

Board of Supervisors-Legislators Forum

April 6, 2019

10:30-11:15 am

First Floor Board Meeting Room

Purpose: This is an informal, information-gathering session in order to foster a good relationship in communication, hear what legislators are working on currently, and offer some perspective on pending legislation that may affect counties.

1. Call to Order and Introductions—Chairman of Board Keith Radig

2. Woodbury County BOS Short Overview—Vice-Chair Jeremy Taylor

Recent activity includes The Courthouse Centennial, continued assessment of county building infrastructure needs such as the courthouse/Law Enforcement Center, a look to continue improving secondary roads gravel, and a transition to new MH region. Additionally, we are looking at ways to continue cooperating on economic development (Reinvestment District, CAT grants with Sioux City; comprehensive plans & SIMPCO dues with rural communities). Recent flooding has been a challenge but has been met with a spirit of resiliency by residents of Hornick and Emergency Management team.

3. Area Legislators

In 2-3 minutes each, please let us know your committees and what a couple of priorities are that you are working on.

4. Dialogue on Several Issues—Our goal here is to simply do some information-gathering on particulars of bills that may affect Woodbury County. The goal here is not to become entangled in the back-and-forth but simply ask good questions, help you understand our perspective, and gain yours as it relates to where legislation may be in the process and how we can work together perhaps to understand it.

SF 184—County Engineer Mark Nahra (see attached resolution from Board of Supervisors)

Back-up material from 4/2/19 BOS meeting

HF 690/691 (SF 479)—Supervisor Jeremy Taylor (see fiscal note attached)

HSB 165—Budget Analyst Dennis Butler / J. Taylor

5. Appreciation—Serving in the Legislature often away from home is hard work that we appreciate. Thank you for coming to help us begin and hopefully continue a good dialogue.

WOODBURY COUNTY BOARD OF SUPERVISORS

Resolution # _____

A RESOLUTION OPPOSING SENATE STUDY BILL 1045 AND SENATE FILE 184 PASSED BY THE SENATE COMMITTEE ON TRANSPORTATION

WHEREAS, the Transportation Committee in the Iowa Senate has passed House Study Bill 1045 (SF 184) which would amend and make changes to Iowa Code Chapter 321 related to transportation of indivisible loads and raw forestry products on primary and non-primary highways, and;

WHEREAS, Woodbury County owns and maintains nonprimary highways, and is fiscally and legally responsible for the nonprimary highways within the County, and;

WHEREAS, Woodbury County owns and maintains 300 structures classified as bridges by the National Bridge Inspection Standards, and;

WHEREAS, many of the bridges owned by Woodbury County are aging and structurally deficient or functionally obsolete, and;

WHEREAS, current funding is not adequate to replace or rehabilitate these bridges at the rate their conditions are deteriorating, and;

WHEREAS, the nonprimary roads and bridges owned by Woodbury County serve a critical need for residents, agricultural users, businesses, schools, post offices, and emergency responders, and;

WHEREAS, the proposed bill would allow the Iowa Department of Transportation to issue annual permits to forestry industry haulers for loads up to 130,000 pounds on nonprimary highways throughout Iowa, without knowledge of or notice given to the agencies which own these highways and the structures thereon, and;

WHEREAS, bridges within Woodbury County have been designed for loads that were legal on Iowa roads at the time of their construction, and bridges have only been rated or posted with weight restrictions for loads that are currently legal on roads, and;

WHEREAS, each bridge within Woodbury County is unique based on its age, design, and current condition, and;

WHEREAS, load rating to ensure safe passage of loads greater than 80,000 pounds would be unique for each load on each individual bridge, and;

WHEREAS, the traversing of Woodbury County bridges by loads up to 130,000 pounds without the County being afforded the knowledge of or the ability to restrict each occurrence, would result in gradual and possibly sudden failure of bridges within the County, and;

WHEREAS, Woodbury County would likely bear legal and financial liability for subsequent failure of its bridges, even if such failures are caused by loads they did not permit, and;

WHEREAS, Woodbury County is not financially able to repair or replace bridges which would be subject to accelerated deterioration by increased loads, and;

WHEREAS, Woodbury County and its residents, farmers, businesses, schools, post offices, and emergency responders, would be subjected to undue operational and economic hardships by further degradation of its road system and the structures thereon;

NOW THEREFORE BE IT RESOLVED, that the Woodbury County Board of Supervisors strongly urges all Iowa lawmakers to vote in opposition to this legislation.

Resolved this 2nd day of April, 2019.

