



Public Assistance Oversight

Legislative Report

January 15, 2025



Health and
Human Services

Table of Contents

Introduction	2
Iowa HHS Vision	3
Background and Overview	6
Progress to Date	7
SF 494 Work Completed to Date	8
Next Steps.....	12

Introduction

This report is being submitted pursuant to Iowa Code Section 239.10 (2023 Iowa Acts, Senate File 494), which requires the Iowa Department of Health and Human Services (Iowa HHS) to submit a report to the Governor and General Assembly by January 15, 2025, and by January 15 annually thereafter through January 15, 2030, detailing the impact of the verification and authentication measures taken under this chapter.

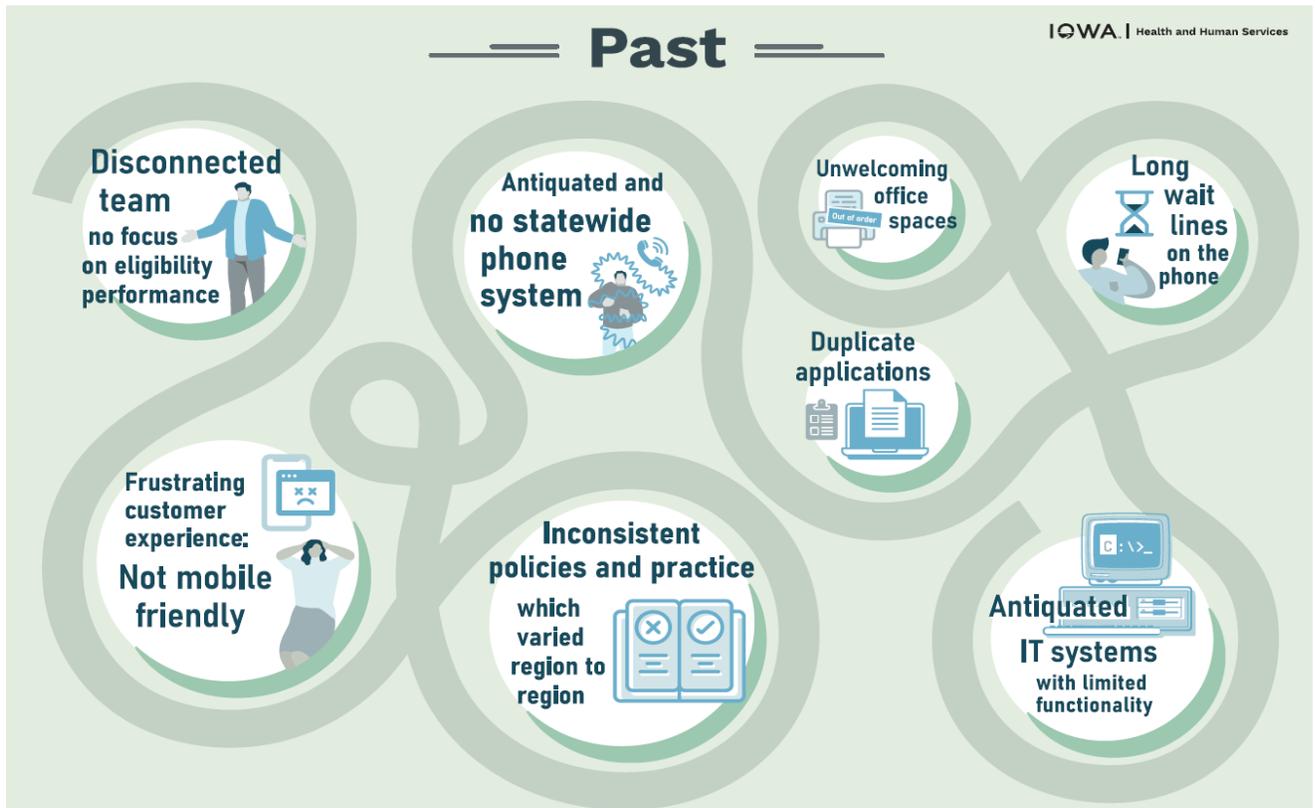
The report shall include data for all affected public assistance programs, including the number of cases reviewed, the number of cases closed, the number of fraud investigation referrals made, and the amount of savings and cost avoidance realized from the provisions of this chapter. This information will be provided in future reports as Iowa HHS progresses with the implementation of SF494.

