

# FISCAL UPDATE

February 2, 2004

## Legislative Services Agency

(515)-281-5279 FAX 281-8451

<http://staffweb.legis.state.ia.us/lfb>

### ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE MEETING

#### Subcommittee Meeting

The Administration and Regulation Appropriations Subcommittee met on January 27. The Fiscal Services Division of the Legislative Services Agency (LSA) presented an overview of the Governor's FY 2005 budget recommendations for the departments under the Subcommittee.

#### More Information

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:  
[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm).

STAFF CONTACT: Ron Robinson (Ext. 16256) Douglas Wulf (Ext. 13250)  
Sam Leto (Ext. 16764)

### AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE MEETING

#### Subcommittee Meeting



#### More Information

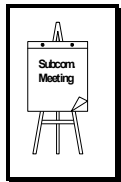
The Agriculture and Natural Resources Appropriations Subcommittee met on January 27. The Fiscal Services Division of the LSA presented an overview of the Governor's FY 2005 budget recommendations for the departments under the Subcommittee.

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:  
[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm).

STAFF CONTACT: Debra Kozel (Ext. 16767)

### EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING

#### Subcommittee Meeting



#### More Information

The Education Appropriations Subcommittee met on January 27. The Fiscal Services Division of the LSA presented an overview of the Governor's FY 2005 budget recommendations for the departments under the Subcommittee.

The Chairpersons, Representative Dolecheck and Senator Shull, explained that the Subcommittee will not meet again until budget targets are announced.

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:  
[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm)

STAFF CONTACT: Robin Madison (Ext. 15270) Mary Shipman (Ext. 14617)

#### **IN THIS ISSUE:**

Admin./Regs. Approps. Subcommittee, pg. 1  
Ag/Nat. Res. Approps. Subcommittee, pg. 1  
Education Approps. Subcommittee, pg. 1  
Health/HS Approps. Subcommittee, pg. 2

Justice System Approps. Subcommittee, pg. 2  
Trans., Infras./Capitals Approps. Subcom., pg. 3  
Gov't Oversight Committee, pg. 3  
FY 2004/2005 Medical Assistance Estimates, pg. 4

---

**HEALTH AND HUMAN SERVICES APPROPRIATIONS  
SUBCOMMITTEE MEETING**

**Subcommittee Meeting**



The Health and Human Services Appropriations Subcommittee met the week of January 26 and conducted the following business:

- On January 27, staff from the Department of Human Services (DHS) reviewed the existing Request for Proposals (RFPs) regarding the fiscal agent for the Medical Assistance (Medicaid) Program, as well as the contract for the Iowa Plan.
- On January 28, the Fiscal Services Division of the LSA reviewed programs and funding sources within the DHS.
- On January 29, the Fiscal Services Division of the LSA reviewed programs and funding sources for the Iowa Veterans Home and the Department of Elder Affairs.

**More Information**

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:

[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm)

Burk (Ext. 17942)

STAFF CONTACT: Sue Lerdal (Ext. 17794) Jennifer Vermeer (Ext. 14611) Lisa

---

**JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE**

**Subcommittee Meeting**

The Justice System Appropriations Subcommittee met on January 27 and 28.

**Fines and Penalties**

Personnel from the Department of Justice and the Department of Revenue presented information on the collection of delinquent fines, penalties, fees, court costs, surcharges, and restitution.

**Attorney General Update**

Eric Tabor, Deputy Attorney General, summarized the Department of Justice's enforcement of the Iowa Competition Law and consumer fraud laws. He also provided information on the Victim Assistance Grants Program, as well as on the Office of the Consumer Advocate.

**Fiscal Services Division**



The Fiscal Services Division of the LSA distributed spreadsheets that summarized:

- Changes to the General Fund for the Justice System for FY 2004.
- The Governor's General Fund recommendations for FY 2005.

**More Information**

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:

[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm)

STAFF CONTACT: Beth Lenstra (Ext. 16301) Jennifer Acton (Ext. 17846)

---

## TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS SUBCOMMITTEE MEETING

### Subcommittee Meeting



### More Information

The Transportation, Infrastructure, and Capitals Appropriations Subcommittee met on January 28. The Fiscal Services Division of the LSA presented an overview of a draft of the proposed FY 2005 Transportation Appropriations Bill.

