

Senate Study Bill 1228 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BUDGET
BILL)

A BILL FOR

1 An Act relating to and making appropriations for veterans
2 and health and human services, and related provisions and
3 appropriations, including aging and disability services,
4 behavioral health, public health, community access and
5 eligibility, health-related programs, reimbursement rates,
6 family well-being and protection, state-operated specialty
7 care, the beer and liquor control fund, and the behavioral
8 health fund, and including effective date and retroactive
9 applicability provisions.
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

DEPARTMENT OF VETERANS AFFAIRS — FY 2025-2026

Section 1. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2025, and ending June 30, 2026, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 1,384,743

2. IOWA VETERANS HOME

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 8,234,502

a. The Iowa veterans home billings involving the department of health and human services shall be submitted to the department on at least a monthly basis.

b. The Iowa veterans home expenditure report shall be submitted monthly to the general assembly.

3. HOME OWNERSHIP ASSISTANCE PROGRAM

For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States, pursuant to section 16.54:

..... \$ 2,700,000

DIVISION II

AGING AND DISABILITY SERVICES — FY 2025-2026

Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES — AGING AND DISABILITY SERVICES. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2025, and ending June 30, 2026, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For aging programs for the department of health and human

1 services and area agencies on aging to provide citizens of Iowa
2 who are 60 years of age and older with case management; Iowa's
3 aging and disabilities resource centers; for the return to
4 community program; for the purposes of chapter 231E, to
5 administer the prevention of elder abuse, neglect, and
6 exploitation program pursuant to section 231.56A, in accordance
7 with the requirements of the federal Older Americans Act of 1965,
8 42 U.S.C. §3001 et seq., as amended; for the reporting and
9 evaluation of cases of dependent adult abuse pursuant to chapter
10 235B; and for other services which may include but are not
11 limited to adult day, respite care, chore, information and
12 assistance, and material aid, for information and options
13 counseling for persons with disabilities, and for salaries,
14 support, administration, maintenance, and miscellaneous purposes:
15 \$ 19,208,822

16 1. Funds appropriated in this section may be used to
17 supplement federal funds under federal regulations. To receive
18 funds appropriated in this section, a local area agency on aging
19 shall match the funds with moneys from other sources according to
20 rules adopted by the department. Funds appropriated in this
21 section may be used for services not specifically enumerated in
22 this section only if approved by the department as part of an
23 area agency on aging's area plan.

24 2. Of the funds appropriated in this section, \$949,282 shall
25 be used for the family support center component of the
26 comprehensive family support program under chapter 225C,
27 subchapter V.

28 3. Of the funds appropriated in this section, \$33,632 shall
29 be used to build community capacity through the coordination and
30 provision of training opportunities in accordance with the
31 consent decree of Conner v. Branstad, No. 4-86-CV-30871 (S.D.
32 Iowa, July 14, 1994).

33 DIVISION III

34 BEHAVIORAL HEALTH — FY 2025-2026

35 Sec. 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL

1 HEALTH. There is appropriated from the general fund of the state
2 to the department of health and human services for the fiscal
3 year beginning July 1, 2025, and ending June 30, 2026, the
4 following amount, or so much thereof as is necessary, to be used
5 for the purposes designated:

6 For behavioral health prevention, treatment, and recovery
7 efforts to reduce the prevalence of the use of, provide treatment
8 for, and support recovery from alcohol, tobacco, and substance
9 use and misuse, problem gambling, and other addictive behaviors.
10 Activities shall align with accepted best practice guidance
11 standards for behavioral health including those published by the
12 centers for disease control and prevention and the substance
13 abuse and mental health services administration of the United
14 States department of health and human services for health
15 promotion; universal, selective, and indicated prevention;
16 treatment; and recovery services and supports; and shall include
17 a 24-hour helpline, public information resources, professional
18 training, youth prevention, program evaluation, and efforts at
19 the state and local levels:

20 \$ 24,442,347

21 1. Of the funds appropriated in this section, \$300,000 shall
22 be used to support the work of the children’s behavioral health
23 system including evidence-based behavioral health prevention,
24 treatment, and recovery services and supports for children and
25 their families pursuant to the intent specified in section
26 225C.6B, subsection 1.

27 2. Of the funds appropriated in this section, \$950,000 shall
28 be used for an integrated substance use disorder managed care
29 system. The department shall maintain the level of mental health
30 and substance use disorder treatment services provided by the
31 managed care contractors. The department shall take the steps
32 necessary to continue the federal waivers as needed to maintain
33 the level of services.

34 Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SPORTS
35 WAGERING RECEIPTS FUND. There is appropriated from the sports

1 wagering receipts fund created in section 8.57I, to the
2 department of health and human services for the fiscal year
3 beginning July 1, 2025, and ending June 30, 2026, the following
4 amount, or so much thereof as is necessary, to be used for
5 behavioral health prevention, treatment, and recovery efforts to
6 reduce the prevalence of the use of, provide treatment for, and
7 support recovery from alcohol, tobacco, and substance use and
8 misuse, problem gambling, and other addictive behaviors:

9 \$ 1,750,000

10 DIVISION IV

11 PUBLIC HEALTH — FY 2025-2026

12 Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PUBLIC
13 HEALTH. There is appropriated from the general fund of the state
14 to the department of health and human services for the fiscal
15 year beginning July 1, 2025, and ending June 30, 2026, the
16 following amount, or so much thereof as is necessary, to be used
17 for the purposes designated:

18 For programs that support health promotion, protect the health
19 and safety of the public, conduct disease surveillance and
20 investigation to reduce the incidence of morbidity and mortality,
21 serve individuals with chronic conditions including but not
22 limited to cancer, support the Iowa donor registry as specified
23 in section 142C.18, and strengthen the health care delivery
24 system and workforce to improve health outcomes for all Iowans:

25 \$ 22,413,883

26 1. Of the funds appropriated in this section, the following
27 amounts are allocated to be used as follows to support the goals
28 of increased access, health system integration, and engagement:

29 a. \$600,000 is allocated to the Iowa prescription drug
30 corporation for continuation of the pharmaceutical infrastructure
31 for safety net providers originally established as described in
32 2007 Iowa Acts, chapter 218, section 108, and for the
33 prescription drug donation repository program created in chapter
34 135M. Funds allocated under this paragraph shall be distributed
35 in their entirety for the purpose specified on July 1, 2025.

1 b. \$374,000 is allocated to free clinics and free clinics of
2 Iowa for necessary infrastructure, statewide coordination,
3 provider recruitment, service delivery, and provision of
4 assistance to patients in securing a medical home inclusive of
5 oral health care. Funds allocated under this paragraph shall be
6 distributed in their entirety for the purpose specified on July
7 1, 2025.

