

**House File 905 - Introduced**

HOUSE FILE 905  
BY COMMITTEE ON HEALTH AND HUMAN  
SERVICES

(SUCCESSOR TO HSB 241)

**A BILL FOR**

1 An Act relating to the establishment of the work without worry  
2 program under the medical assistance program for employed  
3 individuals with disabilities, and including effective date  
4 provisions.

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

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1 Section 1. NEW SECTION. **2490.1 Definitions.**

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

4 1. "*Countable income*" means the income of an individual  
5 when the income is received and can be used to meet the  
6 individual's needs for food, clothing, and shelter. "*Countable*  
7 *income*" does not include the income of another member of the  
8 individual's household, or certain receipts as described in 20  
9 C.F.R. §416.1103.

10 2. "*Department*" means the department of health and human  
11 services.

12 3. "*Disability*" means a qualifying disability as determined  
13 by the federal social security administration, or the individual  
14 is determined by the department to have a physical or mental  
15 impairment, or combination of impairments, that have lasted or  
16 are expected to last for at least twelve months or result in  
17 death.

18 4. "*Long-term services and supports*" means the broad  
19 range of health, health-related, and personal care assistance  
20 services and supports, provided in home and community-based  
21 settings, necessary for persons with disabilities who experience  
22 limitations in their capacity for self-care due to a physical,  
23 cognitive, or mental disability or condition.

24 5. "*Program*" means the work without worry program established  
25 in section 2490.3.

26 Sec. 2. NEW SECTION. **2490.2 Program — intent.**

27 It is the intent of the general assembly to remove  
28 barriers to employment for individuals who, but for income  
29 and resources, meet the definition of disability, by providing  
30 medical assistance to employed individuals with disabilities  
31 through a work without worry program in accordance with section  
32 1902(a)(10)(A)(ii)(XIII) of the federal Social Security Act, and  
33 Medicaid eligibility, using less restrictive income and resource  
34 requirements through the application of section 1902(r)(2) of  
35 the federal Social Security Act, and cost-sharing requirements

1 established by the department and approved by the centers for  
2 Medicare and Medicaid services of the United States department of  
3 health and human services.

4 Sec. 3. NEW SECTION. **2490.3 Program — established.**

5 1. The work without worry program is established under the  
6 medical assistance program and shall be administered by the  
7 department to provide employed individuals with disabilities  
8 access to health care coverage through the medical assistance  
9 program.

10 2. Except as otherwise specified in this chapter, provisions  
11 applicable to the medical assistance program pursuant to chapter  
12 249A shall be applicable to the program.

13 3. In addition to the benefits received under the program, an  
14 individual shall have access to all traditional Medicaid services  
15 under the medical assistance program, as well as additional  
16 long-term services and supports and community-based services,  
17 including waiver services, for which the individual meets any  
18 applicable level of care requirements.

19 4. The department shall make every effort to coordinate  
20 benefits with the health care coverage provided by an employer of  
21 an employed individual with a disability receiving benefits under  
22 this chapter.

23 Sec. 4. NEW SECTION. **2490.4 Program — eligibility.**

24 1. Except as otherwise provided in this chapter, an  
25 individual may participate in the program if the individual meets  
26 all of the following criteria:

27 a. The individual is eligible for the medical assistance  
28 program under chapter 249A.

29 b. The individual is at least eighteen years of age.

30 c. The individual is less than sixty-five years of age.

31 d. The individual has a disability.

32 e. The individual is employed and earns income from  
33 employment, which may include self-employment. An individual is  
34 employed if the individual receives earnings that are subject to  
35 federal income tax, and unless the individual is self-employed,

1 has payroll taxes deducted from those earnings.

2 2. The department shall not adopt a rule for program  
3 eligibility based upon any of the following:

4 a. An individual's income or resources.

5 b. A resource test or limit.

6 c. An individual's receipt of federal disability benefits.

7 3. An individual who receives supplemental security income  
8 shall be automatically eligible for the program and shall not be  
9 required to submit a separate application for the program.

10 4. An individual may be eligible for or receive other health  
11 care coverage including through an employer, through Medicare,  
12 or through the medically needy program, the qualified Medicare  
13 beneficiary program, or the specified low-income Medicare  
14 beneficiary program. If the individual has such other coverage  
15 and is subject to payment of copayments or premiums for that  
16 coverage, notwithstanding the premium requirements under the  
17 program to the contrary, the individual shall not be subject to  
18 payment of premiums otherwise applicable under the program.

19 **Sec. 5. NEW SECTION. 2490.5 Program — premiums.**

20 1. An individual's monthly program premium amount shall  
21 equal, rounded down to the nearest whole dollar, six percent of  
22 the individual's verified countable income.

