

CHAPTER 135H

PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN

Referred to in §10A.104, 125.13, 234.7, 235A.15, 237C.1, 257.11, 257.41, 282.27, 709.16

Cost-based reimbursement methodology, §249A.31

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135H.1 Definitions.

As used in [this chapter](#), unless the context otherwise requires:

1. “*Approved qualifying organization*” means any of the following:
 - a. The joint commission.
 - b. The commission on accreditation of rehabilitation facilities.
 - c. The council on accreditation.
 - d. A nationally recognized accrediting organization with standards comparable to the entities listed in paragraphs “a” through “c” that are acceptable under federal regulations.
 - e. An entity specified by rule adopted by the department in consultation with the department of health and human services.
2. “*Department*” means the department of inspections, appeals, and licensing.
3. “*Direction*” means authoritative policy or procedural guidance for the accomplishment of a function or an activity.
4. “*Licensee*” means the holder of a license issued to operate a psychiatric medical institution for children.
5. “*Medical care plan*” means a plan of care and services designed to eliminate the need for inpatient care by improving the condition of a youth. Services must be based upon a diagnostic evaluation, which includes a physical assessment and behavioral health evaluation of the medical, psychological, social, behavioral, and developmental aspects of the youth’s situation, reflecting the need for inpatient care.
6. “*Mental health disorder*” means a mental disorder as defined by the most recent version of the diagnostic and statistical manual of mental disorders published by the American psychiatric association.
7. “*Mental health professional*” means an individual who has all of the following qualifications:
 - a. The individual holds at least a master’s degree in a mental health field, including but not limited to, psychology, counseling and guidance, nursing, or social work, or the individual is a physician.
 - b. The individual holds a current Iowa license if practicing in a field that requires an Iowa license.
 - c. The individual has at least two years of post-degree clinical experience, supervised by another mental health professional, in assessing mental health needs and problems and in providing appropriate mental health services.
8. “*Nursing care*” means services which are provided under the direction of a physician or registered nurse.
9. “*Physician*” means a person licensed under [chapter 148](#).
10. “*Protective locked environment*” means a setting that prevents egress from a building or grounds as a protective measure to ensure safety and security.
11. “*Psychiatric medical institution for children*” or “*psychiatric institution*” means an

institution providing more than twenty-four hours of continuous care involving long-term psychiatric services to three or more youth in residence for expected periods of fourteen or more days for an assessment, evaluation, and diagnosis or for expected periods of ninety days or more for treatment.

12. “*Psychiatric services*” means services provided under the direction of a physician which address mental, emotional, medical, or behavioral problems.

13. “*Record check evaluation system*” means the same as defined in [section 135C.1](#).

14. “*Rehabilitative services*” means services to encourage and assist restoration of a resident’s optimum mental and physical capabilities.

15. “*Resident*” means a youth who has been admitted to a psychiatric medical institution for children.

16. “*Serious emotional disturbance*” means a diagnosable mental, behavioral, or emotional disorder that meets the diagnostic criteria specified in the most current diagnostic and statistical manual of mental disorders published by the American psychiatric association. “*Serious emotional disturbance*” does not include a substance use disorder or developmental disorder unless such disorder co-occurs with a diagnosable mental, behavioral, or emotional disorder.

17. “*Substance use disorder*” means the same as defined in [section 125.2](#).

18. “*Supervision*” means direct oversight and inspection of an act that accomplishes a function or activity.

19. “*Youth*” means a person who is less than twenty-one years of age.

[89 Acts, ch 283, §2; 94 Acts, ch 1120, §14, 15; 2008 Acts, ch 1088, §90; 2023 Acts, ch 19, §1895; 2025 Acts, ch 86, §2](#)

Referred to in [§232.2, 249A.30A](#)
Section amended

135H.2 Purpose.

The purpose of [this chapter](#) is to provide for the development, establishment, and enforcement of basic standards for the operation, construction, and maintenance of a psychiatric medical institution for children which will ensure the safe and adequate diagnosis and evaluation and treatment of the residents.

[89 Acts, ch 283, §3](#)

135H.3 Nature of care.

