

IOWA Department of REVENUE

Dependent Health Care Coverage in Iowa: Tracking Coverage Through Tax Year 2009 Returns

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Executive Summary

Report Requirements

2008 Iowa Acts, House File 2539, section 4, as amended by Senate File 389, requires the Iowa Department of Revenue (IDR) to report the following annually to the Governor and the General Assembly:

- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children.
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who also indicate the presence or absence of health care coverage for the dependent children.
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who receive information from the Department and who subsequently apply for and are enrolled in the appropriate program.

Table A, at the end of this summary, presents taxpayer return information gathered for tax year 2009 by income level. Key information from the analysis of 2009 tax returns is the following:

Families Claiming Dependent Exemptions by Income Level

- Of the 1.35 million individual income tax returns filed by resident taxpayers, **453,043 (34%) claimed at least one State income tax exemption for a dependent**. Of those families claiming at least one State income tax exemption for a dependent:
 - 78,640 (**17.4%**) reported gross **income of \$20,000 or less**.
 - 273,150 (**60.3%**) reported gross **income between \$20,001 to \$90,000**.
 - 101,253 (**22.3%**) reported gross **income of \$90,001 and over**.

Response Rates

- Of the 453,043 taxpayers claiming at least one State income tax exemption for a dependent:
 - **332,189 (73.3%) families reported health care coverage** for one or more dependents.
 - **48,887 (10.8%) families reported the absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - **71,967 (15.9%) families did not respond**.

Health Care Coverage for Low Income Families

- Of the 78,640 taxpayers with dependents reporting gross income of \$20,000 or less:
 - 50,968 (**64.8%**) reported **health care coverage** for one or more dependents.
 - 16,392 (**20.8%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - 11,280 (**14.3%**) **did not respond**.

Health Care Coverage for Middle Income Families

- Of the 273,150 taxpayers with dependents reporting gross income between \$20,001 and \$90,000:
 - 201,873 (**73.9%**) reported **health care coverage** for one or more dependents.
 - 28,744 (**10.5%**) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - 42,533 (**15.6%**) **did not respond**.

Health Care Coverage for High Income Families

- Of the 101,253 taxpayers with dependents reporting gross income of \$90,001 and over:
 - 79,348 (78.4%) reported **health care coverage** for one or more dependents.
 - 3,751 (3.7%) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - 18,154 (17.9%) **did not respond**.

Coverage Status by Filing Method

- Of the **62,856 taxpayers with dependents filing paper returns**:
 - 41,933 (66.7%) reported **health care coverage**.
 - 4,386 (7.0%) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - 16,537 (26.3%) **did not respond**.
- Of the **390,187 taxpayers with dependents filing electronic returns**:
 - 290,256 (74.4%) reported **health care coverage**.
 - 44,501 (11.4%) reported the **absence of health care coverage** for one or more dependents, with some of those families reporting both the presence and absence of coverage on their tax returns.
 - 55,430 (14.2%) **did not respond**.

New Coverage

- The Department of Human Services (DHS) received 341 applications for **hawk-i** that can be attributed to the 37,199 letters mailed by the IDR. Of those applications:
 - 131 applications were approved for **hawk-i**,
 - 103 were approved for Medicaid,
 - 21 are pending, and
 - 86 were denied.
- Of the 234 families who identified the tax return as how they learned about their eligibility for health care coverage and whose children were enrolled:
 - 78 (33.3%) reported **income of \$20,000 or less**.
 - 156 (66.7%) reported **income between \$20,001 to \$90,000**.
- As a result of the mailing, an estimated 383 previously uncovered children now have health care coverage.

Administrative Costs

- DHS reports that their regular outreach cost per new enrollee for FY 2010 was \$47.99 per person compared to \$82.80 for the tax year 2009 dependent health care tracking project.

