

Legislative Update, March 14, 2011

Health & Human Services Appropriations Bill Leaves Provider Tax at 3%

With first funnel now in the rearview mirror, the legislature's attention shifts to work on the all-important appropriations bills.

Of particular interest to IAHSA members is the annual Health and Human Services Appropriations bill, which contains the recommendation for nursing facility Medicaid reimbursement. During the 2009 session IAHSA supported, and Iowa adopted, implementation of a 3% nursing facility provider tax to help draw down matching federal dollars into the reimbursement system.



Iowa General Assembly Senate Majority Leader Michael Gronstal, IAHSA President & CEO Dana Petrowsky and Lobbyist John Pederson discuss Medicaid reimbursement and other issues.

The HHS Appropriations bill introduced last week and voted out of subcommittee appears to be good news for IAHSA members. The bill does not raise the provider tax beyond the current 3%, and contains \$11.6 million to fund rebasing. DHS estimates the full cost of rebasing to be about \$13.6 million, leaving the state about \$2 million short. Considering some states are proposing to cut Medicaid reimbursement, this is as good an outcome as one could expect.

Funding Medicaid will continue to be a fiscal challenge for Iowa in the coming years, as the Federal Medical Assistance Percentage (FMAP) declines from 69.81% in SFY 2011 to 60% in 2013.

The HHS appropriations bill is expected to be voted out of committee this week. IAHSA will continue to follow the bill. As it is an appropriations bill, the Governor can line-item veto any part of it.

Assisted Living Program Consumer Protection

IAHSA bills addressing the decertification of assisted living programs, SF 465 and its companion bill HF 537 both cleared funnel week. However, Rep. Charles Isenhart (D-Dubuque) attached an amendment altering the all-important “sole provider of services” language. This language was crafted by the long term care collaborative (of which IAHSA is a member) to prevent Assisted Living Concepts-type decertification, where the housing provider continues providing the same health and personal services as it did when certified as an assisted living program.

IAHSA’s main concern is protecting our members who offer independent living with independent activities of daily living type services (homemakers’ services, transportation, etc.) from being considered assisted living.

The long term care collaborative proposes to remove all language from the bills that define what services a decertified program can continue to offer, leaving only the tenant consumer protection provisions. If the bill(s) are passed, they would significantly strengthen tenant’s consumer rights, and still allow independent living with services arrangements.

First Funnel Passes

The Legislature’s first funnel was March 4. To remain “alive” bills must be voted out of committee, and then are renamed. Study bills become House files or Senate files. Following is a list of bills IAHSA is monitoring and their status after funnel:

1 HSB	Expense Reduction	Undecided	Now HF 45
1018 SSB	Prescription drug monitoring	Undecided	Now SF 286
1029 SSB	Charitable Registry	Opposed	Dead
103 SF	Pharmacy CMP increase	Undecided	Now SF 241
1060 SSB	Health IT exchange	Undecided	Now SF 404
1071 SSB	IDPH-Aging well programs	Undecided	Now HF 467
1077 SSB	MR/MI/DD restructuring	Undecided	Now SF 481
110 HF	Rep. Eisenhart's ALP bill	Against	Dead
1103 SSB	IALP consumer protection	For	Now SF 465
111 HF	Choice in health insurance	Undecided	
116 SF	Employer wage deduction	Undecided	Now SF 311
117 HF	Health Care Infrastructure	Opposed	Now SF 480
1184 SSB	LTC Ombudsman	Undecided	Now SF 495
119 SF	HCBS trust fund	Undecided	Dead
126 SF	HCBS reimbursement	For	Now SF 234
127 SF	Case mngt frail elderly	For	Dead
130 HF	Minimum wage increase	Undecided	Dead
139 SF	Taxpayer information web	Undecided	Companion HF 94
2 HF	Choice in health insurance	Undecided	Now HF 111
234 SF	HCBS reimbursement	For	
236 HF	Tax assessor oversight	For	Interim Committee
241 SF	Pharmacy CMP increase	Undecided	
26 HSB	Medical Malpractice	Undecided	Dead

286 SF	Prescription drug monitoring	Undecided	
311 SF	Employer wage deduction	Undecided	
404 SF	Health IT exchange	Undecided	
41 HF	Institute on Public Policy	Undecided	Dead
45 HF	Expense Reduction	Undecided	Signed by the Gov
465 SF	ALP Consumer Protection	For	
467 HF	IDPH-Aging well programs	Undecided	
480 SF	Health Care Infrastructure	Opposed	
481 SF	MR/MI/DD restructuring	Undecided	
495 SF	LTC Ombudsman	Undecided	
537 HF	ALP Consumer Protection	For	
54 HSB	ALP Consumer Protection	For	Now HF 537
55 HSB	ALFA's Aging in Place	For	Dead
58 SF	Area Health Education	For	Dead
6 HF	Taxpayer information web	Undecided	Now HF 94
82 HF	Medicaid Copayments	Undecided	Dead
83 HSB	MR/MI/DD restructuring	Undecided	
90 HF	Cost of rulemaking	Undecided	Dead
90 HSB	IDPH-Aging well programs	Undecided	Now HF 467
94 HF	Taxpayer information web	Undecided	