WOODBURY COUNTY BOARD OF SUPERVISORS

Keith Radig, Chairman

Rocky DeWitt, Member

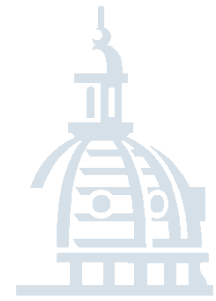
Marty Pottebaum, Member

Jeremy Taylor, Member

Matthew Ung, Member

Attest: _____
Patrick Gill, Woodbury County Auditor

Woodbury County Board of Supervisors



SF 479 – Behavioral Health System, Children (LSB1827SV)
Analyst: Jess Benson (515.281.4611) jess.benson@legis.iowa.gov
Kent Ohms (515.725.2200) kenneth.ohms@legis.iowa.gov
Fiscal Note Version – New (Same as Fiscal Note for HF 690)

Description

[Senate File 479](#) establishes a Children’s Behavioral Health System; a Children’s Behavioral Health System State Board; eligibility requirements and core services; new duties of the Department of Human Services (DHS) Division of Mental Health and Disability Services; regional mental health services provided through the adult Mental Health and Disability Services (MHDS) system; and regional governance.

Background

In the FY 2019 Health and Human Services Appropriations Act (2018 Iowa Acts, ch. [1165](#)), the General Assembly requested a copy of the [Strategic Plan for a Children’s Behavioral Health System](#) required by the Governor’s [Executive Order Number Two](#), which created a Children’s System State Board. The Strategic Plan included recommendations that could be acted on in the short and long term. The Strategic Plan envisioned a system that would be built upon the current adult MHDS system and that could have combined or separate boards, depending on funding. Funding from the General Fund or property tax levies would determine the overall representation and voting membership of the regional boards. Services for children would begin with a behavioral health screening. The timing, responsibility, and location of the screenings would be determined through the administrative rules process. The System would also be built to incorporate a full array of behavioral health core services and supports for children and their families. The work of the State Board and its upcoming meeting schedule can be found here: dhs.iowa.gov/about/mhds-advisory-groups/childrens-system-state-board.

Assumptions — Core Services

Crisis Residential

- There will be an average of 16 crisis residential beds in FY 2020 and an average of 62 beds in FY 2021.
- The MHDS Regions will be responsible for an average 20.0% of bed days that are vacant. Of the bed days that are filled, private insurance will cover 56.0% of children, Medicaid will cover 41.0% of children, and 3.0% of children will be uninsured and covered by the MHDS Regions.
- The per diem cost per bed day is \$360.19.
- The Medicaid match rate is 60.88% federal and 39.12% State.

Mobile Crisis Response

- Based on information provided by the East Central Iowa MHDS Region, 0.2% of all children in the Region use mobile crisis response per year. This estimate is extrapolated across all MHDS Regions.
- The cost per episode of care is \$1,231.
- The total number of children in Iowa is 731,947.

- Private insurance does not cover this service. Medicaid will cover 41.0% of children, 3.0% of children will be uninsured and covered by the MHDS Regions, and the remaining 56.0% of children will be covered by private insurance.
- The Medicaid match rate is 60.88% federal and 39.12% State.

Prescribing and Medication Management

- Only medication management for children with a serious emotional disturbance (SED) will be included.
- This service will likely be for children between 10 and 18 years of age.
- Both private insurance and Medicaid currently cover this service. The MHDS Regions will be responsible for uninsured children.
- There will be 503 uninsured children with an SED who will require this service and will receive eight half-hour visits at \$74 per half hour annually.
- The MHDS Regions currently provide approximately \$6,093 for this service.

Therapy

- Only therapy for children with an SED will be included.
- Both private insurance and Medicaid currently cover services. The MHDS Regions will be responsible for uninsured children.
- There will be 503 uninsured children with an SED who will require this service and will receive 21 visits annually at \$74 per visit.
- The MHDS Regions currently provide approximately \$188,266 for this service.

Assessment for Eligibility

- Assessments will be available for children of all ages.
- Both private insurance and Medicaid currently cover this service. The MHDS Regions will be responsible for uninsured children.
- There will be 1,098 uninsured children who will require an assessment at \$112 per child.
- The MHDS Regions currently provide approximately \$2,286 for this service.

Inpatient Psychiatric Hospital

- Access is available for children who have an SED and are uninsured.
- Most inpatient care is provided to children between 10 and 18 years of age.
- Both private insurance and Medicaid currently cover this service. The MHDS Regions will be responsible for uninsured children.
- The frequency of admissions is 0.63% of the general population.
- There will be approximately 63 uninsured children who will require inpatient psychiatric hospitalization. The reimbursement rate is \$914 per day, and the average length of stay is five days.
- The MHDS Regions currently provide approximately \$10,297 for this service.

