



# Disability Rights Iowa

## Disability Rights Iowa SF 2315

### Testimony on the Impact on Iowans with Disabilities February 18, 2026

Chairpersons and honorable members of the Committee. My name is Catherine E. Johnson. I am the Executive Director of Disability Rights Iowa (DRI). DRI is an independent, non-profit agency which serves as the designated protection and advocacy system for people with disabilities in the state of Iowa, pursuant to federal mandates. The mission of the agency is to advocate for justice, to advance human and legal rights of Iowans with disabilities and to protect Iowans with disabilities. I appear before you to share DRI's opinion that SF 2315 with the proposed amendments as described below would have a positive impact on Iowans with disabilities ability to engage in competitive integrated employment.

#### Americans with Disabilities Act

Congress enacted the Americans with Disabilities Act over thirty-four years ago. Congress intended to create a world where individuals with disabilities have the opportunity for equal opportunity, independence, and self-sufficiency. Engaging in competitive employment is key to achieving these goals set by Congress. More than three decades after the ADA, only 19.1 percent of the national workforce comprises people with disabilities.

According to the DRI's July 2024 Edition of Iowans with Disabilities: 2024, only 105,988 of Iowans with disabilities between 18-64 were employed in 2022 – roughly 26.3 percent of the disabled population. 52.3 percent of this population worked only part-time. Iowans with disabilities comprised only 7 percent of the labor force. The unemployment rate for Iowans with disabilities was over twice that of Iowans without disabilities – 7.4 percent compared to the 3.5 percent. The median earnings for disabled Iowans was \$15,227 less than nondisabled Iowans – about 35.7% less.

These numbers highlight a major issue for the disability community in Iowa – employment and the ability to participate in the greater society. SF 2315 with the proposed amendment would advance the goals set by Congress of independence and self-sufficiency for Iowans with disabilities, improving economic opportunities for Iowans with disabilities as well as growing the economy in the State of Iowa.

### **Medicaid for Employed People with Disabilities (MEPD)**

Iowans with disabilities want to participate in Competitive Integrated Employment (CIE). Medicaid for Employed People with Disabilities (MEPD) is a Medicaid coverage group that was designed to promote employment for people with disabilities. Medicaid provides access to resources (e.g., personal care attendants, adaptive equipment, community living supports, and waiver services) that are not covered by traditional insurance. However, it has restrictions like income and resource/asset limits which create barriers for individuals and families and disincentivizes employment.

### **Disability Rights Iowa’s 2024 State of and Barriers to Employment in Iowa for People with Disabilities Survey & Report**

In 2024, DRI designed and executed a qualitative survey to better understand the state of employment for Iowans with disabilities. DRI’s survey was offered to all interested participants anonymously from June through November 2024. It was organized with the intent of gathering perspectives and experiences from Iowans with disabilities on the state of and barriers to their employment goals.

147 Iowans with disabilities participated in the survey. Aggregate survey results provide relevant information for members of the Sub-Committee to consider as applied to SSSB 1174. The results highlight significant barriers with Medicaid income and asset limits that prevent disabled Iowans from accepting initial employment offers and/or increased wages that could lead to greater self-sufficiency. DRI’s full report can be found on our webpage at: <https://driowa.org/digital-resources/frequently-asked-questions/employment-report/>

#### **Key Medicaid related survey results include:**

1. Approximately half of the survey participants reported they received their health insurance through Medicaid.

2. Survey participants overwhelmingly reported that the Medicaid income and asset limitations impact their ability to work more hours, accept promotions, and accept a salary increase.
3. Survey participants reported they declined a promotion, a job, a salary increase, and/or an increase in hours due to Medicaid income limitations.
4. 69.3 % of survey participants reported a desire to increase their hours or wages/salary, accept a promotion, etc., if the Medicaid income and asset limits were removed.
5. Survey participants reported on the importance of work for them and their families, along with the importance of contributing to Iowa's economy.

### **SF 2315 with the Proposed Amendment Increases Healthcare Access Based on Income**

DRI proposes that the MEPD income limit be raised to 400% of the Federal Poverty Level. SF 2315, with the proposed amendment, increases healthcare access for individuals with disabilities who fear losing Medicaid coverage by increasing their hours at work or accepting wage increases. Currently MEPD has an income limit of 250% of the Federal Poverty Level and counts the income of the entire household. If an individual with a disability wants to apply for MEPD, an employed spouse and other employed members of the household count towards the income limit. Individuals with disabilities often are hesitant to or do not accept more working hours, wage increases, and bonuses from their employer due to the fear of losing their Medicaid coverage.

The bill with the proposed amendment would remove the income limit for Iowans with disabilities. Work Without Worry would encourage individuals with disabilities who want to work to accept additional hours and wage/salary increases without the worry of losing the services they need for employment through Medicaid. Additionally, Iowans with disabilities who are not currently eligible due to an employed spouse would not be disqualified from the program.

### **SF 2315 with the Proposed Amendment Increases Healthcare Access Based on Assets**

DRI proposes an amendment to remove the maximum available resource limit for both individuals and couples.

Iowans with disabilities, regardless of when they became disabled and how much they saved for retirement and life expenses, would be eligible for MEPD. The bill with the proposed amendment would encourage individuals with disabilities who want to work to pursue employment and be able to save for the future without fear of losing their healthcare coverage.

Many individuals with disabilities become disabled after marrying, working for years, and saving for retirement. MEPD requires individuals with disabilities to have resources fewer than \$12,000 for an individual and \$13,000 for a couple. Besides penalizing married couples where one or both individuals are disabled, the asset limit prevents individuals who became disabled later in life from accessing Medicaid coverage.

SF 2315 with the proposed amendment, would remove the asset limit for individuals with disabilities. Iowans with disabilities, regardless of when they became disabled and how much they saved for retirement and life expenses, would be eligible for Work Without Worry. The bill with the proposed amendment would encourage individuals with disabilities who want to work to pursue employment and be able to save for the future without fear of losing their healthcare coverage.

**Key Recommendation to address Employment Barriers caused by Medicaid:**

The impact of the employment barriers caused by the Medicaid income and asset limitations were clear in the aggregate results and the additional comments submitted by participants. Based on the survey results and DRI's employment and benefits expertise, DRI's recommendations were to amend Medicaid/MEPD income limits to 400% of the Federal Poverty Guidelines and remove all asset limitations. Removing these limits will grant all Iowans with disabilities the opportunity to achieve their highest employment goals, to fully support their families' financial goals, and to thoroughly contribute to Iowa's economy and thrive.

DRI respectfully requests that SF 2315 be amended to include the following proposed amendments.

1. Income: Amend income to less than 400% of the most recently revised official poverty guidelines published by the United States department of health and human services.
2. Remove the maximum available resource limit for both individuals and couples.

3. Premiums: Keep the MEPD affordable by setting the premium amounts at \$0 for Iowans with gross income under 400% percent of the federal poverty level.

With these amendments DRI supports this legislation. DRI urges this sub-committee to move this legislation forward. SF 2315 will remove barriers related to Medicaid coverage and encourage employment for individuals with disabilities seeking employment. SF 2315 will increase employment opportunities for Iowans with Disabilities, increase Iowa's Labor Pool, and move forward Congress' ADA Goals of Independence and Self-Sufficiency.

DRI welcomes the opportunity to discuss this in more depth with any member of the Iowa Legislature. Thank you in advance for your thoughtful deliberation of our testimony in support of SF 2315.