

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

**Proposing rulemaking related to Healthy and Well Kids in Iowa (Hawki) Program
and providing an opportunity for public comment**

The Department of Health and Human Services hereby proposes to amend Chapter 86, “Healthy and Well Kids in Iowa (Hawki) Program,” Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code chapter 514I as amended by 2025 Iowa Acts, Senate File 474, division IV.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 514I as amended by 2025 Iowa Acts, Senate File 474, division IV.

Purpose and Summary

This proposed rulemaking serves to implement 2025 Iowa Acts, Senate File 474, division IV, by amending rule 441—86.7(514I).

2025 Iowa Acts, Senate File 474, division IV, pertains to Iowa’s Children’s Health Insurance Program (CHIP), Hawki. Within division IV, section 47 created new Iowa Code section 514I.8B and provided that following the first 30 days of commitment to a public institution, the Department will suspend rather than terminate an otherwise eligible individual’s eligibility for Hawki. The Iowa Code section also requires the Department to adopt rules to implement the new Iowa Code section.

This new Iowa Code section is intended to implement Section 5121 of the federal Consolidated Appropriations Act, which similarly requires suspension rather than termination of eligibility after 30 days of commitment to a public institution for incarcerated individuals otherwise eligible for CHIP.

Prior to fully implementing this federal change, the Department must receive federal approval for a State Plan Amendment (SPA), which has not yet been submitted pending receipt of federal funding approval from the Centers for Medicare and Medicaid Services. For this reason, when the adopted filing is submitted for this proposed rulemaking, it will contain a future effective date contingent upon that federal approval of the SPA.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on January 21, 2026. A public hearing was held on the following date(s):

- February 10, 2026

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 441—Chapter 6.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rulemaking, which must be received by the Department no later than 4:30 p.m. on March 24, 2026. Comments should be directed to:

Victoria L. Daniels
Department of Health and Human Services
Lucas State Office Building
321 East 12th Street
Des Moines, Iowa 50319
Phone: 515.829.6021
Email: compliance@hhs.iowa.gov

Public Hearing

Public hearings at which persons may present their views orally or in writing will be held as follows:

March 24, 2026 10 to 10:30 a.m.	Microsoft Teams Meeting ID: 287 677 567 218 98 Passcode: Ny3YJ3ES
March 24, 2026 2 to 2:30 p.m.	Microsoft Teams Meeting ID: 240 625 137 286 91 Passcode: nk2aR699

Persons who wish to make oral comments at a public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend a public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Department and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Amend rule 441—86.7(514I) as follows:

441—86.7(514I) Cancellation or suspension. The child’s eligibility for the hawki program shall be canceled or suspended before the end of the 12-month enrollment period for any of the following:

86.7(1) to 86.7(4) No change.

86.7(5) *Admission to a public institution.* ~~The child shall be canceled from the program if the child is in a public institution at the time of the annual review~~ child’s eligibility for the program shall be suspended after the first 30 days a child is in a public institution. Eligibility will be suspended for the term of the child’s commitment, provided that all other eligibility criteria are met. Eligibility will resume upon the child’s discharge, provided all other eligibility criteria are met.

86.7(6) and 86.7(7) No change.