

House chooses the better path forward on HHS budget

The Iowa House released its the Health and Human Services budget bill late last week, and it charts a far a better path for our state than the Senate HHS budget proposal released earlier in the month.

These bills lay out how the state will fund important services for Iowans — and by setting priorities, they show our values. A nod to two key House panel leaders — Rep. Joel Fry and Rep. Ann Meyer — for including an array of funding increases that acknowledge the needs of children, families and the communities they live in.

Here are some good provisions included in the House bill, but not the Senate bill:

- ▶ **Increase Child Care Assistance provider reimbursement rates**, bringing all participating providers up to at least the 50th percentile of the 2020 market rate. This increase would be a boost for providers, many of whom are struggling to keep their doors open, and head off a federal fine the state faces for not paying providers enough.
- ▶ **Increase the family exit eligibility limit for Child Care Assistance Plus.** CCA Plus currently allows families, once on CCA, to stay on past the regular income limit of 145% of the federal poverty level — until their wages exceed 225 percent of poverty. The proposed increase to 250% of poverty will help about 80 Iowa families that would otherwise lose eligibility continue to get help paying for child care.
- ▶ **Increase Medicaid reimbursement rates for Home and Community Based Services.** These cost-effective services are carried out by providers who help Medicaid beneficiaries receive health services in their own home or community rather than institutions like nursing or group homes or other institutions. These services are more likely to be culturally responsive.
- ▶ **Increase Medicaid reimbursement rate for Psychiatric Medical Institutions for Children.** Iowa's PMICs — including Children's Square, Four Oaks, Lutheran Services in Iowa and Orchard Place — provide diagnostic and long-term psychiatric services to children who need extended, residential treatment. This increase will better reflect the costs of intensive treatment.
- ▶ **Require telehealth parity for behavior health services.** The bill that would require private insurers to reimburse the same amount for a behavioral health service whether it's provided via telehealth or in person.

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During the pandemic, telehealth has proved to be a viable alternative for many services. By reimbursing for telehealth services at a rate that reflects their costs, we can improve access for people who otherwise wouldn't be able to be seen — especially helpful for folks in rural Iowa who can't take off enough time work to travel to an out-of-town provider.

- ▶ **Put an additional \$1 million into the Family Development Self Sufficiency Program.** FaDSS works primarily with families on TANF who face significant barriers to self-sufficiency, offering home-visits, goal setting and connections to community resources. The last increase for FaDDS, a mere 2%, came in 2015.

Also important is what the House left out of its bill: expensive provisions that would make it harder for Iowans to put food on the table and support their families.

- ▶ The Senate bill would change who qualifies for Food Assistance and require the state to implement a complex eligibility verification system for Iowans enrolled in assistance programs like SNAP and Medicaid. These provisions would increase administrative costs and cut Iowans, including eligible people who get tripped up by the paperwork, off assistance.

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Like most pieces of legislation, the House HHS bill is imperfect — some of its provision are far more modest than we would prefer — but it moves the ball forward in key area, and it should be the basis for a final bill negotiated between the two houses.