

State of Iowa
Iowa Department of Human Services
Des Moines, Iowa

July 16, 1991

HUMAN SERVICES GENERAL LETTER NO. 25J-MH/MR/DD

SUBJECT: Personal Liability of Persons in Mental Health Institutes

Iowa Code Section 230.15 sets forth the personal liability of people who are mentally ill and those legally responsible for their support when the condition of the patient is such that prolonged or repeated hospitalization is necessary.

Persons who are legally liable for the support of a person who is mentally ill are:

1. The patient;
2. The patient's spouse;
3. The parents of patients under age 18;
4. A person, corporation, or firm bound by contract for support of the patient.

The person's liability is limited to:

1. The total cost incurred by the county for the first 120 days of hospitalization, whether occurring as a result of a single admission or accumulated through multiple admissions.
2. Thereafter, an amount not to exceed \$365 per month. (This amount is established from the Schedule of Living Costs set by the Department of Human Services in the Aid to Dependent Children Program. The Schedule of Living Costs was increased by the 1991 session of the Seventy-fourth General Assembly. The revisions are based on a study completed by Iowa State University.)

CAUTION: Federal public education laws required the provision of a free public education, regardless of handicapping conditions. For the handicapped, education costs include maintenance, support, and treatment costs when these are necessary to the provision of education. Assessing a liability under this provision of the Code may be in conflict with federal law and thus illegal.

Medicaid payments are considered payment in full for the covered service. No further liability can be assessed to the patient or the legally responsible person by the state or county. If a liability is assessed in error, any funds collected must be paid to the state to offset the Medicaid payment.

Medicare payment rates are considered payment in full for the covered service. Neither the state nor county may assess a liability beyond the established rate for the service. The patient can be assessed a liability for any deductibles or coinsurance amounts paid by the county, not to exceed the limits in Iowa Code Section 230.15.

However, a relative or any other person may voluntarily pay the full actual cost of the care and treatment of the mentally ill person.

The first 120 days of hospitalization is based on the total days of hospitalization. Any person who on July 1, 1972, or a later date has been hospitalized for a total of 120 days or more is considered to have incurred liability for the total cost of care and treatment for 120 days and thereafter is entitled to the reduced liability. There is no forgiveness of liability existing on July 1, 1972, except as provided for in Iowa Code Section 230.17.

Effective Date

July 1, 1991

Material Superseded

Circular Letter No. 25-I-MH/MR/DD, dated November 6, 1990, shall be removed from the file and destroyed.

Additional Information

If you require additional information, please direct your inquiries to the Division of Mental Health, Mental Retardation and Developmental Disabilities in the Department of Human Services.

DEPARTMENT OF HUMAN SERVICES
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William L. Gorman, Administrator
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County Relief Directors
County Boards of Supervisors
Clerks of District Court
County Attorneys
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