1. a. A psychiatric medical institution for children shall provide shelter, food, supervision, care, assessment, evaluation, diagnosis, treatment, counseling, rehabilitative services, and related professional-directed services to youth who have a serious emotional disturbance, a substance use disorder, or both, with the intention of reducing or ameliorating the disorder, the symptoms of the disorder, or the effects of the disorder.

b. A psychiatric medical institution for children shall utilize a team of professionals to direct an organized program of diagnostic services, psychiatric services, nursing care, and rehabilitative services to meet the needs of residents in accordance with a medical care plan developed for each resident. The membership of the team of professionals may include but is not limited to an advanced registered nurse practitioner or a physician assistant. Social and rehabilitative services shall be provided under the direction of a qualified mental health professional.

2. If a youth is diagnosed with a biologically based mental illness as defined in [section 514C.22](#) and meets the medical assistance program criteria for admission to a psychiatric medical institution for children, the youth shall be deemed to meet the acuity criteria for medically necessary inpatient benefits under a group policy, contract, or plan providing for third-party payment or prepayment of health, medical, and surgical coverage benefits issued by a carrier, as defined in [section 513B.2](#), that is subject to [section 514C.22](#). Such medically necessary benefits shall not be excluded or denied as care that is substantially custodial in nature under [section 514C.22, subsection 8, paragraph “b”](#).

[89 Acts, ch 283, §4; 2009 Acts, ch 179, §182; 2011 Acts, ch 121, §7; 2011 Acts, ch 131, §151, 153; 2017 Acts, ch 148, §29; 2025 Acts, ch 86, §3](#)

Section amended

135H.4 Licensure.

1. A person shall not establish, operate, or maintain a psychiatric medical institution for children unless the person holds a license as a comprehensive residential facility for children under [chapter 237](#), and holds a license under [this chapter](#).

2. In addition to the requirements under [subsection 1](#), a person shall not provide substance use disorder services at a psychiatric medical institution for children unless the person holds a license under [section 125.13](#). The department of health and human services shall adopt rules pursuant to [chapter 17A](#) to create an expedited process for a person to simultaneously obtain a license under [section 125.13](#) and a license as a comprehensive residential facility for children under [chapter 237](#).

[89 Acts, ch 283, §5; 93 Acts, ch 53, §6; 93 Acts, ch 172, §29; 93 Acts, ch 180, §79; 2023 Acts, ch 19, §185; 2025 Acts, ch 86, §4](#)

Section amended

135H.5 Application for license — initial application and annual fees.

1. An application for a license under [this chapter](#) shall be submitted on a form required by the department. The application may require affirmative evidence of the applicant's ability to comply with rules adopted pursuant to [this chapter](#). The application shall require the applicant to specify whether the applicant intends to provide services for serious emotional disturbances, substance use disorders, or both.

2. An application for a license shall be accompanied by the required license fee which shall be credited to the general fund of the state. The initial application fee and the annual license fee is twenty-five dollars.

[89 Acts, ch 283, §6; 2025 Acts, ch 86, §5](#)

Section amended

135H.6 Inspection — conditions for issuance.

1. The department shall issue a license to an applicant under [this chapter](#) if all the following conditions exist:

a. The department has ascertained that the applicant's medical facilities and staff are adequate to provide the care and services required of a psychiatric medical institution for children.

b. The proposed psychiatric institution is accredited by an approved qualifying organization.

c. The applicant complies with applicable state rules and standards for a psychiatric institution adopted by the department in accordance with federal requirements under [42 C.F.R. §441.150 – 441.156](#).

d. The department of health and human services has submitted written approval of the application based on the department of health and human services' determination of need. The department of health and human services shall identify the location and number of youth in the state who require the services of a psychiatric medical institution for children. Approval of an application shall be based upon the location of the proposed psychiatric institution relative to the need for services identified by the department of health and human services and an analysis of the applicant's ability to provide services and support consistent with requirements under [chapter 232](#), specifically community-based treatment. If the proposed psychiatric institution is not freestanding from a facility licensed under [chapter 135B](#) or [135C](#), approval under this paragraph shall not be given unless the department of health and human services certifies that the proposed psychiatric institution is capable of providing a resident with a living environment similar to the living environment provided by a licensee which is freestanding from a facility licensed under [chapter 135B](#) or [135C](#).

e. If a youth has a serious emotional disturbance, the psychiatric institution does not require any of the following as a condition for the youth to obtain treatment:

(1) Court proceedings to be initiated.