Table A: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review, Tax Year 2009

<i>Resident Filers</i>							
Gross Income	Total Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	78,640	50,968	64.8%	16,392	20.8%	11,280	14.3%
\$20,001 to 30,000	54,346	35,829	65.9%	9,709	17.9%	8,808	16.2%
\$30,001 to 40,000	45,877	32,148	70.1%	6,271	13.7%	7,458	16.3%
\$40,001 to 50,000	39,695	29,346	73.9%	4,107	10.3%	6,242	15.7%
\$50,001 to 60,000	38,052	29,073	76.4%	3,103	8.2%	5,876	15.4%
\$60,001 to 70,000	35,886	28,017	78.1%	2,370	6.6%	5,499	15.3%
\$70,001 to 80,000	32,293	25,616	79.3%	1,891	5.9%	4,786	14.8%
\$80,001 to 90,000	27,001	21,844	80.9%	1,293	4.8%	3,864	14.3%
\$90,001 to 100,000	22,119	17,857	80.7%	990	4.5%	3,272	14.8%
\$100,001 to 125,000	35,031	28,297	80.8%	1,426	4.1%	5,308	15.2%
\$125,001 to 150,000	16,586	13,289	80.1%	622	3.8%	2,675	16.1%
\$150,001 to 175,000	8,562	6,773	79.1%	282	3.3%	1,507	17.6%
\$175,001 to 200,000	4,825	3,692	76.5%	142	2.9%	991	20.5%
\$200,001 to 250,000	5,157	3,823	74.1%	139	2.7%	1,195	23.2%
\$250,001 or more	8,973	5,617	62.6%	150	1.7%	3,206	35.7%
Total	453,043	332,189	73.3%	48,887	10.8%	71,967	15.9%

Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 24, 2010 where all amended returns and those filed by non-residents are ignored.

Report on Dependent Health Care Coverage

1. Introduction

In 2008, the Iowa General Assembly passed House File 2539 (HF 2539) with the goal of extending health care coverage to all Iowans. The first step in reaching that goal was to extend coverage to all eligible children in the State through the existing *hawk-i* program and to expand *hawk-i* eligibility. One effort to extend health care coverage for children was a requirement that the Iowa Department of Revenue (IDR) track coverage through the individual income tax return.

Starting with tax year 2008, IDR changed the Iowa individual income tax form allowing taxpayers to indicate the presence or absence of health care coverage for their dependent children. For those taxpayers reporting the absence of coverage for one or more dependents and meeting income guidelines, IDR sent a notice providing information about how to enroll those children in Medicaid or *hawk-i*.

This report for the Governor and the General Assembly fulfills the requirements established under HF 2359 as amended by Senate File 289 (SF 289). The report provides information for tax year 2009 on:

- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children.
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who also indicate the presence or absence of health care coverage for the dependent children.
- The number of Iowa families, by income level, claiming the State income tax exemption for dependent children who receive information from the department and who subsequently apply for and are enrolled in the appropriate program.

2. Changes for Tax Year 2009

After the first year of tracking dependent health care coverage, some changes were made for tax year 2009 with the intent of improving taxpayer response and better targeting the letters. During the initial year of tracking, it appeared that some taxpayers did not consider public health care as health care coverage for their dependents. Because the State does consider public health care as health care coverage, the words “including *hawk-i* or Medicaid” were added to the individual income tax return instruction booklet and the online instructions as well as the tax year 2009 individual income tax form, the IA 1040 (see Appendix).

During the 2008 tax year filing season, IDR sent letters to all taxpayers reporting the absence of health care coverage and reporting income below the maximum *hawk-i* eligibility level for a family of eight. For the 2009 tax year filing season, when determining what taxpayers should receive the notification letter, IDR decided to apply different income limits based on family size as indicated on the tax return. For example, the income of a taxpayer filing head of household with two dependents was compared against the eligibility limit for a household of size three (see Table 1). It is possible that additional children that are not dependents of the taxpayer live in the home, and thus the family size used by the Department of Human Services (DHS) to determine eligibility would be larger. However, in the interest of spending tax dollars most efficiently, the only available information on family size, the count of adults and the number of dependents claimed on the tax return, was used to assign income limits for letter receipt.

3. Analysis of 2009 Tax Year Data

During the 2009 tax year filing season, IDR mailed 37,199 letters to taxpayers. These letters were mailed in six batches between February and October (see Table 2). Only 254 letters (0.7%) were returned as undeliverable.

Iowa Families Claiming Dependent Children

As of November 24, 2010, 1,346,049 individual income tax returns filed by resident taxpayers for tax year 2009 were through the Department of Revenue final review. Of those, 453,043 Iowa families claimed the State income tax exemption for dependents (see Table 3). A total of 850,387 dependents were claimed by those families. Although families across the full income distribution claimed dependents, 56.6 percent reported gross income of less than \$60,000 in 2009.

