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**State/Territory Name: Ky c**

**State Plan Amendment (SPA) #: KC-25-2229**

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DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, MD 21244-1850



**Children and Adults Health Programs Group**

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May 12, 2026

Lee Grossman  
State Medicaid Director  
Iowa Department of Health and Human Services  
Lucas State Office Building  
321 East 12th Street  
Des Moines, IA 50319-1002

Dear Director Grossman:

Your title XXI Children's Health Insurance Program (CHIP) State Plan Amendment (SPA) IA-25-0007, submitted on June 26, 2025, with additional information submitted on April 30, 2026, has been approved. The effective date for this SPA is June 1, 2025.

Through SPA IA-25-0007, Iowa removes an annual limit of \$1,000 for dental services consistent with 42 CFR § 457.480(a). In addition, the state provides an assurance that no annual, lifetime or other aggregate dollar limitations are imposed on any medical or dental services covered under the CHIP State plan.

Your Project Officer is Carrie Grubert. She is available to answer your questions concerning this amendment and other CHIP-related matters and can be reached at [Carrie.Grubert@cms.hhs.gov](mailto:Carrie.Grubert@cms.hhs.gov).

If you have additional questions, please contact Mary Beth Hance, Director, Division of State Coverage Programs, at (410) 786-4299. We look forward to continuing to work with you and your staff.

Sincerely,  
/Signed by Jessica Stephens/

Jessica Stephens  
Acting Director

actuarial analysis as described in 457.431 to determine actuarial equivalence.

- 6.1.4.6.  Coverage under a group health plan that is substantially equivalent to or greater than benchmark coverage through a benefit by benefit comparison (Provide a sample of how the comparison will be done)

Guidance: Check below if the State elects to provide a source of coverage that is not described above. Describe the coverage that will be offered, including any benefit limitations or exclusions.

- 6.1.4.7.  Other (Describe)

Guidance: All forms of coverage that the State elects to provide to children in its plan must be checked. The State should also describe the scope, amount and duration of services covered under its plan, as well as any exclusions or limitations. States that choose to cover unborn children under the State plan should include a separate section 6.2 that specifies benefits for the unborn child population. (Section 2110(a)) (42CFR, 457.490)

If the state elects to cover the new option of targeted low income pregnant women, but chooses to provide a different benefit package for these pregnant women under the CHIP plan, the state must include a separate section 6.2 describing the benefit package for pregnant women. (Section 2112)

- 6.2. The State elects to provide the following forms of coverage to children: (Check all that apply. If an item is checked, describe the coverage with respect to the amount, duration and scope of services covered, as well as any exclusions or limitations) (Section 2110(a)) (42CFR 457.490)  
**The state assures that no annual, lifetime or other aggregate dollar limitations are imposed on any medical or dental services covered under the CHIP State plan (42 CFR 457.80(a))**

- 6.2.1.  Inpatient services (Section 2110(a)(1))
- 6.2.2.  Outpatient services (Section 2110(a)(2))
- 6.2.3.  Physician services (Section 2110(a)(3))
- 6.2.4.  Surgical services (Section 2110(a)(4))
- 6.2.5.  Clinic services (including health center services) and other ambulatory health care services. (Section 2110(a)(5))
- 6.2.6.  Prescription drugs (Section 2110(a)(6))
- 6.2.7.  Over-the-counter medications (Section 2110(a)(7))

**6.2.1-DC**  State Specific Dental Benefit Package. The State assures dental services represented by the following categories of common dental terminology (CDT<sup>1</sup>) codes are included in the dental benefits:

