Federal and Other Funds

March 9, 2026

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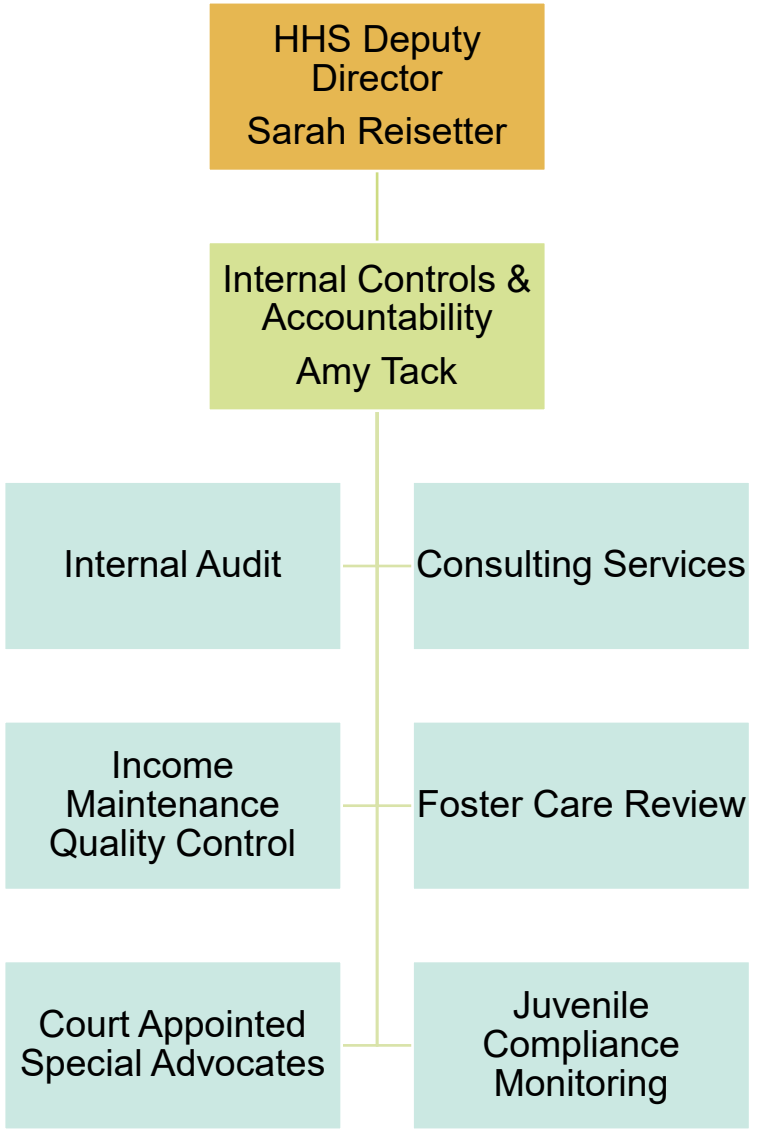
Roles of Compliance and Administration Division



Roles of Compliance and Administration Division
Continued

HHS also maintains controls to ensure contracts and subrecipient agreements comply with laws, regulations, grant requirements, and agency policies.

These controls help ensure funds support program goals, are used properly, and required performance outcomes are met.

Key elements include procurement procedures, subrecipient risk assessments, segregation of duties, approval processes, and legal/programmatic review before agreements are executed.

Monitoring plans track compliance, financial integrity, and performance. Program management addresses any risks or deficiencies.

Audits

HHS uses internal audits, external audits, and third-party quality control reviews to ensure accountability and compliance.

Internal audits assess adherence to policies and internal controls and recommend improvements.

External audits verify compliance with federal and state requirements and financial reporting standards.

Third-party reviews validate the accuracy and reliability of key processes.

Audit findings are documented, shared with management, and resolved through corrective action plans, supporting transparency and continuous improvement.

