

STATE OF IOWA DEPARTMENT OF
Health AND **Human**
SERVICES

Annual Report, SFY22

December 2022

Iowa Department of Health and Human Services

ANNUAL REPORT, JULY 1, 2021 - JUNE 30, 2022

Pursuant to [§217.21](#), Annual Report

The department shall, annually, at the time provided by law make a report to the governor and general assembly, and cover therein the annual period ending with June 30 preceding, which report shall embrace:

1. An itemized statement of its expenditures concerning each program under its administration.
2. Adequate and complete statistical reports for the state as a whole concerning all payments made under its administration.
3. Such recommendations as to changes in laws under its administration as the director may deem necessary.
4. The observations and recommendations of the director and the council on human services relative to the programs of the department.
5. Such other information as the director or council on human services may deem advisable, or which may be requested by the governor or by the general assembly.

EXPENDITURES & PAYMENTS

An itemized statement of the department's expenditures and statistical information regarding all payments made under the department's administration are available to Department of Management (DOM) and Legislative Service Agency (LSA) through the state's Integrated Information for Iowa (I/3) system. The public may access this information through the DHS Dashboard (discussed below), following [this link](#).

RECOMMENDATIONS AS TO CHANGES IN LAWS

The department's legislative liaison works with the governor's office and LSA to pre-file departmental requests for legislative changes deemed necessary by the director.

OBSERVATIONS & RECOMMENDATIONS OF DIRECTOR, KELLY GARCIA

The Department of Health and Human Services (HHS) officially launched July 1, 2022, bringing together the former Iowa Department of Public Health and the Department of Human Services to strengthen the health and human services system in this state. Work during the remainder of State Fiscal Year (SFY) 2023 and SFY24 will continue to prioritize the development of organizational infrastructure, as well as a focus on culture building and defining and executing HHS strategic priorities. Below is a summary of some of our strategies currently in process.

Child welfare is an area of key focus for the Department. We are procuring a vendor to comprehensively assess our child welfare practices and policies and how they impact outcomes for Iowa's children and families. The assessment will focus on key performance areas including workforce and workload, technology, organizational structure and practices, and quality control and accountability, culminating in recommendations for agency improvement. Above all, we seek to answer the question, "Are children and families better off because of HHS intervention?" We expect initial observations and findings during the 2023 legislative session and look forward to sharing and discussing these with Governor Reynolds and the legislature. We also continue to have a high focus on adult protective services, as we build out this functional team and prepare to add functions from the Department n Aging into our HHS structure.

With continued workforce challenges and a sharp increase in the complexity of member needs, addressing provider reimbursement in the Medicaid program remains a focal point. Much work has been done internally to review rates and rebalance within existing appropriations but there is more work to be done. Home and community-based services, behavioral health, and maternal health are areas of particular emphasis, reflecting feedback from providers and members alike. Continued investment in Medicaid impacts one quarter of lowans who receive their health care coverage through the program.

Additionally, to serve lowans most efficiently and effectively through our programs and services, we continue to make progress on meaningful information technology (IT) modernization. Both Governor Reynolds and the legislature have supported our IT efforts in recent legislative sessions by investing in these efforts. As these builds take time and resources to accomplish, we anticipate an ongoing need for further investment, particularly for public health systems. The COVID-19 pandemic exposed challenges with the existing public health IT infrastructure. We aim to strengthen these systems as part of our continuous improvement work to best prepare Iowa in the event of another public health emergency.

Throughout my nearly three years in the State, I have worked to infuse transparency in our agency and bring key stakeholders, including those we serve, to the table in identifying solutions to complex problems. I remain grateful for Governor Reynolds' support and investments in our work. HHS oversees a breadth of programs and services. We take our responsibility for meeting the needs of lowans and accountably expending taxpayer dollars with the utmost gravity. Through our alignment work, we will invoke a culture of continuous improvement.

