



## Administrative Rules – Fiscal Impact Summaries

April 11, 2011

2

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**ARC 9419B**

**Rule Summary** Adds special event permit requirements for all-terrain vehicles (ATVs) and snowmobiles. Consolidates other special events and fireworks to include permit conditions, application procedures, fees, and other application requirements for events held on public lands, waters, or ice under the jurisdiction of the Natural Resource Commission, or private lands when Iowa law requires permits.

**Fiscal Impact** The fees collected from the special events or firework permits are estimated to be less than \$100,000 per year and will pay for any additional expense for these programs and the electronic application system.

**ARC 9421B**

**Rule Summary** Rescinds certain special event rules that are consolidated in ARC 9419B.

**Fiscal Impact** Minimal fiscal impact.

**ARC 9422B**

**Rule Summary** Rescinds special event firework display rules that are consolidated in ARC 9419B.

**Fiscal Impact** Minimal fiscal impact.

**ARC 9420B**

**Rule Summary** Rescinds special event fishing tournament rules that are consolidated in ARC 9419B.

**Fiscal Impact** Minimal fiscal impact.

STAFF CONTACT: Debra Kozel (Ext. 16767)

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### Professional Licensure Division – Department of Public Health

**ARC 9424B**

**Rule Summary** Board of Hearing Aid Dispensers: Clarifies the requirements for supervision reports by temporary permit holders. Removes the requirement for mailing renewal notices to licensees. Revises the continuing education requirements.

**Fiscal Impact** Minimal fiscal impact. Some administrative savings will occur due to a reduction of staff time, postage, printing, and paper. The Board retains fees charged to licensees to fund its operations.

**ARC 9416B**

**Rule Summary** Board of Behavioral Science: Adds the definition of mental health setting. Updates educational requirements for marital and family therapists and mental health counselors. Changes the word “felony” to “crime” to be consistent with Code Chapter 147 requirements.

**Fiscal Impact** No fiscal impact.

## Administrative Rules – Fiscal Impact Summaries

April 11, 2011

3

### ARC 9430B

**Rule Summary** Board of Massage Therapists: Removes the requirement for the Board to send a renewal notice to a licensee.

**Fiscal Impact** Minimal fiscal impact. Some administrative savings will occur due to a reduction of staff time, postage, printing, and paper. The Board retains fees charged to licensees to fund its operations.

### ARC 9432B

**Rule Summary** Board of Massage Therapists: Clarifies that conviction of a crime includes when the judgment of conviction or sentence was deferred.

**Fiscal Impact** No fiscal impact.

### ARC 9428B

**Rule Summary** Board of Sign Language Interpreters and Transliterators: Clarifies that conviction of a crime includes when the judgment of conviction or sentence was deferred.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Deborah Thompson (Ext. 16764)

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## Board of Medicine

### ARC 9413B

**Rule Summary** Clarifies existing continuing education requirements for physicians and surgeons and osteopathic physicians and surgeons. Adds continuing education requirements for chronic pain management and end-of-life care every five years.

**Fiscal Impact** No fiscal impact to the State. Additional costs are not expected to be incurred by physicians and surgeons since the additional mandates can be included in the current 40 hours of continuing education requirements.

### ARC 9414B

**Rule Summary** Requires physicians and surgeons and osteopathic physicians and surgeons to use patient-physician agreements when a patient's chronic pain is treated with controlled substances or opiates. Encourages physicians to use the Iowa Prescription Monitoring Program database and to consider conducting drug-testing on patients when treating chronic pain with controlled substances or opiates.

**Fiscal Impact** No fiscal impact.

### ARC 9415B

**Rule Summary** Establishes discipline grounds for physicians that fail to report their human immunodeficiency virus (HIV) or hepatitis B virus (HBV) status to an expert review panel at a hospital and an expert review panel at the Iowa Department of Public Health.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Deborah Thompson (Ext. 16764)

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# Administrative Rules – Fiscal Impact Summaries

April 11, 2011

4

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## City Development Board

**ARC 9438B**

**Rule Summary** Requires voluntary annexation applications to the City Development Board to include an indication whether the city has applied smart planning principles to the area and methods for implementation of the principles.