(2) For the youth's parent, guardian, or custodian to terminate parental rights over, or transfer legal custody of, the youth.

(3) Relinquishment of the youth's custody.

2. The department of health and human services shall not give approval to an application which would cause the total number of beds licensed under [this chapter](#) for services reimbursed by the medical assistance program under [chapter 249A](#) to exceed four hundred thirty beds, unless the director of health and human services determines approval of such an application is necessary for good cause. Good cause is established if the health and safety of Iowans would be adversely impacted if the application for additional beds is not approved.

3. In addition to the beds authorized under [subsection 2](#), the department of health and human services may establish not more than thirty beds licensed under [this chapter](#) at the state mental health institute at Independence.

4. The department of health and human services may approve a conversion of beds approved under [subsection 2](#) if the beds are specialized to provide substance use disorder treatment. However, the total number of beds approved under [subsection 2](#) and [this subsection](#) shall not exceed four hundred thirty unless approved for good cause by the director pursuant to [subsection 2](#). The limitations on the number of beds under [this section](#) shall not apply to beds for youth who do not reside in this state and whose service costs are not paid by public funds in this state.

89 Acts, ch 283, §7; 90 Acts, ch 1239, §1, 2; 93 Acts, ch 53, §7; 93 Acts, ch 172, §30; 93 Acts, ch 180, §80; 96 Acts, ch 1213, §32; 98 Acts, ch 1218, §66; 99 Acts, ch 51, §1, 2; 99 Acts, ch 98, §1; 2001 Acts, ch 191, §35; 2005 Acts, ch 117, §1; 2011 Acts, ch 121, §8; 2011 Acts, ch 131, §151, 153; 2018 Acts, ch 1026, §49; 2023 Acts, ch 19, §186, 187; 2024 Acts, ch 1111, §1, 2; 2025 Acts, ch 86, §6

Referred to in §226.9B
Subsections 1 and 4 amended
Subsection 5 stricken

135H.7 Personnel.

1. A person shall not be allowed to provide services in a psychiatric institution if the person has a disease which is transmissible to other persons through required contact in the workplace, which presents a significant risk of infecting other persons, which presents a substantial possibility of harming other persons, or for which no reasonable accommodation can eliminate the risk of infecting other persons.

2. a. If a person who has been convicted of a crime or has a record of founded child abuse is being considered for licensure under [this chapter](#), for employment with a psychiatric institution involving direct responsibility for a youth or access to a youth when the youth is alone, or residence in a facility utilized by a licensee, the record check evaluation system and the licensee considering the person for employment shall perform an evaluation to determine whether the crime or founded child abuse warrants prohibition of licensure, employment, or residence in the facility utilized by a licensee. The record check evaluation system shall conduct criminal and child abuse record checks in this state and may conduct these checks in other states. The record check evaluation shall be performed in accordance with procedures adopted for this purpose by the department of health and human services.

b. If the record check evaluation system determines that a person has committed a crime or has a record of founded child abuse and is licensed, employed by a psychiatric institution licensed under [this chapter](#), or resides in a licensed facility, the record check evaluation system shall notify the program that an evaluation will be conducted to determine whether prohibition of the person's licensure, employment, or residence is warranted.

c. In an evaluation, the record check evaluation system and the licensee for an employee of the licensee shall consider the nature and seriousness of the crime or founded child abuse in relation to the position sought or held, the time elapsed since the commission of the crime or founded child abuse, the circumstances under which the crime or founded child abuse was committed, the degree of rehabilitation, the likelihood that the person will commit the crime or founded child abuse again, and the number of crimes or founded child abuses committed by the person involved. The record check evaluation system may permit a person who is evaluated to be licensed, employed, or to reside, or to continue to be licensed, employed, or to reside in a licensed facility, if the person complies with the record check evaluation system's conditions relating to the person's licensure, employment, or residence, which may include completion of additional training. For an employee of a licensee, these conditional

requirements shall be developed with the licensee. The record check evaluation system has final authority in determining whether prohibition of the person's licensure, employment, or residence is warranted and in developing any conditional requirements under this paragraph.

