



# Fiscal Note

## Fiscal Services Division



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[HF 2716](#) – Public Assistance, Reports, Rates, and Waivers (LSB5348HV)  
Staff Contact: Louie Hoehle (515.281.6561) [louie.hoehle@legis.iowa.gov](mailto:louie.hoehle@legis.iowa.gov)  
Fiscal Note Version – New

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### Description

[House File 2716](#) relates to the Supplemental Nutrition Assistance Program (SNAP); Medicaid; the Supplemental Nutrition Program for Women, Infants, and Children (WIC); and other public assistance programs under the purview of the Department of Health and Human Services (HHS).

The Bill is comprised of seven divisions, four of which have a fiscal impact and three of which do not.

The following divisions of the Bill have no fiscal impact:

- Division I — Supplemental Nutrition Assistance Program
- Division V — Public Assistance Fraud — Report
- Division VI — High-Acuity Pediatric Work Group --- Report

The following divisions of the Bill have a fiscal impact and are described in further detail below:

- Division II — Medical Assistance Program
- Division III — Eligibility for Certain Programs
- Division IV — Miscellaneous Public Assistance Programs
- Division VII — Medicaid Reimbursement Rate — Special Population Nursing Facilities

### Division II — Medical Assistance Program

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#### Description

Division II of the Bill relates to various Medicaid programs and activities and does the following:

- Increases the federal poverty level (FPL) limit for the Medicaid for Employed People with Disabilities (MEPD) program from 250.0% to 300.0%.
- Adds resources held in a pension account to the list of resources disregarded for purposes of MEPD resource tests.
- Requires the HHS to allow for electronic payment of MEPD premiums through a page maintained on the HHS website.
- Requires the Director of the HHS to submit a report to the General Assembly within 30 days of the release of the official Medicaid payment error rate by the Centers for Medicare and Medicaid Services (CMS).
- Requires the Director to submit an annual report to the General Assembly by October 1, related to certain petitions for a waiver to rules adopted by the HHS to administer Medicaid during the immediately preceding fiscal year.
- Requires the HHS to cover travel and other provider expenses for Home and Community-Based Services (HCBS) waiver services provided to consumers who reside in a rural area.
- Requires the HHS to conduct an analysis to determine whether requests for Medicaid waivers are cost-neutral prior to submitting the request to CMS. Requires the HHS to

present the request to the General Assembly, for approval by both houses of the General Assembly, if the waiver is determined to not be cost-neutral.

- Requires the HHS to conduct a review of Medicaid waivers granted between January 1, 2020, and January 1, 2026, and submit a report of the findings by December 15, 2026.

The MEPD changes in Division II of the Bill take effect upon receipt of federal approval from the CMS.

## **Background**

The [MEPD program](#) is a Medicaid coverage group that allows persons with disabilities to work and continue to have access to medical assistance. Currently, to be eligible for MEPD, members must earn a net family income of less than 250.0% of the FPL. Members must also have resources of less than \$12,000 for an individual and \$24,000 for a married couple, with resources held in a retirement account, a medical savings account, or an assistive technology account being disregarded. Enrollees must pay a monthly premium for coverage if their income is above 150.0% of the FPL. The monthly premium amount for an enrollee at 250.0% of the FPL is \$113. Medicare premiums and prescription services are also covered by MEPD.

The HHS contracts with a vendor to operate and maintain Iowa's Medicaid Management Information System (MMIS). The Iowa MMIS supports Medicaid processes, including claims operations, data collection, federal and State reporting, and mailing.

The [Payment Integrity Information Act \(PIIA\) of 2019](#) requires the heads of federal agencies to annually review programs they administer and identify those that may be susceptible to significant improper payments. The [Payment Error Rate Measurement \(PERM\)](#) program measures improper payments in Medicaid and the Children's Health Insurance Program (CHIP) and produces improper payment rates for each program. The improper payment rates are based on reviews of the Fee-For-Service (FFS), managed care, and eligibility components of Medicaid and CHIP in the year under review. The improper payment rate is a measurement of payments made that did not meet statutory, regulatory, or administrative requirements. The 2024 (Cycle 3) PERM audit [report](#) provides that Iowa's overall error rate for Medicaid was 1.9%.

[Medicaid HCBS waivers](#) provide medical, social, and supportive services for Iowans with functional, cognitive, and other physical or mental health needs. These services are meant to help people live and receive services in a home and community-based setting instead of an institution. Iowa currently has seven different HCBS waivers, including the Health and Disability Waiver, the AIDS/HIV Waiver, the Elderly Waiver, the Intellectual Disabilities Waiver, the Brain Injury Waiver, the Physical Disability Waiver, and the Children's Mental Health Waiver.

