

APR 26 2005
WAYS & MEANS CALENDAR

HOUSE FILE 876
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 785)
(SUCCESSOR TO HSB 223)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and brain injury service
3 requirements and including an effective and applicability
4 date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HF 876

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1 Section 1. Section 225C.6A, subsection 2, paragraph d,
2 Code 2005, is amended by striking the paragraph and inserting
3 in lieu thereof the following:

4 d. During the fiscal year beginning July 1, 2005, develop
5 uniform functional assessment tools and processes for adult
6 persons receiving disability services funded by the state or
7 counties.

8 Sec. 2. Section 331.439, Code 2005, is amended by adding
9 the following new subsection:

10 NEW SUBSECTION. 9. The county management plan shall
11 comply with the minimum standards for the services and other
12 support required to be available to persons covered by the
13 plan in accordance with administrative rules adopted by the
14 state commission to implement this subsection. The rules
15 shall address processes for managing utilization and access to
16 services and other support, including but not limited to the
17 usage of fiscal management practices if state or county
18 funding is insufficient to pay the costs of the services and
19 other support required to be available. The initial minimum
20 standards shall require the provision of the following
21 services and other support, based upon an individual having
22 the specified primary diagnosis:

23 a. For persons with mental illness:

24 (1) Consultation.

25 (2) Payment of costs associated with commitment
26 proceedings that are a county responsibility, including but
27 not limited to costs for diagnostic evaluations,
28 transportation by the sheriff, legal representation, and the
29 patient advocate.

30 (3) Inpatient psychiatric evaluation and treatment in a
31 county-designated hospital.

32 (4) Inpatient treatment provided at a state mental health
33 institute.

34 (5) Outpatient treatment.

35 (6) Prescription medication.

- 1 b. For persons with chronic mental illness:
- 2 (1) Case management or service coordination.
- 3 (2) Consultation.
- 4 (3) Payment of costs associated with commitment
- 5 proceedings that are a county responsibility, including but
- 6 not limited to costs for diagnostic evaluations,
- 7 transportation by the sheriff, legal representation, and the
- 8 patient advocate.
- 9 (4) Employment-related services, including but not limited
- 10 to sheltered workshop, work activity, and supported
- 11 employment.
- 12 (5) Inpatient psychiatric evaluation and treatment in a
- 13 county-designated hospital.
- 14 (6) Inpatient treatment provided at a state mental health
- 15 institute.
- 16 (7) Outpatient treatment, including but not limited to
- 17 partial hospitalization and day treatment.
- 18 (8) Prescription medication.
- 19 (9) Residential services, including but not limited to
- 20 services provided by a residential care facility, a
- 21 residential care facility for persons with mental illness, and
- 22 a supported community living service.
- 23 (10) Transportation not related to commitment proceedings.
- 24 c. For persons with mental retardation:
- 25 (1) Case management or service coordination, whether
- 26 funded through the medical assistance program or entirely by
- 27 the county.
- 28 (2) Payment of costs associated with commitment
- 29 proceedings that are a county responsibility, including but
- 30 not limited to costs for diagnostic evaluations,
- 31 transportation by the sheriff, and legal representation.
- 32 (3) Daily living support services including but not
- 33 limited to adult day care, home and vehicle modification, and
- 34 respite care.
- 35 (4) Employment-related services, including but not limited

1 to adult day care, sheltered workshop, work activity, and
2 supported employment.

3 (5) Inpatient psychiatric evaluation and treatment in a
4 county-designated hospital.

5 (6) Inpatient treatment provided at a state resource
6 center.

7 (7) Outpatient treatment, including but not limited to
8 partial hospitalization and day treatment.

9 (8) Residential services, including but not limited to
10 services provided by an enclave, a community-supported
11 apartment living arrangement, intermediate care facility for
12 persons with mental retardation, a residential care facility,
13 a residential care facility for persons with mental
14 retardation, and a supported community living service.

15 (9) Transportation not related to commitment proceedings.

16 d. For persons with a developmental disability other than
17 mental retardation:

18 (1) Case management funded through the medical assistance
19 program.

20 (2) Payment of costs associated with commitment
21 proceedings that are a county responsibility, including but
22 not limited to costs for diagnostic evaluations,
23 transportation by the sheriff, and legal representation.

24 (3) Employment-related services, including but not limited
25 to sheltered workshop, work activity, and supported
26 employment.

27 (4) Inpatient treatment provided at a state resource
28 center.

29 (5) Residential services, including but not limited to
30 services provided by an enclave, a community-supported
31 apartment living arrangement, an intermediate care facility
32 for persons with mental retardation, a residential care
33 facility, and a residential care facility for persons with
34 mental retardation.

