

## Red Tape Review Rule Report (Due: September 1, 2023)

<b>Department Name:</b>	Health & Human Services (HHS)	<b>Date:</b>	8/25/2023	<b>Total Rule Count:</b>	441-11: 5 641-179: 7
<b>IAC #:</b>	441 641	<b>Chapter/ SubChapter/ Rule(s):</b>	441-11 641-179	<b>Iowa Code Section Authorizing Rule:</b>	8A.504
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**PLEASE NOTE, THE BOXES BELOW WILL EXPAND AS YOU TYPE**

### What is the intended benefit of the rule?

These chapters define debt offset procedures for the legacy departments of public health (641-179) and human services (441-11). Debt offset is intended to recoup overpayment or other debt owed to the department. HHS impacted programs include but are not limited to: Supplemental Nutrition Assistance Program, Family Investment Program, Medicaid, Promise Jobs, Child Care Assistance.

Through the debt offset program, money is collected from individuals or entities having been identified as receiving an overpayment or otherwise owing funds to the department. Repayment may include withholding part or all of federal or state tax refunds or other state payments owed to the debtor. Money collected is credited back to the program(s) making the claim.

### Is the benefit being achieved? Please provide evidence.

Over the last five fiscal years, Iowa HHS has cumulatively collected \$4.2 million in recoupment under the debt offset program, with an average of \$839,000 recovered each year (median \$859,000). Money collected is used for additional service delivery or program development. *Note: Debt offsets collected by programs moved out of HHS in the government reorganization have not been included in this analysis.*

### Identified Impacts\*

	SFY2018	SFY2019	SFY2020	SFY2021	SFY2022	5 Year Total
<b>Costs</b>						
HHS Implementation	(\$1,210,000)	(\$1,363,000)	(\$1,298,000)	(\$1,283,000)	(\$1,387,000)	(\$6,541,000)
Service Delivery	(\$665,000)	(\$1,045,000)	(\$906,000)	(\$859,000)	(\$718,000)	(\$4,193,000)
<b>Benefits</b>						
Recouped Debts	\$665,000	\$1,045,000	\$906,000	\$859,000	\$718,000	\$4,193,000
Increased Public Trust	Intangible	Intangible	Intangible	Intangible	Intangible	Intangible
<b>Net Value</b>	(\$1,210,000)	(\$1,363,000)	(\$1,298,000)	(\$1,283,000)	(\$1,387,000)	(\$6,541,000)

\*All monetary figures have been rounded to the nearest thousandth.

### What are the costs incurred by the public to comply with the rule?

Through the debt offset program, money is collected from Individuals or entities having been identified as receiving an overpayment or otherwise owing funds to the department. This is reflected in the table above as "Recouped Debts".

**What are the costs to the agency or any other agency to implement/enforce the rule?**

HHS incurs personnel costs for those team members tasked with completing the debt offset procedure, as well as technology expenses. These costs are reflected in the table above as “HHS Implementation”.

The Iowa Department of Revenue (IDR) oversees the debt offset procedure for executive branch agencies; this was previously managed by the Department of Administrative Services (DAS). The Department of Inspections, Appeals, and Licensure (DIAL) provides investigation and customer service support for HHS debt collections. Implementation costs borne by these agencies have not been included in this analysis.

**Do the costs justify the benefits achieved? Please explain.**

Though the cost benefit analysis shows a negative financial outcome, recoupment ensures publicly funded services are implemented as intended by the Iowa legislature and in compliance with state and federal regulations. This leads to public trust in HHS systems and programs. Further, collection of moneys owed the department confers a public benefit through use of returned funds to support qualifying service recipients and/or public program development.

**Are there less restrictive alternatives to accomplish the benefit?  YES  NO**

**If YES, please list alternative(s) and provide analysis of less restrictive alternatives from other states, if applicable. If NO, please explain.**

HHS is implementing the debt offset program according to the parameters detailed in Iowa Code and the procedure described in Iowa Administrative Code by the IDR (previously DAS).

**Does this chapter/rule(s) contain language that is obsolete, outdated, inconsistent, redundant, or unnecessary language, including instances where rule language is duplicative of statutory language? [list chapter/rule number(s) that fall under any of the above categories]**

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In the combined department, HHS does not require multiple debt offset rule chapters. The department seeks to repeal the legacy public health chapter and re-promulgate all necessary rules under the legacy human services chapter, 441-11.

Considering 441-11, the following rules have been identified as containing obsolete, unnecessary, or redundant language:

- 441-11.1
- 441-11.2

**RULES PROPOSED FOR REPEAL (list rule number[s]):**

- 641-179.1
- 641-179.2
- 641-179.3
- 641-179.4
- 641-179.5
- 641-179.6
- 641-179.7

**RULES PROPOSED FOR RE-PROMULGATION (list rule number[s] or include rule text if available):**

- 441-11.1
- 441-11.2
- 441-11.3
- 441-11.4
- 441-11.5

HHS is working collaboratively with IDR regarding adjustments to the executive branch debt offset procedure stemming from the movement in oversight from DAS to IDR. Text of rules proposed for re-promulgation under this chapter will be provided later in the red tape review process to allow for additional time to understand and adjust to any changes implemented by IDR.

***\*For rules being re-promulgated with changes, you may attach a document with suggested changes.***

**METRICS**

<b>Total number of rules repealed:</b>	7
<b>Proposed word count reduction after repeal and/or re-promulgation</b>	1,261
<b>Proposed number of restrictive terms eliminated after repeal and/or re-promulgation</b>	46

**ARE THERE ANY STATUTORY CHANGES YOU WOULD RECOMMEND INCLUDING CODIFYING ANY RULES?**

None identified.