the federal social services block grant or to meet cash flow needs resulting from delays in receiving federal funding or to implement, in accordance with this division of this Act, activities currently funded with juvenile court services, county, or community moneys and state moneys used in combination with such moneys, the department of human services may transfer funds within or between any of the appropriations made in this division of this Act and appropriations in law for the federal social services block grant to the department for the following purposes, provided that the combined amount of state and federal temporary assistance for needy families block grant funding for each appropriation remains the same before and after the transfer:

- a. For the family investment program.
- b. For child care assistance.
- c. For child and family services.
- d. For field operations.
- e. For general administration.
- f. For distribution to counties or regions for services to persons with mental illness or an intellectual disability.

This subsection shall not be construed to prohibit the use of existing state transfer authority for other purposes. The department shall report any transfers made pursuant to

this subsection to the legislative services agency.

4. Of the funds appropriated in this section, ~~\$97,839~~ \$195,678 shall be used for continuation of a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the earned income tax credit. The purpose of the grant is to supply this assistance to underserved areas of the state.

5. Of the funds appropriated in this section, ~~\$20,000~~ \$80,000 shall be used for the continuation of an unfunded pilot project, as defined in 441 IAC 100.1, relating to parental obligations, in which the child support recovery unit participates, to support the efforts of a nonprofit organization committed to strengthening the community through youth development, healthy living, and social responsibility headquartered in a county with a population over 350,000. The funds allocated in this subsection shall be used by the recipient organization to develop a larger community effort, through public and private partnerships, to support a broad-based multi-county fatherhood initiative that promotes payment of child support obligations, improved family relationships, and full-time employment.

6. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and field operations as necessary to administer this section and the overall family investment program.

Sec. 12. 2013 Iowa Acts, chapter 138, section 139, is amended to read as follows:

SEC. 139. 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, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For child support recovery, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	7,086,885
.....		<u>14,911,230</u>
.....	FTEs	464.00

1. The department shall expend up to ~~\$12,165~~ \$24,329, including federal financial participation, for the fiscal year beginning July 1, 2014, for a child support public awareness campaign. The department and the office of the attorney general shall cooperate in continuation of the campaign. The public awareness campaign shall emphasize, through a variety of media activities, the importance of maximum involvement of both parents in the lives of their children as well as the importance of payment of child support obligations.

2. Federal access and visitation grant moneys shall be issued directly to private not-for-profit agencies that provide services designed to increase compliance with the child access provisions of court orders, including but not limited to neutral visitation sites and mediation services.

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

4. With the exception of the funding amount specified, the requirements established under 2001 Iowa Acts, chapter 191, section 3, subsection 5, paragraph "c", subparagraph (3), shall be applicable to parental obligation pilot projects for the fiscal year beginning July 1, 2014, and ending June 30, 2015. Notwithstanding 441 IAC 100.8, providing for termination of rules relating to the pilot projects, the rules shall remain in effect until June 30, 2015.

Sec. 13. 2013 Iowa Acts, chapter 138, section 140, is amended to read as follows:

SEC. 140. HEALTH CARE TRUST FUND — MEDICAL ASSISTANCE — FY 2013-2014 2014-2015. Any funds remaining in the health care trust fund created in section 453A.35A for the fiscal year beginning July 1, 2014, and ending June 30, 2015, are appropriated to the department of human services to supplement the medical assistance program appropriations made in this division of this Act, for medical assistance reimbursement and associated costs, including program administration and costs associated with program implementation.

Sec. 14. 2013 Iowa Acts, chapter 138, section 142, unnumbered paragraph 2, is amended to read as follows:

For medical assistance program reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2014, except as otherwise expressly authorized by law, consistent with options under federal law and regulations, and contingent upon receipt of approval from the office of the governor of reimbursement for each abortion performed under the program:

..... \$ 1,143,810,311
1,250,658,393

Sec. 15. 2013 Iowa Acts, chapter 138, section 142, subsection 11, paragraph a, unnumbered paragraph 1, is amended to read as follows:

Of the funds appropriated in this section, ~~\$7,969,074~~ \$8,391,922 is allocated for the state match for a disproportionate share hospital payment of \$19,133,430 to hospitals that meet both of the conditions specified in subparagraphs (1) and (2). In addition, the hospitals that meet the conditions specified shall either certify public expenditures or transfer to the medical assistance program an amount equal to provide the nonfederal share for a disproportionate share hospital payment of \$7,500,000. The hospitals that meet the conditions specified shall receive and retain 100 percent of the total disproportionate share hospital payment of \$26,633,430.

Sec. 16. 2013 Iowa Acts, chapter 138, section 142, subsection 18, paragraph a, is amended to read as follows:

a. The department shall continue to implement the cost containment strategies for the medical assistance program in the fiscal year beginning July 1, 2014, that were recommended by the governor for the fiscal year beginning July 1, 2013, as specified in this Act and may adopt emergency rules for such implementation. The department shall not implement the cost containment strategy that requires transition of the provision of personal care under the consumer-directed attendant care option to agency-provided personal care services while retaining the consumer choice option for those individuals able and desiring to self-direct services.

**Sec. 17. 2013 Iowa Acts, chapter 138, section 142, subsection 18, is amended by adding the following new paragraph:*

*NEW PARAGRAPH. 0e. The department shall report the implementation of any cost containment strategies under this subsection to the individuals specified in this division of this Act for submission of reports on an annual basis.**

Sec. 18. 2013 Iowa Acts, chapter 138, section 142, is amended by adding the following new subsections:

NEW SUBSECTION. 22. Of the funds appropriated in this section, \$6,000,000 shall be used to implement reductions in the waiting lists of all medical assistance home and community-based services waivers.

NEW SUBSECTION. 23. The department of human services shall collaborate with the Medicaid managed care organization to perform an analysis to determine the cost effectiveness of including the pharmacy benefit for enrollees of the managed care plan within the managed care organization contract. The analysis shall determine if the change would result in savings to the Medicaid program, and if so, the best means of implementing the change. The department shall report the results of the analysis to the individuals identified in this division of this Act for submission of reports by December 15, 2014, and shall not implement the inclusion of the pharmacy benefit in the managed care organization contract without prior approval of the general assembly.

NEW SUBSECTION. 24. If authorized by the centers for Medicare and Medicaid services of the United States department of health and human services, the department of human services shall expand hospital presumptive eligibility as authorized under 42 C.F.R §435.1110,

* Item veto; see message at end of the Act

to include other provider types as qualified entities, including but not limited to federally qualified health centers, upon a center's or other entity's request.

Sec. 19. 2013 Iowa Acts, chapter 138, section 143, is amended to read as follows:

SEC. 143. 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, ~~2013~~ 2014, and ending June 30, ~~2014~~ 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For medical contracts:

.....	\$	6,145,785
		<u>17,148,576</u>

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

2. Of the funds appropriated in this section, ~~\$25,000~~ \$50,000 shall be used for continuation of home and community-based services waiver quality assurance programs, including the review and streamlining of processes and policies related to oversight and quality management to meet state and federal requirements.

3. Of the amount appropriated in this section, up to ~~\$100,000~~ \$200,000 may be transferred to the appropriation for general administration in this division of this Act to be used for additional full-time equivalent positions in the development of key health initiatives such as cost containment, development and oversight of managed care programs, and development of health strategies targeted toward improved quality and reduced costs in the Medicaid program.

4. Of the funds appropriated in this section, ~~\$500,000~~ \$1,000,000 shall be used for planning and development, in cooperation with the department of public health, of a phased-in program to provide a dental home for children.

~~5. Of the funds appropriated in this section, \$37,500 shall be used for continued implementation of a uniform cost report.~~

6. Of the funds appropriated in this section, ~~\$1,000,000~~ \$3,000,000 shall be used for the autism support program created in chapter 225D, ~~as enacted in this Act.~~

~~7. Of the funds appropriated in this section, \$49,895 shall be used for continued implementation of an electronic medical records system.~~

~~*8. The department shall submit a progress report to the individuals identified in this division of this Act for submission of reports by December 15, 2014, regarding implementation of a uniform cost report.*~~

Sec. 20. 2013 Iowa Acts, chapter 138, section 144, is amended to read as follows:

SEC. 144. STATE SUPPLEMENTARY ASSISTANCE.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the state supplementary assistance program:

.....	\$	8,256,087
		<u>14,121,154</u>

2. 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 this subsection.

3. If during the fiscal year beginning July 1, 2014, the department projects that state supplementary assistance expenditures for a calendar year will not meet the federal pass-through requirement specified in Tit. XVI of the federal Social Security Act, section 1618, as codified in 42 U.S.C. §1382g, the department may take actions including but not limited to increasing the personal needs allowance for residential care facility residents and

* Item veto; see message at end of the Act

making programmatic adjustments or upward adjustments of the residential care facility or in-home health-related care reimbursement rates prescribed in this division of this Act to ensure that federal requirements are met. In addition, the department may make other programmatic and rate adjustments necessary to remain within the amount appropriated in this section while ensuring compliance with federal requirements. The department may adopt emergency rules to implement the provisions of this subsection.

Sec. 21. 2013 Iowa Acts, chapter 138, section 145, is amended to read as follows:

SEC. 145. CHILDREN'S HEALTH INSURANCE PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit. XXI of the federal Social Security Act, which creates the children's health insurance program:

.....	\$	18,403,051
		<u>45,877,998</u>

2. Of the funds appropriated in this section, ~~\$70,725~~ \$153,500 is allocated for continuation of the contract for outreach with the department of public health.

Sec. 22. 2013 Iowa Acts, chapter 138, section 146, is amended to read as follows:

SEC. 146. CHILD 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, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child care programs:

.....	\$	31,354,897
		<u>47,132,080</u>

1. Of the funds appropriated in this section, ~~\$27,377,595~~ \$39,412,653 shall be used for state child care assistance in accordance with section 237A.13.

2. 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 waiting list requirements of section 237A.13. Any state obligation to provide services pursuant to this section is limited to the extent of the funds appropriated in this section.

3. Of the funds appropriated in this section, ~~\$216,227~~ \$432,453 is allocated for the statewide grant program for child care resource and referral services under section 237A.26. A list of the registered and licensed child care facilities operating in the area served by a child care resource and referral service shall be made available to the families receiving state child care assistance in that area.

4. Of the funds appropriated in this section, ~~\$468,487~~ \$936,974 is allocated for child care quality improvement initiatives including but not limited to the voluntary quality rating system in accordance with section 237A.30.

~~5. Of the funds appropriated in this section, \$67,589 shall be used to conduct fingerprint-based national criminal history record checks of home-based child care providers pursuant to section 237A.5, subsection 2, through the United States department of justice, federal bureau of investigation.~~

~~6. Of the amount appropriated in this section, up to \$12,500 shall be used to continue to implement a searchable internet-based application as part of the consumer information made available under section 237A.25. The application shall provide a listing of the child care providers in this state that have received a rating under the voluntary quality rating system implemented pursuant to section 237A.30 and information on whether a provider specializes in child care for infants, school-age children, children with special needs, or other populations or provides any other specialized services to support family needs.~~

7. Of the funds appropriated in this section, ~~\$3,175,000~~ \$6,350,000 shall be credited to the early childhood programs grants account in the early childhood Iowa fund created in

section 256I.11. The moneys shall be distributed for funding of community-based early childhood programs targeted to children from birth through five years of age developed by early childhood Iowa areas in accordance with approved community plans as provided in section 256I.8.

8. The department may use any of the funds appropriated in this section as a match to obtain federal funds for use in expanding child care assistance and related programs. For the purpose of expenditures of state and federal child care funding, funds shall be considered obligated at the time expenditures are projected or are allocated to the department's service areas. Projections shall be based on current and projected caseload growth, current and projected provider rates, staffing requirements for eligibility determination and management of program requirements including data systems management, staffing requirements for administration of the program, contractual and grant obligations and any transfers to other state agencies, and obligations for decategorization or innovation projects.

