

# HUMAN SERVICES DEPARTMENT[441]

## Adopted and Filed Emergency

### Rulemaking related to modifications of the uniform rules on Agency Procedure

The Department of Health and Human Services hereby proposes to rescind rules 9.2 and 9.12 and to adopt new Chapters 2504, “Rule Waivers;” 2505, “Fair Information Practices;” and 2506, “Contested Cases;” Iowa Administrative Code.

#### *Legal Authority for Rulemaking*

This rulemaking is adopted under the authority provided in Iowa Code chapter 17A.

#### *State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code chapter 17A.

#### *Purpose and Summary*

This rulemaking rescinds rules 9.2 and 9.12, which were not automatically rescinded under the provisions of 2026 Iowa Acts, Senate File 2463.

These amendments also modify the Uniform Rules on Agency Procedure related to rule waivers (7—Chapter 2504), fair information practices (7—Chapter 2505) and contested cases (7—Chapter 2506) to maintain rules as determined necessary by the Department and to ensure that the Department follows all applicable State and federal requirements not currently contained in the Uniform Rules on Agency Procedure.

The rules involved and reasons for differences are detailed below.

- Rule Waivers (441—Chapter 2504)
  - Did not adopt language from 7—subrule 2504.3(2) allowing an evidentiary hearing on the denial of a request for waiver. Iowa Code section 17.9A(2) provides that determinations on waivers are within the sole discretion of an agency and therefore would not properly be raised before an administrative law judge (ALJ).

- Fair information practices (441—Chapter 2505)
  - Added definitions in 441—2505.1 necessitated by the new subrules, below.
  - Added new subrule 441—2505.5(4) which provides that individuals may request restrictions on the use of protected health information (PHI) pursuant to 45 CFR 164.522.
  - Added new subrule 441—2505.7(1) relating to disclosures of PHI allowed under the Health Insurance Portability and Accountability Act of 1996 (HIPAA).
  - Added new subrule 441—2505.7(2) specifying that the Department will also maintain written policies for general uses of PHI for treatment, payment, and healthcare operations pursuant to HIPAA.
  - Added new subrule 441—2505.9 to restore the provisions of 441—rule 9.12(17A,22), which was allowed to be retained by the Department under the provisions of 2026 Iowa Acts, Senate File 2463.
  
- Contested cases (441—Chapter 2506)
  - Added definitions to rule 441—2506.2(17A) that pertain to subsequent additions to the Uniform Rule.
  - Replaced language of subrule 2506.3(1) pertaining to time computation with more specific provisions to account for time tolled for State holidays that is not accounted for in the Iowa Code section referenced in the Uniform Rule.
  - Added subrule 441—2506.4(3) regarding “parties-in-interest” to a contested case. The Department frequently encounters situations in which a contested case hearing is requested by individuals who are not constitutionally or statutorily entitled to a hearing. Adding this subrule provides clear guidelines for those situations.
  - Added subrule 441—2506.4(4) outlining situations in which a contested case hearing will not be granted by the Department.
  - Added subrule 441—2506.4(5) which accounts for situations in which all other remedies must be exhausted prior to a contested case hearing being granted. For example, under Medicaid managed care, aggrieved enrollees must first go through the internal grievance process established by the Managed Care Organizations (MCOs) prior to requesting a contested case hearing from the State.
  - Added subrule 441—2506.4(6) to accommodate federal regulations for appeals under Medicaid and the Supplemental Nutrition Assistance Program (SNAP). These regulations outline the methods in which appeals can be submitted and encompasses more than electronic submission, which is the only method allowed under the Uniform Rule.
  - Added subrule 441—2506.4(7) which sets a standard timeframe to file appeals for situations in which another law or rule does not set forth the timeframe.
  - Added subrule 441—2506.4(8) regarding acceptance or denial of an appeal. The Department receives approximately 10,000 appeal requests per year, many from unrepresented individuals. This provision allows the Department to vet the requests to determine whether they should move forward, facilitating efficiency, while still preserving an individual’s right to appeal.
  - Added subrule 441—2506.4(9) which allows the Department to designate and certify exactly which issues are to be decided in the contested case proceeding. This

creates clarity early in the process yet allows the issues to be adjusted as the appeal progresses. This provision is not included in the Uniform Rules.

- Added subrule 441—2506.4(10) to incorporate federal requirements for SNAP hearings.
- Added a revised subrule 441—2506.5(2), which excludes language from the Uniform rule that the Department has already clarified by previously adding subrule 441—2506.4(7). This clearly establishes that the Department bears the burden of identifying the issues of the matter. In addition, the revised subrule excludes language that would require the Department to set forth the telephone number and address of all representatives, which would require a system change for the Department.
- Added revised language subrule 441—2506.6(1). The revision reflects the fact that almost all the Department’s appeals go before an ALJ and therefore parties would only have to request an ALJ in the event one has not already been assigned.
- Added subrules 441—2506.10(3) and (4) to ensure compliance with federal regulations for Medicaid and SNAP appeals, respectively.
- Excluded 441—rule 2506.11(17A), which would require a formal petition in addition to the request for contested case hearing and would also require the Department to answer every appeal. Due to the Department’s high volume of appeals and current appeals system constraints, the requirements of this rule would be overly burdensome.
- Added conforming language to subrule 441—2506.12(1) to reflect the Department’s addition of subrule 441—2506.4(4) regarding filing methodology. This addition ensures compliance with federal Medicaid regulations.
- Added subrule 441—2506.18(1) which conforms to the federal regulations that dictate method of withdrawal from Medicaid appeals.
- Added subrule 441—2506.18(2) which conforms to the federal regulations that dictate method of withdrawal from SNAP appeals.
- Added language to subrule 441—2506.20(3) to:
  - Explicitly state that the Department may be represented by its own employees or employees of Department contractors at contested case hearings.
  - Explicitly state that Medicaid members may appoint an “authorized representative” to represent them in all Department matters as required by 42 CFR 435.923.
- Added subrule 441—2506.20(8) to help ensure that the terms of “authorized representation” are clearly defined and properly limited to protect Medicaid members’ interests.
- Added subrule 441—2506.20(9) to require legal counsel to enter an appearance. Because the Department does not require petitions and answers, requiring counsel to enter an appearance is necessary to ensure the Department is aware of representation.
- Added subrule 441—2506.20(10) which provides that absent a mutual agreement by the parties, contested case hearings are closed to the public. This is necessary because many of the Department’s appeals pertain to sensitive, confidential situations and information.