Iowa Medicaid Program Integrity & Compliance

Oversight of Fraud, Waste, and Abuse

Overview

- Combination of prevention and detection methods
- Use of audits, data analytics, and partnerships
- Distinguishing fraud, waste, and abuse
- Investigations determine risk and enforcement

Oversight Structure

Multi-payer oversight: MCOs + Fee-for-Service

Program Integrity and Compliance Bureau (PICOU) intake and investigations

Medicaid Fraud Control Unit investigates and refers for prosecution

HHS-Office of Inspector General receives prosecuted case reports

Medicaid Data Analytics Program (Internal HHS)

- Program Integrity Data Analytics is a core initiative that to combat fraud, waste, and abuse.
- It leverages advanced data analytics to detect improper payments and prevent them—ensuring federal and state dollars are used appropriately.
- The purpose is to detect, prevent, and recover improper payments —using data-driven strategies to identify billing errors, upcoding, duplicate claims, and anomalous patterns in provider and beneficiary behavior.
- Using data analytics ensures integrity and fiscal accountability.

Case Study: Electronic Funds Transfer (EFT) Fraud

Tip received on misdirected Medicaid payments

Fraudulent EFT account change discovered

Referred to Medicaid Fraud Control Unit and federal partners

FBI undercover monitoring led to capture

$262,000 (100% recovered)

Reporting Fraud

General reporting:
hhs.iowa.gov/report-abuse-fraud

Member Fraud:

877-347-5678

Provider Fraud:

877-446-3787 / 515-256-4615

Federal HHS-OIG Hotline:
1-800-HHS-TIPS

Child Care Assistance

Child Care Assistance Overview

- Child Care Assistance (CCA) is available to the children of income-eligible parents who are gone for a portion of the day due to employment or participation in academic (such as higher education) or vocational training or PROMISE JOBS activities.
- Assistance may also be available for a limited period of time to the children of a parent looking for employment.

Child Care Assistance Program Numbers

Active Families*:

- Children: **19,301** children were served in the month of December 2025
- Families: **11,184** families used CCA in the month of December 2025

Active Providers*:

- Licensed Centers: **1,336**
- Registered Child Development Homes: **1,726**
- Non-Registered Child Care Homes with a CCA Agreement: **89**
- ***Note:** if for some reason a child, family or provider did not use CCA in the month of December 2025 they are not included in these numbers.

Iowa Approach

Eligibility

- Family eligibility determinations are all made by Iowa HHS in the CCA Family Eligibility unit of the Community Access division.
- This contrasts to some states that allow local government agencies to determine eligibility.

Inspections

- All regulatory inspections are conducted by Iowa HHS staff in the Child Care Sub-division.
- Some states use a mix of state staff and local government agencies for inspections.

Payments

- In Iowa, child care assistance pays based on the child's actual attendance with an allowance for four absence days per month to be paid.
- All payments are submitted directly to Iowa HHS and go through our KinderTrack IT system which checks that the attendance matches the authorized units for that child.
- In some other states, child care assistance pays for a child's scheduled and authorized enrollment, not actual units or hours attended. Some contract with local government agencies for processing bills and determining payment amounts.

When Fraud is Suspected

Suspected fraud is occasionally found as part of inspections for home child care providers.

Generally, a relationship between provider and child being served is identified and a questionable need for service during hours of service.

Fraud concerns are researched and reported to DIAL

DIAL informs program of investigation outcome

Verification

- Iowa HHS licenses Child Care Centers and registers Child Development Homes.
- For Child Care Centers and Child Development Homes:
  - Federal law requires a pre-inspection of all programs, unannounced annual inspections to review all regulations, and inspection or follow up on complaints received regarding a program's operations.
  - HHS staff are assigned a dedicated caseload, creating consistency of program oversight and historical knowledge of program operations.
  - Iowa routinely meets the federal requirement to annually inspect 100% of all licensed, registered, and paid facilities.