**Fiscal Impact** No fiscal impact to the Department of Economic Development that staffs the City Development Board. A city that undertakes smart planning principles could have staffing and development costs that would be dependent upon the size of the city and geographic components of the proposed annexed area if the principles are utilized after the annexation is approved.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

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## Department of Revenue

**ARC 9434B**

**Rule Summary** Updates the procedure for the Automotive Racetrack Facility Rebate Program. Clarifies the definition and treatment of lodging for tax purposes.

**Fiscal Impact** No fiscal impact. Any fiscal impact would be contingent on the sale of the Newton racetrack. If the racetrack was sold and the percentage of Iowa ownership fell below 25.0%, the racetrack will no longer qualify for the sales tax rebate. The total amount of the rebate is limited to \$12.5 million and the provision is set to expire in 2016.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

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## Environmental Protection Commission

**ARC 9425B**

**Rule Summary** Changes rules related to Ground Heat Exchanger (GHEX) Loop Borehole Systems:

- Addresses the specialty construction that the GHEX boreholes require. Increases the protection standards provided during borehole installation and operation.
- Adds GHEX Loop Borehole Systems to the private water well construction permit form with notification requirements.
- Includes the proper plugging of abandoned wells requirements including abandonment of GHEX Loop Borehole Systems.
- Rescinds current citations for GHEX Loop Borehole Systems.
- Adds a new GHEX Loop Borehole Driller classification to the current well driller certification permit process.

**Fiscal Impact** The Department of Natural Resources (DNR) estimates the fiscal impact to be minimal. The GHEX Loop Borehole Driller classification will be included in the current well driller permit examination and renewal process and no additional fees will be paid by the driller or contractor.

**ARC 9371B**

**Rule Summary** Establishes criteria to determine if recreational uses, such as swimming, water skiing, and boating, should be allowed in Iowa lakes with a mean depth of three meters or deeper. For more information, refer to the following website:  
<http://www.iowadnr.gov/water/standards/nutrients.html>.

**Fiscal Impact** This change will require the DNR to calculate additional Total Maximum Daily Loads (TMDL) for each pollutant causing impairment in a lake. The TMDL quantifies the source(s) of the pollutant(s) and the local reduction necessary to meet the state's water quality standards. The federal Environmental Protection Agency (EPA) must approve TMDL calculations. The DNR estimates the cost to develop a TMDL varies greatly with the size of the water body and the number of parameters that must be sampled to determine the cause of the impairment. The estimated total cost for a large and complicated TMDL should not exceed \$100,000. The TMDL calculations are funded with federal 319 Grant money (federal Clean Water Act). If the DNR does not have adequate funding for the additional TMDLs, the federal EPA will complete them.

STAFF CONTACT: Debra Kozel (Ext. 16767)

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**Insurance Division – Department of Commerce**

**ARC 9398B**

**Rule Summary** Prohibits unfair trade practices, including prohibiting unfair discrimination against individuals of the same class. Provides reasonable standardization and simplification of terms and coverages of individual accident and sickness insurance policies.

The proposed rules are intended to implement the Federal Patient Protection and Affordable Care Act (PPACA) by setting forth the requirements and procedures to be followed by insurance companies for individual health insurance coverage for children under the age of 19. Requires compliance by persons and entities beginning May 25, 2011, for policies offered for sale on or after May 25, 2011.

**Fiscal Impact** No fiscal impact to the Insurance Division that can absorb the cost with existing staff and budget levels. The change in policy premiums depends on the individual company.

STAFF CONTACT: Joseph Brandstatter (Ext. 18223)

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**Department of Public Health**

**ARC 9435B**

**Rule Summary** Increases the following fees related to the Iowa Office of the State Medical Examiner (IOSME):

- Base autopsy fee from \$1,200 to \$1,400.
- Expert witness testimony by IOSME physicians from \$350 per hour to \$450 per hour.
- Creates a cremation permit fee of \$75 for cremation permits investigated by the IOSME.
- Clarifies a paragraph that a copy of an autopsy report is automatically sent to the county medical examiner and the county attorney free of charge.