1. Diagnostic (i.e., clinical exams, x-rays) (CDT codes: D0100-D0999) (must follow periodicity schedule)
2. Preventive (i.e., dental prophylaxis, topical fluoride treatments, sealants) (CDT codes: D1000-D1999) (must follow periodicity schedule)
3. Restorative (i.e., fillings, crowns) (CDT codes: D2000-D2999)
4. Endodontic (i.e., root canals) (CDT codes: D3000-D3999)
5. Periodontic (treatment of gum disease) (CDT codes: D4000-D4999)
6. Prosthodontic (dentures) (CDT codes: D5000-D5899, D5900-D5999, and D6200-D6999)
7. Oral and Maxillofacial Surgery (i.e., extractions of teeth and other oral surgical procedures) (CDT codes: D7000-D7999)
8. Orthodontics (i.e., braces) (CDT codes: D8000-D8999)
9. Emergency Dental Services

~~See Attachment 16 for the Iowa hawk-i Dental Plan.~~

**6.2.1.1-DC** Periodicity Schedule. The State has adopted the following periodicity schedule:

- State-developed Medicaid-specific
- American Academy of Pediatric Dentistry
- Other Nationally recognized periodicity schedule
- Other (description attached)

**6.2.2-DC**  Benchmark coverage; (Section 2103(c)(5), 42 CFR 457.410, and 42 CFR 457.420)

**6.2.2.1-DC**  FEHBP-equivalent coverage; (Section 2103(c)(5)(C)(i)) (If checked, attach copy of the dental supplemental plan benefits description and the applicable CDT<sup>2</sup> codes. If the State chooses to provide supplemental services, also attach a description of the services and applicable CDT codes)

**6.2.2.2-DC**  State employee coverage; (Section 2103(c)(5)(C)(ii)) (If checked, identify the plan and attach a copy of the benefits description and the applicable CDT codes. If the State chooses to provide supplemental services, also attach a description of the services and applicable CDT codes)

**6.2.2.3-DC**  HMO with largest insured commercial enrollment (Section 2103(c)(5)(C)(iii)) (If checked, identify the plan and attach a copy of the

Agencies on Aging, and NAMI Iowa.

A member of the hawk-i Board will join the MAAC in August 2016. Comments and recommendations received by MAAC committee members will be shared with the state for review.

- 9.9.1.** Describe the process used by the State to ensure interaction with Indian Tribes and organizations in the State on the development and implementation of the procedures required in 42 CFR 457.125. States should provide notice and consultation with Tribes on proposed pregnant women expansions. (Section 2107(c)) (42CFR 457.120(c))

In addition to sending the proposed changes to our Administrative Rules to the tribes, the proposed rule changes are published in the Administrative Bulletin and are brought before the hawk-i Board meeting twice, one for noticing and once for adoption. Meetings of the hawk-i Board are open to the public and minutes of the meetings are posted on the hawk-i website for public access. Also, information on any programmatic changes to the hawk-i program is presented to the grassroots outreach coordinators who are required to work specifically with any tribes in their areas.

- 9.9.2.** For an amendment relating to eligibility or benefits (including cost sharing and enrollment procedures), describe how and when prior public notice was provided as required in 42 CFR 457.65(b) through (d).
- 9.9.3.** Describe the State's interaction, consultation, and coordination with any Indian tribes and organizations in the State regarding implementation of the Express Lane eligibility option.

- 9.10.** Provide a 1-year projected budget. A suggested financial form for the budget is below. The budget must describe: (Section 2107(d)) (42CFR 457.140)

- Planned use of funds, including:
  - Projected amount to be spent on health services;
  - Projected amount to be spent on administrative costs, such as outreach, child health initiatives, and evaluation; and
  - Assumptions on which the budget is based, including cost per child and expected enrollment.
  - Projected expenditures for the separate child health plan, including but not limited to expenditures for targeted low income children, the optional coverage of the unborn, lawfully residing eligibles, dental services, etc.
  - All cost sharing, benefit, payment, eligibility need to be reflected in the budget.

