RA 26-194

HUMAN SERVICES DEPARTMENT[441]

Regulatory Analysis

Notice of Intended Action to be published: 441—Chapter 187
"Aftercare Services Program"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 234.46

State or federal law(s) implemented by the rulemaking: Iowa Code section 234.46 and Foster Care Independence Act of 1999 as amended to August 1, 2026

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

August 25, 2026 10 a.m.	Microsoft Teams Meeting ID: 263 183 115 478 438 Passcode: RG9AC95E

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

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Purpose and Summary

This proposed chapter was reviewed as a part of Executive Order 10. As a result, duplicative terms were removed, restrictive terms were reduced, and the rules were streamlined and updated to reflect current practices.

This proposed chapter outlines the program services and support opportunities available to youth who are transitioning from foster care, the State Training School, or a court-ordered Iowa juvenile detention center to adulthood. The program offers voluntary services and financial benefits to eligible youth up to the age of 23.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs associated with this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Youth transitioning from time spent in foster care or State institutions to independent living will benefit from the services this proposed chapter outlines.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

This proposed chapter was reviewed as a part of Executive Order 10. As a result, duplicative terms were removed, restrictive terms were reduced, and the rules were streamlined and updated to reflect current practices.

- **Qualitative description of impact:**

The review of this proposed chapter did not result in any changes to the scope or effectiveness of the aftercare services provided in Iowa.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The Department incurs personnel and other administrative costs associated with enforcement of this proposed chapter.

- **Anticipated effect on State revenues:**

This proposed rulemaking is not expected to have any impact on State revenues.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Not applicable.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

Not applicable.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Rulemaking for the provision of youth aftercare services is required by Iowa Code section 234.46.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This rulemaking will not have an impact on small business.

Text of Proposed Rulemaking

ITEM 1. Rescind 441—Chapter 187 and adopt the following **new** chapter in lieu thereof:

CHAPTER 187
AFTERCARE SERVICES PROGRAM

441—187.1(234) Aftercare services program eligibility requirements. To be eligible for aftercare services, a youth needs to meet the following requirements.

187.1(1) *Residence.* The youth must be a resident of Iowa.

187.1(2) *Age.* The youth must be at least 17 years of age but less than 23 years of age.

187.1(3) *Out-of-home placement experience.*

a. Preservices. The youth must meet eligibility requirements for preservices as described below:

(1) The youth is at least 17 years of age; and

(2) The youth is placed in foster care, the state training school, or a court-ordered Iowa juvenile detention center; was adopted from foster care after reaching 16 years of age; or entered a subsidized guardianship arrangement from foster care after reaching 16 years of age; and

(3) The youth has access to funding for preservices provided in contract that has not been fully expended for the contract year.

b. Core services. The youth must meet eligibility requirements for core services as described below:

(1) The youth is 18, 19, or 20 years of age; and

(2) The youth exited foster care, the state training school, or a court-ordered Iowa juvenile detention center:

1. On or after the youth's eighteenth birthday; or

2. Between the ages of 17½ and 18 after having been in any combination of foster care, the state training school, or a court-ordered Iowa juvenile detention center for at least one day in at least 6 of the 12 calendar months prior to the youth leaving placement; or

(3) The youth was adopted from foster care on or after the youth's sixteenth birthday; or

(4) The youth entered a subsidized guardianship arrangement from foster care on or after the youth's sixteenth birthday.

c. Extended services. The youth must meet eligibility requirements for extended services as described below:

(1) The youth resides in Iowa; and

(2) The youth is 21 or 22 years of age; and

(3) The youth has access to funding for extended services provided in contract that has not been fully expended for the contract year.

d. Definition of foster care. For purposes of this chapter, "foster care" is defined as 24-hour substitute care for a child who is placed away from the child's parents or guardians and for whom the department or juvenile court services has placement and care responsibility through either a court order or voluntary agreement.

(1) A placement may meet this definition of foster care regardless of whether:

1. The placement is licensed and the state or a local agency makes payments for the child's care;

2. Adoption subsidy payments are being made before the finalization of adoption; or

3. There is federal matching of any payments made.

(2) Foster care may include but is not limited to placement in:

1. A foster family home;

2. A foster care group home;

3. An emergency shelter;

4. Supervised apartment living;

5. A preadoptive home;

6. The home of a relative or suitable person; or

7. A psychiatric medical institution for children (PMIC).

187.1(4) *Responsibility.* The youth must:

a. Actively take part in developing and participating in an individual self-sufficiency plan; and

b. Indicate recognition and acceptance of personal responsibility in the transition toward self-sufficiency, which includes meeting with the self-sufficiency advocate regularly and as described in the youth's individual self-sufficiency plan.

