

CHAPTER 301
BEHAVIORAL HEALTH SERVICE SYSTEM ELIGIBILITY AND SERVICES

Chapter rescission date pursuant to Iowa Code section 17A.7: 7/1/30

441—301.1(225A) Individual eligibility for behavioral health service system funding. To be eligible for behavioral health service system funding, an individual must meet the following financial and needs-based eligibility criteria.

301.1(1) *Financial eligibility.* Income requirements for adults and household income for children are as follows:

- a. Income equal to or less than 200 percent of the federal poverty level.
- b. Income will be verified using the best information available.
- c. Financial eligibility will be reviewed on an annual basis and may be reviewed more often in response to increases or decreases in income.
- d. An individual who is eligible for medical assistance must apply for and exhaust such funding for services and supports prior to utilization of behavioral health service system funding.

301.1(2) *Resource requirements.* Individuals seeking behavioral services must have resources that are equal to or less than \$2,000 in countable value for a single-person household or \$3,000 in countable value for a multiperson household.

a. The countable value of all countable resources, both liquid and nonliquid, will be included in the eligibility determination, except as exempted in this subrule.

b. A transfer of property or other assets within five years of the time of application with the result of, or intent to, qualify for assistance may result in denial or discontinuation of funding.

c. The following resources will be exempt:

(1) A homestead, including equity in a family home or farm that is used as the individual household's principal place of residence. The homestead will include all land that is contiguous to the home and the buildings located on the land.

(2) One automobile used for transportation.

(3) Tools of an actively pursued trade.

(4) General household furnishings and personal items.

(5) Burial account or trust limited in value as to that allowed in the medical assistance program.

(6) Cash surrender value of life insurance with a face value of less than \$1,500 on any one person.

(7) Any resource determined excludable by the Social Security Administration as a result of an approved Social Security Administration work incentive.

d. If an individual does not qualify for federally funded or state-funded services or other support but meets all income, resource, and functional eligibility requirements of this chapter, the following types of resources will additionally be considered exempt from consideration in eligibility determination:

(1) A retirement account that is in the accumulation stage.

(2) A medical savings account.

(3) An assistive technology account.

(4) A burial account or trust limited in value as to that allowed in the medical assistance program.

301.1(3) *Needs-based eligibility.* An individual must:

a. Be a resident of Iowa or, if a minor, the custodial parent or legal guardian is a resident of Iowa.

b. Currently have, or at any time during the preceding 12-month period have had, a behavioral health condition.

301.1(4) *Service-specific eligibility.* Notwithstanding the financial and needs-based eligibility requirements in subrule 301.1(1), 301.1(2), or 301.1(3), individuals may be subject to additional diagnostic, level of care, or admission requirements for services. Individuals receiving:

a. Twenty-three-hour observation and holding services must meet admission criteria set forth in 441—subrule 24.37(1).

b. Crisis stabilization community-based services must meet service eligibility requirements set forth in 441—subrule 24.38(1).

c. Crisis stabilization residential services must meet service eligibility requirements set forth in 441—subrule 24.39(1).

d. Covered substance use disorder treatment services must meet the applicable levels of the third edition of the American Society of Addiction Medicine (ASAM) Criteria as published by the ASAM and as amended to July 1, 2025.

e. Assertive community treatment (ACT) services must meet service eligibility requirements set forth in 441—subrule 78.45(1).

f. Subacute services must meet admission requirements set forth in 481—subrule 71.13(2).

g. Outpatient competency restoration must have a court order to receive the service pursuant to Iowa Code section 812.6.

h. Psychiatric medical institutions for children (PMIC) services must meet certification of need requirements set forth in rule 481—41.9(135H).

301.1(5) Exceptions. Receipt of the following behavioral health services is as defined and is not subject to individual eligibility criteria in subrule 301.1(1), 301.1(2), or 301.1(3):

- a. Prevention.
- b. Early intervention services.
- c. Crisis services.
- d. Outpatient competency restoration.
- e. Jail-based behavioral health services.
- f. System navigation.

[ARC 9274C, IAB 5/14/25, effective 7/1/25]

441—301.2(225A) The behavioral health care continuum.

301.2(1) Behavioral health services. Behavioral health services overseen by a BH-ASO will include ensuring access to the full continuum of behavioral health care, including:

- a. Prevention services, including indicated prevention, primary substance use prevention and universal prevention, and selective prevention.
- b. Early identification.
- c. Early intervention services.
- d. Crisis services, including immediate access to crisis assessment and evaluation; access centers; sobering centers; mobile crisis response; crisis-stabilization, community-based services; and crisis-stabilization, residential services.
- e. Mental health outpatient treatment services, including screening, assessment, diagnosis, risk assessment, and crisis planning.
- f. Mental health, high-intensity outpatient treatment services, including ACT, intensive outpatient programs (IOP), intensive psychiatric rehabilitation (IPR), partial hospitalization, and day treatment.
- g. PMIC.
- h. Mental health inpatient treatment.
- i. Hospital alternatives, including subacute services, 23-hour observation and holding, and crisis respite services.
- j. Substance use disorder outpatient treatment services, including assessment and evaluation services.
- k. Substance use disorder intensive outpatient treatment services.
- l. Substance use disorder partial hospitalization services.
- m. Substance use disorder clinically managed residential treatment services.
- n. Recovery supports.
- o. Peer support and peer recovery coaching.
- p. Peer wellness and recovery community centers.
- q. Transitional living and recovery housing programs.
- r. Jail-based behavioral health services, including provision of behavioral health treatment and medications in jails.
- s. Commitment-related services, including prescreening, secure transportation, legal representation, and mental health advocates.

