

Today's Update

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2. Overview of Bills and Priorities
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 - 504 Lawsuit
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Public Policy Update

What's new?

It's all here:



This Week @ Iowa Capitol | Week 6 | February 20, 2026

Disability Focused Bills Clear the First Deadline

The Iowa Legislature has now passed its first deadline, what lawmakers call the "first funnel." This deadline helps narrow the list of bills that can be considered. That is important considering legislators have already introduced **1,542 bills** this year alone. Last year broke the state record for most bills introduced and this may come up a close second.



Be informed.

CAPITOL CHATS

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Bill of the Week
Public Assistance Reform (SF 2422)

This bill requires citizenship checks for public assistance programs, locks the state into Medicaid managed care, limits retroactive eligibility for Medicaid, and requires most new Medicaid waivers and plan amendments to be cost neutral.

Facts at a Glance

- Iowa will be required to deliver all Medicaid services through managed care. Medicaid services and populations not included in managed care as of January 1, 2027, would continue to be paid for through the state's fee-for-service system.
- Fee-for-service (FFS) programs like the Health Insurance Premium Payment (HPP) Program, Medically Needy, and Family Planning Program (FPP) can continue. New FFS programs and populations cannot be added without legislative action.
- Iowa Medicaid is required to make sure all people receiving or applying for public assistance are citizens. Medicaid will be required to check the federal Systemic Alien Verification for Entitlements (SAVE) database before determining initial or ongoing eligibility for Medicaid, children's health insurance program (HAWA), food assistance (SNAP), or the Family Investment Program (FIP).
- All household income will be counted toward eligibility for food assistance (SNAP), including those who are not eligible for the program because of their immigration status.
- Iowa Medicaid is required to comply with changes in retroactive eligibility made in the One Big Beautiful Bill (OBBB) Act of 2025. Retroactive eligibility would now be limited to two months for pregnant women, children, and nursing home residents. Currently it is 90 days.
- Iowa Medicaid would not be allowed to lengthen retroactive eligibility unless the Legislature first okays the change.
- Iowa Medicaid is not allowed to apply for some Medicaid waivers and state plan amendments without legislative approval, unless it saves money or is cost neutral. This includes the waiver used for trying new things (1115 demonstration waiver) or make changes in the home and community-based services (HCBS) system (1915 HCBS waiver).
- Iowa HHS must annually review all approved and implemented waivers, detailing the costs associated and compliance with the OBBB.

Key Points & Impacts

- Innovation in Medicaid services could be stifled by limiting the ability to apply for waivers without legislative approval and locking the state into managed care.
- The state might be able to show cost neutrality in ending Medicaid managed care, but it would still be unable to change back to fee-for-service without it.
- The state entered Medicaid managed care without legislative approval (through Governor's Executive Order) but a future Governor would not be able to exit it without legislative approval.
- This bill will make it harder to get and keep public assistance programs and citizenship checks may delay getting the help people need.
- Iowans with disabilities may face longer wait times for services if eligibility redetermination is delayed because of citizenship status checks.
- Iowa is relying on a federal database to be accurate. The SAVE database has been criticized as having unreliable information.
- Food insecurity may increase in some homes where children who are US citizens live with family members who are not.
- If retroactive eligibility is shortened at the same time there are delays in eligibility determination, Medicaid providers may not get reimbursed for services provided.
- This may make Medicaid providers less likely to serve people until eligibility is determined.

IOWA DD COUNCIL POLICY PRIORITIES

This time last year 2025....

Potential of Medicaid Funding Cuts Current Status

- ❖ The House passed their budget resolution calling for \$880 Billion in cuts to Medicaid over ten years.
- ❖ The cuts to be made are “waste, fraud, and abuse” 
- ❖ Experts claim there is no way to cut \$880 billion from Medicaid without making major cuts to eligibility, benefits, or provider payments.
- ❖ Proposals previously floated have included work requirements and shrinking the federal medical assistance percentage (FMAP)
- ❖ States would have to make up the shortfall

Federal AND State Policy



Bill Update

Employment

- **SF 2315** Increasing eligibility for MEPD Program to 300% FPL (Sen. Dennis Guth)
 - Passed Senate Subcommittee and HHS Committee, referred to Senate Appropriations
- **HF 2716** Public Assistance Reform Expands the Medicaid for Employed Persons with Disabilities (MEPD) program; AND ALSO restricts access to food assistance (SNAP and WIC), Medicaid, and other public assistance programs; and gives rural providers a boost in reimbursement.
 - On House Calendar for Tuesday, March 10

These are not Work Without Worry!

