

Senate File 2422

S-5236

1 Amend the House amendment, S-5206, to Senate File 2422, as  
2 amended, passed, and reprinted by the Senate, as follows:

3 1. By striking page 1, line 1, through page 13, line 21, and  
4 inserting:

5 <Amend Senate File 2422, as amended, passed, and reprinted  
6 by the Senate, as follows:

7 1. By striking everything after the enacting clause and  
8 inserting:

9

<DIVISION I

10

PUBLIC ASSISTANCE PROGRAMS — VERIFICATION

11 Section 1. Section 239.6, subsection 1, paragraph a,  
12 subparagraph (4), Code 2026, is amended to read as follows:

13 (4) Information maintained by the United States citizenship  
14 and immigration services of the United States department of  
15 homeland security, including but not limited to information  
16 accessible through the systematic alien verification for  
17 entitlements online service, or successor federal verification  
18 system.

19 Sec. 2. Section 239.6, subsection 2, Code 2026, is amended  
20 by adding the following new paragraph:

21 NEW PARAGRAPH. g. The systematic alien verification for  
22 entitlements online service maintained by the United States  
23 citizenship and immigration services of the United States  
24 department of homeland security to verify immigration and  
25 United States citizenship information, or successor federal  
26 verification system.

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DIVISION II

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SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM AND MEDICAID —

29

ELIGIBILITY AND ERROR RATE REPORTING

30 Sec. 3. Section 239.1, Code 2026, is amended by adding the  
31 following new subsection:

32 NEW SUBSECTION. 01. *“Alien”* means any person not a citizen  
33 or national of the United States.

34 Sec. 4. Section 239.2, Code 2026, is amended to read as  
35 follows:



1 to be ineligible to participate in SNAP pursuant to 7 C.F.R.  
2 §273.4(b).

3 Sec. 5. NEW SECTION. 239.12 SNAP error rate — reporting.

4 Beginning with the fiscal quarter that starts on October  
5 1, 2026, and every fiscal quarter thereafter, within thirty  
6 calendar days of transmission of data to the food and nutrition  
7 services of the United States department of agriculture, the  
8 department shall submit a report to the general assembly  
9 detailing payment error rates associated with SNAP for the  
10 immediately preceding fiscal quarter.

11 DIVISION III

12 SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM — WAIVERS

13 Sec. 6. FEDERAL SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM  
14 — WAIVER OF EXPUNGEMENT RULES.

15 1. The department of health and human services shall  
16 request a waiver from the food and nutrition services of the  
17 United States department of agriculture to provide that, for  
18 purposes of state administration of the supplemental nutrition  
19 assistance program, expungement of benefits on a household's  
20 electronic benefit account under 7 C.F.R. §274.2(i) be  
21 permitted after three months or ninety-one days of inactivity,  
22 or of benefits remaining, on the electronic benefit account.

23 2. The department of health and human services shall  
24 implement the waiver upon receipt of approval of the waiver  
25 from the United States department of agriculture.

26 Sec. 7. FEDERAL SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM  
27 — WAIVER OF ELIGIBILITY VERIFICATION RULES.

28 1. No later than January 1, 2027, the department of  
29 health and human services shall request a waiver from the  
30 food and nutrition services of the United States department  
31 of agriculture to provide that, for purposes of state  
32 administration of the supplemental nutrition assistance  
33 program, information from the sources under section 239.6, and  
34 the following automated sources, shall be considered verified  
35 for purposes of 7 C.F.R. §272.12(c):

1 a. The third-party automated asset verification services  
2 contracted by the department or an equivalent third-party asset  
3 verification platform.

4 b. The automated employment verification service known  
5 as the work number or an equivalent third-party income  
6 verification platform.

7 2. The department of health and human services shall  
8 implement the waiver upon receipt of approval of the waiver  
9 from the United States department of agriculture.

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#### DIVISION IV

11

#### MEDICAID AND IOWA HEALTH AND WELLNESS PLAN — RETROACTIVE

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#### ELIGIBILITY

13

#### Sec. 8. NEW SECTION. 249A.3B Medicaid — retroactive

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**eligibility.**

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1. Notwithstanding any provision of state law to the  
16 contrary, effective January 1, 2027, in compliance with section  
17 71112 of Pub. L. No. 119-21, commonly referred to as the One  
18 Big Beautiful Bill Act, the department shall adopt rules to  
19 provide that the eligibility of an individual who is a pregnant  
20 woman, a child, or a resident of a nursing facility licensed  
21 under chapter 135C shall be applied retroactively for no more  
22 than two months prior to the month in which the individual  
23 submits a completed medical assistance program application.

24

2. The department shall not adopt rules, or submit a  
25 request for a waiver or state plan amendment to the centers for  
26 Medicare and Medicaid services of the United States department  
27 of health and human services, to permit the department to  
28 provide medical assistance program eligibility retroactively to  
29 any other adult individual except as provided in subsection 1.

30

Sec. 9. Section 249N.4, subsection 5, Code 2026, is amended  
31 to read as follows:

32

5. A member is eligible for coverage effective the first day  
33 of the month ~~following the month~~ of application for enrollment.

34

The department shall not adopt rules or submit a request for

35

a waiver or state plan amendment to the centers for Medicare

1 and Medicaid services of the United States department of health  
2 and human services to permit the department to provide program  
3 eligibility prior to the month in which the individual submits  
4 a completed application for enrollment.

