



BILL SUMMARY

Health and Human Services Budget HF 2463

Status of Bill: House Calendar
 Committee: Appropriations (passed Committee 14-11)
 Lead Democrats: Rep. Heddens
 Floor Manager: Rep. Heaton
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Summary

General Fund	Estimated FY 14	Gov. Recs FY 2015	HF 2463 FY 2015	HF 2463 vs. FY 14	HF 2463 vs Gov Recs.
Aging	\$11,627,773	\$11,860,381	\$11,427,773	(\$200,000)	(\$432,608)
IDPH	\$58,030,568	58,973,924	\$58,796,686	\$766,118	(\$177,238)
DHS	\$1,670,035,635	\$1,776,287,767	\$1,775,947,613	\$105,911,978	(\$340,154)
VA	\$11,280,947	\$12,180,947	\$12,180,947	\$900,000	\$0
Total	\$1,750,974,923	\$1,859,303,019	\$1,858,353,019	\$107,378,096	(\$950,000)

- Provides funding for the Departments of Aging, Human Resources, Public Health, Veterans Affairs, and the Veterans Home.

FY 2014

This bill does not include any supplemental funding to deal with the anticipated Medicaid shortfall of \$24 million for FY 2014.

FY 2015

IOWA DEPARTMENT ON AGING (IDA)

The Iowa Department on Aging (IDA) is designated as the State Unit on Aging. The IDA advocates for lowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older lowans through the six local Area Agencies on Aging (AAAs) across the State. The Office of Long-Term Care Resident's Advocate is funded through the IDA. The Office advocates for residents and tenants of nursing homes, residential care facilities, assisted living programs and elder group homes. The Office can investigate and resolve complaints that may affect the health, safety, welfare, or rights of residents.

The IDA is funded at \$11.43 million from the general fund. This is a decrease of \$200,000 from the estimated FY 14 budget and \$432,600 less than the Governor's recommendations for FY 15.

Aging Programs

- Aging Programs is funded at a total of \$10.6 million, which is status quo compared to FY 14.

Office of Long-Term Care Resident's Advocate

- Office of Long-Term Care Resident's Advocate is funded at a total of \$821,700, which is a reduction of \$200,000 compared to FY 14. This reduction is due to the Governor's veto of new staff within the FY 14 budget.

DEPARTMENT OF PUBLIC HEALTH (IDPH)

The Department of Public Health (IDPH) works with local public health agencies to ensure quality health services in Iowa communities through contracts with all 99 counties to provide population based health services and a limited number of personal health services. The IDPH assists in the prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

The IDPH is funded at \$58.8 million from the general fund, which is an increase of \$766,100 compared to the FY 14 budget and a decrease of \$177,200 compared to the Governor's recommendations for FY 15.

Addictive Disorders reduces and prevents the use of tobacco, alcohol, and other drugs and treatment of individuals affected by addictive behaviors, as well as substance abuse and gambling treatment and prevention services.

- Reduction of \$75,000 to tobacco education and social media funding.
- Addictive Disorders is funded at a total of \$27.1 million, a decrease of \$75,000 compared to FY 14.

Healthy Children & Families promotes the optimum health status for children and adolescents from birth through 21 years of age and families. This includes oral health, child health, and maternal health.

- Reduction of \$25,000 for hearing aids for children due to unspent funding in FY 13.
- Increase of \$43,000 for the Donated Dental Services Program.
- Health Children and Families is funded at a total of \$3.67 million, which is a net increase of \$18,000 compared to FY 14.

Chronic Conditions includes activities and services provided to persons with chronic conditions or special health care needs. This includes brain injury, birth defects, obesity, PKU assistance (genetic and causes mental retardation and seizures), AIDS Drug Assistance Program (ADAP), and Hepatitis C awareness.

- Reduction of \$40,000 to the Medical Home Advisory Council.
- Chronic Conditions is funded at a total of \$5.04 million, a decrease of \$40,000 compared to FY 14.

