

FY25 Report on Nonreversion of Funds

December 2024

This report is in response to the requirements found in 2024 Iowa Acts Chapter 1157 Section 40.

Sec. 40. REPORT ON NONREVERSION OF FUNDS. 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, 2023, and ending June 30,

2024, to the general assembly on a quarterly basis beginning October 1, 2024.

This report details all General Fund balances that will carry forward from FY24 to FY25. The Health and Human Services appropriation structure changed in FY25, and as a result, the FY24 funds did not carry forward into the same appropriation from which they were spent. **Attachment 1** shows how these funds were distributed into the new appropriation structure.

Much of the funding that is carrying forward is a result of variation (decrease) in typical utilization patterns for some programs, enhanced FMAP funding, and other lingering impacts related to the pandemic. The Agency anticipates use of most of these funds over the next year.

The amount spent reflects actual FY25 expenditures through November 2024.

Medicaid

Authority: 2023 Iowa Acts Ch. 112 Sections 15.4 and 39.

Description: \$313,444,146 will remain available for FY25.

\$292,212,755 has accumulated in the Medical Assistance appropriation over multiple years and is primarily due to the COVID-19 increased FMAP savings. One-time

recoveries in FY24 and certain expenses shifting from FY24 to FY25 are also contributing to the balance.

\$14,933,868 is the unspent balance from the temporary 10 percentage point increase to the state’s FMAP for certain Medicaid HCBS pursuant to section 9817 of the American Rescue Plan Act of 2021 (ARPA). This amount must be invested in accordance with Iowa’s approved ARPA HCBS spending plan.

\$6,297,524 is from the State Supplementary Assistance appropriation. This balance has accumulated over multiple years and is primarily due to continued reductions in the number served across multiple SSA service categories (residential care facilities, dependent person program, etc.). These funds are reserved for the remaining SNAP reinvestment obligation and the Thrive Iowa Program.

Reported expenditures: Medicaid

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
Medical Assistance - Program Expenditures	292,212,755	-	292,212,755
Medical Assistance - ARPA HCBS Spending Plan	14,933,868	-	14,933,868
State Supp - SNAP Reinvestment Obligation	451,869	-	451,869
State Supp - Thrive Iowa Program	3,000,000	-	3,000,000
State Supp - To Be Determined	2,845,655	-	2,845,655
Grand Total	313,444,146	-	313,444,146

Child Protective Services

Authority: 2024 Iowa Acts Ch. 1157 Sections 33, 34, and 35.

Description: \$39,804,417 will remain available for SFY25.

\$25,039,426 is from the Child and Family Services appropriation. This balance has accumulated over multiple years and is primarily due to lower foster care caseloads due to both Family First implementation efforts and COVID-19 impacts, lower performance-related payments to vendors, and additional federal revenues.

\$12,349,084 is from the Adoption Subsidy appropriation. This balance has accumulated over multiple years and is due to the COVID-19 increased FMAP savings, higher IV-E participation rates and lower caseloads.

\$2,415,907 is from the Field Operations appropriation. This amount includes approximately \$2.3 million in unspent FY23 carry forward and the remaining amount is primarily due to vacancy savings.

Reported Expenditures: Child Protective Services

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
Child and Family Services - Program Expenditures	21,196,287	-	21,196,287
Child and Family Services - Child Welfare IT System	3,843,139	-	3,843,139
Adoption Subsidy - Adoption Reinvestment Obligation	5,265,796	-	5,265,796
Adoption Subsidy - QRTP Rates and Security Enhancements	-	-	-
Adoption Subsidy - Renovation or Purchase of PMIC Facility	550,000	-	550,000
Adoption Subsidy - To Be Determined	6,533,288	-	6,533,288
Field Operations - Retro IV-E Participation Rate Changes	2,368,674	-	2,368,674
Field Operations - Transfer to Aging and Disability Svcs	2,963	-	2,963
Field Operations - Transfer to Community Access	14,976	-	14,976
Field Operations - Transfer to Compliance	1,365	-	1,365
Field Operations - Other/Miscellaneous	27,929	-	27,929
Grand Total	39,804,417	-	39,804,417

State-Operated Specialty Care

Authority: 2023 Iowa Acts Ch. 112 Sections 18.4, 23.4, 24.6 and 25.3.

Description: \$21,107,412 will remain available for SFY25.

\$6,731,286 is from Chapter 8A capital improvement projects where funds were sent to DAS in FY24, but the projects are not yet complete so carried forward to FY25. A complete list of these projects is provided in **Attachment 2**.