8 c. \$25,000 is allocated to the Iowa association of rural
9 health clinics for necessary infrastructure and service delivery
10 transformation. Funds allocated under this paragraph shall be
11 distributed in their entirety for the purpose specified on July
12 1, 2025.

13 d. \$225,000 is allocated to the Polk county medical society
14 for continuation of the safety net provider patients access to
15 specialty care initiative as described in 2007 Iowa Acts, chapter
16 218, section 109. Funds allocated under this paragraph shall be
17 distributed in their entirety for the purpose specified on July
18 1, 2025.

19 2. Of the funds appropriated in this section, \$600,000 shall
20 be used for rural psychiatric residencies for residents selected
21 on or before June 30, 2025.

22 3. The university of Iowa hospitals and clinics under the
23 control of the state board of regents shall not receive indirect
24 costs from the funds appropriated in this section. The
25 university of Iowa hospitals and clinics billings to the
26 department shall be on at least a quarterly basis.

27 DIVISION V

28 COMMUNITY ACCESS AND ELIGIBILITY — FY 2025-2026

29 Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES — COMMUNITY
30 ACCESS AND ELIGIBILITY. There is appropriated from the general
31 fund of the state to the department of health and human services
32 for the fiscal year beginning July 1, 2025, and ending June 30,
33 2026, the following amount, or so much thereof as is necessary,
34 to be used for the purposes designated:

35 To be used for salaries, support, maintenance, and

1 miscellaneous purposes and for family investment program (FIP)
2 assistance in accordance with chapter 239B, and for other costs
3 associated with providing needs-based benefits or assistance
4 including but not limited to maternal and child health, oral
5 health, obesity prevention, the promoting independence and
6 self-sufficiency through employment, job opportunities and basic
7 skills (PROMISE JOBS) program, supplemental nutrition assistance
8 program (SNAP) employment and training, the FIP diversion
9 program, family planning, rent reimbursement, and eligibility
10 determinations for medical assistance, food assistance, and the
11 children's health insurance program:

12 \$ 68,545,138

13 1. Of the child support collections assigned under FIP, the
14 federal share of support collections shall be credited to the
15 child support services appropriation made in this division of
16 this Act. Of the remainder of the assigned child support
17 collections received by child support services, a portion shall
18 be credited to community access and eligibility, and the
19 remaining funds may be used to increase recoveries, to sustain
20 cash flow in the child support payments account, or for
21 technology needs. If child support collections assigned under
22 FIP are greater than estimated or are otherwise determined not to
23 be required for maintenance of effort, the state share of either
24 amount is appropriated to the department for child support
25 services as described in this Act or may be transferred to or
26 retained in the child support payments account.

27 2. Of the funds appropriated in this section, \$3,075,000
28 shall be used for continuation of the department's initiative to
29 provide for adequate developmental surveillance and screening
30 during a child's first five years. The funds shall be used first
31 to fully fund the current participating counties to ensure that
32 those counties are fully operational, with the remaining funds to
33 be used for expanding participation to additional counties. The
34 full implementation and expansion shall include enhancing the
35 scope of the initiative through collaboration with the child

1 health specialty clinics to promote the use of developmental
2 surveillance and screening to support healthy child development
3 through early identification and response to both biomedical and
4 social determinants of healthy development by providing
5 practitioner consultation and continuous improvement through
6 training and education, particularly for children with behavioral
7 conditions and needs. The department shall also collaborate with
8 the Medicaid program and the child health specialty clinics to
9 assist in coordinating the activities of the first five
10 initiative into the establishment of patient-centered medical
11 homes developed to improve health quality and population health
12 while reducing health care costs. To the maximum extent
13 possible, funding allocated in this subsection shall be utilized
14 as matching funds for Medicaid program reimbursement.

15 3. Of the funds appropriated in this section, \$1,145,102 is
16 allocated to the Iowa commission on volunteer service for
17 programs and grants.

18 4. The university of Iowa hospitals and clinics under the
19 control of the state board of regents shall not receive indirect
20 costs from the funds appropriated in this section. The
21 university of Iowa hospitals and clinics billings to the
22 department shall be on at least a quarterly basis.

23 CHILD SUPPORT SERVICES

24 Sec. 7. CHILD SUPPORT SERVICES. There is appropriated from
25 the general fund of the state to the department of health and
26 human services for the fiscal year beginning July 1, 2025, and
27 ending June 30, 2026, the following amount, or so much thereof as
28 is necessary, to be used for the purposes designated:

29 For child support services, including salaries, support,
30 maintenance, and miscellaneous purposes:

31 \$ 15,645,242

32 1. Federal access and visitation grant moneys shall be used
33 for services designed to increase compliance with the child
34 access provisions of court orders, including but not limited to
35 neutral visitation sites and mediation services.

1 2. The appropriation made to the department for child support
2 services may be used throughout the fiscal year in the manner
3 necessary for purposes of cash flow management, and for cash flow
4 management purposes the department may temporarily draw more than
5 the amount appropriated, provided the amount appropriated is not
6 exceeded at the close of the fiscal year.

7 DIVISION VI

8 MEDICAL ASSISTANCE PROGRAM — STATE SUPPLEMENTARY ASSISTANCE —
9 HEALTHY AND WELL KIDS IN IOWA PROGRAM AND OTHER HEALTH-RELATED
10 PROGRAMS — FY 2025-2026

11 Sec. 8. MEDICAL ASSISTANCE PROGRAM, STATE SUPPLEMENTARY
12 ASSISTANCE, AND HEALTHY AND WELL KIDS IN IOWA PROGRAM. There is
13 appropriated from the general fund of the state to the department
14 of health and human services for the fiscal year beginning July
15 1, 2025, and ending June 30, 2026, the following amount, or so
16 much thereof as is necessary, to be used for the purposes
17 designated:

18 For medical assistance program reimbursement and associated
19 costs as specifically provided in the reimbursement methodologies
20 in effect on June 30, 2025, except as otherwise expressly
21 authorized by law, consistent with options under federal law and
22 regulations, and contingent upon receipt of approval from the
23 office of the governor of reimbursement for each abortion
24 performed under the program; for the state supplementary
25 assistance program; for the health insurance premium payment
26 program; and for maintenance of the healthy and well kids in Iowa
27 (Hawki) program pursuant to chapter 514I, including supplemental
28 dental services, for receipt of federal financial participation
29 under Tit. XXI of the federal Social Security Act, which creates
30 the children’s health insurance program; and for other specified
31 health-related programs:

32 \$1,873,384,884

33 1. Of the funds appropriated in this section, \$1,808,383,124
34 is allocated for medical assistance program reimbursement and
35 associated costs.