Iowa Families Reporting Presence or Absence of Health Care Coverage

Eighty-four percent of families provided information on their 2009 tax returns regarding the health insurance coverage of their dependents, up from 75 percent the prior year. A total of 332,189 families (73.3%) reported only the presence of health care coverage for 631,839 dependents (74.3%) while 48,887 families (10.8%) reported the absence of health care coverage for a total of 87,109 dependents (10.2%) (see Tables 4 and 5). Some families (1.5%) reported both the presence and absence of coverage for dependents claimed on their tax returns; those families are included in the absence of health care coverage group. For tax year 2008, 62.7 percent of families reported the presence of coverage and 13.7 percent reported the absence of coverage.

Reported coverage rates for 2009 peaked for families with gross income between \$80,001 and \$90,000 at 80.9 percent. The lowest coverage rate was reported for families with \$250,000 or more in income at 62.6 percent; however, that low rate reflects high non-response rather than high absence of coverage. Low-income families were more likely to report absence of coverage, with 20.8 percent of families with income below \$20,000 reporting absence of coverage compared to 8.2 percent of families with incomes between \$50,001 and \$60,000. Non-response rates increased with income; 14.3 percent of families with income below \$20,000 did not answer the health care coverage questions compared to 15.4 percent for families with income between \$50,001 and \$60,000, and 35.7 percent for families with \$250,000 or more in income.

Response Rates by Filing Method

In Iowa, taxpayers, or their paid preparers, can file a paper income tax return that is mailed to IDR or they can complete the tax return electronically and file it via the Internet. Reported rates of coverage differed significantly between these two filing methods (see Table 4). Paper filers were less likely to report absence of coverage but also less likely to complete the questions. For paper filers, 66.7 percent reported the presence of coverage, 7.0 percent reported absence of coverage, and 26.3 percent did not complete the questions. For electronic filers, 74.4 percent reported presence of coverage, 11.4 percent reported absence of coverage, and 14.2 percent did not complete the questions.

Response Rates by Self-Prepared versus Paid Preparers

Among electronic filers, rates of reporting absence of coverage were higher for filers who used a paid preparer (see Table 6). Only 8.6 percent of electronic filers who self-prepared their return report absence of health care coverage for dependents compared to 12.3 percent of electronic filers who used a paid preparer. Returns filed by paid preparers also had a higher rate of non-response at 17.7 percent. These results may reflect the greater likelihood that the preparer failed to gather the necessary information from the taxpayer.

Electronic filers who self-prepared their returns had the highest response rates to the questions about dependent health care coverage with 88.3 percent of families reporting presence of coverage, 8.6 percent reporting absence of coverage, and only 3.1 percent not responding. It is possible that the tax software programs increased taxpayer awareness about these questions relative to those who filed a paper tax return. Also, because the information is being provided by the taxpayer, as opposed to a preparer, it is more likely to be correct. Unfortunately, information on whether a paper filer used a paid preparer is not readily available.

Health Care Coverage by Federal Poverty Guidelines

The counts of families are also presented by the ratio of their reported gross income to the federal poverty guidelines in 2009 (see Table 7). Medicaid coverage is available for children in families with income up to 133 percent of the federal poverty guideline. Despite the availability of public insurance, 20.5 percent of families in this income range reported the absence of coverage for one or more dependents. As income rises relative to the federal poverty guideline, presence of coverage rises while absence of coverage falls. In fiscal year 2010, the General Assembly expanded **hawk-i** eligibility to families up to 300 percent of the federal poverty guidelines.

4. Effect of Requirements on Uninsured Children

As noted in the introduction, the purpose behind HF 2539 was to increase health care coverage among Iowa's children. Families USA reported in November 2008 that 38,000 children in Iowa, 5.2 percent, were uninsured, based on data collected in 2005 through 2007 by the U.S. Census Bureau.¹ The data, collected as part of the annual Current Population Survey, suggests that 68 percent of children in Iowa had private coverage and 26.8 percent had public coverage. The Mid-Iowa Health Foundation, in a spring 2009 report, reported a higher number of uninsured children in Iowa, 45,000.²

DHS attempted to track the number of new children receiving health care coverage from the State in response to the efforts made with IDR. The letter encouraged taxpayers to complete the application and mail it to **hawk-i** or to apply online. DHS placed a distinguishing mark on each brochure that was mailed with the IDR notification letter. The online application includes an opportunity for applicants to indicate how they heard about the program, but many fail to complete that section. During fiscal year 2010, over 50 percent of all **hawk-i** applications were submitted online.

