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Memorandum

To: Iowa Academy of Family Physicians

From: David Adelman, Matt Hinch, Sara Allen & Frank Chiodo - Cornerstone Government Affairs

Date: May 9, 2018

Re: 2018 Legislative Session

This memorandum will highlight key legislative victories and changes from the 2018 Iowa legislative session.

Introduction

The session opened with Governor Reynolds delivering her first State of State address. In the speech, she highlighted her legislative agenda for the 2018 legislative session which included: improving water quality, tax reform, improving health care access, improving the behavioral health system in Iowa, addressing the opioid addiction crisis, ensuring Iowa has job training programs to have a well-supplied workforce, as well as a balanced budget and funding K-12 education. Upon adjournment last Saturday, many of these priorities were addressed by the legislature and sent to Governor Reynolds desk for her signature.

Based on the January revenue estimating committee (REC), the House and Senate had to pass a deappropriation bill, although a much smaller amount was necessary compared to the previous year. The bill, [SF 2117](#), cut approximately \$32 million from the current state fiscal year (FY 2018). The bill made cuts to the Board of Regents by approximately \$11 million and cut various other state departments.

The House and Senate worked well together by moving several priority bills through the chambers in lock-step fashion. However, towards the end of the session, the House and Senate entered gridlock over tax reform; with both adamantly fighting for their plans. The House version was viewed as more conservative, with triggers built in to the plan, as well as not addressing corporate tax rates. The Senate version was much more robust, providing for tax relief for individuals as well as corporations. At the end of the day, the chambers struck a compromise, with pieces of each chambers top priorities addressed.

The Senate had some shakeups midway through session when the Republican Majority Leader, Senator Bill Dix, resigned. The caucus voted elected a new majority leader, Senator Jack Whitver (R-Ankeny), and a new President, Senator Charles Schneider (R-West Des Moines). Additionally, Annette Sweeney successfully ran for the vacant seat created by Dix's resignation; she was sworn in as a Senator in early April.

Throughout the 17 week legislative session, several priority bills cleared both chambers and were signed by the Governor. These include tax reform, health insurance access, mental health reform, opioid addiction legislation, and water quality.

Over the course of the session, 15 Representatives and 5 Senators announced their retirements. These retirements will create an opportunity for new legislators to learn about your issues and will affect committee chairmanship openings.



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2018 State of Iowa Budget

The Legislature began the year with a need to pass a deappropriation bill; this was due to the state’s revenue projections being off from what was predicted by the Revenue Estimating Committee in the previous year. The two chambers disagreed on the dollar amount and what to cut, which forced them to wait until the March REC. The House and Senate agreed to a bill that deappropriates \$32 million from the current fiscal year. The following budgets were reduced:

- Board of Regents (\$10.93 million), however, this cannot be reduced from the University of Northern Iowa, it must only be taken from University of Iowa and Iowa State;
- Community Colleges (\$500,000);
- Judicial Branch (\$1.6 million);
- Department of Human Services (\$4.32 million);
- Department of Corrections (\$3.4 million);
- Department on Education (\$784,000);
- Department of Public Health (\$625,000).

The state also passed a FY 19 budget in the form of 9 “sub” budgets funding individual agencies. The overall budget calls for \$7.48B in total state spending. Key funding areas included 1% increase to K-12 funding, as well as \$60M increase to Medicaid. The legislature paid back \$113M to the rainy day funds, paying back a large majority of the \$150M it borrowed last year due to decreased revenue projections. A breakdown of the individual budgets and the amount appropriated is included in the chart below.

