

## Healthcare Newsletter

*Thursday, April 14, 2022*

### Week in Review

It was another slow week at the Statehouse as lawmakers continue working on the budget and other outstanding policy priorities. There is less than a week until the 100th day of session, and the day Legislators per diem expires. April 19 was the target date for adjournment, but it is very unlikely that work will be completed by that date. Lawmakers are back home in their districts for Easter weekend, and are expected to return next week. There is very little on the schedule, as Senate and House leadership continue to have closed door conversations on outstanding priorities. All House budgets reside in the Senate Appropriations Committee except for the Transportation budget that received a vote of approval from Senate Appropriations committee yesterday. The Senate has not publicly released any of their spending plans yet.

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### April DHS Council Meeting

On Thursday, the Department of Human Services (DHS) Council hosted their monthly, public meeting. The main discussion points of this month's call were the DHS/ DPH alignment, the recent announcement of the closure of the state run Glenwood Resource Center (GRC), and Iowa's process to assist refugees from Afghanistan. Deputy Director of DPH, Sarah Reisetter, gave an overview of "phase one" of the agency alignment. She walked the council through the 20 discrete projects that must be completed by October 21, 2022. Some of these projects include workplace alignment, an external and internal communications plan, updating their cost allocation strategy, the HHS budget changes, new website development, and essential IT and HR priorities. DHS Director, Kelly Garcia, emphasized the hard work and thought that is being put into this alignment. She spoke about the importance of including existing employees in the process to make sure the alignment is done as smoothly as possible for everyone. More on the alignment can be found [here](#). Director Garcia also spoke

in depth about the recent decision to close down the Glenwood Resource Center. She spoke about the 2 year investigation by the Department of Justice (DOJ) and the very prescriptive decree that was issued on mitigation efforts to improve the facility. She indicated that after much thought and effort, herself, Governor Reynolds, and other state leadership, decided that it was not feasible to provide the level of medical care the patients at the facility need and deserve. Garcia was passionate about making sure the 2-year closure process is thoughtfully done and that the care of the patients and their families is the priority. Existing funding for the GRC will eventually be filtered into community based care programs throughout Iowa. This has been a priority for DHS and various Legislators this session.

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### **Iowa Supreme Court Hears Arguments in Abby Finkenauer Ballot Case**

Former Representative Abby Finkenauer, who intends to challenge Senator Chuck Grassley in this year's Senate race, has been under the microscope concerning the number and credibility of signatures on her nominating petition. Polk County District Judge Scott Beattie issued a ruling last Sunday that Finkenauer had fallen short of the number of signatures needed, because three signers had not included the correct date on the petition. The signatures are either undated or have an incorrect date written next to them. Weeks earlier, a state board denied the objections to Finkenauer's petition, finding that she had "substantially complied" with the law. Beattie overruled the board, finding that state election law requires full compliance. The case went in front of the Iowa Supreme Court this week, where Finkenauer defended the signatures. The ruling will likely come tomorrow, Friday April 15. Finkenauer is on a tight timeline, as the Iowa Secretary of State must begin sending overseas and military ballots by April 23.

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### **Fiscal Impacts**

#### **[HF 2584](#) - Ambulatory Surgical Center, Certification or Accreditation**

- Requires ambulatory surgical centers to be licensed. Defines such centers and excludes certain outpatient facilities. Sets the initial application fee at \$50 and the renewal fee at \$500. Requires the DIA to adopt rules, in consultation with the state board of health, and perform inspections. Prohibits inspections by a DIA official with a conflict of interest. Makes complaints confidential and allows injunctions and judicial review. Requires centers to make reports to the DPH. Establishes criminal penalties for violations. Includes related matters.
- Passed full committee this week, 23-0; *Floor Manager: Kaufmann*

- [Fiscal Note](#): The fiscal impact of House File 2584 to the correctional system cannot be determined, as the Bill establishes a new criminal offense, and the resulting cost to the justice system cannot be determined. The average State cost per offense for a serious misdemeanor ranges from \$410 to \$7,000. The cost estimates include operating costs incurred by the Judicial Branch, the State Public Defender, and the Department of Corrections for one conviction. The cost would be incurred across multiple fiscal years for prison and parole supervision. For current Medicare-certified providers, there will be \$14,000 in annual renewal revenue. For each non-Medicare-certified ambulatory surgical center, there will be an additional \$500 in renewal revenue annually. The cost for performing an initial inspection and renewal activity for one non-Medicare-certified ambulatory surgical center is approximately \$4,600. Therefore, total annual revenue will cover renewal costs if there are up to three non-Medicare-certified ambulatory surgical centers. However, due to the unknown number of non-Medicare-certified centers in the State, the overall fiscal impact to the DIA of licensing fees and regulation of ambulatory surgical centers cannot be determined at this time.

