

135.175 Health care workforce support initiative — workforce shortage fund — accounts.

1. *a.* A health care workforce support initiative is established to provide for the coordination and support of various efforts to address the health care workforce shortage in this state. This initiative shall include the medical residency training state matching grants program created in [section 135.176](#), the nurse residency state matching grants program created in [section 135.178](#), and the fulfilling Iowa's need for dentists matching grant program created in [section 135.179](#).

b. A health care workforce shortage fund is created in the state treasury as a separate fund under the control of the department, in cooperation with the entities identified in [this section](#) as having control over the accounts within the fund. The fund and the accounts within the fund shall be controlled and managed in a manner consistent with the principles specified and the strategic plan developed pursuant to [section 135.163](#).

2. The fund and the accounts within the fund shall consist of moneys appropriated from the general fund of the state for the purposes of the fund or the accounts within the fund; moneys received from the federal government for the purposes of addressing the health care workforce shortage; contributions, grants, and other moneys from communities and health care employers; and moneys from any other public or private source available.

3. The department and any entity identified in [this section](#) as having control over any of the accounts within the fund, may receive contributions, grants, and in-kind contributions to support the purposes of the fund and the accounts within the fund. Not more than five percent of the moneys allocated to any account within the fund may be used for administrative costs.

4. The fund and the accounts within the fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the fund and the accounts within the fund shall not be considered revenue of the state, but rather shall be moneys of the fund or the accounts. The moneys in the fund and the accounts within the fund are not subject to [section 8.33](#) and shall not be transferred, used, obligated, appropriated, or otherwise encumbered, except to provide for the purposes of [this section](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the fund shall be credited to the fund and the accounts within the fund.

5. The fund shall consist of the following accounts:

a. The medical residency training account. The medical residency training account shall be under the control of the department and the moneys in the account shall be used for the purposes of the medical residency training state matching grants program as specified in [section 135.176](#). Moneys in the account shall consist of moneys appropriated or allocated for deposit in or received by the fund or the account and specifically dedicated to the medical residency training state matching grants program or account for the purposes of such account.

b. The nurse residency state matching grants program account. The nurse residency state matching grants program account shall be under the control of the department and the moneys in the account shall be used for the purposes of the nurse residency state matching grants program as specified in [section 135.178](#). Moneys in the account shall consist of moneys appropriated or allocated for deposit in or received by the fund or the account and specifically dedicated to the nurse residency state matching grants program account for the purposes of such account.

c. The health care workforce shortage national initiatives account. The health care workforce shortage national initiatives account shall be under the control of the state entity identified for receipt of the federal funds by the federal government entity through which the federal funding is available for a specified health care workforce shortage initiative. Moneys in the account shall consist of moneys appropriated or allocated for deposit in or received by the fund or the account and specifically dedicated to health care workforce shortage national initiatives or the account and for a specified health care workforce shortage initiative.

d. The fulfilling Iowa's need for dentists matching grant program account. The fulfilling Iowa's need for dentists matching grant program account shall be under the control of the department and the moneys in the account shall be used for the purposes of the fulfilling

Iowa's need for dentists matching grant program as specified in [section 135.179](#). Moneys in the account shall consist of moneys appropriated or allocated for deposit in the account or received by the fund or the account and specifically dedicated to the fulfilling Iowa's need for dentists matching grant program account for the purposes of such account.

6. a. Moneys in the fund and the accounts in the fund shall only be appropriated in a manner consistent with the principles specified and the strategic plan developed pursuant to [section 135.163](#) to support the medical residency training state matching grants program, the nurse residency state matching grants program, the fulfilling Iowa's need for dentists matching grant program, and to provide funding for state health care workforce shortage programs as provided in [this section](#).

b. State programs that may receive funding from the fund and the accounts in the fund, if specifically designated for the purpose of drawing down federal funding, are the primary care recruitment and retention endeavor (PRIMECARRE), the Iowa affiliate of the national rural recruitment and retention network, the dental program of the department, the primary care office and shortage designation program, and the state office of rural health of the department; any entity identified by the federal government entity through which federal funding for a specified health care workforce shortage initiative is received; and a program developed in accordance with the strategic plan developed by the department in accordance with [section 135.163](#).

c. Any federal funding received for the purposes of addressing state health care workforce shortages shall be deposited in the health care workforce shortage national initiatives account, unless otherwise specified by the source of the funds, and shall be used as required by the source of the funds. If use of the federal funding is not designated, the funds shall be used in accordance with the strategic plan developed by the department in accordance with [section 135.163](#), or to address workforce shortages as otherwise designated by the department. Other sources of funding shall be deposited in the fund or account and used as specified by the source of the funding.

7. No more than five percent of the moneys in any of the accounts within the fund shall be used for administrative purposes, unless otherwise provided by the appropriation, allocation, or source of the funds.

8. The department, in cooperation with the entities identified in [this section](#) as having control over any of the accounts within the fund, shall submit an annual report to the governor and the general assembly regarding the status of the health care workforce support initiative, including the balance remaining in and appropriations from the health care workforce shortage fund and the accounts within the fund.

2015 Acts, ch 30, §212, 218, 219; 2016 Acts, ch 1073, §55, 56, 187, 189; 2017 Acts, ch 148, §17, 18; 2018 Acts, ch 1165, §111 – 113; 2023 Acts, ch 19, §156

Referred to in §135.176, 135.178, 135.179, 249M.4

For future repeal of this section effective upon the date the department of health and human services notifies the general assembly and the Code editor of the receipt of federal approval for a Medicaid supplemental enhanced payment for the purposes of maximizing federal funding opportunities for graduate medical education and to increase the number of medical residencies in the state, see 2025 Acts, ch 120, §17, 21