

IOWA SUPPORT MASTER HEALTH INSURANCE

THE WHOLE ENCHILADA

Everything you ever wanted to know about calculating health insurance for the kids!

If you will take the time to read and review these materials, you will have mastered how health insurance is calculated on the kids. You will feel confident! Pat Wilson 515-822-0203

THE RULES

hawk-I and Title 19 are not private health insurance providers. Both are publicly funded programs. Wellmark, Medica, Golden Rule are examples of private health insurance providers.

Any order that provides for support for a child shall include a provision for medical support for the child. 252E.1A(2)

1. If there is a private plan of health insurance coverage available to either parent, at the time the order is entered, the court shall order it. A plan is available if it is accessible and the cost of the plan is reasonable. 252E.1A(3)
2. The cost of the plan is considered reasonable, and the amount of such shall be stated in the order, if one of the following applies:
 - a. The cost of the plan does not exceed five percent of that parent's gross income or pursuant to the child support guidelines. 252E.1A(3)(a)(1).
 - i. See the Medical Support Table at Rule 9.12(4) Child Support Guidelines.
 - b. The premium cost is not reasonable if a parent consents or does not object to the entry of the order. If the party does not object to an unreasonable amount, it will be ordered. 252E.1A(3)(a)(2).

IN EVERY CASE WHERE THERE ARE KIDS....

Except in cases where the kids are covered by a private plan of health insurance, the NCP will be required to pay cash medical support unless they fall within one of the exceptions as provided in 252E.1A(a)(b) or (c) of the Code of Iowa (low income, self-employed, etc.)

1. **The kids have no coverage.** You should determine if there is a private plan available at a reasonable cost. If not, look to hawk-i or Title 19.
2. **The kids are covered by Medicaid/Title 19.** In these cases, if the NCP is required to pay

cash medical support, those funds will be assigned to the State of Iowa. CP will not receive the money. There are exceptions if 252E.1A(a)(b) or (c) applies.

3. **The kids are covered by hawk-i.** If the NCP must pay cash medical support, the amount paid will be the lesser of the cost of hawk-i or cash medical as ordinarily calculated. There are exceptions if 252E.1A(a)(b) or (c) applies.
4. **The kids are covered under a private plan of coverage at a reasonable cost.** In these cases, there is no cash medical and the cost of the coverage is apportioned between the parties. The exception is if the NCP is “low-income” (Rule 9.12(4))
5. **The kids are covered under a private plan of coverage at an “unreasonable” cost.** In these cases, the cost is apportioned between the parties. The exception is if the NCP is “low-income” (Rule 9.12(4)). In these cases, a party may object to being ordered to contribute toward the cost of such a plan. In these cases, if you cannot agree on a resolution, the court will decide it. Go ahead with your calculations and prepare the Form 1. Look to page 3 to see the notes and how the cost is apportioned. You can always go back and enter the reasonable cost. The results are shown instantly.

LET’S GET THE PARTY STARTED ...

If the children are covered by a private plan, or could be, answer these questions.

Which parent is providing the coverage? _____

Name of provider company (Wellmark, etc.)? _____

If it is a family plan, what is the cost of the family plan per month? _____

If it is a family plan, what would it cost for “single” coverage per month? _____

If it is a plan that covers only the kids, what is the cost per month? _____

How many people, adults and kids total, are covered by the plan? _____

Subtract the cost of the single plan from the cost of the family plan. That’s the cost to cover the kids. If other people, kids and adults, are covered, take the total number of people covered and subtract by 1 then divide the cost of coverage by the result and multiply that number by the

number of kids covered in your case. That is the cost to cover the kids in your case. 252E.1A(3) tells you how to determine if the cost is reasonable.

If there is no private plan available and the children are not covered or are covered by Title 19 or hawk-I, answer these questions.

1. Answer ALL the following questions:

- a. Is NCP on Medicaid/Title 19 [252E.1A(c)]? Yes – No
- b. Are there any children residing with the NCP, to whom the NCP owes a duty of care, who are covered by Title 19 or hawk-I [252E.1A(4)(c)]? Yes – No
- c. Is NCP considered “low income” under the Guidelines [252E.1A(4)(c)]? Yes – No

If you answered “yes” to any of these questions, the NCP meets an exception to cash medical support and cash medical will not be ordered. Instead, the Court must order the NCP to obtain a plan to cover the children if one becomes available at no cost. [Check the 252E.1A box in ISM]

2. Is the NCP self-employed? Is self-employment the only source of income of the NCP?
If yes to both questions, cash medical does not apply. The court must order the NCP to provide a health care plan when a plan becomes available at a reasonable cost. The order must include what the amount of reasonable cost is. 252E.1A(4)(b).

