

Bill of the Week

MEPD Program Updates (SF 2315)

This bill allows individuals in the Medicaid for Employed Persons with Disabilities (MEPD) program to earn more, exempts all retirement funds from asset limits, and requires Iowa Medicaid to allow premium payments to be made electronically.

☑ Key Points & Impacts

- MEPD is called a Medicaid buy-in program because members pay a premium for coverage that's based on their income.
- Some Iowans with disabilities who work full time with employer sponsored insurance rely on MEPD to cover what their private plan does not. This might include personal care in the home which helps someone get in and out of bed and go to work. This care is too expensive to pay out-of-pocket.
- Many Iowans with disabilities work only part time due to their disability. This makes them ineligible for employer-sponsored health insurance. Their only option might be Medicaid or MEPD. Their income and assets are capped to remain eligible. This creates a poverty trap and is a disincentive to work.
- This bill would allow Iowans with disabilities to earn about \$7,000/year more without losing their MEPD eligibility.
- Iowans whose earnings are close to the income limit would not have to turn down a raise or work fewer hours in order to maintain eligibility for Medicaid.
- Allowing an MEPD member to pay their premiums online reduces mailing time delays and allows people to be less reliant on friends and family to write the checks and physically deliver the premium payments.

🔊 Facts at a Glance

- To be eligible for the current Medicaid for Employed Persons with Disabilities (MEPD) program, an individual must be under age 65, employed, have less than \$12,000 in assets (\$24,000 for a couple) and earn less than 250% of the federal poverty level.
- This bill increases income limits for the MEPD program to 300% of the federal poverty level. That's \$47,880/year for a single person or \$99,000/year for a family of four.
- Currently retirement accounts are not counted toward asset limits, but pensions are included. This bill also exempts pensions from asset limits.
- Iowa Medicaid is required to develop an electronic system that allows MEPD program members to pay their premiums online.
- [Ten states](#) have totally eliminated asset limits for their Medicaid buy-in programs, including Tennessee and Wyoming.
- MEPD members receive all Iowa Medicaid benefits. Prescription services are included for members who do not have Medicare.

About the Sponsor

Sen. Dennis Guth represents Franklin, Hamilton, Hancock, Humboldt, and Wright Counties. He serves on the Agriculture, Appropriations, Health/Human Services, Local Government, and State Government Committees and chairs the Administration & Regulation Budget Committee.

