

**HUMAN SERVICES DEPARTMENT[441]**

**Adopted and Filed**

**Rulemaking related to program evaluation**

The Department of Health and Human Services (Department) hereby rescinds Chapter 13, “Program Evaluation,” Iowa Administrative Code, and adopts a new chapter with the same title.

*Legal Authority for Rulemaking*

This rulemaking is adopted under the authority provided in Iowa Code sections 234.12, 237A.12, 239B.4, 249A.4 and 514.4.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code Chapter 256I.

*Purpose and Summary*

Chapter 13 defines HHS methods and procedures to review public assistance program eligibility determinations made by HHS staff. These quality control measures are designed to ensure HHS implements these programs in accordance with the Iowa Code and federal regulations and in an efficient and effective manner. HHS impacted programs include Supplemental Nutrition Assistance Program, Family Investment Program, Medical Assistance, and Child Care Assistance.

*Public Comment and Changes to Rulemaking*

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on January 24, 2024, as **ARC 7364C**. Two virtual public hearings were held on February 14, 2024, at 11:30 a.m. and February 26, 2024, at 12 p.m. No public comments were received. No changes from the Notice have been made.

*Adoption of Rulemaking*

This rulemaking was adopted by the Health and Human Services Council on May 9, 2024.

*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 of Health and Human Services for a waiver of the discretionary provisions, if any, pursuant to 441—6.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, 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 Committee’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 17, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 441—Chapter 13 and adopt the following **new** chapter in lieu thereof:

CHAPTER 13

PROGRAM EVALUATION

**441—13.1(234,239B,249A,514I) Definitions.**

“*Active case*” means a case that was receiving assistance for the month of review.

*“Case record”* means the record used to establish a client’s eligibility.

*“Client”* means a current or former applicant or recipient of the family investment program (FIP), Supplemental Nutrition Assistance Program (SNAP), child care assistance program, or medical assistance program.

*“Field investigation”* means a contact involving the public or other agencies to obtain information about the client’s circumstances for the appropriate month of review.

*“Medical assistance programs”* means those programs funded by Medicaid or the Children’s Health Insurance Program (CHIP).

*“Month of review”* means the specific calendar or fiscal month for which the assistance under review is received.

*“Negative case”* means a case that was terminated or denied assistance in the month of review.

*“Public assistance programs”* means those programs involving federal funds, i.e., family investment program (FIP), Supplemental Nutrition Assistance Program (SNAP), child care assistance program, and medical assistance program.

*“Random sample”* means a systematic (or every nth unit) sample drawn monthly for which each item in the universe has an equal probability of being selected. Sample size is determined by federal guidelines or state corrective action needs.

*“State policies”* means the rules and regulations used by the department to administer the family investment program (FIP), Supplemental Nutrition Assistance Program (SNAP), child care assistance program, and medical assistance program.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, 249A.4 and 514I.4.

**441—13.2(234,239B,249A,514I) Review of public assistance records by the department.**

**13.2(1)** Authorized representatives of the department shall have the right to review case records to determine the following:

*a.* If the client has provided complete, correct and accurate information to the department to be used in the determination of the assistance benefits.

*b.* If the department has correctly administered the state policies in determination of assistance for the public assistance programs.

*c.* Whether overpayments or underpayments have been made correctly to the public assistance client during the month of review.

*d.* If there is indication of fraudulent practice or abuse of the public assistance programs by either the client or department.

**13.2(2)** All pertinent case records within the department may be used by the reviewer to assist in substantiating an accurate reflection as to the correctness of the assistance received by the client.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, 249A.4 and 514I.4.

**441—13.3(234,239B,249A,514I) Cases to be reviewed.** Any active or negative public assistance case may be reviewed at any time at the discretion of the department to:

**13.3(1)** Ensure federal and state requirements for quality control are met.

**13.3(2)** Detect error prone case issues to assist in corrective action.

**13.3(3)** Maintain public assistance program integrity.

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, 249A.4, and 514I.4.

**441—13.4(234,239B,249A,514I) Notification of review.** On positive case actions, clients will be notified, either orally or in writing, that their case has been selected for review when contact is required by federal guidelines, or when contact is allowed and additional information is required to complete the review. The client will be contacted in a negative case only if a discrepancy exists that cannot be resolved from the case record and contact is allowed by federal guidelines.

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, 249A.4, and 514I.4.

**441—13.5(234,239B,249A,514I) Review procedure.** The department will select the appropriate method of conducting the review.

**13.5(1)** A random sampling of active and negative case actions will be used to determine the case records to be studied.

**13.5(2)** The case record will be analyzed for discrepancies and correct application of policies and procedures and will be used as the basis for a field investigation.

**13.5(3)** Client interviews are required as follows:

- a.* Personal interviews are required on all active SNAP reviews.
- b.* An appointment letter may be sent to the client by the department to schedule or confirm the appointment date, time and location.
- c.* Client contacts are only required in negative case reviews when there is a discrepancy that cannot be resolved from the case record.

**13.5(4)** Collateral contacts are made whenever the client is unable to furnish information needed or the reviewer needs additional information to establish the correctness of eligibility and payment but only when allowed by federal guidelines. Verification to confirm the accuracy of statements or information may be obtained by documentary evidence or a contact with a third party.

*a.* The client shall release specific information whenever necessary to verify information essential to the determination of eligibility and payment.

*b.* Should the client refuse to authorize the department to contact an informant to verify information that is necessary for the completion of the review, collateral contacts will still be made through use of the general release statement contained in the financial support application or the review/recertification eligibility document.

This rule is intended to implement Iowa Code sections 234.6, 234.12, 239B.4, 249A.4, and 514I.4.

**441—13.6(234) Failure to cooperate.** Client cooperation with quality control is a program eligibility requirement as set forth in rule 441—65.3(234). When quality control determines that a client has refused to cooperate with the review process, the client is no longer eligible for the program benefits and will not be eligible for the program benefits until the client has cooperated.

This rule is intended to implement Iowa Code section 234.12.

**441—13.7(234,239B,249A,514I) Report of findings.** The quality control review findings are used by the department in the following ways:

**13.7(1)** To take the appropriate case action where an overpayment or underpayment has been found in a client's case record.

**13.7(2)** To identify error-prone program issues to be used in planning a department corrective action plan.

**13.7(3)** To determine the error rate used to establish state agency liability.

This rule is intended to implement Iowa Code sections 234.12, 239B.4, 249A.4, and 514I.4.

**441—13.8(234,237A,239B,249A,514I) Federal review.** A sample of cases may also be reviewed by the applicable federal agency to determine the correctness of the department's action or of the department's review of the case.

This rule is intended to implement Iowa Code sections 234.12, 237A.12, 239B.4, 249A.4, and 514I.4.