Bill Name	Gov Rec		Legislative Action	
	FY 2018 Adj.	FY 2019	FY 2018 Adj.	FY 2019
Administration and Regulation	\$ 0.0	\$ 47.5	\$ 0.0	\$ 48.0
Agriculture and Natural Resources	0.0	38.6	0.0	39.4
Economic Development	0.0	39.9	0.0	40.2
Education	0.0	922.0	0.0	912.6
Health and Human Services	0.0	1,831.7	0.0	1,821.8
Justice System	0.0	561.6	0.0	568.0
Judicial Branch	0.0	183.9	0.0	180.7
Infrastructure Bill	0.0	0.0	0.0	- 17.5
State School Aid	0.0	3,233.7	0.0	3,226.6
Transportation Equity Fund	0.0	0.0	0.0	14.1
FY 2018 Budget Adjustment Bill	- 27.1	0.0	- 23.3	0.0
Standing Appropriations Bill	0.0	0.0	0.0	- 29.2
Standing Appropriations (Current Law)	0.0	587.5	0.0	675.6
Total	\$ - 27.1	\$ 7,446.5	\$ - 23.3	\$ 7,480.2

Family Planning and Abortion

Several changes were made to Iowa’s abortion laws and adjustments were made to the Iowa family planning program. In the Health and Human Services bill, UnityPoint Health was carved out from the exclusion that if abortions were provided the hospital/clinic was unable to receive state family planning dollars. This exclusion was passed last legislative session when the Legislature drafted language in an attempt to cut off funding to Planned Parenthood. Additionally, the legislature



sought to “defund” Title X, which provides state dollars for sex education. We were successful in eliminating this provision due to the unforeseen consequence of passing the legislation.

Iowa also adopted one of nation’s strictest abortion laws to-date, when it passed [SF 359](#). The bill prohibits the sale or donation of fetal tissue in Iowa. It also prohibits an abortion after a fetal heartbeat has been detected, while leaving the 20 week law in place. The bill provides for exceptions to the fetal heartbeat law for medical emergency, rape, incest, and fetal abnormality. A thorough analysis can be found [here](#).

Managed Care Oversight

The Health and Human Services budget provided for several oversight provisions. The total fiscal note for the oversight was \$1.5 million, which the Legislature funded. The provisions of oversight include:

- **Health Homes.** Requiring DHS to facilitate a workgroup, in collaboration with representatives of the MCOs and health home providers, to review the health home programs. The Bill requires the DHS to submit a report of the workgroup’s findings and recommendations by December 15, 2018, to the Governor and General Assembly. This was language brought forward due to the managed care companies wanting to take away current health home models provided by various providers, and move the function “in-house”.
- **Prior Authorization review.** Requires the DHS, in collaboration with Medicaid providers and MCOs, to initiate a review process to determine the effectiveness of prior authorizations used by the MCOs, with the goal of making adjustments based on relevant service costs and member outcomes data.
- **Payment of Medicaid Claims.** Specifies that when all of the required documents and other information necessary to process a claim have been received by a managed care organization (MCO), the MCO is required to provide payment to the claimant within the timeline specified if the claim is approved. If the MCO is denying the claim in whole or in part, the MCO is required to provide notice to the claimant, including the reasons for the denial, in a manner consistent with national industry best practice guidelines.
- **MCO System Reconfiguration for Claims.** Requires the MCOs to correct any errors it finds due to system configuration and fully reprocess the claims affected by the error within 30 days of the discovery.
- **Notice by MCOs.** Requires the MCOs to provide written notice to affected individuals at least 60 days prior to making any program or procedural changes as determined by the DHS.
- **Resolution of Billing Conflicts.** Requires the DHS to engage dedicated provider relations staff to assist Medicaid providers in resolving billing conflicts with MCOs, including conflicts involving denied claims, technical omissions, or incomplete information.
- **Medical Necessity for Mental Health Patients.** Specifies that if a Medicaid member is receiving court ordered services or treatment for a substance related disorder pursuant to Iowa Code chapter 125 or for a mental illness pursuant to chapter 229, the services or treatment are required to be provided and reimbursed for an initial period of three days before an MCO can apply medical necessity criteria to determine the most appropriate services, treatment, or placement of the Medicaid member.
- **Medicaid Eligibility.** Requires the DHS to maintain and update Medicaid member eligibility files in a timely manner consistent with national industry best practices.
- **Level of Care Determination Reviews.** Requires the DHS to utilize an independent external quality review vendor to complete a review of a random case sample of decreased level of care determinations and report the findings to the Governor and the General Assembly by December 15, 2018.



