

**135D.5 Designated entity — administration and governance.**

1. The Iowa health information network shall be administered by a designated entity selected by the department through a competitive process. The designated entity shall be established as a corporation organized under chapter 490, 496C, or 504. The designated entity shall be established for the purpose of administering the statewide Iowa health information network. Notwithstanding any provision of law to the contrary, the department shall conduct a competitive process to select a designated entity at least every eight years.

2. The designated entity shall collaborate with the department, but the designated entity shall not be considered, in whole or in part, an agency, department, or administrative unit of the state.

a. The designated entity shall not be required to comply with any requirements that apply to a state agency, department, or administrative unit and shall not exercise any sovereign power of the state.

b. The designated entity does not have authority to pledge the credit of the state. The assets and liabilities of the designated entity shall be separate from the assets and liabilities of the state and the state shall not be liable for the debts or obligations of the designated entity. All debts and obligations of the designated entity shall be payable solely from the designated entity's funds. The state shall not guarantee any obligation of or have any obligation to the designated entity.

3. The articles of incorporation of the designated entity shall provide for its governance and its efficient management. In providing for its governance, the articles of the designated entity shall address the following:

a. A board of directors to govern the designated entity.

b. The appointment of a chief executive officer by the board to manage the designated entity's daily operations.

c. The delegation of such powers and responsibilities to the chief executive officer as may be necessary for the designated entity's efficient operation.

d. The employment of personnel necessary for the efficient performance of the duties assigned to the designated entity. All such personnel shall be considered employees of a private corporation and shall be exempt from the personnel requirements imposed on state agencies, departments, and administrative units.

e. The financial operations of the designated entity including the authority to receive and expend funds from public and private sources and to use its property, money, or other resources for the purpose of the designated entity.

[2015 Acts, ch 73, §5, 9](#); [2025 Acts, ch 120, §77, 78](#)

Subsection 1 amended

Subsection 3, paragraph d amended