



Fiscal Services Division

ADMINISTRATIVE RULES — FISCAL IMPACT SUMMARIES

July 19, 2022

Iowa Code section 17A.4(4) requires the Legislative Services Agency (LSA) to analyze the fiscal impact of all administrative rules with an impact of \$100,000 or more and provide a summary of the impact to the Administrative Rules Review Committee (ARRC). Fiscal Impact Statements filed by State agencies can be found on our website at www.legis.iowa.gov/publications/fiscal/adminRulesFiscalImpact.

With each rule summary, the rulemaking type is indicated in parentheses following the ARC number. The acronyms have the following meanings: Notice of Intended Action (**NOIA**), Amended Notice of Intended Action (**ANOIA**), Notice of Termination (**NOT**), Adopted and Filed Emergency (**AFE**), Filed Emergency After Notice (**FEAN**), and Adopted and Filed (**AF**).

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Department of Human Services

ARC 6389C (AF)

Rule Summary Clarifies that payment for dental services under the Medical Assistance Program will be made for emergency services as defined in federal regulation. Sets an annual benefit maximum for members 21 years of age or older of \$1,000 per State fiscal year for coverage of dental services. Preventive, diagnostic, emergent, anesthesia, removable dentures, and related services do not count toward the annual benefit amount.

State or Federal Law Implemented: Iowa Code section 249A.4.

Fiscal Impact **Agency Response:** This change is estimated to save the State \$695,000 in FY 2022 and \$762,000 in FY 2023. This change is already in effect, and savings have been incorporated into the Medical Assistance budget.

LSA Response: The LSA concurs.

ARC 6390C (AF)

Rule Summary Updates the forms used in the prior authorization approval process for medical child care to provide greater detail on the child's medical and behavioral needs. Medical child care combines traditional child care and nursing care and provides additional services, including on-site therapy such as physical, occupational, and speech therapies. Children who are eligible for Medicaid and who have medically necessary services are eligible for medical care with hours determined through a prior authorization process and use of the updated form. Changes made to the form better align with and capture the needs of children, including those on the autism spectrum.

State or Federal Law Implemented: Iowa Code chapter 249A.

Fiscal Impact **Agency Response:** Allows for additional hours of service to be authorized for the current population. The expected increase in utilization is not certain so the Department has calculated a range estimate. The fiscal impact based on an additional two authorized hours of service for the current population (131 children) at a rate of \$23.95 with a center open for approximately 250 days with utilization ranging from 65.7% to 100.0% ranges from \$485,000 to \$739,000, of which the State will pay \$179,000 to \$273,000. The fiscal impact based on the maximum hours allowed per facility is \$600,000 to \$919,000, of which the State will pay \$223,000 to \$339,000. Based on the above assumptions, the anticipated State dollar impact will be between \$179,000 and \$339,000.

Administrative Rules — Fiscal Impact Summaries

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LSA Response: The LSA concurs.

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Department of Revenue

ARC 6393C (AF)

Rule Summary Decreases the excise tax rate on biodiesel blended fuel rated B-11 or higher from 30.4 cents per gallon (ending June 30, 2022) to 30.1 cents per gallon (beginning July 1, 2022) pursuant to Iowa Code section 452A.3. The distribution percentage for biodiesel blended fuel rated B-11 or higher for calendar year 2021 is 57.8%, a decrease from 2020's distribution percentage of 61.5%. As a result, in FY 2023, the excise tax rate for biodiesel blended fuel rated B-11 or higher will decrease as noted above. Tax rates for all other fuel types will remain unchanged for FY 2023.

State or Federal Law Implemented: Iowa Code section 452A.3.

Fiscal Impact **Agency Response:** Under the excise tax rates applicable for FY 2023 as proposed in this rulemaking and as required by statute, it is estimated that, accounting for refunds, collections will be \$142.4 million, resulting in a decrease of \$1.4 million in revenues.

LSA Response: The LSA concurs. The decrease in the excise tax rate is estimated to decrease revenues to the Road Use Tax Fund by \$1.4 million beginning in FY 2023.

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