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- Review of Member Appeals. Requires the DHS is to conduct an annual analysis of member appeals that have been dismissed, withdrawn or overturned and determine if there are any negative patterns. The DHS is required to submit a report to the Governor and the General Assembly on a biannual basis.
- Standardized Credentialing Forms. Requires the DHS to provide for the development and use of standardized provider enrollment forms and uniform provider credentialing specifications to be used by the MCOs.
- Small Dollar Claims Audit. Requires the DHS to enter into a contract with an independent auditor to perform an audit of a random sample of small dollar claims paid to or denied Medicaid long-term services and supports providers during the first quarter of calendar year 2018. The Bill specifies that the DHS may take any action specified in the MCO contract relative to any claim the auditor determines to be incorrectly paid or denied, subject to appeal by the MCO to the Director of the DHS.
- Medical Assistance Advisory Council Findings. Directs the Executive Committee of the Medical Assistance Advisory Council (MAAC) to review data collected and analyzed in periodic reports to the General Assembly to determine which data points should be included and analyzed to more accurately identify trends and issues with, and promote the effective and efficient administration of, Medicaid managed care for all stakeholders. The Executive Committee is required to report its findings and recommendations to the MAAC for review and comment by October 1, 2018, and to submit a final report to the Governor and the General Assembly by December 31, 2018.
- Targeted Case Management changes. Amends the reimbursement provision for targeted case management (TCM) services under the Medicaid Program, which is currently established as cost based reimbursement for 100.00% of the reasonable costs for provision of the services. Under the section, effective July 1, 2018, TCM services will instead be reimbursed based on a statewide fee schedule amount developed by rule of the DHS in accordance with Iowa Code chapter 17A.
- PMIC reimbursement changes. The section also amends the reimbursement provisions for psychiatric medical institutions for children (PMICs) to provide that inpatient psychiatric services for individuals under 21 years of age that are provided by non State owned providers are required to be reimbursed according to a fee schedule without reconciliation, and services provided by State owned providers are required to be reimbursed at 100% of the actual and allowable cost of providing the service.

Opioid Abuse Bill

[HF 2377](#) was signed by the Governor. The bill increases functionality for the Prescription Monitoring Program (PMP) and allows the Board of Medicine to charge a surcharge to pay for these functionality changes. It expands Good Samaritan protections in overdose situations. The bill contains mandates, that all controlled substances must be electronic prescribed by 2020 and the PMP use mandate that only applies when prescribing opioids. The bill requires pharmacies to report to the PMP by the next business day, allow proactive notification to recognize patients at a high risk for opioid abuse and addiction, allow penalties to be assessed by licensing boards for providers overprescribing, provides prescriber education on opioids, and prohibits addictive prescriptions from being filled more than six months after the date prescribed and from being refilled. A detailed, section-by-section analysis can be found [here](#).

Mental Health

The mental health bill signed by the Governor provides for extensive changes to the current system by implementing the following provisions into law:

