

PUBLIC COMMENT PERIOD FOR IOWA HEALTH AND WELLNESS PLAN EXTENSION

April 15, 2025

Notice is hereby given that the Iowa Department of Health and Human Services (HHS) will submit to the Centers for Medicare & Medicaid Services (CMS) a request to amend the State’s §1115 Iowa Health and Wellness Plan (IHAWP) Demonstration. This amendment will implement work requirements for individuals as a condition of maintaining eligibility for the Iowa Health and Wellness Plan. HHS plans to request CMS approve the amendment to be effective July 1, 2025. HHS will conduct implementation activities throughout 2025, with a target date of January 1, 2026, to operationalize the work requirements.

Hearings are an opportunity for the public to provide written or verbal comments about the Demonstration amendment. HHS will summarize all comments for review and consideration prior to submission of the Demonstration amendment to CMS.

Hearings will be held at the following dates, times, and locations:

Public Hearing #1	Public Hearing #2
<p>Date: April 23, 2025</p> <p>Time: 10:30 – 11:30 am</p> <p>Location: Urbandale Public Library 3520 86th St, Urbandale, IA 50322</p> <p>Remote Access via Zoom: https://www.zoomgov.com/j/1609895079?pwd=k2t70uOG81GZhCFaf6u58lwyWzbJJ7.1</p> <p>Meeting ID: 160 989 5079</p> <p>Passcode: 432875</p> <p>Join by phone: +1 669 254 5252</p>	<p>Date: April 29, 2025</p> <p>Time: 2:00 – 3:00 pm</p> <p>Location: Marshalltown Public Library 105 W Boone St, Marshalltown, IA 50158</p> <p>Remote Access via Zoom: https://www.zoomgov.com/j/1602224847?pwd=sueTFhvsL89CQVlshZ0l17esWFOAoj.1</p> <p>Meeting ID: 160 222 4847</p> <p>Passcode: 443409</p> <p>Join by phone: +1 669 254 5252</p>

GOAL AND OBJECTIVES

IHAWP provides health care coverage to low-income, uninsured lowans ages nineteen (19) to sixty-four (64). The State seeks to implement work requirements for non-exempt IHAWP members to maintain eligibility to reduce the dependence of low-income lowans on public assistance programs through efforts that advance economic stability and mobility.

DEMONSTRATION ELIGIBILITY

The Demonstration amendment will apply to individuals who are eligible in the adult group currently defined in the State Plan.

Table 1: Definition of Adult Group

Eligibility Group Name	Social Security Act and CFR Citations	Income Level
The Adult Group	§1902(a)(10)(A)(i)(VIII) 42 CFR §435.119	0 – 133% Federal Poverty Level (FPL)

The Demonstration amendment requires that non-exempt individuals meet one of the following requirements as a condition of maintaining eligibility:

- Work at least one hundred (100) hours per month or earn wages monthly at least equal to the State minimum wage multiplied by one hundred (100) hours.
- Enrolled in an educational/job skills program.
- Enrolled in and compliant with Iowa’s Temporary Aid to Needy Families (TANF) or Supplemental Nutrition Assistance Program (SNAP) work requirements; or
- Have been exempted from SNAP work requirements.

IHAWP members who meet one of the following criteria will be exempted from work requirements:

- Individuals who are under nineteen (19) years of age or who are sixty-five (65) years of age or older.
- Individuals who are pregnant and the pregnancy is high-risk.
- Individuals determined disabled by the United States Social Security Administration (SSA);
- Individuals identified as medically exempt under the Medicaid program.
- Caretakers of children under the age of six (6);
- Individuals who are receiving unemployment compensation as determined by Iowa Workforce Development.
- Individuals participating in substance use disorder (SUD) treatment, not to exceed a consecutive six (6)-month period; and
- Individuals who provide proof of good cause as defined by HHS.

BENEFITS AND COST SHARING

The Demonstration amendment will not modify current covered benefits and cost sharing arrangements.

DELIVERY SYSTEM

The delivery system under the current State Plan and IHAWP Demonstration will not vary for individuals who are impacted by this proposed Demonstration amendment. This Demonstration amendment will apply statewide.

WAIVER AUTHORITY

The state requests continuation of currently approved federal waivers.

- **Comparability of Eligibility Requirements:** Section 1902(a)(10)(A) to the extent necessary to enable the State to require all non-exempt IHAWP eligible individuals to meet one of the defined work requirements as a condition of maintaining eligibility.
- **Provision of Medical Assistance:** Section 1902(a)(8) to the extent necessary to suspend and terminate eligibility for individuals who fail to meet the work requirements.
- **Amount, Duration and Scope of Services and Comparability:** Section 1902(a)(10)(B) and 1902(a)(17) to extent necessary to enable the State to suspend benefits for current members who do not meet work requirements.
- **Methods of Administration on Basis of Information Available to the Agency:** Section 1902(a)(17) and 42 CFR 435.916 to the extent necessary to enable the State to require individuals to provide additional information to verify compliance and to permit the State to deny or discontinue eligibility to persons who do not provide verification.
- **Methods of Application:** 42 CFR 435.907 to the extent necessary to implement electronic modalities exclusively for confirmation of having met work requirements to maintain eligibility.

BUDGET NEUTRALITY

Currently, no expenditure authorities are required to operate the Demonstration, and the State is not requesting any federal expenditure authorities for this amendment. The following presents the projected caseload of this statewide Demonstration, expenditures, and budget neutrality estimate.

Demonstration Period

The Demonstration spans five years, from January 1, 2026, through December 31, 2030.

Demonstration Impact on Medicaid Group VIII

This Demonstration will implement eligibility restrictions for non-medically exempt adult expansion (Group VIII) individuals. Group VIII individuals not meeting the proposed requirements will be disenrolled from the Medicaid program. These requirements apply to Group VIII enrolled in fee-for-service and Health Link managed care.

