Regulatory Analysis

Notice of Intended Action to be published: 441—Chapters 81, 82, and 85
"Changes Implementing 2025 Iowa Acts, House File 1049"

Iowa Code section(s) or chapter(s) authorizing rulemaking: 249A

State or federal law(s) implemented by the rulemaking: 2025 Iowa Acts, House File 1049, section 19

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

October 7, 2025 10 a.m.	Microsoft Teams Meeting ID: 259 285 819 643 8 Passcode: Do6b3vu7

Public Comment

Any interested person may submit written or oral comments concerning this Regulatory Analysis, which must be received by the Department of Health and Human Services no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Victoria L. Daniels
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliancerules@hhs.iowa.gov

Purpose and Summary

This proposed rulemaking implements 2025 Iowa Acts, House File 1049, section 19, which increases the personal needs allowance described in Chapters 81, 82, and 85 from $50 to $55.

In addition, this proposed rulemaking updates incorrect cross-references in subrule 81.13(2).

All references to Iowa Code section 249A.30A herein are to that section as amended by 2025 Iowa Acts, House File 1049.

Analysis of Impact

1. **Persons affected by the proposed rulemaking:**

- **Classes of persons that will bear the costs of the proposed rulemaking:**

There are no costs associated with this proposed rulemaking.

- **Classes of persons that will benefit from the proposed rulemaking:**

Individuals receiving health care coverage through Iowa Medicaid who are residents of certain facilities will benefit from the increased personal needs allowance implemented through this proposed rulemaking.

2. **Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

- **Quantitative description of impact:**

The underlying legislation, 2025 Iowa Acts, House File 1049, appropriates $331,000 to fund the increase to the personal needs allowance.

- **Qualitative description of impact:**

The personal needs allowance for Medicaid-covered residents of certain facilities will increase from $50 to $55.

3. **Costs to the State:**

- **Implementation and enforcement costs borne by the agency or any other agency:**

The Department incurs personnel and other administrative costs associated with this proposed rulemaking. In addition, the Department may incur approximately $80,000 in information technology (IT) costs associated with implementing the changes enacted in the underlying legislation.

- **Anticipated effect on State revenues:**

Increasing the personal needs allowance by $5 is estimated to cost approximately $758,000. Of the cost, the federal government will pay $427,000 and the State will pay $331,000.

4. **Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Rulemaking is appropriate because the amount of the personal needs allowance is set forth in Chapters 81, 82, and 85.

5. **Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

Not applicable.

6. **Alternative methods considered by the agency:**

- **Description of any alternative methods that were seriously considered by the agency:**

Not applicable.

- **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

Not applicable.

Small Business Impact

If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:

- Establish less stringent compliance or reporting requirements in the rulemaking for small business.
- Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.
- Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.
- Establish performance standards to replace design or operational standards in the rulemaking for small business.
- Exempt small business from any or all requirements of the rulemaking.

If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?

This proposed rulemaking has no impact on small business.

Text of Proposed Rulemaking

ITEM 1. Amend subrule 81.13(2) as follows:

81.13(2) *State review and approval of nurse aide training and competency evaluation programs or competency evaluation programs.*

a. The department of inspections, appeals, and licensing will, in the course of all surveys, determine whether the nurse aide training and evaluation requirements of paragraph ~~81.11(19)"e"~~ 81.11(19)*"b"* and subrule ~~81.14(1)~~ 81.13(1) are met.

b. Requirements for approval of programs.

(1) Before the department of inspections, appeals, and licensing approves a nurse aide training and competency evaluation program or competency evaluation program, the department of inspections, appeals, and licensing will determine whether:

1. A nurse aide training and competency evaluation program meets the course requirements of ~~81.14(3)~~ subrule 81.13(3).

2. A nurse aide competency evaluation program meets the requirements of ~~81.14(4)~~ subrule 81.13(4).

(2) Except as provided by paragraph ~~81.14(2)*"f,"*~~ 81.13(2)*"f,"* the department of inspections, appeals, and licensing will not approve a nurse aide training and competency evaluation program or competency evaluation program offered by or in a facility that, in the previous two years:

1. to 7. No change.

c. to *e.* No change.

f. An exception to subparagraph ~~81.14(2)*"b"*(2)~~ 81.13(2)*"b"*(2) may be granted by the department of inspections, appeals, and licensing for 75-hour nurse aide training courses offered in (but not by) a facility under the following conditions:

(1) to (10) No change.

ITEM 2. Amend rule 441—81.18(249A) as follows:

441—81.18(249A) State-funded personal needs supplement. A Medicaid member living in a nursing facility who has countable income for purposes of rule 441—75.16(249A) of less than ~~$50~~ $55 per month shall receive a state-funded payment from the department for the difference between that countable income and ~~$50~~ $55 if the legislature has appropriated funding specifically for this purpose. This payment shall not be considered a benefit under Title XIX of the Social Security Act (as amended to August 1, 2024).

This rule is intended to implement Iowa Code section 249A.30A.

ITEM 3. Amend rule 441—82.16(249A) as follows:

441—82.16(249A) State-funded personal needs supplement. A Medicaid member living in an intermediate care facility for persons with an intellectual disability who has countable income for purposes of rule 441—75.16(249A) of less than ~~$50~~ $55 per month will receive a state-funded payment from the department for the difference between that countable income and ~~$50~~ $55 if the legislature has appropriated funding specifically for this purpose. This payment shall not be considered a benefit under Title XIX of the Social Security Act (as amended to August 1, 2024).

This rule is intended to implement Iowa Code section 249A.30A.

ITEM 4. Amend rule 441—85.20(249A) as follows:

441—85.20(249A) State-funded personal needs supplement. A Medicaid member living in an intermediate care facility for persons with mental illness who has countable income for purposes of rule 441—75.16(249A) of less than ~~$50~~ $55 per month will receive a state-funded payment from the department for the difference between that countable income and ~~$50~~ $55 if the legislature has appropriated funding specifically for this purpose. This payment shall not be considered a benefit under Title XIX of the Social Security Act (as amended to August 1, 2024).

This rule is intended to implement Iowa Code section 249A.30A.