- Added paragraphs to subrule 441—2506.27(1) to reflect the unique timeframes required by State or federal law for Medicaid, SNAP, child abuse, and the Special Supplemental Nutrition Program for Women and Children (WIC) appeals of proposed decisions.
- Added the qualifier, “Unless otherwise required by law,” to subrule 441—2506.27(2) to reflect the timeframes described in subrule 441—2506.27(1).
- Added new subrule 441—2506.27(7) to maintain the Department’s existing requirement that a director’s review on appeal is limited to the issues and record heard by the ALJ.
- Added new rule 441—2506.32(17A) to implement federal requirements for the timeframes within which contested cases must be held for Medicaid, division of spousal community resources for benefit determinations, SNAP, and WIC.
- Added new rule 441—2506.33(17A) to reflect the federal requirements for an expedited review for Medicaid appeals.
- Added new rule 441—2506.34(17A) to account for the federal requirements for administrative disqualifications hearings with respect to the SNAP program.
- Added new rule 441—2506.35(17A) containing federal requirements for continuation and reinstatement of benefits in certain circumstances and allowing the Department to recoup benefits in the event an adverse action is overturned.

*Reason for Adoption of Rulemaking Without*

*Prior Notice and Opportunity for Public Participation*

Pursuant to Iowa Code section 17A.4(3), the Department finds that notice and public participation are unnecessary or impractical because 2026 Iowa Acts, Senate File 2463, section 5, authorizes emergency rulemaking to provide for additions, exceptions, or amendments to the Uniform Rules on Agency Procedure.

*Reason for Waiver of Normal Effective Date*

Pursuant to Iowa Code section 17A.5(2)“b”(1)(c), the Department also finds that the normal effective date of this rulemaking, 35 days after publication, should be waived and the rulemaking made effective July 1, 2026, because 2026 Iowa Acts, Senate File 2463, section 5, authorizes emergency rulemaking for the purpose stated above.

The new Uniform Rules of Agency Procedure are effective as of January 13, 2026, which means there are inconsistencies between the Uniform Rules and the Department’s rules pertaining to

waivers of administrative rules, fair information practices, and contested cases. Earlier adoption of this rulemaking will allow the Department to ensure all State and federal requirements encompassed within those chapters are followed.

#### *Adoption of Rulemaking*

This rulemaking was adopted by the Department on May 6, 2026.

#### *Concurrent Publication of Notice of Intended Action*

In addition to its adoption on an emergency basis, this rulemaking has been initiated through the normal rulemaking process and is published herein under Notice of Intended Action as **ARC xxxxxxxx** to allow for public comment.

#### *Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 7—2504.

#### *Review by Administrative Rules Review Committee*

The ARRC, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The ARRC's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rulemaking will become effective on July 1, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind rule 9.2(17A.22).

ITEM 2. Rescind rule 9.12(17A.22).

ITEM 3. Adopt the following **new** 441—Chapter 2504:

CHAPTER 2504

RULE WAIVERS

The Uniform Rules on Agency Procedure, 7—Chapters 2500 through 2506, are rules generally applicable to agencies pursuant to Iowa Code section 17A.24. Additions, exceptions, or amendments to the corresponding chapters are below.

**2504.3(2)** The agency will evaluate the petition in accordance with Iowa Code section 17A.9A. The agency may request additional information from the petitioner or any person as part of its evaluation of the petition.

ITEM 4. Adopt the following **new** 441—Chapter 2505:

CHAPTER 2505

FAIR INFORMATION PRACTICES

The Uniform Rules on Agency Procedure, 7—Chapters 2500 through 2506, are rules generally applicable to agencies pursuant to Iowa Code section 17A.24. Additions, exceptions, or amendments to the corresponding chapters are below.

**2505.1(17A,22) Definitions.** As used in this chapter:

“*Client*” means a person who has applied for or received services or assistance from the agency.

“*Disclosure*” means the same as defined in 45 CFR §160.103 as amended to June 25, 2024.

“*Health care operations*” for covered entities in the agency has the same definition as that stated in 45 CFR §164.501 as amended to March 26, 2013.

“*Payment*,” with respect to protected health information, has the same definition as that stated in 45 CFR §164.501 as amended to March 26, 2013. In the agency, “payment” applies to subjects for whom health care coverage is provided under the Medicaid program or the hawki program.

“*Protected health information*” or “*PHI*” means the same as defined in 45 CFR §160.103 as amended to July 1, 2026.