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- **New Services.** Requires the Mental Health and Disabilities Services commission to adopt rules to provide service definitions, service provider standards, and service implementation dates for the core services to be similar to Medicaid definitions. These rules shall include at least availability of services for 22 Assertive Community Treatment (ACT) teams, 6 Access centers, and Intensive Residential Service Homes (IRSH) that provide services to up to 120 persons statewide in strategic locations throughout the state. ACT, Access Centers Intensive Residential Service Homes, and the services outlined below are only required as long as federal matching funds are still available under the Iowa Health and Wellness Plan. Access centers are located in crisis residential and subacute residential settings with 16 beds or less. These centers provide immediate, short-term assessments for person with serious mental illness or substance use disorders who do not need inpatient psychiatric hospital treatment, but who do need significant amounts of supports and services not available in the persons' homes or communities. This section also requires the MHDS regions to provide: Mobile response, 23-hour crisis observation and holding, Crisis stabilization community-based services, Crisis stabilization residential services, Subacute services provided in facility and community-based settings. This section still keeps jail diversion, CIT, and Civil commitment prescreening as core plus services
- **Mental Health and Substance Abuse Commitments.** Makes changes to the mental health and substance abuse commitment by requiring courts to dismiss a commitment application if the physician or mental health professional finds the person doesn't have a substance-related disorder, requires mental health/substance abuse commitment orders to be released immediately if the physician/mental health professional determines the patient no longer meets the criteria for detention. Additionally, allows commitment hearings to be held by video conference at court's discretion.
- **Subacute Bed Cap.** Removes the 75 bed subacute cap and the requirement for geographic distribution. This section removes DHS involvement in determining if a subacute facility should be licensed. DIA would now issue a license to an applicant when DIA determines that facilities and staff are adequate to provide the care and services.
- **Mental Health Information Sharing.** Adds to Iowa Code a current mental health information sharing exception that is currently allowed under HIPAA. Allows a mental health professional to disclose mental health information relating to an individual without the individual's consent or written permission to a law enforcement professional if the disclosure is made in good faith, is necessary to prevent or lessen a serious and imminent threat to the health or safety of the individual or to a clearly identifiable victim or victims, and the individual has the apparent intent and ability to carry out the threat.

Telehealth

- The Governor signed [HF 2305](#), a bill that requires commercial payors to provide parity for coverage, meaning the use of telehealth care is covered by healthcare insurance. Although this is not payment parity, this is another step in ensuring that telehealth services are accessible and recognized by payors. In 2016, the legislature passed legislation that requires payment parity and coverage parity for Medicaid. This bill applies to all insurance policies issued on or after January 1, 2019.

Direct Primary Care Agreements

- [HF 2356](#) was signed into law and allows direct primary care agreements to be entered into by health care providers and patients. Under this bill, a health care provider can enter into a direct primary care agreement with a patient and family to provide preventative and curative health care for the patient and family as stipulated in the agreement. Similar legislation has been adopted in other states and was necessary to clear up any gray areas in Iowa Code. These arrangements do not qualify as insurance and therefore are not regulated by the Insurance

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Commissioner. Direct primary care is an emerging health care delivery option in the country, especially for individuals with high-deductible health insurance plans. This legislation was modeled after a bill that recently passed in Nebraska.

Insurance Access Bill

- [SF 2349](#) is a bill signed by the Governor that provides for two components that attempt to fix the access and affordability issues with individual health plans in the state of Iowa. Currently, only one insurance company sells plans on the ACA “Exchange” (Medica). Over the last two years, these plans have skyrocketed in costs, to the point that many individuals that don’t have access to an employer plan, have abandoned insurance all together; leaving many Iowans without affordable access to insurance.
- The first portion of the bill gives greater flexibility to multiple employer welfare associations (MEWAs) by putting into Iowa law the proposed Department of Labor rule published in 83 Fed. Reg. 617. This provision broadens the criteria under Title 1 of ERISA to allow more employers to form association health plans to offer group health plans to employees, former employees, family members and other beneficiaries of the organization. Currently, employer groups are prohibited from forming associations for the sole purpose of providing group health plans. Under this proposal, they could come together for this purpose solely and would not be restricted to associations with commonalities.
- The second portion of the bill was brought forward by Farm Bureau and Wellmark. [HF 2364](#) allows Farm Bureau to offer its members health insurance plans that are not compliant with the ACA. The bill essentially exempts health plans from the purview of the Insurance commissioner by saying if the organization is sponsored by an agricultural entity meeting the requirements laid out in the bill they are not considered insurance, therefore, not under the jurisdiction of the Insurance Commissioner. This allows them to be able to sell individual health plans without following the ACA requirements (i.e. they can exclude people with preexisting conditions, etc.). The bill only allows this option for Farm Bureau who would have plans through their third-party administrator, Wellmark.

