

Legislative Update

Volume 1, Issue 3

January 21, 2005

■-□-■ WEEK IN REVIEW ■-□-■

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Visit the Iowa
Department of Elder
Affairs online at
www.state.ia.us/elderaffairs

**“Sure I’m for
helping the elderly.
I’m going to be one
myself some day.”**

**- Lillian Carter
(in her 80’s)**

Discussions in the human resources committee this week were regarding the Medicaid Preferred Drug List (PDL), which are the drugs that are given preferred status in return for rebates paid by the prescription drug manufacturers to the state. DHS is in the process of implementing the PDL, which is expected to save the state at least \$7 million annually. DHS has established the following toll free numbers: Providers (1-877-776-1567) or Iowans on Medicaid (1-877-776-1568).

The leadership of the Medicaid sub-committee will be meeting in the near future and additional information will be provided as it becomes available. In this week’s discussion of the Medicaid program, Representative Heaton asked that DEA, DPH, DIA, and DHS prepare to address questions related to each department’s actions to assist in containing the Medicaid budget. *(Our program feature this week, discusses a variety of efforts by the Department of Elder Affairs to serve low and moderate income seniors, we will feature the Case Management Program for Frail Seniors next week).* Senator Bolkcom discussed a structural deficit in the states budget and raised the concern that without needed action on the part of the general assembly, the state would be facing many of the same issues in FY 07 that will be obstacles in FY 06.

Governor Vilsack has proposed a 2005 supplemental spending bill ([SSB 1037](#)) to the state general fund that would increase the general fund appropriation to Medicaid by \$160 million. He would de-appropriate \$40 million in Senior Living Trust funds, returning that money to the fund for a net gain to Medicaid of \$120 million. The bill also strikes the reversion language that has been in place, which calls for any unexpended Medicaid funds to revert to the Senior Living Trust Fund at the close of the fiscal year. Instead, any unencumbered funds would remain available for expenditure in the Medicaid program in FY 2006. This proposal begins to repay the Senior Living Trust with \$40 million in order to provide a more secure future for Iowa’s seniors.

On Thursday, the department reviewed its FY 2005 budget with members of the Health and Human Services Appropriations Sub-Committee. Concerns were raised related to the backfilling of state general fund appropriations with senior living trust dollars, funding the Resident Advocate Committees (RAC), and the original intent of the Senior Living Trust. Also discussed were changes by the Department of Labor which have eliminated the states ability to pass along match requirements for the departments Senior Internship Program (SIP). The department was asked to again meet with the Health and Human Services Appropriations Sub-Committee on February 1st at 9:30 a.m. with the Veterans Commission and the Department of Inspections and Appeals.

The Legislative Long Term Care Committee will meet at 8:00 a.m. on Monday, January 24th, in room 116 of the Capitol. If the meeting is not over by 10:00 a.m., the meeting will convene to an alternate conference room. The National Governors Association work group will meet from 10:00 a.m. to 1:00 p.m. in room 116 on Monday, January 24th. The agenda and committee handouts can be accessed on the Iowa General Assembly website or by [clicking here](#) for a direct link.

Also note: In the Department's ongoing effort to study the issues surrounding the rebalancing of Iowa's long-term care system, we have created the following documents. Click on the links below to access PDF documents outlining current provider rates and historical data for the Title XIX Home and Community Based Service (HCBS) Elderly Waiver.

- ❖ [Elderly Waiver HCBS Provider Rate History](#)
- ❖ [Nursing Facility and Elderly Waiver HCBS Provider Rate History \(1999-2000\)](#)
- ❖ [Nursing Facility and Elderly Waiver HCBS Provider Rate History \(2001-2004\)](#)

Regards,
Joel Wulf
DEA Legislative Liaison

■-□-■ ELDER AFFAIRS FEATURE PROGRAM ■-□-■

Budget Information**July 1, 2003 – June 30, 2004**

The Department of Elder Affairs (DEA) serves over 544,000 Iowans over the age of 60. DEA, through the Area Agencies on Aging and the Iowa Aging Network provided services to over 61,225 older Iowans needing at least one home and community based service under the federal *Older Americans Act (OAA) and associated state funded programs, for which client registration is needed*. Services include case management, assisted transportation to doctors and pharmacies, home delivered and congregate meals, chore, personal home health care and homemaker, respite, and adult day services, as well as dozens of other services that don't require client registration, service many thousands of additional older Iowans. *The average annual cost, based upon the registered clients was less than \$500 per client.*

Over 14,000 low and moderate income older Iowans were also provided services under the Senior Living Program. This funding source is only available to older Iowans meeting specific income restrictions. As with OAA funding, many but not all the services provided under this program assist older Iowans in remaining living independently (with support) and delay or avoid costly nursing home care. *The average annual cost per client under this program was less than \$590.*

Our Network also provided access to the Iowa Department of Human Services Medicaid (Title XIX) Elderly Waiver for over 6,200 Older Iowans. Low income older Iowans, whose needs would actually qualify them for nursing home care, gain access to the Elderly Waiver through the Case Management Program for the Frail Elderly (CMPFE). CMPFE allows older Iowans to remain in their own homes or apartments.

