

Senate File 2422 - Introduced

SENATE FILE 2422
BY COMMITTEE ON HEALTH AND HUMAN
SERVICES

(SUCCESSOR TO SSB 3140)

A BILL FOR

1 An Act relating to the supplemental nutrition assistance program,
2 the medical assistance program, the Iowa health and wellness
3 plan, and other programs under the purview of the department
4 of health and human services and including effective date
5 provisions.

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

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DIVISION I

PUBLIC ASSISTANCE PROGRAMS — ELIGIBILITY AND REPORTING

Section 1. Section 239.6, subsection 1, paragraph a, subparagraph (4), Code 2026, is amended to read as follows:

(4) Information maintained by the United States citizenship and immigration services of the United States department of homeland security, including but not limited to information accessible through the systematic alien verification for entitlements online service.

Sec. 2. Section 239.6, subsection 2, Code 2026, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. The systematic alien verification for entitlements online service maintained by the United States citizenship and immigration services of the United States department of homeland security to verify immigration and United States citizenship information.

DIVISION II

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Sec. 3. Section 239.1, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 01. "Alien" means any person not a citizen or national of the United States.

Sec. 4. Section 239.2, Code 2026, is amended to read as follows:

239.2 Supplemental nutrition assistance program — income eligibility.

1. a. The department shall establish the gross countable monthly income threshold for the supplemental nutrition assistance program at less than or equal to one hundred sixty percent of the federal poverty level for the household size.

b. The department shall consider the income and financial resources of all household members in determining the eligibility and benefit allotment of the household, including all household members determined to be ineligible to participate in SNAP under this section or pursuant to 7 U.S.C. §2015(f). Notwithstanding

1 7 C.F.R. §273.11(c)(3), the individual's income, deductible
2 expenses, and resources shall be counted, and none shall be
3 prorated.

4 c. Pursuant to 7 U.S.C. §2015(f), an individual shall be
5 ineligible to participate in SNAP unless the individual is a
6 resident of the United States and meets at least one of the
7 following criteria:

8 (1) The individual is a citizen or national of the United
9 States.

10 (2) The individual is an alien lawfully admitted for
11 permanent residence as an immigrant, as defined in 8
12 U.S.C. §1101(a)(15) and 1101(a)(20), excluding alien visitors,
13 tourists, diplomats, students, or other individuals admitted
14 temporarily with no intention of abandoning their residence in a
15 foreign country.

16 (3) The individual is an alien who has been granted the
17 status of Cuban and Haitian entrant, as defined in section
18 501(e) of the federal Refugee Education Assistance Act of 1980,
19 Pub. L. No. 96-422.

20 (4) The individual lawfully resides in the United States in
21 accordance with a compact of free association referred to in 8
22 U.S.C. §1612(b)(2)(G).

23 2. The department shall comply with federal reporting
24 requirements relating to a household member who is determined
25 to be ineligible to participate in SNAP pursuant to 7
26 C.F.R. §273.4(b).

27 DIVISION III

28 MEDICAID — MANAGED CARE

29 Sec. 5. NEW SECTION. **249A.5 Delivery of medical**
30 **assistance.**

31 1. For the purposes of this section, "managed care program"
32 means the same as defined in 42 C.F.R. §438.2.

33 2. The department shall deliver all benefits that recipients
34 are entitled to under this chapter utilizing a managed care
35 program in compliance with 42 C.F.R. pt. 438, except for benefits

1 provided on a fee-for-service basis or otherwise excluded from
2 managed care program delivery pursuant to a Medicaid state plan
3 or waiver in effect on or before July 1, 2026.

4 DIVISION IV

5 MEDICAID AND IOWA HEALTH AND WELLNESS PLAN — RETROACTIVE

6 ELIGIBILITY AND REPORTING

7 Sec. 6. NEW SECTION. **249A.3B Medicaid — retroactive**
8 **eligibility.**

9 1. Notwithstanding any provision of state law to the
10 contrary, effective January 1, 2027, in compliance with section
11 71112 of the One Big Beautiful Bill Act, Pub. L. No. 119-21, the
12 department shall adopt rules to provide that the eligibility of
13 a individual who is a pregnant woman, a child, or a resident of
14 a nursing facility licensed under chapter 135C shall be applied
15 retroactively for no more than two months prior to the month
16 in which the individual submits a completed medical assistance
17 program application.