## Administrative Rules – Fiscal Impact Summaries

April 11, 2011

6

- Fiscal Impact**      The proposed changes to certain fees charged by the IOSME will generate revenue as follows:
- Currently, the IOSME collects \$795,600 annually for an average of 663 autopsy cases per year. Raising the fee by \$200 will generate an additional \$132,600 for a total of \$928,200. This revenue is retained and expected to pay for supplies, equipment, and other related expenses. The fee was last increased in 2003.
  - The IOSME currently collects \$63,000 for an average of 180 hours of court preparation and testimony per year. The \$100 increase is expected to generate an additional \$18,000 for a total of \$81,000. This revenue is retained by the Office. The fee was last increased in 2003.
  - The IOSME authorizes an average of 291 cremation permits annually. The Office would be able to retain approximately \$21,825 annually under this change.

**ARC 9436B**

**Rule Summary**      Establishes a Substance Abuse and Gambling Treatment Program Committee under the State Board of Health and specifies the duties of the Committee.

**Fiscal Impact**      No fiscal impact.

STAFF CONTACT: Deborah Thompson (Ext. 16764)

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### Department of Human Services

**ARC 9404B**

- Rule Summary**      Relates to purchased annuities for Medicaid eligibility and:
- Specifies that the residual beneficiary designation must apply to the extent of the amount of Medicaid paid for care of either the annuitant or the annuitant's spouse in a medical institution, not just for the care of the annuitant.
  - Applies this restriction to annuities where the spouse of a Medicaid applicant or member is the annuitant. Other conditions for exemption apply only when the Medicaid applicant or member is the annuitant.

**Fiscal Impact**      Minimal savings to the State. The specific amount is unknown since the Department of Human Services (DHS) does not track the number or value of annuities once purchased for Medicaid eligibility.

**ARC 9418B**

**Rule Summary**      Terminates filed rules that included coverage for assisted living services under the Medicaid Home and Community-Based Services (HCBS) Elderly Waiver. The DHS was unable to reach agreement with the assisted living providers due to federal service documentation and payment proration requirements.

**Fiscal Impact**      No fiscal impact.

## Administrative Rules – Fiscal Impact Summaries

April 11, 2011

7

### ARC 9403B

**Rule Summary** Updates, streamlines, and clarifies Medicaid policy for Home and Community-Based Services to achieve uniform application of policy and to reduce the number of policy exceptions requested.

**Fiscal Impact** No fiscal impact due to waiver enrollment caps. The change is not expected to increase in cost since most expected costs are being incurred with current exceptions to policy.

### ARC 9431B

**Rule Summary** Implements the Iowa Electronic Health Record Incentive Program that provides incentive payments for the adoption, upgrades, and meaningful use of certified electronic health record (EHR) technology.

**Fiscal Impact** This Program will cost the State \$49,000 in FY 2011 and \$30,000 in FY 2012. The State is responsible for 10.0% of the administrative costs of the Program and was not considered part of the FY 2011 Medicaid appropriation. The federal incentive payments to eligible providers and hospitals are estimated to be \$33.0 million in FY 2011 and \$110.4 million in FY 2012.

### ARC 9402B

**Rule Summary** Expands the uses of civil money penalties collected from nursing facilities to include a Quality Improvement Initiative Grant.

**Fiscal Impact** There is no impact to the State General Fund. These Grants will be funded from civil money penalty dollars collected from nursing facilities. Civil money penalties are deposited in the State's Civil Money Penalty (CMP) Fund, and can only be used for specific purposes as defined by the Centers for Medicare and Medicaid Services (CMS). The CMP Fund balance is \$3.4 million.

STAFF CONTACT: Jess Benson (Ext. 14611)

## Board of Pharmacy

### ARC 9406B

**Rule Summary** Exempts a pharmacy resident from continuing education requirements when in a pharmacy residency program. Requires the pharmacy resident to petition the Board of Pharmacy on specific written forms as soon as possible when beginning and completing the residency program.

**Fiscal Impact** No fiscal impact.

### ARC 9407B

**Rule Summary** Requires a certified pharmacy technician to maintain both the Iowa pharmacy technician registration and the national pharmacy technician certification to practice in Iowa.

**Fiscal Impact** No fiscal impact.

**ARC 9408B**

**Rule Summary** Clarifies the record requirements that identify a pharmacist involved in the visual verification of a drug product or device that has been remotely verified and approved for dispensing when a hospital pharmacy is closed. Clarifies that only a certified pharmacy technician may assist nonpharmacy personnel to locate a needed prescription drug when the pharmacy is closed and when the certified pharmacy technician has been authorized by the pharmacist in charge.

