

House File 2438 - Introduced

HOUSE FILE 2438
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HSB 698)

A BILL FOR

1 An Act relating to public assistance program integrity.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

AUTHENTICATION SYSTEM FOR PUBLIC ASSISTANCE PROGRAMS

Section 1. NEW SECTION. 239.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "*Applicant*" means an individual who is applying for public assistance benefits in the state.

2. "*Department*" means the department of human services.

3. "*Public assistance*" means the food assistance program as defined in section 234.1, the Medicaid program as defined in section 249A.1, the family investment program as defined in section 239B.1, and the children's health insurance program.

Sec. 2. NEW SECTION. 239.2 Identity authentication — rules.

Unless otherwise prohibited by federal law or regulation, prior to the department awarding public assistance benefits, an applicant shall complete a computerized identity authentication process to confirm the identity of the applicant. Identity authentication shall be accomplished through a knowledge-based questionnaire consisting of financial and personal questions. The questionnaire shall contain questions tailored to assist persons without a bank account or those who have poor access to financial and banking services or who do not have an established credit history. The computerized identity authentication process and questionnaire may be completed and submitted online, in person, or via telephone by the applicant or a person authorized by the applicant. The department may adopt rules pursuant to chapter 17A to administer this section.

Sec. 3. PROGRAM REPORT. The department of human services shall submit a report to the governor and the general assembly by January 15, 2024, and by January 15 annually thereafter through January 15, 2029, detailing the impact of the identity authentication measures taken under this division of this Act.

DIVISION II

FOOD ASSISTANCE AND MEDICAID PROGRAM INTEGRITY AND COOPERATION

1 Sec. 4. NEW SECTION. 234.12B Ensuring integrity in the food
2 assistance program — rules.

3 1. *State records — individuals.* The department of
4 human services shall receive and review all of the following
5 information concerning individuals enrolled in the food
6 assistance program that indicates a change in circumstances
7 that may affect eligibility:

8 *a. Death records.* On at least a monthly basis, information
9 from the department of public health including but not limited
10 to death records.

11 *b. Employment information.* On at least a quarterly basis,
12 information from the department of workforce development
13 including but not limited to changes in employment or wages.

14 *c. Residency information.* On at least a monthly basis,
15 information including but not limited to potential changes in
16 residency as identified by out-of-state electronic benefit
17 transfer transactions.

18 *d. Incarceration information.* On at least a monthly basis,
19 information from the department of corrections.

20 2. *State records — households.* The department of human
21 services shall receive and review all of the following
22 information concerning individuals in households enrolled
23 in the food assistance program that indicates a change in
24 circumstances that may affect eligibility:

25 *a. Tax information.* On at least a quarterly basis,
26 information from the department of revenue including but not
27 limited to potential changes in income, wages, or residency as
28 identified by tax records.

29 *b. Unemployment information.* On at least a semi-monthly
30 basis, information from the department of workforce development
31 including but not limited to potential changes in employment,
32 income, or assets.

33 3. *Federal records — households.* The department of human
34 services shall cross-check information relating to individuals
35 in households enrolled in the food assistance program with

1 federal databases including but not limited to all of the
2 following, on at least a monthly basis:

3 *a.* Earned income information, death register information,
4 incarceration records, supplemental security income
5 information, beneficiary records, earnings information, and
6 pension information maintained by the United States social
7 security administration.

8 *b.* Income and employment information maintained in the
9 national directory of new hires database and child support
10 enforcement data maintained by the United States department of
11 health and human services.

12 *c.* Payment and earnings information maintained by the United
13 States department of housing and urban development.

14 *d.* National fleeing felon information maintained by the
15 United States federal bureau of investigation.

16 4. *Rules.* The department of human services may adopt rules
17 pursuant to chapter 17A to administer this section.

18 Sec. 5. NEW SECTION. 234.12C **Cooperation with child support**
19 **enforcement.**

20 An applicant for food assistance program benefits shall be
21 required to cooperate with the child support recovery unit as a
22 condition of eligibility as specified in 7 C.F.R. §273.11(o).

23 Sec. 6. NEW SECTION. 249A.58 **Ensuring integrity in the**
24 **medical assistance program — recipient and applicant information**
25 **reviewed — rules.**

26 1. *State records — recipients.* The department shall
27 receive and review all of the following information concerning
28 recipients that indicates a change in circumstances that may
29 affect eligibility:

30 *a. Death records.* On at least a monthly basis, information
31 from the department of public health including but not limited
32 to death records.

