

2026 Legislative Priorities – Building Strong Systems for Iowa's Children & Families

System Alignment: Child Welfare Emergency Shelters

Why It Matters: Every child deserves safety, stability, and the chance to remain connected to their community. Child Welfare Emergency Shelters provide short-term, minimally restrictive care for youth involved with Child Welfare, Juvenile Court, or local law enforcement, while maintaining as much normalcy as possible.

Current Reality: Iowa uses an outdated, split-billing system for shelter services. To receive the full daily rate for a youth, shelters must bill both the state and the child's county of residence.

Counties reimburse approximately **\$1.6 Million annually**, but this structure creates unnecessary administrative burden:

- Shelters must bill up to 99 counties, manage different processes, and track delays.
- County staff across the state process small reimbursement claims.
- Because payments are split, policymakers lack a single, clear statewide picture of shelter costs.

This funding approach reflects how shelter services were financed decades ago and no longer matches how the system operates today.

Our Recommendation

Eliminate the county billing requirement and make the state the single payer to providers for shelter services. This change would:

- Streamline funding and improve transparency for the Legislature and HHS.
- Reduce administrative burden for shelters and counties.
- Allow providers to focus more time on children and families, not paperwork.
- Improve consistency statewide, regardless of where a child lives.

Investment Needed: \$1,804,889

This reflects funding already paid by counties today and represents a shift in payment responsibility – **not a rate increase or service expansion**. The proposal simply removes an unnecessary billing step.



Backfill Child Protective Services (CPS) Appropriation

Why It Matters: One-time funding helps temporarily, but children and families need stable, ongoing support.

Our Recommendation: Increase the CPS appropriation by **\$4.8 million** to fully fund existing Q RTP and Shelter rate increases and honor the Legislature's prior commitment to make these investments permanent.

Investment Needed: \$4.8 million

Establish a Child Welfare Rate Analysis Process

Why It Matters: Regular review ensures Iowa has accurate information about service costs and system needs.

Our Recommendation: Require HHS to conduct a **biennial Q RTP and Shelter rate analysis** and submit findings and recommendations to the Governor and General Assembly by **December 15, 2026**, and every two years thereafter.

Preserve What We Have – Keep Building the System

Why It Matters: Progress has been made, but the system is not yet where it needs to be. Stability matters for children, families, and providers.

Our Commitment

- Keep the system stable and functional.
- Prevent cuts to child welfare, behavioral health, and Medicaid services.
- Protect eligibility so families don't lose access to care.
- Safeguard essential Medicaid services like BHIS and community supports.
- Maintain progress from recent rate increases.

Bottom Line: By modernizing payment systems, reducing administrative burden, ensuring stable funding, and creating a fair review process, Iowa can strengthen services for children and families.

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