35 e. For persons with brain injury, services under the

1 medical assistance program home and community-based services
2 brain injury waiver that are received while utilizing an
3 approved waiver opening.

4 Sec. 3. Section 331.440, subsection 3, Code 2005, is
5 amended to read as follows:

6 3. a. An application for services may shall be made
7 through the central point of coordination process of a
8 person's county of residence. ~~However, if~~ If a person who is
9 subject to a central point of coordination process has legal
10 settlement in another county or the costs of services or other
11 support provided to the person are the financial
12 responsibility of the state, except for services or other
13 support that are subject to the minimum standards adopted
14 pursuant to section 331.439, subsection 9, an authorization
15 for services or other support through the central point of
16 coordination process shall be coordinated with the person's
17 county of legal settlement or with the state, as applicable.
18 ~~The county of residence and county of legal settlement of a~~
19 ~~person subject to a central point of coordination process may~~
20 ~~mutually agree that the central point of coordination process~~
21 ~~functions shall be performed by the central point of~~
22 ~~coordination process of the person's county of legal~~
23 ~~settlement.~~

24 b. The person's eligibility and the authorization for
25 services or other support that are subject to the minimum
26 standards adopted pursuant to section 331.439, subsection 9,
27 shall be determined by the person's county of residence in
28 accordance with the county's management plan approved under
29 section 331.439 and the person's county of legal settlement or
30 the state, as applicable, is responsible for the cost of the
31 services or other support authorized. The amount and duration
32 of such services and other support that are paid for under a
33 medical assistance program managed care contract shall be
34 determined in accordance with the contract.

35 Sec. 4. PSYCHOTROPIC MEDICATION PILOT PROJECT. The

1 department of human services shall issue a request for
2 proposals during the fiscal year beginning July 1, 2005, for a
3 pilot project based out of a community mental health center
4 for providing no or low cost psychotropic medications to low
5 income persons who are in need of treatment with the
6 medications.

7 Sec. 5. EFFECTIVE AND APPLICABILITY DATE. The amendments
8 to sections 331.439 and 331.440, enacted by this Act take
9 effect July 1, 2006. The mental health, mental retardation,
10 developmental disabilities, and brain injury commission shall
11 act in advance of that effective date by adopting rules to
12 implement the provisions that take effect July 1, 2006.

13 EXPLANATION

14 This bill relates to mental health, mental retardation,
15 developmental disabilities, and brain injury (MH/MR/DD/BI)
16 service requirements.

17 Code section 225C.6A, relating to implementation of a
18 redesign of the MH/MR/DD/BI service system, is amended by
19 striking and replacing a provision for the MH/MR/DD/BI
20 commission to identify and propose standardized functional
21 assessment tools and processes for use in the eligibility
22 determination process. Instead the commission is directed to
23 develop during fiscal year 2005-2006 uniform functional
24 assessment tools and processes for adult persons receiving
25 MH/MR/DD/BI services funded by the state or counties.

26 Code section 331.439, relating to county management plans
27 implemented by counties for MH/MR/DD/BI services, is amended
28 to require the plans to comply with the minimum standards for
29 the services and other support required to be available to the
30 persons covered by the plan. The bill provides a list of
31 services and other support that are required to be provided
32 under the initial minimum standards. There is a separate list
33 of minimum services provided for each of the following primary
34 diagnoses: mental illness, chronic mental illness, mental
35 retardation, developmental disability other than mental

1 retardation, and brain injury.

2 Code section 331.440, relating to the county central point
3 of coordination (CPC) for MH/MR/DD services, is amended.

4 Under current law a person's application for the services may
5 be made through the person's county of residence and
6 coordinated with the person's county of legal settlement. The
7 bill requires applications to be submitted through the county
8 of residence for the services and other support that are
9 subject to the minimum standards required by the bill. The
10 county of legal settlement or the state, as applicable, is
11 responsible for the costs of the services or other support
12 provided.

13 The bill directs the department of human services to issue
14 a request for proposals during fiscal year 2005-2006 for a
15 pilot project based out of a community mental health center
16 for providing no cost or low cost psychotropic medications to
17 low income persons who are in need of treatment with the
18 medications.

19 The amendments to Code sections 331.439 and 331.440 take
20 effect July 1, 2006, but the MH/MR/DD/BI commission is
21 directed to act prior to that date in order to adopt
22 administrative rules for implementation of the provisions that
23 take effect July 1, 2006.