Bill Update

Education

- **HF 2250:** Allows Iowa Tuition Grants to be used for **Comprehensive Transition Post-Secondary (CTP)**
 - programs passed House 96-0 (Senate Education Committee)
- **HF 2538:** Makes many changes to education processes, including allowing a teacher to request a meeting with. A student's **IEP team** at any time and requires cause for denial
 - House plans to debate this week
- **HF 2218:** Allows video recordings in special education classrooms. Does not comply with federal privacy laws. Parents of children in special education classrooms are on both sides of this issue.
 - Passed House Education Committee
- **SF 2404:** Establishes a pilot program to allow one rural and one urban school district to have separate schools for special education students or students with challenging behaviors
 - Senate Calendar, fiscal note filed, \$1.2 - \$4.6 million total annual cost)

Bill Update

Community Living and Health Care

- **SF 2422**: Senate's version of **public assistance reform** requiring citizenship checks for public assistance, locking the state into Medicaid managed care, limiting ability to apply for waivers (including HCBS waivers) and state plan amendments. (Passed Senate 30-17; House Health & Human Services Committee Tuesday)
- **HF 2292**: Doubles the number of **beds at MHIs** and asks for waiver to get federal Medicaid match passed House 90-0 (Senate Health & Human Services Committee; Sen. Warme/ Zimmer/Costello)
- **HF 2518**: Requires **Medicaid rate reviews for HCBS providers** every four years passed
 - House 92-0 (Senate Health & Human Services Committee, Sens. Costello/Lofgren/Zimmer, Subcommittee scheduled Tuesday, March 10 at 3:00 pm)
- **HF 2523**: Allows parents to **directly commit a minor child** (without their consent, without a court order) to an MHI
 - House 70-21, Senate Health & Human Services Committee, passed subcommittee
- **HF 2585**: Requires an **accessible prescription label/info** option be available upon request, free of charge (Rep. Brett Barker; on House Debate Calendar for Monday, March 9)
- **HSB 759**: Creates a pilot program to refurbish and recondition **durable medical equipment** purchased under Iowa's Medicaid program Passed House Appropriations Subcommittee on Monday

Bill Update

Voting

- **HF 2501**: Makes changes to **election law** (most not controversial) – House added language to eliminate attestation option, Senate took out
 - Passed Senate 44-0; House Calendar with Senate Amendment)

Bill Update

Other

- **HF2541: Local Civil Rights Ordinances/Laws** Prohibits local governments from enacting any civil rights ordinance or law that are broader than those established under the Iowa Civil Rights Act of 1965.
 - House calendar for this week
- **SF 2461:** Automatically enacts a **status quo budget** if the Legislature is unable to pass on by July 1 of each year, which could be problematic or programs like Medicaid
 - Passed House Appropriations Committee two weeks ago – on Senate Calendar

Public Policy Update

Advocacy in Action



Other Updates

504 Lawsuit

Public Policy Update

What can you do?

Disability Advocacy Day

April 1st

Iowa State Capitol Building



With Medicaid, We Can:

**Live.
Work.
Play.
Flourish.**



LET US WORK!

A campaign to give people with disabilities the freedom to work.

Upcoming Events

- Thursday, March 12 (Revenue Estimating Conference)
- Friday, March 13 (Legislative Candidates File Papers)
- **April 1 - Disability Partners Capitol Advocacy Day**

2026 Capitol Chats (Noon-12:30 pm)

- Friday, March 20 (funnel update!)
- Friday, April 3
- Friday, April 17
- Friday, May 1 (if needed)