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

10. If a uniform reduction ordered by the governor under section 8.31 or other operation of law, transfer, or federal funding reduction reduces the appropriation made in this section for the fiscal year, the percentage reduction in the amount paid out to or on behalf of the families participating in the state child care assistance program shall be equal to or less than the percentage reduction made for any other purpose payable from the appropriation made in this section and the federal funding relating to it. The percentage reduction to the other allocations made in this section shall be the same as the uniform reduction ordered by the governor or the percentage change of the federal funding reduction, as applicable. If there is an unanticipated increase in federal funding provided for state child care assistance, the entire amount of the increase shall be used for state child care assistance payments. If the appropriations made for purposes of the state child care assistance program for the fiscal year are determined to be insufficient, it is the intent of the general assembly to appropriate sufficient funding for the fiscal year in order to avoid establishment of waiting list requirements.

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

12. Of the funds appropriated in this section, \$100,000 is transferred to the department of public health to be used for a program to assist parents in this state with costs resulting from the death of a child in accordance with this subsection. If it is less costly than administering the program directly, the department shall issue a request for proposals and issue a grant to an appropriate organization to administer the program.

a. The program funding shall be used to assist parents who reside in this state with costs incurred for a funeral, burial or cremation, cemetery costs, or grave marker costs associated with the unintended death of a child of the parent or a child under the care of a guardian or custodian. The department shall consider the following eligibility factors in developing program requirements:

(1) The child was a stillborn infant or was less than age eighteen at the time of death.

(2) The request for assistance was approved by the local board or department of health or the county general assistance director and may have been referred by a local funeral home.

(3) To be eligible, the parent, guardian, or custodian must have an annual household income that is less than 145 percent of the federal poverty level based on the number of people in the applicant's household as defined by the most recently revised poverty income guidelines published by the United States department of health and human services.

(4) The maximum amount of grant assistance provided to a parent, guardian, or custodian associated with the death of a child is \$2,000. If the death is a multiple death and the infants or children are being cremated, or buried together, the same limitation applies.

(5) To the extent the overall amount of assistance received by a recipient for the costs addressed under this subsection does not exceed the overall total of the costs, the recipient may receive other public or private assistance in addition to grant assistance under this section.

b. Notwithstanding section 8.33, moneys transferred by this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until expended.

Sec. 23. 2013 Iowa Acts, chapter 138, section 147, is amended to read as follows:

SEC. 147. 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, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For ~~operation of the costs of security, building and grounds maintenance, utilities, salary, and support for the facilities located at the Iowa juvenile home at Toledo and for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:~~

.....	\$	4,429,678
		<u>507,766</u>
.....	FTEs	<u>114.00</u>
		2.00

The full-time equivalent positions authorized by this subsection, as amended by this 2014 Act, are intended to be filled by the maintenance staff persons performing such duties at the time the Iowa juvenile home was closed in January 2014.

2. For operation of the state training school at Eldora and for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	5,628,485
		<u>12,358,285</u>
.....	FTEs	164.30

Of the funds appropriated in this subsection, ~~\$45,575~~ \$91,150 shall be used for distribution to licensed classroom teachers at this and other institutions under the control of the department of human services based upon the average student yearly enrollment at each institution as determined by the department.

Of the funds appropriated in this subsection, \$858,187 shall be used for follow-up services identified by a juvenile court officer in conjunction with the state training school to support children who were placed at a state training school and remain under the jurisdiction of the state court and for expansion of the preparation for adult living program in accordance with section 234.46 as amended by this 2014 Act. The department shall contract for administration of the expansion. Of the amount allocated in this paragraph, \$90,000 shall be used for the costs of implementing the youth council approach, known as achieving maximum potential, to provide a support network to males placed at the training school at Eldora.

3. A portion of the moneys appropriated in this section shall be used by the state training school and by the Iowa juvenile home for grants for adolescent pregnancy prevention activities at the institutions in the fiscal year beginning July 1, 2014.

Sec. 24. 2013 Iowa Acts, chapter 138, is amended by adding the following new section:

NEW SECTION. SEC. 147A. CHILDREN ADJUDICATED AS DELINQUENT OR CHILD IN NEED OF ASSISTANCE — IOWA JUVENILE HOME. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the placement costs of female children adjudicated as delinquent and male and female children adjudicated as a child in need of assistance:

.....	\$	2,000,000
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* Item veto; see message at end of the Act

1. The funds appropriated in this section shall be used for the placement costs of female children adjudicated as delinquent and male and female children adjudicated as a child in need of assistance, who are deemed by the department to be eligible for use of the funds.

2. By January 1, 2015, the department shall provide a report to the governor and the legislative services agency that includes a description of the status of juvenile delinquent girls and boys and girls and boys adjudicated as a child in need of assistance who are hard-to-place in out-of-home placements during the period beginning December 1, 2013, and ending December 1, 2014; identifies their placement histories; provides the reason for placement; provides a status report on educational services and treatment of youth at department facilities; the efforts made by and with private providers to ensure the providers can provide adequate services to children adjudicated delinquent or as a child in need of assistance who are hard-to-place; and makes appropriate recommendations for legislation deemed necessary. **The department shall engage with representatives designated by the chief juvenile court officers, by the division of criminal and juvenile justice planning of the department of human rights, and by the coalition for family and children's services in Iowa to develop and implement a tracking information system concerning the children adjudicated as delinquent or as a child in need of assistance under chapter 232. The purpose of the system is to identify the outcomes experienced by the children during and immediately following placement in an out-of-home setting and during the two-year period following a child's last such placement. The information shall include but is not limited to demographic information, the types of criminal activity and behavioral health characteristics that contributed to or resulted in the adjudication, the other interventions provided to the children and their families before, during, and after placement, the status of the children following placement, and identification of any patterns identified from the data. The department shall report the data to the general assembly and the governor on or before December 15, 2014, and annually on December 15 thereafter, and at other times upon request.**

3. Notwithstanding section 8.39, without the prior written consent and approval of the governor and the director of the department of management, the director of human services may transfer funds between the appropriation made in this section and other departmental appropriations as necessary to best fulfill the needs provided for in this appropriation. **However, the department shall report to the legislative services agency prior to making such a transfer and the report shall include information regarding the rationale for transferring the moneys.**

Sec. 25. 2013 Iowa Acts, chapter 138, section 148, is amended to read as follows:

SEC. 148. CHILD AND FAMILY SERVICES.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For child and family services:

.....	\$	45,641,960
		<u>94,857,554</u>

2. Up to ~~\$2,600,000~~ \$5,200,000 of the amount of federal temporary assistance for needy families block grant funding appropriated in this division of this Act for child and family services shall be made available for purposes of juvenile delinquent graduated sanction services.

3. The department may transfer funds appropriated in this section as necessary to pay the nonfederal costs of services reimbursed under the medical assistance program, state child care assistance program, or the family investment program which are provided to children who would otherwise receive services paid under the appropriation in this section. The department may transfer funds appropriated in this section to the appropriations made in this division of this Act for general administration and for field operations for resources necessary to implement and operate the services funded in this section.

4. a. Of the funds appropriated in this section, up to ~~\$16,121,163~~ \$35,745,187 is allocated as the statewide expenditure target under section 232.143 for group foster care maintenance and

* Item veto; see message at end of the Act

services. If the department projects that such expenditures for the fiscal year will be less than the target amount allocated in this lettered paragraph, the department may reallocate the excess to provide additional funding for shelter care or the child welfare emergency services addressed with the allocation for shelter care.

b. If at any time after September 30, 2014, annualization of a service area's current expenditures indicates a service area is at risk of exceeding its group foster care expenditure target under section 232.143 by more than 5 percent, the department and juvenile court services shall examine all group foster care placements in that service area in order to identify those which might be appropriate for termination. In addition, any aftercare services believed to be needed for the children whose placements may be terminated shall be identified. The department and juvenile court services shall initiate action to set dispositional review hearings for the placements identified. In such a dispositional review hearing, the juvenile court shall determine whether needed aftercare services are available and whether termination of the placement is in the best interest of the child and the community.

5. In accordance with the provisions of section 232.188, the department shall continue the child welfare and juvenile justice funding initiative during fiscal year 2014-2015. Of the funds appropriated in this section, ~~\$858,877~~ \$1,717,753 is allocated specifically for expenditure for fiscal year 2014-2015 through the decategorization ~~service~~ services funding pools and governance boards established pursuant to section 232.188.

6. A portion 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 or successor project to stay together or to be reunified.

7. Notwithstanding section 234.35 or any other provision of law to the contrary, state funding for shelter care and the child welfare emergency services contracting implemented to provide for or prevent the need for shelter care shall be limited to ~~\$3,808,024~~ \$7,717,822.

8. Federal funds received by the state during the fiscal year beginning July 1, 2014, as the result of the expenditure of state funds appropriated during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for services and purposes provided for under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for the purposes designated until the close of the succeeding fiscal year.

9. a. Of the funds appropriated in this section, up to ~~\$1,645,000~~ \$3,290,000 is allocated for the payment of the expenses of court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4. Of the amount allocated in this lettered paragraph, up to ~~\$778,144~~ \$1,556,287 shall be made available to provide school-based supervision of children adjudicated under chapter 232, of which not more than ~~\$7,500~~ \$15,000 may be used for the purpose of training. A portion of the cost of each school-based liaison officer shall be paid by the school district or other funding source as approved by the chief juvenile court officer.

b. Of the funds appropriated in this section, up to ~~\$374,493~~ \$748,985 is allocated for the payment of the expenses of court-ordered services provided to children who are under the supervision of the department, which expenses are a charge upon the state pursuant to section 232.141, subsection 4.

c. Notwithstanding section 232.141 or any other provision of law to the contrary, the amounts allocated in this subsection shall be distributed to the judicial districts as determined by the state court administrator and to the department's service areas as determined by the administrator of the department's division of child and family services. The state court administrator and the division administrator shall make the determination of the distribution amounts on or before June 15, 2014.

d. Notwithstanding chapter 232 or any other provision of law to the contrary, a district or juvenile court shall not order any service which is a charge upon the state pursuant to section 232.141 if there are insufficient court-ordered services funds available in the district court or departmental service area distribution amounts to pay for the service. The chief juvenile court officer and the departmental service area manager shall encourage use of the funds allocated in this subsection such that there are sufficient funds to pay

for all court-related services during the entire year. The chief juvenile court officers and departmental service area managers shall attempt to anticipate potential surpluses and shortfalls in the distribution amounts and shall cooperatively request the state court administrator or division administrator to transfer funds between the judicial districts' or departmental service areas' distribution amounts as prudent.

e. 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.

f. Of the funds allocated in this subsection, not more than ~~\$41,500~~ \$83,000 may be used by the judicial branch for administration of the requirements under this subsection.

g. Of the funds allocated in this subsection, ~~\$8,500~~ \$17,000 shall be used by the department of human services to support the interstate commission for juveniles in accordance with the interstate compact for juveniles as provided in section 232.173.

10. Of the funds appropriated in this section, ~~\$4,026,613~~ \$8,053,226 is allocated for juvenile delinquent graduated sanctions services. Any state funds saved as a result of efforts by juvenile court services to earn federal Tit. IV-E match for juvenile court services administration may be used for the juvenile delinquent graduated sanctions services.

11. Of the funds appropriated in this section, ~~\$804,143~~ \$1,608,285 is transferred to the department of public health to be used for the child protection center grant program in accordance with section 135.118. The grant amounts under the program shall be equalized so that each center receives a uniform amount of at least ~~\$122,500~~ \$245,000.