[Section 1115 waivers](#) allow states to temporarily modify their Medicaid programs and evaluate specific policy approaches.

## **Assumptions**

### ***MEPD***

- The State will receive federal approval for the MEPD changes in Division II of the Bill.
- Based on current MEPD denials for individuals who are over the income limits, 457 new members will become eligible.
- Newly eligible members will begin accessing MEPD in January 2028 to allow time for federal approval and information technology (IT) programming.
- 5.0% of newly eligible members may lose coverage after year one.
- 229 new members will enroll in MEPD in the second year.
- The annual cost for MEPD will be \$8,608 per member.

- The State will pay 36.67% of MEPD costs, while the federal government will pay 63.33%.
- Newly eligible members will pay \$130 per month in MEPD premiums.
- The State will collect 36.67% of moneys, while the federal government will collect 63.33% of MEPD premiums.

### ***Medicare Part B***

- The annual cost for Medicare Part B premium payments will be \$2,435 per member.
- The State will pay 36.67% of costs for Medicare Part B premium payments, while the federal government will pay 63.33%.
- The annual cost for Medicare Part D clawback payments will be \$2,432 per member, of which the State will pay the full amount.
- The State will pay Medicare costs for 96.0% of newly eligible members.
- The annual cost for Medicare payments will increase 3.0% annually.

### ***IT Assumptions***

- The HHS will require one-time IT programming updates for the HHS's eligibility system to comply with the MEPD changes in Division II.
- The State will pay 25.34% of costs for the eligibility system, while the federal government will pay 74.66%.
- The online premium payment system will require one-time implementation costs.
- The State and the federal government will each pay 50.0% of costs for the online premium payment system.
- The Department of Management Division of IT (DOM DoIT) will require one-time IT costs.
- The State will pay 25.0% of the DOM DoIT IT costs, while the federal government will pay 75.0%.
- The HHS will require an update to the MMIS contract.
- The State will pay 25.0% of costs for the MMIS contract, while the federal government will pay 75.0%.

### ***FTE Funding Assumptions***

- Beginning in FY 2029, the HHS will require 1.0 full-time equivalent (FTE) position for an Income Maintenance Worker 2 at an annual cost of \$97,000.
- The State will pay 43.18% of costs for the Income Maintenance Worker 2, while the federal government will pay 56.82%.
- The costs to cover travel and other provider expenses for HCBS waiver services cannot be estimated.
- According to the HHS, the Medicaid waiver cost neutrality analysis will require 6.0 new FTE positions at a total cost of \$729,000 per year.
  - 1.0 Compliance Officer 2 FTE position at \$129,000.
  - 2.0 Management Analyst 3 FTE positions at \$118,000 each.
  - 2.0 Budget Analyst 3 FTE positions at \$118,000 each.
  - 1.0 Budget Analyst 4 FTE position at \$129,000.
- The State and the federal government will each pay 50.0% of costs for the cost neutrality FTE positions.
- The HHS will require increased annual actuarial services for the Medicaid waiver cost neutrality analysis.
- The State and the federal government will each pay 50.0% of costs for actuarial services.

## Fiscal Impact

The total estimated cost for Division II in FY 2027 is approximately \$1.9 million and 6.0 additional FTE positions, of which the State cost is \$902,000 and the federal cost is \$1.0 million. The total estimated cost for FY 2028 is \$3.9 million and 6.0 additional FTE positions, of which the State cost is \$1.9 million and the federal cost is \$2.0 million. The total estimated cost for FY 2029 is \$9.2 million and 7.0 additional FTE positions, of which the State cost is \$4.6 million and the federal cost is \$4.6 million. **Figure 1** shows the breakout of costs in FY 2027 to implement Division II. **Figure 2** shows the breakout of costs in FY 2028. **Figure 3** shows annual, ongoing costs for FY 2029. **Figures 2** and **3** include MEPD premiums collected, offsetting costs.

**Figure 1 — Division II Estimated Costs for FY 2027**

Category	State	Federal	Total
Eligibility System	\$ 39,000	\$ 115,000	\$ 154,000
Premium Payment System	229,000	229,000	457,000
DOM DoIT IT	2,000	6,000	8,000
MMIS Contract	17,500	52,500	70,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
<b>Total</b>	<b>\$ 901,500</b>	<b>\$ 1,016,500</b>	<b>\$ 1,919,000</b>

Totals may not sum due to rounding.