Community Capacity are activities provided by IDPH staff that are intended to strengthen the public health system at the local level, which include local public health services and screening and healthy communities.

- Increase of \$300 for the Fulfilling Iowa's Need for Dentists Program (FIND). This will fund the program at \$50,000.
- Increase of \$1 million for the Medical Residency Program.
- Increase of \$100,000 for the Integrated Psychiatric Primary Care Model Implementation at the University of Iowa Hospitals and Clinics.
- Decrease of \$378,500 to eliminate the Specialty Care Collaborative.
- Community Capacity is funded at a total of \$9.3 million, a net increase of \$721,800 compared to FY 14.

Healthy Aging provides services intended to optimize the health status of persons over the age of 55 years. This includes public health nursing (home visits for regular and chronic care) and Home Care Aide Services (personal care and services to avoid institutional care). Healthy Aging is funded at a total of \$7.3 million, which is status quo compared to FY 14.

Environmental Hazards provides services and activities that are intended to reduce exposure to hazards in the environment, which include lead poisoning prevention including child lead testing and environmental epidemiology. Environmental Hazards is funded at a total of \$803,900, which is status quo compared to FY 14.

Infectious Diseases supports activities to reduce the incidence and prevalence of communicable and infectious diseases. This includes the Center for Acute Disease Epidemiology (CADE), Immunization Program, and Prescription Services Program. Infectious Diseases is funded at a total of \$1.335 million, which is status quo compared to FY 14.

Public Protection provides activities related to protecting the health and safety of the public through establishment of standards and enforcement of regulations. This includes professional licensing and regulation, Iowa's Trauma System, the Emergency Medical Services System, and the State Medical Examiner.

- Increase of \$75,000 for EMS benchmarks, indicators, and scoring trauma assessment.
- Increase of \$65,000 for EMS Software Maintenance.
- Increase of \$50,000 for Community Water Fluoridation Education.
- Increase of \$7,900 for HF 2378, the Provisional Psychologists Licensure bill.
- Reduction of \$56,600 due to one-time funding.
- Public Protection is funded at a total of \$3.42 million, a net increase of \$141,250 compared to FY 14.

Resource Management provides general administration and finance operations for the entire department. Resource management is funded at a total of \$920,000, which is status quo compared to FY 14.

IOWA DEPARTMENT OF VETERANS AFFAIRS (IDVA)

The Iowa Department of Veteran Affairs (IDVA) includes the Department and the Iowa Veterans Home (IVH). The IDVA provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The IVH provides services to veterans and spouses at the IVH in Marshalltown, including domiciliary, residential, and pharmaceutical.

Iowa Department of Veterans Affairs and **Iowa Veterans Home** are funded at \$12.2 million from the general fund, which is \$900,000 more than FY 14. This is status quo compared to the Governor's recommendations for FY 15.

- **IDVA General Administration** is funded at \$1.1 million, which is status quo compared to FY 14.
- **Iowa Veterans Home** is funded at \$7.6 million, which is status quo compared to FY 14.
- **Veterans Home Ownership Program** is funded at \$2.5 million, which is an increase of \$900,000 compared to FY 14.
- **Veterans County Grants** is funded at \$990,000, which is status quo compared to FY 14.

DEPARTMENT OF HUMAN SERVICES (DHS)

The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes and two resource centers for people with mental retardation.

The DHS is funded at \$1.776 billion from the general fund, which is an increase of \$106 million compared to the FY 14 budget. This is \$340,150 less than the Governor's recommendations for FY 15.

Family Investment Program (FIP)/Promise Jobs (PJ) provides cash assistance and job training in return for an agreement that recipient will work towards self-sufficiency.

- FIP/PJ is funded at a total of \$48.5 million, which is status quo compared to FY 14.

Child Support Recoveries assists custodial parents in receiving court-ordered child support and determine paternity in non-marital births.