“*Record*” means the whole or a part of a “public record” as defined in Iowa Code section 22.1 that is owned by or in the physical possession of the agency.

“*Subject*” means the person who is the subject of the record, whether living or deceased.

“*Treatment*” means the same as defined in 45 CFR §164.501 as amended to March 26, 2013.

“*Use*,” with respect to PHI, means the same as defined in 45 CFR §160.103 as amended to July 1, 2026.

**2505.5(4)** The agency shall also allow individuals to request restrictions on the use or disclosure of PHI and alternative means of confidential communication, consistent with 45 CFR 164.522, as

amended to July 1, 2026. The agency will maintain written procedures for processing such requests and document any granted restrictions.

**2505.7(1)** The agency shall include provisions for disclosures of confidential information consistent with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any applicable state or federal law, including:

- a.* Emergency exceptions;
- b.* Disclosures requiring opportunity to agree or object;
- c.* Disclosures when an individual is not present;
- d.* Disaster relief disclosures; and
- e.* Routine disclosures for:
  - (1) internal operations;
  - (2) contractors and agents working on behalf of the agency;
  - (3) judicial or administrative proceedings;
  - (4) Medicaid billing;
  - (5) child support recovery; and
  - (6) research purposes.

**2505.7(2)** Additionally, the agency shall maintain written policies for general uses and disclosures of PHI for treatment, payment, and healthcare operations.

**2505.9(22, 252G) Personally identifiable information.** The nature and extent of personally identifiable information collected by the agency varies by the type of record. This rule describes personally identifiable information collected, maintained, and retrieved by the agency by

personal identifiers in record systems and the legal authority for the collection of that information. This rule also identifies the legal authority for keeping some or all of the collected personally identifiable information confidential.

**2505.9(1)** Agency administrative records.

*a. Personnel records.* These records contain information about employees, families and dependents, and applicants for positions with the agency. Some of this information is confidential under Iowa Code section 22.7(11) and 22.7(18).

*b. Fiscal records.* These records contain itemized vouchers collected from individuals pursuant to Iowa Code section 8A.514. Some of this information is confidential under Iowa Code section 22.7(11) and 22.7(18).

*c. Litigation files.* These files or records contain information regarding litigation or anticipated litigation, which includes judicial and administrative proceedings. The records include briefs, depositions, docket sheets, documents, correspondence, attorney's notes, memoranda, research materials, witness information, investigation materials, information compiled under the direction of the attorney, and case management records. The files contain materials that are confidential as attorney work product and attorney-client communications. Some materials are confidential under other applicable provisions of law or because of a court order. Persons wishing copies of pleadings and other documents filed in litigation should obtain them from the clerk of the appropriate court that maintains the official copy. These records are confidential as outlined in Iowa Code sections 217.30, 22.7(4) and 622.10.

**2505.9(2)** Program records.

*a. Adoption investigator certification.* These records are collected pursuant to Iowa Code chapter 600.

*b. Adoption program records.* These records are collected pursuant to Iowa Code sections 600.8 and 600.16. These records are confidential as outlined in Iowa Code sections 600.16 and 600.24.

*c. Appeals.* These records are collected pursuant to Iowa Code section 217.1A. Some of these records are confidential as outlined in Iowa Code section 217.1A. Each appeal to the department will be governed by the specific state and federal laws that control it.

*d. AIDS drug reimbursement program.* These records are collected for purposes of implementing a federal grant program authorized by HR 1827 as amended to June 27, 1987. Certain patient records are confidential as outlined in Iowa Code section 141A.9.

*e. Brain injury service program recipients.* These records are collected pursuant to Iowa Code section 135.22B. These records are confidential as outlined in Iowa Code section 135.22(2).

*f. Congenital and inherited disorders.* These records are collected pursuant to Iowa Code chapter 136A. These records are confidential as outlined in Iowa Code section 136A.7.

*g. Central registry for brain or spinal cord injuries.* These records are collected pursuant to Iowa Code section 135.22. Except for statistical reports, these records are maintained as confidential pursuant to Iowa Code section 135.22.

*h. Child abuse program.* These records are collected pursuant to Iowa Code section 235A.14. These records are confidential as outlined in Iowa Code sections 235A.13, 235A.15, 235A.16, and 235A.17.

*i. Child care assistance client records.* These records are collected pursuant to Iowa Code chapter 237A. These records are confidential as outlined in Iowa Code section 237A.13.

*j. Child care facility licensing.* These records are collected pursuant to Iowa Code chapter 237A. Some of these records are confidential as outlined in Iowa Code section 237A.7.

*k. Childhood lead poisoning prevention program.* These records are collected pursuant to Iowa Code sections 135.100 through 135.105. Certain of these records are confidential as outlined in Iowa Code chapter 139A.

*l. Child support recovery program.* These records are collected pursuant to Iowa Code chapters 252A, 252B, 252C, 252D, 252E, 252F, 252G, 252H, 252I, 252J, and 252K and sections 144.13, 144.26, 232.147, 234.39, 595.4, 598.22B and 600.16A. These records are confidential as outlined in Iowa Code sections 252B.9 and 252G.5, 42 U.S.C. §654(26) as amended to July 1, 2026; 42 U.S.C. §654a(d) as amended to July 1, 2026; and 45 CFR §303.21 and 45 CFR 307.13 as amended to July 1, 2026.

*m. Chronic disease prevention and management programs.* These records are collected pursuant to Iowa Code section 135.11(1). Certain medical information in these records is confidential as outlined in Iowa Code section 22.7(2).

