

Senate File 2483

S-5249

1 Amend Senate File 2483 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <DIVISION I

5 DEPARTMENT OF VETERANS AFFAIRS — FY 2026-2027

6 Section 1. DEPARTMENT OF VETERANS AFFAIRS. There is
7 appropriated from the general fund of the state to the
8 department of veterans affairs for the fiscal year beginning
9 July 1, 2026, and ending June 30, 2027, the following amounts,
10 or so much thereof as is necessary, to be used for the purposes
11 designated:

12 1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

13 For salaries, support, maintenance, and miscellaneous
14 purposes, and for not more than the following full-time
15 equivalent positions:

16	\$	1,369,205
17	FTEs	15.00

18 2. IOWA VETERANS HOME

19 For salaries, support, maintenance, and miscellaneous
20 purposes:

21	\$	8,145,736
----------	----	-----------

22 a. The Iowa veterans home billings involving the department
23 of health and human services shall be submitted to the
24 department on at least a monthly basis.

25 b. The Iowa veterans home expenditure report shall be
26 submitted monthly to the general assembly.

27 3. HOME OWNERSHIP ASSISTANCE PROGRAM

28 For transfer to the Iowa finance authority for the
29 continuation of the home ownership assistance program for
30 persons who are or were eligible members of the armed forces
31 of the United States or eligible service members pursuant to
32 section 16.54:

33	\$	2,200,000
----------	----	-----------

34 DIVISION II

35 AGING AND DISABILITY SERVICES — FY 2026-2027

1 department as part of an area agency on aging's area plan.

2 2. Of the moneys appropriated in this section, \$949,282
3 is allocated to be used for the comprehensive family support
4 program created in section 231.80 as enacted under this Act.

5 3. Of the moneys appropriated in this section, \$33,632
6 is allocated to be used to build community capacity through
7 the coordination and provision of training opportunities in
8 accordance with the consent decree of Conner v. Branstad, No.
9 4-86-CV-30871 (S.D. Iowa, July 15, 1994).

10

DIVISION III

11

BEHAVIORAL HEALTH — FY 2026-2027

12

Sec. 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES —

13

14

15

16

17

BEHAVIORAL HEALTH. There is appropriated from the general fund
of the state to the department of health and human services for
the fiscal year beginning July 1, 2026, and ending June 30,
2027, the following amount, or so much thereof as is necessary,
to be used for the purposes designated:

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

For behavioral health prevention, education, early
intervention, treatment, recovery support, and crisis
services in order to support statewide access to treatment for
behavioral health conditions; stabilization and mitigation of
behavioral health crises; and recovery for individuals and
families impacted by behavioral health conditions. Activities
shall align with accepted best practice guidance standards for
behavioral health including those published by the centers for
disease control and prevention of the United States department
of health and human services, and the substance abuse and
mental health services administration of the United States
department of health and human services, for health promotion;
universal, selective, and indicated prevention; treatment; and
recovery services and supports; and shall include a 24-hour
helpline, public information resources, professional training,
youth prevention, program evaluation, and efforts at the state
and local levels, and for not more than the following full-time
equivalent positions:

1 \$ 23,127,121
2 FTEs 70.00

3 1. Of the moneys appropriated in this section, \$300,000
4 is allocated to support the work of the children's behavioral
5 health system including evidence-based behavioral health
6 prevention, treatment, and recovery services and supports for
7 children and their families.

8 2. Of the moneys appropriated in this section, \$950,000
9 is allocated for an integrated substance use disorder managed
10 care system. The department shall maintain the level of mental
11 health and substance use disorder treatment services provided
12 by the managed care contractors, and shall take the steps
13 necessary to continue the federal waivers as needed to maintain
14 the level of services.

15 Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SPORTS
16 WAGERING RECEIPTS FUND. There is appropriated from the
17 sports wagering receipts fund created in section 8.57I, to the
18 department of health and human services for the fiscal year
19 beginning July 1, 2026, and ending June 30, 2027, the following
20 amount, or so much thereof as is necessary, to be used for
21 behavioral health prevention, education, early intervention,
22 treatment, recovery support, and crisis services in order to
23 support statewide access to treatment for behavioral health
24 conditions; stabilization and mitigation of behavioral health
25 crises; and recovery for individuals and families impacted by
26 behavioral health conditions:

27 \$ 1,750,000

28 DIVISION IV

29 PUBLIC HEALTH — FY 2026-2027

30 Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PUBLIC
31 HEALTH. There is appropriated from the general fund of the
32 state to the department of health and human services for the
33 fiscal year beginning July 1, 2026, and ending June 30, 2027,
34 the following amount, or so much thereof as is necessary, to be
35 used for the purposes designated:

1 For programs that support health promotion, protect the
 2 health and safety of the public, conduct disease surveillance
 3 and investigation to reduce the incidence of morbidity and
 4 mortality, serve individuals with chronic conditions including
 5 but not limited to cancer, support the Iowa donor registry as
 6 specified in section 142C.18, and strengthen the health care
 7 delivery system and workforce to improve health outcomes for
 8 all Iowans, and for not more than the following full-time
 9 equivalent positions:

10 \$ 21,168,369
 11 FTEs 348.60

12 1. Of the moneys appropriated in this section, \$191,000
 13 is allocated to the university of Iowa hospitals and clinics
 14 to administer a child vision screening program through
 15 continuation of an existing contract. The program shall submit
 16 a report to the department regarding the use of funds allocated
 17 under this subsection. The report shall include the objectives
 18 and results for the program year including the target
 19 population and how the funds allocated assisted the program in
 20 meeting the objectives; the number, age, and location within
 21 the state of individuals served; the type of services provided
 22 to the individuals served; the distribution of moneys based on
 23 the services provided; and the continuing needs of the program.

24 2. Of the moneys appropriated in this section, \$144,000 is
 25 allocated for the public purpose of allowing the department
 26 to continue an existing contract with an existing affiliated
 27 organization to provide education, client-centered programs,
 28 and client and family support, for people living with epilepsy
 29 and their families. The moneys allocated in excess of \$50,000
 30 shall be matched dollar for dollar by the existing affiliated
 31 organization. Moneys under this section shall be distributed
 32 in their entirety on July 1, 2026, for the purpose specified.

33 3. Of the moneys appropriated in this section, the following
 34 amounts are allocated to the department of health and human
 35 services to be used as follows to support the goals of

1 increased access, health system integration, and engagement:
2 a. \$600,000 for distribution to a nonprofit organization
3 that established the first statewide drug donation repository
4 for continuation of the pharmaceutical infrastructure for
5 safety net providers established as described in 2007 Iowa
6 Acts, chapter 218, section 108, and for the prescription drug
7 donation repository program established in chapter 135M.
8 Moneys under this paragraph shall be distributed in their
9 entirety on July 1, 2026, for the purpose specified.
10 b. \$374,000 for distribution to free clinics, as defined in
11 section 135.24, and a nonprofit organization that facilitates
12 the initiation, operation, and collaboration of free clinics
13 for necessary infrastructure, statewide coordination, provider
14 recruitment, service delivery, and provision of assistance to
15 patients in securing a medical home inclusive of oral health
16 care. Of the moneys allocated, \$40,000 shall be used to lower
17 fees associated with using an electronic prescribing system.
18 Moneys under this paragraph shall be distributed in their
19 entirety on July 1, 2026, for the purpose specified.
20 c. \$25,000 for distribution to an organization that raises
21 awareness about issues related to rural health clinics for
22 necessary infrastructure and service delivery transformation.
23 Moneys under this paragraph shall be distributed in their
24 entirety on July 1, 2026, for the purpose specified.
25 4. Of the moneys appropriated in this section, \$400,000
26 is allocated for rural psychiatric residencies for residents
27 selected on or before June 30, 2026.
28 5. Of the moneys appropriated in this section, \$20,000 is
29 allocated to make radon test kits available, free of charge,
30 to homeowners and renters in the state. The department shall
31 provide a link on the department's internet site for homeowners
32 and renters in the state to order radon test kits.
33 6. Of the moneys appropriated in this section, \$1,500,000 is
34 allocated for awarding grants for medical residency programs in
35 the state that meet the following criteria:

1 a. The medical residency program is not related to the
2 practice of family medicine.