The legislation requires Iowa HHS to implement tools and strategies to increase oversight of public assistance eligibility determinations. Specifically, the bill requires the implementation of identity authentication, a SNAP (Supplemental Nutrition Assistance Program) asset test, establishing new computerized systems of verification, checking against new data sources, and requires child support cooperation from Medicaid applicants and recipients.

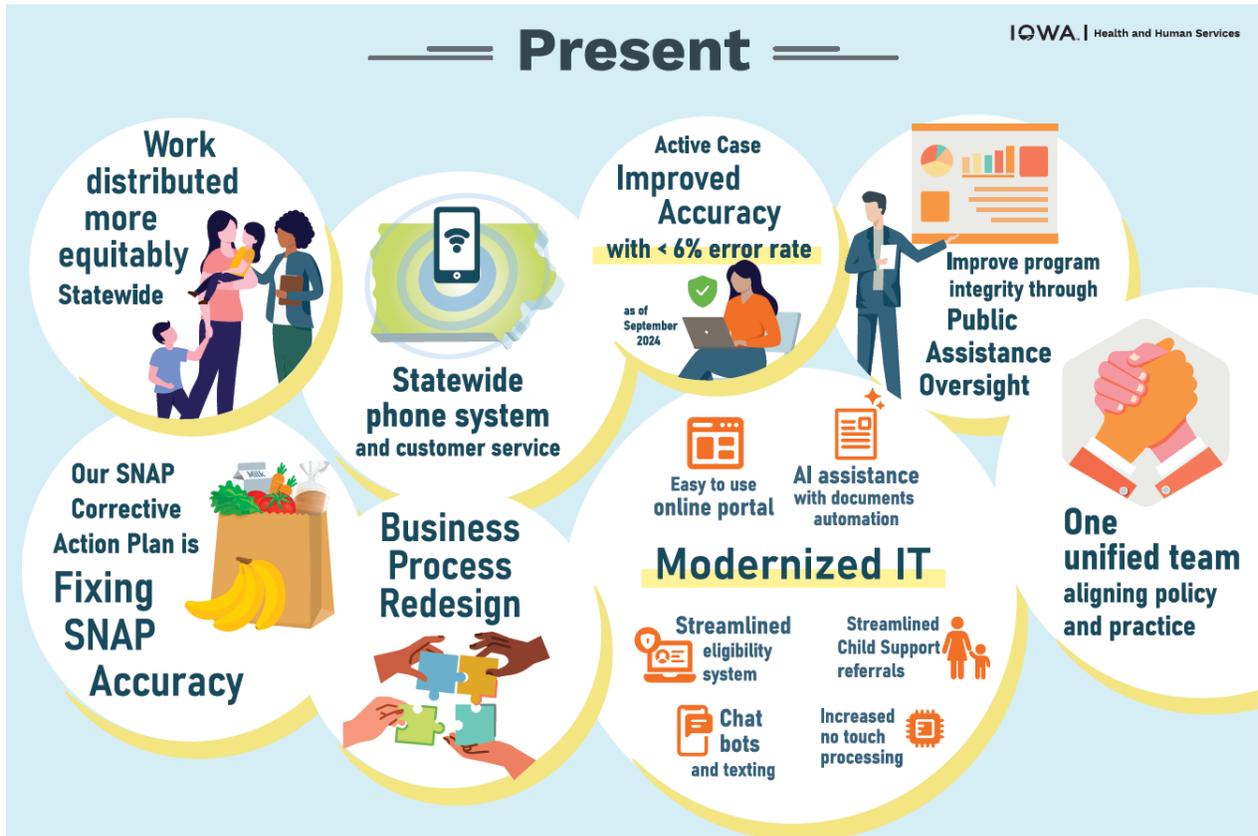
Iowa HHS Vision

One of the requirements of SF 494 is to create a modern eligibility process that is accurate and timely with transparent accountability, efficient eligibility determinations, and reliable service. To successfully achieve the goals of the legislation, HHS must first build a modern IT and business process framework. Iowa HHS has established a roadmap that moves the agency from its antiquated legacy practices to a more streamlined and effective model.