As of December 31, DHS has received 341 applications for **hawk-i** that can be attributed to the IDR mailing (see Table 8). Of these:

- 131 applications were approved for **hawk-i**,
- 103 were approved for Medicaid,
- 10 are pending for **hawk-i**,
- 11 are pending for Medicaid, and
- 86 were denied.

Of those applicants denied coverage, over three-quarters were denied because they failed to provide information to DHS that was missing on their initial application or they were non-compliant with Medicaid (which in most cases means they failed to provide adequate proof of income).

Last year, 475 applications were attributed to the letters sent through the tax return tracking project. One reason for a lower count this year is the increased use by **hawk-i** applicants of the online

¹ "Left Behind: Iowa's Uninsured Children," Families USA, Washington, D.C., November 2008, accessed at <http://www.familiesusa.org/assets/pdfs/uninsured-kids-2008/iowa.pdf> on November 4, 2009.

² "Iowa Child Health Policy: Building on Success," Mid-Iowa Health Foundation Policy Brief, Des Moines, IA, accessed at <http://www.cfpciowa.org/uploaded/Mid%20Iowa%20Health%20brief%20for%20web.pdf> on November 2, 2010.

application. Although applicants can indicate how they heard about the program when applying online, they often fail to do so. Therefore, it is possible more taxpayers responded to the letters than DHS was able to identify. Also, each year as more children are signed up, the pool of uninsured children should shrink.

Through the approved applications, *hawk-i* health care coverage was extended to 383 children from 234 families. This is less than the 471 children reached last year. Again, the drop in the number of children covered as a result of the tax return tracking project may reflect the shift to online applications. Of the 234 families with newly enrolled children, one-third have net income less than \$20,000 (see Table 9). Most of the children in those families were enrolled in Medicaid. An additional 62 families reported income between \$20,000 and \$30,000 with over half of that group enrolled in *hawk-i*, where family size and reported income determine program eligibility between Medicaid and *hawk-i*.

5. Estimated Costs

These efforts to expand health care coverage in Iowa used State resources. The cost to IDR and DHS to mail the letters and applications to taxpayers during the tax year 2009 filing season was \$31,711 (see Table 10). These costs were split between the agencies with the postage and handling costs shared 60%/40% between IDR and DHS.

An additional cost of the program included in the estimate this year is the administrative time required by IDR and DHS staff. In the second year of the tracking, IDR staff time was limited to those responsible for updating programs needed to identify eligible taxpayers (6 hours), for working with the outside vendor regarding the mailings (9 hours), and for analyzing the responses on the tax returns and compiling this report (24 hours). Administrative costs for DHS include staff time to mark the applications for identification as part of this outreach effort, and to compile data regarding taxpayer response to the letter from IDR (84 hours).

DHS reports that, excluding the cost and enrollment numbers for the tax return project, their outreach cost per new enrollee for FY 2010 was \$47.99 per person. The cost per new enrollee for the tax return project for the 2009 tax year was \$82.80. This is down slightly from the estimate last year when many more letters were mailed under the more relaxed income limits for letter receipt. However, last year's estimate did not include costs of staff time.

6. Changes Coming Due to SF 389 and Preparations for Tax Year 2010

In 2009, the Iowa General Assembly amended HF 2359 by passing SF 389. That legislation changed the tracking of dependent health care through the income tax return from a voluntary effort to a mandate upon taxpayers, beginning with the 2010 tax year. Taxpayers will be required to complete the questions regarding health care coverage for dependents, and those who receive letters from IDR regarding their potential eligibility for *hawk-i* will be required to submit an application to DHS within 90 days. For 2009 returns, 70,667 taxpayers with dependents failed to respond to the questions, 5.4 percent of all returns filed. Of the 37,199 letters mailed by IDR, only 341 taxpayers were identified as submitting applications to DHS.

For tax year 2010, changes were made to the IA 1040 form and instructions that notify taxpayers that completing the dependent health care coverage questions is mandatory. It is also being emphasized to tax preparers at IDR instructional sessions that the General Assembly has made it mandatory to provide information about health care coverage starting with tax year 2010.

With the increased use of the Internet by **hawk-i** applicants, more than 50 percent filed an online application during FY 2010, it was decided that letters for tax year 2010 will no longer include a paper application. This will reduce brochure costs, postage and handling costs, and staff time. The letter will direct taxpayers to the **hawk-i** Web site to learn more about the potential eligibility of their children (see Appendix). The letter will notify taxpayers that they must complete an application within 90 days for the appropriate program if they believe their children are eligible. The letter will supply the **hawk-i** Customer Service toll-free phone number if taxpayers would like to request a paper application be mailed to them.