3 b. The medical residency program is not located in a county
4 that has a population of one hundred fifty thousand or more
5 based on the most recent federal decennial census, and in which
6 the main campus of an institution of higher learning governed
7 by the state board of regents is located.

8 7. The university of Iowa hospitals and clinics under
9 the control of the state board of regents shall not receive
10 indirect costs from the moneys appropriated in this section.
11 The university of Iowa hospitals and clinics billings to the
12 department shall be, at a minimum, on a quarterly basis.

13 DIVISION V

14 COMMUNITY ACCESS AND ELIGIBILITY — CHILD SUPPORT SERVICES —
15 TANF — FY 2026-2027

16 Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES — COMMUNITY
17 ACCESS AND ELIGIBILITY. There is appropriated from the
18 general fund of the state to the department of health and human
19 services for the fiscal year beginning July 1, 2026, and ending
20 June 30, 2027, the following amount, or so much thereof as is
21 necessary, to be used for the purposes designated:

22 To be used for salaries, support, maintenance, and
23 miscellaneous purposes and for family investment program (FIP)
24 assistance in accordance with chapter 239B, and for other costs
25 associated with providing needs-based benefits or assistance
26 including but not limited to maternal and child health, oral
27 health, obesity prevention, the promoting independence and
28 self-sufficiency through employment, job opportunities and the
29 basic skills (PROMISE JOBS) program, supplemental nutrition
30 assistance program (SNAP) employment and training, the FIP
31 diversion program, family planning, rent reimbursement,
32 and eligibility determinations for medical assistance, food
33 assistance, and the children's health insurance program, and
34 for not more than the following full-time equivalent positions:
35 \$ 76,371,516

1 FTEs 883.90

2 1. Of the child support collections assigned under FIP,
3 the federal share of the child support collections shall be
4 credited to the child support services appropriation made in
5 this division of this Act. Of the remainder of the child
6 support collections assigned under FIP, a portion shall be
7 credited to community access and eligibility, and the remaining
8 moneys may be used to increase recoveries, to sustain cash flow
9 in the collection services center refund account as provided in
10 section 252B.13A, or for technology needs. If child support
11 collections assigned under FIP are greater than estimated or
12 are otherwise determined not to be required for maintenance of
13 efforts, the state share of either amount is appropriated to
14 the department for child support services as described in this
15 division of this Act, or may be transferred to or retained in
16 the collection services center refund account.

17 2. Of the moneys appropriated in this section, \$3,075,000 is
18 allocated for continuation of the department's initiative to
19 provide for adequate developmental surveillance and screening
20 during a child's first five years. The moneys shall first be
21 used to fully fund the current participating counties to ensure
22 that those counties are fully operational, with the remaining
23 moneys to be used for expanding participation to additional
24 counties. Full implementation and expansion shall include
25 enhancing the scope of the initiative through collaboration
26 with child health specialty clinics to promote the use of
27 developmental surveillance and screening to support healthy
28 child development through early identification and response to
29 biomedical and social determinants of healthy development by
30 providing practitioner consultation and continuous improvement
31 through training and education, particularly for children
32 with behavioral conditions and needs. The department shall
33 also collaborate with the Medicaid program and child health
34 specialty clinics to assist in coordinating the activities
35 of the first five initiative into the establishment of

1 patient-centered medical homes developed to improve health
2 quality and population health while reducing health care costs.
3 To the maximum extent possible, moneys allocated in this
4 subsection shall be utilized as matching moneys for Medicaid
5 program reimbursement.

6 3. Of the moneys appropriated in this section, \$1,145,102 is
7 allocated to the Iowa commission on volunteer service created
8 in section 15H.2 for programs and grants.

9 4. The university of Iowa hospitals and clinics under
10 the control of the state board of regents shall not receive
11 indirect costs from the moneys appropriated in this section.
12 The university of Iowa hospitals and clinics billings to the
13 department shall be, at a minimum, on a quarterly basis.

14 Sec. 7. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
15 SUPPORT SERVICES. There is appropriated from the general fund
16 of the state to the department of health and human services for
17 the fiscal year beginning July 1, 2026, and ending June 30,
18 2027, the following amount, or so much thereof as is necessary,
19 to be used for the purposes designated:

20 For child support services, including salaries, support,
21 maintenance, and miscellaneous purposes, and for not more than
22 the following full-time equivalent positions:

23 \$ 15,644,114
24 FTEs 464.00

25 1. Federal access and visitation grant moneys shall be used
26 for services designed to increase compliance with the child
27 access provisions of court orders, including but not limited to
28 neutral visitation sites and mediation services.

29 2. Moneys appropriated in this section may be used
30 throughout the fiscal year in the manner necessary for
31 cash flow management. For cash flow management under this
32 subsection, the department may temporarily draw more than the
33 amount appropriated provided the amount appropriated is not
34 exceeded at the close of the fiscal year.

35 Sec. 8. DEPARTMENT OF HEALTH AND HUMAN SERVICES —

1 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is
2 appropriated from the special fund created in section 8.41 to
3 the department of health and human services for the fiscal year
4 beginning July 1, 2026, and ending June 30, 2027, from moneys
5 received under the federal temporary assistance for needy
6 families (TANF) block grant pursuant to the federal Personal
7 Responsibility and Work Opportunity Reconciliation Act of 1996,
8 Pub. L. No. 104-193, and successor legislation, including TANF
9 block grant moneys received in any prior fiscal year that
10 were deposited in the special fund and remain unencumbered
11 or unobligated on June 30, 2026, the following amounts, or
12 so much thereof as is necessary, to be used for the purposes
13 designated:

14 1. For community access and eligibility:
15 \$ 12,566,312

16 2. For community access and eligibility to provide
17 pregnancy prevention grants on the condition that family
18 planning services are funded:
19 \$ 1,913,203

20 Pregnancy prevention grants shall be awarded to programs
21 in existence on or before July 1, 2026, if the programs have
22 demonstrated positive outcomes. Grants shall be awarded
23 to pregnancy prevention programs developed after July 1,
24 2026, if the programs are based on existing models that have
25 demonstrated positive outcomes. Grants must comply with the
26 requirements provided in 1997 Iowa Acts, chapter 208, section
27 14, subsections 1 and 2, including the requirement that a
28 program awarded a grant must emphasize sexual abstinence.
29 Priority in awarding grants shall be given to programs
30 that serve areas of the state which demonstrate the highest
31 percentage of unplanned pregnancies of females of childbearing
32 age within the geographic area to be served by the grant.