441—187.2(234) Services and supports provided. The aftercare services program delivered by a provider contracted by the department shall provide the following services and supports to eligible youth.

187.2(1) *Preservices.* Informational and trust-building activities may be provided to a youth placed out of home who is expected to participate in aftercare services at 18 years of age or older. The department may provide funds; however, funds provided to the youth in preservices will be deducted from available start-up funds in the youth's first year of participation in core services.

187.2(2) *Core services.* Case management services shall be offered to youth at a safe and convenient location. Activities shall include but are not limited to all of the following:

a. Development of an individual self-sufficiency plan based on an assessment of the youth's strengths and needs. Each core services participant shall have a plan to identify:

(1) The youth's goals for achieving self-sufficiency;

(2) The target date for reaching the goals; and

(3) The tasks, responsible parties, time frames, and desired outcomes needed to reach the goals.

b. Services to develop a budget and money management skills training.

c. Services to assist the youth in establishing or reestablishing relationships with significant adults.

d. Services to facilitate the youth's access to community resources.

e. Life skills training, as identified in the youth's individual self-sufficiency plan. Life skills training shall include skills to help the youth in establishing and maintaining safe and stable housing, education goals, employment goals, health and health care coverage, healthy relationships, or other life skills that the youth may need to succeed independently.

f. Additional case management activities necessary for youth to successfully transition to adulthood and as described in the individual self-sufficiency plan.

g. Individual face-to-face contact with the youth at the frequency defined in the youth's individual self-sufficiency plan and according to the youth's changing needs. If a youth is a resident of Iowa but is attending a postsecondary education program in another state, the program administrator or designee shall approve an alternative method for maintaining contact with the youth if or when it is a hardship for the youth to physically be in Iowa.

h. Ongoing assessment, including evaluation and coordination of the services, supports, and life skills training being provided to assist the youth in reaching self-sufficiency goals and to determine if and what progress is being made. The case manager shall amend any goals, outcomes, tasks, responsible parties, and time frames in the plan along with services, supports, and life skills training provided as necessary to assist the youth in achieving self-sufficiency.

187.2(3) *Extended services.* Extended services may be provided to youth, and may include life skills training, periodic check-ins, referrals to needed services, limited payments to youth, or other services determined to be valuable to the youth's development. Funds, limited to an annual per-participant amount identified in the contract, may be provided. Prior to receiving available funds, the youth is required to meet with the advocate and discuss the reason the youth is accessing funds and prior efforts to meet the need. The youth may also be asked to provide documentation of income.

187.2(4) *Start-up allowance.* When a youth between the ages of 17 and 21 is receiving or is expected to receive core services, and is actively participating in the program, the program administrator or designee may authorize and provide payment to a youth as described below:

a. The start-up allowance is intended to assist in covering the initial costs of establishing the youth's living arrangement, such as by paying rental or utility deposits, purchasing food, or purchasing necessary household items.

b. The start-up allowance is limited to amounts designated in the contract.

187.2(5) *Vendor payments.* When a youth qualifies for core services in accordance with subrule 187.3(2), and is actively participating in the program, the program administrator or designee may authorize and provide payment to a youth as described below:

a. To receive a vendor payment, the youth must demonstrate that there are no other means to meet the needs that would be covered by the vendor payment. The youth shall contribute toward the cost of meeting the identified need, to the extent the youth is able. A youth receiving a preparation for adult living (PAL) stipend, preservices, or extended services is not eligible for a vendor payment.

b. Vendor payments may include but are not limited to:

(1) Health care-related expenses;

(2) Transportation assistance;

(3) Costs related to employment and education;

(4) Clothing; and

(5) Room and board.

c. The amount available for a 12-month period of service shall be noted in the contract.

187.2(6) *PAL stipend.* When an eligible youth is actively participating in the program, the eligible youth may receive the PAL program services as described in Iowa Code section 234.46 and as follows:

a. To receive the PAL stipend, the youth must:

(1) Have met eligibility requirements in Iowa Code section 234.46(1) upon reaching the age of 18 and meet eligibility requirements in rule 441—187.1(234).

(2) Have exited foster care, the state training school, or a court-ordered Iowa juvenile detention center as identified by Iowa Code chapter 232 on or after the youth's eighteenth birthday.

(3) Meet one or more of the following criteria:

1. Be enrolled in or actively pursuing enrollment in postsecondary education, a training program, or work training; or

2. Be employed for 80 hours per month or be actively seeking that level of employment; or

3. Be attending an accredited school full-time pursuing a course of study leading to a high school diploma; or

4. Be attending an instructional program leading to a high school equivalency diploma.

b. The maximum monthly stipend shall be provided after completion of the youth's budget. The maximum amounts provided to a youth shall be stated in the contract and based on program eligibility and guidelines, as follows:

(1) The monthly stipend shall be prorated based on the number of days of youth participation for those entering and exiting the program during the month.