- t. Outpatient competency restoration.
- u. Outreach, education, and engagement services.
- v. Additional services deemed necessary for a district or statewide as determined by the district behavioral health service system plan and approved by the department.

301.2(2) *Additional requirements.* Additional requirements related to behavioral health services include crisis system navigation that must be available 24 hours per day, 7 days per week, 365 days per year.

301.2(3) *Option for waiting lists.* The department will maintain a waiting list of individuals denied access to the program due to lack of available funds. Waiting list information will include the date on which the individual was placed on the waiting list. If additional funds become available, the department will contact individuals on the list.

[ARC 9274C, IAB 5/14/25, effective 7/1/25]

441—301.3(225A) Provider qualifications.

301.3(1) *Behavioral health safety net service providers.* Behavioral health safety net service providers, which are defined in rule 441—300.1(225A), are required to:

- a. Adhere to minimum access standards as set forth in 441—subrule 302.2(1).
- b. Accept behavioral health service system funds as payment in full for individuals served through behavioral health service system funding. The safety net provider may not bill individuals for missed appointments, or for copayments or other cost-sharing arrangements, except as described in individual eligibility standards in rule 441—301.1(225A).
- c. Work with BH-ASOs to coordinate care for the individuals the safety net provider serves, including making referrals to secure services and supports appropriate for the individual, coordinating warm handoffs to ensure continuity of care, coordinating transportation, and performing post-discharge follow-up.
- d. Notify the BH-ASO within seven days when a safety net provider is at or above 90 percent capacity to admit individuals in need of behavioral health services.

301.3(2) *Behavioral health service system provider eligibility.* The following persons or organizations are eligible to participate as behavioral health service system providers to the extent allowed under the scope of their licensure, certification, or accreditation:

- a. Hospitals providing inpatient psychiatric treatment or emergency department services licensed pursuant to Iowa Code chapter 135B.
- b. Providers of outpatient mental health services licensed to practice in the state of Iowa or accredited under 441—Chapter 24.
- c. Providers of crisis services accredited under 441—Chapter 24.
- d. Community mental health centers (CMHCs) accredited under 441—Chapter 24.
- e. Certified community behavioral health clinics (CCBHCs) certified by the department.
- f. Federally qualified health centers (FQHCs) certified by the Centers for Medicare and Medicaid Services (CMS).
- g. Providers of substance use disorder treatment programs and problem gambling treatment programs licensed pursuant to 641—Chapter 155.
- h. Local tobacco control programs designated by the department.
- i. Recovery community centers (RCCs) designated by the department.
- j. Providers of recovery support services (RSSs) designated by the department.
- k. Subacute mental health facilities licensed pursuant to 481—Chapter 71.
- l. PMICs licensed pursuant to 481—Chapter 41.
- m. Providers of prevention services designated by the department.
- n. Providers of early intervention services designated by the department.
- o. Recovery and peer support providers trained or certified through approved programs designated by the department.

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441—301.4(225A) Appeal rights.

301.4(1) Definitions. For the purposes of this rule, the following definitions apply.

“*Agency action*” includes the whole or part of an agency rule or other statement of law or policy, order, decision, license, proceeding, investigation, sanction, relief, or the equivalent or a denial thereof, or a failure to act, or any other exercise of agency discretion or failure to do so, or the performance of any agency duty or the failure to do so.

“*Appellant*” means any person bringing an appeal under this chapter, including any person’s authorized representative as defined in subrule 301.4(14).

“*Person*” means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than an agency.

“*Reviewer*” means the individual assigned by the department to review an appeal record and issue a written decision on behalf of the department. The department’s reviewer will be screened from the underlying case and will not have prior knowledge of the facts that precipitated the appeal.

301.4(2) Appeal. A person that disagrees with the department’s agency action related to an eligibility determination or denial of behavioral health services may request an appeal within 120 calendar days of the date of the determination or denial.

a. The following actions may be appealed:

- (1) The determination that eligibility criteria have not been met.
- (2) The denial or limited authorization of a requested service, including the type or level of service.
- (3) The decision to reduce, suspend, or terminate previously authorized services.
- (4) The denial, in whole or in part, of payment for a service that was provided.
- (5) The failure of the department to act within the required time frames.

b. Appeal requests submitted by regular mail are considered filed on the date postmarked on the envelope sent to the department or, when a postmarked envelope is not available, on the date the appeal is stamped received by the department. Appeal requests sent electronically are considered filed on the date on which the electronic submission was completed.

c. In computing any time period specified in this rule, the period:

- (1) Excludes the day of the event that triggers the period;
- (2) Includes every day of the time period (including Saturdays, Sundays, and holidays on which the department is closed); and
- (3) Includes the last day of the period, but if the last day is a Saturday, Sunday, or legal holiday, the period continues until the end of the next day that is not a Saturday, Sunday, or legal holiday.