33 3. To meet one of the four purposes of TANF as specified
34 in 45 C.F.R. §260.20, including by modernizing the program
35 to promote economic mobility and self-sufficiency, ensuring

1 that families are able to overcome benefit cliffs, encouraging
 2 healthy families, and streamlining service delivery to reduce
 3 duplication:
 4 \$ 25,000,000
 5 4. For early intervention and supports for child abuse
 6 prevention and the family development and self-sufficiency
 7 (FaDSS) grant program in accordance with section 216A.107:
 8 \$ 3,013,980
 9 5. For accountability, compliance, program integrity,
 10 technology needs, and other resources necessary to meet
 11 federal and state reporting, tracking, and case management
 12 requirements, and other departmental needs:
 13 \$ 3,533,647
 14 6. For state child care assistance:
 15 \$ 42,281,826
 16 7. For child protective services:
 17 \$ 65,364,100

18 DIVISION VI

19 MEDICAL ASSISTANCE PROGRAM — STATE SUPPLEMENTARY ASSISTANCE —
 20 HEALTHY AND WELL KIDS IN IOWA PROGRAM AND OTHER HEALTH-RELATED
 21 PROGRAMS — FY 2026-2027

22 Sec. 9. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL
 23 ASSISTANCE PROGRAM, STATE SUPPLEMENTARY ASSISTANCE, AND HEALTHY
 24 AND WELL KIDS IN IOWA PROGRAM. There is appropriated from the
 25 general fund of the state to the department of health and human
 26 services for the fiscal year beginning July 1, 2026, and ending
 27 June 30, 2027, the following amount, or so much thereof as is
 28 necessary, to be used for the purposes designated:

29 For medical assistance program reimbursement and associated
 30 costs as specifically provided in the reimbursement
 31 methodologies in effect on June 30, 2026, except as otherwise
 32 expressly authorized by law, consistent with options under
 33 federal law and regulations, and contingent upon receipt of
 34 approval from the office of the governor of reimbursement for
 35 each abortion performed under the medical assistance program;

1 for the state supplementary assistance program; for the health
2 insurance premium payment program; and for maintenance of
3 the healthy and well kids in Iowa (Hawki) program pursuant
4 to chapter 514I, including supplemental dental services,
5 for receipt of federal financial participation under Tit.
6 XXI of the federal Social Security Act, which creates the
7 children's health insurance program; and for other specified
8 health-related programs:

9 \$ 1,992,550,706

10 1. Of the moneys appropriated in this section,
11 \$1,919,596,113 is allocated for medical assistance program
12 reimbursement and associated costs. Of the moneys allocated
13 in this subsection, \$3,383,880 shall be used for program
14 administration, outreach, and enrollment activities of the
15 state family planning services program pursuant to section
16 217.41B, and of this amount, the department may use \$200,000
17 for administrative expenses.

18 2. Iowans support reducing the number of abortions
19 performed in our state. Moneys appropriated under this section
20 shall not be used for abortions, unless otherwise authorized
21 under this section.

22 3. The provisions of this section relating to abortions
23 shall also apply to the Iowa health and wellness plan created
24 pursuant to [chapter 249N](#).

25 4. Of the moneys appropriated in this section, \$4,479,762 is
26 allocated for the state supplementary assistance program.

27 5. Of the moneys appropriated in this section, \$68,474,831
28 is allocated for maintenance of the Hawki program pursuant
29 to [chapter 514I](#), including supplemental dental services, for
30 receipt of federal financial participation under Tit. XXI of
31 the federal Social Security Act, which creates the children's
32 health insurance program.

33 Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HEALTH
34 PROGRAM OPERATIONS. There is appropriated from the general
35 fund of the state to the department of health and human

1 services for the fiscal year beginning July 1, 2026, and ending
2 June 30, 2027, the following amount, or so much thereof as is
3 necessary, to be used for the purposes designated:

4 For health program operations and the autism support program
5 under section 225D.2, and for not more than the following
6 full-time equivalent positions:

7 \$ 40,342,766
8 FTEs 97.00

9 1. The department of inspections, appeals, and licensing
10 shall provide all state matching moneys for survey and
11 certification activities performed by the department of
12 inspections, appeals, and licensing. The department of health
13 and human services shall be solely responsible for distributing
14 the federal matching moneys for such activities.

15 2. Of the moneys appropriated in this section, a sufficient
16 amount is allocated for the administration of the health
17 insurance premium payment program, including salaries, support,
18 maintenance, and miscellaneous purposes.

19 3. Of the moneys appropriated in this section, \$750,000 is
20 allocated for a nonprofit organization that provides access
21 to emergency poison information and treatment. Pursuant to
22 the directive under 2014 Iowa Acts, chapter 1140, section
23 102, the federal matching moneys available to the nonprofit
24 organization from the department under the federal Children's
25 Health Insurance Program Reauthorization Act of 2009 shall be
26 subject to the federal administrative cap rule of 10 percent
27 applicable to moneys provided under Tit. XXI of the federal
28 Social Security Act, and shall be included in the department's
29 calculations of the cap.

30 4. Unless otherwise provided by law, if a contract for
31 services provided under this section initially entered into
32 during the fiscal year beginning July 1, 2026, and ending
33 June 30, 2027, provides for an annual increase of the cost of
34 services provided under the contract, the annual increase shall
35 not exceed the amount by which the consumer price index for

1 all urban consumers increased during the immediately preceding
2 calendar year. This subsection does not affect a contract
3 entered into on or before June 30, 2026, that is for a term of
4 more than one year.

5 Sec. 11. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
6 PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated
7 from the pharmaceutical settlement account created in section
8 249A.33 to the department of health and human services for the
9 fiscal year beginning July 1, 2026, and ending June 30, 2027,
10 the following amount, or so much thereof as is necessary, to be
11 used for the purposes designated:

12 Notwithstanding any provision of law to the contrary, to
13 supplement the appropriation made in this Act from the general
14 fund of the state for health program operations under the
15 medical assistance program for the same fiscal year:

16 \$ 234,193

17 Sec. 12. DEPARTMENT OF HEALTH AND HUMAN SERVICES — QUALITY
18 ASSURANCE TRUST FUND.

19 1. Notwithstanding any provision of law to the contrary, and
20 subject to the availability of moneys, there is appropriated
21 from the quality assurance trust fund created in section 249L.4
22 to the department of health and human services for the fiscal
23 year beginning July 1, 2026, and ending June 30, 2027, the
24 following amount, or so much thereof as is necessary, for the
25 purposes designated:

26 To supplement the appropriation made in this Act from the
27 general fund of the state to the department of health and human
28 services for medical assistance for the same fiscal year:

29 \$111,216,205

30 2. Notwithstanding section 249L.4, subsection 2, after the
31 appropriation in subsection 1, any moneys remaining in the
32 quality assurance trust fund for the fiscal year beginning
33 July 1, 2026, and ending June 30, 2027, are appropriated to
34 the department of health and human services to supplement the
35 appropriation made in this Act from the general fund of the

1 state for the medical assistance program for the same fiscal
2 year.

3 Sec. 13. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HOSPITAL
4 HEALTH CARE ACCESS TRUST FUND.

5 1. Notwithstanding any provision of law to the contrary, and
6 subject to the availability of moneys, there is appropriated
7 from the hospital health care access trust fund created in
8 section 249M.4, to the department of health and human services
9 for the fiscal year beginning July 1, 2026, and ending June 30,
10 2027, the following amount, or so much thereof as is necessary,
11 for the purposes designated:

12 To supplement the appropriation made in this Act from the
13 general fund of the state to the department of health and human
14 services for medical assistance for the same fiscal year:
15 \$ 33,920,554

16 2. Notwithstanding section 249M.4, subsection 2, after
17 the appropriation in subsection 1, any moneys remaining in
18 the hospital health care access trust fund for the fiscal
19 year beginning July 1, 2026, and ending June 30, 2027, are
20 appropriated to the department of health and human services to
21 supplement the appropriation made in this Act from the general
22 fund of the state for the medical assistance program for the
23 same fiscal year.

