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### Icy Return for Iowa's Legislators

Legislators were treated to a "welcome back to Des Moines" snow storm on Monday, complete with white-out conditions that kept many from attending opening night receptions. While the weather outside was icy, the reception inside the Capitol was warm and welcoming. The children and families of legislators made the trip on opening day to watch the swearing in ceremonies and listen to opening speeches.

There will be no shortage of challenges for our 150 state legislators - balancing the budget, helping with flood recovery, giving communities the tools to rebuild, cleaning up Iowa's rivers and lakes, continuing to grow the economy, addressing Iowa's growing unemployment, expanding Iowa's renewable energy industry, encouraging energy efficiency, and continuing to make progress on health care. Most legislators say they will be happy if they can balance the budget and help communities hit by floods and tornadoes. But Speaker of the Iowa House Pat Murphy probably summed it up the best, "I will make only one promise this year - to not make promises."

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### On & Off the Table

Last year, legislators passed a ban on smoking in most public places, but continued to allow it in casinos. Many bar owners said they couldn't compete with the

casinos, and have been pushing for the state to allow smoking in bars, or end it in casinos. Legislative leaders said this week they will not be bringing this issue up for discussion this year. As House Majority Leader Kevin McCarthy said, "let sleeping dogs lie."

However, legislative leaders left the door open this week for a few other controversial issues. Sen. Gronstal said increasing the state's gas tax in order to repair roads and bridges is "still an open issue for us." Other legislators say they will keep an open mind when listening to the Governor's proposal to sell the Iowa Lottery proceeds for a quick \$200 million, but would only consider it if it is a good deal for Iowans.

Legislators will also get a chance to debate the merits of a few traffic safety issues, such as requiring all new school buses to have seat belts, banning teen texting while driving, and a complete ban on cell phone use while driving. Legislators have until February 20 to request new bills - so look for many more ideas to surface in the coming weeks.

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### Governor Culver Announces Two Major Recovery Initiatives

Governor Culver decided to delay the announcement of his fiscal year 2010 budget until later in the month, hoping to get a better handle on what will be included in the Federal government's plans to help states. Instead, the focus of his annual "Condition of the State" address was one of recovery - economic recovery and flood recovery.

Governor Culver unveiled two major initiatives to help Iowa get back on its economic feet:

- **\$43 million short-term disaster recovery program.** The Governor is recommending using \$43 million of Iowa's emergency reserves to pay for flood recovery, leaving \$577 million in our "rainy day fund." These funds would be used to:
  - Pay for property tax replacements in communities that lost tax base (\$20 million);

- Provide more “jump start” program assistance to bridge the gap in what federal flood assistance will and will not cover (\$10 million);
  - Give forgivable loans to nonprofit and cultural groups affected by floods (\$5 million);
  - Meet additional unmet human services and social services needs (\$5 million);
  - Maintain the Rebuild Iowa Office, which is a clearinghouse of information and assistance for flood-affected families, businesses, and communities (\$5 million);
  - Fund additional worker training to get people ready to rebuild (\$1 million);
- **\$700 million long-term public works project.**  
The Governor is proposing to borrow \$700 million to pay for public infrastructure improvements (housing, trails, highways, roads, bridges, mass transit, railways, airports, water quality, wastewater treatment improvements, energy infrastructure, flood control improvements, disaster relief infrastructure, and public buildings). Iowa recently become one of only 10 states with a “triple A” bond rating, the best you can get. That means Iowa has a good credit score, and can get a good interest rate on money it borrows. The Governor’s proposal would borrow the money and repay it over 20 years using gambling dollars. The repayment cost would be around \$56 million each year.

The Governor’s proposals received rounds of applause from Democrats, who called his plan “bold.” Republican leaders gave the Governor a mixed review, with new House Minority Leader Kraig Paulsen of Hiawatha saying, “Borrowing money after you’ve already spent too much is the exact cause of the national financial meltdown. Borrowing just because you can is not the way Iowans manage their budgets, and neither should we.”

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## **Budget, Budget, Who’s Got the Budget?**

The Governor has until February 1 to present his budget for the next fiscal year - fiscal year 2010 - which begins July 1. Everyone is anxious to see how the Governor will reallocate limited resources and fill the nearly \$800 million budget gap that appeared after the

latest revenue estimates were made. But it may be one of those “what you don’t know, won’t hurt you” moments. Des Moines Register political columnist David Yepsen suggested legislators “take a snow day” since they really won’t be able to do much with the Governor’s budget recommendation until the March revenue estimates are in, and we know just how much money the state will have to spend.

On another budget note, legislators have decided to spend only two mornings a week in budget subcommittees. Typically, the seven budget subcommittees meet three mornings a week to discuss their part of the state budget. Since there isn’t any money, legislators decided they can do that work in only two days. Maybe this way, they can say “no” less often.

