

# FY25 Report on Nonreversion of Funds

March 2025

This report is in response to the requirements found in 2024 Iowa Acts Chapter 1157 Section 40.

*Sec. 40. REPORT ON NONREVERSION OF FUNDS. The department of health and human services shall report the expenditure of any moneys for which nonreversion authorization was provided for the fiscal year beginning July 1, 2023, and ending June 30, 2024, to the general assembly on a quarterly basis beginning October 1, 2024.*

This report details all General Fund balances that will carry forward from FY24 to FY25. The Health and Human Services appropriation structure changed in FY25, and as a result, the FY24 funds did not carry forward into the same appropriation from which they were spent.

**Attachment I** shows how these funds were distributed into the new appropriation structure.

Much of the funding that is carrying forward is a result of variation (decrease) in typical utilization patterns for some programs, enhanced FMAP funding, and other lingering impacts related to the pandemic. The Agency anticipates use of most of these funds over the next year.

The amount spent reflects actual FY25 expenditures through February 2025.

Note: In many cases, the carry-forward balance will not be spent until current year funds are exhausted. In these cases, spending of the carry-forward balance will not occur until later in the fiscal year.

## **Medicaid**

Authority: 2023 Iowa Acts Ch. 112 Sections 15.4 and 39.

Description: \$313,444,146 will remain available for FY25.

\$292,212,755 has accumulated in the Medical Assistance appropriation over multiple years and is primarily due to the COVID-19 increased FMAP savings. One-time recoveries in FY24 and certain expenses shifting from FY24 to FY25 are also contributing to the balance.

\$14,933,868 is the unspent balance from the temporary 10 percentage point increase to the state's FMAP for certain Medicaid HCBS pursuant to section 9817 of the American Rescue Plan Act of 2021 (ARPA). This amount must be invested in accordance with Iowa's approved ARPA HCBS spending plan.

\$6,297,524 is from the State Supplementary Assistance appropriation. This balance has accumulated over multiple years and is primarily due to continued reductions in the number served across multiple SSA service categories (residential care facilities, dependent person program, etc.). These funds are reserved for the remaining SNAP reinvestment obligation and the Thrive Iowa Program.

Reported expenditures: Medicaid

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Medical Assistance - Program Expenditures	292,212,755	-	292,212,755
Medical Assistance - ARPA HCBS Spending Plan	14,933,868	14,933,868	-
State Supp - SNAP Reinvestment Obligation	451,869	28,200	423,669
State Supp - Thrive Iowa Program	3,000,000	-	3,000,000
State Supp - To Be Determined	2,845,655	-	2,845,655
<b>Grand Total</b>	<b>313,444,146</b>	<b>14,962,068</b>	<b>298,482,078</b>

**Child Protective Services**

Authority: 2024 Iowa Acts Ch. 1157 Sections 33, 34, and 35.

Description: \$39,804,417 will remain available for SFY25.

\$25,039,426 is from the Child and Family Services appropriation. This balance has accumulated over multiple years and is primarily due to lower foster care caseloads due to both Family First implementation efforts and COVID-19 impacts, lower performance-related payments to vendors, and additional federal revenues.

\$12,349,084 is from the Adoption Subsidy appropriation. This balance has accumulated over multiple years and is due to the COVID-19 increased FMAP savings, higher IV-E participation rates and lower caseloads.

\$2,415,907 is from the Field Operations appropriation. This amount includes approximately \$2.3 million in unspent FY23 carry forward and the remaining amount is primarily due to vacancy savings.

Reported Expenditures: Child Protective Services

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Child and Family Services - Program Expenditures	21,196,287	-	21,196,287
Child and Family Services - Child Welfare IT System	3,843,139	15,488	3,827,651
Adoption Subsidy - Adoption Reinvestment Obligation	5,265,796	-	5,265,796
Adoption Subsidy - QRTP Rates and Security Enhancements	-	-	-
Adoption Subsidy - Renovation or Purchase of PMIC Facility	550,000	-	550,000
Adoption Subsidy - To Be Determined	6,533,288	-	6,533,288
Field Operations - Retro IV-E Participation Rate Changes	2,368,674	-	2,368,674
Field Operations - Transfer to Aging and Disability Svcs	2,963	-	2,963
Field Operations - Transfer to Community Access	14,976	-	14,976
Field Operations - Transfer to Compliance	1,365	-	1,365
Field Operations - Other/Miscellaneous	27,929	-	27,929
<b>Grand Total</b>	<b>39,804,417</b>	<b>15,488</b>	<b>39,788,929</b>

**State-Operated Specialty Care**

Authority: 2023 Iowa Acts Ch. 112 Sections 18.4, 23.4, 24.6 and 25.3.

Description: \$21,107,412 will remain available for SFY25.

\$6,731,286 is from Chapter 8A capital improvement projects where funds were sent to DAS in FY24, but the projects are not yet complete so carried forward to FY25. A complete list of these projects is provided in **Attachment 2**.

