



Fiscal Services Division

ADMINISTRATIVE RULES – FISCAL IMPACT SUMMARIES

October 8, 2013

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 <https://www.legis.iowa.gov/LSAReports/fiscallImpactAdminRules.aspx>

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*Agencies highlighted in yellow have one or more rules with a fiscal impact of \$100,000 per year or more.

Engineering and Land Surveying Examining Board

ARC 1084C

Rule Summary Clarifies rules pertaining to unethical and illegal conduct. A licensee on a multimember board with review authority may address a conflict of interest by disqualifying or recusing himself or herself when the engineering or land surveying services of the member licensee's organization are under review. In that circumstance, the solicitation or acceptance of a private engineering or land surveying contract by the licensee's organization will not be in violation of this rule.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dw ayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Ethics and Campaign Disclosure Board

ARC 1020C

Rule Summary Prohibits campaign contributions from a Limited Liability Company (LLC), a Limited Liability Partnership (LLP), or any other organization that does not file articles of incorporation that have one or more corporate members, as specified in Iowa Code section 68A.503.

Fiscal Impact No fiscal impact.

ARC 1019C

Rule Summary Limits a complainant to 20 pages of supporting documents per complaint. Once an investigation is ordered, the Board may request additional documentation.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dw ayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Department of Agriculture and Land Stewardship

ARC 1006C

Rule Summary Increases the fee for testing agricultural lime samples from \$25 to \$60 and makes changes to sampling procedures for the Department of Agriculture and Land Stewardship (DALs) and Iowa State University (ISU).

Fiscal Impact The DALs estimates the fee increase will generate \$15,000 each year. The fee has not increased since 1988. The DALs retains \$10 and ISU retains \$50 for costs related to testing limestone.

ARC 1024C

Rule Summary Amends the Chronic Wasting Disease (CWD) Program rules related to farm deer that is administered by the DALs:

- Changes the term for designated laboratories from “approved” to “official” laboratory.
- Specifies that contact with a contaminated premise causes an animal to become CWD exposed.
- Removes negative stain electron microscopy and bioassay from the list of official tests for CWD.
- Updates identification requirements.
- Requires testing to confirm the absence of CWD prior to the removal of quarantine.
- Specifies the Department will investigate CWD suspect herds.
- Specifies that the DALs and the Department of Natural Resources (DNR) will approve methods for the disposal of CWD affected or exposed animals.
- Clarifies the herd plan must contain testing requirements and that movement restrictions cannot be lifted prior to approval of the herd plan.
- Specifies that a complete physical inventory of a farm deer herd will be completed by the Department, a State-authorized veterinarian, or authorized federal personnel every three years.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Professional Licensure Division

ARC 1029C

Rule Summary Clarifies the eligibility requirements for national examinations and allows the Certificate of Professional Qualification (CPQ) to be accepted as meeting the qualifications for licensure.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Dental Board

ARC 0984C

Rule Summary Removes the application fee and reduces the amount of information required for a volunteer services temporary permit to help recruit out-of-state dentists to participate in the Foundation's annual Iowa Mission of Mercy event. The event provides free dental services to low-income Iowans. At the 2012 event, volunteer dentists and

dental hygienists provided treatment at no cost to more than 1,389 low-income lowans, an estimated value of more than \$923,000.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0985C**
Modifies training requirements for an applicant from states that do not require dental assistants to be registered. Registration is not required in all states and currently the Board's rule requires Dental Assisting National Board (DANB) certification or a minimum of two years of clinical experience as a registered dental assistant. Permits an out-of-state applicant with at least two years of dental assisting experience in a state where registration is not required to be eligible for expanded functions training.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 1008C**
Clarifies that a facility must be inspected, successfully pass the inspection, complete a peer review evaluation, and permanently equip sedation services prior to permit issuance. Establishes the frequency of Board office inspections as every 5 years, but provides an exception for the University of Iowa College of Dentistry. The university may submit written verification that it is properly equipped. Requires all general anesthesia/deep sedation permit holders to use capnography at all facilities where they provide sedation beginning January 1, 2014.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Economic Development Authority

Rule Summary **ARC 1021C**
Establishes an Employee Stock Ownership Plan Technical Assistance Program pursuant to HF 648 (Bond Repayment and Miscellaneous Appropriations Act).

Fiscal Impact **The Iowa Economic Development Authority (IEDA) was appropriated \$500,000 for providing financial assistance in the formation of employee stock ownership plans (ESOPs).**

STAFF CONTACT: Kent Ohms (Ext. 52200)

Educational Examiners Board

Rule Summary **ARC 0987C**
Requires that a master's educator license be received from an accredited institution. Current language regarding the master educator license does not indicate that the required master's degree needs to be earned from a regionally accredited college or university. The proposed amendment provides clarity and consistency with the other existing requirements for degrees earned.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0986C**
Changes the endorsements for Health, Music, and Physical Education.
Current health endorsement requirements include 24 credit hours in community or public health, consumer health, substance abuse, family life education, mental

emotional health, and human nutrition. “Consumer health” is changed to “personal wellness” to reflect current language, and a requirement of a current certificate of cardiopulmonary resuscitation (CPR) training is added. Holders of the physical education endorsement or family and consumer science endorsement may obtain this endorsement with 18 credit hours in health coursework.

Changes coursework requirements for a music endorsement to include a methods course in each of the following: general, vocal, and instrumental music.

Changes “adapted physical education” to “adaptive physical education” to reflect current language. Eliminates “physical education in the elementary school” because it is covered through the required elementary physical education methods coursework. “Personal wellness” is added in its place to reflect best practice, and a current certificate of CPR training is added to the requirements. Secondary physical education requirements remove “assessment in physical education” as a separate requirement and include this in “curriculum, assessment, and administration of physical education.” “Personal wellness” is added to the secondary physical education requirement, as well as a current certificate of CPR training.

The amendments are identical to those published under Notice of Intended Action, except that in subrule 13.28(13), regarding the music endorsement, the word “vocal” was changed to “choral.” This change was based on conversations between Board staff and those in the field that assisted in drafting the amendments.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0993C**
Creates grades K-8 and 5-8 Science Technology Engineering and Mathematic (STEM) endorsements, a K-12 STEM Specialist, a Career and Technical license for Engineering, and a 5-12 Engineering endorsement. In December of 2012, a licensure subcommittee of the Governor's STEM Advisory Council met to recommend licensure rules to support implementation of Iowa's STEM initiative. The subcommittee recommended the new STEM endorsements. The subcommittee consists of science, math, and industrial technology practitioners, and administrators, as well as higher education, Department of Education, and Board of Educational Examiners representatives.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 0988C**
Expands the types of experience that are acceptable for obtaining licensure as a superintendent or Area Education Agencies (AEA) administrator.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 1010C**
Terminates the rulemaking initiated by the Notice of Intended Action published in the Iowa Administrative Bulletin as ARC 0678C on April 3, 2013. The rule amended Chapter 25, “Code of Professional Conduct and Ethics.” The terminated rulemaking prohibited romantic or sexual relationships between licensees and former students for 180 days following the student's last date of enrollment, if the licensee and the former student had a direct or supervisory relationship while the former student was enrolled. The Board terminated the rulemaking to consider input from the field and the ARRC.