1 a. Of the funds allocated in this subsection, \$800,000 shall
2 be used for the renovation and construction of certain nursing
3 facilities, consistent with the provisions of chapter 249K.

4 b. Of the funds allocated in this subsection, \$3,383,880
5 shall be used for program administration, outreach, and
6 enrollment activities of the state family planning services
7 program pursuant to section 217.41B, and of this amount, the
8 department may use \$200,000 for administrative expenses.

9 2. Iowans support reducing the number of abortions performed
10 in our state. Funds appropriated under this section shall not be
11 used for abortions, unless otherwise authorized under this
12 section.

13 3. The provisions of this section relating to abortions shall
14 also apply to the Iowa health and wellness plan created pursuant
15 to chapter 249N.

16 4. Of the funds appropriated in this section, \$4,479,762 is
17 allocated for the state supplementary assistance program.

18 5. Of the funds appropriated in this section, \$60,521,998 is
19 allocated for maintenance of the Hawki program pursuant to
20 chapter 514I, including supplemental dental services, for receipt
21 of federal financial participation under Tit. XXI of the federal
22 Social Security Act, which creates the children's health
23 insurance program.

24 HEALTH PROGRAM OPERATIONS

25 Sec. 9. HEALTH PROGRAM OPERATIONS. There is appropriated
26 from the general fund of the state to the department of health
27 and human services for the fiscal year beginning July 1, 2025,
28 and ending June 30, 2026, the following amount, or so much
29 thereof as is necessary, to be used for the purposes designated:

30 For health program operations and the autism support program:
31 \$ 39,672,838

32 1. The department of inspections, appeals, and licensing
33 shall provide all state matching funds for survey and
34 certification activities performed by the department of
35 inspections, appeals, and licensing. The department of health

1 and human services is solely responsible for distributing the
2 federal matching funds for such activities.

3 2. Of the funds appropriated in this section, a sufficient
4 amount shall be used for the administration of the health
5 insurance premium payment program, including salaries, support,
6 maintenance, and miscellaneous purposes.

7 3. Of the funds appropriated in this section, \$750,000 shall
8 be used for the state poison control center. Pursuant to the
9 directive under 2014 Iowa Acts, chapter 1140, section 102, the
10 federal matching funds available to the state poison control
11 center from the department under the federal Children's Health
12 Insurance Program Reauthorization Act of 2009 allotment shall be
13 subject to the federal administrative cap rule of 10 percent
14 applicable to funding provided under Tit. XXI of the federal
15 Social Security Act and included within the department's
16 calculations of the cap.

17 4. Unless otherwise provided by law, if a contract for
18 services provided under this section initially entered into
19 during the fiscal year beginning July 1, 2025, and ending June
20 30, 2026, provides for an annual increase of the cost of services
21 provided under the contract, the annual increase shall not exceed
22 the amount by which the consumer price index for all urban
23 consumers increased during the most recently concluded calendar
24 year. This subsection shall not affect a contract entered into
25 on or before June 30, 2025, that is for a term of more than one
26 year.

27 HEALTH CARE ACCOUNTS AND FUNDS

28 Sec. 10. PHARMACEUTICAL SETTLEMENT ACCOUNT — DEPARTMENT OF
29 HEALTH AND HUMAN SERVICES. There is appropriated from the
30 pharmaceutical settlement account created in section 249A.33 to
31 the department of health and human services for the fiscal year
32 beginning July 1, 2025, and ending June 30, 2026, the following
33 amount, or so much thereof as is necessary, to be used for the
34 purposes designated:

35 Notwithstanding any provision of law to the contrary, to

1 supplement the appropriation made in this Act for health program
2 operations under the medical assistance program for the same
3 fiscal year:

4 \$ 234,193

5 Sec. 11. QUALITY ASSURANCE TRUST FUND — DEPARTMENT OF HEALTH
6 AND HUMAN SERVICES. Notwithstanding any provision to the
7 contrary and subject to the availability of funds, there is
8 appropriated from the quality assurance trust fund created in
9 section 249L.4 to the department of health and human services for
10 the fiscal year beginning July 1, 2025, and ending June 30, 2026,
11 the following amount, or so much thereof as is necessary, for the
12 purposes designated:

13 To supplement the appropriation made in this Act from the
14 general fund of the state to the department of health and human
15 services for medical assistance for the same fiscal year:

16 \$111,216,205

17 Sec. 12. HOSPITAL HEALTH CARE ACCESS TRUST FUND — DEPARTMENT
18 OF HEALTH AND HUMAN SERVICES. Notwithstanding any provision to
19 the contrary and subject to the availability of funds, there is
20 appropriated from the hospital health care access trust fund
21 created in section 249M.4 to the department of health and human
22 services for the fiscal year beginning July 1, 2025, and ending
23 June 30, 2026, the following amount, or so much thereof as is
24 necessary, for the purposes designated:

25 To supplement the appropriation made in this Act from the
26 general fund of the state to the department of health and human
27 services for medical assistance for the same fiscal year:

28 \$ 33,920,554

29 NURSING FACILITIES — REIMBURSEMENT METHODOLOGY PROPOSAL

30 Sec. 13. NURSING FACILITIES — MEDICAID REIMBURSEMENT
31 METHODOLOGY PROPOSAL.

32 1. By April 1, 2026, the department of health and human
33 services shall develop a reimbursement methodology proposal for
34 reimbursement of nursing facilities under the Medicaid program
35 that includes all of the following:

- 1 a. A base-rate payment component.
- 2 b. A quality assurance assessment pass-through component.
- 3 c. A quality assurance add-on component, which includes a
- 4 fixed fee payment and a quality-based payment.

5 2. The reimbursement methodology proposal shall include
6 recommendations developed by the department of health and human
7 services, in consultation with stakeholders including the Iowa
8 health care association and leadingage Iowa, for specific metrics
9 the department of health and human services will use to determine
10 whether a nursing facility is eligible to receive all or a
11 portion of the quality-based payment portion of the reimbursement
12 to the nursing facility.

13 3. The total state expenditures for reimbursement of nursing
14 facilities under the Medicaid program using the reimbursement
15 methodology proposed in this section shall not exceed the amount
16 appropriated for this purpose for the applicable fiscal year.

17 DIVISION VII

18 REIMBURSEMENT RATES

19 Sec. 14. REIMBURSEMENT RATES — MEDICAL ASSISTANCE, STATE
20 SUPPLEMENTARY ASSISTANCE, HEALTHY AND WELL KIDS IN IOWA, AND
21 OTHER HEALTH-RELATED PROGRAMS.