\$14,376,127 is from the following facilities:

- Eldora STS - \$105,905 due to small variances in salary and support spending.
- CCUSO - \$6,085,715 due to the receipt of Rebuild Iowa Infrastructure Funds for the Voldeng project which freed up General Funds previously obligated.
- Glenwood (\$1,004,538) and Woodward (\$7,179,969) Resource Centers - \$8,184,507 due to the COVID-19 increased FMAP savings and staffing vacancies.

Reported Expenditures: State-Operated Specialty Care

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
DAS Ch. 8A Projects*	6,731,286	6,731,286	-
Facility Operational Needs	14,376,127	-	14,376,127
<b>Grand Total</b>	<b>21,107,412</b>	<b>6,731,286</b>	<b>14,376,127</b>
*Funds were spent as a transfer back to DAS.			

### Community Access and Eligibility

Authority: 2024 Iowa Acts Ch. 1157 Section 31.

Description: \$16,056,746 will remain available for FY25 from the Family Investment Program (FIP) appropriation. This balance has accumulated over multiple years and is primarily due to lower cases in FIP and PROMISE JOBS and lower than projected technology spending; largely related to the ELIAS project. These funds are reserved for one-time projects.

Reported Expenditures: Community Access and Eligibility

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Family Investment Program - HHS One-Time Projects	16,056,746	2,014,299	14,042,448
<b>Grand Total</b>	<b>16,056,746</b>	<b>2,014,299</b>	<b>14,042,448</b>

Further FIP detail is provided in **Attachment 3**.

### Hawki Trust Fund

Authority: Iowa Code Chapter 514I.11.2

Description: \$7,522,046 will remain available for FY25. This balance has accumulated over multiple years and is primarily due to the COVID-19 increased FMAP savings. These funds are reserved for current year CHIP/Hawki expenses.

Reported Expenditures: Hawki Trust Fund

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
CHIP/Hawki Expenditures	7,522,046	-	7,522,046
<b>Grand Total</b>	<b>7,522,046</b>	<b>-</b>	<b>7,522,046</b>

### Child Care Assistance

Authority: 2024 Iowa Acts Ch. 1157 Section 32.

Description: \$5,264,702 will remain available for FY25.

\$4,694,950 is from the Child Care Assistance program. State funds were left unspent so that federal expenditures could be maximized. This was done to avoid the reversion of federal CCDF discretionary funds at the end of FFY24.

\$569,752 is from the Early Childhood Iowa (ECI) program and will be transferred to the Early Intervention and Support appropriation to be used for ECI.

Reported Expenditures: Child Care Assistance

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
To Be Determined	4,694,950	-	4,694,950
Early Childhood Iowa Transfer	569,752	-	569,752
<b>Grand Total</b>	<b>5,264,702</b>	<b>-</b>	<b>5,264,702</b>

**Early Intervention and Supports**

Authority: 2024 Iowa Acts Ch. 1157 Section 36 and Iowa Code Chapter 225C.41.2.

Description: \$1,548,745 will remain available for FY25.

\$1,261,424 is the MOMS program unspent allocation.

\$287,321 is from the Family Support Subsidy/Children at Home appropriation. This balance has accumulated over multiple years due to lower programmatic spending. These funds are reserved for the Children at Home program.

Reported Expenditures: Early Intervention and Supports

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
MOMS Program	1,261,424	-	1,261,424
Children At Home Program	287,321	-	287,321
<b>Grand Total</b>	<b>1,548,745</b>	<b>-</b>	<b>1,548,745</b>

**Public Health**

Authority: 2024 Iowa Acts Ch. 1157 Sections 28 and 29.

Description: \$455,138 will remain available for FY25.

\$453,805 is from the rural psychiatric residency program allocation within the Community Capacity appropriation. The amount is consistent with the amount that carried forward from FY23 to FY24 (\$429,805). The balance will be used for the rural psychiatric residency program.

\$1,333 is from the audiological services program allocation within the Healthy Children and Families appropriation. The balance will be used for the audiological services program.

Reported Expenditures: Public Health

<b>Expenditure Category</b>	<b>Budget Amount</b>	<b>Amount Spent</b>	<b>Remaining Balance</b>
Rural Psychiatric Residencies	453,805	-	453,805
Audiological Services	1,333	-	1,333
<b>Grand Total</b>	<b>455,138</b>	<b>-</b>	<b>455,138</b>