Pharmacy Changes

[SF 2322](#) was signed into law and authorizes statewide protocols to allow pharmacists to dispense or administer certain vaccinations via a standing order. For patients 18 years and older, pharmacists are able to administer naloxone, nicotine replacement tobacco cessation products, immunizations recommended by the US CDC advisory committee for adults, Tdap in booster application, and other emergency immunizations or vaccinations in response to public health crisis. The bill also allows pharmacists to administer the last two doses of HPV vaccination in patients 11 and over; for patients 6 months and older, influenza and other emergency vaccinations for public health emergencies.

The bill requires pharmacists to notify the patient’s primary health care provider of any prescription drugs, products, tests, and treatments administered to the patient, if the patient has a primary care provider. If the patient doesn’t, the pharmacists must provide the patient with a written record and advise the patient to consult a physician.

A provision in the HHS budget bill provides for increased rights related to individuals receiving pharmacy benefits by a pharmacy benefit manager. The bill amends the Iowa Code chapter on Regulation of Pharmacy Benefits Managers (PBM) to add certain rights related to individuals including:



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- Prohibiting a PBM from barring a pharmacy or pharmacist from advising an individual about other inexpensive alternative prescription drugs available.
- Prohibiting a health benefit plan from requiring a copayment for pharmacy benefits that exceed the pharmacy or pharmacist's submitted charges.
- Requiring that any amount paid for covered prescription drugs to be applied to any deductible imposed by the individual's health benefit plan.
- Establishing that any federal law, rule, or regulation supersedes this law to the extent necessary to eliminate the inconsistency or conflict.

Medicaid Copayments for Pharmacies. The HHS budget bill eliminates the various copayments for a covered prescription drug under the Medicaid Program and instead provides that a recipient of Medicaid is required to pay a copayment of \$1 on each prescription filled or refilled for a covered prescription drug.

Licensure Bills

The governor signed two licensure bills this year, [SF 2228](#), a bill for genetic counselor licensure, and [SF 192](#), a bill that provides licensure for applied behavioral analysts. The Board of Medicine and the Behavioral Science Board will be the governing boards who will administer the program and promulgate rules. These two bills allow for “new” licensure. This is a marked difference from the previous year where licensure was highly scrutinized by members of both chambers, as well as the Governor's Office.

Health and Human Services Appropriations Summary

The Health and Human Services bill, [SF 2418](#), appropriated \$1.8 billion to Medicaid and other state programs administered by the Department of Human Services, Department of Public Health, Department on Aging, and Department of Veteran Affairs. This is \$60.5M more than the previous year. New appropriations in the bill for FY19 include:

- \$55 million for the forecasted need for increased capitation rates for the managed care companies. This is on the lower end of the estimate.
- \$2 million to the Medical Residency Program, which was not funded last fiscal year but had been funded several years prior to FY18.
- \$250k for psychiatric training for physicians through Des Moines University.
- \$875k to fund the new cost of the mental health reform that was adopted via HF 2456.
- \$3 million to increase funding for HCBS providers for supported community living tiered rates. The DHS is required to work with an actuary to evaluate the tiered rates to appropriately distribute the \$3.0 million provided for tiered rates. In addition, the DHS is required to convene a Tiered Rate Workgroup to review actuarial findings and recommendations. The tiered rates may be adjusted if the changes are budget neutral. The DHS is required to submit a report of the actuarial findings, recommendations and comments provided by the Tiered Rate Workgroup to the Governor and General Assembly by December 15, 2018
- \$1.25 million for the Primary Care Loan Repayment Program (Education Budget)
- \$1 million for increasing LUPA (Health Home) rates.
- \$1.5 million for the managed care oversight provisions laid out in the bill.