Provider Enrollment

- Families served in 2021: **17,807**
- Families served in 2025: **15,771**
- Iowa Child Care Connect identifies a current total of **3,307** child care facilities (centers, registered homes, and non-registered paid providers)
  - Child care centers usually **1,500** active centers
  - Decline in home-based providers
    - 2023: **2,100+**
    - Current: **1,823**

Iowa's Rural Health Transformation Program

Healthy Hometowns

Healthy Hometowns

Year 1 Initiatives and Funding

Hometown Connections

- Centers of Excellence
- Best and Brightest
- School-Based
- Health Hubs

Total Investment: $135,876,117

Combat Cancer: Prevent and Treat

- Increased Screening Access
- U of Iowa Cancer Analyses
- Cancer Hubs
- Radon Testing and Mitigation

Total Investment: $52,135,999

Numbers are approximate and subject to change. An additional $553,752 is allocated to cross-initiative work. Current as of 2/23/26.

Communities of Care

- Co-Location Projects
- Coordinated Service Provision
- Chronic Disease Prevention
- Teledentistry Equipment

Total Investment: $2,617,667

Health Information Exchange

- Vendor Contract
- Provider Expansion
- RHT Initiative Connections

Total Investment: $17,599,589

EMS Community Care Mobile

- ImageTrend QI Dashboards
- OB and Neonatal Transport
- Mobile Integrated Health Assessment

Total Investment: $256,940

Sustainability and Oversight

- Limited 5-year funds, addressed sustainability in CMS application
- Iowa HHS standard contracting and subrecipient terms and conditions will be followed
- RFP Requirements
  - Applicants must describe how they will use these short-term funds to start this work and then sustain the operations through normal business practices.

HHS IT Overview

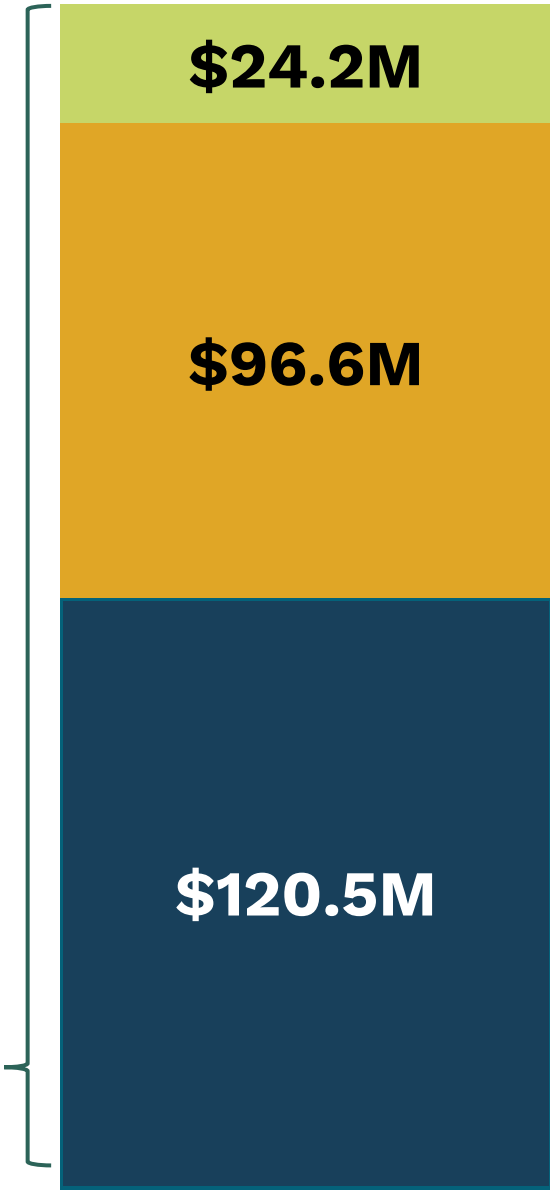
Iowa HHS IT Expenses

IT Categories

Corporate Technology
Hardware and software to run HHS operations.

Projects
Development, upgrades, enhancements, and other changes to Systems and Infrastructure

M&O
System and non-system consulting/ development expenses to "keep the lights on."



