FY26 Report on Nonreversion of Funds

March 2026

IOWA | Health and Human Services

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This report is in response to the requirements found in 2025 Iowa Acts Chapter 169 Section 38.

> *Sec. 38. REPORT ON NONREVERSION OF MONEYS. 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, 2024, and ending June 30, 2025, to the general assembly on a quarterly basis beginning October 1, 2025.*

This report details all General Fund balances that carried forward from FY25 to FY26. Much of the funding that carried forward is a result of variation (decrease) in typical utilization patterns for some programs and pandemic-related increased FMAP funding. The Agency anticipates use of most of these funds over the next year.

The amount spent reflects actual FY26 expenditures through February 2026.

In some appropriations, 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: 2024 Iowa Acts Ch. 1157 Sec. 22.2.

Description: $99,897,418 was carried forward from FY25 and is available in FY26. $99,603,932 will be used to offset general program expenditures and is primarily due to the COVID-19 increased FMAP savings. $293,486 is the portion of the former State Supplementary Assistance (SSA) appropriation balance reserved for the SNAP reinvestment obligation.

Reported expenditures: Medicaid

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
Medicaid and CHIP Expenditures	K56	99,603,932	-	99,603,932
SNAP Reinvestment Obligation	K56	293,486	-	293,486
Grand Total	**K56**	**99,897,418**	**-**	**99,897,418**

Child Protective Services

Authority: 2024 Iowa Acts Ch. 1157 Sec. 22.6 and 2025 Iowa Acts Ch. 169 Sec. 31.

Description: $43,753,176 was carried forward from FY25 and is available in FY26. This balance has accumulated over multiple years and is primarily due to COVID-19 increased FMAP savings, higher IV-E participation rates in adoption, lower caseloads, and lower performance-related payments to vendors.

Reported Expenditures: Child Protective Services

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
Child Protective Services Expenditures*	K60	36,518,640	22,893,125	13,625,515
Adoption Reinvestment Obligation	K60	4,865,862	-	4,865,862
Retro IV-E Participation Rate Changes	K60	2,368,674	-	2,368,674
Grand Total	**K60**	**43,753,176**	**22,893,125**	**20,860,051**
*$22,893,125 was spent as a transfer to the HHS IT Fund for the child welfare system replacement project (VISION).				

Community Access and Eligibility

Authority: 2025 Iowa Acts Ch. 169 Sec. 29.

Description: $11,886,396 was carried forward from FY25 and is available in FY26. This balance has accumulated over multiple years and is primarily due to lower cases in the Family Investment Program (FIP) and PROMISE JOBS. Most of these funds are reserved for one-time projects.

Reported Expenditures: Community Access and Eligibility

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
HHS One-Time Projects*	K54	11,871,255	8,624,080	3,247,175
Other/Miscellaneous	K54	15,141	-	15,141
Grand Total	**K54**	**11,886,396**	**8,624,080**	**3,262,316**
*Of the total amount spent, $8,458,715 was spent as a transfer to the HHS IT Fund for the EDEN project and other enterprise IT initiatives.				

Further detail on the HHS one-time projects is provided in ***Attachment 1***.

State-Operated Specialty Care

Authority: 2024 Iowa Acts Ch. 1157 Sec. 22.3

Description: $11,322,868 was carried forward from FY25 and is available in FY26. $4,436,722 is from Chapter 8A capital improvement projects where funds were sent to DAS in FY25, but the projects were not yet complete so carried forward to FY26. A complete list of these projects is provided in ***Attachment 2***.

The remaining balance of $6,886,146 is primarily due to the COVID-19 increased FMAP savings at the state resource centers and the receipt of Rebuild Iowa Infrastructure Funds for the Voldeng project at CCUSO which freed up General Funds previously obligated.

Reported Expenditures: State-Operated Specialty Care

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
DAS Ch. 8A Projects*	K61	4,436,722	4,253,699	183,023
Facility Operational Needs	K61	6,886,146	-	6,886,146
Grand Total	**K61**	**11,322,868**	**4,253,699**	**7,069,169**
*Funds were spent as a transfer back to DAS.				

Early Intervention and Supports

Authority: 2024 Iowa Acts Ch. 1157 Sec. 22.1, 2025 Iowa Acts Ch. 169 Sec. 30 and Iowa Code Chapter 225C.41.2.

