



FY26 Report on Nonreversion of Funds

September 2026

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 amount spent reflects final FY26 expenditures.

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	71,093,385	28,510,547
SNAP Reinvestment Obligation	K56	293,486	293,486	-
Grand Total	K56	99,897,418	71,386,871	28,510,547

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).				

The \$20,860,051 remaining balance is the amount left from the prior year carry-forward. A portion of the current year's appropriation was also unspent, and as a result, the total carry-forward into SFY27 will be \$26,992,590. This amount will be reported on the next quarterly report.

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	11,871,255	-
Other/Miscellaneous	K54	15,141	15,141	-
Grand Total	K54	11,886,396	11,886,396	-
*Of the total amount spent, \$10,584,893 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	3,710,148	726,574
Facility Operational Needs	K61	6,886,146	-	6,886,146
Grand Total	K61	11,322,868	3,710,148	7,612,720
*Funds were spent as a transfer back to DAS.				

The \$7,612,720 remaining balance is the amount left from the prior year carry-forward. A portion of the current year's appropriation was also unspent, and as a result, the total carry-forward into SFY27 will be \$9,214,108. This amount will be reported on the next quarterly report.

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	1,046,538	586,119
Children At Home Program	K59	336,042	9,857	326,185
Family Development & Self-Sufficiency (FaDSS)	K59	63,625	54,376	9,249
Grand Total	K59	2,032,323	1,110,770	921,553

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

medical residency program grants in accordance with 2026 Iowa Acts Chapter 1195 (HF 2782).

Reported Expenditures: Public Health

Expenditure Category	Approp #	Budget Amount	Amount Spent	Remaining Balance
Medical Residency Program Grants	K53	462,666	-	462,666
Grand Total	K53	462,666	-	462,666