Fiscal Impact No fiscal impact.

ARC 0992C

Rule Summary Prohibits romantic and/or sexual relationships between licensees and former students for 90 days following the student's last date of enrollment, if the licensee and the student previously had a direct and supervisory relationship. Adds an additional ethics violation under rule 25.3(1) (e) ("Student abuse") specifically for students no longer enrolled in a school district. The Board previously filed a Notice of Intended Action setting forth a more broadly-written proposed amendment to this rule. The notice was allowed to expire while the Board considered input from the ARRC. Based on this input, the Board reduced the number of days in the proposed amendment from 180 to 90, provided a statutory cross-reference defining "sexual conduct," and narrowed the prohibited conduct somewhat.

Fiscal Impact No fiscal impact.

STAFF CONTACT: John Parker (Ext. 52249)

Environmental Protection Commission**ARC 1016C**

Rule Summary Adopts federal regulations from 40 Code of Federal Regulations (CFR) 51.165 to incorporate federal review and permitting procedures that allow facilities to construct or modify existing sources in nonattainment areas under NAAQS. The rules relate to construction of new major sources of air pollution or major modifications of existing sources of air pollution. The NAAQS are set by Nonattainment New Source Review (NSR) regulations administered by the Environmental Protection Agency (EPA).

By adopting these regulations, the Department of Natural Resources (DNR) may issue permits in these areas. In Iowa, a portion of Council Bluffs is in nonattainment with the lead NAAQS and a portion of Muscatine is in nonattainment with the SO₂ (sulfur dioxide) NAAQS.

Changes include:

- Chapter 20: Updates information on the content of Chapters 22 and 31 regarding the nonattainment NSR rules.
- Chapter 20: Revises the definition of excess emissions to update the references to the nonattainment NSR and prevention of significant deterioration (PSD) rules.
- Chapter 22: Updates references to the nonattainment NSR and PSD rules. Removes references to outdated EPA guidance documents.
- Chapter 22: Rescinds rule 22.5 and replaces it with a new rule that requires applicable owners or operators of a stationary source to comply with the nonattainment NSR program rules in rule 31.20. Rule 22.5 will continue to apply to areas designated nonattainment on or before May 18, 1998.
- Chapter 22: Updates the list of attainment or unclassifiable areas in the State.
- Chapter 31: Includes background information on nonattainment NSR rules and notes the location of nonattainment NSR provisions for nonattainment areas in place on or before May 18, 1998.
- Chapter 31: Revises rules relating to conformity of general federal actions to Iowa's State Implementation Plan.
- Chapter 31: Adopts the federal nonattainment NSR rules.
- Chapter 33: Notes the location of the nonattainment NSR rule provisions.

Fiscal Impact No fiscal impact the State. Major sources of air pollution located near a nonattainment area that violate the air quality rules will be required to reduce the impact of their emissions.

	ARC 1013C
Rule Summary	<p>Revises air quality rules to reflect changes made by the federal EPA to the National Ambient Air Quality Standards (NAAQS) for the following air pollutants:</p> <ul style="list-style-type: none">• PM2.5 (particulate matter less than or equal to 2.5 micrograms in diameter).• Lead.• SO2 (sulfur dioxide). <p>The following is a summary of the proposed rule changes:</p> <ul style="list-style-type: none">• Chapter 22: Revises a subset of listed construction permitting exemptions to set appropriate emissions thresholds and operating conditions for PM2.5 and lead.• Chapter 22: Updates the Title V program “insignificant activities” to set appropriate emissions thresholds and operating conditions for PM2.5 and lead. These changes correspond with the changes proposed for the construction permit exemptions.• Chapter 22: Revises rules for the spray booth “permit by rule” (PBR) to add content limits for lead-containing spray materials.• Chapter 28: Adopts by reference the new federal SO2 NAAQS and removes the use of PM10 (particulate matter with a diameter of 10 microns or less) as a surrogate for the annual PM2.5 NAAQS.
Fiscal Impact	No fiscal impact.

	ARC 1014C
Rule Summary	<p>Adopts federal air toxic standards for stationary engines known as the “RICE NESHAP” (National Emission Standards for Hazardous Air Pollutants (NESHAP) for Reciprocating Internal Combustion Engines (RICE)). By adopting the federal standards, the DNR, rather than the federal Environmental Protection Agency (EPA), will implement and enforce these regulations in Iowa. In 2010, an earlier version of the RICE NESHAP was adopted but rescinded by Executive Order (EO) 72. The EPA agreed to reconsider the RICE NESHAP regulations and published changes in the Federal Register on January 31, 2013. Refer to: www.gpo.gov/fdsys/pkg/FR-2013-01-30/pdf/2013-01288.pdf.</p> <p>The DNR has worked closely with stakeholders regarding the rule change and stakeholders include investor-owned electric utilities, municipal utilities, rural electric cooperatives, industries, institutional facilities, and others. Stakeholders provided comments in support of the DNR adopting the RICE NESHAP amendments.</p>
Fiscal Impact	No fiscal impact.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Natural Resource Commission

	ARC 1022C
Rule Summary	<p>Amends rules related to the Snowmobile Cost-Share Program that is administered by the DNR. The changes resulted from a process improvement event held by the DNR with the Iowa State Snowmobile Association (ISSA) on October 3 through 7, 2011. Amendments include:</p> <ul style="list-style-type: none">• Changes application submittal date from July 1, to May 1, each year. This allows more time for making trail repairs and trail development.• Specifies project selection criteria for the purchase, repair, and operation of grooming equipment, for trail development, and for land acquisition.

- Specifies that funds received from the Cost-Share Program are subject to audit by the DNR and the State Auditor's Office.
- Specifies requirements for funding land acquisition such as easements and leases.
- Clarifies rules related to the reimbursement of expenses to ISSA and eligible expenditures.
- Provides additional oversight regarding payments to ISSA. This includes selection criteria by the DNR, recommendations made by a selection committee, and approval by the DNR Director.
- Moves the rules for the Snowmobile Cost-Share Program from Chapter 28 to Chapter 47 with other snowmobile rules.

Fiscal Impact

No fiscal impact to the State. Iowa State University completed a Snowmobile Economic Impact Study for 2009-2010 and found that the 28,265 snowmobile registrants in Iowa spent an estimated \$76.3 million on snowmobile equipment and activities. Of that amount, \$50.9 million was spent in Iowa. In addition, out-of-state snowmobilers expended approximately \$557,000 in Iowa during the same time period.

Rule Summary

ARC 1003C

Implements regulations for hunting waterfowl and coot, and includes season dates, bag limits, possession limits, shooting hours, and areas open to hunting. Changes include:

- Changes season dates to comply with federal regulations.
- Ensures all seasons are open on weekends.
- Removes the bag limit on light geese.