*n. Collection service center payment.* These records are collected pursuant to Iowa Code sections 252B.9, 252B.13A and 252B.16. These records are confidential as outlined in Iowa Code section 252B.9(2) and 42 U.S.C. §654a(d) and 45 CFR §307.13 as amended to July 1, 2026.

*o. Criminal and juvenile justice information.* These records are collected pursuant to Iowa Code sections 216A.136 and 216A.138 and through interagency agreements.

*p. Dental health program.* These records are collected pursuant to Iowa Code section 135.11(14). Certain medical information in these records is confidential as outlined in Iowa Code section 22.7(2).

*q. Dependent adult abuse program.* These records are collected pursuant to Iowa Code section 235B.1. These records are confidential as outlined in Iowa Code section 235B.1.

*r. Domestic abuse death review.* These records are collected pursuant to Iowa Code section 135.110. These records are confidential as outlined in Iowa Code section 135.111.

*s. Emergency medical services.* These records are collected pursuant to Iowa Code chapter 147A.

*t. Environmental health program.* These records are collected pursuant to Iowa Code section 135.11(1) and PL 96-510, Section 104(d)(1), 40 CFR 763 effective June 28, 1983, and 40 CFR 761 effective May 31, 1979 and as amended to July 1, 2026, dealing with asbestos, PCB and other environmental health factors. Certain medical information in the work-related disease program file may be confidential as outlined in Iowa Code section 22.7(2). Certain asbestos and PCB inspection records are collected under contract with the federal Environmental Protection Agency, and requests for such records will be referred to that agency.

*u. Family investment program client records.* These records are collected pursuant to Iowa Code section 234.6. These records are confidential as outlined in Iowa Code section 217.30 and 42 U.S.C. §602(a)(1) and §1306a as amended to July 1, 2026.

*v. Food assistance client files.* These records are collected pursuant to Iowa Code section 234.6. These records are confidential as outlined in Iowa Code section 217.30 and 7 U.S.C. §2020(e)(8) as amended to July 1, 2026, and 7 CFR 272.1(c) and (d) as amended to June 23, 2000.

*w. Foster care client/service files.* These records are collected pursuant to Iowa Code sections 237.3 through 237.5. These records are confidential as outlined in Iowa Code section 237.9.

*x. Foster care facility licensing.* These records are collected pursuant to Iowa Code chapter 237. Some of these records are confidential as outlined in Iowa Code section 237.9.

y. *Foster care review board files.* These records are collected pursuant to Iowa Code section 237.17. Some of these records are confidential as outlined in Iowa Code section 237.21.

z. *Hawki client files.* These records are collected pursuant to Iowa Code section 514I.4. These records are confidential as outlined in Iowa Code section 514I.4, and 42 CFR §457.1110 as amended to January 1, 2001.

aa. *Human rights advocacy files.* These records are collected pursuant to Iowa Code chapter 216A; the Omnibus Budget Reconciliation Act, P.L. 97-35 as amended to July 1, 2026; Juvenile Justice and Delinquency Prevention Act, P.L. 93-415 as amended to July 1, 2026; and the Victims Compensation and Assistance Act, P. L. 98-473 as amended to July 1, 2026. These records are confidential as outlined in Iowa Code section 22.7(18).

bb. *Long term and managed care ombudsman complaints.* These records are collected pursuant to Iowa Code sections 135C.37 and 231.42. These records are confidential as outlined in Iowa Code sections 135C.37 and 231.42.

cc. *Maternal and child health program.* These records are collected pursuant to Iowa Code section 135.11(13). Records that contain medical information are confidential pursuant to Iowa Code section 22.7(2).

dd. *Medicaid clients.* These records are collected pursuant to Iowa Code section 249A.4. These records are confidential as outlined in Iowa Code section 217.30, 42 U.S.C. §1396a(7) as amended to July 1, 2026, and 42 CFR §431.300 to 307 as amended to November 13, 1996.

ee. *Medicaid provider information.* These records are collected pursuant to Iowa Code section 249A.4. Some of these records are confidential as outlined in Iowa Code section 217.30, 42 U.S.C. §1396a(7) as amended to July 1, 2026, and 42 CFR §431.300 to 307 as amended to November 13, 1996.

*ff. Newborn and infant hearing screening program.* These records are collected pursuant to Iowa Code section 135.131. Information that identifies an individual patient is confidential as outlined in Iowa Code section 135.131.

*gg. Nutrition and WIC (supplemental food program for women, infants and children) program.* These records are collected pursuant to Iowa Code section 135.11(1) and Chapter 17 of the federal Child Nutrition Act of 1966 as amended to January 5, 2023. These records are confidential as outlined in 7 CFR 246 as amended to July 1, 2026, and Iowa Code section 22.7(2).

*hh. Radiological health program.* These records are collected pursuant to Iowa Code chapters 136B and 136C. Certain of these records are confidential as outlined in 641—39.6(24).

*ii. Refugee health program.* These records are collected pursuant to Iowa Code section 135.11(1) and Section 412(c)(3) of the federal Immigration and Naturalization Act as amended to July 1, 2026. Records that contain medical information are confidential pursuant to Iowa Code section 22.7(2).

*jj. Refugee resettlement client records.* These records are collected pursuant to Iowa Code section 217.1A. These records are confidential as outlined in Iowa Code section 217.30, and 45 CFR §400.27 as amended to March 22, 2000.