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HOUSE FILE 876

H-1557

1 Amend House File 876 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 225C.8A STATE CASES --
5 MINIMUM STANDARDS.

6 If a person receiving services or other support
7 provided under chapter 222, 230, or 249A has no legal
8 settlement or the legal settlement is unknown so that
9 the person is deemed to be a state case, the state's
10 responsibility is limited to the cost of services or
11 other support under the minimum standards required to
12 be available to persons covered by a county management
13 plan in accordance with the rules adopted by the
14 commission pursuant to section 331.439A. However, a
15 person receiving services or other support as a state
16 case as of June 30, 2006, shall remain eligible for
17 the services or other support available to the person
18 on that date and the state shall continue to be
19 responsible for the cost.

20 Sec. 2. Section 331.439, Code 2005, is amended by
21 adding the following new subsection:

22 NEW SUBSECTION. 9. The county management plan
23 shall designate at least one hospital licensed under
24 chapter 135B that the county has contracted with to
25 provide services covered under the plan. If the
26 designated hospital does not have a bed available to
27 provide the services, the county is responsible for
28 the cost of covered services provided at an alternate
29 hospital licensed under chapter 135B.

30 Sec. 3. NEW SECTION. 331.439A COUNTY MANAGEMENT
31 PLANS -- MINIMUM STANDARDS.

32 The county management plan approved in accordance
33 with section 331.439 shall comply with the minimum
34 standards for the services and other support required
35 to be available to persons covered by the plan in
36 accordance with administrative rules adopted by the
37 state commission to implement this section. The rules
38 shall address processes for managing utilization and
39 access to services and other support, including but
40 not limited to the usage of fiscal management
41 practices if state or county funding is insufficient
42 to pay the costs of the services and other support
43 required to be available. The initial minimum
44 standards shall require the provision of the services
45 provided to persons covered by the plan under the
46 medical assistance program for which the county is
47 responsible for the nonfederal share and the
48 availability of the following services and other
49 support, based upon an individual having the specified
50 primary diagnosis:

H-1557

- 1 1. For persons with mental illness:
- 2 a. Payment of costs associated with commitment
- 3 proceedings that are a county responsibility,
- 4 including but not limited to costs for diagnostic
- 5 evaluations, transportation by the sheriff, legal
- 6 representation, and the patient advocate.
- 7 b. Inpatient psychiatric evaluation and treatment
- 8 in a county-designated hospital.
- 9 c. Inpatient treatment provided at a state mental
- 10 health institute.
- 11 d. Outpatient treatment.
- 12 2. For persons with chronic mental illness:
- 13 a. Case management or service coordination that is
- 14 funded under the medical assistance program.
- 15 b. Payment of costs associated with commitment
- 16 proceedings that are a county responsibility,
- 17 including but not limited to costs for diagnostic
- 18 evaluations, transportation by the sheriff, legal
- 19 representation, and the patient advocate.
- 20 c. Inpatient psychiatric evaluation and treatment
- 21 in a county-designated hospital.
- 22 d. Inpatient treatment provided at a state mental
- 23 health institute.
- 24 e. Outpatient treatment.
- 25 3. For persons with mental retardation:
- 26 a. Case management or service coordination that is
- 27 funded through the medical assistance program.
- 28 b. Payment of costs associated with commitment
- 29 proceedings that are a county responsibility,
- 30 including but not limited to costs for diagnostic
- 31 evaluations, transportation by the sheriff, and legal
- 32 representation.
- 33 c. Employment-related services, including but not
- 34 limited to adult day care, sheltered workshop, work
- 35 activity, and supported employment.
- 36 d. Inpatient behavioral health evaluation and
- 37 treatment in a county-designated hospital.
- 38 e. Inpatient treatment provided at a state
- 39 resource center.
- 40 f. Outpatient treatment, including but not limited
- 41 to partial hospitalization and day treatment.
- 42 g. Residential services covered under the medical
- 43 assistance program.
- 44 4. For persons with a developmental disability
- 45 other than mental retardation:
- 46 a. Case management funded through the medical
- 47 assistance program.
- 48 b. Payment of costs associated with commitment
- 49 proceedings that are a county responsibility,
- 50 including but not limited to costs for diagnostic

1 evaluations, transportation by the sheriff, and legal
2 representation.

3 c. Inpatient treatment provided at a state
4 resource center.

5 5. For persons with brain injury, services under
6 the medical assistance program home and community-
7 based services brain injury waiver that are received
8 while utilizing an approved waiver opening and are a
9 county responsibility under section 249A.26.

10 Sec. 4. PSYCHOACTIVE MEDICATION PILOT PROJECT.

11 The department of human services shall issue a request
12 for proposals during the fiscal year beginning July 1,
13 2005, for a pilot project based out of a community
14 mental health center for providing no or low cost
15 psychoactive medications to low-income persons who are
16 in need of treatment with the medications.