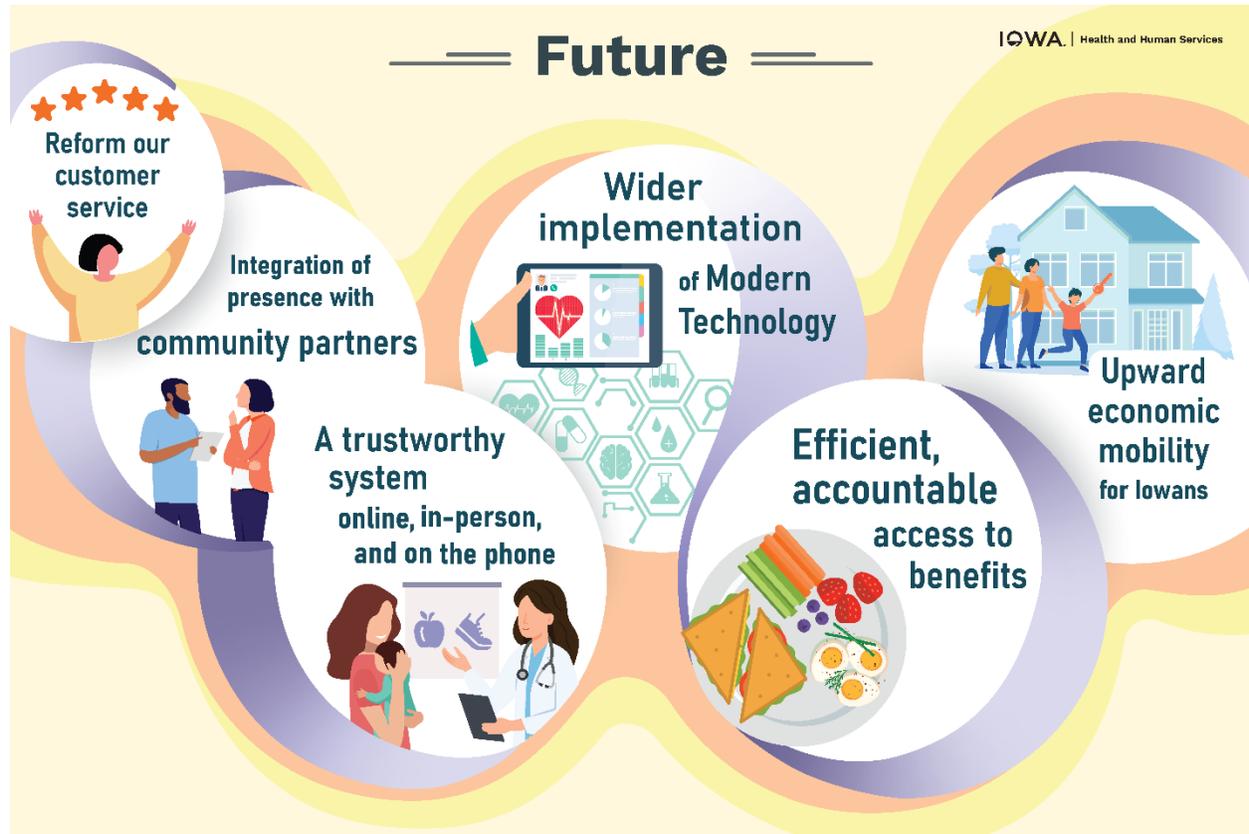
In the past, eligibility determinations were conducted by disconnected teams throughout the state, reporting to siloed supervisors in four different divisions of the agency. Inconsistent practices and policies and a lack of a unified vision compounded the significant barriers of old IT systems that have not kept pace with modern needs.



Through the Governor’s vision of state agency alignment, Iowa HHS centers eligibility determinations policy and practice under one team working equitably with a goal of improving benefit accuracy and timeliness. The highest priority is increasing efficiency, reducing the significant manual work by automating workflows and improving customer communication.



Iowa's benefits delivery system is well-positioned to become a highly efficient and effective process that reduces human error, improves customer service, and ensures Iowans access necessary benefits.



Background and Overview

Benefits Programs

Eligibility verification requirements are complex and differ from one program to another. While eligibility is verified at the time of application and annual review/bi-annual review, eligibility checks are completed throughout the eligibility period by the Income and Eligibility Verification System (IEVS) match. The computerized match runs as frequently as daily/weekly/monthly to obtain new information from both state and federal data sources, such as Iowa Workforce Development, Iowa Department of Corrections, county jails, Social Security Administration (SSA), and the U.S. Treasury. Most data sources currently obtained through this process need to be checked individually and manually by a worker. The Medicaid eligibility system (Eligibility Integrated Application Solution (ELIAS)) has many automated processes in place; however, the SNAP and cash assistance programs are limited in functionality because they operate on an outdated mainframe platform.