22 1. Reimbursement for medical assistance, state supplementary
23 assistance, and social service providers and services reimbursed
24 under the purview of the department of health and human services
25 shall remain at the reimbursement rate or shall be determined
26 pursuant to the reimbursement methodology in effect on June 30,
27 2025, with the exception of the following:

28 a. If reimbursement is otherwise negotiated by contract or
29 pursuant to an updated fee schedule.

30 b. As otherwise provided in this section.

31 2. a. Notwithstanding any provision of law to the contrary,
32 for the fiscal year beginning July 1, 2025, and ending June 30,
33 2026, the department of health and human services shall rebase
34 case-mix nursing facility rates beginning July 1, 2025, using the
35 Medicaid cost reports on file for the period ending December 31,

1 2024, to the extent possible within state funding, including the
2 allocation provided for this purpose in this Act.

3 b. The department of health and human services shall
4 calculate each nursing facility's case-mix index for the period
5 beginning July 1, 2024, using weighting based on the current
6 patient-driven payment model schedule. Rosters shall be made
7 to show a separate calculation to determine the average case-mix
8 index for a nursing-facility-wide case-mix index, and a case-mix
9 index for the residents of a nursing facility who are Medicaid
10 recipients using all minimum data set reports by the nursing
11 facility for the previous semiannual period using a day weighted
12 calculation.

13 3. For the fiscal year beginning July 1, 2025, Medicaid
14 provider and service rates shall be adjusted to 85 percent of
15 the benchmark rates based on the department's 2024 Medicaid rate
16 review for the following Medicaid providers:

- 17 a. Physicians, provider type 02 and 03.
- 18 b. Dentists, excluding orthodontic services, provider type
19 04.
- 20 c. Podiatrists, provider type 05.
- 21 d. Optometrists, provider type 06.
- 22 e. Opticians, provider type 07.
- 23 f. Pharmacy, enrolled to provide medical supplies and
24 equipment, provider type 08.
- 25 g. Independent laboratories, provider type 10.
- 26 h. Medical supplies, provider type 12.
- 27 i. Clinics, provider type 14.
- 28 j. Physical therapists, provider type 15.
- 29 k. Chiropractors, provider type 16.
- 30 l. Audiologists, provider type 17.
- 31 m. Rehabilitation agencies, provider type 19.
- 32 n. Community mental health centers, provider type 21.
- 33 o. Family planning clinics, provider type 22.
- 34 p. Psychologists, provider type 29.
- 35 q. Screening centers, provider type 30.

- 1 r. Occupational therapists, provider type 32.
2 s. Ambulatory surgical centers, provider type 36.
3 t. Certified nurse midwives, provider type 38.
4 u. Certified registered nurse anesthetists, provider type 44.
5 v. Clinical social workers, provider type 48.
6 w. Nurse practitioners, provider type 50.
7 x. Behavioral health services, provider type 62.
8 y. Physician assistants, provider type 68.
9 z. Independent speech pathologists, provider type 69.
10 aa. Public health agencies, provider type 72.
11 ab. Crisis response services, provider type 80.
- 12 4. For the fiscal year beginning July 1, 2025, reimbursement
13 rates for maternal health providers shall be increased compared
14 to the rates in effect on June 30, 2025, to the extent possible
15 within the additional \$420,000 appropriated for this purpose.
- 16 5. For the fiscal year beginning July 1, 2025, reimbursement
17 rates for certified nurse midwives shall be increased compared
18 to the rates in effect on June 30, 2025, to the extent possible
19 within the additional \$2,000 appropriated for this purpose.
- 20 6. For the fiscal year beginning July 1, 2025, reimbursement
21 shall be provided for doula services within the additional
22 \$220,000 appropriated for this purpose.
- 23 7. For the fiscal year beginning July 1, 2025, the pharmacy
24 dispensing fee shall be adjusted to \$11.37, as determined by the
25 cost of dispensing survey, within the allocation provided for
26 this purpose in this Act. The change in dispensing fee shall
27 become effective following federal approval of the Medicaid state
28 plan.
- 29 8. a. For the fiscal year beginning July 1, 2025,
30 reimbursement rates for home health agencies shall continue to be
31 based on the Medicare low utilization payment adjustment (LUPA)
32 methodology with state geographic wage adjustments and shall be
33 adjusted to increase the rates to the extent possible within the
34 state funding appropriated.
- 35 b. For the fiscal year beginning July 1, 2026, and for

1 each fiscal year thereafter, the department shall review the
2 reimbursement rates for home health agencies and pharmacy
3 dispensing fees.

4 Sec. 15. REIMBURSEMENT RATES — CHILD PROTECTIVE SERVICES.

5 1. For the fiscal year beginning July 1, 2025, the department
6 of health and human services shall increase reimbursement rates
7 to qualified residential treatment program providers to the
8 extent possible within the additional \$3,245,594 appropriated for
9 this purpose.

10 2. For the fiscal year beginning July 1, 2025, the department
11 of health and human services shall increase reimbursement rates
12 to shelter care providers to the extent possible within the
13 additional \$1,590,842 appropriated for this purpose.

14 DIVISION VIII

15 FAMILY WELL-BEING AND PROTECTION — FY 2025-2026

16 STATE CHILD CARE ASSISTANCE

17 Sec. 16. STATE CHILD CARE ASSISTANCE. There is appropriated
18 from the general fund of the state to the department of health
19 and human services for the fiscal year beginning July 1, 2025,
20 and ending June 30, 2026, the following amount, or so much
21 thereof as is necessary, to be used for the purposes designated:

22 For state child care assistance in accordance with section
23 237A.13:

24 \$ 34,983,087

25 1. If the appropriations made for purposes of the state child
26 care assistance program for the fiscal year are determined to be
27 insufficient, it is the intent of the general assembly to
28 appropriate sufficient funding for the fiscal year in order to
29 avoid establishment of waiting list requirements.

30 2. A portion of the state match for the federal child care
31 and development block grant shall be provided as necessary to
32 meet federal matching funds requirements through the state
33 general fund appropriation made for child development grants and
34 other programs for at-risk children in section 279.51.

35 EARLY INTERVENTION AND SUPPORTS

1 Sec. 17. EARLY INTERVENTION AND SUPPORTS. There is
2 appropriated from the general fund of the state to the department
3 of health and human services for the fiscal year beginning July
4 1, 2025, and ending June 30, 2026, the following amount, or so
5 much thereof as is necessary, to be used for the purposes
6 designated:

7 For promoting the optimum health status for children and
8 adolescents from birth through 21 years of age, and for families:
9 \$ 35,302,034

10 1. Of the funds appropriated in this section, not more than
11 \$734,000 shall be used for the healthy opportunities for parents
12 to experience success (HOPES)-healthy families Iowa (HFI) program
13 established pursuant to section 135.106.