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## **Medicaid Cut Planned, But Delayed**

When the Governor announced the need to make a 1.5% across-the-board cut to all government agencies, services, and programs, human services advocates prepared for the worst. The cut meant \$10 million from Medicaid, which provides health care and support services for children, low-income Iowans, and persons with disabilities. And to make matters worse, since each state dollar is matched by three dollars in federal funds, the \$10 million cut really translated into a \$30 million cut.

State officials said this week they will delay making the proposed cuts to Medicaid, hoping to hear some positive news from Congress. Congress is currently considering some type of assistance to states, including an enhanced match rate that could help ease some of the pressures on Medicaid.

Legislators serving on the Joint Appropriations Subcommittee on Health & Human Services said this week they would be looking for other places to cut in the state budget, so they could avoid any Medicaid cuts. The new chair of the subcommittee, Rep. Lisa Heddens of Ames agreed with the decision to delay cuts, “I think it’s appropriate because there are a number of people out there with a lot of needs.”

If you had any doubt about the effect of the economy on the state’s Medicaid budget, new figures show that there were 16,700 more Iowans receiving Medicaid benefits in December than there were in July.

However, the Department of Human Services (DHS) is realistic, and knows it has to have a plan in place in the event Congress doesn't come through with the needed assistance, and lawmakers are unable to make enough cuts elsewhere to avoid Medicaid cuts. So this week, they came out with their plan to eliminate \$10 million from their Medicaid budget.

In order to reduce Medicaid dollars by \$10 million, DHS will reduce all Medicaid provider payments to 96% of their otherwise reimbursable amount, beginning March 1, 2009. They do not plan to revise their current reimbursement schedules, just reduce payments by 4%. It is important to note that county mental health/disability services (MH/DS) payments will also be reduced by 4%, so county-funded service providers will take a cut as well.

DHS announced the rest of their cuts last month; details were reported in the last issue of infoNET. You can find more information on all of the proposed cuts in human services online at: [www.infonetiowa.com/current\\_issue/issues\\_and\\_policy\\_briefs.php](http://www.infonetiowa.com/current_issue/issues_and_policy_briefs.php).

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## Panel Passes Parity

Four years ago, Iowa joined more than 40 states in adopting a mental health parity law. However, the law covered only "biologically-based mental illnesses" and excluded substance abuse treatment. Mental health advocates have worked each year since to expand the law, but were unsuccessful.

So no wonder they were surprised when lawmakers came out of the blocks quickly this year, introducing three bills to expand Iowa's mental health parity law to include all state-regulated plans, all mental illnesses, and substance abuse, and passing one ([HSB 6](#)) out of subcommittee on Thursday. The House Human Resources Committee plans to debate the bill next week.

Iowa's insurance industry opposes the bill, saying it would cause insurance rates to increase between 5-10%. Rep. Beth Wessel-Kroeschell of Ames chaired the subcommittee and pressed the insurance industry for answers, saying Iowans paid for the cost of untreated mental illness one way or another. "We have whole sections of prisons devoted to mental illness," said Rep. Wessel-Kroeschell, a parity supporter.

A number of organizations showed up in support of the bill, including many health care providers, mental health and substance abuse providers, county advocates, mental health and disability advocates, community service organizations, older Iowan advocates, and members of the faith community. They presented information from other states that had passed full parity, showing passage caused a much smaller insurance rate increase of 0-2%

"When parity passed for federal employees, insurance rates increased by only .9%. An independent review showed six states had very small increases, ranging from 0-2%. And since most of the costs of parity are in the treatment of biologically based mental illnesses, Iowa should expect a much smaller impact on rates, probably less than 1%," said the lobbyist for the Iowa Psychological Association.

Rep. Bruce Hunter of Des Moines voted for the bill, and asked that opponents provide hard facts to back up the information they had presented. Rep. Renee Schulte of Cedar Rapids was the newcomer on the subcommittee, having just been elected. She did not vote for the bill, asking for more time to review the data presented by both sides.

Rep. Mary Mascher of Iowa City and Rep. Mark Smith of Marshalltown (and chair of the House Human Resources Committee) both attended the subcommittee meeting to show their support for the bill.

The three mental health parity bills are [HSB 6](#), [SSB 1002](#), and [SF 16](#) (which is sponsored by Sen. Pam Jochum).

**What Can You Do?** If you support these bills, here are some ideas on things you might do:

1. **Write or email the legislators that have shown their support so far.** Legislators hear from lots of people who are not happy with the things they have done - but not very often from people that are pleased.