Child Support Services

Child support programs must meet rigorous performance and accuracy standards. Programs are funded with 66% federal matching funds, as well as federal incentive payments that are based on the state's performance in five key areas:

- children with paternity established
- cases with court orders
- current support collected
- cases that receive an arrears payment
- cost-effectiveness

When families receive benefits, such as cash assistance, or children are in foster care placements, there is a referral to Child Support Services to establish a child support order if there is a parent outside the child's home. Senate File 494 requires similar referrals for Medicaid participants and for those participants to cooperate with Child Support Services in establishing paternity and support.

Progress to Date

The HHS alignment has positively impacted the eligibility team and structure. Before the HHS alignment, the eligibility team was housed in three different legacy DHS divisions, and the field team reported to six different service area managers based on geographic boundaries. Today, the eligibility team is led by one leader and one division, and child support services are housed within the same division, and they work closely with the eligibility team.

Iowa HHS is in the process of restructuring the benefits eligibility team to improve efficiency for both the clients and our workforce while also standardizing the processes that have been misaligned in the old geographic structure. IT modernizations are also underway. The customer service phone system is in the process of being transformed into a modernized phone system solution to allow for a single phone number with a phone tree and modern functionality.

Other modernization efforts are focused on IT solutions that automate processes and workflows and improve efficiencies, communications, and interaction with clients, thereby reducing workload and improving accuracy and timeliness. HHS will deploy enhancements to the online self-service portal, automation of batches and processes that reduce the touch by the worker, and bot and texting solutions to improve communications. HHS is in the process of conducting a pilot on a Medicaid renewal form data extraction to reduce the amount of manual work inputting information from the Medicaid renewal form into the system.

In addition to the ongoing efforts to modernize and automate our systems and processes, we continue to make progress on implementing requirements in SF 494. Below is a table that describes compliance to date regarding SF 494 requirements.

SF 494 Work Completed to Date

Deliverable	SF 494 Section	Definition
SNAP 160% Eligibility	Section 2 - Complete	Supplemental nutrition assistance program — income eligibility. The department shall establish the gross countable monthly income threshold for the supplemental nutrition assistance program at less than or equal to one hundred sixty percent of the federal poverty level for the household size.
IRS Data for SNAP and FIP	Section 4.2.a.(1) and 6.1.a.(1)	<p>Prior to determining eligibility for SNAP benefits, the department shall access, at a minimum, for every member of the applicant's household, the following information from the following federal, state, and miscellaneous sources or successor sources:</p> <p>Federal sources and information:</p> <ul style="list-style-type: none"> Earned and unearned income information maintained by the Internal Revenue Service. <p>The following sources and information maintained by the United States Social Security Administration</p> <ul style="list-style-type: none"> Earned income information. Death register information. Prisoner or incarceration status information. Supplemental security income information is maintained in the state data exchange database. Beneficiary records and earnings information are maintained in the beneficiary and earnings data exchange database. Earnings information maintained in the beneficiary earnings exchange record system database. <p>State sources and information:</p> <ul style="list-style-type: none"> Income and employment information maintained by child support services. Enrollment status in other public assistance programs. <p>The Department of Workforce Development sources and information include the following:</p> <ul style="list-style-type: none"> Employment information. Employer weekly, monthly, and quarterly reports of income and unemployment insurance payments.
SSA Income - for SNAP and FIP	Section 4.2.a.(2).(d)	
SSA Data for SNAP and FIP	Section 4.2.a.(2) and 6.1.a.(2).(d)	
SSA Earned Income for SNAP and FIP	Section 4.2.a.(2).(a) and 6.1.a.(2).(a)	
SSA Death Register Information for SNAP and FIP	Section 4.2.a.(2).(b) and 6.1.a.(2).(b)	
SSA Pups for SNAP and FIP	Section 4.2.a.(2).(c) and 6.1.a.(2).(c)	
SSA BENDEX for SNAP and FIP	Section 4.2.a.2.(e), (f) and 6.1.a.(2).(f)	
Iowa Child Support Income and Employment information*	Section 4.2.b.(a) and 6.b.(1).(a)	
IWD/UIB*	Section 4.2.b.(2)(a) and 4.2.b.(2)(b)	