14 2. Of the funds appropriated in this section, \$4,313,845 is
15 allocated for the FaDSS grant program. Of the funds allocated
16 for the FaDSS grant program in this subsection, not more than 5
17 percent of the funds shall be used for administration of the
18 grant program.

19 3. Of the funds appropriated in this section, \$29,256,799
20 shall be used for the purposes of the early childhood Iowa fund
21 created in section 256I.11.

22 4. Of the funds appropriated in this section, \$1,000,000
23 shall be used for the purposes of program administration and
24 provision of pregnancy support services through the more options
25 for maternal support program in accordance with section 217.41C.

26 EARLY CHILDHOOD IOWA INITIATIVE

27 Sec. 18. Section 256I.11, subsection 1, Code 2025, is amended
28 to read as follows:

29 1. a. An early childhood Iowa fund is created in the state
30 treasury. The moneys credited to the fund are not subject to
31 section 8.33 and moneys in the fund shall not be transferred,
32 used, obligated, appropriated, or otherwise encumbered except as
33 provided by law. Notwithstanding section 12C.7, subsection 2,
34 interest or earnings on moneys deposited in the fund shall be
35 credited to the fund.

1 b. Moneys appropriated to the department for purposes of the
2 early childhood Iowa fund shall not be used to supplant other
3 appropriated moneys, including any of the following:

4 (1) To provide for the payment of child care for an
5 individual otherwise eligible for the state child care assistance
6 program established in section 237A.13.

7 (2) To award a child care scholarship to an individual who
8 has been approved for the state child care assistance program
9 established in section 237A.13.

10 (3) To provide for the payment of preschool tuition for
11 the amount of time a child enrolled in the statewide preschool
12 program for four-year-old children pursuant to chapter 256C
13 receives instruction in a preschool program under chapter 256C.

14 2. Moneys appropriated to the department for purposes of
15 the early childhood Iowa initiative may be used to provide
16 payment for child care for an individual whose income exceeds the
17 income eligibility percentage for the state child care assistance
18 program under section 237A.13.

19 CHILD PROTECTIVE SERVICES

20 Sec. 19. CHILD PROTECTIVE SERVICES. There is appropriated
21 from the general fund of the state to the department of health
22 and human services for the fiscal year beginning July 1, 2025,
23 and ending June 30, 2026, the following amount, or so much
24 thereof as is necessary, to be used for the purposes designated:

25 For child, family, and adoption services, and for salaries,
26 support, maintenance, and miscellaneous purposes:

27 \$172,151,751

28 1. Of the funds appropriated in this section, \$1,717,000 is
29 allocated specifically for expenditure for the fiscal year
30 beginning July 1, 2025, through the decategorization services
31 funding pools and governance boards established pursuant to
32 section 232.188.

33 2. A portion of the funds appropriated in this section may be
34 used to provide other resources based on client need required to
35 support family preservation, emergency client need, or family

1 reunification efforts.

2 3. Of the funds appropriated in this section, a sufficient
3 amount is allocated for foster family care, group foster care
4 maintenance and services, shelter care, child welfare emergency
5 services, qualified residential treatment programs, and
6 supervised apartment living contracts.

7 4. Federal funds received by the state during the fiscal year
8 beginning July 1, 2025, as the result of the expenditure of state
9 funds appropriated during a previous state fiscal year for a
10 service or activity funded under this section, are appropriated
11 to the department to be used as additional funding for services
12 and purposes provided for under this section. Notwithstanding
13 section 8.33, moneys received in accordance with this subsection
14 that remain unencumbered or unobligated at the close of the
15 fiscal year shall not revert but shall remain available for the
16 purposes designated until the close of the succeeding fiscal
17 year.

18 5. a. Of the funds appropriated in this section, \$748,000 is
19 allocated for the payment of the expenses of court-ordered
20 services provided to children who are under the supervision of
21 the department, which expenses are a charge upon the state
22 pursuant to section 232.141, subsection 4.

23 b. Notwithstanding chapter 232 or any other provision of law
24 to the contrary, a district or juvenile court shall not order any
25 service which is a charge upon the state pursuant to section
26 232.141 if the court-ordered services distribution amount is
27 insufficient to pay for the service.

28 6. Of the funds appropriated in this section, \$1,658,000
29 shall be used for the child protection center grant program for
30 child protection centers located in Iowa in accordance with
31 section 135.118. The grant amounts under the program shall be
32 equalized so that each center receives a uniform base amount of
33 \$245,000, and so that the remaining funds are awarded through a
34 funding formula based upon the volume of children served. To
35 increase access to child protection center services for children

1 in rural areas, the funding formula for the awarding of the
2 remaining funds shall provide for the awarding of an enhanced
3 amount to eligible grantees to develop and maintain satellite
4 centers in underserved regions of the state.

5 7. Of the funds appropriated in this section, \$4,359,500 is
6 allocated for the preparation for adult living program pursuant
7 to section 234.46.

8 8. Of the funds appropriated in this section, up to \$227,000
9 shall be used for the public purpose of continuing a grant to a
10 nonprofit human services organization, providing services to
11 individuals and families in multiple locations in southwest Iowa
12 and Nebraska for support of a project providing immediate,
13 sensitive support and forensic interviews, medical exams, needs
14 assessments, and referrals for victims of child abuse and their
15 nonoffending family members.

16 9. Of the funds appropriated in this section, a portion may
17 be used for family-centered services for purposes of complying
18 with the federal Family First Prevention Services Act of 2018,
19 Pub. L. No. 115-123, and successor legislation.

20 10. a. Of the funds appropriated in this section, a
21 sufficient amount is allocated for adoption subsidy payments and
22 related costs.

23 b. Any funds allocated in this subsection remaining after the
24 allocation under paragraph "a" are designated and allocated as
25 state savings resulting from implementation of the federal
26 Fostering Connections to Success and Increasing Adoptions Act of
27 2008, Pub. L. No. 110-351, and successor legislation, as
28 determined in accordance with 42 U.S.C. §673(a)(8), and shall be
29 used for post-adoption services and for other purposes allowed
30 under these federal laws, Tit. IV-B or Tit. IV-E of the federal
31 Social Security Act.

32 11. Of the funds appropriated in this section, a sufficient
33 amount is allocated to support training needs for child welfare
34 providers and to address disproportionality within the child
35 welfare system.