12. If the department receives federal approval to implement a waiver under Tit. IV-E of the federal Social Security Act to enable providers to serve children who remain in the children's families and communities, for purposes of eligibility under the medical assistance program through 25 years of age, children who participate in the waiver shall be considered to be placed in foster care.

13. Of the funds appropriated in this section, ~~\$1,628,490~~ \$3,256,980 is allocated for the preparation for adult living program pursuant to section 234.46.

14. Of the funds appropriated in this section, ~~\$260,075~~ \$520,150 shall be used for juvenile drug courts. The amount allocated in this subsection shall be distributed as follows:

To the judicial branch for salaries to assist with the operation of juvenile drug court programs operated in the following jurisdictions:

a. Marshall county:	\$	<u>31,354</u>
.....		<u>62,708</u>
b. Woodbury county:	\$	<u>62,841</u>
.....		<u>125,682</u>
c. Polk county:	\$	<u>97,946</u>
.....		<u>195,892</u>
d. The third judicial district:	\$	<u>33,967</u>
.....		<u>67,934</u>
e. The eighth judicial district:	\$	<u>33,967</u>
.....		<u>67,934</u>

15. Of the funds appropriated in this section, ~~\$113,669~~ \$227,337 shall be used for the public purpose of continuing a grant to a nonprofit human services organization providing services to individuals and families in multiple locations in southwest Iowa and Nebraska for support of a project providing immediate, sensitive support and forensic interviews, medical exams, needs assessments, and referrals for victims of child abuse and their nonoffending family members.

16. Of the funds appropriated in this section, ~~\$100,295~~ \$210,620 is allocated for the foster care youth council approach of providing a support network to children placed in foster care.

17. Of the funds appropriated in this section, ~~\$101,000~~ \$202,000 is allocated for use pursuant to section 235A.1 for continuation of the initiative to address child sexual abuse implemented pursuant to 2007 Iowa Acts, chapter 218, section 18, subsection 21.

18. Of the funds appropriated in this section, ~~\$315,120~~ \$630,240 is allocated for the community partnership for child protection sites.

19. Of the funds appropriated in this section, ~~\$185,625~~ \$371,250 is allocated for the department's minority youth and family projects under the redesign of the child welfare system.

20. Of the funds appropriated in this section, ~~\$718,298~~ \$1,186,595 is allocated for funding of the community circle of care collaboration for children and youth in northeast Iowa.

21. Of the funds appropriated in this section, at least ~~\$73,579~~ \$147,158 shall be used for the child welfare training academy.

22. Of the funds appropriated in this section, ~~\$12,500~~ \$25,000 shall be used for the public purpose of continuation of a grant to a child welfare services provider headquartered in a county with a population between 205,000 and 215,000 in the latest certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming, and an Asperger's syndrome program, to be used for support services for children with autism spectrum disorder and their families.

23. Of the funds appropriated in this section, ~~\$12,500~~ \$25,000 shall be used for the public purpose of continuing a grant to a hospital-based provider headquartered in a county with a population between 90,000 and 95,000 in the latest certified federal census that provides multiple services including but not limited to diagnostic, therapeutic, and behavioral services to individuals with autism spectrum disorder across the lifespan. The grant recipient shall utilize the funds to continue the pilot project to determine the necessary support services for children with autism spectrum disorder and their families to be included in the children's disabilities services system. The grant recipient shall submit findings and recommendations based upon the results of the pilot project to the individuals specified in this division of this Act for submission of reports by December 31, 2014.

24. Of the funds appropriated in this section, ~~\$163,974~~ \$211,872 shall be used for continuation of the central Iowa system of care program grant through June 30, 2015.

25. Of the funds appropriated in this section, ~~\$80,000~~ \$135,000 shall be used for the public purpose of the continuation of a system of care grant implemented in Cerro Gordo and Linn counties.

26. Of the funds appropriated in this section, at least ~~\$12,500~~ \$25,000 shall be used to continue and to expand the foster care respite pilot program in which postsecondary students in social work and other human services-related programs receive experience by assisting family foster care providers with respite and other support.

27. Of the funds appropriated in this section, \$110,000 shall be used for the public purpose of funding community-based services and other supports with a system of care approach for children with a serious emotional disturbance and their families through a nonprofit provider of child welfare services that has been in existence for more than 115 years, is located in a county with a population of more than 200,000 but less than 220,000 according to the latest census information issued by the United States census bureau provider, is licensed as a psychiatric medical institution for children, and has not been a system of care grantee prior to July 1, 2014.

**28. The department shall perform a review of the feasibility of and benefits associated with expanding foster care, kinship guardianships, and subsidized adoptions to be available on a voluntary basis to young adults who become age 18 while receiving child welfare services. The purpose of the review is to determine the extent to which the expansion is covered under the federal Fostering Connections to Success and Increasing Adoptions Act of 2008, Pub. L. No. 110-351, and would draw additional federal support under the Title IV-E of the federal Social Security Act, allow the state to expand the preparation for adult living program to additional young adults, and enhance the services and supports available under the program. The department shall engage national and state experts in structuring*

* Item veto; see message at end of the Act

such programs under the federal fostering connections Act in addition to young persons with experience in the state's foster care system in performing the review. If the department determines the expansion can be implemented within existing state appropriations and produces additional benefits for the young adults who would be served under the expansion, the department may implement changes to expand the availability of foster care, kinship guardianships, and subsidized adoptions for eligible young adults who become age 21.*

Sec. 26. 2013 Iowa Acts, chapter 138, section 149, is amended to read as follows:

SEC. 149. ADOPTION SUBSIDY.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For adoption subsidy payments and services:

..... \$ 20,364,641
42,580,749

2. The department may transfer funds appropriated in this section to the appropriation made in this division of this Act for general administration for costs paid from the appropriation relating to adoption subsidy.

3. Federal funds received by the state during the fiscal year beginning July 1, 2014, as the result of the expenditure of state funds during a previous state fiscal year for a service or activity funded under this section are appropriated to the department to be used as additional funding for the services and activities funded under this section. Notwithstanding section 8.33, moneys received in accordance with this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert to any fund but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 27. 2013 Iowa Acts, chapter 138, section 151, is amended to read as follows:

SEC. 151. FAMILY SUPPORT SUBSIDY PROGRAM.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the family support subsidy program subject to the enrollment restrictions in section 225C.37, subsection 3:

..... \$ 546,478
1,079,739

2. The department shall use at least ~~\$241,750~~ \$532,500 of the moneys appropriated in this section for the family support center component of the comprehensive family support program under section 225C.47. Not more than ~~\$12,500~~ \$25,000 of the amount allocated in this subsection shall be used for administrative costs.

3. If at any time during the fiscal year, the amount of funding available for the family support subsidy program is reduced from the amount initially used to establish the figure for the number of family members for whom a subsidy is to be provided at any one time during the fiscal year, notwithstanding section 225C.38, subsection 2, the department shall revise the figure as necessary to conform to the amount of funding available.

Sec. 28. 2013 Iowa Acts, chapter 138, section 152, is amended to read as follows:

SEC. 152. CONNER DECREE. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For building community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v. Branstad, No. 4-86-CV-30871(S.D. Iowa, July 14, 1994):

..... \$ 16,811

* Item veto; see message at end of the Act

33,632

Sec. 29. 2013 Iowa Acts, chapter 138, section 153, is amended to read as follows:

SEC. 153. 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, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the state mental health institute at Cherokee for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	<u>2,977,232</u>
.....		<u>6,031,934</u>
.....	FTEs	169.20

2. For the state mental health institute at Clarinda for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	<u>3,375,934</u>
.....		<u>6,787,309</u>
.....	FTEs	86.10

3. For the state mental health institute at Independence for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	<u>5,159,389</u>
.....		<u>10,484,386</u>
.....	FTEs	233.00

4. For the state mental health institute at Mount Pleasant for salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	<u>683,343</u>
.....		<u>1,417,796</u>
.....	FTEs	97.92

Sec. 30. 2013 Iowa Acts, chapter 138, section 154, is amended to read as follows:

SEC. 154. STATE RESOURCE CENTERS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the state resource center at Glenwood for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	<u>10,137,236</u>
.....		<u>21,695,266</u>

b. For the state resource center at Woodward for salaries, support, maintenance, and miscellaneous purposes:

.....	\$	<u>7,110,232</u>
.....		<u>14,855,693</u>

2. The department may continue to bill for state resource center services utilizing a scope of services approach used for private providers of ICFID services, in a manner which does not shift costs between the medical assistance program, counties, or other sources of funding for the state resource centers.

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

4. If the department's administration and the department of management concur with a finding by a state resource center's superintendent that projected revenues can reasonably be expected to pay the salary and support costs for a new employee position, or that such costs for adding a particular number of new positions for the fiscal year would be less than the overtime costs if new positions would not be added, the superintendent may add the new position or positions. If the vacant positions available to a resource center do not include the position classification desired to be filled, the state resource center's superintendent may reclassify any vacant position as necessary to fill the desired position. The superintendents

of the state resource centers may, by mutual agreement, pool vacant positions and position classifications during the course of the fiscal year in order to assist one another in filling necessary positions.

5. If existing capacity limitations are reached in operating units, a waiting list is in effect for a service or a special need for which a payment source or other funding is available for the service or to address the special need, and facilities for the service or to address the special need can be provided within the available payment source or other funding, the superintendent of a state resource center may authorize opening not more than two units or other facilities and begin implementing the service or addressing the special need during fiscal year 2014-2015.

Sec. 31. 2013 Iowa Acts, chapter 138, section 155, is amended to read as follows:

SEC. 155. SEXUALLY VIOLENT PREDATORS.

1. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For costs associated with the commitment and treatment of sexually violent predators in the unit located at the state mental health institute at Cherokee, including costs of legal services and other associated costs, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,708,485
.....		<u>9,923,563</u>
.....	FTEs	<u>124.50</u>
.....		132.50

2. Unless specifically prohibited by law, if the amount charged provides for recoupment of at least the entire amount of direct and indirect costs, the department of human services may contract with other states to provide care and treatment of persons placed by the other states at the unit for sexually violent predators at Cherokee. The moneys received under such a contract shall be considered to be repayment receipts and used for the purposes of the appropriation made in this section.

Sec. 32. 2013 Iowa Acts, chapter 138, section 156, is amended to read as follows:

SEC. 156. 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, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For field operations, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	33,261,194
.....		<u>65,170,976</u>
.....	FTEs	<u>1,837.00</u>

1A. As a condition of this appropriation, the department shall make every possible effort to fill the entire number of positions authorized by this section and, unless specifically provided otherwise by an applicable collective bargaining agreement, the department is not subject to any approval requirement external to the department to fill a field operations vacancy within the number of full-time equivalent positions authorized by this section. The department shall report on the first of each month to the chairpersons and ranking members of the appropriations committees of the senate and house of representatives, and the persons designated by this Act for submission of reports concerning the status of filling the positions.

2. Priority in filling full-time equivalent positions shall be given to those positions related to child protection services and eligibility determination for low-income families.

Sec. 33. 2013 Iowa Acts, chapter 138, section 157, is amended to read as follows:

SEC. 157. 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, 2014, and

* Item veto; see message at end of the Act

ending June 30, 2015, 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, and for not more than the following full-time equivalent positions:

.....	\$	8,152,386
		<u>16,072,302</u>
.....	FTEs	309.00

1. Of the funds appropriated in this section, ~~\$31,772~~ \$38,543 is allocated for the prevention of disabilities policy council established in section 225B.3.

3. Of the funds appropriated in this section, ~~\$66,150~~ \$150,000 shall be used to continue the contract for the provision of a program to provide technical assistance, support, and consultation to providers of habilitation services and home and community-based services waiver services for adults with disabilities under the medical assistance program.