$241.4M

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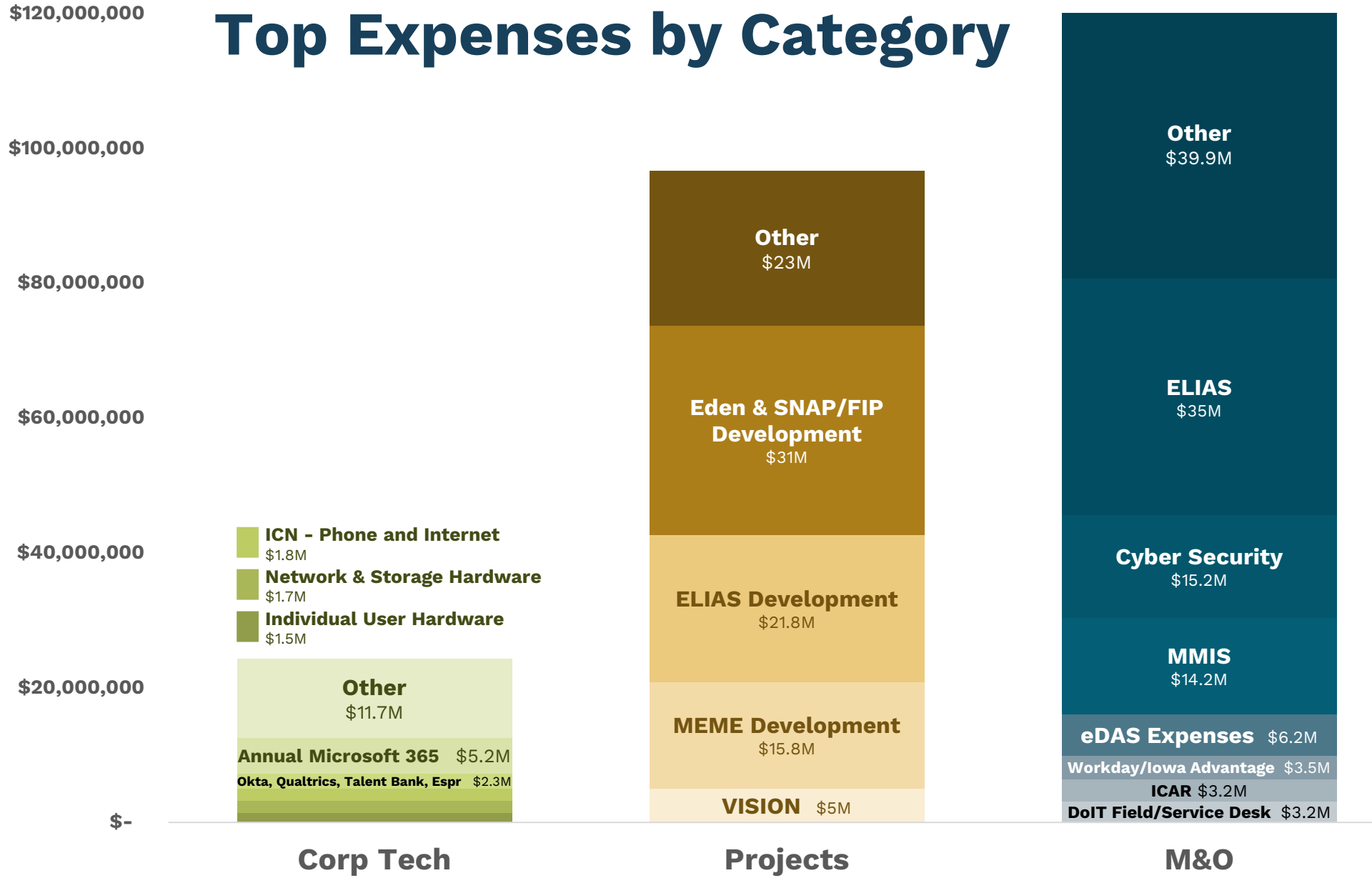
Top Expenses by Category