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- \$3 million provider rate increase for child care assistance providers.
- \$100k for Pre-Medicaid Pilot Program Establishes a Pre-Medicaid Pilot Project that aims to keep individuals in the community and out of long-term care facilities following a nursing facility stay.
- Restoration of several public health initiatives include:
 - Child Health Specialty Clinics....\$65k
 - Epilepsy Foundation....\$144k
 - Melanoma Research...\$150k
 - Autism Assistance Program....\$385k
 - Inherited Metabolic Disorders (PKU)....\$153k
 - Childhood Obesity Program....\$300k
 - Audiological Services for Children \$156k

Tax Reform

HF 2489 was the “tax reform” bill that was agreed to after months of negotiation between the House, Senate and Governor’s office. Highlights of the bill include:

- Couples with major provisions of Federal tax reform including 529 plans and teachers education expenses.
- Reduces corporate income tax rates and eliminates corporate federal deductibility in TY 21.
- Couples with section 179 expensing to \$70k/\$280k in TY 18, \$100k/\$400k in TY 19, and \$1M/\$2.5M in TY 20.
- School tuition organization tax credit cap is increased from \$12M to \$13M
- Reduces income tax rates in tax year (TY) 19. If revenue triggers are met, additional individual income tax rate cuts are made and federal deductibility is eliminated starting January 1, 2023. The chart below shows the changes to the individual income tax brackets.

Current and Proposed Individual Income Tax Brackets and Rates

Iowa Current Law*				Under the Proposal					
	Over	But Not Over	Tax Rates	TY 2018	TY 2019 - 2022	TY 2023 and after**			
						Over	But Not Over	Tax Rates	
[1]	\$0	\$1,628	0.36%	No change	0.33%	[1]	\$0	\$6,000	4.40%
[2]	\$1,628	\$3,256	0.72%	No change	0.67%	[2]	\$6,000	\$30,000	4.82%
[3]	\$3,256	\$6,512	2.43%	No change	2.25%	[3]	\$30,000	\$75,000	5.70%
[4]	\$6,512	\$14,652	4.50%	No change	4.14%	[4]	\$75,000	or more	6.50%
[5]	\$14,652	\$24,420	6.12%	No change	5.63%				
[6]	\$24,420	\$32,560	6.48%	No change	5.96%				
[7]	\$32,560	\$48,840	6.80%	No change	6.25%				
[8]	\$48,840	\$73,260	7.92%	No change	7.44%				
[9]	\$73,260	or more	8.98%	No change	8.53%				

*Current tax brackets are indexed under current law. TY 2019 brackets are reported in this table.

**Proposed tax brackets are indexed. TY 2023 brackets are reported in this table.

Note: The rate and bracket change in TY 2023 only occurs if revenue targets are met.

Some of the major changes to the Iowa Tax Code include:

Tax Year 18 Changes

- Allowing rollovers between 529 and Achieving a Better Life Experience (ABLE) accounts for individuals with disabilities in 2017 federal law changes
- Definitional changes regarding retirement savings and business accounting rules in 2017 federal law changes
- The extension of higher Earned Income Tax Credits for married households and households with three or more children in 2015 federal law changes
- The above-the-line deduction for teachers’ education expenses in 2015 federal law changes



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- Expanded definition of qualified education expenses under the 529 education savings plans in 2017 federal law changes
- Expand Section 179 cap and investment limit to \$70,000/\$280,000 from \$25,000/\$200,000 and allow shareholders or partners to depreciate expensing received from pass-throughs that exceeds the Iowa cap, where each entity cannot exceed the federal cap, 20 percent per year in the subsequent five tax years