Projected Enrollment

HHS projects the following enrollment and annual member months for each Demonstration year based on estimates about which individuals will qualify for enrollment through meeting the exemptions or coverage requirements.

Table 2 presents the average number of enrollees and annual member months projected for the base period and each Demonstration period.

Table 2 – Projected Average Enrollment and Annual Member Months

Demonstration Year (DY)	Projected Average Monthly Enrollment	Projected Annual Member Months
Without Waiver Base Period	171,436	1,851,194
DY 1 – January 1, 2026 – December 31, 2026	144,085	1,555,849
DY 2 – January 1, 2027 – December 31, 2027	124,106	1,340,113
DY 3 – January 1, 2028 – December 31, 2028	126,589	1,366,916
DY 4 – January 1, 2029 – December 31, 2029	129,120	1,394,254
DY 5 – January 1, 2030 – December 31, 2030	131,702	1,422,139

Budget Neutrality Projections

DHS projected the caseload (enrollment) and costs of the current program without work requirements as a condition of enrollment, referred to as “Without Waiver,” and the caseload and costs of the program with work requirements, referred to as “With Waiver.” The projections presented in Table 3 are Total Computable and include the combined federal and state share of expenditures.

The difference represents the Without Waiver less the With Waiver projected amounts. The state share is ten percent (10%) of the Total Computable.

Table 3 – Projected Without and With Waiver

Without Waiver (Total Computable)					
	DY 1	DY 2	DY 3	DY 4	DY 5
Avg. Enrollment	176,619	180,152	183,755	187,430	191,178
Expenditures	\$1,794,733,859	\$1,931,317,264	\$2,078,281,396	\$2,236,444,453	\$2,406,646,043
With Waiver (Total Computable)					
	DY 1	DY 2	DY 3	DY 4	DY 5
Avg. Enrollment	144,085	124,106	126,589	129,120	131,702
Expenditures	\$1,632,221,743	\$1,537,879,951	\$1,654,918,914	\$1,780,859,611	\$1,916,378,534
Difference (Without Waiver minus With Waiver)					
Total Computable	\$162,512,116	\$393,437,313	\$423,362,482	\$455,584,842	\$490,267,510
State Share	\$16,251,212	\$39,343,731	\$42,336,248	\$45,558,484	\$49,026,751

EVALUATION

The State proposes the Evaluation and Method plan for the Demonstration amendment referenced in Table 4.

Table 4. Proposed Evaluation Hypotheses

Proposed Hypotheses	Research Question	Analytic Approach
<p>1. The implementation of work requirements will increase the employment rate of IHAWP members.</p>	<p>a. How do the number and percentage of IHAWP members who must meet work requirements compare to the number and percentage of IHAWP members who are exempted from work requirements?</p> <p>b. What are the number and percentage of IHAWP members suspended after six (6) months for not meeting work requirements?</p>	<p>Descriptive statistics, univariate analysis, time trends to track performance throughout the Demonstration period.</p>
<p>2. The implementation of work requirements will increase the rate of IHAWP members engaged in training or educational activities.</p>	<p>a. What are the number and percentage of IHAWP members attending school?</p> <p>b. What are the number and percentage of IHAWP members completing training activities?</p>	<p>Descriptive statistics, univariate analysis, time trends to track performance throughout the Demonstration period.</p>
<p>3. The implementation of work requirements will increase earned income for IHAWP members.</p>	<p>a. What is the average household income of IHAWP applicants?</p> <p>b. Has the average household income changed since the implementation of the Demonstration amendment?</p> <p>c. Has the number and percentage of households with no income decreased?</p>	<p>Descriptive statistics, univariate analysis, time trends to track performance throughout the Demonstration period.</p>
<p>4. The implementation of work requirements will decrease the reliance on public assistance programs.</p>	<p>a. Has the number and percentage of applications for IHAWP decreased during the Demonstration period?</p> <p>b. What are the number and percentage of applicants unenrolled due to inability to demonstrate satisfaction with training, education, or work</p>	<p>Descriptive statistics, univariate analysis, time trends to track performance throughout the Demonstration period.</p>



Proposed Hypotheses	Research Question	Analytic Approach
	requirements after the six (6)-month compliance period? c. Has the enrollment for the State’s Employer Sponsored Insurance increased during the Demonstration period?	

SUBMISSION OF COMMENTS

This notice will be available at [Public Comment Period for Iowa Health and Wellness Plan \(IHAWP\) Extension | Health & Human Services](#). All Demonstration amendment documents can be found at [Federal Waiver Documents | Health & Human Services](#) and non-electronic copies will be made available for review at HHS Field Offices. A full list of HHS Field Office locations is available at <https://hhs.iowa.gov/about/hhs-office-locations>. Historical documents associated with the Demonstration are available on the CMS website at [State Waivers List | Medicaid](#). Upon the State’s submission of the Demonstration amendment application to CMS, this page will also be updated to permit submission of comments during the federal comment period.

Written comments may be addressed to Quality/Innovation and Medical Policy Bureau, Department of Health and Human Services, Iowa Medicaid, 321 East 12th St., Des Moines, IA 50319-0114. Comments may also be sent via electronic mail to: QIMP_Public_Comment@hhs.iowa.gov through May 15, 2025 at 4:30 pm. Please include “1115 Work Requirement Amendment” in the subject line. After the comment period has ended, a summary of comments received will be made available at [Iowa Health and Wellness Plan \(IHAWP\) | Health & Human Services](#).

Submitted by:
 Rebecca Curtiss, Interim Medicaid Director
 Iowa Medicaid
 Iowa Department of Health and Human Services