**Fiscal Impact** No fiscal impact.

**ARC 9409B**

**Rule Summary** Requires a pharmacy to maintain a log of the initials or unique identification codes identifying by name each pharmacy support person, pharmacist, pharmacist-intern, and pharmacy technician. Requires the information be available for inspection or copying for a minimum of two years.

**Fiscal Impact** No fiscal impact.

**ARC 9410B**

**Rule Summary** Clarifies the requirement for changing an oral prescription to a written format, permitting the written format to be a computer-generated printout of the information required for the prescription.

**Fiscal Impact** No fiscal impact.

**ARC 9411B**

**Rule Summary** Excludes the placement of a compounding aseptic isolator (CAI) within an ISO Class 8 anteroom or ante area when the CAI meets ISO Class 5 atmospheric environment conditions. NOTE: The International Organization for Standardization issues ISOs that referenced the acronym of the Organization's previous name.

**Fiscal Impact** No fiscal impact.

**ARC 9412B**

**Rule Summary** Updates the name of the Board of Pharmacy and the title of the Executive Director of the Board. Updates various references and processes.

**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Deborah Thompson (Ext. 16764)

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**Professional Licensure Division – Department of Public Health**

**ARC 9426B**

**Rule Summary** Board of Dietetics:

- Add definitions of consultation and supervision of non-licensees.
- Clarifies the requirements for submitting documents to verify that licensure requirements have been met.
- Establishes new requirements for degree evaluation of foreign-trained dietitians.
- Clarifies acceptance of supervised practice experience for licensure.



- Provides for alternate forms of verification of passing the national examination of license for applicants that hold licensure in other states.
- Rescinds the requirement for the Board to mail a renewal notice to licensees.
- Add a definition of webinar applicable to continuing education.
- Provides for clarification for obtaining hours of continuing education.
- Removes the audit language for continuing education programs and activities submitted in accordance with professional development portfolios for American Dietetic Association/Commission on Dietetic Registration (ADA/CDR) certification.
- Adopts the ADA/CDR Code of Ethics for the Profession of Dietetics and Process for Consideration of Ethics Issues, as revised January 1, 2010.

**Fiscal Impact** Minimal fiscal impact. Some administrative savings will occur due to a reduction of staff time, postage, printing, and paper. The Board retains fees charged to licensees to fund its operations.

**ARC 9401B**

**Rule Summary** Iowa Board of Podiatry: Removes the requirement for mailing renewal notices to licensees.

**Fiscal Impact** Minimal fiscal impact. Some administrative savings will occur due to a reduction of staff time, postage, printing, and paper. The Board retains fees charged to licensees to fund its operations.

**ARC 9405B**

**Rule Summary** Iowa Board of Podiatry: Changes the word “felony” to “crime” to be consistent with Code Chapter 147 requirements.

**Fiscal Impact** No fiscal impact.

**ARC 9427B**

**Rule Summary** Board of Sign Language Interpreters and Transliterators: Removes the requirement for the Board to send a renewal notice to a licensee.

**Fiscal Impact** Minimal fiscal impact. Some administrative savings will occur due to a reduction of staff time, postage, printing, and paper. The Board retains fees charged to licensees to fund its operations.

STAFF CONTACT: Deborah Thompson (Ext. 16764)

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**Department of Transportation**

**ARC 9417B**

**Rule Summary** Adopts the latest edition, October 2010, of the Code of Federal Regulations (CFR) containing the Federal Motor Carrier Safety Regulations and the Federal Hazardous Materials Regulations, in accordance with Code Sections 321.449 and 321.450 to allow the Department of Transportation to cite the most current CFR. Several of the changes to the CFR are nonsubstantive and do not add additional requirements. These regulations relate to commercial vehicles transporting interstate commerce or transporting certain hazardous materials intrastate.

## Administrative Rules – Fiscal Impact Summaries

April 11, 2011

10

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**Fiscal Impact** No fiscal impact.

STAFF CONTACT: Marcia Tannian (Ext. 17942)

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### Board of Veterinary Medicine

**Rule Summary** Permits the Board of Veterinary Medicine Board to deny, suspend, or revoke a license or certification when the applicant has outstanding state debt owed to the Iowa Department of Revenue.

**ARC 9429B**

**Fiscal Impact** No fiscal impact to the Board. Additional State revenue may be received if the applicant pays the debt to be eligible for the license or certification.

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