



Transition Plan for Behavioral Health Service System Alignment

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IOWA | Health and Human Services

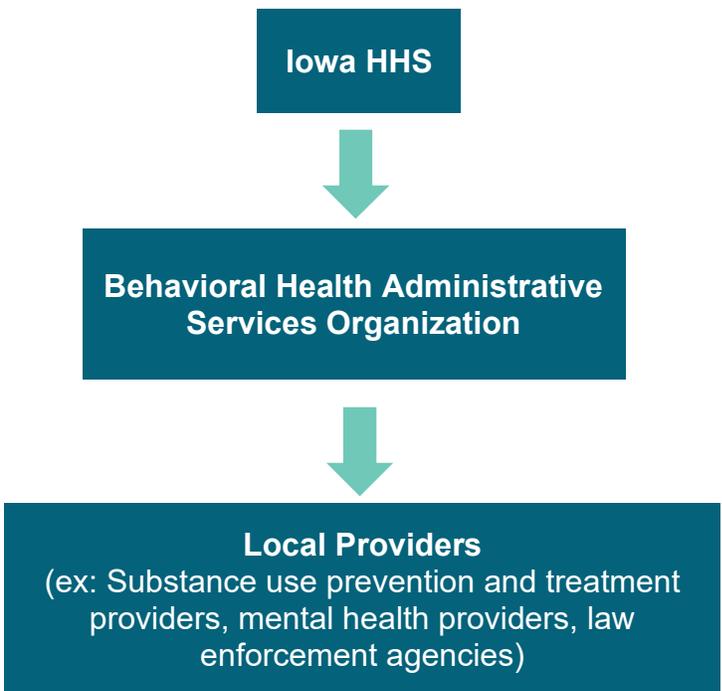
Overview

On May 15, 2024, Governor Reynolds signed HF2673 to implement a new Behavioral Health Service System for Iowa beginning on July 1, 2025. This transition report provides information about the tasks the Iowa Department of Health and Human Services (Iowa HHS) has undertaken to ensure the successful establishment of the new Behavioral Health Service System, the transition of mental health services from Mental Health and Disability Services regions to the Behavioral Health Service System, and the transfer of disability services from the Mental Health and Disability Services (MHDS) regions to the Iowa HHS Division of Aging and Disability Services at Iowa HHS.

The Behavioral Health Service System supports a statewide system of prevention, early intervention, treatment, recovery support, and crisis services related to mental health and addictive disorders.

Organizational Structure of the Behavioral Health Service System

The structure for the behavioral health service system is based on a shared responsibility model. This model includes the Iowa Department of Health and Human Services (Iowa HHS), a behavioral health administrative services organization (BH-ASO) serving as the lead entity for each of the seven behavioral health districts, and local providers.



Iowa HHS will:

- Establish service system districts;
- Develop the service system statewide plan and approve district plans;
- Administer federal and state funding;
- Develop service definitions and standards, reporting requirements, and performance outcomes;
- Provide training and technical assistance; and
- Implement activities as indicated by the Behavioral Service System State Plan.

Through the contract with Iowa HHS, the BH-ASO will:

- Develop and implement a district-wide plan, for each district, to ensure adequate service provision in every county within each district;
- Contract with local providers and partners;
- Provide training and technical assistance to contracted local providers;
- Ensure service quality and performance outcomes;
- Provide activities and services as indicated by each district plan;
- Collaborate with Iowa HHS; and
- Report progress and outcomes to Iowa HHS.

The BH-ASO will contract with local providers to provide activities and services within each district.

Local providers will:

- Contract with the BH-ASO;
- Provide activities and services according to the Behavioral Health District Plans;
- Collaborate with the BH-ASO and other local providers in the district to ensure service provision in every county within the district; and
- Report progress and outcome data to the BH-ASO.

Iowa HHS was required to procure for the BH-ASO work. Through that process, the Iowa Primary Care Association (Iowa PCA) was selected to serve as the BH-ASO for all seven districts.