#### [HF 2583](#) - Sales Tax and Franchise Tax

- Allows combined sales/use tax receipts. Makes filings for the sales tax monthly but allows a person who collects less than \$1,200 to file annually. Makes changes to terminology and other administrative sales tax matters. Computers: Strikes the sales tax exemption for the sale of computers/peripherals for insurance companies, banks and commercial enterprises. Exempts sales to public utilities. Manufactured food: Exempts some items/services used to produce food or ingredients, including the lease of personal property. Allows for refunds up to \$100,000. LOST/SAVE: Requires the amounts owed to local governments and schools to be transferred to the governments or schools from the DOR. Includes a transition period. Certified Services: Deems that a seller who contracts with a certified service provider is not liable for the sales tax on the transactions of the service provider. Makes the certified service provider liable. Permits: Allows the DOR to cancel certain permits if the permits are not being used. Franchise Tax: Reduces the franchise tax to 3.5% by FY 2027. EDA: Makes changes related to EDA sales tax incentives related to completion dates, audits, criminal penalties for false claims and other matters. Fuel: Allows the DOR to require retailers to file fuel reports electronically. Makes changes to terminology.
- The House Ways & Means Committee has approved the bill. Representative Lohse is the floor manager. The full Senate has approved a similar bill (SF 2367) on a 47-0 vote.
- [Fiscal Note](#): Overall, the bill is expected to reduce state revenues by about \$16 million by FY 2028. The changes in the franchise tax are expected to reduce

revenues by about \$13.4 million; the changes to the manufactured food exemption are expected to reduce revenues by about \$5 million, offset by a reduction in SAVE refunds of \$800,000. The other sales tax changes are expected to reduce revenues by about \$2 million. The end of the computer & peripherals sales tax exemption for insurance companies, banks and commercial enterprises will increase revenues by about \$3.6 million annually.

### [HF 2577](#) - Education Proposals

- Includes parts of the Governor's education proposals. Courses: Requires school districts and charter schools to publish course syllabi on the internet. Requires course summaries, with explanations how the course meets educational requirements. Requires schools to have procedures for parents to review instructional material and for parents to request that their child not be given certain materials. Specifically includes lesson plans from instructional materials and gives teachers duties on updating material. Libraries: Requires schools make lists of library books available to all parents. Requires school districts to establish procedures for the selection and removal of materials from school libraries. Professional Development: Requires schools to publish information of professional development of school employees. Monitoring: Requires the state BOE to monitor school districts for compliance. Authorizes the DOE to assess civil penalties. Requires the DOE to report licensed teachers for violations. Social Studies: Requires HS government classes to test students using the US citizenship test and to submit the results annually to the DOE.
- The full House has approved the bill on a 60-36 vote.
- [Fiscal Note](#): The provisions are not expected to have an impact on state revenues but are expected to increase costs for local school districts.