1 12. If a separate funding source is identified that reduces
2 the need for state funds within an allocation under this section,
3 the allocated state funds may be redistributed to other
4 allocations under this section for the same fiscal year.

5 DIVISION IX

6 STATE-OPERATED SPECIALTY CARE — FY 2025-2026

7 Sec. 20. STATE-OPERATED SPECIALTY CARE. There is
8 appropriated from the general fund of the state to the department
9 of health and human services for the fiscal year beginning July
10 1, 2025, and ending June 30, 2026, the following amount, or so
11 much thereof as is necessary, to be used for the purposes
12 designated:

13 For salaries, support, maintenance, and miscellaneous purposes
14 at institutions under the jurisdiction of the department of
15 health and human services:

16 \$102,343,507

17 1. The department shall utilize the funds appropriated in
18 this section as necessary to maximize bed capacity and to most
19 effectively meet the needs of the individuals served.

20 2. Of the amount appropriated in this section, the following
21 amounts are allocated to each institution as follows:

22 a. For the state mental health institute at Cherokee:

23 \$ 19,696,259

24 b. For the state mental health institute at Independence:

25 \$ 24,379,570

26 c. For the civil commitment unit for sexual offenders at
27 Cherokee:

28 \$ 18,942,529

29 d. For the state resource center at Woodward:

30 \$ 14,165,221

31 e. For the state resource center at Glenwood:

32 \$ 5,296,279

33 f. For the state training school at Eldora:

34 \$ 19,863,649

35 DIVISION X

1 ADMINISTRATION AND COMPLIANCE — FY 2025-2026

2 Sec. 21. ACCOUNTABILITY, COMPLIANCE, AND PROGRAM INTEGRITY.

3 There is appropriated from the general fund of the state to the
4 department of health and human services for the fiscal year
5 beginning July 1, 2025, and ending June 30, 2026, the following
6 amount, or so much thereof as is necessary, to be used for the
7 purposes designated:

8 For accountability, compliance, and program integrity,
9 including salaries, support, maintenance, and miscellaneous
10 purposes:

11 \$ 21,906,483

12 1. Of the funds appropriated in this section, \$200,000 shall
13 be transferred to and deposited in the Iowa ABLE savings plan
14 trust administrative fund created in section 12I.4, to be used
15 for implementation and administration activities of the Iowa ABLE
16 savings plan trust.

17 2. Of the funds appropriated in this section, \$2,602,312
18 shall be used for foster care review and the court appointed
19 special advocate program, including for salaries, support,
20 maintenance, and miscellaneous purposes.

21 3. Of the funds appropriated in this section, \$1,148,959
22 shall be used for the office of long-term care ombudsman for
23 salaries, support, administration, maintenance, and miscellaneous
24 purposes.

25 4. For the fiscal year beginning July 1, 2025, and ending
26 June 30, 2026, the department of health and human services may
27 utilize the moneys appropriated from the general fund of the
28 state to the department in this Act for up to 4,156.00 full-time
29 equivalent positions. The department shall report to the general
30 assembly by December 15, 2025, the distribution of the approved
31 number of full-time equivalent positions across the
32 organizational divisions of the department.

33 DIVISION XI
34 DEPARTMENT OF HEALTH AND HUMAN SERVICES TRANSFERS, CASH FLOW, AND
35 NONREVERSIONS — FY 2025-2026

1 Sec. 22. DEPARTMENT OF HEALTH AND HUMAN SERVICES TRANSFERS
2 AND CASH FLOW.

3 1. The department of health and human services may transfer
4 funds appropriated in this Act to support continuing alignment
5 efforts, to maximize federal support in accordance with the
6 department's federal costs allocation plan, and for resources
7 necessary to implement and administer the services for which
8 funds are provided. The department shall report any transfers
9 made pursuant to this subsection to the general assembly.

10 2. If the savings to the appropriations made for the
11 Medicaid program from ongoing cost management efforts exceed the
12 associated costs for the fiscal year, the department may transfer
13 any savings generated for the fiscal year due to cost management
14 efforts to the appropriations made in this Act for health
15 program operations or for accountability, compliance, and program
16 integrity to defray the costs associated with implementation of
17 the cost management efforts.

18 3. The department may transfer funds appropriated for child
19 protective services to pay the nonfederal share costs of services
20 reimbursed under the medical assistance program, state child care
21 assistance program, or the family investment program which are
22 provided to children who would otherwise receive services paid
23 under the appropriation for child protective services.

24 4. The department may transfer funds from the temporary
25 assistance for needy families block grant to the federal social
26 services block grant appropriation, and to the child care and
27 development block grant appropriation, in accordance with federal
28 law.

29 5. To the extent the department determines that moneys
30 appropriated under this Act or allocated for a specific purpose
31 under this Act will remain unencumbered or unobligated at the
32 close of the fiscal year, such unencumbered or unobligated moneys
33 may be used in the same fiscal year for any other purpose for
34 which the moneys appropriated may be used, or for any other
35 allocation within the same appropriation.

1 6. To the extent the department determines that moneys
2 appropriated under this Act will remain unencumbered or
3 unobligated at the close of the fiscal year or that services will
4 not be impacted, the department may utilize up to \$3,000,000 of
5 such unencumbered or unobligated moneys appropriated to develop
6 and support the thrive Iowa program, a closed-loop referral
7 system utilizing a navigator model, that acts as the connection
8 point to link Iowans on an individualized path to prosperity and
9 self-sufficiency to available resources in all sectors of the
10 community.

11 Sec. 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES
12 NONREVERSIONS.

13 1. Notwithstanding section 8.33, moneys appropriated from
14 the general fund of the state and the temporary assistance for
15 needy families block grant to the department of health and human
16 services for the fiscal year beginning July 1, 2025, and ending
17 June 30, 2026, for the purposes of the FaDSS grant program, that
18 remain unencumbered or unobligated at the close of the fiscal
19 year shall not revert, but shall remain available for expenditure
20 for the purposes designated until the close of the succeeding
21 fiscal year.

22 2. Notwithstanding section 8.33, of the moneys appropriated
23 from the general fund of the state, the quality assurance trust
24 fund, and the hospital health care access trust fund to the
25 department of health and human services for the fiscal year
26 beginning July 1, 2025, and ending June 30, 2026, for the
27 purposes of the medical assistance program, the amount that is in
28 excess of actual expenditures for the medical assistance program
29 that remains unencumbered or unobligated at the close of the
30 fiscal year shall not revert, but shall remain available for
31 expenditure for the medical assistance program until the close of
32 the succeeding fiscal year.