Fiscal Impact

No fiscal impact.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Department of Revenue

Rule Summary

ARC 1002C

Makes numerous changes as a result of agency review and the enactment of HF 609 (Probate Omnibus Act) during the 2012 Legislative Session. These changes include:

- Numerous clarifications, updates, addition of examples, and rescision of rules.
- Eliminates the requirement that the Department be notified of the balance in a joint account on the date of a deceased joint owner's death.
- Removes the requirement that a copy of the affidavit setting forth the legal description of the real property and the fact that an Iowa inheritance tax return is not required to be filed with the Department when the real estate does not pass through probate administration and the person succeeding to an interest in real property files a copy of the affidavit with the county.
- Clarifies that a single inheritance tax return is required and a preliminary inheritance tax return is no longer required.
- Clarifies that step-grandchildren are not lineal ascendants or descendants for inheritance.
- Requires the term "SUPPLEMENTAL" be printed on the top front page of a supplemental inheritance tax return.
- Adds that a nonresident decedent's interest in a corporation, Limited Liability Company (LLC) or partnership that owns real or tangible property in Iowa that is titled in the name of a business entity is not subject to inheritance tax since it is intangible personal property. Tangible personal property in Iowa that is

distributed in kind from the estate is not subject to inheritance tax if the aggregate of all tangible personal property in the estate is less than \$5,000.

- Updates the examples for a subrule dealing with gifts made by the donor prior to death.
- Clarifies that annuity growth (earnings) is taxable.
- Adds a rule to explain when inheritance tax resulting from being a beneficiary of a retirement plan is applied.
- Provides up-to-date mortality tables.
- Increases the time the Department has to request an appraisal related to an inheritance tax return from 30 days to 60 days.

Fiscal Impact

No fiscal impact. There are no changes affecting the amount of tax due, and no new administrative burdens are created for the Department.

ARC 0998C**Rule Summary**

Implements the following 2013 legislation:

- HF 599 ([Beginning Farmer Loan Program Act](#))
- HF 620 ([Economic Development Authority Tax Related Changes Act](#))
- SF 433 ([Targeted Jobs Withholding Changes Act](#))
- SF 436 ([Historic Property Tax Credits Act](#))
- SF 452 ([FY 2014 Standings Act](#))

Makes the following changes:

1. Adopts new subrule 41.5(17) to explain that a taxpayer claiming the From Farm to Food Donation Tax Credit for individual income tax purposes cannot claim an itemized deduction for Iowa tax purposes.
2. Amends subrule 42.19(3) to reflect changes made to the Historic Preservation and Cultural and Entertainment District Tax Credit for individual income tax pursuant to 2013 Iowa Acts, SF 436.
3. Amends the implementation sentence for rule 42.19.
4. Amends rule 42.24 to reflect the increase in the Endow Iowa Tax Credit for individual income tax for tax years beginning on or after January 1, 2012.
5. Updates the implementation sentence for rule 42.24.
6. Amends rule 42.36 to reflect changes made to the Agricultural Assets Transfer Tax Credit and the addition of a new Custom Farming Contract Tax Credit for individual income tax for tax years beginning on or after January 1, 2013.
7. Adopts new rule 42.51, that explains the new From Farm to Food Donation Tax Credit for individual income tax for tax years beginning on or after January 1, 2014, established pursuant to 2013 Iowa Acts, SF 452.
8. Amends rule 46.10 to reflect changes made to the Targeted Jobs Withholding Tax Credit pursuant to 2013 Iowa Acts, SF 433.
9. Updates the implementation sentence for rule 46.10.
10. Amends subrule 52.18(3) to reflect changes made to the Historic Preservation and Cultural and Entertainment District Tax Credit for corporate income tax pursuant to 2013 Iowa Acts, SF 436. This change is similar to Item 2.
11. Updates the implementation sentence for rule 52.18(404A.422).
12. Amends rule 52.23 to reflect the increase in the Endow Iowa Tax Credit for corporation income tax for tax years beginning on or after January 1, 2012. This change is similar to Item 4.
13. Updates the implementation sentence for rule 52.23.
14. Amends rule 52.33 to reflect changes made to the Agricultural Assets Transfer Tax Credit and the addition of a new Custom Farming Contract Tax Credit for corporation income tax for tax years beginning on or after January 1, 2013. This change is similar to Item 6.

15. Adopts new rule 52.45 that explains the new From Farm to Food Donation Tax Credit for corporation income tax for tax years beginning on or after January 1, 2014, established pursuant to 2013 Iowa Acts, SF 452. This change is similar to Item 7.
16. Amends rule 58.13(15E.422) to reflect the increase in the Endow Iowa Tax Credit for franchise tax for tax years beginning on or after January 1, 2012. This change is similar to Items 4 and 12.
17. Updates the implementation sentence for rule 58.13(15E.422).

Fiscal Impact

The following fiscal impacts are the same as estimated for the fiscal notes and Notes on Bills and Amendments (NOBA):

- The Agricultural Assets Transfer Tax Credit, and Custom Farming Contract Tax Credit, will result in an estimated reduction of revenue to General Fund of \$1.1 million in FY 2014 and \$2.4 million in FY 2015. (HF 599).
- The Targeted Jobs Withholding Tax Credit will result in an estimated reduction of revenue to the General Fund of \$1.0 million in FY 2014 and \$3.1 million in FY 2015 (SF 433).
- The Endow Iowa Tax Credit will result in an estimated decrease of revenue to the General Fund of \$1.2 million in FY 2014 and \$1.5 million in FY 2015 (HF 620).
- The Farm to Food Donation Tax Credit will result in an estimated reduction of revenue to General Fund of \$130,000 in FY 2015 and \$193,000 in FY 2016 (SF 452).

Rule Summary

Provides that each fiscal year, beginning with FY 2015, the Department of Revenue is required to pay to county treasurers an amount equal to the amount of the commercial and industrial property tax replacement claims in their county, as specified with the enactment of SF 295 (Property Tax Changes Act). The payments are made in two installments each year, September and March. The payments are made with a standing General Fund appropriation to reimburse local governments for the property tax reductions resulting from the new rollback for commercial and industrial property. Beginning with FY 2015 and prior to FY 2018, the appropriation is a General Fund standing unlimited appropriation. Beginning in FY 2018, the standing appropriation cannot exceed the actual FY 2017 appropriation amount.

ARC 1028C

Fiscal Impact

The estimated fiscal impact is the same as estimated in the Fiscal Note and will result in the following General Fund appropriations: \$78.7 million in FY 2015, \$162.5 million in FY 2016, and \$153.7 million in FY 2017.

If the total rollback, beginning with FY 2018, is greater than the actual FY 2017 General Fund appropriation, and additional funding is not appropriated, each county will receive a prorated share of the actual amount appropriated. The Department has indicated that the proposed rule may have an impact on small business.

Rule Summary

Implements 2013 Iowa Acts, HF 632 (Algae Industry Classification), that added real estate used directly in the cultivation and production of algae for harvesting as a crop for animal feed, food, nutritionals, or biofuel production, to the definition of agricultural property.

ARC 1042C

Fiscal Impact

There will be a minimal annual fiscal impact (\$3,000) in FY 2014. One property was identified that is impacted by the implementation of the legislation. Property tax collections could be lower by an estimated \$225,000 if the property is fully developed

in the future when compared to tax collections without the legislation. The additional loss of revenue is not a loss of current revenue; it is a loss of a portion of the potential increase in revenue if the property is developed further.