- Increase of \$484,000 due to loss of federal incentives.
- Increase of \$212,000 due to increased costs of service.
- Child Support Recoveries is funded at a total of \$14.9 million, an increase of \$696,050 compared to FY 14.

Medical Assistance (Medicaid) provides health care coverage to certain low-income individuals that are aged, blind, disabled, or pregnant; and to children or members of families with dependent children. State funds are matched two to one with federal funds.

- Medicaid is funded \$30 million below the midpoint estimate.
- Increase of \$35.1 million due to loss of federal matching funds (FMAP).
- Increase of \$8.07 million due to HCBS waiver and Home health inflation.
- Increase of \$16.2 million due to various revenue changes, mostly regarding HAWK-I.
- Increase of \$4.85 million to reduce the HCBS waiver waiting lists.
- Increase of \$252,000 for HF 2159, increasing the Miller Trusts eligibility.
- Decrease of \$11.9 million due to eliminating the IowaCare transfer.
- Increase of \$13.3 million for Mental Health Redesign services covered by Medicaid.
- Medicaid is funded at a total of \$1.248 billion, an increase of \$104 million compared to FY 14.

Medical Contracts supports the duties and functions of the Iowa Medicaid Enterprise.

- Increase of \$1.6 million due to Iowa Health and Wellness Plan administrative costs.
- Increase of \$1 million for the Autism Program.
- Increase of \$1.2 million due to increased contract costs.
- Increase of \$1.2 million to replace Pharmaceutical Settlement Account appropriation.
- Medical Contracts is funded at a total of \$17.3 million, an increase of \$5 million compared to FY 14.

State Supplementary Assistance (SSA) is a fully state-funded program that was designed to meet the additional special needs of aged, blind, and disabled people not met by the standard benefit rate paid by Supplemental Security Income.

- Reduction of \$2.4 million due to lower caseloads.
- SSA is funded at a total of \$14.1 million, a decrease of \$2.4 million compared to FY 14.

State Children's Health Insurance (S-CHIP/HAWK-I) provides health and dental insurance to children up to 300% of the Federal Poverty Level. State funds are matched three to one with federal funds.

- Increase of \$3.1 million due to loss of HAWK-I Trust Fund revenue.
- Increase of \$1.4 million due to loss of federal matching funds (FMAP).
- Increase of \$3.06 million due to maintaining and growth of caseloads.
- S-CHIP is funded at a total of \$45.9 million, an increase of \$9 million compared to FY 14.

Child Care Assistance (CCA) provides funding for child care for low-income parents working or in school. This includes Child Care Resource and Referral Agencies, child care regulation, and the Quality Rating System (QRS).

- Increase \$5.1 million to replace one-time funding.
- Reduction of \$10 million due to increase in TANF funding.
- Reduction of \$5.3 million due to a projected surplus.
- Reduction of \$2.9 million due to carry forward of federal funding.
- Reduction of \$2.2 million, this was recommended by the Governor.
- Reduction of \$2.2 million due to lower estimated expenditures for CCA.
- CCA is funded at a total of \$45.6 million, a decrease of \$17.1 compared to FY 14.

Toledo and Eldora Juvenile Homes provide a continuum of supervision and rehabilitation programs, which meet the needs of adjudicated delinquent youths in a manner consistent with public safety.

- Reduction of \$8.86 million due to the closure of the Toledo Juvenile Home.
- Increase of \$780,765 for maintenance of the Toledo Juvenile Home grounds.
- Increase of \$168,000 at Eldora Juvenile Home to meet sexual harassment and abuse standards.
- Increase of \$64,000 at Eldora Juvenile Home for operational costs.
- Juvenile Homes are funded at a total of \$12.3 million, a reduction of \$7.8 million compared to FY 14.

Juvenile CINA/Female Adjudicated Delinquent Placements – This funding is intended for the former juveniles living at the Toledo Juvenile Home.

