

**441—92.7 (249A,249J) Financial participation.** In addition to the copayments required by 441—subrule 79.1(13), IowaCare members, with the exception of newborns eligible pursuant to 92.2(1) “c,” shall be assessed a sliding-scale monthly premium. No premium shall be assessed at the time of initial application for months of eligibility before and including the month of decision, including the retroactive month. A member shall be responsible for paying the premium for the first month after the month of decision and for the following three months, regardless of continued enrollment during the four-month period or during previous months, and for each month of continued enrollment after the required four months. If there is a break in enrollment of one month or more, a new four-month period of mandatory premiums shall be assessed, beginning with the month following the month of decision.

**92.7(1) Premium amount.** The monthly premium amount shall be established for a 12-month period beginning with the first month of eligibility, based on projected monthly income for the 12-month period.

*a.* The monthly premium amount is based on the household’s countable monthly income as a percentage of the federal poverty level for a household of that size. Effective April 1, 2009, premium amounts based on this percentage are as follows:

When the household’s income is at or below: Each member’s premium amount is:

100% of federal poverty level	\$ 0
110% of federal poverty level	\$45
120% of federal poverty level	\$49
130% of federal poverty level	\$54
140% of federal poverty level	\$58
150% of federal poverty level	\$63
160% of federal poverty level	\$67
170% of federal poverty level	\$72
180% of federal poverty level	\$76
190% of federal poverty level	\$81
200% of federal poverty level	\$85

*b.* The listed premium amount is calculated based on the lowest income level in each 10 percent increment for a one-person household. Households with income at or below 100 percent of the poverty level are not subject to a premium. Premiums for households with income over 100 percent of the poverty level are 5 percent of the applicable income level. The department will update these amounts annually on April 1 using the latest federal poverty level guidelines.

*c.* The cost of premiums paid for HAWK-I shall be deducted from the premium assessed according to this subrule.

*d.* The monthly premium established for a 12-month certification period shall not be increased due to an increase in income or a change in household size.

*e.* The premium may be reduced prospectively during the 12-month certification period if the member declares a reduction in projected average monthly income or an increase in household size or is granted a hardship exemption.

**92.7(2) Billing and payment.** Form 470-4165, IowaCare Billing Statement, shall be used for billing and collection.

*a. Method of payment.* Members shall submit premium payments to the following address: Iowa Medicaid Enterprise, IowaCare Premiums, P.O. Box 10391, Des Moines, Iowa 50306-9013.

*b. Due date.* When the department notifies the member of the amount of the premiums, the member shall pay any premiums due as follows:

(1) The premium for each month is due the last calendar day of the month the premium is to cover. EXCEPTION: The premiums for the months covered in the initial billing are due the last calendar day of the following month.

(2) If the last calendar day falls on a weekend or a state or federal holiday, payment is due the first working day following the holiday or weekend.

*c. Application of payment.* The department shall apply premium payments received to the oldest unpaid month forward. When premiums for all months have been paid, the department shall hold any excess and apply it to any months for which eligibility is subsequently established.

**92.7(3) Hardship exemption.** A member who submits a written statement indicating that payment of the monthly premium will be a financial hardship shall be exempted from premium payment for that month, except as provided in paragraph “c.” If the statement is not postmarked by the premium due date, the member shall be obligated to pay the premium.

*a.* A partial payment submitted with a written statement indicating that full payment of the monthly premium will be a financial hardship that is postmarked or received on or before the end of the month for which the premium is due shall be considered a request for a hardship exemption. The exemption shall be granted for the balance owed for that month.

*b.* If the postmark is illegible, the date that the hardship declaration is initially received by the department or the department’s designee shall be considered the date of the request.

*c.* A member shall not be exempted from premium payment for a month in which the member misrepresented the household’s circumstances.

**92.7(4) Failure to pay premium.** If the member fails to pay the assessed premium or to declare a hardship by the date the premium is due, the department shall cancel IowaCare benefits effective the last day of the next calendar month. A member whose IowaCare benefits are canceled due to nonpayment of premiums must reapply to establish IowaCare eligibility.

**92.7(5) Refund of premium.** When a member’s IowaCare coverage is canceled due to a circumstance listed in paragraph “a,” premiums paid for any period after the cancellation date shall be refunded.

*a.* The premium obligation is reduced to zero when a member’s IowaCare coverage is canceled because the member:

- (1) Is determined eligible for medical assistance under 441—subrules 75.1(1) through 75.1(40);
- (2) Has access to group health insurance coverage as defined in subrule 92.2(4);
- (3) Reaches age 65;
- (4) Dies; or
- (5) No longer meets program requirements after the four mandatory premium months.

*b.* The amount of the refund shall be offset by any outstanding premiums owed.

*c.* Any excess premium received for an individual not receiving IowaCare benefits shall be refunded after two calendar months unless an application or reapplication is pending or upon the individual’s request.

*d.* Any excess premium received for an IowaCare member shall be refunded after two calendar months of a zero premium or upon the member’s request.

[**ARC 7667B**, IAB 4/8/09, effective 4/1/09]