STAFF CONTACT: Dw ayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Department of Inspections and Appeals**ARC 1026C****Rule Summary**

Makes the following changes:

- Removes references to egg handlers that were moved from the Department of Inspections and Appeals (DIA) to reflect the transfer of jurisdiction to the Iowa Department of Agriculture and Land Stewardship in 2012.
- Updates definitions.
- Formalizes the DIA Appeals' policy for the refund of license fees.
- Updates inspection frequency to be consistent with current practice.
- Clarifies the public access to and examination of records.
- Updates and consolidates the sections related to licensure actions and hearing.
- Removes all inspectional standards from the current chapter to be moved to another chapter.

Fiscal Impact

No fiscal impact.

ARC 1025C**Rule Summary**

The proposed amendment includes the following:

- Adopts the 2009 Food and Drug Administration (FDA) Food Code with Supplement.
- Adopts the Certified Food Protection Manager requirement from the Food Code, along with transition provisions.
- Adopts provisions related to reduced oxygen packaging that reduce regulatory requirements and have been recommend for inclusion in the 2013 Food Code.
- Clarifies reduced oxygen packaging of meats in custom exempt meat and poultry processing plants.
- Updates food processing inspection standards to coincide with current federal law and regulations, and current practice.
- Moves enforcement provisions from one chapter to another.

Fiscal Impact

No fiscal impact to the State. The proposed amendment adopts the 2009 Food Code Supplement requirement for establishments that have a Certified Food Protection Manager. The cost of this requirement is approximately \$140 per food establishment. The Department estimates that between 25.0 and 40.0% of establishments currently have a certified food protection manager. Additionally, approximately 10.0% of the establishments and all temporary food establishments will be exempt from the requirement. The Certified Food Protection Manager programs are available from a variety of sources including Iowa State University Extension, the Iowa Restaurant Association, local health departments, and online. The requirement has a graduated implementation with new establishments after January 1, 2014, required to employ an individual certified food protection manager. Other establishments must meet the requirement within six months of receiving a foodborne illness risk factor or public health intervention violation, violations that can result in illness, or by January 1, 2018, whichever comes first.

ARC 0989C**Rule Summary**

Rescinds current Chapter 36 dealing with licensing or inspecting egg handlers. The duties were transferred to the Department of Agriculture and Land Stewardship. This

change was originally published on July 10, 2013, as ARC 0832C. No comments were received, and no changes were made.

Fiscal Impact No fiscal impact.

ARC 1082C

Rule Summary Makes technical changes and deletes references to the resident advocate committee at a health care facility. Resident advocate committees with oversight by the State Office of the Long-Term Care Ombudsman are no longer in existence, having been repealed by 2013 Acts, SF 184 (Department of Aging Act), and replaced with the Certified Volunteer Long-Term Care Ombudsman Program established in Iowa Code section 231.45. In addition, the technical amendments remove references to resident advocate committees and the State Office of the Long-Term Care Ombudsman from Administrative Code chapters 62, 63, 64 and 65. These chapters regulate facilities primarily serving persons with mental illness or intellectual disabilities that the State Office of the Long-Term Care Ombudsman does not serve.

Fiscal Impact No fiscal impact.

ARC 1047C

Rule Summary Amends the process for informal conferences on a contested citation for a long-term care facility. Removes the DIA from the review process and replaces the DIA with an independent reviewer, as provided for in Iowa Code section 135C.42, and incorporates changes made by 2013 Iowa Acts, SF 394 (Health Care Facility Informal Conference on Contested Cases Act). Specifies the process for an informal conference and the qualifications of an independent reviewer, including not having been employed by the DIA or represented a facility for the past eight years. The rules were amended since they were first noticed to allow facilities to submit supporting documentation for the informal conference after the deadline was established. However, such documents are only accepted by the independent reviewer upon good cause shown. Additionally, the effective date of the rules was amended from November 6, 2013, to January 1, 2014, to correspond to the effective date of the legislation authorizing the informal conference process.

Fiscal Impact Informal conferences currently cost the DIA approximately \$16,000 annually. The legislation authorizes the Department to assess a fee to facilities that use the informal conference process. A Request for Proposal (RFP) is currently being written to seek applicants for the independent reviewer. Until the RFP is finalized, the Department is unable to determine the fee. Also, the number of facilities that may choose the informal conference process is unclear. The Department is permitted to assess the costs associated with the independent reviewer to the facilities seeking an informal conference.

ARC 1050C

Rule Summary Allows pharmacists to administer injectable medications to residents in long-term care facilities as permitted by Iowa law. Currently only physicians and qualified nurses are permitted to give injections to facility residents. The noticed rules were revised to permit physician assistants to administer injectable medications to residents in long-term care facilities.

Fiscal Impact No fiscal impact.

ARC 1083C

Rule Summary Removes references to Iowa Code chapter 235B, Dependent Adult Abuse Services Information Registry, and replaces them with references to Iowa Code chapter 235E, Dependent Adult Abuse in Facilities and Programs, and Administrative Code 481 Chapter 52, Dependent Adult Abuse in Facilities and Programs. Chapter 235E

specifically addresses dependent adult abuse in facilities and programs regulated by the DIA.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 1048C**
Authorizes physician assistants, that are not employed by a nursing facility, to perform skilled nursing facility-level of care certification and recertification. The changes conform to the federal law (Affordable Care Act) and makes State rules consistent with federal regulations. Physician assistants can perform essentially the same services as those currently provided by nurse practitioners and clinical nurse specialists. A physician must conduct the initial comprehensive visit for a patient in a skilled nursing facility. Additional required visits at 30-day intervals for the first 90 days after admission and at 60-day intervals thereafter may be performed by an advanced registered nurse practitioner, clinical nurse specialist, or physician assistant working in collaboration with a physician.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 1055C**
Amends the process for informal conferences on a contested citation for assisted living programs. Removes the DIA from the review process and replaces the DIA with an independent reviewer, as specified by SF 394 (Health Care Facility Informal Conference on Contested Cases Act). Specifies the process for an informal conference and the qualifications of an independent reviewer, including not having been employed by the DIA or represented a facility for the past eight years. The rules were amended since first noticed to allow facilities to submit supporting documentation for the informal conference after the deadline established. However, such documents are only accepted by the independent reviewer upon good cause shown. Additionally, the effective date of the rules were amended from November 6, 2013, to January 1, 2014, to correspond to the effective date of the legislation authorizing the informal conference process.

Fiscal Impact Informal conferences currently cost the DIA approximately \$16,000 annually. The legislation authorizes the Department to assess a fee to facilities to use the informal conference process. A Request for Proposal (RFP) is currently being written to seek applicants for the independent reviewer. Until the RFP is finalized, the Department is unable to determine the fee. Also, the number of facilities that may choose the informal conference process is unclear. The Department is permitted to assess the costs associated with the independent reviewer to the facilities seeking an informal conference.