See page 8 of this update for a chart of projected FY 2005 funding resources.

Visit the Iowa Family Caregiver website. Go to www.iowafamilycaregiver.org, or call 1-866-4-NURTURE (1-866-468-7887)

■-□-■ IN THE LEGISLATURE ■-□-■

The following is a listing of the bills the department is monitoring. If you would like more information on a particular bill, click on its number and you will be directed to the Iowa General Assembly online bill book.

For more information, the Iowa Legislature General Assembly homepage is www.legis.state.ia.us

House Files

[HF 2](#) An Act relating to the phase out of state income tax on pension income and providing a retroactive applicability date. (Ways & Means) Committee Members: Boal (C), Huser, Shoultz, Soderberg and Struyk.

[HF 12](#) A bill for an act relating to the reimbursement for services provided under a medical assistance home and community-based services waiver for the elderly. (Human Resources)

[HF 20](#) A bill for an act relating to the amount of personal needs allowance for residents of nursing facilities under the medical assistance program. (Human Resources)

[HF 22](#) A bill for an act relating to establishing standardized requirements for long-term care insurance policies. (Commerce)

[HF 24](#) A bill for an act relating to a phase-out of the state income taxation of social security benefits and providing a retroactive applicability date. (Ways & Means) Committee members: Boal (C), Huser, Shoultz, Soderberg, Struyk

[HF 26](#) A bill for an act phasing out the state income tax on social security benefits and on pension and retirement income and providing a retroactive applicability date. (Ways & Means) Committee members: Boal (C), Huser, Shoultz, Soderberg, Struyk

[HF 39](#) A bill for an act relating to enhancing the criminal penalty for offenses against a person sixty-five years of age or older. (Public Safety) Committee members: Rayhons (C), R. Olson, Van Engelenhoven



House Files *continued*

[HF 46](#) A bill for an act increasing the personal needs allowance for residents of nursing facilities under the medical assistance program. (Human Resources)

[HF 59](#) An Act providing for the determination of partisan balance on boards and commissions and including an applicability provision. (State Government) Committee members: Roberts (C), Jochum, Raecker

[HF 64](#) An Act relating to mandated coverage for mental health conditions, including substance abuse treatment services. (Human Resources)

[HF 69](#) An Act relating to the calculation of the amount of social security benefits received that are subject to individual income tax and including a retroactive applicability date provision. (Ways & Means)

[HF 87](#) A bill for an act relating to veterans, concerning employment preference and other related benefits. (State Government) Committee members: Jones, Greiner, Paulsen, Quirk and Whitead.

Senate Files

[SF 3](#) An Act relating to payment of health care coverage costs for state employees for biologically based mental illness treatment services. (Commerce) Bolkcom and Iverson (C); McCoy and Wieck

[SF 5](#) An Act to require state agencies to accept public comments on proposed rulemaking in an electronic format. (State Government) Committee members: Connolly and Ward (C); Black and Kettering.

[SF 15](#) A bill for an act relating to the amount of personal needs allowance for residents of nursing facilities under the medical assistance program. (Human Resources)

[SF 16](#) A bill for an act relating to the reimbursement for services provided under a medical assistance home and community based services waiver for the elderly. (Human Resources)

Senate Files *continued*

[SF 19](#) A bill for an act relating to establishing standardized requirements for long-term care insurance policies. (Commerce) Committee members: Bolkcom and Wieck (C); Courtney and McKinley.

[SF 29](#) A bill for an act relating to the senior living trust fund, providing for appropriation of the moneys in the fund, and providing for a repeal. (Appropriations) Committee members: Angelo and Dvorsky (C)

[SF 30](#) An Act allocating funding appropriated to assist individuals assigned to active duty military service and providing effective and applicability date provisions. (Appropriations) Committee members: Miller and Warnstadt (C); Lamberti and Ragan

[SF 34](#) An Act providing an appropriation for the older Iowans legislature. (Appropriations) Committee members: Angelo and Dvorsky (C)

Study Bills

[SSB 1004](#) An Act relating to certain penalties for filing false affidavits under the state inheritance tax and increasing the amount of property that may be transferred to minors under certain conditions and including a retroactive applicability date provision. (Judiciary) Committee members: Kreiman & Mckibben (C), Boettger, Hancock

[SSB 1037](#) An Act relating to appropriation matters by making, increasing, and reducing appropriations for the fiscal year beginning July 1, 2004, and providing effective and applicability date provisions.

