

HF 613 would undermine the integrity of Iowa's SNAP and Medicaid

programs and create burdens on low-income Iowans. The bill would kick eligible people off critical supports that help them put food on the table and get the health care they need by creating more cracks for families to fall through when seeking assistance.

HF 613 ignores the economic realities in our state – good jobs with benefits are hard to find

- Cutting people off assistance does nothing to address the real causes of hunger and poor health: low wages, wealth inequality, discrimination, a weakened safety net and attacks on worker's rights.
 - Over 100,000 Iowa families with at least one full-time worker can't meet even a bare-bones budget on wages alone. A single parent with one child, for example, needs to make \$21.16 an hour, full time, to meet their basic needs.¹ And we know many lower-wage jobs in our state are part time and don't offer benefits, including health insurance.
 - In November 2022, 12% of Iowa households with children reported that the children sometimes or often were not eating enough because the household could not afford enough food.²

HF 613 makes a poor use of state resources, ramping up administrative costs in order to take federal resources out of Iowa's economy

- As of this writing, no fiscal analysis of HF 613 was available. We do know that the March 24 fiscal note for SF 494, a similar bill, found Iowa HHS would need to hire over 200 people to process extra eligibility paperwork. Those costs would be split between the state and federal governments based on funding formulas tied to specific programs.
 - The same analysis found that in the first two fiscal years following passage of SF 494, there would be no cost savings, only expenses, as the state hires new staff and retools IT systems.
 - In the third year, the state would save only \$200,000 – while giving up over \$23 million in federal dollars that provide benefits, overwhelmingly for Medicaid, to do so.
 - Only in year 4 are there significant state savings, about \$8 million. That year, Iowa would forego almost \$47 million in federal dollars for benefits, again, overwhelmingly for Medicaid.
 - There are modest state cost savings from cutting people off SNAP because SNAP benefits are funded solely with federal funds; only administrative costs are shared.
- One big win as low-income Iowa adults gained access to Medicaid thanks to the 2013 expansion was a drop in uncompensated care provided by Iowa hospitals: \$142 million

between 2013 to 2015.³ Taking away coverage will reverse some of those gains and drive up costs for everyone.

- It will strain our state eligibility systems at a time when the state faces an enormous administrative workload “unwinding” the pandemic-era Medicaid continuous eligibility provision – a process that could lead to significant numbers of eligible lowans, especially children, losing coverage and access to care without concerted effort and attention.

HF 613 won't lift people out of poverty; rather it will make it harder for them to get ahead

- There is already a process in place for identity and income verification when applying for assistance in Iowa. By instituting redundant eligibility verification requirements, it would snare people who are eligible but struggle to manage required paperwork because of frequent moves, limited internet access or a language barrier.
- By implementing asset testing in SNAP it would penalize Iowa households for having meager savings or more than one vehicle. Policies like this don't lift people out of poverty, they keep them in it.
- Nearly 70% of SNAP participants live in families with children.⁴ There's simply no way to make the kinds of cuts proposed in this bill without harming children.
- Research on Medicaid work reporting requirements show that the requirements are not effective at connecting people with living-wage work.⁵ In fact, their main impact is not securing better jobs, but worse health outcomes, less access to care and more financial insecurity.⁶

HF 613 wastes state staff time pursuing schemes that are unlikely to be approved

- It would dictate what foods families can and cannot buy using SNAP benefits by banning the purchase of candy and non-sugar-free soda. The USDA would have to grant Iowa a waiver to do this, and it has demonstrated, under Republican and Democratic administrations alike, that it is unwilling to restrict what foods SNAP participants can buy with their benefits.⁷
 - It would make a state investment in the Double Up Food Bucks program contingent on federal approval of these draconian food restrictions. Double Up Food Bucks supports health and nutrition in SNAP households. Linking it to highly unlikely actions of the federal government speaks volumes. This is not about what is best to help lift people out of poverty, it is a simple game of “children in the middle.”
- It would have the state apply annually for permission to implement those Medicaid work-reporting requirements, something the Biden administration is unlikely to approve and even if different administration later did so, is unlikely to prevail in court.

All in all, House File 613 sends a clear message to lowans: our lawmakers are willing to spend money to take food and health care away from children, workers and elder lowans.

To learn more about and SNAP and food security, contact policy advocate Natalie Veldhouse at nveldhouse@commonnoodiowa.org or visit www.commongoodiowa.org.

-
- ¹ Peter Fisher and Natalie Veldhouse, "The Cost of Living in Iowa 2022: Many households working hard, but barely scraping by." April 2022. Common Good Iowa. https://www.commongoodiowa.org/media/cms/220427_Cost_of_Living_2022_FINAL_E5F2092545A1E.pdf
 - ² Population Reference Bureau Analysis of the U.S. Census Bureau Household Pulse Survey, November 2022, accessed at the Kids Count Data Center, <https://datacenter.kidscount.org>.
 - ³ Jessica Schubel and Matt Broaddus, "Uncompensated Care Costs Fell in Nearly Every State as ACA's Major Coverage Provisions Took Effect," Center on Budget and Policy Priorities, May 2018. Accessed at <https://www.cbpp.org/research/health/uncompensated-care-costs-fell-in-nearly-every-state-as-acas-major-coverage>
 - ⁴ CBPP fact sheet https://www.cbpp.org/sites/default/files/atoms/files/snap_factsheet_iowa.pdf
 - ⁵ LaDonna Pavetti, "Work Requirements Don't Cut Poverty, Evidence Shows." June 2016. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/poverty-and-inequality/work-requirements-dont-cut-poverty-evidence-shows>
 - ⁶ Hannah Katch, "Medicaid Work Requirements Will Harm Families, Including Workers." February 2018. Center on Budget and Policy Priorities. <https://www.cbpp.org/research/health/medicaid-work-requirements-will-harm-families-including-workers>
 - ⁷ Iowa Hunger Coalition, "Protect SNAP landing page." 2023. Retrieved from: <https://www.iowahungercoalition.org/protect-snap/>