Rep. Beth Wessel-Kroeschell  
([beth.wessel.kroeschell@legis.state.ia.us](mailto:beth.wessel.kroeschell@legis.state.ia.us))

Rep. Bruce Hunter ([bruce.hunter@legis.state.ia.us](mailto:bruce.hunter@legis.state.ia.us))

Rep. Mary Mascher  
([mary.mascher@legis.state.ia.us](mailto:mary.mascher@legis.state.ia.us))

Rep. Mark Smith ([mark.smith@legis.state.ia.us](mailto:mark.smith@legis.state.ia.us))

Sen. Pam Jochum  
([pam.jochum@legis.state.ia.us](mailto:pam.jochum@legis.state.ia.us))

Rep. Renee Schulte  
([renee.schulte@legis.state.ia.us](mailto:renee.schulte@legis.state.ia.us)) - remember, she hasn't decided yet

2. **Write or email your legislators and let them know what you think.** Ask them to support the bill if you like it - and then tell them why it is important to you.

3. **Write or email the members of the House Human Resources Committee.** They will be making a decision next week, so don't wait. Monday is a holiday, but legislators return to the Capitol on Tuesday.

Mark Smith, Chair (Marshalltown)  
Deborah Berry, Vice Chair (Waterloo)  
Linda Miller, Ranking Member (Bettendorf)  
Ako Abdul-Samad (Des Moines)  
Dwayne Alons (Hull)  
Clel Baudler (Greenfield)  
Greg Forristall (Macedonia)  
David Heaton (Mt. Pleasant)  
Lisa Heddens (Ames)  
Bruce Hunter (Des Moines)  
Kevin Koester (Ankeny)  
Mary Mascher (Iowa City)  
Tyler Olson (Cedar Rapids)  
Janet Petersen (Des Moines)  
Renee Schulte (Cedar Rapids)  
Chuck Soderberg (LeMars)  
Sharon Steckman (Mason City)  
Phyllis Thede (Davenport)  
Linda Upmeyer (Garner)  
Roger Wendt (Sioux City)  
Beth Wessel-Kroeschell (Ames)

## Autism Mandates Bills First Introduced

Mental health parity may be the first mandate bill to move out of subcommittee, but it wasn't the first introduced this year. In fact, the first two bills introduced this year ([Senate File 1](#) and [House File 1](#)) require insurance plans to cover the costs of treating and diagnosing autism spectrum disorders. The bills, introduced by Senator Daryll Beall of Fort Dodge and Rep. Ray Zirkelbach of Monticello, require at least \$36,000 in annual coverage and do not allow limits on the number of provider visits.

**What Can You Do?** If you support these bills, here are some ideas on things you might do:

1. **Write or email the legislators that are on the subcommittees that will discuss these bills.**

Rep. Beth Wessel-Kroeschell, Chair  
([beth.wessel.kroeschell@legis.state.ia.us](mailto:beth.wessel.kroeschell@legis.state.ia.us))

Rep. Bruce Hunter ([bruce.hunter@legis.state.ia.us](mailto:bruce.hunter@legis.state.ia.us))

Rep. Greg Forristall ([greg.forristall@legis.state.ia.us](mailto:greg.forristall@legis.state.ia.us))

Sen. Tom Rielly ([tom.rielly@legis.state.ia.us](mailto:tom.rielly@legis.state.ia.us))

Sen. Bill Heckroth ([bill.heckroth@legis.state.ia.us](mailto:bill.heckroth@legis.state.ia.us))

Sen. David Hartsuch  
([david.hartsuch@legis.state.ia.us](mailto:david.hartsuch@legis.state.ia.us))

2. **Write or email your legislators and let them know what you think.** Ask them to support the bill if you like it - and then tell them why it is important to you.

## Contacting Your Legislators

### To Find Your Legislator:

[www.legis.state.ia.us/FindLeg/](http://www.legis.state.ia.us/FindLeg/)

### Senators:

515/281-3371

[www.legis.state.ia.us/asp/Legislators/SenateEmail.aspx](http://www.legis.state.ia.us/asp/Legislators/SenateEmail.aspx)  
(emails)

### Representatives:

515/281-3551

[www.legis.state.ia.us/asp/Legislators/HouseEmail.aspx](http://www.legis.state.ia.us/asp/Legislators/HouseEmail.aspx)  
(emails)

### To Write Your Legislators:

Senator \_\_\_\_\_ (or Representative \_\_\_\_\_)  
State Capitol  
Des Moines, Iowa 50319

## More Capitol News

State Representative Royd Chambers of Sheldon will be the third Iowa lawmaker in recent history to miss a legislative session after being deployed overseas to serve in the National Guard. Rep. Chambers will miss

the entire legislative session while serving in Kyrgyzstan.

Rep. Ray Zirkelbach missed two legislative sessions while serving in Iraq. Before that, former Senator Chuck Larson missed a legislative session while serving in Iraq.