STAFF CONTACT: Dw ayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Board of Medicine

Rule Summary **ARC 1033C**
Removes a chapter made obsolete by the new Iowa Code chapter 155A for authorization of vaccine administration by pharmacists. The new Iowa Code chapter is a result of SF 353 and became effective July 1, 2013.

Fiscal Impact No fiscal impact.

Rule Summary **ARC 1034C**
Establishes standards of practice for physicians that prescribe or administer abortion-inducing drugs.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Department of Transportation

ARC 1037C

Rule Summary Creates a new chapter establishing requirements, procedures and responsibilities related to the use of automated traffic enforcement systems only when those systems are used on the primary road system. Rules require local jurisdictions using automated traffic enforcement systems to justify their use by documenting a location as high-crash or high-risk. If the automated traffic enforcement unit is mobile the jurisdiction must include the proposed duration of use at each location and the physical placement of the unit.

Requires that the placement of an automated traffic enforcement unit not create an unsafe environment for motorists. Permanent signage must be posted in advance of locations where fixed units are placed. Temporary or permanent signage must be posted in advance in locations where mobile units are placed.

Requires an annual evaluation by each local jurisdiction utilizing automated traffic enforcement units. The evaluation must address the impact on speed reduction or the incidence of red light violations, the impact on collisions, the impact on the critical issues included in the justification for use of the automated traffic enforcement unit, and the number of citations issued for each calendar year the unit is in operation.

Fiscal Impact The fiscal impact cannot be determined. While not indicative of the potential fiscal impact of these rules, the most recent data available for automated traffic enforcement devices indicated that the 57 red light and speed cameras in place during 2012 generated approximately \$7.5 million dollars for the six cities utilizing the units. An estimated 172,000 red light and speed citations were issued and approximately 73.4% of these were for speeding violations.

ARC 1018C

Rule Summary Amendments will ease restrictions on small businesses interested in qualifying for the Tourist-Oriented Directional Signing program. Other changes were made to eliminate redundancies, improve consistency in word usage, and correct nondiscrimination language and an agency name.

Fiscal Impact No fiscal impact

ARC 1017C

Rule Summary Strikes the definition of daylight area and adds a requirement found in Iowa Code chapter 657 that prohibits the placement of private directional signs that may impair or obstruct the view of an intersection or railroad crossing. Strikes the prohibition on the placement of these signs within the daylight area. Item 4 clarifies that if a trademark or logo is to be approved for use by the Department of Transportation (DOT), this shall serve as the identification of the business in lieu of a word message identifying the business or attraction. Item 5 changes to the discrimination language. Items 6 and 7 provide for an exception to committee review of applications for signs measuring 32 square feet or less in size and prohibits these applications from requiring an application fee.

Fiscal Impact No fiscal impact.

ARC 1073C

Rule Summary Allows the DOT to implement online renewal of driver's licenses and nonoperator identification cards for persons that meet the criteria. Online renewals will deliver significant annual savings to the DOT in reduced production costs and improved resource management and will result in reduced customer time and travel requirements.

Complies with the requirements of 2013 Iowa Acts, [HF 355](#), and allows the DOT to excuse certain persons from vision screening or submission of a vision report in order to allow for electronic online renewals. These amendments allow the DOT to implement electronic renewal of driver's licenses for persons between the ages of 18 and 70 and nonoperator's identification cards for persons age 18 and older on an every-other-renewal basis. These rules were adopted and filed emergency and simultaneously filed by Notice of Intended Action.

Fiscal Impact The changes are estimated to save \$1.2 million in Road Use Tax Fund expenditures.

STAFF CONTACT: David Heuton (Ext. 50509)

Insurance Division

ARC 1004C

Rule Summary Rescinds Chapter 18, Cemeteries, and adopts a new Chapter 140, Burial Sites and Cemeteries. The new rules include:

- Definitions.
- Administration information including contact information, complaints and inquiries processes, and forms and filing procedures.
- Examination assessment of \$150 plus expenses that may be charged for a field audit.
- Notice of disinterment.
- Commingling of funds and investments by groups of cemeteries.
- Distribution of capital gains for perpetual care cemetery funds.

Fiscal Impact No significant fiscal impact. Current Insurance Division staff will absorb any additional workload. There are approximately 300 perpetual care cemeteries that require examination once every five years. Approximately 60 perpetual care cemeteries are examined in a normal year. The Division's examination expenses are paid from funds in the Enforcement Fund that receives \$5 for each interment. Often the Division is able to perform the examination through a desk audit of information filed by the cemeteries. When a field audit is required and greater expenses are incurred, the Division may charge a \$150 assessment.

ARC 1076C

Rule Summary Brings current rules into conformity with the North American Securities Administrators Association (NASAA) model rules. Highlights of the changes include:

- Eliminates the billing of salary costs as part of an audit fee and updates the language to use the Commerce Revolving Fund.
- Provides for automatic acceptance of Financial Industry Regulatory Authority exams.
- Requires filing of the Uniform Application for Investment Adviser Registration Part 2 electronically with the Investment Advisory Registration Depository instead of on paper with the administrator.
- Updates the investment adviser prohibited conduct to by adding recent NASAA model changes.
- Updates investment adviser recordkeeping requirements and investment adviser financial reporting requirements.

- Adopts the state model for denial, suspension, or revocation of agent or investment adviser representative registration for failure to pay state debt.
- Designates certain nationally recognized securities manuals for identifying exempt transactions.

Editorial changes were made pursuant to suggestions from the Administrative Code Editor since the rule was first noticed.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dw ayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)

Iowa Finance Authority

ARC 0997C

Rule Summary Amends the chapter on the HOME Partnership Program to provide general clarification of rules as well as updating and adding definitions.

Fiscal Impact No fiscal impact.

ARC 0827C

Rule Summary Eliminates the option that allowed recipients of the Military Homeownership Assistance Program to receive the assistance in conjunction with a conventional loan at a lower cost than the loan products offered by IFA. Makes technical corrections.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Kenneth Ohms (Ext. 52200)

Labor Services Division

ARC 1009C

Rule Summary Increases the fees for Operating Permits, New Installation Permits, and Periodic Inspection Permits under the Elevator Safety Board. Conveyance operating permits are increased by \$25. The inspecting fee increases vary by the type of conveyance being inspected or installed.

Fiscal Impact Based on historical permit issuance and inspections, the new fees are estimated increase Elevator Safety Fund receipts by \$500,000.

ARC 1015C

Rule Summary Updates rules regarding boiler inspection schedules pursuant to 2013 Iowa Acts chapter 66 (HF 484 Boiler Inspections Act).

Fiscal Impact No fiscal impact.

ARC 1011C

Rule Summary Updates the reference to the American Society of Mechanical Engineers Code for Controls and Safety Devices for Automatically Fired Boilers to the 2012 edition.

Fiscal Impact No fiscal impact.