3. If the record check evaluation system determines that the person has committed a crime or has a record of founded child abuse which warrants prohibition of licensure, employment, or residence, the person shall not be licensed under [this chapter](#) to operate a psychiatric institution and shall not be employed by a psychiatric institution or reside in a facility licensed under [this chapter](#).

4. In addition to the record checks required under [subsection 2](#), the record check evaluation system may conduct dependent adult abuse record checks in this state and may conduct these checks in other states, on a random basis. The provisions of [subsections 2 and 3](#), relative to an evaluation following a determination that a person has been convicted of a crime or has a record of founded child abuse, shall also apply to a random dependent adult abuse record check conducted under [this subsection](#).

5. A licensee shall inform all new applicants for employment of the possibility of the performance of a record check and shall obtain, from the applicant, a signed acknowledgment of the receipt of the information.

6. A licensee shall include the following inquiry in an application for employment:

Do you have a record of founded child or dependent adult abuse
or have you ever been convicted of a crime, in this state or any other
state?

[89 Acts, ch 283, §8; 90 Acts, ch 1221, §2; 91 Acts, ch 138, §2; 92 Acts, ch 1163, §35; 94 Acts, ch 1130, §13; 2023 Acts, ch 19, §188; 2025 Acts, ch 86, §7](#)

Subsection 2, paragraph a amended

135H.7A Protective locked environment — rules.

The department, in cooperation with the department of health and human services, shall adopt rules pursuant to [chapter 17A](#) relating to the application of a protective locked environment in a psychiatric medical institution for children.

[2025 Acts, ch 86, §8](#)

NEW section

135H.8 Denial, suspension, or revocation of license.

The department may deny an application or suspend or revoke a license if the department finds that an applicant or licensee has failed or is unable to comply with [this chapter](#) or the rules establishing minimum standards pursuant to [this chapter](#) or if any of the following conditions apply:

1. It is shown that a resident is a victim of cruelty or neglect due to the acts or omissions of the licensee.

2. The licensee has permitted, aided, or abetted in the commission of an illegal act in the psychiatric institution.

3. An applicant or licensee acted to obtain or to retain a license by fraudulent means, misrepresentation, or submitting false information.

4. The licensee has willfully failed or neglected to maintain a continuing in-service education and training program for persons employed by the psychiatric institution.

5. The application involves a person who has failed to operate a psychiatric institution in compliance with the provisions of [this chapter](#).

[89 Acts, ch 283, §9](#)

135H.8A Provisional license.

The department may issue a provisional license, effective for not more than one year, to a licensee whose psychiatric institution does not meet the requirements of [this chapter](#), if, prior to issuance of the license, written plans to achieve compliance with the applicable requirements are submitted to and approved by the department. The plans shall specify the deadline for achieving compliance.

[95 Acts, ch 51, §2](#)

135H.9 Notice and hearings.

The procedure governing notice and hearing to deny an application or suspend or revoke a license shall be in accordance with rules adopted by the department pursuant to [chapter 17A](#). A full and complete record shall be kept of the proceedings and of any testimony. The record need not be transcribed unless judicial review is sought. A copy or copies of a transcript may be obtained by an interested party upon payment of the cost of preparing the transcript or copies.

[89 Acts, ch 283, §10](#)

135H.10 Rules.

1. The department, in consultation with the department of health and human services and affected professional groups, shall adopt and enforce rules setting out the standards for a psychiatric medical institution for children and the rights of the residents admitted to a psychiatric institution. The department and the department of health and human services shall coordinate the adoption of rules and the enforcement of the rules in order to prevent duplication of effort by the departments and of requirements of the licensee.

2. [This chapter](#) shall not be construed to prohibit funds appropriated for foster care from being used to provide payment to a psychiatric medical institution for children for the financial participation required of a youth whose foster care placement is in a psychiatric medical institution for children. In accordance with established policies and procedures for foster care, the department of health and human services shall act to recover any such payment for financial participation, apply to be named payee for the youth's unearned income, and recommend parental liability for the costs of a court-ordered foster care placement in a psychiatric institution.