24 Sec. 14. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
25 BEHAVIORAL HEALTH FUND. Notwithstanding section 225A.7,
26 subsection 2, and subject to the availability of moneys, there
27 is appropriated from the behavioral health fund established in
28 section 225A.7, to the department of health and human services
29 for the fiscal year beginning July 1, 2026, and ending June 30,
30 2027, the following amount, or so much thereof as is necessary,
31 for the purposes designated:

32 To supplement the appropriation made in this Act from the
33 general fund of the state to the department of health and human
34 services for medical assistance for the fiscal year beginning
35 July 1, 2026, and ending June 30, 2027:

1 \$ 5,580,938

2 Sec. 15. REIMBURSEMENT RATES.

3 1. Reimbursement for medical assistance, state
4 supplementary assistance, and social service providers and
5 services reimbursed under the purview of the department of
6 health and human services shall remain at the reimbursement
7 rate in effect on June 30, 2026, or shall be determined
8 pursuant to the reimbursement methodology in effect on June 30,
9 2026, with the exception of the following:

10 a. If reimbursement is otherwise negotiated by contract or
11 pursuant to an updated fee schedule.

12 b. As otherwise provided in this section.

13 2. a. (1) Notwithstanding any provision of law to the
14 contrary, for the fiscal year beginning July 1, 2026, and
15 ending June 30, 2027, the department of health and human
16 services shall reimburse case-mix nursing facility rates based
17 on the methodology in effect on June 30, 2026.

18 (2) July 1, 2025, through December 31, 2025, the department
19 of health and human services shall calculate each nursing
20 facility's case-mix index for rates effective July 1, 2026.

21 (3) January 1, 2026, through June 30, 2026, the department
22 of health and human services shall calculate each nursing
23 facility's case-mix index for rates effective January 1, 2027.

24 (4) All nursing facility rate adjustments under this
25 paragraph shall be budget neutral.

26 b. For the fiscal year beginning July 1, 2026, \$1,167,867
27 shall be used to increase to the extent possible reimbursement
28 rates for ambulatory surgical centers compared to rates in
29 effect on June 30, 2026.

30 c. For the fiscal year beginning July 1, 2026, \$3,000,000
31 shall be used to increase to the extent possible, compared
32 with rates in effect on June 30, 2026, reimbursement rates for
33 providers of Medicaid home and community-based services waiver
34 services used most frequently by elderly waiver recipients
35 including attendant care, homemaker, and assisted living

1 services.

2 d. (1) Adjustments to Medicaid reimbursement rates
3 developed using cost reports shall be applied starting on the
4 effective date specified in the applicable rate letter issued
5 to a provider.

6 (2) Minimum Medicaid reimbursement rates for all provider
7 and service types shall be no lower than the reimbursement
8 rates established in the department's minimum fee schedule.

9 (3) Any increase in a Medicaid reimbursement rate specified
10 under this section shall be effective October 1, 2026.

11 DIVISION VII

12 FAMILY WELL-BEING AND PROTECTION — FY 2026-2027

13 Sec. 16. DEPARTMENT OF HEALTH AND HUMAN SERVICES — STATE
14 CHILD CARE ASSISTANCE. There is appropriated from the general
15 fund of the state to the department of health and human
16 services for the fiscal year beginning July 1, 2026, and ending
17 June 30, 2027, the following amount, or so much thereof as is
18 necessary, to be used for the purposes designated:

19 For state child care assistance in accordance with sections
20 237A.13 and 237A.14, and for not more than the following
21 full-time equivalent positions:

22	\$ 32,723,000
23	FTEs 53.00

24 1. If the appropriation made for purposes of the state child
25 care assistance program for the fiscal year is determined to
26 be insufficient, it is the intent of the general assembly to
27 appropriate sufficient moneys for the fiscal year to avoid
28 application of waiting list requirements.

29 2. A portion of the state match for the federal child care
30 and development block grant shall be provided as necessary to
31 meet federal matching moneys requirements through the state
32 general fund appropriation made for child development grants
33 and other programs for at-risk children in section 279.51.

34 Sec. 17. DEPARTMENT OF HEALTH AND HUMAN SERVICES — EARLY
35 INTERVENTION AND SUPPORTS. There is appropriated from the

1 general fund of the state to the department of health and human
2 services for the fiscal year beginning July 1, 2026, and ending
3 June 30, 2027, the following amount, or so much thereof as is
4 necessary, to be used for the purposes designated:

5 For promotion of optimum health status for children and
6 adolescents from birth through 21 years of age, and for
7 families, and for not more than the following full-time
8 equivalent positions:

9 \$ 36,495,203
10 FTEs 28.00

11 1. Of the moneys appropriated in this section, not more than
12 \$734,000 is allocated for the healthy opportunities for parents
13 to experience success (HOPES) – healthy families Iowa (HFI)
14 program established pursuant to section 135.106.

15 2. Of the moneys appropriated in this section, \$4,313,854
16 is allocated for the FaDSS grant program, and not more
17 than 5 percent of the allocated moneys shall be used for
18 administration of the grant program.

19 3. Of the moneys appropriated in this section, \$29,256,799
20 shall be deposited in the early childhood Iowa fund created in
21 section 256I.11.

22 4. Of the moneys appropriated in this section, \$1,493,299 is
23 allocated for program administration and provision of pregnancy
24 support services through the more options for maternal support
25 program pursuant to section 217.41C.

26 Sec. 18. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
27 PROTECTIVE SERVICES. There is appropriated from the general
28 fund of the state to the department of health and human
29 services for the fiscal year beginning July 1, 2026, and ending
30 June 30, 2027, the following amount, or so much thereof as is
31 necessary, to be used for the purposes designated:

32 For child, family, and adoption services, and for salaries,
33 support, maintenance, and miscellaneous purposes, and for not
34 more than the following full-time equivalent positions:

35 \$164,527,690

1 FTEs 977.00

2 1. Based on client need, a portion of the moneys
3 appropriated in this section may be used to provide other
4 resources required to support family preservation, emergency
5 client need, or family reunification efforts.

6 2. Of the moneys appropriated in this section, a sufficient
7 amount is allocated for foster family care, group foster care
8 maintenance and services, shelter care, child welfare emergency
9 services, qualified residential treatment programs, supervised
10 apartment living contracts, and for medical assistance program
11 reimbursement and associated costs.

12 3. Federal moneys received by the state during the fiscal
13 year beginning July 1, 2026, as the result of the expenditure
14 of state moneys appropriated during a previous state fiscal
15 year for a service or activity funded under this section,
16 are appropriated to the department to be used as additional
17 moneys for services and purposes provided under this section.
18 Notwithstanding section 8.33, moneys appropriated under this
19 subsection that remain unencumbered or unobligated at the close
20 of the fiscal year shall not revert but shall remain available
21 for the purposes designated until the close of the succeeding
22 fiscal year.