33 3. Notwithstanding section 8.33, and notwithstanding the
34 nonreversion amount limitation specified in section 222.92,
35 moneys appropriated from the general fund of the state to

1 the department of health and human services for the fiscal
2 year beginning July 1, 2025, and ending June 30, 2026, for
3 the purposes of state-operated specialty care that remain
4 unencumbered or unobligated at the close of the fiscal year shall
5 not revert, but shall remain available for expenditure for the
6 purposes designated for subsequent fiscal years.

7 4. Notwithstanding section 8.33, moneys appropriated from
8 the general fund of the state to the department of health and
9 human services for the fiscal year beginning July 1, 2025, and
10 ending June 30, 2026, for the commission on volunteer service for
11 purposes of the Iowa state commission grant program that remain
12 unencumbered or unobligated at the close of the fiscal year shall
13 not revert, but shall remain available for expenditure for the
14 purposes designated for subsequent fiscal years.

15 5. Notwithstanding section 8.33, moneys appropriated from the
16 general fund of the state to the department of health and human
17 services for the fiscal year beginning July 1, 2025, and ending
18 June 30, 2026, and allocated for rural psychiatric residencies
19 to annually fund eight psychiatric residents who will provide
20 mental health services to underserved areas of the state that
21 remain unencumbered or unobligated at the close of the fiscal
22 year shall not revert, but shall remain available for expenditure
23 for the purposes designated until the close of the succeeding
24 fiscal year.

25 6. Notwithstanding section 8.33, moneys appropriated from the
26 general fund of the state to the department of health and human
27 services for the fiscal year beginning July 1, 2025, and ending
28 June 30, 2026, and allocated for adoption subsidy payments and
29 related costs or for post-adoption services and related allowable
30 purposes that remain unencumbered or unobligated at the close of
31 the fiscal year shall not revert, but shall remain available for
32 expenditure for the purposes designated until the close of the
33 succeeding fiscal year.

34 7. Notwithstanding section 8.33, moneys appropriated from
35 the general fund of the state to the department of health and

1 human services for the fiscal year beginning July 1, 2025, and
2 ending June 30, 2026, and allocated for the community access and
3 eligibility appropriation that remain unencumbered or unobligated
4 at the close of the fiscal year shall not revert but shall
5 remain available for expenditure for the purposes designated or
6 are appropriated to the department for any purpose described in
7 this division of this Act or used as necessary to enhance agency
8 accountability, program integrity, compliance, and efficiency,
9 until the close of the succeeding fiscal year.

10 8. Notwithstanding section 8.33, moneys appropriated from the
11 general fund of the state to the department of health and human
12 services for the fiscal year beginning July 1, 2025, and ending
13 June 30, 2026, and allocated for child care assistance that
14 remain unencumbered or unobligated at the close of the fiscal
15 year shall not revert but shall remain available for expenditure
16 for the purposes designated until the close of the succeeding
17 fiscal year.

18 9. Notwithstanding section 8.33, moneys appropriated from the
19 general fund of the state to the department of health and human
20 services for the fiscal year beginning July 1, 2025, and ending
21 June 30, 2026, and allocated for the more options for maternal
22 support program that remain unencumbered or unobligated at the
23 close of the fiscal year shall not revert but shall remain
24 available for expenditure for the purposes designated until the
25 close of the succeeding fiscal year.

26 10. Notwithstanding section 8.33, moneys appropriated from
27 the general fund of the state to the department of health and
28 human services for the fiscal year beginning July 1, 2025, and
29 ending June 30, 2026, and allocated for child protective services
30 that remain unencumbered or unobligated at the close of the
31 fiscal year shall not revert but shall remain available for
32 expenditure for the purposes designated until the close of the
33 succeeding fiscal year.

34 11. Notwithstanding section 8.33, moneys appropriated from
35 the general fund of the state to the department of health and

1 human services for the fiscal year beginning July 1, 2025, and
2 ending June 30, 2026, and allocated for audiological services
3 that remain unencumbered or unobligated at the close of the
4 fiscal year shall not revert but shall remain available for
5 expenditure for the purposes designated until the close of the
6 succeeding fiscal year.

7 12. Notwithstanding section 8.33, moneys appropriated from
8 the general fund of the state to the department of health and
9 human services for the fiscal year beginning July 1, 2025, and
10 ending June 30, 2026, and allocated for early childhood Iowa that
11 remain unencumbered or unobligated at the close of the fiscal
12 year shall not revert but shall remain available for expenditure
13 for the purposes designated until the close of the succeeding
14 fiscal year.

15 DIVISION XII

16 DEPARTMENT OF HEALTH AND HUMAN SERVICES PRIOR APPROPRIATIONS AND

17 OTHER PROVISIONS

18 THRIVE IOWA PROGRAM CLOSED-LOOP REFERRAL SYSTEM

19 Sec. 24. 2024 Iowa Acts, chapter 1157, section 21, subsection
20 6, is amended to read as follows:

21 6. To the extent the department determines that moneys
22 appropriated under this Act will remain unencumbered or
23 unobligated at the close of the fiscal year or that services will
24 not be impacted, the department may utilize up to \$3,000,000 of
25 such unencumbered or unobligated moneys appropriated to develop
26 and support the thrive Iowa program, a closed-loop referral
27 system utilizing a navigator model, that acts as the connection
28 point to link Iowans on an individualized path to prosperity
29 and self-sufficiency to available resources in all sectors of
30 the community. Notwithstanding section 8.33, any moneys utilized
31 for this purpose shall not revert but shall remain available for
32 expenditure for the purposes designated until such moneys are
33 fully expended.

34 COMMUNITY ACCESS AND ELIGIBILITY

35 Sec. 25. 2024 Iowa Acts, chapter 1157, section 22, is amended

1 by adding the following new subsection:

2 NEW SUBSECTION. 7. Notwithstanding section 8.33, moneys
3 appropriated from the general fund of the state to the department
4 of health and human services for the fiscal year beginning July
5 1, 2024, and ending June 30, 2025, and allocated for community
6 access and eligibility that remain unencumbered or unobligated at
7 the close of the fiscal year shall not revert but shall remain
8 available for expenditure for the purposes designated, or are
9 appropriated to the department for any purpose described in this
10 division of this Act or to be used as necessary to enhance the
11 department's accountability, program integrity, compliance, and
12 efficiency, until the close of the succeeding fiscal year.