23 a. An individual shall report any change in the individual's  
24 countable income to the department.

25 b. The department shall utilize the individual's verified  
26 countable income until the individual reports a change in  
27 countable income and the change is processed by the department,  
28 unless there is good cause for the department's delay in  
29 verifying the change in the individual's countable income.

30 c. A change in an individual's program premium amount shall  
31 be effective the month after the change in the individual's  
32 countable income is reported to and verified by the department.

33 2. An individual shall be covered under the program for six  
34 consecutive months beginning the first day of the month in which  
35 the department approves the individual's application for the

1 program.

2 3. The department shall create a six-month grace period that  
3 provides continuous program coverage to an individual following  
4 the individual's temporary loss of employment, or a health  
5 crisis that temporarily prevents the individual from continuing  
6 employment. The individual shall be required to continue to pay  
7 the program premium based on the individual's verified countable  
8 income during the six-month grace period.

9 4. The department may terminate an individual's program  
10 coverage if the individual fails to pay four consecutive months  
11 of program premiums.

12 5. An individual must pay a program premium in full for any  
13 month that program coverage is provided, including a month when  
14 a redetermination of coverage is made, a month when continued  
15 coverage is requested, and during the period of an eligibility  
16 determination appeal.

17 **Sec. 6. NEW SECTION. 2490.6 Rules.**

18 The department shall adopt rules pursuant to chapter 17A to  
19 administer this chapter.

20 **Sec. 7. WORK WITHOUT WORRY PROGRAM — DEPARTMENT OF HEALTH  
21 AND HUMAN SERVICES.**

22 1. The department of health and human services shall submit  
23 any waiver request or state plan amendment, or combination  
24 thereof, to the centers for Medicare and Medicaid services of  
25 the United States department of health and human services as  
26 necessary to create a work without worry program in accordance  
27 with this Act.

28 2. Any individual participating in the Medicaid for employed  
29 persons with disabilities program when the work without worry  
30 program is implemented shall be transferred to and enrolled in  
31 the work without worry program.

32 **Sec. 8. EFFECTIVE DATE.** This Act, being deemed of immediate  
33 importance, takes effect upon enactment.

34 **EXPLANATION**

35 The inclusion of this explanation does not constitute agreement with

1                   the explanation's substance by the members of the general assembly.

2       This bill relates to the work without worry program under  
3 the medical assistance program for employed individuals with  
4 disabilities.

5       The bill defines "countable income" (income) and "disability".

6       The bill establishes a work without worry program (program)  
7 under the medical assistance program to be administered by the  
8 department of health and human services (HHS). The program shall  
9 provide employed individuals with disabilities access to health  
10 care coverage under the medical assistance program as well as  
11 long-term services and supports and community-based services for  
12 which the individual qualifies. The bill requires HHS to make  
13 every effort to coordinate benefits with health care coverage  
14 provided by the employer of an individual receiving program  
15 benefits.

16       Under current law, to be eligible for the Medicaid for  
17 employed people with disabilities program (MEPD program), an  
18 individual with disabilities must not exceed the individual or  
19 couple resource limits, or the monthly household income limits.  
20 The program eliminates these eligibility requirements.

21       The bill provides eligibility criteria for the program. The  
22 bill prohibits HHS from adopting a rule for program eligibility  
23 based on an individual's income or resources, a resource test  
24 or limit, or an individual's receipt of federal disability  
25 benefits. An individual receiving supplemental security income  
26 shall be automatically eligible for the program and is not  
27 required to submit an application. An individual participating  
28 in the program may be eligible for and receive other health care  
29 coverage as described in the bill. If an individual receives  
30 such coverage and pays a copayment or premium, the individual  
31 does not have to pay a program premium (premium).

32       The bill requires that the monthly premium equal 6 percent  
33 of an individual's verified income, rounded down to the nearest  
34 whole dollar. An individual shall report any change in the  
35 individual's income to HHS and shall pay a premium any month

1 program coverage is provided as detailed in the bill. HHS shall  
2 create a six-month grace period to provide continuous program  
3 coverage to an individual who temporarily loses employment  
4 or suffers a health crisis that prevents the individual from  
5 continuing employment. The individual shall be required to  
6 continue to pay the premium during the six-month grace period.  
7 HHS may terminate an individual's program coverage for failure to  
8 pay four consecutive months of premiums.

9 The bill requires HHS to adopt rules to administer the bill.

10 The bill requires HHS to submit any waiver request or state  
11 plan amendment to the federal centers for Medicare and Medicaid  
12 services as necessary to create the program.

13 The bill requires any individual participating in the MEPD  
14 program to be transferred to and enrolled in the program.

15 The bill is effective upon enactment.

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