23 4. a. Of the moneys appropriated in this section, \$748,000
24 is allocated for the payment of the expenses of court-ordered
25 services provided to children who are under the supervision
26 of the department, which expenses are a charge upon the state
27 pursuant to section 232.141, subsection 4.

28 b. Notwithstanding chapter 232 or any other provision of
29 law to the contrary, a district or juvenile court shall not
30 order any service which is a charge upon the state pursuant to
31 section 232.141, subsection 4, if the moneys allocated under
32 paragraph "a" for court-ordered services are insufficient to
33 pay for the service.

34 5. Of the moneys appropriated in this section, \$4,359,500
35 is allocated for the preparation for adult living program

1 established pursuant to section 234.46.

2 6. Of the moneys appropriated in this section, a portion may
3 be used for family-centered services for purposes of complying
4 with the federal Family First Prevention Services Act of 2018,
5 Pub. L. No. 115-123, and successor legislation.

6 7. a. Of the moneys appropriated in this section,
7 \$38,414,178 is allocated for adoption subsidy payments and
8 related costs.

9 b. Any moneys remaining after the allocation under
10 paragraph "a" is designated and allocated as state savings
11 resulting from implementation of the federal Fostering
12 Connections to Success and Increasing Adoptions Act of 2008,
13 Pub. L. No. 110-351, and successor legislation, as determined
14 in accordance with 42 U.S.C. §673(a)(8), and shall be used for
15 post-adoption services and for other purposes allowed under
16 those federal Acts and regulations, and Tit. IV-B or Tit. IV-E
17 of the federal Social Security Act.

18 8. Of the moneys appropriated in this section, a sufficient
19 amount is allocated to support training needs for child welfare
20 providers and to address disproportionality within the child
21 welfare system.

22 9. Of the moneys appropriated in this subsection,
23 \$1,658,000 shall be allocated for child protection centers
24 located in Iowa pursuant to the child protection center grant
25 program under section 135.118. The grant amounts under the
26 program shall be equalized so that each center receives a
27 uniform base amount of \$245,000, and the remaining moneys
28 are awarded through a funding formula based upon the volume
29 of children served by a center. To increase access to child
30 protection center services for children in rural areas, the
31 funding formula for awarding the remaining moneys shall provide
32 for awarding an enhanced amount to eligible grantees to develop
33 and maintain satellite centers in underserved regions of the
34 state.

35 10. Of the moneys appropriated in this subsection, up to

1 \$227,000 shall be used for the public purpose of continuing a
2 grant to a nonprofit human services organization that provides
3 services to individuals and families in multiple locations in
4 southwest Iowa and Nebraska, for support of a project providing
5 immediate, sensitive support and forensic interviews, medical
6 exams, needs assessments, and referrals for victims of child
7 abuse and their nonoffending family members.

8 11. If a separate funding source is available that reduces
9 the need for state moneys within an allocation under this
10 section, the allocated state moneys may be redistributed to
11 other allocations under this section for the same fiscal year.

12 DIVISION VIII

13 STATE-OPERATED SPECIALTY CARE — FY 2026-2027

14 Sec. 19. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
15 STATE-OPERATED SPECIALTY CARE. There is appropriated from the
16 general fund of the state to the department of health and human
17 services for the fiscal year beginning July 1, 2026, and ending
18 June 30, 2027, the following amount, or so much thereof as is
19 necessary, to be used for the purposes designated:

20 For salaries, support, maintenance, and miscellaneous
21 purposes at institutions under the jurisdiction of the
22 department of health and human services, and for not more than
23 the following full-time equivalent positions:

24 \$100,225,768
25 FTEs 1,304.45

26 1. The department shall utilize the moneys appropriated in
27 this section as necessary to maximize bed capacity and to most
28 effectively meet the needs of the individuals served.

29 2. Of the moneys appropriated in this section, the following
30 amounts are allocated to each institution as follows:

31 a. For the state mental health institute at Cherokee:
32 \$ 19,878,962

33 b. For the state mental health institute at Independence:
34 \$ 23,760,205

35 c. For the civil commitment unit for sexual offenders at

1 Cherokee:
 2 \$ 23,272,111
 3 d. For the state resource center at Woodward:
 4 \$ 12,567,092
 5 e. For the state training school at Eldora:
 6 \$ 19,805,171
 7 f. For outstanding obligations related to workers'
 8 compensation, the sick leave insurance program, unemployment,
 9 and other costs related to the closure of the state resource
 10 center at Glenwood:
 11 \$ 942,227

12 DIVISION IX

13 ADMINISTRATION AND COMPLIANCE — FY 2026-2027

14 Sec. 20. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
 15 ACCOUNTABILITY, COMPLIANCE, AND PROGRAM INTEGRITY. There
 16 is appropriated from the general fund of the state to the
 17 department of health and human services for the fiscal year
 18 beginning July 1, 2026, and ending June 30, 2027, the following
 19 amount, or so much thereof as is necessary, to be used for the
 20 purposes designated:

21 For accountability, compliance, and program integrity,
 22 including salaries, support, maintenance, and miscellaneous
 23 purposes, and for not more than the following full-time
 24 equivalent positions:
 25 \$ 23,152,404
 26 FTEs 382.00

27 1. Of the moneys appropriated in this section, \$2,602,312
 28 is allocated for foster care review and the court appointed
 29 special advocate program, including for salaries, support,
 30 maintenance, and miscellaneous purposes.

31 2. Of the moneys appropriated in this section, \$1,148,959
 32 is allocated for the office of long-term care ombudsman
 33 for salaries, support, administration, maintenance, and
 34 miscellaneous purposes.

35 DIVISION X

1 TRANSFERS, CASH FLOW, AND NONREVERSIONS — FY 2026-2027

2 Sec. 21. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
3 TRANSFERS AND CASH FLOW.

4 1. Notwithstanding any provision of law to the contrary,
5 the department of health and human services may transfer moneys
6 appropriated in this Act to support continuing alignment
7 efforts, to maximize federal support in accordance with the
8 department's federal costs allocation plan, and to secure
9 resources necessary to implement and administer the services
10 for which moneys are appropriated. The department shall report
11 any transfers made pursuant to this subsection to the general
12 assembly. On or before December 1, 2026, the department shall
13 report to the chairpersons of the health and human services
14 appropriations subcommittee the allocations and full-time
15 equivalent positions for each division of the department for
16 the fiscal year beginning July 1, 2027.

17 2. If, due to ongoing cost management efforts,
18 appropriations under this Act for the Medicaid program
19 exceed the associated costs for the Medicaid program for the
20 fiscal year, the department may transfer any savings to the
21 appropriations made in this Act for health program operations,
22 or for accountability, compliance, and program integrity,
23 to defray the costs associated with ongoing cost management
24 efforts.

25 3. Notwithstanding any provision of law to the contrary,
26 the department may transfer moneys appropriated under this Act
27 for child protective services to pay the nonfederal share costs
28 of services reimbursed under the medical assistance program,
29 state child care assistance program, or family investment
30 program which are provided to children who would otherwise
31 receive services paid by the appropriation for child protective
32 services.

33 4. The department may transfer moneys from the temporary
34 assistance for needy families block grant to the federal social
35 services block grant appropriation, and to the child care and

1 development block grant appropriation, in accordance with
2 federal law.

3 5. To the extent the department determines that moneys
4 appropriated under this Act, or allocated for a specific
5 purpose under this Act, will remain unencumbered or unobligated
6 at the close of the fiscal year, such unencumbered or
7 unobligated moneys may be used in the same fiscal year for any
8 other purpose for which the appropriated moneys may be used, or
9 for any other allocation within the same appropriation.