[SSB 1041](#) An Act relating to the provision under a group health insurance policy or health maintenance organization contract for compensation of podiatrists. (Human Resources) Dotzler and Seymour (C); Gaskill, Wood

[SSB 1042](#) An Act relating to the membership of the council with which the director of human services consults regarding the medical assistance program. (Human Resources) Boettger & Bolkcom (C); Gaskill, Quirnbach

Study Bills *continued*

[SSB 1044](#) An Act relating to third party payment of health care coverage costs for biologically based mental illness treatment services. (Human Resources) Ragan & Seymour (C); Dotzler, Tinsman

[SSB 1045](#) An Act concerning third party payment of health care coverage costs for mental health conditions, and including substance abuse treatment services. (Human Resources) Behn & Ragan (C); Dotzler, Seymour

[HSB 10](#) An Act relating to certain penalties for filing false affidavits under the state inheritance tax and increasing the amount of property that may be transferred to minors under certain conditions and including a retroactive applicability date provision. (Judiciary)

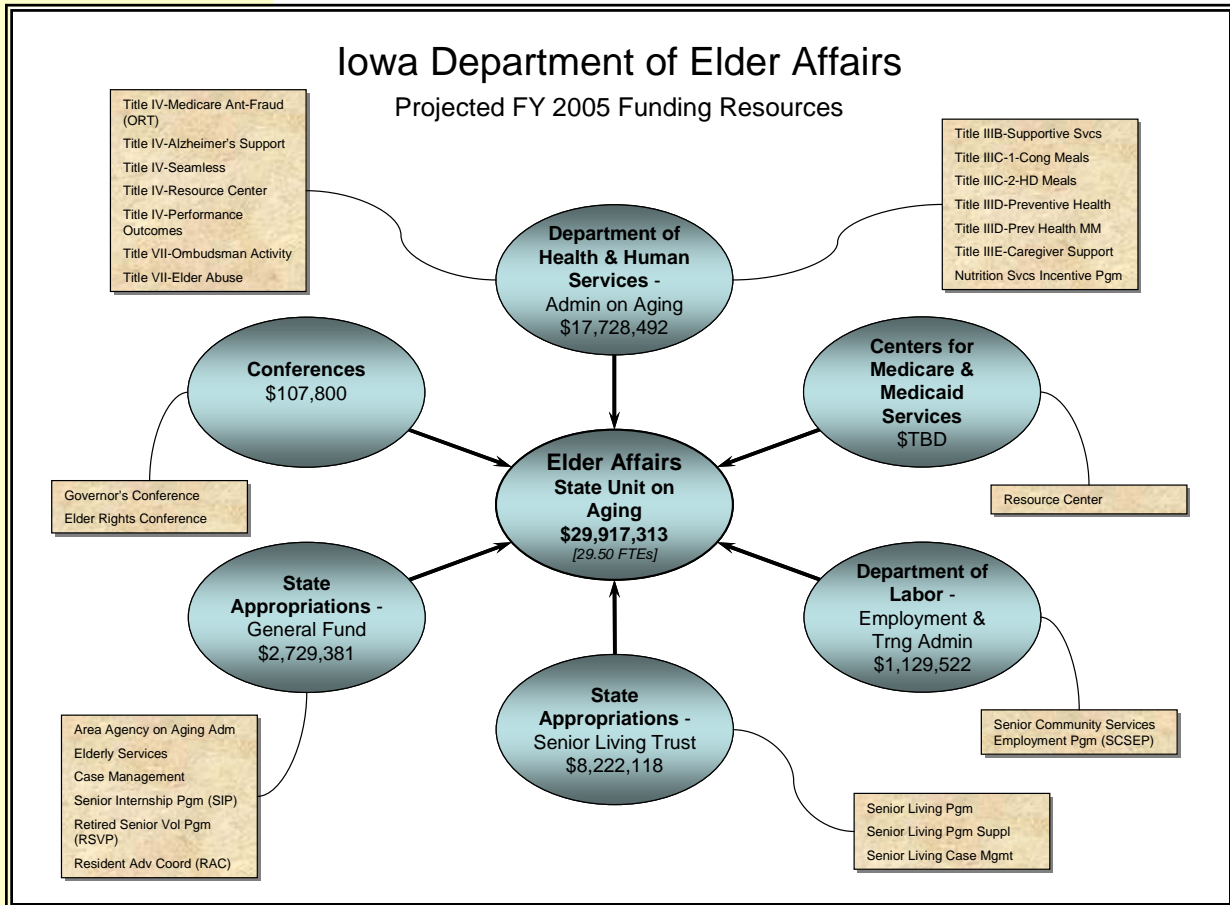
[HSB 22](#) An Act relating to the compensation of podiatrists under group health insurance policies or health maintenance organization contracts. (Human Resources)

Pre-Filed Bills

Housing Assistance & Improvement Funds
Iowa Finance Authority

Health Care Facility violations & penalties
Department of Inspections and Appeals





■-□-■ **DISCLAIMER** ■-□-■

This legislative update is provided in the spirit of information and education. The opinions expressed by the contributors do not necessarily reflect those of the department or its programs. The department shall not be liable for any damages that may result from errors or omissions in information distributed in this update.

The Legislative Update is distributed electronically during the legislative session by the Iowa Department of Elder Affairs for informational purposes only. Recipients of this update are encouraged to share it with others.

The current issue can also be found on the department's webpage, www.state.ia.us/elderaffairs/, under the "What's New at DEA" heading. Past issues are archived in the "Publications/Information" section.

If you are interested in receiving or discontinuing the legislative updates, contact Erin Haafke by email at erin.haafke@iowa.gov.

Our Mission:

To provide advocacy, educational, and prevention services to older Iowans so they can find Iowa a healthy, safe, productive, and enjoyable place to live and work.