*kk. Reportable diseases and other diseases and health conditions, including lead and other heavy metal poisonings.* These records are collected pursuant to Iowa Code chapter 139A. Except for statistical reports, these records are confidential as required by Iowa Code chapter 139A.

*ll. Reportable sexually transmitted diseases or infections.* These records are collected pursuant to Iowa Code chapter 139A. Except for statistical reports, these records are confidential as required by Iowa Code chapter 139A.

*mm. State institution resident records.* These records are collected pursuant to Iowa Code section 218.1. These records are confidential as outlined in Iowa Code sections 218.22, 229.24 and 229.25.

*nn. State supplementary assistance clients.* These records are collected pursuant to Iowa Code chapter 249. Some of these records are confidential as outlined in Iowa Code section 217.30.

*oo. Substance abuse client records.* These records are collected pursuant to Iowa Code chapters 125 and 218 and sections 234.6 and 249A.4. These records are confidential as outlined in Iowa Code sections 125.37 and 125.93, 42 U.S.C. §29 dd-2 and ee.3 as amended to January 1, 2024, 42 CFR Part 2 as amended to April 16, 2024, and 38 U.S.C. §4132 as amended to July 1, 2026.

*pp. Substance abuse program licensing complaints.* These records are collected pursuant to Iowa Code chapter 125. Certain information in these records may be confidential as outlined in Iowa Code sections 22.7(2), 22.7(18) and 125.37.

*qq. Title IV-E foster care and adoption assistance client files.* These records are collected pursuant to Iowa Code sections 217.1A and 600.17 through 600.22. These records are confidential as outlined in Iowa Code section 217.30 and 42 U.S.C. §671(a)(8) as amended to July 1, 2026, and 45 CFR 1355.30(1) as amended to January 20, 2016.

*rr. Veterinary public health.* These records are collected pursuant to Iowa Code chapter 139A. Certain medical information in these records may be confidential as outlined in Iowa Code chapter 139A.

*ss. Vital records.* These records are collected pursuant to Iowa Code chapter 144, including records of births, deaths, fetal deaths, adoptions, marriages, divorces, annulments and related data and correspondence. These records are confidential as outlined in Iowa Code section 144.43.

**2505.9(3)** Other restricted data contained in agency client records includes:

*a. Department of revenue information.* These records are collected pursuant to Iowa Code sections 252B.5 and 252B.9. These records are confidential as outlined in Iowa Code sections 421.17 and 422.20(1).

*b. Department of workforce development information.* These records are collected pursuant to Iowa Code chapters 239B and 249A and section 252B.9. These records are confidential as outlined in Iowa Code section 217.30 and 42 U.S.C. §503(d) and (e) as amended to July 1, 2026.

*c. Income and eligibility verification system.* These records are collected pursuant to Iowa Code chapters 239B and 249A and sections 217.1A and 234.6. These records are confidential as outlined in Iowa Code section 217.30 and 42 U.S.C. §1230b-7 as amended to July 1, 2026.

*d. Department of public safety information.* These records are collected pursuant to Iowa Code sections 237.8, 237A.5 and 252B.9. These records are confidential as outlined in Iowa Code sections 692.2, 692.3, 692.8 and 692.18.

*e. Federal tax return information.* These records are collected pursuant to Iowa Code chapters 239B, 249A and 252B and sections 217.1A and 234.6. These records are confidential as outlined in Iowa Code section 422.20(2) and 26 U.S.C. §6103 as amended to July 1, 2026.

*f. Juvenile court information.* These records are collected pursuant to Iowa Code chapter 232 and section 234.6. These records are confidential as outlined in Iowa Code sections 232.48, 232.97 and 232.147 through 232.151.

*g. Peer review organization.* These records are collected pursuant to Iowa Code section 249A.4. These records are confidential as outlined in Iowa Code section 217.30 and 42 U.S.C. §1320c-9 as amended to July 1, 2026.

*h. United States Department of Health and Human Services information.* These records are collected pursuant to Iowa Code chapters 239B, 249, 249A and 252B and sections 217.1A and 234.6. These records are confidential as outlined in Iowa Code section 217.30 and 42 CFR Part 401.134(c) as amended to October 1, 2002.

Item 5. Adopt the following **new** 441—Chapter 2506:

## CHAPTER 2506

### CONTESTED CASES

The Uniform Rules on Agency Procedure, 7—Chapters 2500 through 2506, are rules generally applicable to agencies pursuant to Iowa Code section 17A.24. Additions, exceptions, or amendments to the corresponding chapters are below.

#### **441—2506.2(17A) Definitions.**

“*Enrollee*” means any applicant for or recipient of benefits or services provided by a program administered by the agency or on the agency's behalf.

“*Good cause*,” for purposes of this chapter, has the same meaning as “good cause” for setting aside a default judgment under Iowa Rule of Civil Procedure 1.977.

“*Household*” means the same as defined in 7 CFR §273.1 as amended to July 1, 2026.

“*Intentional program violation*” means the same as established in 7 CFR § 273.16 as amended to August 1, 2024.

“*Medicaid*” means Iowa's medical assistance program administered under Iowa Code chapter 249A.

*“Party-in-interest”* refers to the party, including enrollees, whose rights or obligations are the subject of a contested case hearing under this chapter. Parties-in-interest may or may not be the appellant.

