ARC 4601C

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Proposing rule making related to definitions and forms and providing an opportunity for public comment

The Human Services Department hereby proposes to amend Chapter 13, "Program Evaluation," Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 234.6.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code section 234.6.

Purpose and Summary

These proposed amendments clarify the programs that are reviewed by the Department of Human Services Quality Control Bureau. These amendments also update forms that are required in that process.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to rule 441—1.8(17A,217).

Public Comment

Any interested person may submit written comments concerning this proposed rule making. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on September 3, 2019. Comments should be directed to:

Nancy Freudenberg
Iowa Department of Human Services
Hoover State Office Building, Fifth Floor
1305 East Walnut Street
Des Moines, Iowa 50319-0114
Email: appeals@dhs.state.ia.us

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)"b," an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its regular monthly meeting or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend **441—Chapter 13**, preamble, as follows:

PREAMBLE

The purpose of this chapter is to define the methods and procedures used by the department to provide a systematic ~~method~~ process for measuring the validity of the eligibility determinations in the ~~aid to dependent children (ADC)~~ family investment program (FIP), food ~~stamp~~ assistance program, child care assistance program, and ~~Medicaid programs~~ medical assistance program; to provide a basis for establishing state agency liability for errors ~~that exceed the national standard and state agency eligibility for enhanced funding~~; and to provide program information ~~which~~ that can be used by the department in determining a corrective action plan to ensure the rules and regulations are implemented in accordance with the ~~ADC, food stamp and Medicaid~~ program rules.

ITEM 2. Rescind rule 441—13.1(234,239B,249A) and adopt the following **new** rule in lieu thereof:

441—13.1(234,239B,249A,514I) Definitions.

"Active case" means a case that was receiving assistance for the month of review.

"Case record" means the record used to establish a client's eligibility.

"Client" means a current or former applicant or recipient of the family investment program (FIP), food assistance program, child care assistance program, or medical assistance program.

"Department" means the Iowa department of human services.

"Field investigation" means a contact involving the public or other agencies to obtain information about the client's circumstances for the appropriate month of review.

"Local agency" means the local or service area office of the department.

"Medical assistance programs" means those programs funded by Medicaid or the Children's Health Insurance Program (CHIP).

"Month of review" means the specific calendar or fiscal month for which the assistance under review is received.

"Negative case" means a case that was terminated or denied assistance in the month of review.

"Public assistance programs" means those programs involving federal funds, i.e., family investment program (FIP), food assistance program, child care assistance program, and medical assistance program.

"Random sample" means a systematic (or every nth unit) sample drawn monthly for which each item in the universe has an equal probability of being selected. Sample size is determined by federal guidelines or state corrective action needs.

"State policies" means the rules and regulations used by the department to administer the family investment program (FIP), food assistance program, child care assistance program, and medical assistance program.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, 249A.4 and 514I.4.

ITEM 3. Amend rule 441—13.2(234,239B,249A) as follows:

441—13.2(234,239B,249A,514I) Review of public assistance records by the department.

13.2(1) No change.

13.2(2) All pertinent case records within the department may be used by the reviewer to assist in substantiating an accurate reflection as to the correctness of the assistance ~~paid to~~ received by the client.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, ~~and~~ 249A.4 and 514I.4.

ITEM 4. Amend rule 441—13.3(234,239B,249A) as follows:

441—13.3(234,239B,249A,514I) Who shall be reviewed. Any active or negative public assistance case may be reviewed at any time at the discretion of the department based upon a random sample to:

13.3(1) to **13.3(3)** No change.

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, ~~and~~ 249A.4, and 514I.4.

ITEM 5. Amend rule 441—13.4(234,239B,249A) as follows:

441—13.4(234,239B,249A,514I) Notification of review. On positive case actions, clients shall be notified, either orally or in writing, that their case has been selected for review when contact is required by federal guidelines, or when contact is allowed and additional information is required to complete the review. The client will be contacted in a negative case only if a discrepancy exists ~~which~~ that cannot be resolved from the case record and contact is allowed by federal guidelines.

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, ~~and~~ 249A.4, and 514I.4.

ITEM 6. Rescind rule 441—13.5(234,239B,249A) and adopt the following **new** rule in lieu thereof:

441—13.5(234,239B,249A,514I) Review procedure. The department will select the appropriate method of conducting the review. Review procedures may include, but are not limited to, the following:

13.5(1) A random sampling of active and negative case actions shall be used to determine the case records to be studied.

13.5(2) The case record shall be analyzed for discrepancies and correct application of policies and procedures and shall be used as the basis for a field investigation.

13.5(3) Client interviews shall be required as follows:

a. Personal interviews are required on all active food assistance reviews.

b. An appointment letter may be sent to the client on department letterhead to schedule or confirm the appointment date, time and location.

c. Client contacts are only required in negative case reviews when there is a discrepancy that cannot be resolved from the case record.

13.5(4) Collateral contacts are made whenever the client is unable to furnish information needed or the reviewer needs additional information to establish the correctness of eligibility and payment but only when allowed by federal guidelines. Verification to confirm the accuracy of statements or information may be obtained by documentary evidence or a contact with a third party.

a. The client shall be required to release specific information whenever necessary to verify information essential to the determination of eligibility and payment.

b. Should the client refuse to authorize the department to contact an informant to verify information that is necessary for the completion of the review, collateral contacts shall still be made through use of the general release statement contained in the financial support application or the review/recertification eligibility document;

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, 249A.4, and 514I.4.

ITEM 7. Amend rule 441—13.6(234,239B,249A) as follows:

441—13.6(234~~,239B,249A~~) Failure to cooperate. Client cooperation with quality control is a program eligibility requirement as set forth in ~~441—subrule 40.7(4), paragraph *"d,"* and rules~~ rule 441—65.3(234) ~~and 441—76.8(249A)~~. When quality control determines that the client has refused to cooperate with the review process, the client is no longer eligible for the program benefits and will not be eligible for the program benefits until the client has cooperated.

This rule is intended to implement Iowa Code ~~sections~~ section 234.12~~, 239B.4 and 249A.4~~.

ITEM 8. Amend rule 441—13.7(234,239B,249A) as follows:

441—13.7(234,239B,249A,514I) Report of findings. The quality control review findings are utilized by the department in the following ways:

13.7(1) The local agency will use the findings in taking the appropriate case actions where an overpayment or underpayment has been found in a client's case record.

13.7(2) The department will use the overall findings to identify ~~error prone~~ error-prone program issues to be used in planning ~~their~~ its corrective action plan.

13.7(3) The department will use the findings of the overall sample period to determine the error rate used to establish state agency liability ~~or enhanced funding~~.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, ~~and~~ 249A.4, and 514I.4.

ITEM 9. Amend rule 441—13.8(234,239B,249A) as follows:

441—13.8(234,237A,239B,249A,514I) Federal rereview. A sample of ~~the~~ cases ~~selected by the department for review will~~ may also be reviewed by the applicable federal agency to determine the correctness of the department's action or of the department's review of the case.

This rule is intended to implement Iowa Code sections 234.12, 237A.12, 239B.4, 249A.4, and 514I.4.