Deliverable	SF 494 Section	Definition
National Accuracy Clearinghouse (NAC)	Section 4.2.c.(1) and 6.1.c.(1)	Any existing real-time database of persons currently receiving benefits in other states, such as the national accuracy clearinghouse.
Credit Bureau	Section 4.2.c.(3), 6.1.c.(4), 5.2 and 6.3	Any existing real-time eligibility system that includes employment and income information maintained by a consumer reporting agency, as defined by the federal Fair Credit Reporting Act, 15 U.S.C. §1681a, for the purpose of obtaining real-time employment and income information.
Third-Party Agreement	Section 6.4	A third-party consumer reporting agency, as defined by the federal Fair Credit Reporting Act, 15 U.S.C. §1681a, for the purpose of obtaining real-time employment and income information.
Federal OCSS	Section 4.2.a.(3).(b) and 6.1.b.(1).(b)	The following sources and information maintained by the United States department of health and human services Other federal data sources maintained by the office of child support enforcement of the administration for children and families
State of Iowa Sources Enrollment status in other public assistance programs	Section 4.2.b(1).(c) and 6.1.b.(1).(c)	Enrollment status in other public assistance programs.
Case Review of Applicant and Recipient Information	Section 7 - complete	<p>If the information obtained from a review of an applicant's or recipient's information under this chapter does not result in the department finding a discrepancy or change in an individual's circumstances affecting eligibility, the department shall take no further action.</p> <p>If the information obtained from a review of the applicant's or recipient's information under this chapter results in the department finding a discrepancy or change in the individual's circumstances affecting eligibility, the department shall respond in accordance with the provisions of sections 239.8 and 239.9.</p>

Notice and Right to be Heard	Section 8 - complete	An applicant for, or recipient of, public assistance shall be provided written notice and the opportunity to explain any issues identified in a review performed under this chapter for initial eligibility or redetermination of eligibility.
Referrals for /fraud, misrepresentation, or Inadequate documentation	Section 9 - complete	Following a review of an applicant's or recipient's eligibility under this chapter, the department may refer cases of suspected fraud along with any supportive information to the Department of Inspections and Appeals for review. In cases of substantiated fraud, upon conviction, the state shall review all appropriate legal options, including but not limited to removal of a recipient from other public assistance programs and garnishment of wages or state income tax refunds until the department recovers an equal amount of benefits fraudulently claimed. The department may refer suspected cases of fraud, misrepresentation, or inadequate documentation relating to initial or continued eligibility to appropriate state agencies, divisions, or departments for review of eligibility issues in programs providing public benefits other than those defined in this chapter.

Targeting to Be Complete by July 1, 2025

Deliverable	SF 494 Section	Definition
Accessing Lottery Database	Section 4.2.c.(2)	Any lottery winner databases maintained by the Iowa lottery.
Federal sources and information – U.S. Department of Health and Human Services (in place for SNAP; need for FIP)	Section 4.2.a.(3).(a)	Income and employment information maintained in the national directory of new hires database by the office of child support enforcement of the administration for children and families.
	6.1.a.(3).(a)	Income and employment information maintained in the national directory of new hires database by the office of child support enforcement of the administration for children and families.
U.S. Citizenship and Immigration Services – Systematic Alien Verification Entitlements (USCIS SAVE) Data	Section 6.1.a.(4)	Information maintained by the United States citizenship and immigration services of the United States department of homeland security.
License, Permit, or Certificate (Department of Inspections and Appeals and Licensing)	Section 6.1.c.(2)	An available database of persons who currently hold a license, permit, or certificate from any state agency, the cost of which exceeds five hundred dollars
Childcare Assistance Provider Payment Web Service	Section 4.2.b.(1).(b)/6.1.b.(1).b	Section 4 states: Child care assistance information maintained by the department.
	Section 4.2.b.(2).(a-b)/6.1.b.(2).(a) & 6.1.b.(2).(b)	Section 6 states: Child care assistance information maintained by the department.
Fleeing Felon	Section 6.1.a.(5)	National fleeing felon information maintained by the United States federal bureau of investigation.
Incarcerated Individuals	Section 6.2.b	A nationwide public records data source of incarcerated individuals.

Next Steps

Next steps will ensure we optimize opportunities for automation and accuracy. Throughout the next three years, Iowa HHS intends to:

- Procure a new SNAP/TANF eligibility system to be integrated with the existing Medicaid eligibility system.
- Continue analysis and deploy the necessary human and IT changes needed to implement Medicaid referrals to Child Support Services.
- Re-platform (modernize) the Child Support Services IT system.
- Procure solutions to integrate remaining required data sources into the modernized eligibility systems.
- Fully implement remaining SF 494 requirements alongside modernized solutions for optimal efficiencies.