
BUDGET UNIT BRIEF – FY 2025

Fiscal Services Division

July 1, 2024



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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State Children's Health Insurance Program

Background

The federal Children's Health Insurance Program (CHIP) was established by the federal Balanced Budget Act of 1997 to provide health care coverage to uninsured low-income children, under age 19, living in families with incomes up to 200.0% of the federal poverty level (FPL). Iowa implemented the CHIP through a combination of Medicaid expansion and a new program entitled Healthy and Well Kids in Iowa (Hawki). Medicaid expansion was mandated in 1998 Iowa Acts, [chapter 1196](#) (Hawki Program Act), and expanded coverage for children with family income up to 133.0% of the FPL, effective July 1, 1998.

The Hawki Program Act expanded Hawki program coverage to children living in families with incomes between 133.0% and 185.0% of the FPL, effective January 1, 1999. 2000 Iowa Acts, [chapter 1221](#) (FY 2001 Tobacco Settlement Fund Appropriations Act), further expanded the Hawki program to provide coverage to children with family incomes ranging from 185.0% to 200.0% of the FPL, effective July 1, 2000.

2008 Iowa Acts, [chapter 1188](#) (Health Care Reform Act), created a Hawki expansion program to cover children with family income up to 300.0% of the FPL beginning in FY 2010, with cost sharing for families with incomes between 200.0% and 300.0% of the FPL.

2009 Iowa Acts, [chapter 118](#) (Health Care Omnibus II Act), created a dental-only option to cover children who have private health insurance but limited or no dental coverage. Dental-only coverage is available to children with family income up to 300.0% of the FPL. Medically necessary orthodontia coverage has also been added to the dental coverage, as required by the federal government.

Services

Beginning April 1, 2016, both the Medicaid expansion and the Hawki programs receive services through a managed care contractor that also services the Medicaid program. Benefits include:

- Inpatient hospital services
- Outpatient hospital services
- Medical and surgical physician services
- Laboratory and x-ray
- Well-baby and well-child care, including immunizations
- Prescription drugs
- Mental health services
- Vision services
- Hearing services
- Dental services
- Speech therapy
- Physical therapy

Current plans are available through Amerigroup and Iowa Total Care. Dental plans are available through Delta Dental of Iowa and MCNA Dental.

More Information

CHIP: dhs.iowa.gov/hawk-i

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Funding

Unlike Medicaid, the CHIP is not an entitlement program and is funded with a set allotment of funds for each state. The federal allotment of funding for the CHIP is authorized through September 30, 2027. Iowa receives an enhanced Federal Medical Assistance Percentage (FMAP) matching rate for the CHIP of approximately 75.0% annually.

Beginning with the 2024 Iowa Acts, [House File 2698](#) (FY 2025 Health and Human Services Appropriation Act), State funding for CHIP is made through a Medical Assistance (Medicaid) General Fund appropriation.

Related Statutes and Administrative Rules

Iowa Code chapter [514I](#)

Iowa Administrative Code 441—[86](#)

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