Top Expenses – Corp Tech & Projects

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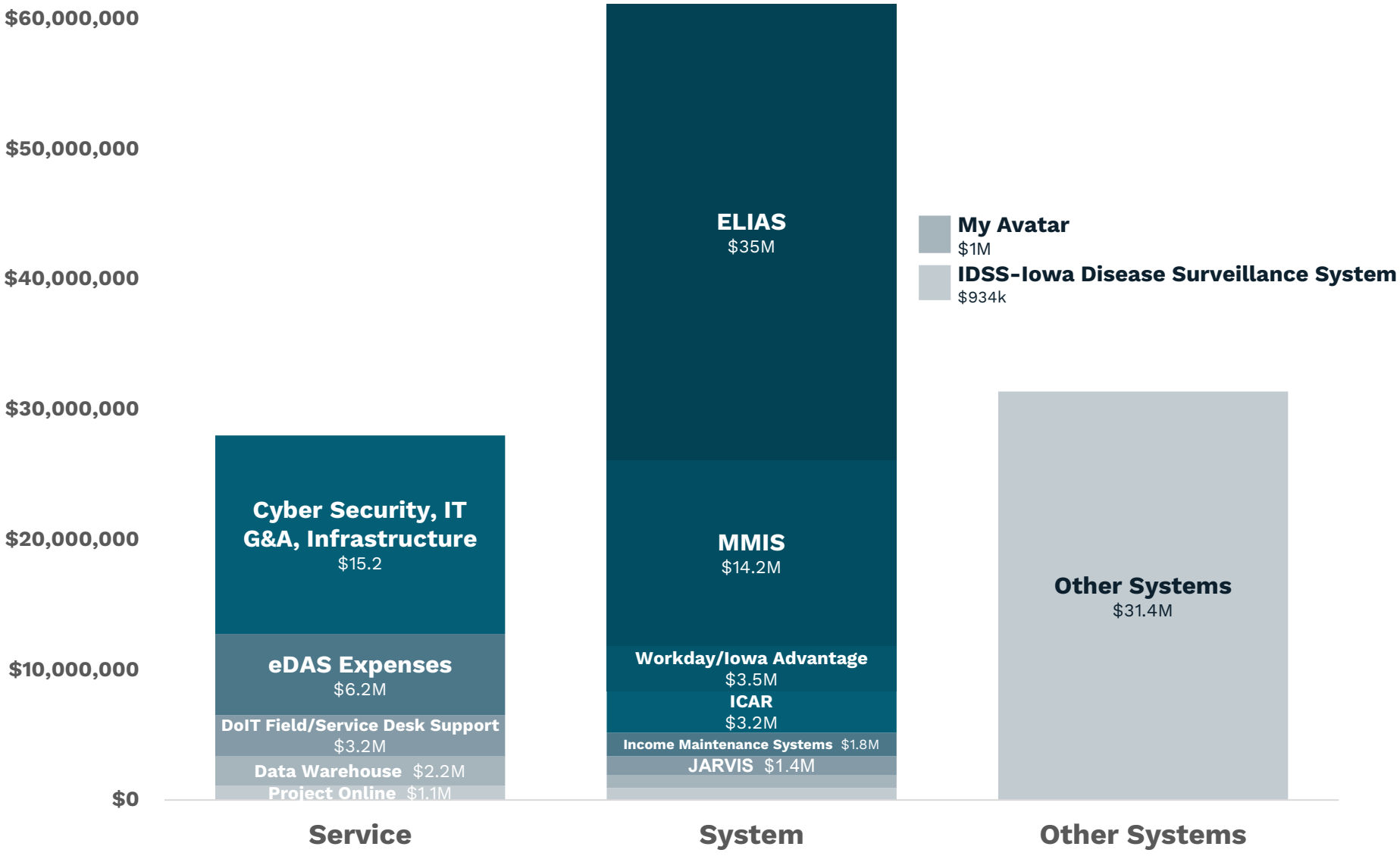
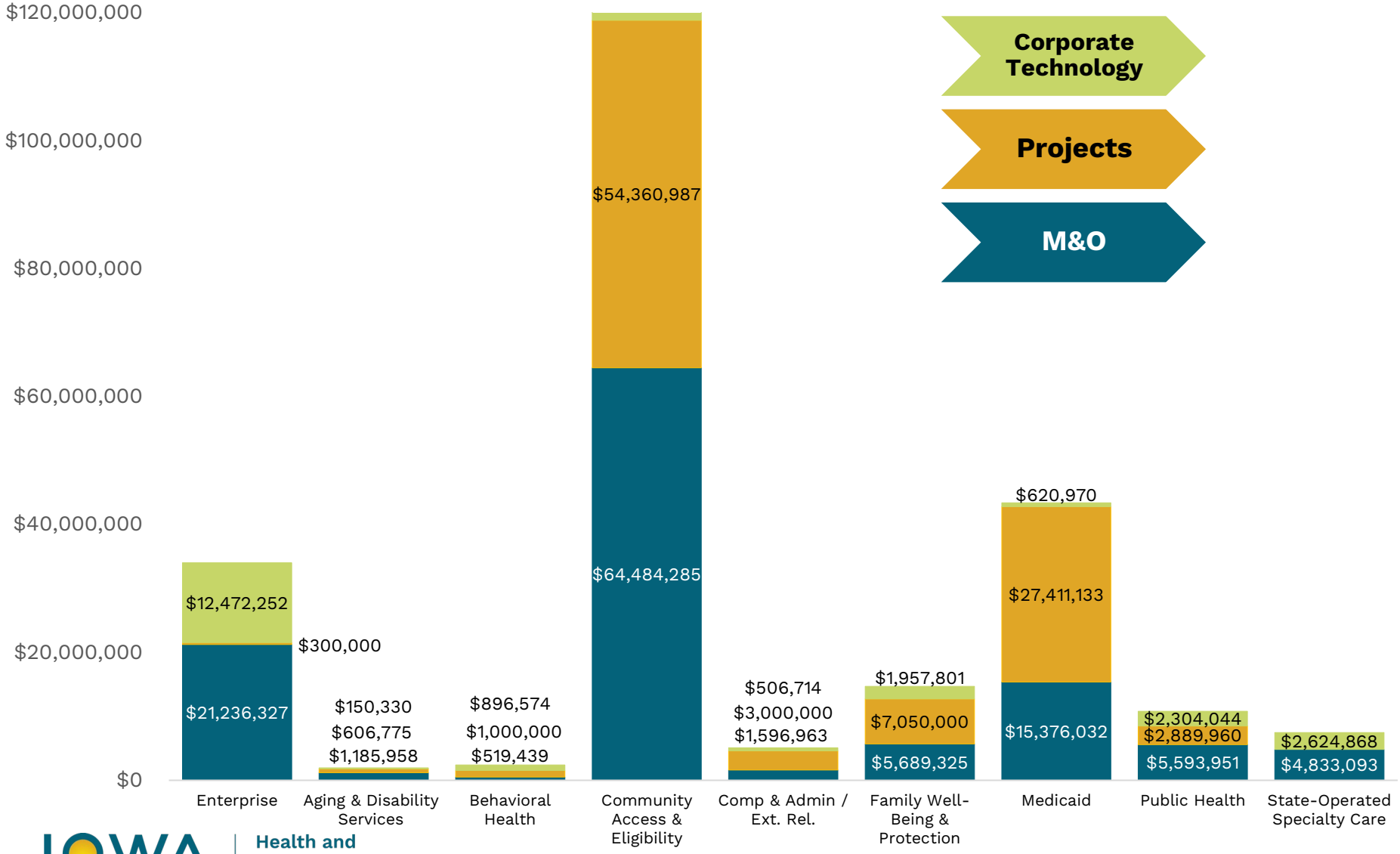
Top M&O Expenses



IT Expenses by HHS Division



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Questions?

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