Iowa Department of Education Director Judy Jeffrey was recently appointed to the Council of Chief State School Officers' board of directors and Presidential transition team. The group will be developing recommendations for the next U.S. Secretary of Education on the re-authorizations of the No Child Left Behind Act and the Individuals with Disabilities Education Improvement Act.

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## Bill Tracker

**SF 1 & HF 1 - Autism Insurance Coverage** (Status: Senate Commerce Committee/House Human Resources Committee) - Makes the treatment and diagnosis of autism spectrum disorder a required covered service in health insurance plans offered by public employers (government & schools) and large employers (more than 50 employees). Small business and individual plans are exempt, and would not be required to pay for these services. Coverage can be no less than \$36,000 per year and cannot limit the number of visits to a provider. The minimum coverage levels are adjusted annually beginning 2013 to reflect cost of living increases. Requires the Insurance Commissioner to adopt rules for the certification of behavior specialists who design, implement or evaluate behavior modification intervention components of autism spectrum disorder treatment plans. *Sponsored by Sen. Beall & Rep. Zirkelbach ; Senate Subcommittee: Rielly (Chair), Heckroth & Hartsuch; House Subcommittee: Rep. Wessel-Kroeschell (Chair), Hunter & Forristall*

**SSB 1037 - Educational Grant for Children of Veterans with Service-Connected Disabilities** (Status: Senate Veterans Affairs Committee) - Establishes a grant program to give college grants to dependent children of veterans with a verified service-connected disability (if money is appropriated for it). Grants can be used to attend a community college, private college, or state university. The student must be an Iowa resident and US citizen, be between 16-22 years old, and have exhausted all other educational assistance available. Grants are limited to 8 full-time semesters of undergraduate study (but the student does not have to be going to school full-time to qualify).

**SSB 1043 & HSB 21 - Iowa Workforce Development Board Expansion** (Status: Senate Economic Growth Committee) - Adds four non-voting members to the Iowa Workforce Development Board – including a representative from the vocational rehabilitation community (appointed by the State Rehabilitation Council of the Division of Vocational Rehabilitation).

**HSB 6, SSB 1002 & SF 16 - Mental Health & Substance Abuse Parity** (Status: House Human Resources Committee) - Requires all health insurance plans include equal coverage for mental health and substance abuse treatment. Includes all conditions listed in the most recent edition of the Diagnostic & Statistical Manual for Mental Disorders. The only plans exempt from this requirement are businesses that are self-insured (ERISA plans) - only federal law impacts them. Effective 1/1/2010.

**SSB 1037 - Private Cause of Action** (Status: Senate Judiciary Committee) - Iowa is the only state in the nation without a law that allows a person to sue a company for consumer fraud. Only the Iowa Attorney General (AG) can file an action under Iowa's Consumer Fraud Act. The AG's Office receives more than 6,000 complaints each year, and cannot prosecute all of them. Passing this bill would mean Iowans who are victims of consumer fraud, often vulnerable individuals, could take court action. Under the law, the consumer could sue for actual damages, may ask for court protection from future violations, and can ask for reasonable court costs and attorney fees. The law does not apply to insurance companies, attorneys, health and mental health providers, banks and credit unions, public utilities, hospitals, health care facilities, and hospice programs, public accountants, engineers, architects, and landscape architects.

**SSB 1019 - Prosthetic Device Insurance Coverage** (Status: Senate Commerce Committee) - Requires all health insurance plans to cover the costs of prosthetic devices prescribed by a doctor. In order for the device to be covered by the insurance, it must be "medically necessary" as defined by federal law for health insurance for Americans with disabilities.

*infoNET* is a free publication of Iowa's Developmental Disabilities (DD) Council and ID Action, and is written and produced by Amy Campbell & Craig Patterson of Campbell/Patterson Consulting LLP.

If you would like to change your address, receive *infoNET* by e-mail, have a friend receive it, or leave us a comment/suggestion, contact us at:

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866/432-2846  
[info@idaction.org](mailto:info@idaction.org)  
[www.idaction.org](http://www.idaction.org)

Visit the ***infoNET*** website for additional information, advocacy tips, and daily updates:  
[www.infonetiowa.org](http://www.infonetiowa.org)

**You can contact your legislators at the Capitol:**

515/281-3371 (Senators)  
515/281-3221 (Representatives)

Senator \_\_\_\_\_ (Representative \_\_\_\_\_)  
State Capitol  
Des Moines, Iowa 50319

**Remember!** The names of your Senator & Representative are on your mailing label (unless you have given us a PO Box as an address). If you have a PO Box, but want the names of your legislators listed on your mailing label, please call or email us with your *street address*.

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Your Senator is: [Senator]