**Figure 2 — Division II Estimated Costs for FY 2028**

Category	State	Federal	Total
MEPD	\$ 721,000	\$ 1,246,000	\$ 1,967,000
Medicare Part B Premiums	196,000	338,000	534,000
Medicare Part D Clawback	533,000	0	533,000
MEPD Premiums Collected	-131,000	-226,000	-356,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
<b>Total</b>	<b>\$ 1,934,000</b>	<b>\$ 1,973,000</b>	<b>\$ 3,907,000</b>

Totals may not sum due to rounding.

**Figure 3 — Division II Estimated Costs for FY 2029**

Category	State	Federal	Total
MEPD	\$ 2,093,000	\$ 3,615,000	\$ 5,708,000
Medicare Part B Premiums	585,000	1,011,000	1,597,000
Medicare Part D Clawback	1,595,000	0	1,595,000
MEPD Premiums Collected	-379,000	-655,000	-1,035,000
MEPD FTE Position	42,000	55,000	97,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
<b>Total</b>	<b>\$ 4,550,000</b>	<b>\$ 4,640,000</b>	<b>\$ 9,191,000</b>

Totals may not sum due to rounding.

## **Division III — Eligibility for Certain Programs**

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### **Description**

Division III of the Bill relates to public assistance eligibility and does the following:

- Allows the HHS to require proof of 12 months of continuous residency through documentation for certain public assistance programs, unless prohibited by federal law.
- Requires the HHS to use the Systematic Alien Verification for Entitlements (SAVE) online service maintained by the U.S. Department of Homeland Security (DHS) to verify immigration and citizenship information when determining eligibility for public assistance programs.

### **Background**

The HHS is currently required to access information maintained by the U.S. Citizenship and Immigration Services (USCIS) of the DHS when determining eligibility for public assistance programs.

The [SAVE](#) system is an online service for registered federal, State, territorial, tribal, and local government agencies to verify the immigration and citizenship status of applicants seeking benefits or licenses, administered by the USCIS of the DHS. A user agency is charged a monthly service charge of \$25 for each month in which the user agency submits at least one SAVE case. As of April 1, 2025, nonfederal user agencies were not charged a fee for each case run through SAVE.

### **Assumptions**

- The HHS will require 1.0 new Income Maintenance Worker 2 FTE position to comply with public assistance residency requirements.
- The Income Maintenance Worker 2 FTE position will cost approximately \$88,000 annually.
- The State will pay 43.18% of costs for the Income Maintenance Worker 2 position, while the federal government will pay 56.82%.
- The HHS will require 2.0 new Compliance Officer 2 FTE positions to ensure SAVE is appropriately applied and to conduct audits.
- Each Compliance Officer 2 FTE position will cost approximately \$129,000 annually.
- The State and the federal government will each pay 50.0% of costs for the Compliance Officer 2 positions.

### **Fiscal Impact**

Division III of the Bill is estimated to cost approximately \$346,000 annually and require 3.0 additional FTE positions, of which the State cost is \$167,000 and the federal cost is \$179,000.

## **Division IV — Miscellaneous Public Assistance Programs**

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### **Description**

Division IV of the Bill relates to public assistance programs under the purview of the HHS and does the following:

- Requires the HHS to restrict participation in WIC to citizens and qualified aliens.
- Allows a Medicaid Iowa Health and Wellness Plan (IHAWP) provider to impose a fee of up to \$5.00 on a member for missing an appointment.
- Increases the FPL threshold requiring IHAWP members to pay a monthly contribution from 50.0% to 100.0%.
- Requires IHAWP members to pay an \$8.00 copay for nonemergency use of a hospital emergency department.

- Requires IHAWP members who fail to complete required preventative and wellness activities to pay a monthly \$5.00 fee during the subsequent year of membership.
- Requires an IHAWP member whose household income is at or above 100.0% of the FPL to pay a \$5.00 copay for diagnostic dental procedures and a \$1.00 copay for a prescription drug when an equivalent generic drug is available.
- Requires the HHS to fully implement the requirements for public assistance programs pursuant to 2023 Iowa Acts, chapter [104](#) (Public Assistance Program Oversight Act), by January 1, 2027.
- Requires the HHS to seek approval for an amendment to the Section 1115 demonstration Medicaid waiver for IHAWP from the CMS to provide that an IHAWP member whose eligibility is terminated due to nonpayment of monthly contributions owed as a result of the member's failure to complete required preventative and wellness activities will be allowed to subsequently reenroll without paying any outstanding monthly contributions, if the member has not been terminated previously for nonpayment of monthly contributions. Provides that an IHAWP member who has previously been terminated for nonpayment of monthly contributions is subject to payment of outstanding monthly contributions prior to reenrollment.

