SENATE FILE 2422
BY COMMITTEE ON HEALTH AND HUMAN SERVICES

(SUCCESSOR TO SSB 3140)

(As Amended and Passed by the Senate February 25, 2026)

_____ = New Language by the Senate

## A BILL FOR

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

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

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

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

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

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

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

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

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

DIVISION III

MEDICAID — MANAGED CARE

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

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

2. The department shall deliver all benefits that recipients are entitled to under this chapter utilizing a managed care program in compliance with 42 C.F.R. pt. 438, except for benefits provided on a fee-for-service basis or

otherwise excluded from managed care program delivery pursuant to a Medicaid state plan or waiver in effect on or before January 1, 2027.

DIVISION IV

MEDICAID AND IOWA HEALTH AND WELLNESS PLAN — RETROACTIVE ELIGIBILITY AND REPORTING

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

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

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

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

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

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

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

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

DIVISION V

MEDICAID WAIVERS AND STATE PLAN AMENDMENTS — COST NEUTRALITY

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

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

2. Prior to submitting a request to the centers for Medicare and Medicaid services of the United States department of health and human services for a section 1115 demonstration waiver, a section 1915 home and community-based services waiver, or a state plan amendment to expand coverage under the medical assistance program to additional individuals or a class of individuals, the department shall conduct an analysis to determine if the waiver is cost neutral. For any waiver that is determined to be not cost neutral, the department shall not submit the request for a waiver unless the waiver has been

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

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

4. This section does not apply to a modification of a state plan amendment that is required due to federal law or regulation.

DIVISION VI

EFFECTIVE DATE

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