Of course, none of this work would be possible without our HHS team, full of deeply committed public servants. Serving in this position has been the honor of my career and it is an esteemed privilege to work alongside this team, watching their unwavering dedication to lowans.

We recently established the new mission for our combined agency: *Iowa HHS provides high-quality programs and services that protect and improve the health and resiliency of individuals, families, and communities.*

We look forward to working closely with the Legislature to continue strategic investment in our system.

OTHER INFORMATION ABOUT THE DEPARTMENT DURING SFY22:

IDPH-DHS Alignment

The Iowa Department of Human Services (DHS) and Iowa's Department of Public Health (IDPH) continue with the implementation of aligning their programs, services, and operations to better serve the health and human services needs of Iowans. The goal of this work is to strengthen coordination amongst existing services and provide more comprehensive services to all Iowans. This will also allow us to gain efficiencies and better leverage resources to reinvest in our system.

By "aligning," we mean using, sharing, coordinating, or structuring two or more things (programs, services, processes, technology, data, access points like buildings or websites, etc.) in new, more closely connected ways. There are no plans to discontinue existing programs or services as we move into a coordinated Health & Human Services model. The expectation is this will be a multi-year endeavor.

The legislative intent and support of the alignment is outlined in the 2022 HHS Appropriations bill, [HF 2578](#), Division XI, and established the Department of Health and Human Services (HHS), effective July 1, 2022, and throughout the transition period. A written transition plan was required by 9/30/22 and quarterly updates are required throughout the full transition period.

Significant progress on the alignment has been made to date, including:

- Ongoing background and framework discussions with the Governor's Office, Attorney General's office, and legislative partners to draft necessary legislative and Iowa Code changes
- Identifying change management tools to facilitate a smooth and seamless transition as possible
- Reviewing cost allocation methodologies to ensure leveraged and maximized federal funding
- A combined leadership retreat to map new tables of organization
- Engaging staff and stakeholders in crafting and finalizing the new HHS Mission, Vision, and Guiding Principles
- Initial planning for the integration of existing transition departments' websites into a new vibrant, human-centric, branded website.

On-going details about this initiative, updates, and resources, including project plans and news releases, are available through [this link](#).

2022 DHS Legislative Session Presentations

Details about DHS' 2022 Legislative Presentations on such topics as Health & Human Services Alignment, Family First Prevention Services, Child Care, Strengthening Iowa's Eligibility, and Behavioral Health updates are available on the DHS Website, following [this link](#).

Significant Legislation Passed During the 2022 Legislative Session

DHS' Government Relations Office tracked more than 173 pieces of legislation during the 2022 Iowa Legislative Session. Both of our Pre-Filed bills, outlining important and significant changes to DHS programs and child welfare-juvenile justice, were passed.

Notable legislation passed this Session included:

- [HF 2252](#) DHS Programs, including childcare assistance, child and family services, foster care, adoption, and the dependent adult abuse information registry (Pre-File). Unanimous passage by both Chambers; signed by Governor Reynolds on 5/24/22.
- [HF 2507](#) Juvenile Justice and Chapter 232 Reform (Pre-File). Unanimous passage by both Chambers; signed by Governor Reynolds on 5/24/22.
- [HF 2127](#) Childcare Reimbursements; signed by Governor Reynolds on 6/13/22.
- [HF 2198](#) Childcare Employee Ages & Staff-to-Child Ratios; signed by Governor Reynolds on 6/16/22.
- [HF 2546](#) Psychiatric Intensive Care – Tiered Reimbursement Rates; signed by Governor Reynolds on 6/14/22.
- [HF 2578](#) HHS Appropriations Bill; signed by Governor Reynolds on 6/14/22.

Details about DHS' legislative implementation plans and progress from the 2022 Iowa Legislative Session are available on the DHS Website, following [this link](#).

Managed Care Organization Reports

Performance monitoring and data analysis are critical components in assessing how well the Managed Care Organizations (MCOs) are maintaining and improving the quality of care delivered to members. The quarterly reports, required through oversight legislation, are comprehensive and focus on compliance areas, as well as health outcomes over time. The Department examines the data from a compliance perspective and conducts further analysis if any issues are identified. While there are specific performance standards in the contract for a limited set of items, not all data reported is directly linked to a contractual requirement.

