

HEALTH INSURANCE CALCULATION GUIDE

by Alft & Wilson Publishing – Iowa Support Master

Common Facts

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

Covers husband, 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.

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 kids and insurance covers husband's prior marriage child.

1. Is husband under court or administrative order to provide coverage on the priors, or the prior child is a QADs under 9.7. If yes, continue. If no, stop. Rule 9.14(5)(b)
2. How many people, total, are covered? (Husband, 2 kids, and the child by the prior)
Answer: 4
3. Subtract "1" from the results. **The result is 3.** (Doing so removes husband as he is providing the coverage).
4. Divide the cost of coverage (\$6,000) by 3 (the number of people covered). The result is \$2,000 per child.
5. Per 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)*)
6. Go to "Other Deductions" screen and indicate \$1,000 as cost of health coverage in the "Medical Support" field.
7. Go to the "Medical" and check the box "Health Insurance at cost..." then enter \$4,000 as the cost of child's health insurance (2 children, \$2,000 per child).
8. Support Master will do these things for you if you use the "Simple Health Insurance Calculator" found in the "Medical" screen.
9. Prepare Step-Downs. Prior child. Two children down to one.

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.

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).