## **Background**

Currently, IHAWP members with household income at or above 50.0% of the FPL are required to pay monthly contributions, with exemptions. The monthly contribution for a member with household income between 50.0% and 100.0% of the FPL is \$5.00. The monthly contribution for a member with household income above 100.0% of the FPL is \$10.00. The monthly contribution is waived during the member's first 12 months of continuous enrollment. Members are exempted from the monthly contributions if the member completes a wellness examination and health risk assessment in the previous enrollment period. Iowa Health and Wellness Plan members are currently subject to an \$8.00 copay for nonemergency use of a hospital emergency department.

The [Public Assistance Program Oversight Act](#) made various changes related to public assistance programs under the HHS, including requiring Medicaid recipients to cooperate with Child Support Services (CSS) as a condition of eligibility. The Act required that the HHS implement the Act in an incremental fashion with a goal of full implementation no later than July 1, 2025. The HHS has not fully implemented the Act.

## **Assumptions**

### **WIC**

- Restricting participation in WIC to citizens and qualified aliens will require increased IT system costs and training and materials costs in FY 2027 and FY 2028 for the HHS.
- The State will pay the full amount for the IT system upgrades related to the WIC eligibility restrictions.
- The federal government will pay all costs for the training and materials related to the WIC eligibility restrictions.
- The IHAWP cost-sharing changes in Division IV are estimated to increase costs for the MMIS contract.
- The State will pay 25.0% of costs for the MMIS contract, while the federal government will pay 75.0%.
- The HHS will require 7.0 new Income Maintenance Worker 2 FTE positions and 1.0 new Administrative Support Assistant 1 FTE position for IHAWP reenrollment determinations.
- Each Income Maintenance Worker 2 FTE position will cost \$88,000 annually.

- The Administrative Support Assistant 1 FTE position will cost \$62,000 annually.
- The State will pay 43.18% of costs for the Income Maintenance Worker 2 and Administrative Support Assistant 1 positions, while the federal government will pay 56.82%.
- According to the HHS, the IHAWP changes in Division IV will be superseded by federal changes in the [One Big Beautiful Bill Act \(OBBBA\)](#) beginning in FY 2028.
- The HHS will amend their program integrity contract.
- The State and the federal government will each pay 50.0% of costs for program integrity implementation.

### **CSS System**

- The HHS will require one-time CSS system upgrades to comply with the requirements of the Public Assistance Program Oversight Act.
- The State will pay 34.0% of costs for CSS system upgrades, while the federal government will pay 66.0%.
- The HHS estimates that to comply with the Act, 86.0 new FTE positions will be needed for CSS, which will cost the following annually:
  - 71.0 Support Recovery Officer positions at \$111,000 each.
  - 6.0 Support Recovery Officer positions at \$149,000 each.
  - 4.0 Assistant Attorneys General 1 positions at \$149,000 each.
  - 1.0 Administrative Support Assistant 3 position at \$96,000.
  - 2.0 Accounting Clerk 2 positions at \$85,000 each.
  - 2.0 Management Analyst 3 positions at \$149,000 each.

### **Medicaid**

- The HHS estimates that to comply with the Act, 3.0 new FTE positions will be needed for Medicaid, which will cost the following annually:
  - 2.0 Income Maintenance Worker 6 positions at \$119,000 each.
  - 1.0 Management Analyst 3 position at \$123,000.
- The FTE positions necessary to comply with the Act will begin employment in January 2027.
- The State will pay 34.0% of costs of CSS staff, while the federal government will pay 66.0%.
- The State and the federal government will each pay 50.0% of costs for Medicaid staff.
- The HHS will require one-time IT programming updates for the HHS's eligibility system to comply with the Act.
- The State will pay 25.34% of costs for the eligibility system, while the federal government will pay 74.66%.
- The HHS will require data source connection upgrades to comply with the Act.
- The State will pay 47.0% of costs for the data source connection upgrades, while the federal government will pay 53.0%.
- The HHS will require costs for Medicaid referrals to comply with the Act.
- The State will pay 34.0% of costs for the Medicaid referrals, while the federal government will pay 66.0%.