## **Appropriations Bill Tracker**

2022 Appropriations Bills Tracker					
<a href="#">HF 2650</a>	Agriculture and Natural Resources	<a href="#">NOBA</a>	Amended & Passed House 3.23	In Senate Approps 3.29	
<a href="#">HF 2565</a>	Administration and Regulation	<a href="#">NOBA</a>	Amended & Passed House 3.24	In Senate Approps 3.29	
<a href="#">HF 2564</a>	Economic Development	<a href="#">NOBA</a>	Amended & Passed House 3.24	In Senate Approps 3.29	
<a href="#">HF 2578</a>	Health and Human Services	<a href="#">NOBA</a>	Amended & Passed House 4.5	In Senate Approps 4.12	
<a href="#">HF 2575</a>	Education	<a href="#">NOBA</a>	Amended & Passed House 3.29	In Senate Approps 3.31	
<a href="#">HF 2558</a>	Judicial Branch	<a href="#">NOBA</a>	Amended & Passed House 3.22	In Senate Approps 3.24	
<a href="#">HF 2559</a>	Justice System	<a href="#">NOBA</a>	Amended & Passed House 3.22	In Senate Approps 3.24	
<a href="#">HF 2579</a>	Rebuild Iowa Infrastructure Fund (RIIF)	<a href="#">NOBA</a>	Amended & Passed House 4.5	In Senate Subcommittee 4.12	
<a href="#">HF 2557</a>	Transportation, Infrastructure, and Capitals	<a href="#">NOBA</a>	Amended & Passed House 3.22	Passed Senate Subcommittee 4.6	Passed Senate Committee 4.13

All NOBA's can be Read Here

### Upcoming Legislative Forums

*Saturday, April 16, 2022*

- [Legislative Coffee-Clinton County](#)
- [Legislative Forum-Newton](#)
- [Legislative Forum-Washington](#)
- [Legislative Coffee-Clinton County](#)

### In The News

- [Dubuque County supervisors agree on \\$1.45 million for public health projects](#)
- [U.S. Senators Chuck Grassley and Bob Casey Introduce Bill to Provide Rural Hospitals With Financial Stability and Security](#)
- [WOI-TV: University of Iowa hosts nurse recruitment fair for Iowa nurses](#)

- [Dubuque school district creates suicide prevention coalition to address students' brain health needs](#)
- [Transforming Iowa's direct care workforce](#)
- [As 2022 Legislative Session Nears Its Close, Local Legislators Look To Pass Pharmacy Benefit Manager Transparency Bill](#)
- [LETTER: Time to reform PBMs](#)
- [New fed \\$43 million program supports rural health care](#)
- [RJ Miller: Why I'm running for Iowa House district 34](#)
- [Goodwin and Cohoon spar over funding pitfalls, 2010 jobs program at Eggs and Issues](#)
- [Budget now main focus of lawmakers](#)
- [DeJear outlines platform priorities](#)
- [WOI-TV: Finkenauer ballot future now in Supreme Court's hands](#)

### Senate Schedule Week 15, April 18 - April 22, 2022

#### IOWA SENATE - Schedule for Week 15, April 18-22, 2022

\*\*\*Subject to Change\*\*\*

Monday, April 18	Tuesday, April 19	Wednesday, April 20	Thursday, April 21	Friday, April 22
	9:00 SESSION	9:00 SESSION	9:00 SESSION	
Noon	Noon	Noon	Noon	Noon
1:00 SESSION				All committees on call

### House Schedule Week 15, April 18 - April 22, 2022

**House of Representatives Schedule for Week 15, April 18 - 22, 2022**  
 Prepared in the Office of House Speaker Pat Grassley

Monday, April 18	Tuesday, April 19	Wednesday, April 20	Thursday, April 21	Friday, April 22
	8:30 SESSION	8:30 SESSION	8:30 SESSION	
Noon	Noon	Noon	Noon	Noon
1:00 SESSION				ON CALL: All Committees

*The Senate scheduled can be found [here](#).  
 The House schedule can be found [here](#).*

**The Iowa Cornerstone Team**



Matt Hinch | Lillie Brady | David Adelman | Frank Chiodo | Sara Allen

## 2022 Session Timeline

The full 2022 legislative calendar can be found [here](#).  
Below are the key dates of interest.

**JANUARY 10** – First day of session (Iowa Code Sec. 2.1)

**JANUARY 11** - Governors Condition of the State Address

**FEBRUARY 18** – Final date for Senate bills and joint resolutions to be reported out of Senate committees and House bills and joint resolutions out of House committees (First Funnel)

**MARCH 18** – Final date for Senate bills and joint resolutions to be reported out of House committees and House bills and joint resolutions out of Senate committees (Second Funnel)

**APRIL 19** – 100th calendar day of the session (Per diem expenses end)

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*Please don't hesitate to reach out to our team with any comments, questions, or concerns.*



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