[89 Acts, ch 283, §11; 2001 Acts, ch 135, §30; 2012 Acts, ch 1133, §94; 2023 Acts, ch 19, §189, 1896; 2025 Acts, ch 86, §9](#)

Subsection 2 amended

135H.11 Complaints alleging violations — confidentiality.

A person may request an inspection of a psychiatric medical institution for children by filing with the department a complaint of an alleged violation of an applicable requirement of [this chapter](#) or a rule adopted pursuant to [this chapter](#). The complaint shall state in a reasonably specific manner the basis of the complaint. A statement of the nature of the complaint shall be delivered to the psychiatric institution involved at the time of or prior to the inspection. The name of the person who files a complaint with the department shall be kept confidential and shall not be subject to discovery, subpoena, or other means of legal compulsion for its release to a person other than department employees involved in the investigation of the complaint.

[89 Acts, ch 283, §12](#)

Referred to in [§135H.12](#)

135H.12 Inspections upon complaints.

1. Upon receipt of a complaint made in accordance with [section 135H.11](#), the department shall make a preliminary review of the complaint. Unless the department concludes that the complaint is intended to harass a psychiatric institution or a licensee or is without reasonable basis, it shall within twenty working days of receipt of the complaint make or cause to be made an on-site inspection of the psychiatric institution which is the subject of the complaint. The department may refer to the department of health and human services any complaint received by the department if the complaint applies to rules adopted by the department of health and human services. The complainant shall also be notified of the name, address, and telephone number of the designated protection and advocacy agency if the alleged violation involves a facility with one or more residents with developmental disabilities or mental illness. In any case, the complainant shall be promptly informed of the result of any action taken by the department in the matter.

2. An inspection made pursuant to a complaint filed under [section 135H.11](#) need not be limited to the matter or matters referred to in the complaint; however, the inspection shall not be a general inspection unless the complaint inspection coincides with a scheduled general inspection. Upon arrival at the psychiatric institution to be inspected, the inspector shall show

identification to the person in charge of the psychiatric institution and state that an inspection is to be made, before beginning the inspection. Upon request of either the complainant or the department, the complainant or the complainant's representative or both may be allowed the privilege of accompanying the inspector during any on-site inspection made pursuant to [this section](#). The inspector may cancel the privilege at any time if the inspector determines that the privacy of a resident of the psychiatric institution to be inspected would be violated. The dignity of the resident shall be given first priority by the inspector and others.

[89 Acts, ch 283, §13; 2023 Acts, ch 19, §190, 1897](#)

135H.13 Information confidential.

1. The department's final findings and the findings of an approved qualifying organization regarding licensure or program accreditation shall be made available to the public in a readily available form and place. Other information relating to the psychiatric institution is confidential and shall not be made available to the public except in a proceeding involving licensure, a civil suit involving a resident, or an administrative action involving a resident.

2. The name of a person who files a complaint with the department shall remain confidential and is not subject to discovery, subpoena, or any other means of legal compulsion for release to a person other than an employee of the department or an agent involved in the investigation of the complaint.

3. Information regarding a resident who has received or is receiving care shall not be disclosed directly or indirectly except as authorized under [section 217.30, 232.69, or 237.21](#).

[89 Acts, ch 283, §14; 2025 Acts, ch 86, §10](#)

Subsection 1 amended

135H.14 Judicial review.

Judicial review of the action of the department may be sought pursuant to the Iowa administrative procedure Act, [chapter 17A](#). Notwithstanding the Iowa administrative procedure Act, [chapter 17A](#), a petition for judicial review of the department's actions under [this chapter](#) may be filed in the district court of the county in which the related psychiatric medical institution for children is located or is proposed to be located. The status of the petitioner or the licensee shall be preserved pending final disposition of the judicial review.

[89 Acts, ch 283, §15; 2003 Acts, ch 44, §114](#)

135H.15 Penalty.

A person who establishes, operates, or manages a psychiatric medical institution for children without obtaining a license under [this chapter](#) commits a serious misdemeanor. Each day of continuing violation following conviction shall be considered a separate offense.

[89 Acts, ch 283, §16](#)

135H.16 Injunction.

Notwithstanding the existence or pursuit of another remedy, the department may maintain an action for injunction or other process to restrain or prevent the establishment, operation, or management of a psychiatric medical institution for children without a license.

[89 Acts, ch 283, §17](#)