33 *b. Employment information.* On at least a quarterly basis,
34 information from the department of workforce development
35 including but not limited to changes in employment or wages.

1 *c. Residency information.* On at least a monthly basis,
2 information including but not limited to potential changes in
3 residency as identified by out-of-state electronic benefit
4 transfer transactions.

5 *d. Tax records.* On at least a quarterly basis, information
6 from the department of revenue including but not limited to
7 potential changes in income, wages, or residency as identified
8 by tax records.

9 *e. Unemployment information.* On at least a semi-monthly
10 basis, information from the department of workforce development
11 including but not limited to potential changes in employment,
12 income, or assets.

13 2. *Federal records — recipients.* The department shall
14 cross-check information relating to recipients with federal
15 databases including but not limited to all of the following, on
16 at least a monthly basis:

17 *a.* Earned income information, death register information,
18 incarceration records, supplemental security income
19 information, beneficiary records, earnings information, and
20 pension information maintained by the United States social
21 security administration.

22 *b.* Income and employment information maintained by the
23 national directory of new hires database and child support
24 enforcement data maintained by the United States department of
25 health and human services.

26 *c.* Payment and earnings information maintained by the United
27 States department of housing and urban development.

28 *d.* National fleeing felon information maintained by the
29 United States federal bureau of investigation.

30 3. *Real-time record review — applicants.* Prior to
31 determining the eligibility of an applicant for Medicaid, the
32 department shall access information for every member of the
33 applicant's household from the data sources specified in this
34 section and shall conduct a review of nationwide public records
35 data sources of physical asset ownership. The nationwide

1 public records data sources may include but are not limited to
2 records of real property and automobiles, watercraft, aircraft,
3 luxury vehicles, and any other vehicles owned by the applicant.

4 4. *Rules.* The department may adopt rules pursuant to
5 chapter 17A to administer this section.

6 DIVISION III

7 IOWA HEALTH AND WELLNESS PLAN — REENROLLMENT

8 Sec. 7. IOWA HEALTH AND WELLNESS PLAN — MEMBER

9 REENROLLMENT FOLLOWING TERMINATION FOR NONPAYMENT OF MONTHLY
10 CONTRIBUTIONS. The department of human services shall seek
11 approval of an amendment to the section 1115 demonstration
12 waiver for the Iowa health and wellness plan from the centers
13 for Medicare and Medicaid services of the United States
14 department of health and human services to provide the
15 following:

16 1. An Iowa health and wellness plan member who is not
17 otherwise exempt from payment of a monthly contribution, who
18 is subject to payment of a monthly contribution as the result
19 of failure to complete required healthy behaviors, and whose
20 eligibility for the program is terminated due to nonpayment
21 of monthly contributions, shall be allowed to subsequently
22 reenroll in the program without first paying any outstanding
23 monthly contributions, if the member has not been terminated
24 from the program previously for nonpayment of monthly
25 contributions.

26 2. Following an initial termination from the Iowa health and
27 wellness program pursuant to subsection 1, if an Iowa health
28 and wellness plan member is subsequently terminated from the
29 program pursuant to subsection 1 for nonpayment of monthly
30 contributions, the member shall be subject to payment of any
31 outstanding monthly contributions accrued since the subsequent
32 termination not to exceed the aggregate annual copayment and
33 monthly contribution limits prior to reenrollment in the
34 program.

35 3. This section shall not apply to an Iowa health and

1 wellness plan member who is deemed to be in substantial
2 compliance with the healthy behaviors requirement to complete a
3 wellness examination by providing proof of a scheduled wellness
4 examination appointment, if the appointment is scheduled
5 no later than ninety days beyond the end of the applicable
6 enrollment period.

7 DIVISION IV

8 IMPLEMENTATION PROVISIONS

9 Sec. 8. IMPLEMENTATION PROVISIONS.

10 1. The department of human services shall request federal
11 approval including for any state plan amendment or waiver
12 necessary to administer this Act.

13 2. If the department of human services determines that any
14 provision of this Act would result in the denial of funds or
15 services from the federal government that would otherwise be
16 available or would be inconsistent with the requirements of
17 federal law or regulation, such provision shall be suspended,
18 but only to the extent necessary to eliminate the inconsistency
19 with federal requirements.

20 3. The department of human services shall implement the
21 provisions of this Act in an incremental fashion, beginning
22 July 1, 2022, with a goal of full implementation no later
23 than June 30, 2024, to minimize duplication of efforts and to
24 maximize coordination with the implementation time frames of
25 other departmental resource enhancements.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with
28 the explanation's substance by the members of the general assembly.