18 2. The department shall not adopt rules, or submit a request
19 for a waiver or state plan amendment to the centers for Medicare
20 and Medicaid services of the United States department of health
21 and human services, to permit the department to provide medical
22 assistance program eligibility retroactively to any other adult
23 individual except as provided in subsection 1.

24 Sec. 7. Section 249N.4, subsection 5, Code 2026, is amended
25 to read as follows:

26 5. A member is eligible for coverage effective the first day
27 of the month ~~following the month~~ of application for enrollment.
28 The department shall not adopt rules or submit a request for
29 a waiver or state plan amendment to the centers for Medicare
30 and Medicaid services of the United States department of health
31 and human services to permit the department to provide program
32 eligibility prior to the month in which the individual submits a
33 completed application for enrollment.

34 Sec. 8. 2017 Iowa Acts, chapter 174, section 12, subsection
35 15, paragraph a, subparagraph (7), as amended by 2018 Iowa

1 Acts, chapter 1165, section 107, is amended by striking the
2 subparagraph.

3 Sec. 9. MEDICAID RETROACTIVE ELIGIBILITY — WAIVER. The
4 department of health and human services shall submit a request
5 for a section 1115 demonstration waiver to the centers for
6 Medicare and Medicaid services of the United States department
7 of health and human services for approval to allow, for purposes
8 of state administration of Medicaid, for implementation by the
9 department of no retroactive eligibility for any adult individual
10 who is not a pregnant woman, a child, or a resident of a
11 nursing facility licensed under chapter 135C, upon the submission
12 of a completed Medicaid application, instead of three months
13 as required under 42 C.F.R. §435.915. The department shall
14 implement the waiver upon receipt of approval of the waiver by
15 the centers for Medicare and Medicaid services of the United
16 States department of health and human services.

17 DIVISION V

18 MEDICAID WAIVERS AND STATE PLAN AMENDMENTS — COST NEUTRALITY

19 Sec. 10. NEW SECTION. **249A.32C Medicaid waivers and state**
20 **plan amendments — cost neutrality.**

21 1. As used in this section, “cost neutral” means federal
22 approval of a waiver submitted by the department to the federal
23 government will not result in a net increase in spending for the
24 administration of the Medicaid program by the state.

25 2. Prior to submitting a request to the centers for Medicare
26 and Medicaid services of the United States department of health
27 and human services for a section 1115 demonstration waiver, a
28 section 1915 home and community-based services waiver, or a state
29 plan amendment to expand coverage under the medical assistance
30 program to additional individuals or a class of individuals, the
31 department shall conduct an analysis to determine if the waiver
32 is cost neutral. For any waiver that is determined to be not
33 cost neutral, the department shall not submit the request for
34 a waiver unless the waiver has been presented to the general
35 assembly and approved by a majority vote of both houses of the

1 general assembly. This subsection shall apply to a section 1115
2 demonstration waiver, a section 1915 home and community-based
3 services waiver, and a state plan amendment to expand coverage
4 under the medical assistance program to additional individuals
5 or classes of individuals submitted to, or approved by, the
6 centers for Medicare and Medicaid services of the United States
7 department of health and human services prior to the effective
8 date of this division of this Act.

9 3. The department shall annually conduct an analysis to
10 determine the cost neutrality of all approved or implemented
11 cost waivers, and on or before October 1, submit a report to
12 the general assembly detailing the department's cost neutrality
13 analysis and the department's compliance with section 7118 of
14 the federal One Big Beautiful Bill Act, Pub. L. No. 119-21,
15 that requires cost neutrality for all Medicaid section 1115
16 demonstration waivers.

17 DIVISION VI

18 EFFECTIVE DATE

19 Sec. 11. EFFECTIVE DATE. This Act, being deemed of immediate
20 importance, takes effect upon enactment.

21 EXPLANATION

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

24 This bill relates to the supplemental nutrition assistance
25 program (SNAP), the medical assistance program (Medicaid), the
26 Iowa health and wellness plan (IHAWP), and other programs under
27 the purview of the department of health and human services (HHS).