3. If the kids are covered by hawk-I, and none of the 252E.1A(4) exceptions apply, how much does hawk-i cost per month? _____. The NCP will be required to pay cash medical support limited to the lesser of the calculated cash medical or the cost of hawk-i. Iowa Support Master will perform the calculations for you.
4. If the kids are on Title 19 or hawk-I, CP must be ordered to provide coverage per 252E.1A(5).

Health Insurance Calculator

To determine what it costs to cover the children, go through each step below.

Option 1: The health plan covers multiple individuals, including the children in your case.

Have the parent contact the insurance provider to find out the cost of a “single coverage” plan.

The difference between these is what it will cost to cover the children.

Multiple Party plan cost: _____ Single plan cost: _____

Option 2. The health plan is a “single” plan which covers only the parent. The parent must find out what the cost would be to include the children. That additional cost is what it would cost to cover the children.

If the only people covered by the plan are the parent and the kids in your case, the results from the options above are what it costs to cover the kids. If other adults and/or children are also covered by the same plan, you must perform additional calculations.

- a. How many people, including kids, are covered? _____
- b. Subtract 1 from the result shown in line “a” above: _____
- c. Divide cost to cover the kids by the result in line “b” above: _____

This is the cost per person covered by the plan, while excluding the person providing the plan.

- d. Multiply line “c” by the number of children in your case.

This will be the cost you would enter in as the cost to cover the kids in your case.

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

HAWK-I AND TITLE 19

If you are advised that the child(ren) are covered by hawk-i or Title 19, the NCP will be required to pay cash medical unless he/she falls within an exception under 252E.1A(4).

In Title 19 cases, cash medical payments are assigned to the State. Cash medical in hawk-I cases is fixed at the actual cost of hawk-i or less as calculated under the guidelines. CP receives those funds.

- I. To qualify for hawk-I benefits, the child must be...
 - a. A resident of the state of Iowa.
 - b. Under 19 years of age.
 - c. Have no other health insurance.
 - d. A citizen of the US or a qualified alien.
 - e. Be in a family that meets hawk-I income guidelines. (See below).
 - f. Not a dependent of a State of Iowa employee.
 - g. Not current covered under the Medicaid program.

You can “Google” search “hawk-I healthy kids Iowa” to learn more.

UNREASONABLE COST WARNING – WHAT NOW!

We assume you have entered all your case information, number of kids, who claims which kids, filing status, income, etc. Go to the “Medical” screen and you will see this:

	Non Custodial	Custodial
Cost of Child's Health Insurance	<input type="text"/>	<input type="text"/>
Yearly Reasonable Cost	\$3,250.00	\$1,500.00
Cash Medical Support	3250.00	0.00

In the image above, the yearly reasonable cost is indicated in green. If, for example, we indicate that NCP pays \$3,300 per year as cost of health insurance, that is \$50 more than what is “reasonable”, and Iowa Support Master will give you the red pop-up “Warning...” notification.

That notification includes a help link. Click on it for helpful instructions.

If the NCP is “low-income”, they will not be required to contribute toward the cost of covering the kids. See Guidelines Rule 9.12(4) “Area A” Low-income is a preliminary net income of 0 - \$1,150 per month. Support Master will tell you if they fall in the shaded area.

If the NCP is not low-income, Iowa Support Master will push whatever number you enter through to Form 1 and apportion it. You could enter \$10,000 as annual cost and the program will push it through. The program also provides a notification on Form 1 that the amount entered is unreasonable and tells you the amount that would be reasonable.

When faced with an unreasonable cost notification, it comes down to how to resolve the issue. Everybody, including the judge, should want the kids to be covered. If the number isn't that much beyond what is reasonable, perhaps the party who can object won't. 252E.1A(3)(a)(2) allows a parent object to an unreasonable cost.

If a party objects, you will most likely need to negotiate a resolution or simply let the Court decide it. Options:

- Agree on an amount for cost of health insurance.
- Adjust child support (variation).
- Adjust who claims which kids to make up for the difference.
- Change the percentage share of uncovered health expenses.
- Go to the courthouse and let a judge decide.