Assumptions — Regional Management

- Each of the 14 MHDS Regions will hire 1.0 additional full-time equivalent (FTE) position to manage the new requirements of the Children's Behavioral Health System. The MHDS Regions will be responsible for the cost of the new FTE position.
- The average salary and benefits per FTE position is \$75,000 per year. This amount will increase by 2.0% in the second year.
- There will be an additional \$7,000 needed per Region for support and travel costs.

Fiscal Impact

[Senate File 479](#) is estimated to cost the State \$423,000 in FY 2020 and \$1.3 million in FY 2021 due to the increased cost of Medicaid services. In addition, this Bill is estimated to cost the MHDS Regions \$3.3 million in FY 2020 and \$5.1 million in FY 2021. A detailed breakdown of the estimated cost of each service is listed in **Table 1**.

If private insurance does not cover the cost of crisis residential services as listed in the assumptions, the MHDS Regions will be responsible for an additional \$922,000 in FY 2020 and \$3.6 million in FY 2021.

Table 1 — Estimated Fiscal Impact of SF 479

	FY 2020			FY 2021		
	Total	Medicaid State Share	MHDS Region	Total	Medicaid State Share	MHDS Region
Core Service						
Crisis Residential	\$ 519,130	\$ 264,141	\$ 254,989	\$2,664,042	\$ 1,045,324	\$1,618,718
Mobile Crisis Response	743,736	158,969	584,766	1,250,828	267,357	983,471
Prescribing and Medication Management	291,683	0	291,683	291,683	0	291,683
Therapy	593,396	0	593,396	593,396	0	593,396
Assessment for Eligibility	120,681	0	120,681	120,681	0	120,681
Inpatient Psychiatric Hospital	277,613	0	277,613	277,613	0	277,613
Total Core Services	\$2,546,239	\$ 423,110	\$2,123,128	\$5,198,243	\$ 1,312,681	\$3,885,562
Regional Management						
Additional 14 Regional FTE Positions	\$ 1,050,000	\$ 0	\$ 1,050,000	\$ 1,071,000	\$ 0	\$ 1,071,000
Support and Travel Costs	98,000	0	98,000	98,000	0	98,000
Total Regional Management	\$ 1,148,000	\$ 0	\$ 1,148,000	\$ 1,169,000	\$ 0	\$ 1,169,000
Total Senate File 479	\$ 3,694,239	\$ 423,110	\$ 3,271,128	\$ 6,367,243	\$ 1,312,681	\$ 5,054,562

Sources

Department of Human Services
LSA analysis and calculations

/s/ Holly M. Lyons

March 19, 2019

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

HSB 165

Overview: We completely understand and appreciate that there are times when local governments can “hold the levy rate” only to increase the actual amount of taxes asked, e.g. examples used of a flat levy rate generating 13-20% more in tax revenue. We understand and appreciate the spirit of such legislation while remaining concerned about meeting mandates. For example, this year we had to levy much more in rural basic than we otherwise would have, or the state would recoup dollar-for-dollar from road funding the next year.

Limitation Number

If there are limitations, is 2% the right number given some other mandates constraints such as health care costs, jail medical, collectively bargained for agreements, and state-level constraints?

CF Industries Plant and Economic Development Agreement

In regard to the new CF plant, the new facility (the largest investment in the state of Iowa at that time at eventually \$2.1 billion) was given a 20-year pro-rated assessment release. As the assessed valuation is released, would the released assessed value be considered as new construction each year? The Board has currently dedicated \$1 of every \$2 to property tax relief. How would this new revenue be viewed under HSB 165? How would TIF work in conjunction with such an agreement?

Rollbacks

As rollbacks change each year will the valuation change effect the tax rates or will the increase (if there is one) be treated as additional valuation that could generate revenue over the allowable growth rate, or will the change only affect the tax rates?

New Growth

New growth can sometimes demand new challenges such as law enforcement and secondary roads. For example, CF Industries expansion saw several road projects and monitoring by Sheriff’s personnel. Is that new growth only exempt for one year?

How do releases of Tax Increment Financing (TIF) work in this regard?

Mental Health Impact

If there are going to be tax revenue limitations, what happens if more legislation passes that increases the mental health levy? With no cap, population-heavy Woodbury County may be taking on a children’s system. For example, a children’s system that costs up to \$12.92 million over 2 years’ time could mean approximately \$200-\$300,000 more annually in property taxes. Will taxpayers—while perhaps appreciating a limitation of growth—wonder why property taxes still grow beyond those bounds without realizing that the state mandated not only these but also an array of new services last year as well? (\$322,000 in startup costs this year for mobile crisis, access centers, etc).

Mechanism

Can a County exceed the tax limitations imposed by this legislation if there is separate public hearing for this additional revenue (Section 331.424) subject to a reverse referendum?