**Attachment 1**

Iowa Department of Health and Human Services  
SFY24 Carry-Forward Distribution

3/28/2025

		SFY25 Appropriations								
		Public	Community		Child Care	Early	Child	State-Operated	Hawki Trust	
SFY24 Legacy Appropriation		Health	Access and	Medicaid	Assistance	Intervention and	Protective	Specialty Care	Fund	Total
		K53	Eligibility	K56	K58	Supports	Services	K61	0374	
General Administration	M01					1,261,424				1,261,424
Field Operations	M10						2,415,907			2,415,907
Eldora STS	M22							228,068		228,068
CCUSO	M28							7,634,360		7,634,360
Cherokee MHI	M30							786,230		786,230
Glenwood Resource Center	M40							1,004,538		1,004,538
Woodward Resource Center	M42							11,454,217		11,454,217
Family Investment Program	N01		16,056,746							16,056,746
State Supplementary Assistance	N10			6,297,524						6,297,524
Medical Assistance	N20			307,146,623						307,146,623
Family Support Subsidy	N32					287,321				287,321
Child Care Assistance	N56				5,264,702					5,264,702
Adoption Subsidy	N70						12,349,084			12,349,084
Child and Family Services	N71						25,039,426			25,039,426
Healthy Children and Families	K05	1,333								1,333
Community Capacity	K09	453,805								453,805
Hawki Trust Fund	0374								7,522,046	7,522,046
<b>Grand Total</b>		<b>455,138</b>	<b>16,056,746</b>	<b>313,444,146</b>	<b>5,264,702</b>	<b>1,548,745</b>	<b>39,804,417</b>	<b>21,107,412</b>	<b>7,522,046</b>	<b>405,203,353</b>

**Attachment 2**

Iowa Department of Health and Human Services  
HHS State Operated Specialty Care -- DAS Chapter 8A Projects

3/28/2025

Facility	Category	Description	Amount
Eldora STS	DAS Ch. 8A Projects	Eldora Gym A/C	87,182
Eldora STS	DAS Ch. 8A Projects	HHS STS Main Electrical Loop Revisions	16,055
Eldora STS	DAS Ch. 8A Projects	HHS STS North Buildings HazMat Survey	18,926
CCUSO	DAS Ch. 8A Projects	CCUSO Voldeng Remodel	1,548,646
Cherokee MHI	DAS Ch. 8A Projects	Cherokee 7 North Remodel	4,070
Cherokee MHI	DAS Ch. 8A Projects	CMHI Parking Lots	164,673
Cherokee MHI	DAS Ch. 8A Projects	CHMHI Gym Ceiling Repair	617,487
Woodward SRC	DAS Ch. 8A Projects	Myers Hall New Fire Sprinkler System	115,631
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Campus Utility Decentralization Phase 3	3,807,590
Woodward SRC	DAS Ch. 8A Projects	Chapel Sprinkler	124,607
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Campus Utility Decentralization Phase 3 Alternates	97,712
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Medical Center North Façade Window Replacement	127,711
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Med Center Pharmacy Remodel	996
Grand Total			<u>6,731,286</u>

**Attachment 3**

Iowa Department of Health and Human Services  
HHS One-Time Projects Using FIP Carry-Forward

3/28/2025

FIP Carry-Forward Available in SFY25	16,056,746
Amount Spent	2,014,299
Amount Obligated But Not Yet Spent	14,042,448

One-Time Activities	Projected Expenditures and Obligations		SFY25 Actual Expenditures		Unspent Obligations	
	Total	State	Total	State	Total	State
Data Center Move	71,588	37,226	42,342	22,018	29,246	15,208
Accounting and Payroll System Updates (Workday, Advantage)	410,447	213,432	195,398	101,607	215,049	111,825
VX Rack Replatforming	1,100,956	1,100,956	459,731	459,731	641,225	641,225
Corporate Technology Assessment	217,166	217,166	6,188	6,188	210,978	210,978
Enterprise Architecture & IT Strategy Implementation	440,033	228,817	258,670	134,508	181,363	94,309
MoveIT SW Replacement Implementation	110,900	71,073	-	-	110,900	71,073
Contracting Software - CLM Procurement Module	599,022	311,491	80,442	41,830	518,580	269,662
Cost Allocation Review Contract	729,816	529,018	212,863	154,297	516,953	374,721
Rent Reimbursement Implementation	503,074	503,074	453,380	453,380	49,694	49,694
Retro IV-E Adjustments (General Admin and CAB)	1,000,000	1,000,000	-	-	1,000,000	1,000,000
IT Costs Associated with Lucas Move	4,180,597	2,173,911	1,012,525	526,513	3,168,072	1,647,398
Child Support Services Initiatives	1,523,059	517,840	-	-	1,523,059	517,840
CGI Cost Allocation -- Advantage Implementation Support	220,000	114,400	183,000	95,160	37,000	19,240
HOPE Ambassador Trainings	253,220	131,674	36,668	19,067	216,552	112,607
Audit Software	212,975	110,747	-	-	212,975	110,747
Health Equity Assessment Contract	435,000	226,200	-	-	435,000	226,200
Public Assistance Modernization	17,139,441	8,569,721	-	-	17,139,441	8,569,721
<b>Total</b>	<b>29,147,295</b>	<b>16,056,746</b>	<b>2,941,207</b>	<b>2,014,299</b>	<b>26,206,088</b>	<b>14,042,448</b>