Transition Funding

Iowa HHS has developed guidance for MHDS regions and counties for the following:

- Transferring all unencumbered and unobligated moneys remaining in a MHDS region's combined account (pursuant to section 225C.58, subsection 1) to the treasurer of state for deposit into the behavioral health fund (as established in section 225A.7).
- Transferring all unencumbered and unobligated moneys remaining in a mental health and disability services fund (pursuant to section 225C.58, subsection 1) to the treasurer of state for deposit into the behavioral health fund (as established in section 225A.7).

Transition activities for Iowa HHS were funded as follows:

- Of the \$1,000,000 appropriated from the mental health and disability services regional incentive fund in HF2673, Iowa HHS utilized the following dollar amounts to support transition activities. *Please see progress updates for these activities in the transition plan section below.*

Appropriation Funding Activities	Obligated Funding
Statewide assessment & planning, legal analysis, rule-making, implementation project management	\$379,312
Communications	\$100,000
Technical Assistance	\$114,505
BH-ASO Implementation	\$345,000
IT Solution	\$61,183
Total	\$1,000,000.00

In addition, \$645,179 was appropriated from the mental health and disability services regional service fund to establish a central data repository.

Central Data Repository Activities	Obligated Funding
CDR IT Solutions	\$161,826.00
Safety Net Management Information System (SNMIS) Implementation	\$394,284.00
IT Discovery for implementation of CDR	\$15,000.00
Disability Services IT Solutions	\$74,069.00
Total	\$645,179.00

\$1.5 million was allocated to the BH-ASO to support the implementation of the new Behavioral Health Service System. Implementation activities included reviewing, executing and managing provider contracts, establishing new system navigation services, and activities to sustain safety net provider capacity and ensure care continuity for July 1, 2025. These funds were provided to the BH-ASO as multiple deliverables which occurred between March 2025 and June 2025.

Funding Source	Obligated Funding
Behavioral Health Addictive Disorder Funding	\$1,155,000
A portion of the \$1,000,000 MHDS Region incentive funds appropriated in HF2673	\$345,000 ¹
Total	\$1,500,000

Disability Services Funding

\$2 million of ARPA, Section 9817 re-investment dollars² was allocated for the implementation of the new Disability Services System, this included funding for the first year of the Aging and Disability Resource Center (ADRC) Technical Assistance and Call Center and supporting the launch of the newly established Disability Access Points (DAP). These funds were provided as deliverables which occurred between April 2025 and June 2025.

Funding Source	Funding
Aging and Disability Resource Center (ADRC) Technical Assistance and Call Center	\$1,000,000
Disability Access Points (DAP) Implementation	\$1,000,000
Total	\$2,000,000

¹ This amount (\$345,000) also represented as a portion of the Behavioral Health System Implementation Fund above.

² Section 9817 of the ARPA provided qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for HCBS programs from April 1, 2021, through March 31, 2022. States must use the federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021. In addition, states must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.

Ensuring Service Provision for Iowans

Starting July 1, 2025, Iowans will receive services at the location of their choice – the behavioral district of their residence will not affect where they can receive services. Iowa HHS has collaborated with the BH-ASO and Aging and Disability Resource Center (ADRC) Network to develop communications about what services are available, who is eligible to receive services, and where services are located. Communications include the promotion of Your Life Iowa, which connects Iowans directly with behavioral health system navigators at the Iowa PCA.

Transition Plan

As a part of HF2673, Iowa HHS was directed to develop a transition plan that included all tasks to be completed before July 1, 2025, and provide quarterly status updates of the identified tasks. Tasks were identified for both the implementation of the Behavioral Health Service System and the transfer of disability services to the Division of Aging and Disability Services. The transition plan was posted to the [HHS System Alignment webpage](#) on July 1, 2024. **The status of the tasks from the transition plan can be found below; this update reflects progress through June 30, 2025.**

Behavioral Health Service System Implementation

During the transition period, Iowa HHS completed the following tasks:

