

SB61 INTRODUCED



1 SB61
2 NRXZ988-1
3 By Senator Orr
4 RFD: Finance and Taxation General Fund
5 First Read: 13-Jan-26



SYNOPSIS:

Under existing law, the Alabama Medicaid Agency (the agency) conducts eligibility determinations for Medicaid.

Also under existing law, certain households are categorically eligible for Supplemental Nutrition Assistance Program (SNAP) benefits because of their eligibility for other public assistance, benefits, or services, including certain noncash or in-kind benefits.

This bill would prohibit the Alabama Medicaid Agency from accepting certain self attestations or eligibility determinations for Medicaid.

This bill would require the agency to enter into data matching agreements with certain state agencies to cross-check Medicaid eligibility with other data relating to income, employment, assets, and other relevant information.

This bill would require the State Department of Human Resources (the department) to enter into data matching agreements with certain state agencies to cross-check food assistance eligibility with other data relating to income, employment, assets, and other relevant information.

This bill would require the agency and the



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department to regularly review certain related federal data to assess continued eligibility for public assistance and, if necessary, act on any changes.

This bill would require the agency and the department to regularly publish data relating to investigations of fraud and noncompliance.

This bill would prohibit the department from granting categorical eligibility for SNAP benefits, except as where required by federal law.

This bill would prohibit the department from applying gross income standards or allowable financial resources standards for eligibility for food assistance at an amount higher than as specified in federal law.

This bill would require the department to assign certification periods for SNAP benefits, with the length of the period dependent on certain household characteristics.

This bill would also require the agency and the department to adopt rules.

A BILL

TO BE ENTITLED

AN ACT

Relating to public assistance; to provide further for eligibility determinations for Medicaid; to prohibit certain self attestations for Medicaid eligibility; to require the



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Alabama Medicaid Agency to enter into data matching agreements with certain state agencies to cross-check Medicaid eligibility; to require the State Department of Human Resources to enter into data matching agreements with certain state agencies to cross-check food assistance eligibility; to prohibit the department from granting categorical eligibility for SNAP benefits; to further provide for gross income standards and allowable financial resource standards for eligibility for food assistance; to require the agency and the department to regularly review certain federal data for purposes of confirming eligibility for public assistance; to require the agency and the department to publicize data related to investigations of fraud; to provide for certification periods for SNAP benefits; and to require the agency and the department to adopt rules.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) For the purposes of this section, the term "eligibility" refers to eligibility for participation in or receipt of benefits from Medicaid.

(b) (1) The Alabama Medicaid Agency may not accept eligibility determinations from an Exchange established under 42 U.S.C. § 18041(c).

(2) The agency may accept assessments from an Exchange established under 42 U.S.C. § 18041(c), provided that the agency verifies eligibility and makes eligibility determinations.

(c) Except where required by federal law, the Alabama Medicaid Agency may not:



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(1) Accept self-attestation of income, residency, age, household composition, caretaker or relative status, or receipt of other coverage without verifying that information prior to enrollment; or

(2) Request the authority to waive or decline to periodically check any available income-related data sources to verify eligibility.

(d) The Alabama Medicaid Agency shall enter into data matching agreements to receive and review information that may indicate a change in circumstances that may affect eligibility and cross-check households enrolled in Medicaid with other state data sets, including all of the following:

(1) On at least a monthly basis, information from each of the following:

a. The Alabama Department of Public Health, including, but not limited to, death records.

b. The State Department of Human Resources, including, but not limited to, potential changes in residency as identified by out-of-state electronic benefit (EBT) transactions.

c. The Department of Corrections, including, but not limited to, incarceration status.

(2) On at least a quarterly basis, information from each of the following:

a. The Department of Workforce, including, but not limited to, changes in employment, income, wages, assets, or disability status.

b. The Department of Revenue, including, but not



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113 limited to, potential changes in income, wages, or residency
114 as identified by tax records.

115 (e) At least once a month, the Alabama Medicaid Agency
116 shall assess continued eligibility and act on any changes that
117 may affect eligibility based on a review of data from the
118 following federal sources:

119 (1) From the United States Social Security
120 Administration, earned income information, death register
121 information, incarceration records, supplemental security
122 income information, beneficiary records, earnings information,
123 and pension information.

124 (2) From the United States Department of Health and
125 Human Services, income and employment information maintained
126 in the National Directory of New Hires database and child
127 support enforcement data.

128 (3) From the United States Department of Housing and
129 Urban Development, payment and earnings information.

130 (4) From the United States Federal Bureau of
131 Investigation, national fleeing felon information.