**2506.3(1)** In computing any time period specified in this chapter, the period:

- a. Excludes the day of the event that triggers the period;
- b. Includes every day of the time period (including Saturdays, Sundays, and holidays on which the agency is closed); and
- c. Includes the last day of the period, but if the last day is a Saturday, Sunday, or a legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday.

**2506.4(3) When a contested case hearing will be granted.** A person will be granted a contested case hearing if the party-in-interest fulfills all the following requirements:

- a. The party-in-interest is entitled to a contested case hearing;
- b. The party-in-interest has an ongoing, specific and personal interest in the outcome of the contested case hearing; and
- c. The party-in-interest meets all the other requirements contained in these rules.

**2506.4(4) When a contested case hearing will not be granted.** A contested case hearing will not be granted when one of the following issues is appealed:

- a. Patient treatment interventions outlined in the patient handbook of the civil commitment unit for sexual offenders, as amended to July 1, 2026.
- b. Children have been removed from or placed in a specific foster care setting or preadoptive placement.
- c. A final decision from a previous hearing with a presiding officer has been implemented.

*d.* A request for a waiver of administrative rule has been denied.

**2506.4(5) Exhaustion of remedies.** A person will only be granted a contested case hearing if the person has exhausted all other appeal remedies available to them. A person should refer to program-specific provisions for the appropriate procedures applicable to the specific program.

**2506.4(6) Exception for requesting a contested case proceeding hearing for Supplemental Nutrition Assistance Program (SNAP) and Medicaid appeals.** A person entitled to a contested case or hearing for Medicaid and SNAP appeals may request it:

- a.* by submitting an electronic request through the agency's website;
- b.* by telephone;
- c.* by mail;
- d.* in person; or
- e.* through other commonly available electronic means (such as email).

**2506.4(7) Time to file appeals.** For all requests for contested case hearing, and unless federal or state law provides otherwise, the person must file the request for contested case hearing on or before the thirtieth day following the date of notice of the action being appealed. If such an appeal is made more than 30 days, but less than 90 days, of the date of notice, the director or director's designee may, at the director's or designee's sole discretion, allow a contested case hearing if the delay was for good cause, substantiated by the person.

**2506.4(8) Acceptance or denial of appeal.** The agency will determine with reasonable promptness whether the person who has filed the appeal is entitled to a contested case hearing. If a request is accepted, the agency will designate the issues. If a request is denied, the agency will provide written notice of and the reasons for the denial. On or before the thirtieth day following

the denial, the person requesting the appeal may provide additional information related to the person's asserted right to a contested case hearing and request reconsideration of the denial.

**2506.4(9) Designation of issues.**

*a.* Initial designation. The issues initially designated by the agency will be certified to the department of inspections, appeals, and licensing (DIAL) and be identified in the notice of hearing.

*b.* Additional designation of issues. If any person believes additional issues should be designated, the person shall identify the additional issues within the following timelines. The presiding officer shall determine whether all issues have properly been preserved.

(1) Child abuse and dependent adult abuse registry appeals. For a child abuse and dependent adult abuse registry appeal, the person shall identify additional issues at least 30 days before the date of hearing.

(2) Appeals set on or before the tenth day following the notice of hearing. If the hearing is on or before the 15th day following the date of the notice of hearing, the person shall identify any additional issues at the hearing.

(3) All other appeals. For all other appeals not identified in this paragraph, the person shall identify the additional issues on or before the 15th day following the date of the notice of hearing.

**2506.4(10) Agency responsibilities on SNAP hearing requests.** Upon request, the agency will make available without charge the specific materials necessary for a household or its representative to determine whether a hearing should be requested or to prepare for a hearing. If the person making the request speaks a language other than English and the agency is required by 7 CFR § 272.4(c)(3) as amended to July 1, 2026, to provide bilingual staff or interpreters who

speaking the appropriate language, the agency will ensure that the hearing procedures are verbally explained in that language. Upon request, the agency will also help a household with its hearing request. If a household makes an oral request for a hearing, the agency will complete the procedures necessary to start the hearing process. Households will be advised of any legal services available that can provide representation at the hearing. This rule does not preclude the provision of these services in all other appeals.

**2506.5(2) Contents.** The notice of hearing must state:

- a.* The time, place, and nature of the hearing;
- b.* The legal authority and jurisdiction under which the hearing is to be held;
- c.* The particular sections of the statutes and rules involved;
- d.* The procedural rules governing conduct of the contested case proceeding;
- e.* The procedural rules governing informal settlement;
- f.* The identity of the presiding officer, if known, or, if not, a description of who will serve as presiding officer; and
- g.* The deadline to request under Iowa Code section 17A.11 and 441—rule 2506.6(17A), that the presiding officer be an administrative law judge (ALJ).

**441—2506.6(17A) Presiding officer.**

**2506.6(1)** If an ALJ is not assigned, any party that wants an ALJ employed by DIAL to serve as the presiding officer must file a request. The deadline for that request is 20 days after service of a notice of hearing that identifies someone other than an ALJ as the presiding officer.

**2506.10(3) Medicaid member appeals.** Notwithstanding subrule 441—2506.10(1), for Medicaid member appeals, the agency and the presiding officer acting on behalf of the agency:

- a.* May respond to a series of individual requests for hearing by conducting a single group hearing;

b. May consolidate hearings only in cases in which the sole issue involved is one of federal or state law or policy;

c. Must follow the policies of 42 C.F.R., Chapter IV, Subchapter C, Part 431, Subpart E as amended to July 1, 2026;

d. Must permit each person to present his own case or be represented by his authorized representative.