ARC 1049C

Rule Summary Adopts by reference changes to the federal OSHA standard for digger derricks used in construction.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Kenneth Ohms (Ext. 52200)

Board of Pharmacy

- ARC 1031C**
- Rule Summary** Requires a license to practice pharmacy to have been issued by a state or U.S. territory that Iowa has a reciprocal agreement with for license transfer to be used as the basis for a license transfer to practice pharmacy in Iowa.
- Fiscal Impact** No fiscal impact.
- ARC 1030C**
- Rule Summary** Establishes training and continuing education requirements for pharmacists engaged in the administration of vaccines, identifies the vaccines that a qualified pharmacist may administer to patients within specified age categories, and requires compliance with and utilization of the United States Centers for Disease Control and Prevention (CDC) protocol for the administration of vaccines.
- Fiscal Impact** No fiscal impact.
- ARC 1032C**
- Rule Summary** Permits the Board to extend or renew a pilot or demonstration research project initially approved for a period not to exceed 18 months.
- Fiscal Impact** No fiscal impact.
- ARC 1040C**
- Rule Summary** Clarifies that a pharmacy is closed when the pharmacist is not present and should be secured from public access. If the pharmacist in charge of a pharmacy has authorized one or more pharmacy technicians or pharmacy support persons to be present in the pharmacy when the pharmacy is closed, the technician or support person must prepare and maintain a log identifying each period and activity worked in the pharmacy while the pharmacy was closed.
- Fiscal Impact** No fiscal impact.
- ARC 1041C**
- Rule Summary** Requires any pharmacist transferring a prescription between pharmacies communicate special directions, restrictions, or notations included by the prescriber on the original prescription.
- Fiscal Impact** No fiscal impact.
- ARC 1039C**
- Rule Summary** Permits a pharmacy that utilizes a decentralized automated medication distribution system (AMDS) to authorize specific members of an emergency medical service program to replenish the service program's drug supplies from the AMDS. Requires a pharmacist to verify the drugs to be stocked in the AMDS prior to the drugs being removed from the pharmacy. Requires authorized service program personnel to be assigned unique identification and access codes limiting access to specific drugs authorized for use by the service program.
- Fiscal Impact** No fiscal impact.
- ARC 1038C**
- Rule Summary** Specifies that a medication strip pack prepared for a patient utilizing an automated dispensing system is not a unit dose package and is subject to the requirements regarding patient medical packs. Prohibits the return to a pharmacy stock or the

automated dispensing system of a drug unless the drug was dispensed as a single unit and was not part of other patient medications in a single package or container.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Department of Public Health

ARC 1044C

Rule Summary Removes the laboratory certification procedures that describe reportable events and conditions for HIV/AIDS and prohibitions on home testing. Clarifies consent procedures for HIV testing.

Fiscal Impact No fiscal impact.

ARC 1077C

Rule Summary Terminates the rulemaking commenced in ARC 0935C. The proposed rules will be renoticed to incorporate different fee amounts and further clarify language related to the fees. The rescinded rule identified the licensee fees associated with apprentice, journey, and master medical gas piping certificate, inactive license, contractors, and specialty licenses. The fees are applicable to initial licenses, reciprocal licenses, and renewal licenses.

Fiscal Impact No fiscal impact.

ARC 1036C

Rule Summary Strikes the abuse education review panel and reassigns approval of mandatory reporter training curricula as a duty of the Department of Public Health (DPH).

Fiscal Impact No fiscal impact.

ARC 1074C

Rule Summary Increases the fee for a certified copy of a vital record from \$15 to \$20 from January 1, 2014, thru June 30, 2019, for individuals purchasing a copy of a birth, death, or marriage certificate. The additional funds generated by this time-limited fee increase will support the development and implementation of the Iowa Vital Events System for the registration, issuance, and maintenance of all vital events registered in Iowa.

Fiscal Impact No fiscal impact to counties. The electronic system will remove the requirement that counties maintain a set of records for their county and counties will have access to the records using the electronic system. The Department estimates the fee increase will generate \$1.4 million of revenue per year to the Department of Public Health.

ARC 1075C

Rule Summary Describes the process for establishing parentage on birth certificates for married lesbian couples when one of the parties to the marriage delivers a child.

Fiscal Impact No fiscal impact.

ARC 1079C

Rule Summary Provides interpretive guidelines and the state criteria and requirements for the Iowa Trauma System Regional Level II Hospital and Emergency Care Facility Categorization.

Fiscal Impact No fiscal impact.

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ARC 1080C

Rule Summary Updates and revises trauma triage and transfer protocols to remove any reference to the Inter-Trauma Care Facility Triage and Transfer Protocol from Chapter 135 135.21(a)(b)(c).

Fiscal Impact No fiscal impact.

ARC 1081C

Rule Summary Revises Emergency Medical Service (EMS) provider definitions and continuing education requirements.

Fiscal Impact No fiscal impact.

ARC 1043C

Rule Summary Rescinds the Iowa Administrative Code Chapter that pertains to the System Evaluation Quality Improvement Committee (SEQIC). This Committee develops, implements, and conducts trauma care system evaluations, quality assessments, and quality improvements in Iowa's trauma system.

Fiscal Impact No fiscal impact.

ARC 0901C

Rule Summary Updates definitions and adds a reference to the Department's website for accessing documents.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Board of Regents

ARC 1078C

Rule Summary Updates titles, phone numbers, addresses, and procedures. Requires permission for camping on campus, updates procedures for use of university facilities and grounds, and increases the contracting authority of the Senior Vice President and Provost.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Robin Madison (Ext. 15270)

Department of Human Services

ARC 1000C

Rule Summary Provides for the use of contested case proceedings for bidders that appeal the Department of Human Services (DHS) decision on contract award through a competitive procurement process.

Fiscal Impact This change is estimated to cost approximately \$9,000 annually.

ARC 0999C

Rule Summary Requires participants to receive a clear written reminder for any noncompliance of their Family Investment Agreement (FIA) including not submitting time and attendance instead of immediately moving to a sanction.

Fiscal Impact Minimal fiscal impact.