17 Sec. 5. STATE CASES -- FISCAL YEAR 2005-2006. If
18 the costs of the services provided to a person with
19 mental retardation receiving services as a state case
20 can be covered under a medical assistance program home
21 and community-based waiver or other medical assistance
22 program provision, the department of human services
23 may transfer moneys to cover the nonfederal share of
24 such costs from the appropriation made for the fiscal
25 year beginning July 1, 2005, for state cases to the
26 appropriation made for the medical assistance program.
27 The department shall act expeditiously to obtain
28 federal approval for additional waiver slots to cover
29 the state cases beginning at the earliest possible
30 time in the fiscal year, if such approval is
31 necessary.

32 Sec. 6. SERVICES FOR PERSONS WITH BRAIN INJURY --
33 LEGISLATIVE INTENT.

34 1. The general assembly intends to enact
35 legislation in the 2006 regular legislative session
36 authorizing coverage under county management plans of
37 additional services and other support for persons with
38 brain injury, based upon the information provided
39 pursuant to this section. The general assembly
40 intends to provide for the availability of cost share
41 with counties for the coverage as part of the allowed
42 growth funding provided by the state for county mental
43 health, mental retardation, and developmental
44 disabilities services commencing in the fiscal year
45 beginning July 1, 2006.

46 2. For the purposes of developing options under
47 subsection 3, "individual with brain injury" means an
48 individual resident of this state who has a diagnosis
49 of brain injury and is described by all of the
50 following:

1 a. The individual is age twenty-two through sixty-
2 four years.

3 b. The individual would be eligible under the
4 income, resource, and other eligibility requirements
5 for the medical assistance program home and community-
6 based waiver for persons with brain injury except the
7 individual does not have sufficient deficits under the
8 waiver's functional assessment requirements to qualify
9 but the individual could achieve a higher level of
10 functioning or maintain the current level of
11 functioning with support from the services available
12 under the waiver.

13 c. The individual meets statewide functional
14 assessment eligibility requirements to be determined
15 pursuant to this section.

16 3. It is the intent of the general assembly to
17 enact a directive during the 2006 regular legislative
18 session for the mental health, mental retardation,
19 developmental disabilities, and brain injury
20 commission to adopt functional assessment eligibility
21 requirements in rule that may be used to complete the
22 definition in subsection 2 and to identify parameters
23 for the eligibility requirements in the statutory
24 directive. The department of human services shall
25 provide for the department's contractor for medical
26 assistance eligibility determination to identify
27 options that may be used for the functional assessment
28 eligibility requirements. A work group consisting of
29 representatives of the department of management,
30 department of human services, and the legislative
31 services agency shall develop cost projections for the
32 options in consultation with representatives of the
33 Iowa state association of counties and service
34 providers. The work group may provide for the options
35 to be reviewed and revised by the contractor based
36 upon the cost projections. In addition, proposals may
37 be provided by the work group for revising the
38 definition in subsection 2 if necessary to develop
39 improved options. In addition to the functional
40 assessment eligibility requirements, the work group
41 shall also identify options for a minimum set of
42 services and other support that may be made available
43 to persons with brain injury. The options shall be
44 designed in a manner so that the state and county
45 funding designated for provision of services to
46 persons with brain injury is not exceeded.

47 4. The work group shall submit a report of the
48 options developed pursuant to subsection 3 along with
49 any findings and recommendations to the governor,
50 general assembly, and the commission on or before

Fiscal Services Division
Legislative Services Agency
Fiscal Note

HF 876 - MH/MR/DD/BI Redesign (LSB 1611 HZ)

Analyst: Sue Lerdal (Phone: (515) 281-7794) (sue.lerdal@legis.state.ia.us)

Fiscal Note Version – Amendment H-1557 which strikes everything after the enacting clause

Description

Amendment H-1557 which strikes everything after the enacting clause in HF 876 (2005 Mental Health Bill) provides for minimum core services for persons with mental retardation, mental illness, developmental disabilities, and brain injury within the 99 counties. Current law permits each county to adopt a County Management Plan which specifies which services the county will fund for eligible individuals within the county. The Amendment also provides that this new minimum core set of services will be what the State pays for under the State Cases appropriation after enactment of the minimum core. Amendment H-1557 provides that those eligible for the State cases appropriation funds who are receiving services at the time of enactment are permitted to continue receiving services if eligible. Services provided in addition to the minimum core will not be reimbursed by the State under the State Cases appropriation for those initially receiving the services after enactment.

