

**125.44 Agreements with facilities — liability for costs.**

1. The director may, consistent with the comprehensive substance use disorder program, enter into written agreements with a facility as defined in [section 125.2](#) to pay for one hundred percent of the cost of the care, maintenance, and treatment of persons with a substance use disorder, except when [section 125.43A](#)\* applies. All payments for state patients shall be made in accordance with the limitations of [this section](#). Such contracts shall be for a period of no more than one year.

2. The contract may be in the form and contain provisions as agreed upon by the parties. The contract shall provide that the facility shall admit and treat persons with a substance use disorder regardless of where they have residence. If one payment for care, maintenance, and treatment is not made by the patient or those legally liable for the patient, the payment shall be made by the department directly to the facility. Payments shall be made each month and shall be based upon the rate of payment for services negotiated between the department and the contracting facility. If a facility projects a temporary cash flow deficit, the department may make cash advances at the beginning of each fiscal year to the facility. The repayment schedule for advances shall be part of the contract between the department and the facility. [This section](#) does not pertain to patients treated at the mental health institutes.

3. If the appropriation to the department is insufficient to meet the requirements of [this section](#), the department shall request a transfer of funds and [section 8.39](#) shall apply.

4. The person with a substance use disorder is legally liable to the facility for the total amount of the cost of providing care, maintenance, and treatment for the person with a substance use disorder while a voluntary or committed patient in a facility. [This section](#) does not prohibit any individual from paying any portion of the cost of treatment.

5. The department is liable for the cost of care, treatment, and maintenance of persons with a substance use disorder admitted to the facility voluntarily or pursuant to [section 125.75](#), [125.81](#), or [125.91](#) or [section 321J.3](#) or [124.409](#) only to those facilities that have a contract with the department under [this section](#), only for the amount computed according to and within the limits of liability prescribed by [this section](#), and only when the person with a substance use disorder is unable to pay the costs and there is no other person, firm, corporation, or insurance company bound to pay the costs.

6. The department's maximum liability for the costs of care, treatment, and maintenance of persons with a substance use disorder in a contracting facility is limited to the total amount agreed upon by the parties and specified in the contract under [this section](#).

[C71, 73, §123B.4, 123B.8; C75, 77, §125.27, 125.31; C79, §125.44, 125.48; C81, §125.44; [82 Acts, ch 1212, §25](#)]

[86 Acts, ch 1001, §12, 13](#); [86 Acts, ch 1220, §25](#); [86 Acts, ch 1245, §1137](#); [89 Acts, ch 243, §4, 5](#); [90 Acts, ch 1085, §11](#); [2011 Acts, ch 121, §40, 62](#); [2023 Acts, ch 19, §107](#)

Referred to in [§125.13](#), [321J.3](#), [462A.14](#)

\*Section 125.43A repealed by [2024 Acts, ch 1161, §135](#); corrective legislation is pending