	ARC 1001C
Rule Summary	Limits where Electronic Access Cards (EACs) can be used. Participant households cannot use their EAC to access benefits at any of the following prohibited locations: a liquor store, a casino, a gambling casino, a gaming establishment, or a retail establishment that provides adult-oriented entertainment where performers disrobe or perform in an unclothed state for entertainment. A participant that has used an EAC card at one of these locations is considered to have committed a fraudulent act, must repay the amount accessed at the location, and is subject to a household ineligibility period.
Fiscal Impact	No fiscal impact.
	ARC 0991C
Rule Summary	Clarifies the treatment of related party compensation in setting rates for residential care facilities (RCFs). The rules also clarify the DHS treatment of legal, accounting, consulting, and professional fees, including association dues, and penalties and fines. These rules change the cost report that is to be submitted, the information that must be submitted to the DHS with the cost report, and how the cost report is to be submitted. Defines the timing for submitting an amended cost report. Clarifies the penalty length for late submission of cost reports. Amends language to reflect current operations of the Iowa Medicaid Enterprise.
Fiscal Impact	No fiscal impact.
	ARC 0990C
Rule Summary	Revises the following eligibility rules related to Medicaid and the Iowa Family Planning Network: <ul style="list-style-type: none">• Deletes the requirement concerning health insurance coverage.• Deletes the requirement concerning hawk-i coverage.• Revises the maximum income standard to reflect the Modified Adjusted Gross Income (MAGI) deduction of 5.0% of the gross income effective January 1, 2014.
Fiscal Impact	Minimal fiscal impact. The revision of the maximum income standard is expected to add additional individuals to the Family Planning Waiver; however the State pays for 10.0% of the cost. The fiscal impact for the third change is \$2,300 in FY 2014 and \$16,500 in FY 2015. These changes are required by federal law.
	ARC 1027C
Rule Summary	Terminates the rulemaking initiated by its Notice of Intended Action, ARC 0888C published in the Iowa Administrative Bulletin on July 24, 2013. The Notice amended Chapter 77 by adding new rules to transition the provision of service provided by individual providers of personal care under the Consumer-Directed Attendant Care (CDAC) option to agency-provided personal care services and retain the consumer choice option for those individuals able and desiring to self-direct services.
Fiscal Impact	No fiscal impact.
	ARC 0994C
Rule Summary	Clarifies the treatment of prescription drugs, x-ray, lab, and related party compensation in setting rates for nursing facilities (NFs). Clarifies the Department's treatment of legal, accounting, consulting and other professional fees, including association dues, management fees, penalties and fines, and therapy expense. Changes the information required to be submitted to the Department with the cost report, changes the timing for submission of the cost report, better defines the timing for submitting an amended cost report, and clarifies the DHS position as to length of penalties for late submission of cost reports. There is also a rule change proposed to

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elaborate on the Department's ability to recoup Medicaid outstanding debts of facilities that change ownership. Amends language to reflect current operations of the Iowa Medicaid Enterprise.

Fiscal Impact No fiscal impact.

Rule Summary Clarifies the treatment of related party compensation in setting rates for Intermediate Care Facilities for persons with Intellectual Disability (ICF/ID). Clarifies the Department's treatment of legal, accounting, consulting and other professional fees, including association dues, and penalties and fines. These rules change what is required to be submitted to the Department with the cost report, how the cost report is to be submitted, better defines the timing for submitting an amended cost report, and clarifies the Department's policy regarding length of penalties for late submission of cost reports. Amends language to reflect current operations of the Iowa Medicaid Enterprise. **ARC 0995C**

Fiscal Impact No fiscal impact.

Rule Summary Mandates child care centers to post a provisional license status in a conspicuous place within the center and to notify parents immediately following an incident involving inappropriate sexually acting out behavior. **ARC 1007C**

Fiscal Impact No fiscal impact.

Rule Summary Updates provider immunization requirements for both Child Care Centers and Child Development Homes. Makes changes to the form required for authorizing mandated state record checks for child development home providers. There are currently two forms listed in rule. However, due to previous statutory and rules changes these forms are no longer necessary and create confusion for DHS staff and child care providers. A new form has been developed that will replace both of the old forms. **ARC 0996C**

Fiscal Impact No fiscal impact.

Rule Summary Updates rules to conform to Iowa statutory changes and federal regulations regarding confidentiality of support payment records maintained by the Child Support Recovery Unit (CSRU) and the Collection Services Center (CSC). The statutory changes were adopted in 2012 to conform to federal safeguarding regulations effective December 30, 2010. **ARC 1045C**

Fiscal Impact No fiscal impact.

Rule Summary Rescinds Chapter 76, "Application and Investigation," and adopts a new Chapter 76, "Enrollment and Reenrollment," in lieu thereof. Chapter 76, as written, required a complete revision due to medical assistance changes required by the Affordable Care Act. The Affordable Care Act significantly changed policy regarding medical assistance application, enrollment, and re-enrollment requirements. These changes are effective October 1, 2013, for determining eligibility effective January 1, 2014. The new Eligibility Integrated Application Solution (ELIAS), implemented simultaneously with the Affordable Care Act changes, also required modification of this chapter. The name and form number of the new application for medical assistance is not yet known and will be inserted upon adoption. The website for the **ARC 1069C**

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Exchange is not yet known and will also be included upon adoption. This amendment is required by the Patient Protection and Affordable Care Act of 2010 (Public Law 111-148) and 42 CFR Part 435 as amended.

Fiscal Impact No fiscal impact.

ARC 1051C

Rule Summary Reflects the transfer of administrative responsibility for Medicaid Habilitation to the Iowa Plan Contractor.

Fiscal Impact This change is estimated to save the General Fund \$2.1 million in FY 2014 and \$2.2 million in FY 2015. This change was required by SF 446 (FY 2014 Health and Human Services Appropriations Act).

ARC 1071C

Rule Summary Requires Home and Community-Based Services (HCBS) transportation payments to match those negotiated by the Medicaid Non-emergency Transportation broker. For providers without a contracted rate, the rate paid will be the average broker rate paid per trip or per mile for the member's DHS region.

Fiscal Impact This change is projected to save the General Fund \$500,000 in FY 2014 and \$528,000 in FY 2015. This change was required by SF 446.

ARC 1052C

Rule Summary Excludes coverage of and payment for elective, non-medically necessary cesarean section (C-section) deliveries. The Iowa Medicaid Enterprise (IME) currently reimburses hospitals and physicians for C-section deliveries, regardless of the medical necessity. This proposal will eliminate reimbursement to hospitals and physicians for C-section deliveries that were not medically necessary. This proposal aligns with initiatives in this regard being undertaken by the Iowa Health Care Collaborative, as well as by various individual hospitals and hospital systems.

Fiscal Impact This change is estimated to save the General Fund \$500,000 in FY 2014 and \$528,000 in FY 2015. This change is required by SF 446 (FY 2014 Health and Human Services Appropriations Act).

ARC 1054C

Rule Summary Requires prior authorization (PA) for initial admission to or continued stay in a certified hospital "swing-bed" for a member that no longer requires acute inpatient hospital care and that would otherwise require a nursing facility or skilled level of care.

Fiscal Impact This change is estimated to save the State \$1.5 million per year in FY 2014 and FY 2015. This change is required by SF 446 (FY 2014 Health and Human Services Appropriations Act).

ARC 1056C

Rule Summary Implements Medicaid provider reimbursement rate increases in accordance with SF 446, Section 29, effective July 1, 2013. This includes a 10.0% increase for ambulance providers, a 3.0% increase for HCBS waiver providers, and a 1.0% increase for all other providers.

Fiscal Impact This change is estimated to cost \$11.9 million in FY 2014 and \$12.6 million in FY 2015. Funding was provided in SF 446 (FY 2014 Health and Human Services Appropriations Act).