28 DIVISION I — PUBLIC ASSISTANCE PROGRAMS — ELIGIBILITY
29 AND REPORTING. The bill requires HHS, prior to determining
30 the initial eligibility of an applicant for, or the ongoing
31 eligibility of a recipient of, public assistance benefits to
32 verify immigration and United States citizenship information
33 of the applicant or recipient through the systematic alien
34 verification for entitlements online service maintained by the
35 United States citizenship and immigration services of the United

1 States department of homeland security.

2 DIVISION II — SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM. The
3 bill provides that HHS shall consider the income and financial
4 resources of all household members in determining the eligibility
5 and benefit allotment of the household, including household
6 members determined to be ineligible for benefits. An individual
7 shall be ineligible to participate in SNAP unless they have
8 eligible immigration or United States citizenship status as
9 detailed in the bill. HHS is required to notify the United
10 States citizenship and immigration services if HHS is unable to
11 verify the immigration or United States citizenship status of any
12 household member listed on a SNAP application.

13 DIVISION III — MEDICAID — MANAGED CARE. The bill provides
14 that HHS shall deliver all Medicaid benefits utilizing a managed
15 care program as defined in the bill, except for Medicaid benefits
16 provided on a fee-for-service basis or otherwise excluded from
17 managed care program delivery pursuant to a Medicaid state plan
18 or waiver in effect on or before July 1, 2026.

19 DIVISION IV — MEDICAID AND IOWA HEALTH AND WELLNESS PLAN
20 — RETROACTIVE ELIGIBILITY AND REPORTING. The bill provides that
21 beginning on January 1, 2027, notwithstanding any provision of
22 state law to the contrary and in compliance with federal law,
23 HHS shall adopt rules to provide for two months of retroactive
24 benefit eligibility for pregnant women, children, and residents
25 of certain nursing facilities who apply for Medicaid. HHS shall
26 not adopt rules or submit a request for a waiver or state plan
27 amendment to CMS for retroactive benefit eligibility for any
28 other adult applying for Medicaid or any individual applying to
29 enroll in IHAWP. The bill strikes a provision related to a prior
30 directive by the general assembly to the department to request a
31 waiver to limit retroactive benefit eligibility.

32 The bill directs HHS to submit a waiver to CMS to allow
33 HHS to deviate from federal law, which provides for three
34 months of retroactive eligibility, and provide for no retroactive
35 eligibility to adults who are not pregnant women, children, or

1 residents of certain nursing facilities. HHS shall implement the
2 waiver upon receipt of approval of the waiver by CMS.

3 DIVISION V — MEDICAID WAIVERS AND STATE PLAN AMENDMENTS —
4 COST NEUTRALITY. The bill requires HHS to conduct an analysis to
5 determine if a waiver or state plan amendment is cost neutral
6 prior to submitting a request for a waiver or state plan
7 amendment to CMS to expand coverage under the medical assistance
8 program to additional individuals or classes of individuals. For
9 any waiver or state plan amendment that is determined not to be
10 cost neutral, HHS shall not submit the request to CMS unless the
11 request has been presented to the general assembly and approved
12 by a majority vote of both houses of the general assembly. HHS
13 is not required to seek legislative approval for waivers or state
14 plan amendments already submitted to, or approved by, CMS prior
15 to the effective date of the bill.

16 HHS shall conduct an annual analysis to determine if all
17 approved or implemented Medicaid section 1115 demonstration
18 waivers are cost neutral. On or before October 1, HHS shall
19 submit a report to the general assembly detailing medical
20 assistance program compliance with the federal One Big Beautiful
21 Bill Act, which requires all Medicaid section 1115 demonstration
22 waivers to be cost neutral. The report shall include HHS's cost
23 neutrality analysis for all demonstration waivers implemented or
24 approved by Medicaid. The bill defines "cost neutral".

25 DIVISION VI — EFFECTIVE DATE. The bill takes effect upon
26 enactment.