\$14,376,127 is from the following facilities:



- Eldora STS - \$105,905 due to small variances in salary and support spending.
- CCUSO - \$6,085,715 due to the receipt of Rebuild Iowa Infrastructure Funds for the Voldeng project which freed up General Funds previously obligated.
- Glenwood (\$1,004,538) and Woodward (\$7,179,969) Resource Centers - \$8,184,507 due to the COVID-19 increased FMAP savings and staffing vacancies.

Reported Expenditures: State-Operated Specialty Care

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
DAS Ch. 8A Projects*	6,731,286	6,731,286	-
Facility Operational Needs	14,376,127	-	14,376,127
Grand Total	21,107,412	6,731,286	14,376,127

*Funds were spent as a transfer back to DAS.

Community Access and Eligibility

Authority: 2024 Iowa Acts Ch. 1157 Section 31.

Description: \$16,056,746 will remain available for FY25 from the Family Investment Program (FIP) appropriation. This balance has accumulated over multiple years and is primarily due to lower cases in FIP and PROMISE JOBS and lower than projected technology spending; largely related to the ELIAS project. These funds are reserved for one-time projects.

Reported Expenditures: Community Access and Eligibility

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
Family Investment Program - HHS One-Time Projects	16,056,746	1,234,760	14,821,986
Grand Total	16,056,746	1,234,760	14,821,986

Further FIP detail is provided in **Attachment 3**.



Hawki Trust Fund

Authority: Iowa Code Chapter 514I.11.2

Description: \$7,522,046 will remain available for FY25. This balance has accumulated over multiple years and is primarily due to the COVID-19 increased FMAP savings. These funds are reserved for current year CHIP/Hawki expenses.

Reported Expenditures: Hawki Trust Fund

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
CHIP/Hawki Expenditures	7,522,046	-	7,522,046
Grand Total	7,522,046	-	7,522,046

Child Care Assistance

Authority: 2024 Iowa Acts Ch. 1157 Section 32.

Description: \$5,264,702 will remain available for FY25.

\$4,694,950 is from the Child Care Assistance program. State funds were left unspent so that federal expenditures could be maximized. This was done to avoid the reversion of federal CCDF discretionary funds at the end of FFY24.

\$569,752 is from the Early Childhood Iowa (ECI) program and will be transferred to the Early Intervention and Support appropriation to be used for ECI.

Reported Expenditures: Child Care Assistance

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
To Be Determined	4,694,950	-	4,694,950
Early Childhood Iowa Transfer	569,752	-	569,752
Grand Total	5,264,702	-	5,264,702

Early Intervention and Support

Authority: 2024 Iowa Acts Ch. 1157 Section 36 and Iowa Code Chapter 225C.41.2.

Description: \$1,548,745 will remain available for FY25.

\$1,261,424 is the MOMS program unspent allocation.

\$287,321 is from the Family Support Subsidy/Children at Home appropriation. This balance has accumulated over multiple years due to lower programmatic spending. These funds are reserved for the Children at Home program.

Reported Expenditures: Early Intervention and Supports

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
MOMS Program	1,261,424	-	1,261,424
Children At Home Program	287,321	-	287,321
Grand Total	1,548,745	-	1,548,745

Public Health

Authority: 2024 Iowa Acts Ch. 1157 Sections 28 and 29.

Description: \$455,138 will remain available for FY25.

\$453,805 is from the rural psychiatric residency program allocation within the Community Capacity appropriation. The amount is consistent with the amount that carried forward from FY23 to FY24 (\$429,805). The balance will be used for the rural psychiatric residency program.

\$1,333 is from the audiological services program allocation within the Healthy Children and Families appropriation. The balance will be used for the audiological services program.

Reported Expenditures: Public Health

Expenditure Category	Budget Amount	Amount Spent	Remaining Balance
Rural Psychiatric Residencies	453,805	-	453,805
Audiological Services	1,333	-	1,333
Grand Total	455,138	-	455,138

