

Senate File 615 - Enrolled

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AN ACT

RELATING TO WORK REQUIREMENTS FOR THE IOWA HEALTH AND WELLNESS PLAN, PUBLIC ASSISTANCE PROGRAMS, AN INFORMATION TECHNOLOGY FUND, THE PUBLIC ASSISTANCE MODERNIZATION FUND, AND THE MEDICAID FOR EMPLOYED PEOPLE WITH DISABILITIES PROGRAM, AND INCLUDING EFFECTIVE DATE PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

IOWA HEALTH AND WELLNESS PLAN — WORK REQUIREMENTS

Section 1. NEW SECTION. **249N.4A Work requirements.**

1. The department shall request any federal approval necessary to include work requirements as a condition of a

member maintaining eligibility for the Iowa health and wellness plan.

2. The goal of including work requirements is to reduce the dependence of low-income Iowans on public assistance programs through efforts that advance economic stability and mobility.

3. The department shall require as a condition of maintaining eligibility for the Iowa health and wellness plan that a member work at least eighty hours each month, as determined by the department.

4. The department shall exempt an individual from the work requirements for the Iowa health and wellness plan if the individual meets any of the following criteria:

- a. The individual is under nineteen years of age.
- b. The individual is sixty-five years of age or older.
- c. The individual is determined to be disabled by the United States social security administration.
- d. The individual is identified as medically frail or medically exempt under the Medicaid program.
- e. The individual is a caretaker of a dependent child under six years of age.
- f. The individual is pregnant and the pregnancy is high risk.
- g. The individual is receiving unemployment compensation as determined by the department of workforce development.
- h. The individual is participating in substance use disorder treatment, not to exceed a consecutive six-month period.
- i. The individual is otherwise exempt for good cause as determined by the director.

5. To maximize fiscal stability and administrative efficiency, any exemption applied under the Iowa health and wellness plan shall be substantially similar to the exemptions applied under other public assistance programs.

6. Upon the department's receipt of federal approval, and the department's operationalizing of a real-time system to facilitate recipient reporting and department evaluation efforts, the department shall implement work requirements as a condition of maintaining eligibility for the Iowa health and wellness plan. The department shall adopt rules pursuant to chapter 17A as necessary to administer the work requirements for the Iowa health and wellness plan.

7. The department may resubmit a request for federal approval

submitted under subsection 1 if the initial request is denied or withdrawn for any reason.

8. If the department receives federal approval to include work requirements as a condition of a member maintaining eligibility for the Iowa health and wellness plan, and if federal law or regulations affecting work requirements for the Iowa health and wellness plan are modified to exclude work requirements as a condition of a member maintaining eligibility as provided in this section, the department shall discontinue the Iowa health and wellness plan, subject to federal approval. If, under federal law, the department is not allowed to discontinue the Iowa health and wellness plan, the department may implement an alternative plan as specified in the medical assistance state plan or waiver for coverage of the affected population, subject to prior statutory approval of implementation of the alternative plan.

Sec. 2. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION II

WORK RULES AND REQUIREMENTS FOR PUBLIC ASSISTANCE PROGRAMS

Sec. 3. PUBLIC ASSISTANCE PROGRAMS — WORK RULES AND REQUIREMENTS ALIGNMENT. The department of health and human services shall work with the United State department of health and human services and the United States department of agriculture to align the requirements and rules for participants of public assistance programs related to working, including but not limited to rules and requirements related to employment and training for the supplemental nutrition assistance program.

DIVISION III

INFORMATION TECHNOLOGY

Sec. 4. NEW SECTION. **217.25 Information technology fund.**

1. An information technology fund is created in the state treasury under the control of the department of health and human services. The fund shall consist of moneys appropriated or transferred to, or deposited in, the fund as provided by law. All moneys deposited or paid into the fund are appropriated to the department of health and human services to be used for information technology systems and related modernization initiatives.

2. Notwithstanding section 8.33, moneys appropriated in this

section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

Sec. 5. TRANSFER OF MONEYS. Any unobligated or unencumbered moneys remaining in the public assistance modernization fund created in section 239.11, on June 30, 2025, shall be transferred to the information technology fund created in section 217.25, as enacted in this division of this Act.

Sec. 6. REPEAL. Section 239.11, Code 2025, is repealed.

DIVISION IV

MEDICAID FOR EMPLOYED PEOPLE WITH DISABILITIES PROGRAM

Sec. 7. Section 249A.3, subsection 2, paragraph a, subparagraph (1), subparagraph division (a), Code 2025, is amended to read as follows:

(a) As allowed under 42 U.S.C. §1396a(a)(10)(A)(ii)(XIII), individuals with disabilities, who are less than sixty-five years of age, who are members of families whose income is less than two hundred fifty percent of the most recently revised official poverty guidelines published by the United States department of health and human services for the family, who have earned income and who are eligible for mandatory medical assistance or optional medical assistance under this section if earnings are disregarded. As allowed by 42 U.S.C. §1396a(r)(2), unearned income shall also be disregarded in determining whether an individual is eligible for assistance under this subparagraph. For the purposes of determining the amount of an individual's resources under this subparagraph and as allowed by 42 U.S.C. §1396a(r)(2), a maximum of ten thousand dollars of available resources for an individual and twenty-one thousand dollars of available resources for a couple shall be disregarded, and any additional resources held in a retirement account, in a medical savings account, or in any other account approved under rules adopted by the department shall also be disregarded.

AMY SINCLAIR
President of the Senate

PAT GRASSLEY
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 615, Ninety-first General Assembly.

W. CHARLES SMITHSON
Secretary of the Senate

Approved _____, 2025

KIM REYNOLDS
Governor

unofficial