4. Of the funds appropriated in this section, ~~\$25,000~~ \$50,000 is transferred to the Iowa finance authority to be used for administrative support of the council on homelessness established in section 16.100A and for the council to fulfill its duties in addressing and reducing homelessness in the state.

5A. Of the funds appropriated in this section \$250,000 is transferred to the department of inspections and appeals to be used to implement a new mental health advocate division in the department in accordance with this 2014 Act.¹

Sec. 34. 2013 Iowa Acts, chapter 138, section 158, is amended to read as follows:

SEC. 158. VOLUNTEERS. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For development and coordination of volunteer services:

.....	\$	42,330
		<u>84,686</u>

Sec. 35. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph a, subparagraph (1), is amended to read as follows:

(1) For the fiscal year beginning July 1, 2014, the total state funding amount for the nursing facility budget shall not exceed ~~\$268,712,511~~ \$284,128,824. Of this amount, not more than \$1,250,000 shall be used for reimbursement of nursing facilities to supplement the shortfall attributable to the rebasing of nursing facility rates in accordance with this 2013 Act, section 29, subsection 1, paragraph "a", subparagraph (2), beginning July 1, 2014.

Sec. 36. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph b, is amended to read as follows:

b. (1) For the fiscal year beginning July 1, 2014, the department shall continue the pharmacy dispensing fee reimbursement at \$10.12 per prescription until a cost of dispensing survey is completed. The actual dispensing fee shall be determined by a cost of dispensing survey performed by the department and required to be completed by all medical assistance program participating pharmacies every two years beginning in FY 2014-2015.

(2) The department shall utilize an average acquisition cost reimbursement methodology for all drugs covered under the medical assistance program in accordance with 2012 Iowa Acts, chapter 1133, section 33.

(3) Notwithstanding subparagraph (2), if the centers for Medicare and Medicaid services of the United States department of health and human services (CMS) requires, as a condition of federal Medicaid funding, that the department implement an aggregate federal upper limit (FUL) for drug reimbursement based on the average manufacturer's price (AMP), the department may utilize a reimbursement methodology for all drugs covered under the Medicaid program based on the national average drug acquisition cost (NADAC) methodology published by CMS, in order to assure compliance with the aggregate FUL,

¹ See chapter 1141, §16 herein

minimize outcomes of drug reimbursements below pharmacy acquisition costs, limit administrative costs, and minimize any change in the aggregate reimbursement for drugs. The department may adopt emergency rules to implement this subparagraph.

Sec. 37. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph c, subparagraphs (1) and (2), are amended to read as follows:

(1) For the fiscal year beginning July 1, 2014, reimbursement rates for outpatient hospital services shall remain at the rates in effect on June 30, 2014 be rebased effective January 1, 2015, subject to Medicaid program upper payment limit rules and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

(2) For the fiscal year beginning July 1, 2014, reimbursement rates for inpatient hospital services shall remain at the rates in effect on June 30, 2014 be rebased effective October 1, 2015, subject to Medicaid program upper payment limit rules and adjusted as necessary to maintain expenditures within the amount appropriated to the department for this purpose for the fiscal year.

Sec. 38. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph f, subparagraph (1), is amended to read as follows:

(1) For the fiscal year beginning July 1, 2014, reimbursement rates for home health agencies shall continue to be based on the Medicare low utilization payment adjustment (LUPA) methodology in effect on June 30, 2014, as adjusted to not exceed the reimbursement for the fiscal year beginning July 1, 2013 with state geographic wage adjustments. Beginning July 1, 2015, the department shall update the rates every two years to reflect the most recent Medicare LUPA rates.

Sec. 39. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph n, is amended to read as follows:

n. For the fiscal year beginning July 1, 2014, the reimbursement rates for inpatient mental health services provided at hospitals shall remain at the rates in effect on June 30 be rebased effective October 1, 2014 2015, subject to Medicaid program upper payment limit rules; community mental health centers and providers of mental health services to county residents pursuant to a waiver approved under section 225C.7, subsection 3, shall be reimbursed at 100 percent of the reasonable costs for the provision of services to recipients of medical assistance; and psychiatrists shall be reimbursed at the medical assistance program fee for service rate.

Sec. 40. 2013 Iowa Acts, chapter 138, section 159, subsection 1, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0o. For the fiscal year beginning July 1, 2014, community mental health centers may choose to be reimbursed for the services provided to recipients of medical assistance through either of the following options:

(1) For 100 percent of the reasonable costs of the services.

(2) In accordance with the alternative reimbursement rate methodology established by the medical assistance program's managed care contractor for mental health services and approved by the department of human services.

Sec. 41. 2013 Iowa Acts, chapter 138, section 159, subsection 1, paragraph q, is amended to read as follows:

q. For the fiscal year beginning July 1, 2014, the reimbursement rate for emergency medical service providers shall be increased by 10 percent over the rate rates in effect on June 30, 2014.

Sec. 42. 2013 Iowa Acts, chapter 138, section 159, subsection 6, is amended to read as follows:

6. For the fiscal year beginning July 1, 2014, the reimbursement rates for family-centered service providers, family foster care service providers, group foster care service providers,

and the resource family recruitment and retention contractor shall remain at the rates in effect on June 30, 2014.

Sec. 43. 2013 Iowa Acts, chapter 138, section 159, is amended by adding the following new subsection:

NEW SUBSECTION. 6A. a. For the purposes of this subsection, “combined reimbursement rate” means the combined service and maintenance reimbursement rate for a service level under the department’s reimbursement methodology. Effective July 1, 2014, the combined reimbursement rate for a group foster care service level shall be the amount designated in this subsection. However, if a group foster care provider’s reimbursement rate for a service level as of June 30, 2014, is more than the rate designated in this subsection, the provider’s reimbursement shall remain at the higher rate.

b. Unless a group foster care provider is subject to the exception provided in paragraph “a”, effective July 1, 2014, the combined reimbursement rates for the service levels under the department’s reimbursement methodology shall be as follows:

- (1) For service level, community - D1, the daily rate shall be at least \$84.17.
- (2) For service level, comprehensive - D2, the daily rate shall be at least \$119.09.
- (3) For service level, enhanced - D3, the daily rate shall be at least \$131.09.

Sec. 44. 2013 Iowa Acts, chapter 138, section 159, subsection 9, is amended to read as follows:

9. For the fiscal year beginning July 1, ~~2013~~ 2014, the department shall calculate reimbursement rates for intermediate care facilities for persons with intellectual disabilities at the 80th percentile. Beginning July 1, ~~2013~~ 2014, the rate calculation methodology shall utilize the consumer price index inflation factor applicable to the fiscal year beginning July 1, 2013.

Sec. 45. 2013 Iowa Acts, chapter 138, section 160, is amended to read as follows:
SEC. 160. EMERGENCY RULES.

1. If specifically authorized by a provision of this division of this Act for the fiscal year beginning July 1, ~~2013~~ 2014, the department of human services or the mental health and disability services commission may adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph “b”, to implement the provisions and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 7, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, ~~notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph “b”.~~ 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.

2. If during the fiscal year beginning July 1, ~~2013~~ 2014, the department of human services is adopting rules in accordance with this section or as otherwise directed or authorized by state law, and the rules will result in an expenditure increase beyond the amount anticipated in the budget process or if the expenditure was not addressed in the budget process for the fiscal year, the department shall notify the persons designated by this division of this Act for submission of reports, the chairpersons and ranking members of the committees on appropriations, and the department of management concerning the rules and the expenditure increase. The notification shall be provided at least 30 calendar days prior to the date notice of the rules is submitted to the administrative rules coordinator and the administrative code editor.

Sec. 46. 2013 Iowa Acts, chapter 138, section 161, is amended to read as follows:

SEC. 161. REPORTS. Any reports or other information required to be compiled and submitted under this Act during the fiscal year beginning July 1, ~~2013~~ 2014, shall be submitted to the chairpersons and ranking members of the joint appropriations subcommittee on

health and human services, the legislative services agency, and the legislative caucus staffs on or before the dates specified for submission of the reports or information.

DIVISION VI
HEALTH CARE ACCOUNTS AND FUNDS

Sec. 47. 2013 Iowa Acts, chapter 138, section 162, is amended to read as follows:

SEC. 162. PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriations made in this Act for medical contracts under the medical assistance program for the fiscal year beginning July 1, ~~2013~~ 2014, and ending June 30, ~~2014~~ 2015:

..... \$ 3,325,000
5,467,564

Sec. 48. 2013 Iowa Acts, chapter 138, section 163, is amended to read as follows:

SEC. 163. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HUMAN SERVICES. Notwithstanding any provision to the contrary and subject to the availability of funds, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amounts, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of human services for medical assistance for the same fiscal year:

..... \$ 28,788,917
29,195,653

DIVISION VII
PERSONNEL SETTLEMENT AGREEMENTS

Sec. 49. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As a condition of the appropriations in this 2014 Act, the moneys appropriated and any other moneys available shall not be used for payment of a personnel settlement agreement that contains a confidentiality provision intended to prevent public disclosure of the agreement or any terms of the agreement.

DIVISION VIII
IOWA PRODUCTS

Sec. 50. IOWA PRODUCTS. As a condition of receiving an appropriation, any agency appropriated moneys pursuant to this 2014 Act shall give first preference when purchasing a product to an Iowa product or a product produced by an Iowa-based business. Second preference shall be given to a United States product or a product produced by a business based in the United States.

DIVISION IX
PRIOR YEAR APPROPRIATIONS AND OTHER PRIOR PROVISIONS

SAFETY NET — CARE COORDINATION

Sec. 51. 2013 Iowa Acts, chapter 138, section 3, subsection 4, paragraph p, is amended to read as follows:

p. Of the funds appropriated in this section, \$1,158,150 is allocated to the Iowa collaborative safety net provider network established pursuant to section 135.153 to be used for the development and implementation of a statewide regionally based network to provide an integrated approach to health care delivery through care coordination that supports primary care providers and links patients with community resources necessary to empower

patients in addressing biomedical and social determinants of health to improve health outcomes. The Iowa collaborative safety net provider network shall work in conjunction with the department of human services to align the integrated network with the health care delivery system model developed under the state innovation models initiative grant. The Iowa collaborative safety net provider network shall submit a progress report to the individuals designated in this Act for submission of reports by December 31, 2013, including progress in developing and implementing the network, how the funds were distributed and used in developing and implementing the network, and the remaining needs in developing and implementing the network. Notwithstanding section 8.33, moneys allocated in this paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

MEDICAL RESIDENCY

Sec. 52. 2013 Iowa Acts, chapter 138, section 3, subsection 4, paragraph r, is amended to read as follows:

r. Of the funds appropriated in this subsection, \$2,000,000 shall be deposited in the medical residency training account created in section 135.175, subsection 5, paragraph “a”, and is appropriated from the account to the department of public health to be used for the purposes of the medical residency training state matching grants program as specified in section 135.176. However, notwithstanding any provision to the contrary in section 135.176, priority in the awarding of grants shall be given to sponsors that propose preference in the use of the grant funds for psychiatric residency positions and family practice residency positions.

CONSUMER-DIRECTED ATTENDANT CARE

Sec. 53. 2013 Iowa Acts, chapter 138, section 12, subsection 19, paragraph a, subparagraph (6), is amended to read as follows:

~~(6) The department shall require transition of the provision by individual providers of personal care under the consumer directed attendant care option to agency provided personal care services and shall retain the consumer choice option for those individuals able and desiring to self-direct services.~~

DISPROPORTIONATE SHARE HOSPITAL PAYMENTS

Sec. 54. 2013 Iowa Acts, chapter 138, section 12, is amended by adding the following new subsection:

NEW SUBSECTION. 25. The department of human services shall adopt rules pursuant to chapter 17A to require or provide for all of the following relating to qualifications for disproportionate share hospital payments:

a. That only hospitals, including those defined as a children’s hospital, located in the state may qualify for disproportionate share hospital payments.

b. That, if a hospital is defined as a children’s hospital, the children’s hospital may qualify for disproportionate share hospital payments if among other criteria the hospital is a member of, but is not required to be a voting member of, the children’s hospital association.