Table 1: Medicaid and *hawk-i* Income Limits and Federal Poverty Guidelines by Family Size for 2009

Family Size	Medicaid	<i>hawk-i</i>	Federal Poverty
1	\$14,404	\$32,490	\$10,830
2	\$19,379	\$43,710	\$14,570
3	\$24,353	\$54,930	\$18,310
4	\$29,237	\$66,150	\$22,050
5	\$34,301	\$77,370	\$25,790
6	\$39,275	\$88,590	\$29,530
7	\$44,250	\$99,810	\$33,270
8	\$49,224	\$111,030	\$37,010

Source: Medicaid and *hawk-i* income limits are the maximum eligibility amounts for families of the applicable size that were effective July 1, 2009, as specified by the Iowa Department of Human Services. Federal poverty guidelines are from the U.S. Department of Human Services.

Table 2: IDR Mailings for Tax Year 2009 Under HF 2539

Mailing Date	Mailed Letters	Returned Letters
22-Feb	18,053	60
22-Mar	7,949	33
23-Apr	3,940	16
11-Jun	2,010	6
1-Sep	2,233	123
17-Oct	3,014	16
	37,199	254

**Table 3: Iowa Taxpayers with a Dependent Exemption Claim,
Tax Year 2009**

<i>All Resident Filers</i>			
Gross Income	Count	Distribution	Cumulative Distribution
Less than \$20,000	78,640	17.4%	17.4%
\$20,001 to 30,000	54,346	12.0%	29.4%
\$30,001 to 40,000	45,877	10.1%	39.5%
\$40,001 to 50,000	39,695	8.8%	48.2%
\$50,001 to 60,000	38,052	8.4%	56.6%
\$60,001 to 70,000	35,886	7.9%	64.6%
\$70,001 to 80,000	32,293	7.1%	71.7%
\$80,001 to 90,000	27,001	6.0%	77.7%
\$90,001 to 100,000	22,119	4.9%	82.5%
\$100,001 to 125,000	35,031	7.7%	90.3%
\$125,001 to 150,000	16,586	3.7%	93.9%
\$150,001 to 175,000	8,562	1.9%	95.8%
\$175,001 to 200,000	4,825	1.1%	96.9%
\$200,001 to 250,000	5,157	1.1%	98.0%
\$250,001 or more	8,973	2.0%	100.0%
Total	453,043	100.0%	100.0%

**Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue**

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. Includes individual income tax returns through final review by November 24, 2010 where all amended returns and those filed by non-residents are ignored.

Table 4: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review, Tax Year 2009

<i>All Resident Filers</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	78,640	50,968	64.8%	16,392	20.8%	11,280	14.3%
\$20,001 to 30,000	54,346	35,829	65.9%	9,709	17.9%	8,808	16.2%
\$30,001 to 40,000	45,877	32,148	70.1%	6,271	13.7%	7,458	16.3%
\$40,001 to 50,000	39,695	29,346	73.9%	4,107	10.3%	6,242	15.7%
\$50,001 to 60,000	38,052	29,073	76.4%	3,103	8.2%	5,876	15.4%
\$60,001 to 70,000	35,886	28,017	78.1%	2,370	6.6%	5,499	15.3%
\$70,001 to 80,000	32,293	25,616	79.3%	1,891	5.9%	4,786	14.8%
\$80,001 to 90,000	27,001	21,844	80.9%	1,293	4.8%	3,864	14.3%
\$90,001 to 100,000	22,119	17,857	80.7%	990	4.5%	3,272	14.8%
\$100,001 to 125,000	35,031	28,297	80.8%	1,426	4.1%	5,308	15.2%
\$125,001 to 150,000	16,586	13,289	80.1%	622	3.8%	2,675	16.1%
\$150,001 to 175,000	8,562	6,773	79.1%	282	3.3%	1,507	17.6%
\$175,001 to 200,000	4,825	3,692	76.5%	142	2.9%	991	20.5%
\$200,001 to 250,000	5,157	3,823	74.1%	139	2.7%	1,195	23.2%
\$250,001 or more	8,973	5,617	62.6%	150	1.7%	3,206	35.7%
Total	453,043	332,189	73.3%	48,887	10.8%	71,967	15.9%