Historical MCO Quarterly Reports are available on the DHS Website, following [this link](#).

Performance monitoring and data analysis are critical components in assessing how well the Managed Care Organizations (MCOs) are maintaining and improving the quality of care delivered to members. Pursuant to House File 2460, Division XXII, Section 93(4), the Department of Human Services submits a Medicaid Managed Care Oversight Report annually.

Historical MCO Annual Reports are available on the DHS website, following [this link](#).

Department of Human Services Agency Dashboard Initiative

DHS is committed to continuous improvement transparency, and accountability for results. To that end, the DHS launched informational dashboards (interactive reports) to share up-to-date, accurate data with the public to increase awareness of our programs and performance. Our vision for this initiative is to increase comfort and confidence in the quality of services provided by DHS. Stakeholders are encouraged to use this data to help drive conversation and inform decisions that affect the health, well-being, and prosperity of Iowans.

DHS plans to continue delivering enhancements to these reports to share additional information and details including targeted performance measures used to evaluate progress.

Details about how to use the Digital Dashboards and to view current data on fiscal summaries, child care, child support, child welfare, facilities, SNAP/FIP, health programs, and new for 2022: social determinants of health (SDOH), are available on the DHS Website, following [this link](#).

Mental Health & Disability Services, Regional Services Update

There are fourteen Mental Health and Disability Services (MHDS) Regions in Iowa. In 2021, SF 619 was signed into law, which modified the funding methodology for the regional mental health system to transition from funding through local property taxes to a state-funded system.

Funds appropriated for SFY22 were distributed to each mental health and disability services region on a per capita basis as required by the legislation. DHS also negotiated a performance-based contract with all MHDS regions, which includes outcome measures and remedies for nonperformance. Workgroups established through the contract are working to standardize data collection and reporting and to promote evidence-based practices across the regions.

The legislation also established an incentive fund to MHDS regions meeting certain eligibility criteria. The incentive fund will assist in providing core services if a region were to operate with a deficit due to the elimination of the property tax levy or to reduce the risk of individuals being placed in more restrictive settings. No regions applied for incentive funds in SFY22.

DHS promulgated both emergency and regular administrative rules to implement these changes. The legislation requires DHS to convene a study committee to evaluate the current mental health and disability services region structure and operations and submit a report to the General Assembly and the Governor by December 15, 2022.

Department of Justice (DOJ) Resource Center Investigation and Glenwood Closure

The Department of Human Services (DHS) took immediate action upon notice of the investigation in the fall of 2019. We have been in a collaborative role with our federal partners throughout the investigation. We continued to work with them on the best path forward to ensure we provide the best care to those we serve. Our highest priority has been the care and well-being of those we serve. With the release of the DOJ Summary of Findings for both Resource Centers in December 2021, DHS developed an action and improvement plan to continue to address concerns. In early 2022, through negotiations on a Consent Decree, it became apparent significant challenges remained.

On April 7, 2022, Governor Reynolds announced the closure of the Glenwood Resource Center. The press release is available through [this link](#). DHS will work to implement the closure of Glenwood throughout SFY23 and SFY24 by transitioning residents to Woodward or HCBS community placements. Glenwood will close no later than June 30, 2024.

All public resources regarding of the Department of Justice (DOJ) investigation at the Glenwood and Woodward State Resource Centers are available on the DHS Website, following [this link](#).

Class Action Suit at the Boys' State Training School (BSTS) in Eldora

We are actively making changes to address the concerns raised in the suit. We are committed to sharing information and updates as we make progress. The Iowa Department of Human Services continues its commitment to an open dialog with all stakeholders and building trust through transparency.

Resources regarding a class action suit at the Boys State Training School (BSTS) are available on the DHS Website, following [this link](#).