- Held public comment sessions to receive feedback about draft Behavioral Health district maps;
- Complied and reviewed Behavioral Health district map feedback and district recommendations;
- Defined roles and responsibilities for: Iowa HHS, Behavioral Health Administrative Service Organizations (BH-ASOs) and local providers;
- Developed the scope of work for BH-ASOs;
- Developed and posted the BH-ASO request for proposal (RFP);
- Held partner input sessions about the Behavioral Health Service System State Plan;
- Developed minimum accreditation standards for the maintenance and operation of community mental health centers;
- Designated community mental health centers;
- Held advisory group meetings to receive feedback about draft Behavioral Health Service System Statewide Plan's strategies and tactics;
- Reviewed proposals for the BH-ASO RFP;
- Issued the notice of award for the BH-ASO RFP;
- Designated Behavioral Health districts;
- Developed the contract, including performance measures, for BH-ASOs;
- Established communication channels to share timely updates including a monthly Behavioral Health Town Hall and Frequently Asked Questions (FAQ) process;
- Identified current contracts that will be impacted by mental health and disability services being transferred to the Behavioral Health Service System and the Disability Service System;
- Drafted administrative rules to support Chapter 225A;
- Determined individual eligibility requirements for funding via rule;
- Developed minimum access standards via rule;
- Developed processes to onboard BH-ASO and affirm readiness;
- Developed formal guidance for mental health and disability services regions and counties related to close out activities including transfer of all unencumbered and unobligated moneys remaining in a mental health and disability services region's combined account and fund to the treasurer of the state;
- Developed funding allocation and distribution methodologies;
- Finalized the Behavioral Health Service System Statewide Plan;
- Developed processes to wind down the work of mental health and disability services regions and the Integrated Provider Network and Tobacco Community Partnership contracts;
- Determined system requirements and processes for claiming and reimbursement;

- Planned for the behavioral health central data repository;
- Developed methods to ensure individuals who are eligible for behavioral health services receive an uninterrupted continuum of care; and
- Developed contracts for state-level activities and services.

Additional tasks identified to enhance the Behavioral Health Service System and be implemented within the first year include:

- Collaborating with the Iowa Department of Inspections, Appeals, and Licensing (Iowa DIAL) regarding accreditation, certification, and licensure of behavioral health providers
- Identifying workforce development needs;
- Developing standards and operational policies and procedures for Iowa HHS and BH-ASO;
- Outlining technical and clinical guidance and support;
- Developing training for external contractors and internal Iowa HHS staff; and
- Developing an evaluation plan for the Behavioral Health Service System.

Transfer of Disability Services to the Division of Aging and Disability Services

During the transition period, Iowa HHS completed the following tasks:

- Defined roles and responsibilities for the Aging and Disability Resource Center (ADRC) Technical Assistance and Call Center;
- Developed the scope of work and performance measures for the ADRC Technical Assistance and Call Center;
- Developed and posted the ADRC Technical Assistance and Call Center request for proposal (RFP);
- Defined roles and responsibilities for Iowa HHS, Disability Access Points (lead entities for the Disability Services System) and local providers;
- Reviewed proposals for the ADRC Technical Assistance and Call Center RFP;
- Issued the notice of award for the ADRC Technical Assistance and Call Center RFP;
- Developed and issued the contract for ADRC Technical Assistance and Call Center awardee;
- Developed the scope of work for Disability Access Points;
- Developed and posted the Disability Access Points request for proposal (RFP);
- Developed contract documents for Disability Access Points;
- Developed performance measures for Disability Access Points;
- Developed funding allocation and distribution methodologies;
- Identified statutory changes needed for the ADRC system and the Disability Services System;
- Drafted administrative rule changes and additions to support Chapter 231;
- Determined client eligibility requirements;
- Developed minimum access standards.
- Developing standards and operational policies and procedures for Iowa HHS and the ADRC Technical Assistance and Call Center;
- Determining processes for claiming and reimbursement.
- Developing methods to ensure individuals who are eligible for disability services to ensure continuity of care and minimize service disruption; and
- Developing standards and operational policies and procedures for Iowa HHS and Disability Access Points.

Additional tasks that will enhance the transfer of disability services to the Division of Aging and Disability Services include:

- Developing training for external awardees/contractors and internal Iowa HHS staff;
- Developing an evaluation plan for the Disability Services System; and
- Identifying workforce development needs.