- New appropriation of \$3.9 million for placement of CINA and juvenile delinquents.
- New appropriation of \$1.2 million for education of CINA and juvenile delinquents.
- Juvenile CINA/Female Adjudicated Delinquents is funded at a total of \$5.1 million.

Child & Family Services includes child safety; permanency; child well-being, which includes physical and mental health and education; offender rehabilitation; and community safety.

- Increase of \$4.16 million for Group Foster Care Rate Equalization of 80%.
- Reduction of \$416,000 due to Home Health Savings.
- New appropriation of \$160,000 for Tanager Place Circle of Care.
- Increase of \$433,000 due to loss of federal matching funds (FMAP).
- Child & Family Services is funded at a total of \$95.6 million, an increase of \$4.3 million compared to FY 14.

Adoption Subsidy provides stable and permanent families for children who have been abused or neglected, and whose parental rights have been terminated.

- Increase of \$1.25 million due to loss of federal matching funds (FMAP).
- Increase of \$595,500 due to caseload growth.
- Adoption Subsidy is funded at a total of \$42.6 million, an increase of \$1.85 million compared to FY 14.

Family Support Subsidy (FSS) provides financial assistance to parents of children with disabilities to enable them to continue living at home.

- Increase of \$49,000 to expand the Children at Home Program (one new provider).
- Decrease of \$62,500 due to reduction in payments due to children aging out of system.
- FSS is funded at a total of \$1.08 million, a decrease of \$13,500 compared to FY 14.

Mental Health Institutions (Clarinda, Cherokee, Independence, & Mt. Pleasant) provide psychiatric care for lowans needing mental health treatment including specialized mental health services. Treatment is provided for substance abuse, dual diagnosis treatment for substance abuse and mental illness, psychiatric medical institute for children, and long term psychiatric care for the elderly.

- Increase of a total of \$255,200 for increased operational costs for all MHI's.
- Increase of \$35,600 for loss of federal matching funds (FMAP) at Independence MHI.
- MHI's are funded at a total of \$24.7 million, an increase of \$290,850 compared to FY 14.

State Resource Centers (Glenwood & Woodward) provide treatment and outreach services to people with mental retardation and other developmental disabilities. The ultimate goal is to move everyone back to their community.

- Increase of a total of \$2.55 million due to loss of federal funding (FMAP) at both Resource Centers.
- State Resource Centers are funded at a total of \$36.55 million, an increase of \$1.9 million compared to FY 14.

Civil Commitment Unit for Sex Offenders at Cherokee (CCUSCO) provides a secure, long-term, and highly structured setting to treat sexually violent predators who have served their prison term.

- Increase of \$185,500 to annualize the cost of eight offenders during FY 14.
- Increase of \$312,400 for the addition of five offenders.
- CCUSCO is funded at a total of \$9.9 million, an increase of \$498,000 compared to FY 14.

General Administration provides general administration and finance operations for the entire department.

- Reduction of \$25,000 for one-time funding for the Prevention of Disabilities Conference.
- General Administration is funded at a total of \$16.3 million, a decrease of \$25,000 compared to FY 14.

Field Operations provides the services out in the field. This includes the front line staff at the local offices across Iowa.

- Field Operations is funded at a total of \$66.7 million, which is status quo compared to FY 14.

MH/DS Equalization provides a subsidy to counties so that their levy rate is equal to the state standard.

- Increase of \$735,300 due to increase per capita population.
- MH/DS Equalization is funded at a total of \$30.5 million, an increase of \$736,300 compared to FY 14.

POLICY CHANGES

- The funds appropriated within the bill and any other available funding cannot be used for payment of a personnel settlement agreement that contains a confidentiality provision intended to prevent public disclosure of the agreement or any terms of the agreement.