5 Sec. 10. 2017 Iowa Acts, chapter 174, section 12, subsection  
6 15, paragraph a, subparagraph (7), as amended by 2018 Iowa  
7 Acts, chapter 1165, section 107, is amended by striking the  
8 subparagraph.

9 Sec. 11. MEDICAID RETROACTIVE ELIGIBILITY — WAIVER. The  
10 department of health and human services shall submit a  
11 request for a section 1115 demonstration waiver to the centers  
12 for Medicare and Medicaid services of the United States  
13 department of health and human services for approval to  
14 allow, for purposes of state administration of Medicaid, for  
15 implementation by the department of no retroactive eligibility  
16 for any adult individual who is not a pregnant woman, a child,  
17 or a resident of a nursing facility licensed under chapter  
18 135C, upon the submission of a completed Medicaid application,  
19 instead of three months as required under 42 C.F.R. §435.915.  
20 The department shall implement the waiver upon receipt of  
21 approval of the waiver by the centers for Medicare and Medicaid  
22 services of the United States department of health and human  
23 services.

24 DIVISION V

25 MEDICAID — MEDICAID MANAGED CARE ORGANIZATION HEALTH CARE TAX  
26 FUND; EXPENDITURE NEUTRALITY; AND EXCEPTIONS TO POLICY

27 Sec. 12. Section 249A.13, subsection 2, Code 2026, is  
28 amended to read as follows:

29 2. Moneys in the fund are appropriated to the department  
30 of health and human services for the purposes of the medical  
31 assistance program. Unless expressly approved by the general  
32 assembly through legislation, or as required by federal law  
33 or regulations, the department shall not take any action that  
34 reduces moneys deposited in the fund from a health maintenance  
35 organization contracting with the department to administer the

1 medical assistance program under this chapter. Such moneys  
2 shall not be diverted, reduced, or used by the department for  
3 any other purposes than those permitted by this subsection.

4 Sec. 13. NEW SECTION. 249A.59 Medicaid waivers and state  
5 plan amendments — expenditure neutrality.

6 1. For purposes of this section, unless the context  
7 otherwise requires, "*expenditure neutral*" means that the cost of  
8 a federally approved change to an existing, or new request for  
9 a, Medicaid waiver or state plan amendment will not result in a  
10 net increase in expenditures from the appropriation enacted for  
11 the fiscal year the change or new request is made, as certified  
12 by an actuary retained by the department.

13 2. a. The department shall not implement a change to a  
14 Medicaid waiver or a state plan amendment approved by the  
15 centers for Medicare and Medicaid services of the United  
16 States department of health and human services, or submit a  
17 new request, if the change or new request is not expenditure  
18 neutral, unless expressly approved by the general assembly  
19 through legislation prior to implementation of the change or  
20 submission of the new request.

21 b. The department shall not implement a change to a Medicaid  
22 waiver or a state plan amendment approved by the centers for  
23 Medicare and Medicaid services of the United States department  
24 of health and human services, or submit a new request, if the  
25 change or new request expands coverage under the Medicaid  
26 program to individuals or classes of individuals, unless  
27 expressly approved by the general assembly through legislation  
28 prior to implementation of the change or submission of the new  
29 request.

30 3. This section shall not apply when the department  
31 implements a federally approved change to, or submits a new  
32 request to the federal government for, a Medicaid waiver  
33 or state plan amendment that meets any of the following  
34 requirements:

35 a. The change or new request was submitted for federal

1 approval prior to January 1, 2026, regardless of whether  
2 federal approval has been received by the department by January  
3 1, 2026.

4 *b.* The change or new request is required by federal law  
5 or regulation, or is necessary to comply with federal law or  
6 regulations.

7 *c.* The change or new request is necessary to comply with a  
8 settlement agreement, consent decree, or other resolution of a  
9 state violation of the federal Medicaid program. A change or  
10 new request initiated under this paragraph shall be reported  
11 to the general assembly, with an estimate of the fiscal impact  
12 of the change or new request to the extent it is known, within  
13 thirty days of the date of the settlement agreement, consent  
14 decree, or other resolution of a state violation of the federal  
15 Medicaid program.

16 *d.* The change or new request involves the development or  
17 implementation of actuarially sound capitation rates consistent  
18 with 42 C.F.R. §438.4.

19 4. The department may adopt rules pursuant to chapter 17A to  
20 administer this section.

21 Sec. 14. NEW SECTION. **249A.60 Medicaid — exceptions to**  
22 **policy.**

23 The department shall make publicly available, pursuant to  
24 section 217.22, information on petitions for a waiver, also  
25 referred to by the department as exceptions to policy, of the  
26 rules governing the rules of department, including but not  
27 limited to the following:

- 28 1. The total number of exceptions to policy granted.
- 29 2. The cumulative cost of the exceptions to policy that were  
30 granted.
- 31 3. The types of exceptions to policy that were granted.
- 32 4. Identifiable trends noted by the department including  
33 any of the following:

34 *a.* The number of exceptions to policy granted in a  
35 particular geographic location.



1 benefits transfer.

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DIVISION VIII

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EFFECTIVE DATE

4 Sec. 18. EFFECTIVE DATE. This Act, being deemed of  
5 immediate importance, takes effect upon enactment.>

6 2. Title page, by striking lines 1 through 5 and inserting  
7 <An Act relating to public assistance programs under the  
8 purview of the department of health and human services,  
9 including the supplemental nutrition assistance program,  
10 Medicaid, and the Iowa health and wellness plan, and including  
11 effective date provisions.>>

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SCOTT WEBSTER