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:  
[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm).

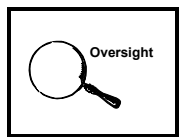
STAFF CONTACT: Mary Beth Mellick (Ext. 18223) David Reynolds (Ext. 16934)

## GOVERNMENT OVERSIGHT COMMITTEE MEETINGS

### Committee Meetings

The Government Oversight Committee met on January 27 and 28 and conducted the following business:

### January 27 Meeting



The Committee discussed contracting for information technology utilizing State master contracts, sole source contracts, and how local governments use these State contracts. The following information was presented:

- Department of Administrative Services – Director Mollie Anderson discussed the number of contracts the Department is responsible for and summarized the processes used to enter into contracts. The Department does not have an adequate tracking system for the number of contracts maintained. The Integrated Information for Iowa (I/3) System will have the ability to store contract data for all State departments.
- Local Government – Susan Judkins, Iowa League of Cities; and John Easter, Iowa State Association of Counties (ISAC); told the Committee that League and ISAC members purchase from the State using master contracts. The Committee requested additional information regarding local governments using master contracts.
- Information Technology Industry Representative - Miriam Ubben, representing 240 Iowa Information Technology businesses, expressed concerns about the process used for State contracts. The concerns are related to the renewal process of current contracts, and that Iowa businesses should be allowed to bid on the contracts prior to extension to ensure State funds remain in Iowa.

### January 28 Meeting

The Committee discussed HSB 533 and SSB 3005 (Submission of Lottery Authority Budget to the Legislature Bill). These companion Bills were voted out of the Government Oversight Committee.

### Future Meetings

Agenda topics for future meetings include:

- February 3 - Agricultural land values, property tax valuations, agricultural productivity formulas, and property tax credits.
- February 10 - Discussion with the Department of Human Services and interested parties regarding the recent Request for Proposals (RFPs) for the Medical Assistance (Medicaid) Program administrative services for FY 2005.

**More Information**

Copies of the agenda and handouts from the meeting are available at:  
[http://staffweb.legis.state.ia.us/lfb/legis\\_committees.htm](http://staffweb.legis.state.ia.us/lfb/legis_committees.htm).

FSD STAFF CONTACT: Sam Leto (Ext. 16764) Douglas Wulf (Ext. 13250)  
LSD STAFF CONTACT: Richard Nelson (Ext. 25822)

---

**MEDICAL ASSISTANCE PROGRAM ESTIMATES FOR FY 2004 AND FY 2005**

**Medicaid Estimates**



Staff members from the Department of Management, the Department of Human Services, and the Fiscal Services Division of the LSA met on January 23 to discuss estimated enrollment and expenditures in the Medical Assistance (Medicaid) Program for FY 2004 and FY 2005. The three staffs meet monthly to agree on an estimated range for Medicaid expenditures compared to the appropriation.

**FY 2004 Estimate**

The group agreed to an estimated range of a surplus of \$0.0 to \$15.0 million when compared to the FY 2004 estimated net appropriation. The need for a supplemental appropriation for Medicaid in FY 2004 does not appear likely at this time. The estimate takes into account the increased federal matching rate due to the federal fiscal relief package.

**FY 2005 Estimate**

The group also agreed on an estimated range for FY 2005. The estimated need for FY 2005 is an increase of \$53.9 million to \$82.0 million compared to the FY 2004 estimated net appropriation. The estimated net FY 2004 amount reflects a decrease of \$16.2 million from the original appropriation due to the \$15.2 million transfer from Medicaid to the Salary Adjustment Fund and the \$1.0 million Charter Agency reduction.

**Governor's Recommendation**



The Governor is recommending an increase of \$53.9 million from various State funds for Medicaid for FY 2005. This includes:

- An increase of \$57.9 million from the General Fund.
- A decrease of \$10.0 million from the Senior Living Trust Fund.
- An increase of \$6.0 million from the Hospital Trust Fund.

**More Information**

Additional information is available from the LSA upon request.

STAFF CONTACT: Jennifer Vermeer (Ext. 14611)

---

This document can be found on the LSA web site:  
<http://staffweb.legis.state.ia.us/lfb/fupdate/fupdate.htm>