

Heath Insurance Calculation Guide

by Alft & Wilson Publishing – Iowa Support Master

In all scenarios, you need to know who all is covered. How many people? Kids and adults.

Common Facts

Husband has a family plan costing \$12,000 per year.

Covers husband, his wife and their two children.

Single coverage is \$6,000 per year.

The difference between the cost of family and single is \$6,000. This is the cost to cover the kids.

Divorce from Current Spouse – No prior children and no other adults covered.

Enter \$6,000 in the medical screen as cost of coverage for the children.

Divorce from Current Spouse – Husband has Child via Prior Marriage

\$6,000 to cover the 2 kids plus the prior marriage child.

1. As it concerns the prior marriage child, is husband under court or administrative order to provide coverage on the prior child, or the prior child is a QADs under 9.7. If yes, continue. If no, stop. See Rule 9.14(5)(b)
2. Divide the cost of coverage (\$6,000) by 3 (3 kids). The result is \$2,000 per child.
3. Under the Jan. 1, 2022, revisions, husband may deduct half what it costs to cover the prior child. $\$2,000/2 = \$1,000$. (See Guidelines *Rule 9.14(5)(b)*)
4. Indicate \$1,000 as cost of health coverage in the “Other Deductions” screen “Medical Support” of Iowa Support Master. This is the amount husband may deduct.
5. Enter \$4,000 in the health insurance screen as the cost to cover the 2 current children.

Modification Action by Prior Wife – Husband’s current wife has health coverage which covers their two children plus the one child of the prior marriage.

1. How many people are covered? Current wife (who is paying for coverage), husband, their 2 children plus the 1 child of husband via prior marriage. 5 people are covered.
2. Subtract 1 from the result (removes stepparent providing coverage). Result is 4.
3. Divide cost to cover the kids \$6,000 by 4 = \$1,500 per person.
4. Husband may claim \$1,500 as the cost to cover the child by the prior marriage.

252E.1A(3) tells you how to determine if the cost is reasonable. Iowa Support Master will tell you what the reasonable cost is. It is displayed on the “Medical” screen. The math is found in 252E.1A.

Guidelines Rule 9.14(5) Health insurance premium.

In calculating child support, the allowable child(ren)'s portion of the health insurance premium prorated between the parents and used to adjust the basic support obligation as provided in this rule.

a. This subrule applies if the parent is ordered to provide health insurance for the child(ren) in the pending action and it is either deducted from wages of the parent or stepparent or paid by the parent or stepparent.

b. The allowable child(ren)'s portion of the health insurance premium will be calculated as follows:

(1) For a health benefit plan covering multiple individuals, including the child(ren) in the pending action, the allowable child(ren)'s portion is the amount of the premium cost for such coverage to the parent or stepparent that is in excess of the premium cost for single coverage, divided by the number of individuals enrolled in the health benefit plan, excluding the person providing the insurance, and then multiplied by the number of children who are the subject of the pending action.

(2) For a health benefit plan covering only the child(ren) in the pending action, the entire premium will be used as the allowable child(ren)'s portion of the health insurance premium.

c. However, a health insurance premium is not prorated and used to adjust the basic support obligation if the basic support obligation is in low-income (shaded) Area A of the schedule in rule 9.26 unless variance is warranted under rule 9.11.

d. In cases of split or divided physical care, only 50% of the allowable child(ren)'s portion of the health insurance premium is included in each of the two calculations described in subrule 9.14(4).

e. If the child(ren) is (are) covered by the health insurance of a stepparent, the allowable child(ren)'s portion of the health insurance premium will be prorated between the parents, and used to adjust the basic support obligation unless a parent objects. If a parent objects, the court will decide the issue based on its determination of whether it would be equitable to the parties and the child(ren).