<i>Paper Filers</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	7,987	4,119	51.6%	1,201	15.0%	2,667	33.4%
\$20,001 to 30,000	6,041	3,269	54.1%	809	13.4%	1,963	32.5%
\$30,001 to 40,000	5,964	3,616	60.6%	609	10.2%	1,739	29.2%
\$40,001 to 50,000	5,520	3,743	67.8%	371	6.7%	1,406	25.5%
\$50,001 to 60,000	5,574	3,947	70.8%	304	5.5%	1,323	23.7%
\$60,001 to 70,000	5,255	3,763	71.6%	248	4.7%	1,244	23.7%
\$70,001 to 80,000	4,704	3,486	74.1%	195	4.1%	1,023	21.7%
\$80,001 to 90,000	4,013	3,075	76.6%	137	3.4%	801	20.0%
\$90,001 to 100,000	3,263	2,472	75.8%	101	3.1%	690	21.1%
\$100,001 to 125,000	5,752	4,372	76.0%	178	3.1%	1,202	20.9%
\$125,001 to 150,000	2,947	2,250	76.3%	90	3.1%	607	20.6%
\$150,001 to 175,000	1,544	1,145	74.2%	52	3.4%	347	22.5%
\$175,001 to 200,000	932	668	71.7%	19	2.0%	245	26.3%
\$200,001 to 250,000	1,080	739	68.4%	35	3.2%	306	28.3%
\$250,001 or more	2,280	1,269	55.7%	37	1.6%	974	42.7%
Total	62,856	41,933	66.7%	4,386	7.0%	16,537	26.3%
	13.9%						

<i>Electronic Filers</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	70,653	46,849	66.3%	15,191	21.5%	8,613	12.2%
\$20,001 to 30,000	48,305	32,560	67.4%	8,900	18.4%	6,845	14.2%
\$30,001 to 40,000	39,913	28,532	71.5%	5,662	14.2%	5,719	14.3%
\$40,001 to 50,000	34,175	25,603	74.9%	3,736	10.9%	4,836	14.2%
\$50,001 to 60,000	32,478	25,126	77.4%	2,799	8.6%	4,553	14.0%
\$60,001 to 70,000	30,631	24,254	79.2%	2,122	6.9%	4,255	13.9%
\$70,001 to 80,000	27,589	22,130	80.2%	1,696	6.1%	3,763	13.6%
\$80,001 to 90,000	22,988	18,769	81.6%	1,156	5.0%	3,063	13.3%
\$90,001 to 100,000	18,856	15,385	81.6%	889	4.7%	2,582	13.7%
\$100,001 to 125,000	29,279	23,925	81.7%	1,248	4.3%	4,106	14.0%
\$125,001 to 150,000	13,639	11,039	80.9%	532	3.9%	2,068	15.2%
\$150,001 to 175,000	7,018	5,628	80.2%	230	3.3%	1,160	16.5%
\$175,001 to 200,000	3,893	3,024	77.7%	123	3.2%	746	19.2%
\$200,001 to 250,000	4,077	3,084	75.6%	104	2.6%	889	21.8%
\$250,001 or more	6,693	4,348	65.0%	113	1.7%	2,232	33.3%
Total	390,187	290,256	74.4%	44,501	11.4%	55,430	14.2%
	86.1%						

Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 24, 2010, where all amended returns and those filed by non-residents are ignored.

Table 5: Counts of Dependents Reported on Iowa Returns through Final Review by Coverage, Tax Year 2009