AUTISM

Sec. 55. 2013 Iowa Acts, chapter 138, section 13, subsection 10, is amended to read as follows:

10. Of the funds appropriated in this section, \$2,000,000 shall be used for the autism support program created in chapter 225D, as enacted in this Act, beginning January 1, 2014. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

STATE SUPPLEMENTARY ASSISTANCE

Sec. 56. 2013 Iowa Acts, chapter 138, section 14, is amended by adding the following new subsection:

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

FOSTER CARE RESPITE

Sec. 57. 2013 Iowa Acts, chapter 138, section 18, subsection 26, is amended to read as follows:

26. Of the funds appropriated in this section, at least \$25,000 shall be used to continue and to expand the foster care respite pilot program in which postsecondary students in social work and other human services-related programs receive experience by assisting family foster care providers with respite and other support. Notwithstanding section 8.33, moneys allocated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

FIELD OPERATIONS

**Sec. 58. 2013 Iowa Acts, chapter 138, section 26, is amended by adding the following new subsection:*

*NEW SUBSECTION. 3. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.**

NURSING FACILITY OPEN OR UNSETTLED COST REPORTS

Sec. 59. 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph a, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (5) For any open or unsettled nursing facility cost report for a fiscal year prior to and including the fiscal year beginning July 1, 2012, including any cost report remanded on judicial review for inclusion of prescription drug, laboratory, or x-ray costs, the department shall offset all reported prescription drug, laboratory, and x-ray costs with any revenue received from Medicare or other revenue source for any purpose. For purposes of this subparagraph, a nursing facility cost report is not considered open or unsettled if the facility did not initiate an administrative appeal under chapter 17A or if any appeal rights initiated have been exhausted.

COMMUNITY MENTAL HEALTH CENTER REIMBURSEMENT

Sec. 60. 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph n, is amended to read as follows:

n. For the fiscal year beginning July 1, 2013, the reimbursement rates for inpatient mental health services provided at hospitals shall be increased by 1 percent over the rates in effect on June 30, 2013, subject to Medicaid program upper payment limit rules; ~~community mental health centers and providers of mental health services to county residents pursuant to a waiver approved under section 225C.7, subsection 3, shall be reimbursed at 100 percent of the reasonable costs for the provision of services to recipients of medical assistance; and psychiatrists shall be reimbursed at the medical assistance program fee-for-service rate.~~

* Item veto; see message at end of the Act

Sec. 61. 2013 Iowa Acts, chapter 138, section 29, subsection 1, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0o. For the fiscal year beginning July 1, 2013, community mental health centers may choose to be reimbursed for the services provided to recipients of medical assistance through either of the following options:

- (1) For 100 percent of the reasonable costs of the services.
- (2) In accordance with the alternative reimbursement rate methodology established by the medical assistance program’s managed care contractor for mental health services and approved by the department of human services.

Sec. 62. EMERGENCY RULES. The department of human services may adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph “b”, to implement the section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph “n” and enacting “0o”, and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 63. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 64. RETROACTIVE APPLICABILITY. The section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 12, subsection 19, paragraph “a”, subparagraph (6), applies retroactively to July 1, 2013.

Sec. 65. APPLICABILITY. The rules adopted under the section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 12, by enacting subsection 25, relating to disproportionate share hospital payments, shall be applicable beginning October 1, 2014.

Sec. 66. RETROACTIVE APPLICABILITY. The section of this division of this Act amending 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph “a”, by enacting new subparagraph (5), relating to open or unsettled cost reports, is retroactively applicable to July 1, 2005.

Sec. 67. RETROACTIVE APPLICABILITY. The sections of this division of this Act amending 2013 Iowa Acts, chapter 138, section 29, subsection 1, paragraph “n” and enacting new paragraph “0o”, apply retroactively to July 1, 2013.

DIVISION X
MENTAL HEALTH AND DISABILITY SERVICES

Sec. 68. MENTAL HEALTH AND DISABILITY SERVICES — EQUALIZATION PAYMENTS TRANSFER AND APPROPRIATION.

1. There is transferred from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the property tax relief fund created in section 426B.1, for distribution as provided in this section, and subject to the Medicaid offset amendments in section 426B.3, subsection 5, as amended by this division of this 2014 Act, and related provisions of this division of this Act:

..... \$ 30,555,823

2. The moneys credited to the property tax relief fund in accordance with this section are appropriated to the department of human services for distribution of equalization payments for counties in the amounts specified in section 426B.3, subsection 4, for the fiscal year beginning July 1, 2014. If the county is part of a region that has been approved by the department in accordance with section 331.389, to commence partial or full operations, the county’s equalization payment shall be remitted to the region for expenditure as approved by the region’s governing board.

3. a. For the purposes of this subsection, “payment obligation” means an outstanding obligation for payment to the department of human services for the undisputed cost of services provided under the medical assistance program prior to July 1, 2012, or for the undisputed cost of non-Medicaid services provided prior to July 1, 2013.

b. Unless a county has entered into an agreement as provided in paragraph “c”, if a county receiving an equalization payment under this section has a payment obligation, the county shall remit to the department any unpaid portion of the payment obligation prior to June 30, 2015, from moneys available to the county that meet federal match requirements for the medical assistance program.

c. A county that has not paid the county’s payment obligation in full as provided in paragraph “b” shall enter into an agreement with the department for remittance of any unpaid portion of the county’s payment obligation. An agreement entered into under this lettered paragraph shall provide for remittance of any unpaid portion by the end of the fiscal year beginning July 1, 2014. The equalization payment for a county subject to this lettered paragraph shall be remitted as provided by the county’s agreement with the department.

d. The equalization payment for a county that is not subject to paragraph “c” shall be remitted on or before July 15, 2014.

Sec. 69. STATE PAYMENT PROGRAM REMITTANCE APPROPRIATION. The moneys transferred to the property tax relief fund for the fiscal year beginning July 1, 2014, from the federal social services block grant pursuant to 2013 Iowa Acts, chapter 136, section 11, subsection 3, paragraph “e”, and from the federal temporary assistance for needy families block grant, totaling at least \$11,774,275, are appropriated to the department of human services for the fiscal year beginning July 1, 2014, to be used for distribution of state payment program remittances to counties for the fiscal year in accordance with this section. The state payment program remittance shall be an amount equal to the amount paid to a county of residence under the program for state case services known as the state payment program, implemented pursuant to section 331.440, subsection 5, Code 2013, for the same 12-month period of August 2012 through July 2013 used to distribute state payment program remittances to counties in the state fiscal year beginning July 1, 2013. A county shall provide the remittance received by the county to the county’s mental health and disability services region.

Sec. 70. VOCATIONAL REHABILITATION SERVICES — EMPLOYMENT. The department of human services and the division of vocational rehabilitation services of the department of education shall jointly develop protocols and program models to integrate the employment-related services and other supports provided to persons with disabilities through federal match funding administered by the department and the division. The protocols and program models shall not include provisions that would interfere with the ability of any mental health and disability services region approved under section 331.389 operating as an employment network for the federal social security administration’s ticket to work program for persons with disabilities to collect any milestone or outcome payments. The department and the division shall report on or before December 15, 2014, to the individuals identified in this Act for submission of reports and to the chairpersons and ranking members of the joint appropriations subcommittee on education on the expenditure of such funding in the previous fiscal year along with findings and recommendations.

Sec. 71. PROVISIONAL REGIONALIZATION AUTHORIZATION.

1. During the time period beginning on the effective date of this section and ending June 30, 2015, upon receiving an application from Mahaska and Marion counties, the director of human services may authorize the counties to form and operate a mental health and disability services region on a provisional basis for up to 12 months in accordance with this section.

2. Unless the director grants an exception to policy allowing the counties and their region, during the provisional operation time period, to meet a requirement through an alternative means, the counties and their region shall comply with all of the requirements applicable to a mental health and disability services region under chapter 331 and other law applicable to regions including but not limited to the exemption provisions in 441 IAC 25.91.

3. Prior to the end of the provisional operation time period, the director may reauthorize on a one-time basis the region to operate provisionally for an additional time period of up to 12 months.

4. If the director determines the two counties and their region are not in compliance with the requirements under subsection 2 during any provisional operation time period and that compliance will not be achieved through a corrective action plan, the director may assign each county to a region contiguous to the county. The region assigned shall amend its chapter 28E agreement and other operating requirements and policies to accept the assigned county.

Sec. 72. STUDY OF COMMUNITY-BASED SERVICE OPTIONS FOR PERSONS WITH SERIOUS MENTAL ILLNESS. The department of human services shall engage representatives of the department of inspections and appeals, department on aging, the regional mental health and disability services system, the Iowa association of community providers, the Iowa behavioral health association, and other service providers, and other stakeholders to study community-based placement options for persons with serious mental illness. The study shall consider both services currently available and services that should be developed to meet the needs of persons with serious mental illness. The system elements addressed by the study shall include but are not limited to regulatory, liability, and funding issues, and other barriers to maintaining current community-based services options and developing new options. The results of the study, including findings and recommendations shall be reported on or before December 15, 2014, to the governor and the persons designated by this Act for submission of reports.

Sec. 73. Section 230.1, subsection 1, Code 2014, is amended to read as follows:

1. The necessary and legal costs and expenses attending the taking into custody, care, investigation, admission, commitment, and support of a person with mental illness admitted or committed to a state hospital shall be paid by a county or by the state as follows:

a. If the person is eighteen years of age or older, as follows:

(1) The costs attributed to mental illness shall be paid by the regional administrator on behalf of the person's county of residence.

(2) The costs attributed to a substance-related disorder shall be paid by the person's county of residence.

(3) The costs attributable to a dual diagnosis of mental illness and a substance-related disorder may be split as provided in section 226.9C.

b. By the state as a state case if such person has no residence in this state, if the person's residence is unknown, or if the person is under eighteen years of age.

Sec. 74. Section 331.388, subsection 3, Code 2014, is amended to read as follows:

3. "Population" means, as of July 1 of the fiscal year preceding the fiscal year in which the population figure is applied, the population shown by the latest preceding certified federal census or the latest applicable population estimate issued by the United States census bureau, whichever is most recent.

Sec. 75. Section 331.391, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 4. If a region is meeting the financial obligations for implementation of its regional service system management plan for a fiscal year and residual funding is anticipated, the regional administrator shall reserve an adequate amount for cash flow of expenditure obligations in the next fiscal year. The cash flow amount shall not exceed twenty-five percent of the gross expenditures budgeted for the combined account or for all regional accounts for the fiscal year in progress. Residual funding remaining after the cash flow amount is reserved shall be used to expand the region's core services under section 331.397, subsection 4, and then to make additional core service domains available in the region as enumerated in section 331.397, subsection 6.

Sec. 76. Section 331.393, subsection 2, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. *h.* The financial eligibility requirements for service under the regional service system. A plan that otherwise incorporates the financial eligibility

requirements of section 331.395 but allows eligibility for persons with resources above the minimum resource limitations adopted pursuant to section 331.395, subsection 1, paragraph “c”, who were eligible under resource limitations in effect prior to July 1, 2014, or are authorized by the region as an exception to policy, shall be deemed by the department to be in compliance with financial eligibility requirements of section 331.395.