**2506.10(4) SNAP appeals.** The agency may respond to a series of individual requests for hearings by conducting a single group hearing. The agency may consolidate only cases where individual issues of fact are not disputed and where related issues of state or federal law, regulation, or policy are the sole issues being raised. In all group hearings, the regulations governing individual hearings must be followed. Each individual household shall be permitted to present its own case or have its case presented by a representative.

**7—2506.11 – Pleadings.** This rule is not adopted.

**2506.12(1) Filing and service electronically.** Except as provided in subrule 441—2506.4(6), every pleading, motion, document, or other paper that is filed or served shall be executed electronically whenever possible. Filing or service by a non-electronic method can only be upon a showing to the presiding officer of undue hardship to use electronic mail.

**2506.18(1) Medicaid appeal withdrawals.** For Medicaid member appeals, for telephonic hearing withdrawals, the agency must record the individual's statement and telephonic signature. For telephonic, online and other electronic withdrawals, the agency must send the affected person written confirmation, via regular mail or electronic notification in accordance with the individual's election.

**2506.18(2) SNAP appeal withdrawals.** For oral withdrawal of SNAP appeals, the agency must provide a written notice to the household within 10 days of the household's request confirming the withdrawal request and providing the household with an opportunity to request a hearing. The written notice must advise the household it has 10 days from the date it receives the notice to advise the agency of its desire to request, or reinstate, the hearing. If the household timely advises the agency that it wishes to reinstate the fair hearing, the agency must provide the household with a fair hearing, within the time frames specified in 7 CFR. § 273.15(c) as amended to July 1, 2026, and beginning the date the household advises the agency that it wishes to reinstate its request. The agency must reinstate a fair hearing as requested from a household at least once. The agency must not deny a household's request for a fair hearing if the household is aggrieved by an agency action that differs from the reinstated action.

**2506.20(3) Representation.** Parties have the right to participate or to be represented in all hearings or prehearing conferences related to their case. Partnerships, corporations, limited-liability companies, and associations may be represented by any member, officer, director, or duly authorized agent. The agency may be represented by agency employees or employees of a agency contractor. Any party may be represented by an attorney, an authorized representative appointed pursuant to rule 441—76.9(249A), an authorized representative appointed pursuant to subrule 441—2506.20(8), or another person authorized by law. An attorney admitted pro hoc vice in accordance with the Iowa rules of court to practice in an agency administrative action in accordance with Iowa Court Rule 31.14 is obligated to have an in-state attorney present at every interaction with the presiding officer.

**2506.20(8) Authorized representatives.**

a. Regulations. The provisions of this subrule only apply to the extent the standards expressed in this subrule are not in conflict with other state or federal law.

b. Designation of authority. Legally recognized delegations of authority, such as guardianships, applicable designations of power of attorney, or similar designations, shall be sufficient for a delegate to serve as authorized representative under this chapter. A person who is not designated a legally recognized delegation of authority but who otherwise seeks to act as an authorized representative for a person in an appeal under this chapter shall provide a written, signed designation of authority to the agency with the request for appeal. The designation must provide the scope of the representation, applicable waivers for the release of confidential information, and any temporal or other limitations on the scope of representation. An authorized representative of a party-in-interest only represents the party-in-interest and has no independent right to appeal by virtue of the authorized representative's representation.

c. Written designation. For a person other than an attorney seeking to act as an authorized representative of a party-in-interest in a Medicaid managed care appeal, the authorized representative's written designation of authority pursuant to paragraph 441—2506.20(8)“b” shall be on an authorized representative form prescribed by the agency. This form is required for all managed care appeals, including those handled through the expedited appeals process. Failure to provide the form or legal documentation may result in denial of the appeal request.

**2506.20(9) Appearance by attorney.** Legal counsel appearing on behalf of any person in a proceeding under this chapter shall enter an appropriate written appearance.

**2506.20(10) Closed to public.** Contested case hearings are closed to the public, and unless otherwise provided by state or federal law, only the parties, their representatives, permissible

intervenors, and witnesses may be present for a contested case hearing in the absence of mutual agreement of the parties.

**2506.27(1) Appeal by party.**

*a.* Unless otherwise prohibited by law, any adversely affected party may appeal a proposed decision to the agency within 30 days after the decision is issued.

*b.* A managed care organization (MCO) appealing a proposed decision reversing an adverse benefit determination, shall request director's review within 72 hours from the date it received notice of the proposed decision.

*c.* In Medicaid and SNAP appeals, an appeal of a proposed decision to the agency shall be made within 14 days after the date the decision is issued.

*d.* In appeals from a child abuse assessment under Iowa Code section 235A.19, an appeal of a proposed decision to the agency shall be made within 10 days after the date the decision is issued.

*e.* In WIC appeals, an appeal of a proposed decision to the agency shall be made within 10 days after the date the decision is issued.

**2506.27(2) Review.** Unless otherwise prohibited by law, the agency may initiate review of a proposed decision on its own motion at any time within 30 days following the issuance of such a decision.

**2506.27(7) Limited record.** The director's review on appeal shall be limited to the issues and record before the contested case hearing presiding officer.

**441—2506.32(17A) Timelines for contested case hearings.**

**2506.32(1) Medical assistance.** In cases involving the determination of medical assistance, the contested case hearing shall be held within a time frame such that the final administrative action is timely pursuant to 42 CFR 431.244(f) as amended to December 8, 2021.