301.4(3) Request. The person may request an appeal using a form prescribed by the department and in a manner prescribed by the department.

301.4(4) Acknowledgment of appeal. The department will send an acknowledgment of receipt of the appeal to the parties-in-interest to the appeal.

301.4(5) Acceptance or denial of appeal. The department will determine with reasonable promptness whether the person is entitled to an appeal. If a request for an appeal is denied, the department will provide written notice of and the reasons for the denial. On or before the thirtieth calendar day following the denial of appeal, the party requesting the appeal may provide additional information related to the appeal and request reconsideration of the denial of the appeal.

301.4(6) Documentation. If an appeal request is granted, the appellant may submit a written statement, supported by relevant documentation, to establish all pertinent facts and circumstances. Documents shall be submitted to the department within 14 calendar days of the date the appeal is acknowledged. The department’s reviewer may request additional documents or information from the appellant as needed to assist the department’s evaluation of the appeal.

301.4(7) Ex parte communication. The department’s reviewer, the director, and all parties to the appeal are bound by the rules against ex parte communication set forth in Iowa Code section 17A.17 and rule 7—2506.23(17A).

301.4(8) Withdrawal. An appellant may withdraw a request for appeal at any time. Requests to withdraw an appeal will be granted.

301.4(9) Department review. The department's reviewer will review the appeal record and issue a written proposed decision to all parties within 30 calendar days. The written proposed decision will include the reviewer's findings of fact and rationale for the decision.

301.4(10) Director's review.

a. Time. Parties may appeal the proposed decision to the director. A request for director's review shall be in writing and postmarked or received within 14 calendar days of the date on which the proposed decision was issued. A request for director's review may be accompanied by a brief written summary of the arguments in favor of granting a director's review.

b. Granting or denial of review. The department has full discretion to grant or deny a request for director's review. In addition, the director may initiate review of a proposed decision on the director's own motion at any time on or before the thirtieth calendar day following the issuance of the proposed decision. When the department grants a request for director's review, the parties will be notified of the decision, and a copy of the request will be included with the notification.

c. Limited record. A director's review will be limited to the issues and information contained in the record reviewed by the reviewer who issued the proposed decision.

d. Oral arguments. Upon specific request, the director may, at the director's discretion, permit parties to present oral arguments with the parties' requests for director's review.

e. Decision issued. The director will issue a final decision within the timelines prescribed by federal or state law. For all appeals for which there is no federal or state timeliness standard, the director will issue a final decision on or before the ninetieth day from the date the director grants review.

301.4(11) Final decisions.

a. No appeal or denial of director review. If there is no timely appeal from or review of the proposed decision, the proposed decision will be considered the final agency action and is subject to judicial review in accordance with Iowa Code section 17A.19.

b. Director decision issued. Any decision issued by the director after granting a director's review will be considered the final agency action and is subject to judicial review in accordance with Iowa Code section 17A.19.

c. Written notice of final decision. The parties-in-interest will be provided written notice of the department's final decision. The department will also notify the appellant of the right to seek judicial review, where applicable.

301.4(12) Interpreters. The department will provide translation and interpretation services to parties-in-interest, if requested. When a party-in-interest is illiterate or semiliterate, the reviewer will advise the party-in-interest of the party-in-interest's rights.

301.4(13) Persons living with disabilities. Persons living with disabilities will be provided assistance through the use of auxiliary aids and services at no cost to the individual in accordance with the Americans with Disabilities Act (as amended, effective December 31, 2023) and Section 504 of the Rehabilitation Act (as amended, effective October 1, 2016).

301.4(14) Authorized representatives.

a. Regulations. The provisions of this subrule only apply to the extent the standards expressed in this rule are not in conflict with other state or federal law.

b. Designation of authority. Legally recognized delegations of authority, such as guardianships, applicable designations of power of attorney, or similar designations, will be sufficient for a delegate to serve as authorized representative under this rule. A person that is not designated as a legally recognized delegation of authority but who otherwise seeks to act as an authorized representative for an individual in an appeal under this rule shall provide a written, signed designation of authority to the department with the request for appeal. The designation must provide the scope of the representation, applicable waivers for the release of confidential information, and any temporal or other limitations on the scope of representation. An authorized representative of a party-in-interest only represents the party-in-interest and has no independent right to appeal by virtue of the authorized representative's representation.

c. Appearance by attorney. Legal counsel appearing on behalf of any person in a proceeding under this rule shall enter an appropriate written appearance.

301.4(15) *Not contested cases.* Appeals brought under this chapter are not contested cases, appellants will not be granted a contested case hearing, and the provisions in 441—Chapter 2506 do not apply.

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These rules are intended to implement Iowa Code chapter 225A.

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