

House File 948 - Introduced

HOUSE FILE 948
BY COMMITTEE ON HEALTH AND HUMAN
SERVICES

(SUCCESSOR TO HSB 248)

A BILL FOR

1 An Act relating to public assistance programs, work requirements
2 for the Iowa health and wellness plan, an information
3 technology fund, the public assistance modernization fund, and
4 the Medicaid for employed people with disabilities program and
5 program review and report.

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

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DIVISION I

IOWA HEALTH AND WELLNESS PLAN — WORK REQUIREMENTS

Section 1. IOWA HEALTH AND WELLNESS PLAN — WORK REQUIREMENTS.

1. The department of health and human services 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 may exempt an individual from the work requirements under this section 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 of health and human services.

5. To maximize fiscal stability and administrative efficiency, any exemption applied under the Iowa health and

1 wellness plan shall be substantially similar to the exemptions
2 applied under other public assistance programs.

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

11 7. The department may resubmit a request for federal approval
12 submitted under subsection 1 if the initial request is denied or
13 withdrawn for any reason.

14 Sec. 2. ALTERNATE PLAN. If federal law or regulations
15 affecting work requirements for the Iowa health and wellness
16 plan are modified to exclude work requirements as a basis for
17 maintaining eligibility as provided in this division of this Act,
18 the department of health and human services shall discontinue the
19 Iowa health and wellness plan, subject to federal approval. If,
20 under federal law, the department is not allowed to discontinue
21 the Iowa health and wellness plan, the department may implement
22 an alternative plan as specified in the medical assistance state
23 plan or waiver for coverage of the affected population, subject
24 to prior statutory approval of implementation of the alternative
25 plan.

26 Sec. 3. EFFECTIVE DATE. This division of this Act, being
27 deemed of immediate importance, takes effect upon enactment.

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DIVISION II

29 WORK RULES AND REQUIREMENTS FOR PUBLIC ASSISTANCE PROGRAMS

30 Sec. 4. PUBLIC ASSISTANCE PROGRAMS — WORK RULES AND

31 REQUIREMENTS ALIGNMENT. The department of health and human
32 services shall work with the United State department of
33 health and human services and the United States department of
34 agriculture to align the requirements and rules for participants
35 of public assistance programs related to working, including but

1 not limited to rules and requirements related to employment and
2 training for the supplemental nutrition assistance program.

3 DIVISION III

4 INFORMATION TECHNOLOGY

5 Sec. 5. NEW SECTION. **217.25 Information technology fund.**

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

14 2. Notwithstanding section 8.33, moneys appropriated in this
15 section that remain unencumbered or unobligated at the close
16 of the fiscal year shall not revert but shall remain available
17 for expenditure for the purposes designated until the close
18 of the succeeding fiscal year. Notwithstanding section 12C.7,
19 subsection 2, interest or earnings on moneys in the fund shall be
20 credited to the fund.

21 Sec. 6. TRANSFER OF MONEYS. Any unobligated or unencumbered
22 moneys remaining in the public assistance modernization fund
23 created in section 239.11, on June 30, 2025, shall be transferred
24 to the information technology fund created in section 217.25, as
25 enacted in this division of this Act.

26 Sec. 7. REPEAL. Section 239.11, Code 2025, is repealed.

27 DIVISION IV

28 MEDICAID FOR EMPLOYED PEOPLE WITH DISABILITIES PROGRAM

29 Sec. 8. Section 249A.3, subsection 2, paragraph a,
30 subparagraph (1), subparagraph division (a), Code 2025, is
31 amended to read as follows:

32 (a) As allowed under 42 U.S.C. §1396a(a)(10)(A)(ii)(XIII),
33 individuals with disabilities, who are less than sixty-five years
34 of age, who are members of families whose income is less than
35 two hundred fifty percent of the most recently revised official

1 poverty guidelines published by the United States department
2 of health and human services for the family, who have earned
3 income and who are eligible for mandatory medical assistance or
4 optional medical assistance under this section if earnings are
5 disregarded. As allowed by 42 U.S.C. §1396a(r)(2), unearned
6 income shall also be disregarded in determining whether an
7 individual is eligible for assistance under this subparagraph.
8 For the purposes of determining the amount of an individual's
9 resources under this subparagraph and as allowed by 42 U.S.C.
10 §1396a(r)(2), a maximum of ten thousand dollars of available
11 resources for an individual and twenty-one thousand dollars of
12 available resources for a couple shall be disregarded, and any
13 additional resources held in a retirement account, in a medical
14 savings account, or in any other account approved under rules
15 adopted by the department shall also be disregarded.