Amendment H-1557 also establishes criteria for those individuals with a brain injury who would be eligible for services provided by counties when not eligible for the Medicaid Brain Injury Waiver. The Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury Commission is required to adopt rules regarding eligibility and minimum services. The expenditures are required not to exceed the appropriation.

Assumptions for Amendment H-1557

1. County expenditure data from FY 2004 reflects the categories of services provided by individual counties.
2. The county estimate provided is the maximum cost. A county may provide specific services although not reflective in FY 2004 expenditure data if the service wasn't provided for a specific population category that year.
3. The State Cases appropriation need would decrease beginning in FY 2007. This is a result of the limitation of services to individuals eligible for State Cases after July 1, 2006. It is estimated that 200 individuals in FY 2007 would no longer be eligible to receive services and would be replaced by 200 individuals who would receive the minimum core set of services established in the Bill compared to the estimated 1,950 receiving services in FY 2005. It would be an extended period of time before the entire group receiving services prior to the enactment of the minimum core set of services are replaced with other individuals receiving the core set of services.
4. The percentages of those served in the State Cases Program with Mental Retardation/Developmental Disabilities (MR/DD) of 25.0% and with Mental Illness/Chronic Mentally Illness (MI/CMI) of 75.0% would remain the same.

Fiscal Impact

1. The summary of the analysis of expenditure data from the 99 counties and adjusted by a formula to predict Statewide FY 2007 costs are as follows for Amendment H-1557:
 - Estimated additional costs for services to the mentally ill: \$ 2.0 million
 - Estimated additional costs for services to the chronically mentally ill: \$ 2.0 million
 - Estimated additional costs for services to the mentally retarded: \$ 4.5 million
 - Estimated additional costs for services to the developmentally disabled: \$ 0.5 millionTotal estimated costs to counties: \$ 9.0 million

H-1557

Page 5

1 December 16, 2005.

2 Sec. 7. EFFECTIVE AND APPLICABILITY DATE. The
3 sections of this Act enacting sections 225C.8A and
4 331.439A take effect July 1, 2006. The mental health,
5 mental retardation, developmental disabilities, and
6 brain injury commission shall act in advance of that
7 effective date by adopting rules to implement the
8 provisions that take effect July 1, 2006."

By CARROLL of Poweshiek

HEATON of Henry

SMITH of Marshall

UPMEYER of Hancock

FOEGE of Linn

H-1557 FILED APRIL 27, 2005

This assumes that counties would not reduce existing services that exceed the minimum core services established in the Bill. That action would reduce costs to counties.

2. If every individual eligible for the State Cases Program would receive the minimum core set of services, the estimated General Fund savings to the State is \$8.5 million. It would be multiple years to achieve this based upon the estimated turnover of 200 clients per year. For the first year within this estimate, the per person General Fund savings for a person with MR/DD would be \$6,563. The per person General Fund savings for a person with MI/CMI would be \$3,661 per person. The total savings with 50 clients receiving the minimum core set of MR/DD services would be \$328,150. The total savings with 150 clients receiving the minimum core set of MI/CMI services would be \$549,150. Total savings to the General Fund for FY 2007 would be \$877,300.
3. Development of and process for assessment tools. This work is underway and the fiscal estimate for additional outside expertise would be \$100,000.
4. Psychoactive medication pilot project. There would be no cost for this Request for Proposal and expected savings from the low cost medications pilot project.
5. A possible cost for the Iowa Foundation of Medical Care to provide functional assessment eligibility options for a limited number of those with a brain injury and not eligible for the Brain Injury Waiver under the Medical Assistance Program for consideration by the General Assembly in the 2006 Legislative Session is not available.

Sources

Department of Management
Department of Public Health
Iowa State Association of Counties

/s/ Holly M. Lyons

April 28, 2005

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

HOUSE FILE 876
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 785)
(SUCCESSOR TO HSB 223)

(As Amended and Passed by the House April 28, 2005)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and brain injury service
3 requirements and including an effective and applicability
4 date.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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All New Language

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TL5B 1611HZ 81

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1 Section 1. NEW SECTION. 225C.8A STATE CASES -- MINIMUM
2 STANDARDS.

3 If a person receiving services or other support provided
4 under chapter 222, 230, or 249A has no legal settlement or the
5 legal settlement is unknown so that the person is deemed to be
6 a state case, the state's responsibility is limited to the
7 cost of services or other support under the minimum standards
8 required to be available to persons covered by a county
9 management plan in accordance with the rules adopted by the
10 commission pursuant to section 331.439A. However, a person
11 receiving services or other support as a state case as of June
12 30, 2006, shall remain eligible for the services or other
13 support available to the person on that date and the state
14 shall continue to be responsible for the cost.