Sec. 77. Section 331.397, subsection 4, paragraph d, unnumbered paragraph 1, Code 2014, is amended to read as follows:

Support for employment or for activities leading to employment providing an appropriate match with an individual’s abilities based upon informed, person-centered choices made from an array of options, including but not limited to all of the following:

Sec. 78. Section 331.424A, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. An amount shall be reserved in the county services fund to address cash flow obligations in the next fiscal year. The cash flow amount shall not exceed twenty-five percent of the gross expenditures budgeted from the county services fund for the fiscal year in progress. The cash flow amount for a county’s services fund shall be specified in the regional governance agreement entered into by the county under section 331.392.

Sec. 79. Section 331.424A, subsection 7, unnumbered paragraph 1, Code 2014, is amended to read as follows:

Notwithstanding subsection 5, for the fiscal years beginning July 1, 2013, ~~and July 1, 2014, and July 1, 2015~~, county revenues from taxes levied by the county and credited to the county services fund shall not exceed the lower of the following amounts:

Sec. 80. Section 426B.3, subsection 1, Code 2014, is amended to read as follows:

1. For the fiscal years beginning July 1, 2013, ~~and July 1, 2014, and July 1, 2015~~, the state and county funding for the mental health and disability services administered or paid for by counties shall be provided based on a statewide per capita expenditure target amount computed in accordance with this section and section 331.424A.

Sec. 81. Section 426B.3, subsection 4, Code 2014, is amended to read as follows:

4. a. For the fiscal years beginning July 1, 2013, ~~and July 1, 2014, and July 1, 2015~~, a county with a county population expenditure target amount that exceeds the amount of the county’s base year expenditures for mental health and disabilities services shall receive an equalization payment for the difference.

b. The equalization payments determined in accordance with this subsection shall be made by the department of human services for each fiscal year as provided in appropriations made from the property tax relief fund for this purpose. If the county is part of a region that has been approved by the department in accordance with section 331.389, to commence partial or full operations, the county’s equalization payment shall be remitted to the region or the county, as appropriate, for expenditure as approved by the region’s governing board or in accordance with the county’s service management plan, as appropriate. The payment for a county that has been approved by the department to operate as an individual county region shall be remitted to the county for expenditure as approved by the county board of supervisors. For the fiscal year beginning July 1, 2013, and succeeding fiscal years, the payment shall be remitted ~~on or before December 31~~ only for those counties approved to operate as an individual county region or to be part of a region. Remittance of the payment for a county without such approval shall be deferred until such approval is granted.

Sec. 82. Section 426B.3, subsection 5, Code 2014, is amended by striking the subsection and inserting in lieu thereof the following:

5. a. For the purposes of this subsection, unless the context otherwise requires:

(1) “Base year” means the fiscal year prior to the fiscal year for which a Medicaid offset amount is calculated.

(2) “*Base year amount*” means the actual amount expended from a county’s services fund during the base year for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan under chapter 249N.

(3) “*Calculation year*” means the fiscal year for which a Medicaid offset amount is calculated.

(4) “*Calculation year amount*” means the actual amount expended from a county’s services fund during the calculation year for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan under chapter 249N.

(5) “*Code set*” means the set of current procedural terminology (CPT) medical code set codes and the international classification of diseases, ninth revision (ICD-9) codes identified in accordance with this subsection for calculation of Medicaid offset amounts.

(6) “*Services fund*” means a county’s mental health and disabilities services fund created in accordance with section 331.424A.

b. The department and representatives of mental health and disability services region regional administrators shall identify and agree to a code set for the services and supports provided under regional service management plans for the class of persons eligible for the Iowa health and wellness plan. The initial code set shall be identified and agreed to on or before June 30, 2014. The code set may be modified from time to time by agreement of the department and representatives of mental health and disability services region regional administrators.

c. Commencing with the fiscal year beginning July 1, 2013, and continuing in any succeeding fiscal year in which appropriations are enacted for distribution of equalization payments in the succeeding fiscal year in accordance with subsection 4, Medicaid offset amounts shall be calculated for the counties in accordance with this subsection. The calculation of county Medicaid offset amounts for a fiscal year shall be made and communicated to the counties by the department on or before October 15 following the calculation year. If rules are deemed to be necessary to provide further detail concerning calculation and administration of the Medicaid offset amounts, the rules shall be adopted by the mental health and disability services commission in consultation with the department and representatives of mental health and disability services region regional administrators.

d. (1) A county’s Medicaid offset amount for a fiscal year shall be equal to eighty percent of the excess of the county’s base year amount over the county’s calculation year amount.

(2) In lieu of subparagraph (1), for the fiscal year beginning July 1, 2013, a county’s Medicaid offset amount shall be calculated by identifying the excess in the actual amount expended from a county’s services fund for the services and supports contained in the code set for the class of persons eligible for the Iowa health and wellness plan during the period beginning July 1, 2013, and ending December 31, 2013, over such actual amount expended for the same services and supports for such persons during the period beginning January 1, 2014, and ending June 30, 2014, and doubling the excess identified. A county’s Medicaid offset amount for the fiscal year beginning July 1, 2013, shall be equal to eighty percent of the result.

e. A county shall address the county’s Medicaid offset amount for a fiscal year in the fiscal year following the calculation year as follows:

(1) If the county receives an equalization payment in the fiscal year following the calculation year, the county shall repay the Medicaid offset amount to the state from that equalization payment. A county’s repayment pursuant to this subparagraph shall be remitted on or before January 1 of the fiscal year in which the equalization payment is received and the repayment shall be credited to the property tax relief fund. Moneys credited to the property tax relief fund in accordance with this subparagraph are subject to appropriation by the general assembly to support mental health and disability services administered by the regional system. The department of human services’ annual budget shall include recommendations for reinvestment of the amounts credited to the fund to address core and additional core services administered by the regional system.

(2) If the county does not receive an equalization payment in the fiscal year following the calculation year or the equalization payment is less than the Medicaid offset amount, the county shall, for the subsequent fiscal year, reduce the dollar amount certified for the county’s

services fund levy by the amount of the insufficiency. The initial year for such a reduction to be applied shall be the fiscal year beginning July 1, 2015.

Sec. 83. 2013 Iowa Acts, chapter 136, section 11, subsection 3, paragraph e, is amended to read as follows:

e. To be credited to the property tax relief fund created in section 426B.1:

(1) FY 2013-2014

..... \$ 7,480,233

Of the amount allocated in this subparagraph, up to \$600,000 may be used by the department of human services for distribution to counties for state case services provided in prior fiscal years for persons with mental illness, intellectual disability, or a developmental disability in accordance with section 331.440, Code 2013 or a dispute resolution process implemented in accordance with section 331.394, subsection 5 or 6.

(2) FFY 2014-2015

..... \$ 7,480,233

Of the amount allocated in this subparagraph, up to \$600,000 may be used by the department of human services for distribution to counties for state case services provided for persons with mental illness, intellectual disability, or a developmental disability in accordance with section 331.440, Code 2013, or in accordance with a dispute resolution process implemented in accordance with section 331.394, subsection 5 or 6.

Sec. 84. 2013 Iowa Acts, chapter 138, section 185, is amended to read as follows:

SEC. 185. EMERGENCY RULES. The department of human services may adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", during the period beginning July 1, 2013, and ending March 31, 2014, to implement the provisions of this division of this Act and the rules shall become effective immediately upon filing or on a later effective date specified in the rules, unless the effective date is delayed by the administrative rules review committee. Any rules adopted in accordance with this section shall not take effect before the rules are reviewed by the administrative rules review committee. The delay authority provided to the administrative rules review committee under section 17A.4, subsection 7, and section 17A.8, subsection 9, shall be applicable to a delay imposed under this section, notwithstanding a provision in those sections making them inapplicable to section 17A.5, subsection 2, paragraph "b". 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. 85. EFFECTIVE UPON ENACTMENT. The following sections of this division of this Act, being deemed of immediate importance, take effect upon enactment:

1. The section providing a provisional regionalization authorization.
2. The section amending 2013 Iowa Acts, chapter 136, section 11.
3. The section amending section 331.393, subsection 2.
4. The section amending section 426B.3.
5. The section amending 2013 Iowa Acts, chapter 138, section 185.

Sec. 86. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to July 1, 2013:

1. The section amending 2013 Iowa Acts, chapter 138, section 185.

DIVISION XI
FAMILY SUPPLEMENTATION

Sec. 87. Section 249A.4, subsection 10, paragraph b, subparagraph (6), Code 2014, is amended to read as follows:

(6) Supplementation shall not be applicable if the facility's occupancy rate is less than eighty ~~fifty~~ percent.

Sec. 88. Section 249A.4, subsection 10, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. (1) A nursing facility that utilizes the supplementation option and receives supplementation under this subsection during any calendar year, shall report to the department of human services, annually, by January 15, the following information for the preceding calendar year:

(a) The total number of nursing facility beds available at the nursing facility, the number of such beds available in private rooms, and the number of such beds available in other types of rooms.

(b) The average occupancy rate of the facility on a monthly basis.

(c) The total number of residents for which supplementation was utilized.

(d) The average private pay charge for a private room in the nursing facility.

(e) For each resident for whom supplementation was utilized, the total charge to the resident for the private room, the portion of the total charge reimbursed under the Medicaid program, and the total charge reimbursed through supplementation.

(2) The department shall compile the information received and shall submit the compilation to the general assembly, annually by May 1.

DIVISION XII MISCELLANEOUS

PREPARATION FOR ADULT LIVING SERVICES (PALS)

Sec. 89. Section 234.46, subsection 1, paragraph c, Code 2014, is amended to read as follows:

c. At the time the person became age eighteen, the person received foster care services that were paid for by the state under section 234.35, services at a state training school, services at a juvenile shelter care home, or services at a juvenile detention home and the person is no longer receiving such services.

Sec. 90. Section 234.46, subsection 2, unnumbered paragraph 1, Code 2014, is amended to read as follows:

The division shall establish a preparation for adult living program directed to young adults. The purpose of the program is to assist persons who are leaving foster care and other court-ordered services at age eighteen or older in making the transition to self-sufficiency. The department shall adopt rules necessary for administration of the program, including but not limited to eligibility criteria for young adult participation and the services and other support available under the program. The rules shall provide for participation of each person who meets the definition of young adult on the same basis, regardless of whether federal financial participation is provided. The services and other support available under the program may include but are not limited to any of the following:

Sec. 91. MEDICAID AND HAWK-I STATE PLAN AMENDMENTS AND WAIVERS — NOTIFICATION. The department of human services shall notify the chairpersons and ranking members of the joint appropriations subcommittee on health and human services, the chairpersons and ranking members of the committees on human resources of the senate and house of representatives, the legislative services agency, and the legislative caucus staffs prior to submission of any Medicaid or hawk-i program state plan amendment or waiver to the centers for Medicare and Medicaid services of the United States department of health and human services.

Sec. 92. CHILD WELFARE SERVICES COMMITTEE.

1. The legislative council is requested to establish a child welfare services committee.

2. The committee membership shall include the following persons:

a. The director of human services or the director's designee.

* Item veto; see message at end of the Act

- b. The administrator of child welfare programs under the department of human services or the administrator's designee.
- c. The administrator of the division of criminal and juvenile justice planning in the department of human rights or the administrator's designee.
- d. The administrator of the child advocacy board in the department of inspections and appeals or the administrator's designee.
- e. The chief justice of the supreme court or the chief justice's designee.
- f. The director of the department of education or the director's designee.
- g. The executive director of the Iowa foster and adoptive parent association or the executive director's designee.
- h. The executive director of the coalition for family and children's services in Iowa or the executive director's designee.
- i. The presiding officer of the Iowa juvenile court services association or the presiding officer's designee.
- j. The director of the child health specialty clinics at the university of Iowa or the director's designee.
- k. A youth member of the achieving maximum potential program designated by the program's director.
 - l. The director of the child and family policy center or the director's designee.
 - m. Members of the general assembly appointed by the legislative council.
 - n. Other persons designated by the legislative council.
- 3. The committee shall perform the following duties:
 - a. Review the array of child welfare services in the state.
 - b. Identify options for improving the coordination and collaboration between the public and private entities involved with child welfare services.
 - c. Direct special attention to children's mental and behavioral health services.
 - d. Identify policies to support the growth and expansion of community-based pediatric integrated health homes.
 - e. Identify options to support continuous improvement of pediatric mental health services and innovation by service providers of such services at the state and community levels.
 - f. Consider proposals for creation of a center of collaborative children's mental and behavioral health services.
 - g. Evaluate the adequacy of the public funding of child welfare services and identify options to address shortfalls and for shifting resources.
- 4. The committee shall submit a final report with findings and recommendations to the governor and general assembly for action in the 2015 legislative session.