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Rule Summary	Changes the reimbursement method for case management services under the Medicaid state plan, habilitation, and HCBS for individuals with a brain injury and elderly.	ARC 1057C
Fiscal Impact	This change is estimated to save \$2.7 million in FY 2014 and \$2.8 million in FY 2015.	
Rule Summary	Changes the payment methodology for home health services to the Medicare Low Utilization Payment Amount (LUPA) methodology with state geographic wage adjustments. The Department will update the rates every two years. The rates for private duty nursing and personal care home health services will be based on an hourly interim rate subject to cost settlement and subject to a limit calculated by the Department and approved by the CMS.	ARC 1058C
Fiscal Impact	This change is estimated to cost the General Fund \$2.8 million per year in FY 2014 and FY 2015. Funding was provided in SF 446.	
Rule Summary	Moves the rule for the Health Care Date Match Program to a more applicable rule chapter.	ARC 1070C
Fiscal Impact	No fiscal impact.	
Rule Summary	Codifies policies regarding a suspension of enrollment in IowaCare to be implemented on July 1, 2013, based on funding for SFY 2014 and pursuant to the amended terms of the waiver of Title XIX requirements allowing federal funding for the IowaCare program.	ARC 1059C
Fiscal Impact	This change is estimated to save the General Fund \$363,000 in FY 2014. The savings are incorporated in the IowaCare estimates in SF 446.	
Rule Summary	Reflects the change in the payment methodology for federally-qualified health centers (FQHC) from fee-for-service to an encounter payment and eliminates the FQHC funding pool for lab and radiology services. These services will now be included in the encounter payment. These changes will address a shortfall in the funding pool for lab and radiology services by making funding more flexible.	ARC 1072C
Fiscal Impact	No fiscal impact.	
Rule Summary	This rule makes the following changes: <ul style="list-style-type: none">• Allows for conditional employment in a hospital or a health care facility for up to 60 calendar days pending completion of the evaluation.• Allows for conditional participation in a training program pending completion of a record check evaluation for up to 60 days.• Establishes that if an evaluation was previously performed by the DHS, and the Department determined the person's criminal and abuse background did not warrant prohibition of employment of a person who is or was employed by a hospital and is hired by another hospital, the person may commence employment without further action by the department if the conditions specified are met.• Establishes that if an evaluation was previously performed by the DHS, and the Department determined the person's criminal and abuse background did not warrant prohibition of employment, a new employee may commence employment after 30 days without further action by the department if the conditions specified are met.	ARC 1046C

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Fiscal Impact No fiscal impact.

Rule Summary Deletes a previous rule related to shelter care provider payment rates. Supervised apartment living rates are no longer established by purchase of service, but by competitive performance-based contracts. **ARC 1060C**

Fiscal Impact Increases General Fund expenditure by \$358,000 in both FY 2014 and 2015. General Fund appropriations were provided for this purpose in SF 446. The shelter care allocation funds the equivalent of 230 shelter care beds, although a portion of the funding is used to provide Child Welfare Emergency Services (CWES). A 5.0% increase is the equivalent of \$4.62 per day. Approximately 17.9% of children in a shelter care placement are eligible. In FY 2014, 58.35% of the maintenance costs for those placements are funded with federal funds. The rate is reduced to 57.8% in FY 2015.

Rule Summary Provides an increase to the foster family daily reimbursement rate and adoption subsidy daily maintenance rates effective July 1, 2013. **ARC 1061C**

Fiscal Impact Increases payments to foster family homes and adoptive homes authorized and funded by SF 446. This will increase expenditure by \$2.1 million in both FY 2014 and 2015. The daily foster family care and adoption payment rates are increased as follows: for a child aged 0 through 5 from \$15.98 to \$16.78, for a child aged 6 through 11 from \$16.62 to \$17.45, for a child aged 12 through 15 from \$18.19 to \$19.10, and for a child aged 16 and over from \$18.43 to \$19.35. These amendments implementing the increases became effective July 1, 2013.

Rule Summary Amends Supervised Apartment Living (SAL) foster care program maintenance and initial allowance for youth placed in the SAL foster care program. **ARC 1062C**

Fiscal Impact The Department estimates the cost to increase SAL maintenance and the initial allowance is approximately \$28,000 per year. General Fund appropriations were provided for this purpose in SF 446.

Rule Summary Increases the provider rate ceilings to reflect a 4.0% increase over current rates. **ARC 1063C**

Fiscal Impact The cost estimate of \$3.4 million was appropriated for FY 2014 in SF 446. The amount needed in FY 2015 will be requested by the Department and determined in the upcoming legislative session.

Rule Summary Amends monthly youth PAL maintenance stipend rates. **ARC 1064C**

Fiscal Impact The Department estimates the cost to increase the maximum monthly PAL maintenance stipend at approximately \$95,000 per year. General Fund appropriations were provided for this purpose in 2012 SF 446.

STAFF CONTACT: Jess Benson (Ext. 14611) Estelle Montgomery (Ext. 16764)

Auditor of State

Rule Summary Implements HF 2455 (Audits or Examinations of City Finances Act) as passed during the 2012 Legislative Session. The Act requires cities with a population of less than **ARC 1023C**

2,000 people and budgeted gross expenditures of \$1.0 million or more in two consecutive fiscal years to submit to an examination conducted by the Auditor of State or a certified public accountant chosen by the city during the second budgeted fiscal year. The rule establishes annual fees based on the budgeted expenditures for the city, and ranges from \$100 for a budget under \$50,000 to \$1,200 for a city with a budget of \$600,000 or more. Each city is to be audited at least once during an eight-year period at a time to be determined by the Auditor. The Auditor also establishes by rule, as permitted by HF 2455, that cities with a population fewer than 2,000 and annual budgets under \$1.0 million are subject to the fee and periodic examinations unless the city pays for their own audit or examination.

Fiscal Impact There is no impact on the State General Fund. The new fee will increase fees paid by cities to the Auditor of the State by between \$365,000 and \$382,000. House File 2455 caps the fee revenue at \$375,000 and the fiscal note estimated that \$375,000 annually would be deposited in and expended from a segregated account in the Office of the Auditor of State. The Act requires any fees collected in excess of \$375,000 to fund municipal financial management training for city officials.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Professional Licensure Division

ARC 1012C

Rule Summary Clarifies the number of continuing education hours a licensee must obtain to maintain a chiropractic license.

Fiscal Impact No fiscal impact.

ARC 1005C

Rule Summary Requires that examination requirements for hearing aid dispensers to be consistent with changes in the national examination. Clarifies the services required of a licensed hearing aid dispenser following a medical evaluation. Removes online instruction from the continuing education requirement for independent study and modifies the requirement for listing the office address in advertisements.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Estelle Montgomery (Ext. 16764)

Soil Conservation Division

ARC 1053C

Rule Summary Updates statutes related to Watershed Improvement Grants that are awarded by the Watershed Improvement Review Board (WIRB). The WIRB is administered by the Soil Conservation Division in the DALS. Changes include:

- Specifies the membership and the duties of the WIRB.
- Specifies groups or agencies that the WIRB can call upon for technical assistance.
- Specifies the governmental agencies eligible for a Watershed Improvement grant.
- Makes other technical changes related to the WIRB in Iowa Code section 466A.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Deb Kozel (Ext. 16767)

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Real Estate Appraiser Examining Board

ARC 1035C

Rule Summary Eliminates the Real Estate Appraiser Examining Board's authority to request work product from a nonresident appraiser seeking reciprocity. The Board has never used its authority found within this rule to request work product from a reciprocal appraiser.

Fiscal Impact No fiscal impact.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Ron Robinson (Ext. 16256)