29 This bill relates to various public assistance programs
30 and includes provisions regarding authentication of public
31 assistance program applicant identity, integrity in and
32 cooperation between certain programs, and reenrollment
33 following member termination from the Iowa health and wellness
34 plan.

35 DIVISION I. The division requires that prior to the

1 department of human services (DHS) awarding public assistance
2 benefits to an applicant, the applicant shall complete a
3 computerized identity authentication process to confirm the
4 identity of the applicant through the use of a knowledge-based
5 questionnaire consisting of financial and personal questions
6 tailored to assist persons without a bank account or those
7 who have poor access to financial and banking services or
8 who do not have an established credit history. The identity
9 authentication process and questionnaire may be submitted
10 online, in person, or via telephone by the applicant or a
11 person authorized by the applicant. The bill authorizes DHS to
12 adopt administrative rules to administer the bill and requires
13 DHS to submit an annual report to the governor and the general
14 assembly to assess the impact of the bill.

15 DIVISION II. The division relates to food assistance
16 program and Medicaid program integrity by requiring DHS
17 to, within specified time frames, receive and review state
18 and federal information from various entities concerning
19 individuals or individuals in households enrolled in the food
20 assistance program or the Medicaid program that indicates
21 a change in circumstances that may affect eligibility.
22 The information relates to death, employment, residency,
23 incarceration, tax, and unemployment information and involves
24 the provision of such information to DHS by the departments of
25 public health, workforce development, corrections, and revenue,
26 and information identified by out-of-state electronic benefit
27 transfer transactions. Additionally, the bill requires DHS to,
28 on at least a monthly basis, cross-check information relating
29 to individuals in households enrolled in the food assistance
30 program or the Medicaid program, as applicable, with specified
31 federal databases maintained by the United States social
32 security administration, the United States department of health
33 and human services, the United States department of housing
34 and urban development, and the United States federal bureau
35 of investigation. With regard to the Medicaid program only,

1 the bill also requires that prior to determining eligibility
2 for the Medicaid program, DHS shall access information for
3 every member of an applicant's household from the data sources
4 outlined in the bill and conduct a review of nationwide
5 public records data sources of physical asset ownership. The
6 data sources may include but are not limited to records of
7 real property and automobiles, watercraft, aircraft, luxury
8 vehicles, and any other vehicles owned by the applicant. The
9 bill also requires an applicant for food assistance program
10 benefits to cooperate with the child support recovery unit as a
11 condition of eligibility as specified under federal law.

12 DIVISION III. The division requires DHS to seek approval
13 of an amendment to the section 1115 demonstration waiver for
14 the Iowa health and wellness plan from the centers for Medicare
15 and Medicaid services of the United States department of
16 health and human services to provide both of the following:

17 (1) that an Iowa health and wellness plan member who is not
18 otherwise exempt from payment of a monthly contribution, who
19 is subject to payment of a monthly contribution as the result
20 of failure to complete required healthy behaviors, and whose
21 eligibility for the program is terminated due to nonpayment of
22 monthly contributions shall be allowed to subsequently reenroll
23 in the program without first paying any outstanding monthly
24 contributions, if the member has not been terminated from the
25 program previously for nonpayment of monthly contributions, and
26 (2) following an initial termination from the Iowa health and
27 wellness program, if an Iowa health and wellness plan member
28 is subsequently terminated from the program for nonpayment of
29 monthly contributions, the member shall be subject to payment
30 of any outstanding monthly contributions accrued since the
31 subsequent termination and not to exceed program limits prior
32 to reenrollment in the program.

33 The bill does not apply to an Iowa health and wellness plan
34 member who is deemed to be in substantial compliance with the
35 requirement to complete a wellness examination by providing

1 proof of a scheduled examination appointment if the appointment
2 is scheduled no later than 90 days beyond the end of the
3 applicable enrollment period.

4 DIVISION IV. The division provides implementation
5 provisions for the bill. The bill requires DHS to request
6 federal approval including for any state plan amendment or
7 waiver necessary to administer the bill. If DHS determines
8 that any provision of the bill would result in the denial
9 of funds or services from the federal government that would
10 otherwise be available or would be inconsistent with the
11 requirements of federal law or regulation, such provision shall
12 be suspended, but only to the extent necessary to eliminate the
13 inconsistency with federal requirements. DHS shall implement
14 the provisions of the bill in an incremental fashion, beginning
15 July 1, 2022, with a goal of full implementation no later
16 than June 30, 2024, to minimize duplication of efforts and to
17 maximize coordination with the implementation time frames of
18 other departmental resource enhancements.