15 Sec. 2. Section 331.439, Code 2005, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. 9. The county management plan shall
18 designate at least one hospital licensed under chapter 135B
19 that the county has contracted with to provide services
20 covered under the plan. If the designated hospital does not
21 have a bed available to provide the services, the county is
22 responsible for the cost of covered services provided at an
23 alternate hospital licensed under chapter 135B.

24 Sec. 3. NEW SECTION. 331.439A COUNTY MANAGEMENT PLANS --
25 MINIMUM STANDARDS.

26 The county management plan approved in accordance with
27 section 331.439 shall comply with the minimum standards for
28 the services and other support required to be available to
29 persons covered by the plan in accordance with administrative
30 rules adopted by the state commission to implement this
31 section. The rules shall address processes for managing
32 utilization and access to services and other support,
33 including but not limited to the usage of fiscal management
34 practices if state or county funding is insufficient to pay
35 the costs of the services and other support required to be

1 available. The initial minimum standards shall require the
2 provision of the services provided to persons covered by the
3 plan under the medical assistance program for which the county
4 is responsible for the nonfederal share and the availability
5 of the following services and other support, based upon an
6 individual having the specified primary diagnosis:

7 1. For persons with mental illness:

8 a. Payment of costs associated with commitment proceedings
9 that are a county responsibility, including but not limited to
10 costs for diagnostic evaluations, transportation by the
11 sheriff, legal representation, and the patient advocate.

12 b. Inpatient psychiatric evaluation and treatment in a
13 county-designated hospital.

14 c. Inpatient treatment provided at a state mental health
15 institute.

16 d. Outpatient treatment.

17 2. For persons with chronic mental illness:

18 a. Case management or service coordination that is funded
19 under the medical assistance program.

20 b. Payment of costs associated with commitment proceedings
21 that are a county responsibility, including but not limited to
22 costs for diagnostic evaluations, transportation by the
23 sheriff, legal representation, and the patient advocate.

24 c. Inpatient psychiatric evaluation and treatment in a
25 county-designated hospital.

26 d. Inpatient treatment provided at a state mental health
27 institute.

28 e. Outpatient treatment.

29 3. For persons with mental retardation:

30 a. Case management or service coordination that is funded
31 through the medical assistance program.

32 b. Payment of costs associated with commitment proceedings
33 that are a county responsibility, including but not limited to
34 costs for diagnostic evaluations, transportation by the
35 sheriff, and legal representation.

1 c. Employment-related services, including but not limited
2 to adult day care, sheltered workshop, work activity, and
3 supported employment.

4 d. Inpatient behavioral health evaluation and treatment in
5 a county-designated hospital.

6 e. Inpatient treatment provided at a state resource
7 center.

8 f. Outpatient treatment, including but not limited to
9 partial hospitalization and day treatment.

10 g. Residential services covered under the medical
11 assistance program.

12 4. For persons with a developmental disability other than
13 mental retardation:

14 a. Case management funded through the medical assistance
15 program.

16 b. Payment of costs associated with commitment proceedings
17 that are a county responsibility, including but not limited to
18 costs for diagnostic evaluations, transportation by the
19 sheriff, and legal representation.

20 c. Inpatient treatment provided at a state resource
21 center.

22 5. For persons with brain injury, services under the
23 medical assistance program home and community-based services
24 brain injury waiver that are received while utilizing an
25 approved waiver opening and are a county responsibility under
26 section 249A.26.

27 Sec. 4. PSYCHOACTIVE MEDICATION PILOT PROJECT. The
28 department of human services shall issue a request for
29 proposals during the fiscal year beginning July 1, 2005, for a
30 pilot project based out of a community mental health center
31 for providing no or low cost psychoactive medications to low-
32 income persons who are in need of treatment with the
33 medications.

34 Sec. 5. STATE CASES -- FISCAL YEAR 2005-2006. If the
35 costs of the services provided to a person with mental

1 retardation receiving services as a state case can be covered
2 under a medical assistance program home and community-based
3 waiver or other medical assistance program provision, the
4 department of human services may transfer moneys to cover the
5 nonfederal share of such costs from the appropriation made for
6 the fiscal year beginning July 1, 2005, for state cases to the
7 appropriation made for the medical assistance program. The
8 department shall act expeditiously to obtain federal approval
9 for additional waiver slots to cover the state cases beginning
10 at the earliest possible time in the fiscal year, if such
11 approval is necessary.