13 CHILD CARE ASSISTANCE

14 Sec. 26. 2024 Iowa Acts, chapter 1157, section 22, is amended
15 by adding the following new subsection:

16 NEW SUBSECTION. 8. Notwithstanding section 8.33, moneys
17 appropriated from the general fund of the state to the department
18 of health and human services for the fiscal year beginning July
19 1, 2024, and ending June 30, 2025, and allocated for child care
20 assistance that remain unencumbered or unobligated at the close
21 of the fiscal year shall not revert but shall remain available
22 for expenditure for the purposes designated until the close of
23 the succeeding fiscal year.

24 MORE OPTIONS FOR MATERNAL SUPPORT PROGRAM

25 Sec. 27. 2024 Iowa Acts, chapter 1157, section 22, is amended
26 by adding the following new subsection:

27 NEW SUBSECTION. 9. Notwithstanding section 8.33, moneys
28 appropriated from the general fund of the state to the department
29 of health and human services for the fiscal year beginning July
30 1, 2024, and ending June 30, 2025, and allocated for the more
31 options for maternal support program that remain unencumbered or
32 unobligated at the close of the fiscal year shall not revert
33 but shall remain available for expenditure for the purposes
34 designated until the close of the succeeding fiscal year.

35 CHILD PROTECTIVE SERVICES

1 Sec. 28. 2024 Iowa Acts, chapter 1157, section 22, is amended
2 by adding the following new subsection:

3 NEW SUBSECTION. 10. Notwithstanding section 8.33, moneys
4 appropriated from the general fund of the state to the department
5 of health and human services for the fiscal year beginning July
6 1, 2024, and ending June 30, 2025, and allocated for child
7 protective services that remain unencumbered or unobligated at
8 the close of the fiscal year shall not revert but shall remain
9 available for expenditure for the purposes designated until the
10 close of the succeeding fiscal year.

11 AUDIOLOGICAL SERVICES

12 Sec. 29. 2024 Iowa Acts, chapter 1157, section 22, is amended
13 by adding the following new subsection:

14 NEW SUBSECTION. 11. Notwithstanding section 8.33, moneys
15 appropriated from the general fund of the state to the department
16 of health and human services for the fiscal year beginning July
17 1, 2024, and ending June 30, 2025, and allocated for audiological
18 services that remain unencumbered or unobligated at the close of
19 the fiscal year shall not revert but shall remain available for
20 expenditure for the purposes designated until the close of the
21 succeeding fiscal year.

22 EARLY CHILDHOOD IOWA

23 Sec. 30. 2024 Iowa Acts, chapter 1157, section 22, is amended
24 by adding the following new subsection:

25 NEW SUBSECTION. 12. Notwithstanding section 8.33, moneys
26 appropriated from the general fund of the state to the department
27 of health and human services for the fiscal year beginning July
28 1, 2024, and ending June 30, 2025, and allocated for early
29 childhood Iowa that remain unencumbered or unobligated at the
30 close of the fiscal year shall not revert but shall remain
31 available for expenditure for the purposes designated until the
32 close of the succeeding fiscal year.

33 Sec. 31. EFFECTIVE DATE. This division of this Act, being
34 deemed of immediate importance, takes effect upon enactment.

35 Sec. 32. RETROACTIVE APPLICABILITY. This division of this

1 Act applies retroactively to July 1, 2024.

2

DIVISION XIII

3

BEER AND LIQUOR CONTROL FUND — BEHAVIORAL HEALTH FUND

4

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Sec. 33. 2024 Iowa Acts, chapter 1157, is amended by adding the following new section:

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NEW SECTION. SEC. 4A. IN LIEU OF STANDING

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APPROPRIATION. The moneys appropriated and allocated in this division of this Act for purposes of treatment and prevention of substance use and misuse and addictive behaviors are in lieu of the standing appropriation to the department of health and human services pursuant to section 123.17, subsection 5, for the fiscal year beginning July 1, 2024.

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Sec. 34. 2024 Iowa Acts, chapter 1161, section 14, is amended by striking the section and inserting in lieu thereof the following:

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SEC. 14. Section 123.17, subsection 5, Code 2024, is amended to read as follows:

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5. After any transfer provided for in subsection 3 is made, the department shall transfer into a special revenue account in the general fund of the state, a sum of money at least equal to seven percent of the gross amount of sales made by the department from the beer and liquor control fund on a monthly basis but not less than nine million dollars annually. Of the amounts transferred, ~~two~~ one million dollars, ~~plus an additional amount determined by the general assembly, shall be appropriated to the department of health and human services for use by the staff who administer the comprehensive substance use disorder program under chapter 125 for substance use disorder treatment and prevention programs~~ shall be transferred to the behavioral health fund established under section 225A.7. Any amounts received in excess of the amounts ~~appropriated to the department of health and human services for use by the staff who administer the comprehensive substance use disorder program under chapter 125~~ transferred to the behavioral health fund shall be considered part of the general fund balance.

1 not addressed in the budget process for the fiscal year, the
2 department shall notify the general assembly and the department
3 of management concerning the rules and the expenditure increase.
4 The notification shall be provided at least thirty calendar
5 days prior to the date notice of the rules is submitted to
6 the administrative rules coordinator and the administrative code
7 editor.

8 Sec. 39. REPORTS. Unless otherwise provided, any reports or
9 other information required to be compiled and submitted under
10 this Act during the fiscal year beginning July 1, 2025, shall be
11 submitted on or before the date specified for submission of the
12 reports or information.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill makes appropriations from the general fund of
17 the state to the department of veterans affairs and to the
18 department of health and human services (HHS) for fiscal year
19 2025-2026. The appropriations from the general fund of the state
20 to the department of veterans affairs include appropriations for
21 administration, the Iowa veterans home, and the home ownership
22 assistance program. The appropriations from the general fund
23 of the state to HHS include appropriations for aging and
24 disability services; behavioral health; public health; community
25 access and eligibility including for child support services;
26 the medical assistance program, state supplementary assistance,
27 the healthy and well kids in Iowa (Hawki) program, and
28 other specified health-related programs including health program
29 operations; reimbursement rates; family well-being and protection
30 including state child care assistance, early intervention and
31 supports, and child protective services; state-operated specialty
32 care; and administration and compliance. The bill also makes
33 appropriations to HHS from the sports wagering receipts fund, the
34 pharmaceutical settlement account, the quality assurance trust
35 fund, and the hospital health care access trust fund. The bill

1 transfers money from the beer and liquor control fund to the
2 behavioral health fund.

3 The bill requires HHS to develop a reimbursement methodology
4 proposal for reimbursement of nursing facilities under the
5 medical assistance program. The bill limits how moneys
6 appropriated to the early childhood Iowa fund shall be used by
7 HHS.

8 The bill includes transfer, cash flow, and nonreversion
9 provisions, and emergency rulemaking authority and reporting
10 requirements.

unofficial