### **Fiscal Impact**

Division IV of the Bill is estimated to cost \$116.0 million and require 52.5 FTE positions in FY 2027, of which the State cost is \$40.9 million and the federal cost is \$75.1 million. The total estimated costs for FY 2028 are approximately \$10.5 million and 89.0 FTE positions, of which the State cost is \$3.7 million and the federal cost is \$6.8 million. The total estimated costs for

FY 2029 are approximately \$10.3 million and 89.0 FTE positions, of which the State cost is \$3.6 million and the federal cost is \$6.7 million. **Figure 4** shows the breakout of costs in FY 2027 to implement Division IV. **Figure 5** shows the breakout of costs in FY 2028. **Figure 6** shows annual, ongoing costs for FY 2029.

**Figure 4 — Division IV Estimated Costs for FY 2027**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
WIC IT System Upgrades	\$ 505,000	\$ 0	\$ 505,000
WIC Training and Materials	0	130,000	130,000
MMIS Contract	50,000	149,000	199,000
IHAWP Reenrollment FTE Positions	293,000	385,000	678,000
Program Integrity Contract	138,000	138,000	275,000
CSS System	34,000,000	66,000,000	100,000,000
CSS Staffing	1,692,000	3,284,000	4,976,000
Medicaid Staffing	90,000	90,000	181,000
Data Source Connections	3,950,000	4,454,000	8,404,000
Medicaid Referrals	179,000	347,000	525,000
Eligibility System	32,000	93,000	125,000
<b>Total</b>	<b>\$ 40,927,000</b>	<b>\$ 75,070,000</b>	<b>\$115,997,000</b>

Totals may not sum due to rounding.

**Figure 5 — Division IV Estimated Costs for FY 2028**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
WIC IT System Upgrades	\$ 98,000	\$ 0	\$ 98,000
WIC Training and Materials	0	70,000	70,000
CSS Staffing	3,383,000	6,568,000	9,951,000
Medicaid Staffing	181,000	181,000	361,000
<b>Total</b>	<b>\$ 3,662,000</b>	<b>\$ 6,818,000</b>	<b>\$10,480,000</b>

Totals may not sum due to rounding.

**Figure 6 — Division IV Estimated Costs for FY 2029**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
CSS Staffing	\$ 3,383,000	\$ 6,568,000	\$ 9,951,000
Medicaid Staffing	181,000	181,000	361,000
<b>Total</b>	<b>\$ 3,564,000</b>	<b>\$ 6,748,000</b>	<b>\$10,313,000</b>

Totals may not sum due to rounding.

## **Division VII — Medicaid Reimbursement Rate — Special Population Nursing Facilities**

### **Description**

Division VII of the Bill requires the HHS to set the Medicaid reimbursement rate for certain special population nursing facilities (SPNFs) at the facility's average allowable per diem cost adjusted for inflation based on the special nursing facility market basket index. Division VII

provides that the reimbursement requirements established in the Bill also apply to new beds and services.

## Background

The calculation for the per diem limits on skilled nursing facilities (SNFs) and SPNFs is based on the median amounts for direct care and nondirect care costs. The current FY 2027 per diem limit is set to be \$632.53.

There are currently two entities that qualify as an SPNF as defined by the Bill, including [On With Life \(OWL\)](#) and ChildServe.

## Assumptions

- The per diem limit in FY 2027 will be \$818.78 for OWL and \$809.45 for ChildServe.
- The per diem limit will increase by approximately 3.0% annually.
- The estimated Medicaid days for OWL are 13,526 annually, and 2,136 annually for ChildServe.
- The State will pay 36.83% of costs for the increased per diems, while the federal government will pay 63.17%.

## Fiscal Impact

Division VII of the Bill is estimated to cost approximately \$2.9 million in FY 2027, of which the State cost is \$1.1 million and the federal cost is \$1.8 million. The total estimated costs for FY 2028 are approximately \$3.3 million, of which the State cost is \$1.2 million and the federal cost is \$2.1 million. The total estimated costs for FY 2029 are approximately \$3.7 million, of which the State cost is \$1.4 million and the federal cost is \$2.3 million.

## Fiscal Impact Summary

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In addition to the costs specified for each division of the Bill, there are estimated costs associated with the multiple divisions of the Bill in FY 2027, including the following:

- Waiver technical assistance costs.
- Additional IT costs.
- Implementation costs for the MMIS contract.
- Implementation costs for the eligibility system.