12 Sec. 6. SERVICES FOR PERSONS WITH BRAIN INJURY --
13 LEGISLATIVE INTENT.

14 1. The general assembly intends to enact legislation in
15 the 2006 regular legislative session authorizing coverage
16 under county management plans of additional services and other
17 support for persons with brain injury, based upon the
18 information provided pursuant to this section. The general
19 assembly intends to provide for the availability of cost share
20 with counties for the coverage as part of the allowed growth
21 funding provided by the state for county mental health, mental
22 retardation, and developmental disabilities services
23 commencing in the fiscal year beginning July 1, 2006.

24 2. For the purposes of developing options under subsection
25 3, "individual with brain injury" means an individual resident
26 of this state who has a diagnosis of brain injury and is
27 described by all of the following:

28 a. The individual is age twenty-two through sixty-four
29 years.

30 b. The individual would be eligible under the income,
31 resource, and other eligibility requirements for the medical
32 assistance program home and community-based waiver for persons
33 with brain injury except the individual does not have
34 sufficient deficits under the waiver's functional assessment
35 requirements to qualify but the individual could achieve a

1 higher level of functioning or maintain the current level of
2 functioning with support from the services available under the
3 waiver.

4 c. The individual meets statewide functional assessment
5 eligibility requirements to be determined pursuant to this
6 section.

7 3. It is the intent of the general assembly to enact a
8 directive during the 2006 regular legislative session for the
9 mental health, mental retardation, developmental disabilities,
10 and brain injury commission to adopt functional assessment
11 eligibility requirements in rule that may be used to complete
12 the definition in subsection 2 and to identify parameters for
13 the eligibility requirements in the statutory directive. The
14 department of human services shall provide for the
15 department's contractor for medical assistance eligibility
16 determination to identify options that may be used for the
17 functional assessment eligibility requirements. A work group
18 consisting of representatives of the department of management,
19 department of human services, and the legislative services
20 agency shall develop cost projections for the options in
21 consultation with representatives of the Iowa state
22 association of counties and service providers. The work group
23 may provide for the options to be reviewed and revised by the
24 contractor based upon the cost projections. In addition,
25 proposals may be provided by the work group for revising the
26 definition in subsection 2 if necessary to develop improved
27 options. In addition to the functional assessment eligibility
28 requirements, the work group shall also identify options for a
29 minimum set of services and other support that may be made
30 available to persons with brain injury. The options shall be
31 designed in a manner so that the state and county funding
32 designated for provision of services to persons with brain
33 injury is not exceeded.

34 4. The work group shall submit a report of the options
35 developed pursuant to subsection 3 along with any findings and

1 recommendations to the governor, general assembly, and the
2 commission on or before December 16, 2005.

3 Sec. 7. EFFECTIVE AND APPLICABILITY DATE. The sections of
4 this Act enacting sections 225C.8A and 331.439A take effect
5 July 1, 2006. The mental health, mental retardation,
6 developmental disabilities, and brain injury commission shall
7 act in advance of that effective date by adopting rules to
8 implement the provisions that take effect July 1, 2006.

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*Carroll
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Succeeded By
SF 876

HSB 223
HUMAN RESOURCES

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR'S BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to mental health, mental retardation,
2 developmental disabilities, and brain injury services and the
3 services fund administered by counties by revising levy
4 provisions applicable to that fund and providing for county
5 administration of services on behalf of the state, and
6 including an effective and applicability date.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 331.424A, subsection 4, Code 2005, is
2 amended to read as follows:

3 4. a. For the fiscal year beginning July 1, ~~1996~~ 2006,
4 and for each subsequent fiscal year, the county shall certify
5 a levy for payment of services. For each fiscal year, county
6 revenues from taxes imposed by the county credited to the
7 services fund shall ~~not-exceed-an-amount-equal-to-the-amount~~
8 ~~of-base-year-expenditures-for-services-as-defined-in-section~~
9 ~~331.438,-less-the-amount-of-property-tax-relief-to-be-received~~
10 ~~pursuant-to-section-426B.2,-in-the-fiscal-year-for-which-the~~
11 ~~budget-is-certified~~ be determined by applying the county's
12 authorized levy rate to the assessed value of taxable property
13 for that county. The county auditor and the board of
14 ~~supervisors shall reduce the amount of the levy certified for~~
15 ~~the services fund by the amount of property tax relief to be~~
16 ~~received.~~ For each fiscal year, the state commission shall
17 adopt rules identifying, for county services funds, a
18 statewide minimum levy rate per thousand dollars of assessed
19 value of taxable property. In identifying the minimum levy
20 rate, the commission shall consider the levy rates in effect
21 for all counties. The statewide maximum levy rate shall be
22 equal to double the statewide minimum levy rate for the fiscal
23 year. A county's authorized levy rate for a fiscal year shall
24 be an amount certified by the board of supervisors that is not
25 less than the statewide minimum levy rate or more than the
26 statewide maximum levy rate applicable to that fiscal year. A
27 levy certified under this section is not subject to the appeal
28 provisions of section 331.426 or to any other provision in law
29 authorizing a county to exceed, increase, or appeal a property
30 tax levy limit.