<i>All Resident Filers</i>								
Gross Income	All Dependents		Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
	Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents	Share of Total	
Less than \$20,000	133,424	88,450	66.3%	27,527	20.6%	17,447	13.1%	
\$20,001 to 30,000	97,328	64,085	65.8%	17,338	17.8%	15,905	16.3%	
\$30,001 to 40,000	85,048	59,202	69.6%	11,583	13.6%	14,263	16.8%	
\$40,001 to 50,000	74,413	55,760	74.9%	7,623	10.2%	11,030	14.8%	
\$50,001 to 60,000	72,530	55,875	77.0%	5,941	8.2%	10,714	14.8%	
\$60,001 to 70,000	68,811	54,530	79.2%	4,355	6.3%	9,926	14.4%	
\$70,001 to 80,000	62,702	50,329	80.3%	3,451	5.5%	8,922	14.2%	
\$80,001 to 90,000	52,537	43,031	81.9%	2,444	4.7%	7,062	13.4%	
\$90,001 to 100,000	43,267	35,373	81.8%	1,813	4.2%	6,081	14.1%	
\$100,001 to 125,000	69,751	56,949	81.6%	2,602	3.7%	10,200	14.6%	
\$125,001 to 150,000	33,152	26,629	80.3%	1,142	3.4%	5,381	16.2%	
\$150,001 to 175,000	17,471	13,832	79.2%	492	2.8%	3,147	18.0%	
\$175,001 to 200,000	9,815	7,513	76.5%	257	2.6%	2,045	20.8%	
\$200,001 to 250,000	10,573	7,909	74.8%	254	2.4%	2,410	22.8%	
\$250,001 or more	19,565	12,372	63.2%	287	1.5%	6,906	35.3%	
Total	850,387	631,839	74.3%	87,109	10.2%	131,439	15.5%	

<i>Paper Filers</i>								
Gross Income	All Dependents		Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
	Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents	Share of Total	
Less than \$20,000	14,255	7,266	51.0%	2,556	17.9%	4,433	31.1%	
\$20,001 to 30,000	11,354	5,797	51.1%	1,779	15.7%	3,778	33.3%	
\$30,001 to 40,000	11,251	6,551	58.2%	1,257	11.2%	3,443	30.6%	
\$40,001 to 50,000	10,428	7,143	68.5%	792	7.6%	2,493	23.9%	
\$50,001 to 60,000	10,594	7,521	71.0%	580	5.5%	2,493	23.5%	
\$60,001 to 70,000	9,941	7,275	73.2%	436	4.4%	2,230	22.4%	
\$70,001 to 80,000	9,101	6,821	74.9%	340	3.7%	1,940	21.3%	
\$80,001 to 90,000	7,704	6,078	78.9%	244	3.2%	1,382	17.9%	
\$90,001 to 100,000	6,239	4,785	76.7%	183	2.9%	1,271	20.4%	
\$100,001 to 125,000	11,189	8,584	76.7%	306	2.7%	2,299	20.5%	
\$125,001 to 150,000	5,754	4,421	76.8%	160	2.8%	1,173	20.4%	
\$150,001 to 175,000	3,078	2,258	73.4%	91	3.0%	729	23.7%	
\$175,001 to 200,000	1,837	1,314	71.5%	37	2.0%	486	26.5%	
\$200,001 to 250,000	2,159	1,482	68.6%	61	2.8%	616	28.5%	
\$250,001 or more	4,963	2,764	55.7%	69	1.4%	2,130	42.9%	
Total	119,847	80,060	66.8%	8,891	7.4%	30,896	25.8%	
	14.1%							

<i>Electronic Filers</i>								
Gross Income	All Dependents		Dependents with Presence of Coverage		Dependents with Absence of Coverage		Dependents in Families Not Responding	
	Total Dependents	Dependents	Share of Total	Dependents	Share of Total	Dependents	Share of Total	
Less than \$20,000	119,169	81,184	68.1%	24,971	21.0%	13,014	10.9%	
\$20,001 to 30,000	85,974	58,288	67.8%	15,559	18.1%	12,127	14.1%	
\$30,001 to 40,000	73,797	52,651	71.3%	10,326	14.0%	10,820	14.7%	
\$40,001 to 50,000	63,985	48,617	76.0%	6,831	10.7%	8,537	13.3%	
\$50,001 to 60,000	61,936	48,354	78.1%	5,361	8.7%	8,221	13.3%	
\$60,001 to 70,000	58,870	47,255	80.3%	3,919	6.7%	7,696	13.1%	
\$70,001 to 80,000	53,601	43,508	81.2%	3,111	5.8%	6,982	13.0%	
\$80,001 to 90,000	44,833	36,953	82.4%	2,200	4.9%	5,680	12.7%	
\$90,001 to 100,000	37,028	30,588	82.6%	1,630	4.4%	4,810	13.0%	
\$100,001 to 125,000	58,562	48,365	82.6%	2,296	3.9%	7,901	13.5%	
\$125,001 to 150,000	27,398	22,208	81.1%	982	3.6%	4,208	15.4%	
\$150,001 to 175,000	14,393	11,574	80.4%	401	2.8%	2,418	16.8%	
\$175,001 to 200,000	7,978	6,199	77.7%	220	2.8%	1,559	19.5%	
\$200,001 to 250,000	8,414	6,427	76.4%	193	2.3%	1,794	21.3%	
\$250,001 or more	14,602	9,608	65.8%	218	1.5%	4,776	32.7%	
Total	730,540	551,779	75.5%	78,218	10.7%	100,543	13.8%	
	85.9%							

Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. Includes individual income tax returns through final review by November 24, 2010 where all amended returns and those filed by non-residents are ignored.