10 Sec. 22. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
11 NONREVERSIONS.

12 1. Notwithstanding section 8.33, moneys appropriated under
13 this Act from the general fund of the state and the temporary
14 assistance for needy families block grant to the department of
15 health and human services for the fiscal year beginning July
16 1, 2026, and ending June 30, 2027, for the purposes of the
17 FaDSS grant program, that remain unencumbered or unobligated at
18 the close of the fiscal year shall not revert but shall remain
19 available for expenditure for the purposes designated until the
20 close of the succeeding fiscal year.

21 2. Notwithstanding section 8.33, of the moneys appropriated
22 under this Act from the general fund of the state, the quality
23 assurance trust fund, and the hospital health care access trust
24 fund to the department of health and human services for the
25 fiscal year beginning July 1, 2026, and ending June 30, 2027,
26 for the purposes of the medical assistance program, the amount
27 in excess of actual expenditures for the medical assistance
28 program that remains unencumbered or unobligated at the close
29 of the fiscal year shall not revert but shall remain available
30 for expenditure for the medical assistance program until the
31 close of the succeeding fiscal year.

32 3. Notwithstanding section 8.33, and notwithstanding the
33 nonreversion amount limitation specified for state resource
34 centers in section 222.92, subsection 4, moneys appropriated
35 under this Act from the general fund of the state to the

1 department of health and human services for the fiscal year
2 beginning July 1, 2026, and ending June 30, 2027, for the
3 purposes of state-operated specialty care, that remain
4 unencumbered or unobligated at the close of the fiscal year
5 shall not revert but shall remain available for expenditure for
6 the purposes designated for subsequent fiscal years.

7 4. Notwithstanding section 8.33, moneys appropriated in
8 this Act from the general fund of the state to the department
9 of health and human services for the fiscal year beginning July
10 1, 2026, and ending June 30, 2027, for the Iowa commission
11 on volunteer service for programs and grants, that remain
12 unencumbered or unobligated at the close of the fiscal year
13 shall not revert but shall remain available for expenditure for
14 the purposes designated for subsequent fiscal years.

15 5. Notwithstanding section 8.33, moneys appropriated under
16 this Act from the general fund of the state to the department
17 of health and human services for the fiscal year beginning
18 July 1, 2026, and ending June 30, 2027, and allocated for
19 rural psychiatric residencies, that remain unencumbered or
20 unobligated at the close of the fiscal year shall not revert
21 but shall remain available for expenditure for the purposes
22 designated until the close of the succeeding fiscal year.

23 6. Notwithstanding section 8.33, moneys appropriated under
24 this Act from the general fund of the state to the department
25 of health and human services for the fiscal year beginning July
26 1, 2026, and ending June 30, 2027, and allocated for adoption
27 subsidy payments and related costs, or for post-adoption
28 services and allowable related purposes, that remain
29 unencumbered or unobligated at the close of the fiscal year
30 shall not revert but shall remain available for expenditure for
31 adoption reinvestment obligations.

32 7. Notwithstanding section 8.33, moneys appropriated under
33 this Act from the general fund of the state to the department
34 of health and human services for the fiscal year beginning July
35 1, 2026, and ending June 30, 2027, and allocated for child

1 protective services, that remain unencumbered or unobligated at
2 the close of the fiscal year shall not revert but shall remain
3 available for expenditure for the purposes designated until the
4 close of the succeeding fiscal year.

5 DIVISION XI

6 REPORT ON NONREVERSION OF MONEYS

7 Sec. 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES — REPORT
8 ON NONREVERSION OF MONEYS. The department of health and
9 human services shall report the expenditure of any moneys for
10 which nonreversion authorization was provided for the fiscal
11 year beginning July 1, 2026, and ending June 30, 2027, to the
12 general assembly on a quarterly basis beginning October 1,
13 2027.

14 DIVISION XII

15 EMERGENCY RULES

16 Sec. 24. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
17 EMERGENCY RULES.

18 1. If necessary to comply with federal requirements,
19 including time frames, the department of health and human
20 services shall adopt administrative rules under section 17A.4,
21 subsection 3, and section 17A.5, subsection 2, paragraph "b",
22 to implement the applicable provisions of this Act. The rules
23 shall be effective immediately upon filing unless a later date
24 is specified in the rules. Any rules adopted in accordance
25 with this section shall also be published as a notice of
26 intended action as provided in section 17A.4.

27 2. If the department of health and human services adopts
28 emergency rules in accordance with this section, or as
29 otherwise directed or authorized by state law, and the rules
30 will result in an increase in expenditures beyond the amount
31 anticipated in the budget for the fiscal year, or if the
32 expenditures were not addressed in the budget for the fiscal
33 year, the department shall notify the general assembly and the
34 department of management concerning the rules and the increase
35 in expenditures. The notification shall be provided at least

1 thirty calendar days prior to the date notice of the rules
2 is submitted to the administrative rules coordinator and the
3 administrative code editor.

4 DIVISION XIII

5 MORE OPTIONS FOR MATERNAL SUPPORT PROGRAM APPROPRIATION
6 NONREVERSION

7 Sec. 25. 2025 Iowa Acts, chapter 169, section 27, is amended
8 by adding the following new subsection:

9 NEW SUBSECTION. 8. Notwithstanding section 8.33, moneys
10 appropriated from the general fund of the state to the
11 department of health and human services for the fiscal year
12 beginning July 1, 2025, and ending June 30, 2026, for the more
13 options for maternal support program created in section 217.41C
14 that remain unencumbered or unobligated at the close of the
15 fiscal year shall not revert but shall remain available for
16 expenditure for the purposes designated until the close of the
17 succeeding fiscal year.

18 Sec. 26. EFFECTIVE DATE. This division of this Act, being
19 deemed of immediate importance, takes effect upon enactment.

20 Sec. 27. RETROACTIVE APPLICABILITY. This division of this
21 Act applies retroactively to July 1, 2025.

22 DIVISION XIV

23 REIMBURSEMENT RATES — REVIEW

24 Sec. 28. Section 235.2, Code 2026, is amended by adding the
25 following new subsection:

26 NEW SUBSECTION. 9. Upon implementation by the department
27 of a uniform cost report for shelter care and qualified
28 residential treatment providers, biennially conduct a review of
29 shelter care and qualified residential treatment provider costs
30 compared to current shelter care and qualified residential
31 treatment provider rates. On or before October 1 of the
32 calendar year immediately succeeding the calendar year in
33 which the review is conducted, the department shall submit a
34 report to the governor and the general assembly detailing the
35 results of the department's review and recommendations for rate

1 adjustments.

2 Sec. 29. Section 249A.4, Code 2026, is amended by adding the
3 following new subsection:

4 NEW SUBSECTION. 15. *a.* Conduct an annual review of
5 provider reimbursement rates for medical and health services
6 provided under this chapter that are reimbursed by a statewide
7 fee schedule and that are not periodically updated or rebased
8 pursuant to federal or state law or rule. The department shall
9 compare each provider reimbursement rate in the following
10 manner:

11 (1) For all medical and health services other than dental
12 services, to reimbursement rates under the federal Medicare
13 program.

14 (2) For dental services, to reimbursement rates for
15 Medicaid programs in states contiguous to Iowa.

16 *b.* On or before January 15 of each calendar year, the
17 department shall submit to the general assembly a report
18 summarizing the department's review under paragraph "a".