Description: $2,032,323 was carried forward from FY25 and is available in FY26. $1,632,657 is the MOMS program unspent allocation. $336,042 is from the Children at Home program. $63,625 is for the Family Development & Self-Sufficiency (FaDSS) program. The MOMS and Children at Home balances have accumulated over multiple years due to lower programmatic spending.

Reported Expenditures: Early Intervention and Supports

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
MOMS Program	K59	1,632,657	455,662	1,176,995
Children At Home Program	K59	336,042	-	336,042
Family Development & Self-Sufficiency (FaDSS)	K59	63,625	-	63,625
Grand Total	**K59**	**2,032,323**	**455,662**	**1,576,661**

Public Health

Authority: 2024 Iowa Acts Ch. 1157 Sec. 22.5 and 2025 Iowa Acts Ch. 120 Sec. 19.6.

Description: $462,666 was carried forward from FY25 and is available in FY26. This is from the rural psychiatric residency program allocation. These funds will be used for Medicaid graduate medical education efforts in accordance with 2025 Iowa Acts Chapter 120 (HF 972). The transfer to Medicaid is pending plan approval from CMS.

Reported Expenditures: Public Health

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
Medicaid Graduate Medical Education	K53	462,666	-	462,666
Grand Total	**K53**	**462,666**	**-**	**462,666**

Attachment 1

Iowa Department of Health and Human Services 3/15/2026

HHS One-Time Projects Using Community Access and Eligibility Carry-Forward

Carry-Forward Available in SFY26	11,871,255
Amount Spent	8,624,080
Amount Obligated But Not Yet Spent	3,247,175

	Projected Expenditures and Obligations		SFY26 Actual Expenditures		Unspent Obligations	
One-Time Activities	Total	State	Total	State	Total	State
Contracting Software - CLM Procurement Module[1]	299,488	149,744	180,613	149,744	118,875	-
Cost Allocation Review Contract	383,697	278,128	136,388	98,862	247,309	179,266
Retro IV-E Adjustments (Compliance and Administration)	1,000,000	1,000,000	-	-	1,000,000	1,000,000
IT Costs Associated with Lucas Move[1]	796,448	398,224	658,979	398,224	137,469	-
Child Support Services Initiatives	1,473,059	500,840	65,000	22,100	1,408,059	478,740
HOPE Ambassador Trainings	151,988	79,033	85,392	44,403	66,596	34,630
Audit Software[1]	212,975	110,747	110,747	110,747	102,228	-
Public Assistance Modernization (EDEN Project)[1]	18,709,078	9,354,539	8,222,419	7,800,000	10,486,658	1,554,539
Total	**23,026,732**	**11,871,255**	**9,459,538**	**8,624,080**	**13,567,194**	**3,247,175**

Notes

1. The state dollars have been spent as a transfer to the HHS IT Fund.

Attachment 2

Iowa Department of Health and Human Services 3/15/2026

HHS State Operated Specialty Care -- DAS Chapter 8A Projects

Facility	Category	MOU	Description	Original Transfer	Return From DAS	Amount Spent
CCUSO	DAS Ch. 8A Projects	9283.00	CCUSO Voldeng Remodel	2,225,441	-	2,225,441
Cherokee MHI	DAS Ch. 8A Projects	9374.00	CHMHI Gym Ceiling Repair	73,525	-	73,525
Cherokee MHI	DAS Ch. 8A Projects	9475.00	HHS CHMHI Fleet Garage Repairs	174,281	-	174,281
Eldora STS	DAS Ch. 8A Projects	9476.00	HHS STS New Garage Building	224,341	(183,023)	41,318
Eldora STS	DAS Ch. 8A Projects	9480.00	HHS STS Canteen Roof Repair Design (29C20)	21,025	-	21,025
Woodward SRC	DAS Ch. 8A Projects	9279.30	HHS WRC Campus Utility Decentralization Phase 3	1,491,718	-	1,491,718
Woodward SRC	DAS Ch. 8A Projects	9279.41	HHS WRC Linden Court Fire Suppression	83,235	-	83,235
Woodward SRC	DAS Ch. 8A Projects	9433.00	HHS WRC Cottage Siding Replacement	143,156	-	143,156
Grand Total				4,436,722	(183,023)	4,253,699