31 b. Notwithstanding paragraph "a", for fiscal years
32 beginning July 1, 2006, July 1, 2007, and July 1, 2008, if a
33 county's certified services fund levy rate per thousand
34 dollars of assessed value of taxable property as of March 15,
35 2004, is less than the statewide minimum levy rate, the county

1 board of supervisors may annually certify an incremental
2 increase in the county's services fund levy rate as necessary
3 to fully implement at least the statewide minimum levy rate
4 effective for the fiscal year beginning July 1, 2009, and
5 subsequent fiscal years.

6 Sec. 2. NEW SECTION. 331.440B STATE CASES.

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

9 a. "County resident" means an individual who is described
10 by all of the following:

11 (1) The person is at least age eighteen.

12 (2) The person is a citizen of the United States or a
13 qualified alien as defined in 8 U.S.C. § 1641.

14 (3) The person has established an ongoing presence in a
15 county in this state, and not in any other county or state,
16 with the declared, good faith intention of living in that
17 county for a permanent or indefinite period of time. An
18 individual who meets the definition of homeless person in
19 section 48A.2 also shall be deemed to be described by this
20 subparagraph.

21 b. "State case" means an individual who has no county of
22 legal settlement or the individual's legal settlement is
23 unknown, who is eligible for mental illness, mental
24 retardation, or developmental disability services or other
25 support that are not covered by the medical assistance program
26 and are provided outside of a state institution, and the
27 services or other support have traditionally been managed and
28 paid for by the state.

29 2. Beginning during the fiscal year that commences July 1,
30 2005, the department of human services and counties shall
31 implement a process for counties to manage the services and
32 other support provided to county residents with chronic mental
33 illness, mental illness, mental retardation, developmental
34 disabilities, or brain injury who are eligible as a state
35 case. A county shall manage the state case services and other

1 support provided in accordance with the county's management
2 plan for mental health, mental retardation, and developmental
3 disabilities services implemented under section 331.439 and
4 the state payment for the services and other support managed
5 by the county shall utilize the county's reimbursement rates.

6 3. This section is repealed July 1, 2007.

7 Sec. 3. EFFECTIVE AND APPLICABILITY DATE. The section of
8 this Act amending section 331.424A takes effect January 1,
9 2006, and is applicable to taxes payable in the fiscal year
10 beginning July 1, 2006, and subsequent fiscal years.

11 EXPLANATION

12 This bill relates to mental health, mental retardation,
13 developmental disabilities, and brain injury (MH/MR/DD/BI)
14 services and the services fund administered by counties by
15 revising levy provisions applicable to that fund and providing
16 for county administration of services on behalf of the state.

17 Code section 331.424A, relating to the county MH/MR/DD
18 services fund, is amended by revising the property tax levy
19 authority requirements for that fund. Current law limits the
20 dollar amount that may be raised for a county's services fund
21 from property taxes to a base year expenditures amount
22 identified by the county, as reduced by property tax relief
23 funding provided to the county by the state. Effective
24 commencing with the fiscal year beginning July 1, 2006, the
25 absolute dollar limit on services fund levies would be
26 replaced with a limitation on the levy rate per \$1,000 of
27 property value, within minimum and maximum levy rates
28 established by the state MH/MR/DD/BI commission. If a
29 county's levy rate for the services fund in effect as of March
30 15, 2004, is less than the minimum levy rate established by
31 the state commission, the county may incrementally increase
32 the levy over the next three years in order to fully implement
33 at least the minimum levy rate by the fiscal year beginning
34 July 1, 2009. This section takes effect January 1, 2006, and
35 is applicable to taxes payable in the fiscal year beginning

1 July 1, 2006, and subsequent fiscal years.

2 New Code section 331.440B provides for counties to assume
3 responsibility for managing state case MH/MR/DD/BI services or
4 other support provided to adult persons who are county
5 residents and eligible as a state case. The bill provides
6 definitions of "county resident" and "state case". Counties
7 would begin assuming this responsibility during the fiscal
8 year beginning July 1, 2005. The new Code section is repealed
9 July 1, 2007.

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