Attachment 1

Iowa Department of Health and Human Services
 SFY24 Carry-Forward Distribution

12/18/2024

		SFY25 Appropriations								
		Public Health	Community Access and Eligibility	Medicaid	Child Care Assistance	Early Intervention and Supports	Child Protective Services	State-Operated Specialty Care	Hawki Trust Fund	Total
SFY24 Legacy Appropriation		K53	K54	K56	K58	K59	K60	K61	0374	
General Administration	M01					1,261,424				1,261,424
Field Operations	M10						2,415,907			2,415,907
Eldora STS	M22							228,068		228,068
CCUSO	M28							7,634,360		7,634,360
Cherokee MHI	M30							786,230		786,230
Glenwood Resource Center	M40							1,004,538		1,004,538
Woodward Resource Center	M42							11,454,217		11,454,217
Family Investment Program	N01		16,056,746							16,056,746
State Supplementary Assistance	N10			6,297,524						6,297,524
Medical Assistance	N20			307,146,623						307,146,623
Family Support Subsidy	N32					287,321				287,321
Child Care Assistance	N56				5,264,702					5,264,702
Adoption Subsidy	N70						12,349,084			12,349,084
Child and Family Services	N71						25,039,426			25,039,426
Healthy Children and Families	K05	1,333								1,333
Community Capacity	K09	453,805								453,805
Hawki Trust Fund	0374								7,522,046	7,522,046
Grand Total		455,138	16,056,746	313,444,146	5,264,702	1,548,745	39,804,417	21,107,412	7,522,046	405,203,353

Attachment 2

Iowa Department of Health and Human Services
HHS State Operated Specialty Care -- DAS Chapter 8A Projects

12/18/2024

Facility	Category	Description	Amount
Eldora STS	DAS Ch. 8A Projects	Eldora Gym A/C	87,182
Eldora STS	DAS Ch. 8A Projects	HHS STS Main Electrical Loop Revisions	16,055
Eldora STS	DAS Ch. 8A Projects	HHS STS North Buildings HazMat Survey	18,926
CCUSO	DAS Ch. 8A Projects	CCUSO Voldeng Remodel	1,548,646
Cherokee MHI	DAS Ch. 8A Projects	Cherokee 7 North Remodel	4,070
Cherokee MHI	DAS Ch. 8A Projects	CMHI Parking Lots	164,673
Cherokee MHI	DAS Ch. 8A Projects	CHMHI Gym Ceiling Repair	617,487
Woodward SRC	DAS Ch. 8A Projects	Myers Hall New Fire Sprinkler System	115,631
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Campus Utility Decentralization Phase 3	3,807,590
Woodward SRC	DAS Ch. 8A Projects	Chapel Sprinkler	124,607
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Campus Utility Decentralization Phase 3 Alternates	97,712
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Medical Center North Façade Window Replacement	127,711
Woodward SRC	DAS Ch. 8A Projects	HHS WRC Med Center Pharmacy Remodel	996
Grand Total			<u>6,731,286</u>

Attachment 3

Iowa Department of Health and Human Services
HHS One-Time Projects Using FIP Carry-Forward

12/18/2024

FIP Carry-Forward Available in SFY25	16,056,746
Amount Spent	1,234,760
Amount Obligated But Not Yet Spent	14,821,986

One-Time Activities	Projected Expenditures and Obligations		SFY25 Actual Expenditures		Unspent Obligations	
	Total	State	Total	State	Total	State
Data Center Move	52,033	29,142	38,869	21,769	13,164	7,373
Accounting and Payroll System Updates (Workday, Advantage)	161,105	112,324	73,380	51,161	87,725	61,163
VX Rack Replatforming	1,100,956	1,100,956	315,181	315,181	785,775	785,775
Corporate Technology Assessment	217,166	217,166	6,085	6,085	211,081	211,081
Enterprise Architecture & IT Strategy Implementation	1,448,657	916,489	118,965	75,263	1,329,692	841,225
ServiceNow Implementation	8,653	5,592	-	-	8,653	5,592
MoveIT SW Replacement Implementation	110,900	71,073	-	-	110,900	71,073
Contracting Software	164,976	103,935	17,883	11,267	147,092	92,668
Cost Allocation Review Contract	729,816	529,018	121,636	88,170	608,180	440,848
Rent Reimbursement Implementation	448,151	448,151	375,908	375,908	72,243	72,243
Retro IV-E Adjustments (General Admin and CAB)	1,000,000	1,000,000	-	-	1,000,000	1,000,000
IT Costs Associated with Lucas Move	4,180,597	2,960,464	362,465	256,677	3,818,133	2,703,787
Child Support Services Initiatives	1,523,059	517,840	-	-	1,523,059	517,840
CGI Cost Allocation -- Advantage Implementation Support	220,000	114,400	64,000	33,280	156,000	81,120
HOPE Ambassador Trainings	253,220	131,674	-	-	253,220	131,674
CLM Procurement Module	20,000	10,400	-	-	20,000	10,400
Audit Software	212,975	110,747	-	-	212,975	110,747
Health Equity Assessment Contract	435,000	226,200	-	-	435,000	226,200
Public Assistance Modernization	14,902,352	7,451,176	-	-	-	7,451,176
Grand Total	27,189,616	16,056,746	1,494,372	1,234,760	10,792,892	14,821,986