19 DIVISION XV

20 MENTAL DISEASES EXCLUSION — WAIVER

21 Sec. 30. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL
22 DISEASES EXCLUSION WAIVER. No later than July 1, 2027, the
23 department of health and human services shall apply to the
24 centers for Medicare and Medicaid services of the United
25 States department of health and human services for a waiver of
26 Medicaid's institution for mental diseases exclusion.

27 DIVISION XVI

28 DEPARTMENT OF HEALTH AND HUMAN SERVICES — FULL-TIME EQUIVALENT
29 DASHBOARD

30 Sec. 31. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
31 FULL-TIME EQUIVALENT DASHBOARD. Pursuant to section 217.22,
32 the department of health and human services shall make publicly
33 available information on full-time equivalent positions as
34 described in section 8.36A, that details all of the following:

35 1. The number of full-time equivalent positions authorized

1 by the general assembly for the department, categorized by the
2 department division or appropriation.

3 2. The number of filled full-time, part-time, or temporary
4 positions by department division or appropriation.

5 3. The percentage of moneys from each federal, state,
6 or other funding source for each department division and
7 department appropriation.

8 DIVISION XVII

9 COMPREHENSIVE FAMILY SUPPORT PROGRAM

10 Sec. 32. NEW SECTION. 231.80 **Comprehensive family support**
11 **program.**

12 1. For the purposes of this section, unless the context
13 otherwise requires:

14 a. "*Comprehensive family support*" means services and
15 supports that assist families caring for an individual with
16 a disability who is a member of the family, including but
17 not limited to programs, services, parent-to-parent support,
18 assistive devices, and various adaptations that allow an
19 individual with a disability to participate more fully in
20 family and community life.

21 b. (1) "*Family*" means a group of interdependent persons
22 living in the same household. A family consists of an
23 individual with a disability and any of the following:

24 (a) The individual's parent.

25 (b) The individual's sibling.

26 (c) The individual's grandparent, aunt, or uncle.

27 (d) The individual's legal custodian.

28 (e) A person providing short-term foster care to the
29 individual with a disability subject to a case permanency plan
30 that provides for reunification between the individual and the
31 individual's parent.

32 (2) "*Family*" does not include a person who is employed
33 to provide services to an individual with a disability in an
34 out-of-home setting, including but not limited to a hospital,
35 nursing facility, personal care home, board and care home,

1 group foster care home, or other institutional setting.

2 *c. "Individual with a disability"* means an individual who is
3 less than twenty-two years of age and meets the definition of
4 developmental disability in 42 U.S.C. §15002.

5 *d. "Services and support"* means assistance intended
6 to enable an individual with a disability to control
7 the individual's environment, to remain living with the
8 individual's family, to function more independently, and
9 to increase the integration of the individual into the
10 individual's community including but not limited to funding
11 for purchase of equipment, respite care, supplies, assistive
12 technology, and payment of other costs attributable to
13 the individual's disability which are identified by the
14 individual's family.

15 2. A comprehensive family support program is created under
16 the purview of the department to provide a statewide system of
17 services and support to eligible families. The program shall
18 be implemented in a manner that enables a family member of an
19 individual with a disability to identify the needed services
20 and support.

21 3. Eligibility for the program is limited to families who
22 meet all of the following criteria:

23 *a.* The family resides in the state of Iowa.

24 *b.* The family intends for the family member who is an
25 individual with a disability to remain living in the family's
26 home.

27 *c.* The family's taxable income is less than sixty thousand
28 dollars for the most recently completed tax year.

29 4. A family may apply to the department or to a family
30 support center for assistance under the comprehensive family
31 support program. The department or family support center shall
32 determine eligibility for the comprehensive family support
33 program in accordance with subsection 3.

34 5. The department shall adopt rules pursuant to chapter
35 17A to implement the comprehensive family support program.

1 The comprehensive family support program must do all of the
2 following:

3 *a.* To the extent possible, incorporate in the application
4 process the eligibility determination processes that the
5 department uses for other disability services programs.

6 *b.* Ensure the ability of families to maintain control of
7 decisions which affect an individual with a disability who is a
8 member of a family.

9 *c.* Utilize existing local agencies to provide facilities and
10 a single entry point for program applicants.

11 *d.* Ensure services and support are provided in a timely
12 manner and emergency access to needed services and support is
13 provided.

14 *e.* Ensure technical assistance is provided to providers and
15 users of services and support.

16 *f.* Utilize state, regional, and local media to publicize the
17 program.

18 *g.* Incorporate a process to appeal the department's or
19 family support center's denial of services and support to a
20 family under the program, including reasonable efforts by the
21 department to utilize telecommunications in the appeal process.

22 *h.* Identify the services and support, and service provider
23 components, included in the program.

24 *i.* Upon request by a family member, provide a family with
25 assistance in locating a service provider.

26 *j.* Make payment for services and support directly to
27 families by voucher or other appropriate means.

28 *k.* Utilize a voucher system for payment for the family
29 support center component of the program under subsection 7.

30 6. Services and support provided under the comprehensive
31 family support program shall not be used to supplant other
32 services and support available to a family of an individual
33 with a disability but shall be used to meet family needs that
34 will not be met without the program.

35 7. The comprehensive family support program shall include a

1 family support center component. Under the component, a family
2 member of an individual with a disability shall be assisted
3 by a family support center in identifying the services and
4 support to be provided to the family under the family support
5 subsidy program or the comprehensive family support program.
6 The identification of services and support must be based upon
7 the specific needs of the individual with a disability and
8 the individual's family which are not met by other service
9 programs available to the individual with a disability and the
10 individual's family.

11 8. The comprehensive family support program shall be funded
12 by appropriations made by the general assembly for purposes of
13 the program. Notwithstanding section 8.33, moneys appropriated
14 for the comprehensive family support program under this section
15 that remain unobligated or unexpended at the close of each
16 fiscal year shall not revert but shall remain available for
17 expenditure for the purposes designated until the close of the
18 immediately succeeding fiscal year.

19 Sec. 33. CODE EDITOR DIRECTIVE. The Code editor is directed
20 to designate section 231.80, as enacted in this division
21 of this Act, as subchapter VIII of chapter 231 entitled
22 "Comprehensive Family Support Program".

23 Sec. 34. EFFECTIVE DATE. This division of this Act, being
24 deemed of immediate importance, takes effect upon enactment.

25 Sec. 35. RETROACTIVE APPLICABILITY. This division of this
26 Act applies retroactively to July 1, 2025.

27 DIVISION XVIII

28 FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

29 Sec. 36. 2025 Iowa Acts, chapter 152, section 2, subsection
30 1, paragraph d, is amended to read as follows:

31 ~~d. For the federal fiscal year beginning October 1, 2025,~~
32 ~~and ending September 30, 2026, of~~ Of the moneys allocated
33 to providers under paragraph "c", 70 percent of the moneys
34 allocated each federal fiscal year shall be distributed by
35 a behavioral health administrative services organization or

1 the department of health and human services to the state's
2 accredited community mental health centers designated by
3 the department of health and human services under section
4 225A.3, as enacted by 2024 Iowa Acts, chapter 1161, section
5 3. Community mental health centers that receive moneys
6 distributed under this paragraph shall use the moneys for the
7 purposes of training staff, providing services to adults with
8 a serious mental illness, or providing services to children
9 with a serious emotional disturbance, and shall bill treatment
10 dollars related to such services to the department of health
11 and human services through the department's claims system.
12 The department of health and human services shall publish the
13 amounts to be distributed to community mental health centers on
14 the department's internet site on or before October 1, 2025,
15 and on or before October 1, 2026, and distribute the moneys to
16 the recipients on a quarterly basis. Recipients of the moneys
17 shall submit quarterly reports to the department of health and
18 human services containing data consistent with performance
19 measures approved by the federal substance abuse and mental
20 health services administration.