(2) When the monthly unearned income of the youth exceeds the overall maximum monthly stipend offered in the preparation for the adult living program, the youth is not eligible for payments unless unused startup funds remain.

(3) When the net earnings of the youth exceed the overall maximum monthly stipend offered in the PAL program, the monthly stipend is reduced by 50 cents for every dollar earned by the youth over the monthly maximum stipend.

(4) All earned and unearned income received by the youth during the 30 days before the determination shall be used to project future income. If the 30-day period is not indicative of future income, income from a longer period or verification of anticipated income from the income source may be used to project future income.

(5) Nonrecurring lump-sum payments are excluded as income. Nonrecurring lump-sum payments can include one-time payments received for such things as income tax refunds, rebates, credits, refunds of security deposits on rental property or utilities, and retroactive payments for past months' benefits such as social security, unemployment insurance, or public assistance.

(6) The youth shall timely report the beginning and ending of earned and unearned income. A report is considered timely when made within ten days from the receipt of income or the date income ended.

(7) When the youth timely reports a change in income, the youth's prospective eligibility and stipend amount for the following month shall be determined based on the change.

(8) Recoupment shall be made for any overpayment due to failure to timely report a change in income or for benefits paid during an administrative appeal if the department's action is ultimately upheld. Recoupment may be made through a reasonable reduction of any future stipends.

(9) Recoupment cannot be made when a youth timely reports a change in income and the change is timely acted upon.

(10) The stipend may be paid to the youth, the foster family, or another payee other than a department employee. The payee shall be agreed upon by the parties involved and specified in the individual self-sufficiency plan.

(11) The maximum stipend may be based on the age of the youth.

187.2(7) *Extended services allowance.* A youth 21 or 22 years of age may receive extended services funds if they meet all of the following criteria:

a. The youth is participating in extended services.

b. A budget discussion has been timely completed by the youth with a self-sufficiency advocate.

c. The need has been identified in the individual self-sufficiency plan.

d. The extended services funds approved for the youth have not exceeded contracted amounts for a six-month period calculated from the date of initiation of extended services.

441—187.3(234) Termination of aftercare services.

187.3(1) A youth may be discharged from the aftercare services program for any of the following reasons:

a. The youth fails to follow individual self-sufficiency plan components and expectations as determined by the program administrator or designee.

b. The youth fails to meet regularly with the self-sufficiency advocate without good cause as determined by the program administrator or designee.

c. The youth voluntarily withdraws from the program.

d. The youth is no longer a resident of Iowa.

e. The youth has entered a residential services program and has resided there for 60 days. "Residential services program" means a program where housing and support services are provided, including but not limited to homeless shelters, habilitation homes or transitional living programs.

f. The youth reaches 23 years of age.

187.3(2) Aftercare services and supports may be terminated for up to six months as determined by the program administrator or designee when a youth intentionally physically threatens or injures program staff or an employee of an aftercare provider agency.

187.3(3) The PAL stipend may be suspended or terminated if the youth fails to meet work or education eligibility requirements for 30 consecutive days without good cause as determined by the program administrator or designee.

187.3(4) The PAL stipend may be suspended or terminated if the youth fails to maintain satisfactory progress as defined by the education or training program in which the youth is enrolled. A youth who is not making satisfactory progress may stay in the PAL program component of the aftercare services program by choosing the work option.

187.3(5) The youth intentionally misrepresents income or expenditures or spends funds in a manner inconsistent with their intended purpose. The program administrator may request receipts or acceptable evidence that funds went to the intended purpose.

187.3(6) There are insufficient funds.

187.3(7) Unless otherwise stated, a youth whose aftercare service is terminated in accordance with this rule may return to the program after a minimum of at least 30 days. However, if the youth has received three or more notices of termination within a 12-month period, the youth may not return until at least three months have passed from the date of the third notification.

441—187.4(234) Waiting list. The program administrator or designee shall create a waiting list when all funds for the aftercare services program are committed for the fiscal year. Names will be entered on the waiting list on a first-come, first-served basis once the youth is determined eligible.

441—187.5(234) Administration. The department may contract with another state agency or a private organization to perform the administrative and case management functions necessary to administer the aftercare services program.

441—187.6(234) Appeal. Notice of adverse action taken by the department shall be issued in accordance with 441—Chapter 16, and the right to appeal shall be given in accordance with 441—Chapter 2506.

These rules are intended to implement Iowa Code section 234.46 and the Foster Care Independence Act of 1999 as amended to August 1, 2026.