132 (5) From the United States Postal Service, change of
133 address information.

134 (f) Beginning not later than October 1, 2029, the
135 Alabama Medicaid Agency shall submit enrollment information to
136 the Centers for Medicare and Medicaid Services' national
137 Medicaid enrollment database on a monthly basis for the
138 purpose of identifying individuals who are enrolled in
139 Medicaid in more than one state.

140 (g) On at least a quarterly basis, the Alabama Medicaid



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Agency shall make available on its public website all of the following data from findings on noncompliance and fraud investigations, provided the data is presented in the aggregate and does not include confidential or personally identifying information:

(1) The number of Medicaid cases investigated for intentional program violations or fraud.

(2) The total number of Medicaid cases referred to the Attorney General's office for prosecution.

(3) Improper payments and expenditures.

(4) Monies received.

(5) Aggregate data concerning improper payments and ineligible recipients as a percentage of those investigated and reviewed.

(h) The Alabama Medicaid Agency shall adopt rules to implement and administer this section.

Section 2. (a) For the purposes of this section, the term "eligibility" refers to eligibility for food assistance, including the Supplemental Nutrition Assistance Program (SNAP).

(b) The State Department of Human Resources shall enter into data matching agreements to receive and review information that may indicate a change in circumstances that may affect eligibility and cross-check households enrolled in food assistance with other state data sets, including all of the following:

(1) On at least a monthly basis, information from each of the following:

a. The Alabama Department of Public Health, including, but not limited to, death records.



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b. The State Department of Human Resources, including, but not limited to, potential changes in residency as identified by out-of-state electronic benefit (EBT) transactions.

c. The Department of Corrections, including, but not limited to, incarceration status.

(2) On at least a quarterly basis, information from each of the following:

a. The Department of Workforce, including, but not limited to, changes in employment, income, wages, assets, or disability status.

b. The Department of Revenue, including, but not limited to, potential changes in income, wages, or residency as identified by tax records.

(c) At least once a month, the State Department of Human Resources shall assess continued eligibility and act on any changes that may affect eligibility based on a review of data from the following federal sources:

(1) From the United States Social Security Administration, earned income information, death register information, incarceration records, supplemental security income information, beneficiary records, earnings information, and pension information.

(2) From the United States Department of Health and Human Services, income and employment information maintained in the National Directory of New Hires database and child support enforcement data.

(3) From the United States Department of Housing and Urban Development, payment and earnings information.

(4) From the United States Federal Bureau of Investigation, national fleeing felon information.

(d) On at least a quarterly basis, the State Department of Human Resources shall make available on its public website



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all of the following data from findings on noncompliance and fraud investigations, provided the data is presented in the aggregate and does not include confidential or personally identifying information:

(1) The number of households investigated for intentional program violations or fraud.

(2) The total number of households referred to the Attorney General's office for prosecution.

(3) Improper payments and expenditures.

(4) Monies received.

(5) Aggregate data concerning improper payments and ineligible recipients as a percentage of those investigated and reviewed.

(6) The aggregate amount of funds expended by EBT transactions in each state outside of Alabama.

(e) The State Department of Human Resources shall adopt rules to implement and administer this section.

Section 3. (a) Except as otherwise expressly required by federal law, the State Department of Human Resources may not do any of the following:

(1) Grant categorical eligibility for the Supplemental Nutrition Assistance Program (SNAP) under 7 U.S.C. § 2014(a) or 7 C.F.R. § 273.2(j)(2)(ii) for any noncash, in-kind, or other benefit.

(2) Apply gross income standards for SNAP higher than the standards specified in 7 U.S.C. § 2014(c) or allowable financial resources higher than the standards specified in 7 U.S.C. § 2014(g)(1), except as provided in subsection (b).

(3) Grant categorical eligibility to exempt households from the gross income standards or allowable financial



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resource standards referenced in subdivisions (1) and (2) for any noncash, in-kind, or other benefit.

(b) The State Department of Human Resources may apply alternative vehicle allowance standards in accordance with 7 U.S.C. §2014(g)(2)(D) when counting allowable financial resources and household income for purposes of determining SNAP eligibility.

Section 4. Unless otherwise prohibited under federal law, the State Department of Human Resources shall assign certification periods for the Supplemental Nutrition Program (SNAP) as follows:

(1) A period not longer than four months for: (i) households with zero net income; (ii) households that include an able-bodied adult without dependents; and (iii) households whose circumstances are determined by the department to be unstable.

(2) A period of one month or two months for households that the department determines will become ineligible for SNAP in the near future.

Section 5. This act shall become effective on October 1, 2026.