

**225A.4 Behavioral health service system — districts and administrative services organizations.**

1. a. The department shall divide the entirety of the state into designated behavioral health districts. Behavioral health prevention, education, early intervention, treatment, recovery support, and crisis services related to mental health and addictive disorders, including but not limited to alcohol use, substance use, tobacco use, and problem gambling, shall be made available through each behavioral health district in a manner consistent with directives each district receives from the department.

b. For the purpose of providing equitable access to all services provided through the behavioral health service system, the department shall consider all of the following when designating behavioral health districts:

- (1) City and county lines.
- (2) The maximum population size that behavioral health services available in an area are able to effectively serve.
- (3) Areas of high need for behavioral health services.
- (4) Patterns various populations exhibit when accessing or receiving behavioral health services.

c. Notwithstanding [chapter 17A](#), the manner in which the department designates behavioral health districts including but not limited to the determination of the boundaries for each district shall not be subject to judicial review.

2. a. The department shall designate an administrative services organization for each behavioral health district to oversee and organize each district and the behavioral health services associated with the district. The department shall issue requests for proposals for administrative services organization candidates.

b. At the department's discretion, the department may designate any of the following entities as an administrative services organization:

(1) An organization that coordinated administrative services or mental health and disability services for a mental health and disability services region formed on or before June 30, 2024.

(2) A public or private nonprofit agency located in a behavioral health district, or any separate organizational unit within the public or private nonprofit agency, that has the capabilities to engage in the planning or provision of a broad range of behavioral health prevention, education, early intervention, treatment, recovery support, and crisis services related to mental health and addictive disorders, including but not limited to alcohol use, substance use, tobacco use, and problem gambling, only as directed by the department.

c. The department shall consider all of the following factors in determining whether to designate an entity as an administrative services organization:

(1) Whether the entity has demonstrated the capacity to manage and utilize available resources in a manner required of an administrative services organization.

(2) Whether the entity has demonstrated the ability to ensure the delivery of behavioral health services within the district as required by the department by rule.

(3) Whether the entity has demonstrated the ability to fulfill the monitoring, oversight, and provider compliance responsibilities as required by the department by rule.

(4) Whether the entity has demonstrated the capacity to function as a subrecipient for the purposes of the federal community mental health services block grant, 42 U.S.C. §300x et seq., and the federal substance abuse prevention and treatment block grant, 42 U.S.C. §300x-21 et seq., and the ability to comply with all federal requirements applicable to subrecipients under the block grants.

3. a. Upon designation by the department, an administrative services organization shall be considered an instrumentality of the state and shall adhere to all state and federal mandates and prohibitions applicable to an instrumentality of the state.

b. An entity's designation as an administrative services organization shall continue until the designation is removed by the department, the administrative services organization withdraws, or a change in state or federal law necessitates the removal of the designation.

4. Each administrative services organization shall function as a subrecipient for the

purposes of the federal community mental health services block grant, 42 U.S.C. §300x et seq., and the federal substance abuse prevention and treatment block grant, 42 U.S.C. §300x-21 et seq., and shall comply with all federal requirements applicable to subrecipients under the block grants.

5. Each administrative services organization shall perform all of the following duties:

a. Develop and administer a district behavioral health plan in accordance with the standards adopted by the department by rule.

b. Coordinate the administration of the district behavioral health plan with federal, state, and local resources in order to develop a comprehensive and coordinated local behavioral health service system.

c. Enter into contracts necessary to provide services under the district behavioral health plan.

d. Oversee, provide technical assistance to, and monitor the compliance of providers contracted by the administrative services organization to provide behavioral health services in accordance with the district behavioral health plan.

e. Establish a district behavioral health advisory council pursuant to [section 225A.5](#).

[2024 Acts, ch 1161, §4, 11](#)

Referred to in [§225A.1](#), [321J.25](#), [812.6](#)

Section effective July 1, 2025; 2024 Acts, ch 1161, §11

NEW section