**2506.32(2) Community spouse resource allowance.** In cases involving the determination of the community spouse resource allowance, the hearing shall be held within 30 days of the date of the appeal request.

**2506.32(3) SNAP.** In cases involving SNAP, the contested case hearing shall be held within a time frame such that the final administrative action is timely pursuant to 7 CFR § 273.15(c) as amended to July 1, 2026.

**2506.32(4) WIC.** In cases involving WIC, the hearing shall be held within three weeks from the date the request for hearing was received.

**441—2506.33(17A) Medical assistance expedited review.**

**2506.33(1) Expedited review criteria.** An appellant to a medical assistance appeal may, at any time, file with the agency a request for expedited review of the appeal. Expedited review shall be granted pursuant to 42 CFR 438.410 as amended to August 1, 2024, for an MCO appeal or 42 CFR 431.224 as amended to August 1, 2024, for a non-MCO appeal.

**2506.33(2) Managed care expedited proceedings.**

*a.* If the appellant is granted an expedited review, all subsequent proceedings shall also be expedited without an additional request if the appeal request indicates that the MCO appeal was expedited and provides the basis for expedited relief.

*b.* When review is expedited pursuant to paragraph 441—2506.32(2)“a,” the presiding officer shall issue a proposed decision as expeditiously as the enrollee’s health condition requires, but

no later than three working days after the agency receives from the MCO the case file and information for any appeal of a denial of a service that, as indicated by the MCO:

(1) Meets the criteria for expedited resolution but was not resolved within the time frame for expedited resolution; or

(2) Was resolved within the time frame for expedited resolution but reached a decision wholly or partially adverse to the enrollee.

**2506.33(3) Medicaid eligibility or preadmission and annual resident review expedited proceedings.** For expedited appeals related to Medicaid eligibility or preadmission and annual resident review requirements, the presiding officer shall issue a proposed decision as expeditiously as possible, but no later than seven working days after the agency receives a request for an expedited fair hearing.

**2506.33(4) Medicaid-covered benefits or services expedited proceedings.** For expedited appeals related to Medicaid-covered benefits or services, the presiding officer shall issue a proposed decision as expeditiously as possible, but no later than provided in paragraph 441—2506.33(2)“b.”

**2506.33(5) Final decision for expedited proceeding.** The agency will issue its final decision in accordance with this rule, except as provided by subrule 441—2506.33(2).

**2506.33(6) Notification if expedited relief is granted or denied.** The agency will notify the appellant as expeditiously as possible whether the request for expedited relief is granted or denied. Such notice will be provided orally or through electronic means to the extent consistent with federal and state law. If oral notice is provided, the agency will follow up with written notice, which may be through electronic means to the extent consistent with federal and state law.

**441—2506.34(17) SNAP) administrative disqualification hearings.** An intentional program violation is determined through a SNAP administrative disqualification hearing, a court conviction, or when an individual signs and returns a form prescribed by the agency, which may result in a period of ineligibility for the program, a claim for overpayment of benefits, or both in accordance with the procedures outlined in this rule and in 7 CFR 273.16(e) and (f) as amended to December 8, 2021.

**2506.34(1)** When a case is referred for an administrative disqualification hearing, the agency will mail written notification to the individual that the individual can waive the right to an administrative disqualification hearing by signing and returning a waiver of right to an administrative disqualification hearing.

**2506.34(2)** By signing a waiver of right to an administrative disqualification hearing, the individual:

- a.* Waives the right to an administrative disqualification hearing;
- b.* Consents to the SNAP disqualification period designated in the waiver of right to an administrative disqualification hearing, and a reduction of benefits for the period of disqualification; and
- c.* Acknowledges that remaining household members, if any, may be held responsible for repayment of the resulting claim.

**2506.34(3)** An administrative disqualification hearing will be scheduled if the individual does not sign and mail or fax the waiver of right to an administrative disqualification hearing to the agency within ten days of receipt of the written notification stating the individual can waive the right to an administrative disqualification hearing. The date on which the written notification is

received is considered to be five days after the date on the notification unless the individual shows the notification was not received within the five-day period.

**2506.34(4)** An individual who waives the right to an administrative disqualification hearing will be subject to the same penalties as an individual found to have committed an intentional program violation in an administrative disqualification hearing.

**441—2506.35(17A) Continuation and reinstatement of benefits.**

**2506.35(1) Programs for which no federal or state law applies.** For all assistance programs for which there is no contravening federal or state law, benefits or services shall not be suspended, reduced, restricted, or discontinued, nor shall a license, registration, certification, approval, or accreditation be revoked or other adverse action taken pending a final decision when:

- a.* An appeal is filed before the effective date of the intended action; or
- b.* The appellant requests a hearing within ten days of receipt of a notice to suspend, reduce, restrict, or discontinue benefits or services. The date on which the notice is received is considered to be five days after the date on the notice unless the appellant shows the notice was not received within the five-day period.

**2506.35(2) Sole issue is state or federal law or policy.** Benefits or services continued pursuant to subrule 441—2506.35(1) may be suspended, reduced, restricted, or discontinued if the presiding officer determines at the contested case hearing that the sole issue is one of state or federal law or policy and the agency has notified the enrollee in writing that services are to be suspended, reduced, restricted, or discontinued pending the proposed decision.

**2506.35(3) Recoup cost of services or benefits.** The agency or MCO may recoup the cost of benefits or services provided pursuant to this chapter and 7—Chapter 2506(17A) if the adverse action appealed from is affirmed, consistent with state and federal law.