Department of Human Services

- Prohibits DHS from implementing the cost containment strategy regarding CDAC providers and who provides the services.
- Requires DHS to maximize federal CHIPRA funding to be used for the State Poison Control Center.
- Specifies that it is the intent of the Legislature that DHS make every possible effort to fill Field Operations vacancies positions authorized.
- For FY 14, the Autism Support Program may carry forward any available funding.
- For FY 14, the Foster Care Respite Pilot Program may carry forward any available funding.
- Inserts language from SF 2330 regarding funding methodology under Medicaid for Community Mental Health Centers.
- Specifies that it is the intent of the Legislature to provide sufficient funding for the CCA program for FY 2015 to avoid the establishment of a waiting list.
- Requires the DHS and the Department of Education Vocational Rehabilitation Division to jointly develop protocols and program models to integrate employment-related services for persons with disabilities through federal matching Vocational Rehabilitation funds.
- Requires DHS to continue and expand the study regarding the development of psychiatric and substance-related disorder treatment hospital bed tracking system.
- Requires DHS to conduct a study of community-based service options for persons with serious mental illnesses.
- Expands the definition of employment for MHDS regional core services to include activities leading to employment providing an appropriate match with and individual's abilities.
- The Medicaid offset amount calculated by counties may be reviewed by the State Auditor prior to certification.
- Requires DHS to report annually to the State Auditor regarding the costs of county office spaces, supplies, and equipment.
- Prohibits an Early Childhood Iowa Board from providing services to or for the Area Board unless a waiver is granted by the State Board. The State Board is to adopt criteria for granting waivers.
- Requires DHS to contract with a third-party contractor to establish an electronic asset, income, and identity eligibility verification system for individuals that apply for Medicaid on the basis of being aged, blind, or disabled.

- Requires DHS, IDPH, and DOC to work together to meet the medical and psychological needs of individuals being released from a DOC facility. DHS must submit a report on barriers and recommendations of the collaboration.
- Extends the MHDS equalization levy rate by one year till June 30, 2016.
- Lowers the nursing facility occupancy rate to 50.0% to allow families to supplement nursing facility residents for a private room.
- Requires rules for the County MH/DS claw back to include the amount expended for specific services and supports. The Medicaid offset amounts calculated for the counties are subject to review by the Auditor of State prior to certification. The offset amount is to be certified by and submitted to the Governor and General Assembly by December 1, annually. Requires the offset amount certified in FY 2014 to be based on actual expenditures for the second half of the fiscal year subtracted from the actual expenditures from the first half of the fiscal year.
- Requires the DHS to submit a report to the Governor and the LSA concerning the status of juvenile delinquent girls in out-of-home placements between the dates of December 1, 2013, and December 1, 2014. The report must include placement histories, reasons for placements, education services status, treatment of youth, and recommendations for the Legislature

Iowa Department of Public Health

- Requires UIHC College of Dentistry to submit a report regarding a residency program on geriatric dentistry.
- Requires IDPH to adopt administrative rules to include physical therapists as primary care professionals.
- Requires IDPH to maximize federal CHIPRA matching funds received from DHS to go to the State Poison Control Center.
- For FY 14, priority for Medical Residency grants is given to the development of new medical residency positions, psychiatric residency positions, and family practice residency positions.
- Implements a Collaborative Care Model between psychiatry and primary care practices that will improve mental health care in Iowa. The University of Iowa is required to submit a progress report on the collaborative model.

Department of Inspections and Appeals (DIA)

- Inserts language regarding the establishment of mental health advocates under the Department of Inspections and Appeals. This is very similar to language from SF 406 from last year, but the advocates will be employees of the University of Iowa. There is a fiscal impact of \$250,000, which is included in the base budget. This language takes effect July 1, 2015.

Iowa Insurance Division (IID)

- Requires the Commissioner of IID to develop a standard prior authorization form used by insurance carriers and pharmacy benefit managers for prescription drugs that require a prior authorization. The form must be developed by January 1, 2015. This is similar to language from HF 2376, which passed the House 99-0.