21

DIVISION XIX

22 DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL HEALTH
23 EXPENDITURE REPORT

24 Sec. 37. NEW SECTION. 225A.10 Behavioral health services
25 expenditure report.

26 No later than December 15 of each year, the department shall
27 submit to the general assembly a summary of the department's
28 expenditures for behavioral health services for adults and
29 children for the immediately preceding fiscal year, including a
30 summary of which appropriations or funding sources were used to
31 fund the expenditures.

32

DIVISION XX

33 OPIOID SETTLEMENT FUND — FY 2026-2027

34 Sec. 38. OPIOID SETTLEMENT FUND — DEPARTMENT OF HEALTH AND
35 HUMAN SERVICES.

1 1. There is appropriated from the opioid settlement fund
2 created in [section 12.51](#) to the department of health and human
3 services for the fiscal year beginning July 1, 2026, and ending
4 June 30, 2027, the following amount, or so much thereof is as
5 necessary, for the purposes designated:

6 \$ 3,000,000

7 2. Notwithstanding any provision of law to the contrary,
8 of the moneys appropriated to the department of health and
9 human services under subsection 1, the department shall
10 disburse to an opioid treatment program that operates a
11 facility with at least one hundred fifty licensed beds that
12 provides medical detoxification stabilization and residential
13 substance abuse disorder treatment to support comprehensive
14 addiction and co-occurring mental health treatment, and provides
15 24-hour medical detoxification, residential treatment, and
16 medication-assisted treatment.

17 a. Moneys disbursed under this subsection shall be used
18 by the recipient in compliance with the requirements of the
19 national opioid settlement agreements and section 12.51.

20 b. The recipient shall utilize the indicators and outcomes
21 identified under section 12.51, subsection 2, paragraph "b",
22 subparagraph (3), subparagraph division (c), to determine
23 whether the services and activities that are funded by the
24 disbursement achieve the intended outcomes, and shall report
25 the recipient's findings to the department of health and human
26 services.

27 DIVISION XXI

28 GRADUATE MEDICAL EDUCATION

29 Sec. 39. 2025 Iowa Acts, chapter 120, section 19, is amended
30 to read as follows:

31 SEC. 19. TRANSFER OF MONEYS. Notwithstanding section
32 8.33 or any other provision to the contrary, any unobligated
33 or unencumbered moneys in any of the following accounts or
34 funds or constituting any specified appropriation, shall not
35 revert but are appropriated to the department of health and

1 human services to ~~fund Medicaid graduate medical education~~
2 efforts award grants to start medical residency programs in
3 the state that are not related to the practice of family
4 medicine, are not located in a county which has a population
5 of one hundred fifty thousand or more based on the most recent
6 federal decennial census, and in which the main campus of an
7 institution of higher learning governed by the state board of
8 regents is located.

9 1. The health care workforce shortage fund created in
10 section 135.175, subsection 1, paragraph "b", Code 2025.

11 2. The medical residency training account created in
12 section 135.175, subsection 5, paragraph "a", Code 2025, except
13 \$298,000 of such moneys is appropriated to the department of
14 health and human services for the purposes of implementing the
15 waiver of Medicaid's institution for mental diseases exclusion
16 the department must apply for under this 2026 Iowa Act.

17 3. The nurse residency state matching grants program
18 account created in [section 135.175, subsection 5](#), paragraph
19 "b", Code 2025.

20 4. The health care workforce shortage national initiatives
21 account created in [section 135.175, subsection 5](#), paragraph
22 "c", Code 2025.

23 5. The family medicine obstetrics fellowship program fund
24 created in [section 135.193](#), Code 2025.

25 6. Moneys appropriated to the department of health and human
26 services for rural psychiatric residencies to fund psychiatric
27 residents to provide mental health services in underserved
28 areas of the state as described in the following:

29 a. [2024 Iowa Acts, chapter 1157, section 5, subsection 3](#),
30 and [2024 Iowa Acts, chapter 1157, section 22, subsection 5](#).

31 b. 2023 Iowa Acts, chapter 112, section 5, subsection 4,
32 paragraph "j", as amended by 2024 Iowa Acts, chapter 1157,
33 section 29.

34 c. 2022 Iowa Acts, chapter 1131, section 3, subsection 4,
35 paragraph "j", as amended by 2024 Iowa Acts, chapter 1157,

1 section 23.

2 d. 2021 Iowa Acts, chapter 182, section 3, subsection 4,
3 paragraph "j".

4 e. 2019 Iowa Acts, chapter 85, section 3, subsection 4,
5 paragraph "j", as amended by 2020 Iowa Acts, chapter 1121,
6 section 19.

7 DIVISION XXII

8 MEDICAID REIMBURSEMENT RATE — SPECIAL POPULATION NURSING
9 FACILITIES

10 Sec. 40. Section 249A.2, Code 2026, is amended by adding the
11 following new subsection:

12 NEW SUBSECTION. 15. "*Special population nursing facility*"
13 refers to a nursing facility that serves one of the following
14 populations and has been designated as a special population
15 nursing facility by the department:

16 a. One hundred percent of the residents served are aged
17 thirty and under and require a skilled level of care.

18 b. Seventy percent of the residents served require a skilled
19 level of care for neurological disorders.

20 c. One hundred percent of the residents require care from a
21 facility licensed by the department of inspections, appeals,
22 and licensing as an intermediate care facility for persons with
23 mental illness.

24 d. One hundred percent of the residents require care from a
25 facility licensed by the department of inspections, appeals,
26 and licensing as an intermediate care facility for persons with
27 medical complexity.

28 Sec. 41. NEW SECTION. 249A.38C Medicaid reimbursement rate
29 — special population nursing facilities.

30 The provider reimbursement rate for each special population
31 nursing facility must be the special population nursing
32 facility's average allowable per diem costs as adjusted in
33 compliance with applicable federal laws and regulations,
34 including the upper payment limits specified in 42 C.F.R.
35 §447.272(b). If a special population nursing facility subject

1 to this section increases the special population nursing
2 facility's number of beds or expands to provide additional
3 services on or after July 1, 2026, the reimbursement rate in
4 this section shall apply to such additional beds or services.>

5 2. Title page, by striking lines 1 through 16 and inserting
6 <An Act relating to and making appropriations to the department
7 of veterans affairs and the department of health and human
8 services, including aging and disability services, behavioral
9 health, public health, and community access and eligibility;
10 the medical assistance program, state supplementary assistance,
11 Hawki, and other health-related programs; family well-being and
12 protection; state-operated specialty care; administration and
13 compliance; transfers, cash flow, and nonreversions; report
14 on nonreversion of moneys; more options for maternal support
15 program; reimbursement rates review; mental diseases exclusion
16 waiver; full-time equivalent dashboard; comprehensive family
17 support program; federal community mental health services block
18 grant; behavioral health expenditure report; opioid settlement
19 fund; emergency rules; graduate medical education; and special
20 population nursing facilities; and including effective date and
21 retroactive applicability provisions.>

MARK COSTELLO