*DIVISION XIII
ASSET VERIFICATION

Sec. 93. MEDICAID PROGRAM — ASSET, INCOME, AND IDENTITY VERIFICATION. The department of human services shall issue a request for proposals to contract with a third-party vendor to establish an electronic asset, income, and identity eligibility verification system for the purposes of determining or redetermining the eligibility of an individual who is an applicant for or recipient of medical assistance under the Medicaid state plan on the basis of being aged, blind, or disabled in accordance with 42 U.S.C. §1396w. The third-party vendor selected shall be able to demonstrate in writing its current relationships or contracts with financial institutions in the state and nationally. Participation by financial institutions in providing account balances for asset verification shall remain voluntary. The department may transfer funds appropriated in this 2014 Act for the Medicaid program as necessary to pay the selected third-party vendor in accordance with this section. The department of human services shall submit by September 1, 2014, a progress report to the individuals identified in this 2014 Act for submission of reports.

* Item veto; see message at end of the Act

*Sec. 94. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.**

DIVISION XIV
INTERDEPARTMENTAL COORDINATION — INDIVIDUALS RELEASED FROM
CORRECTIONAL SYSTEM

Sec. 95. INTERDEPARTMENTAL COORDINATION — INDIVIDUALS RELEASED FROM THE CORRECTIONAL SYSTEM.

1. The department of human services, the department of public health, the department on aging, the department of workforce development, and the department of corrections shall implement an interagency collaborative effort to provide an integrated approach to address the medical and psychosocial needs of individuals upon release from a correctional facility. The collaboration shall provide for all of the following:

a. Coordination between the departments of policies and procedures to facilitate information sharing, during the prerelease, transitional, and postrelease phases, including the development of protocols to share health and other personal information of an individual between departmental personnel involved in providing the individual's prerelease, transition, and postrelease services and support.

b. Cross-disciplinary prerelease preparation that includes application for medical assistance, social security disability, and other supports for which the individual may be eligible; assessment of the holistic clinical and social needs of the individual including but not limited to those relating to health and medical care, housing, education and training, employment assistance, and legal assistance; and identification of community-based services and providers necessary to address identified needs, including but not limited to those necessary to address mental health and substance-related disorders.

c. Transitional and postrelease interagency communication and coordination to ensure a more seamless transition of the individual to the community, ongoing linkages to community-based services, and continuity of care.

2. The departments shall submit by December 15, 2014, a report to the individuals identified in this 2014 Act for submission of reports describing the details of the approach developed and implemented, any barriers to the development and implementation, any recommendations for changes in statute or rules to facilitate the approach, and any other recommendations.

DIVISION XV
STATE CHILD CARE ASSISTANCE

Sec. 96. Section 237A.13, subsection 7, paragraphs a and c, Code 2014, are amended to read as follows:

a. Families with an income at or below one hundred percent of the federal poverty level whose members ~~are employed, for~~ at least twenty-eight hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program, and parents with a family income at or below one hundred percent of the federal poverty level who are under the age of twenty-one years and are participating in an educational program leading to a high school diploma or the equivalent.

c. Families with an income of more than one hundred percent but not more than one hundred forty-five percent of the federal poverty level whose members ~~are employed, for~~ at least twenty-eight hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.

Sec. 97. IMPLEMENTATION. The department of human services shall adopt rules and take other actions as necessary to implement, as state child care assistance program eligibility provisions, the amendments to section 237A.13 in this division of this Act, on July 1, 2014.

* Item veto; see message at end of the Act

DIVISION XVI
PRIOR AUTHORIZATION**Sec. 98. NEW SECTION. 505.26 Prior authorization for prescription drug benefits — standard process and form.**

1. As used in this section:

a. “Facility”, “health benefit plan”, “health care professional”, “health care provider”, “health care services”, and “health carrier” mean the same as defined in section 514J.102.

b. “Pharmacy benefits manager” means the same as defined in section 510B.1.

2. The commissioner shall develop, by rule, a process for use by each health carrier and pharmacy benefits manager that requires prior authorization for prescription drug benefits pursuant to a health benefit plan, to submit, on or before January 1, 2015, a single prior authorization form for approval by the commissioner, that each health carrier or pharmacy benefits manager shall be required to use beginning on July 1, 2015. The process shall provide that if a prior authorization form submitted to the commissioner by a health carrier or pharmacy benefits manager is not approved or disapproved within thirty days after its receipt by the commissioner, the form shall be deemed approved.

3. The commissioner shall develop, by rule, a standard prior authorization process which meets all of the following requirements:

a. Health carriers and pharmacy benefits managers shall allow health care providers to submit a prior authorization request electronically.

b. Health carriers and pharmacy benefits managers shall provide that approval of a prior authorization request shall be valid for a minimum length of time in accordance with the rules adopted under this section. In adopting the rules, the commissioner may consult with health care professionals who seek prior authorization for particular types of drugs, and as the commissioner determines to be appropriate, negotiate standards for such minimum time periods with individual health carriers and pharmacy benefits managers.

c. Health carriers and pharmacy benefits managers shall make the following available and accessible on their internet sites:

(1) Prior authorization requirements and restrictions, including a list of drugs that require prior authorization.

(2) Clinical criteria that are easily understandable to health care providers, including clinical criteria for reauthorization of a previously approved drug after the prior authorization period has expired.

(3) Standards for submitting and considering requests, including evidence-based guidelines, when possible, for making prior authorization determinations.

d. Health carriers shall provide a process for health care providers to appeal a prior authorization determination as provided in chapter 514J. Pharmacy benefits managers shall provide a process for health care providers to appeal a prior authorization determination that is consistent with the process provided in chapter 514J.

4. In adopting a standard prior authorization process, the commissioner shall consider national standards pertaining to electronic prior authorization, such as those developed by the national council for prescription drug programs.

5. A prior authorization form approved by the commissioner shall meet all of the following requirements:

a. Not exceed two pages in length, except that a prior authorization form may exceed that length as determined to be appropriate by the commissioner.

b. Be available in electronic format.

c. Be transmissible in an electronic format or a fax transmission.

6. Beginning on July 1, 2015, each health carrier and pharmacy benefits manager shall use and accept the prior authorization form that was submitted by that health carrier or pharmacy benefits manager and approved for the use of that health carrier or pharmacy benefits manager by the commissioner pursuant to this section. Beginning on July 1, 2015, health care providers shall use and submit the prior authorization form that has been approved for the use of a health carrier or pharmacy benefits manager, when prior authorization is required by a health benefit plan.

*7. a. *If a health carrier or pharmacy benefits manager fails to use or accept the prior authorization form that has been approved for use by the health carrier or pharmacy benefits manager pursuant to this section, or to respond to a health care provider's request for prior authorization of prescription drug benefits within seventy-two hours of the health care provider's submission of the form, the request for prior authorization shall be considered to be approved.*

b. *However, if the prior authorization request is incomplete or additional information is required, the health carrier or pharmacy benefits manager may request the additional information within the seventy-two-hour period and once the additional information is submitted the provisions of paragraph "a" shall again apply.*

c. *Notwithstanding paragraphs "a" and "b", the commissioner may develop, by rule, minimum time periods for a health carrier or pharmacy benefits manager to respond to a health care provider's request for prior authorization of prescription drug benefits or for additional information, that are less than, but in no case exceed seventy-two hours, as the commissioner deems appropriate under the circumstances.**

Sec. 99. Section 510B.3, subsection 2, Code 2014, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. A process for the submission of forms.

Sec. 100. NEW SECTION. 510B.9 **Submission, approval, and use of prior authorization form.**

A pharmacy benefits manager shall file with and have approved by the commissioner a single prior authorization form as provided in section 505.26. A pharmacy benefits manager shall use the single prior authorization form as provided in section 505.26.

Sec. 101. **EFFECTIVE UPON ENACTMENT.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XVII POISON CONTROL CENTER

Sec. 102. **POISON CONTROL CENTER — FEDERAL APPROVAL.** The department of human services shall request approval from the centers for Medicare and Medicaid services of the United States department of health and human services to utilize administrative funding under the federal Children's Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, to provide the maximum federal matching funds available to implement a new health services initiative as provided under section 2105(a)(1)(D)(ii) of the federal Social Security Act, to fund the state poison control center.

Sec. 103. **EFFECTIVE UPON ENACTMENT.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XVIII AGING AND LONG-TERM CARE DELIVERY INTERIM COMMITTEE

Sec. 104. **INTERIM COMMITTEE ON AGING AND LONG-TERM CARE DELIVERY.**

1. The legislative council is requested to establish a study committee for the 2014 interim to examine issues relating to aging Iowans and long-term care. The interim committee shall comprehensively review the existing long-term care delivery system and make recommendations to create a sustainable, person-centered approach that increases health and life outcomes; supports maximum independence by providing the appropriate level of care and services through a balance of facility-based and home and community-based options; addresses medical and social needs in a coordinated, integrated manner; provides for sufficient resources including a stable, well-qualified workforce; and is fiscally accountable.

* Item veto; see message at end of the Act

2. The interim committee shall provide a forum for open and constructive dialogue among stakeholders representing individuals involved in the delivery and financing of long-term care services and supports, consumers and families of consumers in need of such services and supports, legislators, and representatives of agencies responsible for oversight, funding, and regulation of such services and supports.

3. The interim committee shall specifically address the cost and financing of long-term care and services, the coordination of services among providers, the availability of and access to a well-qualified workforce including both the compensated workforce and family and other uncompensated caregivers, and the balance between facility-based and home and community-based care and services. In addition, the interim committee shall consider methods to educate consumers and enhance engagement of consumers in the broader conversation regarding long-term care issues, including their experiences with, concerns about, and expectations and recommendations for action regarding the long-term care delivery system in the state.

4. Members of the interim committee shall include all of the following:

a. Five members of the senate and five members of the house of representatives including the following:

(1) The chairpersons and ranking members of the committees on human resources of the senate and house of representatives, or a member of the committee designated by the chairperson or ranking member.

(2) The co-chairpersons and ranking members of the joint appropriations subcommittee on health and human services of the senate and house of representatives, or a member of the subcommittee designated by the chairperson or ranking member.

b. Five members of the general public who are individual consumers or a member of a consumer's family, one each to be selected by the following:

- (1) The older Iowans legislature.
- (2) The Iowa alliance of retired Americans.
- (3) The Iowa association of area agencies on aging.
- (4) The Iowa caregivers association.
- (5) AARP Iowa.

c. The director of the department on aging, or the director's designee.

d. The state long-term care ombudsman, or the ombudsman's designee.

e. Five members who represent those involved in the delivery of long-term care services.

5. The interim committee may request from state agencies including the department of human services, the department of public health, the department on aging, the office of long-term care ombudsman, the department of inspections and appeals, the insurance division of the department of commerce, and the department of workforce development, information and assistance as needed to complete its work.

6. The interim committee shall submit its findings and recommendations to the general assembly for consideration during the 2015 legislative session.