- Projected sources of non-Federal plan expenditures, including any requirements for cost-sharing by enrollees.
- Include a separate budget line to indicate the cost of providing coverage to pregnant women.
- States must include a separate budget line item to indicate the cost of providing coverage to premium assistance children.
- Include a separate budget line to indicate the cost of providing dental-only supplemental coverage.
- Include a separate budget line to indicate the cost of implementing Express Lane Eligibility.
- Provide a 1-year projected budget for all targeted low-income children covered under the state plan using the attached form. Additionally, provide the following:
  - Total 1-year cost of adding prenatal coverage
  - Estimate of unborn children covered in year 1

### CHIP Budget

STATE: Iowa	FFY Budget
Federal Fiscal Year	<del>2019</del> -2026
State's enhanced FMAP rate	<del>94.95%</del> 73.89%
<b>Benefit Costs</b>	
Insurance payments	1,341,933- 0
	<del>134,060,330</del>
Managed care	315,324,888
per member/per month rate	<del>\$173.12</del> \$298.53
	<del>—7,957,529</del>
Fee for Service	\$10,071,638
	<del>143,359,792</del>
<b>Total Benefit Costs</b>	<b><del>\$325,396,526</del></b>
(Offsetting beneficiary cost sharing payments)	<del>(4,523,914)</del>
	(4,546,596)
<b>Net Benefit Costs</b>	<b><del>138,835,878</del></b>
<b>Cost of Proposed SPA Changes – Benefit</b>	<b><del>\$320,849,930</del></b>
<b>Administration Costs</b>	
Personnel	<del>61,867</del> \$3,874,742
General administration	<del>879,509</del> \$2,787,337
Contractors/Brokers	<del>4,049,428</del> \$5,964,355
Claims Processing	<del>500,000</del> \$0
Outreach/marketing costs	<del>500,000</del> \$611,430
Health Services Initiatives	<del>\$1,521,729</del>
Other	<del>\$1,828</del> 376

STATE: Iowa	FFY Budget
	<del>5,990,805</del>
<b>Total Administration Costs</b>	<b>\$16,587,969</b>
10% Administrative Cap	15,426,209
	<u>\$35,649,992</u>
<b>Cost of Proposed SPA Changes</b>	<del>1,879,180</del>
Federal Share	137,512,935
	<u>\$249,332,864</u>
State Share	7,313,747
	<u>\$88,105,035</u>
<b>Total Costs of Approved CHIP Plan</b>	<b>144,826,683</b>
	<u>\$337,437,899</u>

**NOTE: Include the costs associated with the current SPA.**

~~There are no additional costs associated with the current SPA.~~

**The Source of State Share Funds: ———General Fund**

The State does not anticipate that the changes proposed pursuant to disaster event provisions will result in notable budget impact.

## **Section 10. Annual Reports and Evaluations**

Guidance: The National Academy for State Health Policy (NASHP), CMS and the states developed framework for the annual report that states have the option to use to complete the required evaluation report. The framework recognizes the diversity in State approaches to implementing CHIP and provides consistency across states in the structure, content, and format of the evaluation report. Use of the framework and submission of this information will allow comparisons to be made between states and on a nationwide basis. The framework for the annual report can be obtained from NASHP's website at <http://www.nashp.org>. Per the title XXI statute at Section 2108(a), states must submit reports by January 1<sup>st</sup> to be compliant with requirements.

**10.1. Annual Reports.** The State assures that it will assess the operation of the State plan under this Title in each fiscal year, including: (Section 2108(a)(1), (2)) (42CFR 457.750)

**10.1.1.**  The progress made in reducing the number of uninsured low-income children and report to the Secretary by January 1 following the end of the fiscal year on the result of the assessment, and

**10.2.**  The State assures it will comply with future reporting requirements as they are

developed. (42CFR 457.710(e))

**10.3.**  The State assures that it will comply with all applicable Federal laws and regulations, including but not limited to Federal grant requirements and Federal reporting requirements.

**10.3-DC**  The State agrees to submit yearly the approved dental benefit package and to submit quarterly current and accurate information on enrolled dental providers in the State to the Health Resources and Services Administration for posting on the Insure Kids Now!