The total anticipated costs for HF 2716 are estimated to be \$124.8 million and 61.5 FTE positions in FY 2027, of which the State cost is \$44.0 million and the federal cost is \$80.8 million. For FY 2028, costs are estimated to be \$18.0 million and 98.0 FTE positions, of which the State cost is \$7.0 million and the federal cost is \$11.1 million. For FY 2029, costs are estimated to be \$23.5 million and 99.0 FTE positions, of which the State cost is \$9.6 million and the federal cost is \$13.9 million. **Figure 7** shows the breakout of costs in FY 2027. **Figure 8** shows the breakout of costs in FY 2028. **Figure 9** shows the breakout of annual, ongoing costs in FY 2029. **Figures 8** and **9** include MEPD premiums collected, offsetting costs.

**Figure 7 — House File 2716 Estimated Costs for FY 2027**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
Eligibility System (Division II)	\$ 39,000	\$ 115,000	\$ 154,000
Premium Payment System	229,000	229,000	457,000
IT Costs (Division II)	2,000	6,000	8,000
MMIS Contract (Division II)	18,000	53,000	70,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
Division III FTE Positions	167,000	179,000	346,000
WIC IT System Upgrades	505,000	0	505,000
WIC Training and Materials	0	130,000	130,000
MMIS Contract (Division IV)	50,000	149,000	199,000
IHAWP Reenrollment FTE Positions	293,000	385,000	678,000
Program Integrity Implementation	138,000	138,000	275,000
CSS System	34,000,000	66,000,000	100,000,000
CSS Staffing	1,692,000	3,284,000	4,976,000
Medicaid Staffing	90,000	90,000	181,000
Data Source Connections	3,950,000	4,454,000	8,404,000
Medicaid Referrals	179,000	347,000	525,000
Eligibility System	32,000	93,000	125,000
SPNF Reimbursement	1,069,000	1,833,000	2,902,000
Waiver Tech. Assistance (Full Bill)	50,000	50,000	100,000
IT Costs (Full Bill)	239,000	781,000	1,020,000
MMIS Contract (Full Bill)	8,000	23,000	31,000
Eligibility System (Full Bill)	632,000	1,863,000	2,496,000
<b>Total</b>	<b>\$ 43,993,000</b>	<b>\$ 80,817,000</b>	<b>\$ 124,810,000</b>

Totals may not sum due to rounding.

**Figure 8 — House File 2716 Estimated Costs for FY 2028**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
MEPD	\$ 721,000	\$ 1,246,000	\$ 1,967,000
Medicare Part B Premiums	196,000	338,000	534,000
Medicare Part D Clawback	533,000	0	533,000
MEPD Premiums Collected	-131,000	-226,000	-356,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
Division III FTE Positions	167,000	179,000	346,000
WIC IT System Upgrades	98,000	0	98,000
WIC Training and Materials	0	70,000	70,000
CSS Staffing	3,383,000	6,568,000	9,951,000
Medicaid Staffing	181,000	181,000	361,000
SPNF Reimbursement	1,205,000	2,081,000	3,287,000
<b>Total</b>	<b>\$ 6,968,000</b>	<b>\$ 11,052,000</b>	<b>\$ 18,020,000</b>

Totals may not sum due to rounding.

**Figure 9 — House File 2716 Estimated Costs for FY 2029**

<b>Category</b>	<b>State</b>	<b>Federal</b>	<b>Total</b>
MEPD	\$ 2,093,000	\$ 3,615,000	\$ 5,708,000
Medicare Part B Premiums	585,000	1,011,000	1,597,000
Medicare Part D Clawback	1,595,000	0	1,595,000
MEPD Premiums Collected	-379,000	-655,000	-1,035,000
MEPD FTE Position	42,000	55,000	97,000
Cost Neutrality FTE Positions	365,000	365,000	729,000
Cost Neutrality Actuarial Services	250,000	250,000	500,000
Division III FTE Positions	167,000	179,000	346,000
CSS Staffing	3,383,000	6,568,000	9,951,000
Medicaid Staffing	181,000	181,000	361,000
SPNF Reimbursement	1,351,000	2,332,000	3,683,000
<b>Total</b>	<b>\$ 9,632,000</b>	<b>\$ 13,900,000</b>	<b>\$ 23,532,000</b>

Totals may not sum due to rounding.

**Sources**

Department of Health and Human Services  
 Department of Management Division of Information Technology

/s/ Jennifer Acton

March 10, 2026

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The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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