16 Sec. 9. MEDICAID FOR EMPLOYED PEOPLE WITH DISABILITIES
17 PROGRAM REVIEW AND REPORT.

18 1. During the 2025 legislative interim, the department of
19 health and human services shall review the Medicaid for employed
20 people with disabilities program in other states for eligibility
21 criteria, asset limits, and cost-sharing requirements.

22 2. By December 15, 2025, the department of health and
23 human services shall submit a report to the general assembly
24 containing the results of the review, and recommendations to
25 expand employment opportunities for people with disabilities
26 under the Medicaid for employed people with disabilities program
27 and the fiscal information for each recommendation.

28 EXPLANATION

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

31 This bill relates to work requirements for the Iowa health and
32 wellness plan (IHAWP), public assistance programs, an information
33 technology fund, the public assistance modernization fund, and
34 the Medicaid for employed people with disabilities program and
35 program review and report.

1 DIVISION I. This division requires the department of health
2 and human services (HHS) to request any federal approval
3 necessary to include work requirements as a condition of
4 maintaining eligibility for IHAWP.

5 HHS shall require as a condition of eligibility for IHAWP
6 that a member work at least 80 hours each month. HHS may
7 exempt certain individuals from the work requirement who are
8 under 19 years of age, 65 years of age or older, medically
9 frail or medically exempt under Medicaid, a caretaker of a
10 child under 6 years of age, experiencing a high-risk pregnancy,
11 receiving unemployment compensation, participating in substance
12 use disorder treatment, or exempt for good cause as determined by
13 the director of HHS. The division requires that any exemption
14 applied under IHAWP shall be substantially similar to the
15 exemptions applied under other public assistance programs.

16 The division requires that upon HHS's receipt of federal
17 approval and HHS's operationalizing of a system to facilitate
18 evaluation, and recipient referrals and reporting, HHS shall
19 implement and adopt rules to administer work requirements as a
20 condition of maintaining eligibility for IHAWP.

21 HHS may resubmit a request for federal approval under the
22 division if the initial request is denied or withdrawn for any
23 reason.

24 If federal law or regulations exclude work requirements for
25 IHAWP, HHS shall discontinue IHAWP or implement an alternative
26 plan as described in the bill.

27 The division takes effect upon enactment.

28 DIVISION II. This division requires HHS to work with the
29 United States department of health and human services and the
30 United States department of agriculture to align the department's
31 work rules and requirements for participants of public assistance
32 programs, including but not limited to rules and requirements
33 related to employment and training for the supplemental nutrition
34 assistance program.

35 DIVISION III. This division creates a information technology

1 fund in the state treasury under the control of HHS. All
2 moneys in the fund shall be appropriated to HHS to be used
3 for information technology systems and related modernization
4 initiatives.

5 The division repeals the public assistance modernization fund,
6 and transfers any unobligated and unencumbered moneys in the fund
7 on June 30, 2025, to the information technology fund created in
8 the division.

9 DIVISION IV. Currently, for the purposes of determining the
10 resources of an individual to meet the eligibility requirements
11 for the Medicaid for employed people with disabilities program
12 (MEPD) program, a maximum of \$10,000 of available resources is
13 disregarded, in addition to any additional resources held in
14 a retirement account, in a medical savings account, or in any
15 other account approved under rules adopted by HHS. The bill
16 maintains the maximum amount of \$10,000 in available resources
17 disregarded for an individual, but provides that for the purposes
18 of determining the resources of a couple, a maximum amount of
19 \$21,000 of available resources is disregarded.

20 The division requires, during the 2025 interim, that HHS
21 review the MEPD program in other states and submit a report
22 to the general assembly by December 15, 2025, containing the
23 results of the review and recommendations to expand employment
24 opportunities for people with disabilities under the MEPD
25 program.