Tax Year 19 Changes

- TY 2019 and TY 2020 - Allow 25% of the federal qualified business income (QBI) deduction from Iowa taxable income .
- AGI changes: Elimination of the domestic production activities deduction. Elimination of the moving expenses deduction for non-military moves. Elimination of alimony payment deduction and elimination of alimony received as income for agreements after December 31, 2018
- Itemized deduction changes - Elimination of the income limitation on itemized deductions. Elimination of home equity interest deduction and casualty deduction for non-disaster related losses. Elimination of itemized deduction for unreimbursed job expenses and tax preparation services
- No bonus depreciation
- Expand Section 179 cap and investment limit to \$100,000/\$400,000 and allow shareholders or partners to depreciate expensing received from pass-throughs that exceeds the Iowa cap, where each entity cannot exceed the federal cap, 20 percent per year in the subsequent five tax years.
- Local Option Tax Voting. Language was included in the bill that allows certain designated counties to present local option sales tax vote upon petition of certain individual cities or unincorporated area of the designated city (effective 1/1/19).

Tax year 20 Changes

- Expands Section 179 cap and investment limit to \$1M/\$2.5M
- Couple with the federal repeal of like-kind exchange (1031) for all real property (this is done because of the high 179 limit)
- Automatic individual and corporate coupling (with the exception of 179, Bonus Depreciation, Qualified Business Income)

Tax Year 21 Changes

- Allows 50% of the federal qualified business income deduction from Iowa taxable income.

There is additional changes to the code in TY 23 if a significant “trigger” is met. You can read more [here](#).

Additionally, the bill “modernizes” the sales tax in Iowa by taxing internet-based businesses and others. These include digital goods, ride sharing, subscription services, online sellers, online marketplaces, manufacturing definitions, online travel companies websites.

Some tax credits were modified or repealed in the bill as well. The changes include:

- The geothermal heat pump tax credit and geothermal tax credit was repealed effective January 1, 2019.
- A five year extension to the Innovation Fund Tax Credit was granted, extending the program to June 30, 2023.
- Research Activities Tax Credit – Limits the availability to businesses engaged in manufacturing, life sciences, software engineering, or the aviation and aerospace industry-effective Jan. 1, 2017.
- Repeals the Tax Payer Trust Fund Credit. Any money remaining in the TTF fund remain there until used for “Tax relief” as determined by the legislature.

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- Targeted Jobs Withholding Tax Credit was extended one year to June 30, 2019.

The budget impact is as follows:

FY 19	-\$100.2 M
FY 20	-\$261.7 M
FY 21	-\$328.5 M
FY 22	-\$390.5 M
FY 23	-\$437.5 M (assuming trigger is met)
FY 24	-\$642.6 M (assuming trigger is met)

Bills that Died

Some of the health care related bills that died this year were the following:

- Certificate of Need. [HF 2263](#) was a House File introduced by Rep. Rob Taylor (R – West Des Moines) and would have changed Iowa’s existing certificate of need law, which applies to institutional care facilities.
- AARP bill. The “Care Act” backed by AARP would require hospital providers to comply with provisions of the bill surrounding discharge planning. Proponents of the bill argued that discharge planning in Iowa was inadequate; those opposed cited redundancies with Federal guidelines as reasons for no passage.
- Optometrists’ ability to perform injections performed by ophthalmologists. The bill died this year but legislation was introduced in both chambers that would have allowed for optometrists to have an increased scope.
- SSB 3004 was a bill that would have required no-deductible copayment structure for an entire prescription drug benefit. This bill failed to gain traction and was vigorously advocate against by the insurance lobby. Another bill the insurance lobby was adamantly against was SSB 3003, a bill that would have not allowed nonmedical switching by health carriers, health benefit plans, and utilization review organizations.
- Midwifery Licensure. HF 2169. This bill would have allowed for the licensure of lay midwives who are not trained by accredited programs. The bill failed to make it through the committee process.
- Many managed care oversight bills were introduced in the Senate and the House. However, the final “oversight” language was included in the HHS budget and is provided for above.