*DIVISION XIX
HEALTHIEST CHILDREN INITIATIVE

Sec. 105. NEW SECTION. 135.181 Iowa healthiest children initiative.

1. The Iowa healthiest children initiative is established in the department. The purpose of the initiative is to develop and implement a plan for Iowa children to become the healthiest children in the nation by January 1, 2020. The areas of focus addressed by the initiative shall include improvement of physical, dental, emotional, behavioral, and mental health and wellness; access to basic needs such as food security, appropriate nutrition, safe and quality child care settings, and safe and stable housing, neighborhoods, and home environments; and promotion of healthy, active lifestyles by addressing adverse childhood events, reducing exposures to environmental toxins, decreasing exposures to violence, advancing tobacco-free and drug abuse-free living, increasing immunization rates, and improving family well-being.

* Item veto; see message at end of the Act

2. The department shall create a task force, including members who are child health experts external to the department, to develop an implementation plan to achieve the purpose of the initiative. The implementation plan, including findings, recommendations, performance benchmarks, data collection provisions, budget needs, and other implementation provisions shall be submitted to the governor and general assembly on or before December 15, 2014.

Sec. 106. *EFFECTIVE UPON ENACTMENT.* This division of this Act, being deemed of immediate importance, takes effect upon enactment.*

*DIVISION XX
POTENTIAL MEDICAID STATE PLAN AMENDMENT — ELDERS

Sec. 107. *MEDICAID — POTENTIAL STATE PLAN AMENDMENT — HOME AND COMMUNITY-BASED SERVICES FOR ELDERS.* The department of human services shall engage stakeholders with interest or expertise in issues relating to elders to review the potential for development and submission of a Medicaid program state plan amendment in accordance with section 2402 of the federal Patient Protection and Affordable Care Act to cover home and community-based services for eligible elders 65 years of age or older. The department shall make recommendations on or before December 15, 2014, to the governor and the general assembly, detailing provisions for incorporation into such a potential Medicaid program state plan amendment relating to financial eligibility; benefits, including whether individuals receiving such Medicaid services should be eligible for full Medicaid benefits; available services; and the needs-based level of care criteria for determination of eligibility under the state plan amendment.*

DIVISION XXI
DENTAL COVERAGE — EXTERNAL REVIEW

Sec. 108. Section 514J.102, subsection 1, Code 2014, is amended to read as follows:

1. a. “Adverse determination” means a determination by a health carrier that an admission, availability of care, continued stay, or other health care service, other than a dental care service, that is a covered benefit has been reviewed and, based upon the information provided, does not meet the health carrier’s requirements for medical necessity, appropriateness, health care setting, level of care, or effectiveness, and the requested service or payment for the service is therefore denied, reduced, or terminated.

b. For the purposes of denial of a dental care service, “adverse determination” means a determination by a health carrier that a dental care service that is a covered benefit has been reviewed and, based upon the information provided, does not meet the health carrier’s requirements for medical necessity, and the requested service or payment for the service is therefore denied, reduced, or terminated in whole or in part.

c. “Adverse determination” does not include a denial of coverage for a service or treatment specifically listed in plan or evidence of coverage documents as excluded from coverage.

Sec. 109. Section 514J.102, Code 2014, is amended by adding the following new subsection:

NEW SUBSECTION. 11A. “Dental care services” means diagnostic, preventive, maintenance, and therapeutic dental care that is provided in accordance with chapter 153.

Sec. 110. Section 514J.102, subsection 22, Code 2014, is amended to read as follows:

22. “Health care services” means services for the diagnosis, prevention, treatment, cure, or relief of a health condition, illness, injury, or disease. “Health care services” includes dental care services.

* Item veto; see message at end of the Act

Sec. 111. Section 514J.103, subsection 2, paragraph a, Code 2014, is amended to read as follows:

a. A policy or certificate that provides coverage only for a specified disease, specified accident or accident-only, credit, disability income, hospital indemnity, long-term care, ~~dental care~~, vision care, or any other limited supplemental benefit.

Sec. 112. REVIEW OF BASES USED FOR EXTERNAL REVIEW OF ADVERSE DETERMINATIONS. The commissioner of insurance shall engage stakeholders to review the differences in the bases used for external review of adverse determinations under chapter 514J as applied to health care services relative to dental care services. The commissioner of insurance shall report findings and recommendations to the governor and the general assembly by December 15, 2014.

Approved May 30, 2014, with exceptions noted.

TERRY E. BRANSTAD, Governor

Dear Mr. Secretary:

I hereby transmit House File 2463, an Act relating to appropriations for health and human services and veterans and including other related provisions and appropriations, extending the duration of county mental health and disabilities services fund per capita levy provisions, and including effective date and retroactive and other applicability date provisions.

A stable, predictable health and human services budget is critically important to Iowa taxpayers who fund these programs and to Iowa's most vulnerable who rely upon these programs. This budget falls short of the high standard Iowans deserve and need, especially in two areas: compensatory education for former Iowa Juvenile Home residents and Medicaid. The budget I proposed in January 2014 included funding for compensatory education of children formerly served by the Iowa Juvenile Home. This bill fails to fund compensatory education; however, I am committed to ensuring the educational needs of the children are met. The Department of Human Services will fund any compensatory education required. Although sufficient funds will remain available to cover a potential Medicaid budget shortfall in fiscal year 2014, the failure to meet the projected needs for Medicaid leads to bad budgeting and is a practice that must be changed.

House File 2463 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 3, amending the 2013 Iowa Acts, chapter 138, section 133, subsection 4, lettered paragraph p by inserting subparagraph 2. This item requires the Department of Human Services to collaborate with the Iowa Collaborative Safety Net Provider Network and the Iowa Primary Care Association to develop a long-term place for the statewide regionally based network. This is unnecessary because it is duplicative of the department's continued efforts to work with all stakeholders and study methods to modernize the Medicaid system.

I am unable to approve the designated portion of the item designated as Section 6, in its entirety. This item creates a redundant, overly burdensome mandate requiring the Iowa Veterans' Home to make expenditure reports monthly to the Legislative Services Agency for fiscal year 2015. I strongly support transparency efforts that publicly disclose how departments spend their resources and this information is already available within the State's accounting and budgeting systems.

I am unable to approve the item designated as Section 17, in its entirety. This item requires the Department of Human Services to redundantly report on cost containment strategies. The Department of Human Services, Department of Management and the

Legislative Services Agency meet on a monthly basis to determine projections for the Medical Assistance appropriation. Information relating to cost containment strategies is shared during these meetings. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the designated portion of the item designated as Section 18, amending the 2013 Iowa Acts, chapter 138, section 142 by inserting a new subsection 23. This item is unnecessary and is duplicative of efforts by the Department of Human Services because the department is continually evaluating new methods to better serve Medicaid patients in the most cost-effective way for taxpayers.

I am unable to approve the designated portion of the item designated as Section 19, amending the 2013 Iowa Acts, chapter 138, section 143, by inserting numbered paragraph 8. This item requires the Department of Human Services to submit a report regarding implementation of a uniform cost report. While I strongly support transparency and collaboration, this item is redundant and duplicative because the department already works with stakeholders and a report is unnecessary due to the fact that this information is available upon request. There is no need to require government to make a report about a report. This is unnecessary red-tape.

I am unable to approve the designated portion of the item designated as Section 23, amending the 2013 Iowa Acts, chapter 138, section 147, subsection 1, by inserting an unnumbered paragraph. This item requires that the maintenance staff be maintained at the Iowa Juvenile Home at the same level as it was in January 2014. In December of 2013, the Department of Human Services determined it was in the best interest of the youth to find appropriate, alternative placements. The department completed placing all children formerly housed at the Iowa Juvenile Home at licensed or accredited facilities or at home. Because the Iowa Juvenile Home no longer serves children and the facility continues to be maintained by the Department of Human Services in coordination with the Department of Administrative Services, this item is no longer necessary.

I am unable to approve the designated portion of the item designated as Section 24, amending the 2013 Iowa Acts, chapter 138, by inserting section 147A, subsection 2. The Department of Human Services already tracks youth served by the department and the outcomes the youth experience. This item creates an unfunded system that is duplicative of the department's ongoing efforts.

I am unable to approve the designated portion of the item designated as Section 24, amending the 2013 Iowa Acts, chapter 138, by inserting section 147A, subsection 3. The Department of Human Services has transfer authority. When transfers are made, a notification mechanism to the Legislature is already in place.

I am unable to approve the designated portion of the item designated as Section 25, amending the 2013 Iowa Acts, chapter 138, section 148, by inserting numbered paragraph 28. This item requires the department to review child welfare expansion issues. A task force conducted a review in 2009 and the Department of Human Services will proceed to update this study if any changes are needed.

I am unable to approve the designated portion of the item designated Section 32, amending 2013 Iowa Acts, chapter 138, section 156, by inserting lettered, numbered paragraph 1A. This item prohibits external approvals that are designed to ensure budget integrity, stability and predictability. Management must have the ability and flexibility to allocate resources where they are most effective and needed. In addition, this item creates a redundant, overly burdensome mandate requiring the department to report to the chairpersons and ranking members of the appropriations committees on a monthly basis. While I strongly support transparency efforts that publicly disclose how departments spend their resources, this information is already available within the State's accounting and budgeting systems.

I am unable to approve the item designated as Section 58, in its entirety. This item causes unspent funds for Field Operations to not revert to the General Fund. The carry-forward language does not work to advance my goals of returning predictability and sustainability back to government budgeting. Additionally, providing carry-forward language for the Department of Human Services for field operations before the fiscal year has begun and before it can be known if funds will exist to carry-forward is inappropriate.

I am unable to approve the item designated Section 91, in its entirety. This item requires the Department of Human Services to report to the Legislature prior to the submission of any Medicaid or hawk-i program state plan amendment or waiver to the centers for Medicare and Medicaid services. The Department of Human Services, Department of Management and the Legislative Services Agency meet on a monthly and quarterly basis to determine projections for these services. While I strongly support transparency efforts that publicly disclose how departments manage their programs, this information is already provided to the Legislature and can be made available upon request as well.

I am unable to approve the item designated as Division XIII, in its entirety. I am supportive of efforts to increase accountability and oversight in Medicaid spending. However, this item depends on the one-time funding provided in Senate File 2363. I am taking action on this item consistent with the action I took on Senate File 2363.

I am unable to approve the item designated as Section 98, subsection 7, in its entirety. This item requires each health insurance carrier and pharmacy benefits manager (PBM) to develop a single standard form that the insurance carrier or PBM must use when prior authorization for prescription drugs is required. This requirement creates inconsistencies between state and federal insurance regulations. I believe time requirements are best implemented through the administrative rules process under the Iowa Insurance Division. The division will initiate rulemaking creating consistency for consumers and insurers.

I am unable to approve the item designated as Division XIX, in its entirety. This duplicates the work of the Healthiest State Initiative by creating the Healthiest Children Initiative. My administration's goal is to make Iowa the Healthiest State by 2016. The Healthiest State Initiative is privately led and publicly endorsed and encourages all Iowans to improve their overall health and well-being. Making Iowa the healthiest state in the nation is not only critical to the economic viability of our state, but also critical to the quality of life for all Iowans. Iowans have made great strides in improving their health and continue to work toward my goal of becoming the healthiest state in the nation by 2016. The Healthiest State Initiative has and will continue to assist Iowans, including children, in learning about and applying proven methods to live longer, happier, and healthier lives. There is no need to duplicate programs or grow bureaucracy when a private sector led initiative is working.

I am unable to approve the item designated as Division XX, in its entirety. This item requires the Department of Human Services to meet with stakeholders regarding elder services under the Medicaid program. This effort is already being conducted on a regular basis and there is no need to duplicate government services.

For the above reasons, I respectfully disapprove the designated 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 2463 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*