Table 6: Dependent Health Care Coverage Reporting by Filing Method and Income, Tax Year 2009

<i>Paper Filers</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	7,987	4,119	51.6%	1,201	15.0%	2,667	33.4%
\$20,001 to 30,000	6,041	3,269	54.1%	809	13.4%	1,963	32.5%
\$30,001 to 40,000	5,964	3,616	60.6%	609	10.2%	1,739	29.2%
\$40,001 to 50,000	5,520	3,743	67.8%	371	6.7%	1,406	25.5%
\$50,001 to 60,000	5,574	3,947	70.8%	304	5.5%	1,323	23.7%
\$60,001 to 70,000	5,255	3,763	71.6%	248	4.7%	1,244	23.7%
\$70,001 to 80,000	4,704	3,486	74.1%	195	4.1%	1,023	21.7%
\$80,001 to 90,000	4,013	3,075	76.6%	137	3.4%	801	20.0%
\$90,001 to 100,000	3,263	2,472	75.8%	101	3.1%	690	21.1%
\$100,001 to 125,000	5,752	4,372	76.0%	178	3.1%	1,202	20.9%
\$125,001 to 150,000	2,947	2,250	76.3%	90	3.1%	607	20.6%
\$150,001 to 175,000	1,544	1,145	74.2%	52	3.4%	347	22.5%
\$175,001 to 200,000	932	668	71.7%	19	2.0%	245	26.3%
\$200,001 to 250,000	1,080	739	68.4%	35	3.2%	306	28.3%
\$250,001 or more	2,280	1,269	55.7%	37	1.6%	974	42.7%
Total	62,856	41,933	66.7%	4,386	7.0%	16,537	26.3%

<i>Electronic Filers Self-Prepared</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	15,877	12,252	77.2%	3,013	19.0%	612	3.9%
\$20,001 to 30,000	11,085	8,901	80.3%	1,708	15.4%	476	4.3%
\$30,001 to 40,000	9,108	7,741	85.0%	1,020	11.2%	347	3.8%
\$40,001 to 50,000	7,698	6,834	88.8%	633	8.2%	231	3.0%
\$50,001 to 60,000	7,285	6,631	91.0%	430	5.9%	224	3.1%
\$60,001 to 70,000	7,211	6,693	92.8%	318	4.4%	200	2.8%
\$70,001 to 80,000	6,845	6,444	94.1%	209	3.1%	192	2.8%
\$80,001 to 90,000	6,180	5,887	95.3%	168	2.7%	125	2.0%
\$90,001 to 100,000	5,288	5,020	94.9%	140	2.6%	128	2.4%
\$100,001 to 125,000	8,944	8,512	95.2%	246	2.8%	186	2.1%
\$125,001 to 150,000	4,214	3,989	94.7%	123	2.9%	102	2.4%
\$150,001 to 175,000	2,050	1,952	95.2%	52	2.5%	46	2.2%
\$175,001 to 200,000	1,057	1,004	95.0%	28	2.6%	25	2.4%
\$200,001 to 250,000	875	824	94.2%	23	2.6%	28	3.2%
\$250,001 or more	788	724	91.9%	23	2.9%	41	5.2%
Total	94,505	83,408	88.3%	8,134	8.6%	2,963	3.1%

<i>Electronic Filers Paid Preparer</i>							
Gross Income	All Families with Dependents	Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Count	Share of Total	Count	Share of Total	Count	Share of Total
Less than \$20,000	54,776	34,597	63.2%	12,178	22.2%	8,001	14.6%
\$20,001 to 30,000	37,220	23,659	63.6%	7,192	19.3%	6,369	17.1%
\$30,001 to 40,000	30,805	20,791	67.5%	4,642	15.1%	5,372	17.4%
\$40,001 to 50,000	26,477	18,769	70.9%	3,103	11.7%	4,605	17.4%
\$50,001 to 60,000	25,193	18,495	73.4%	2,369	9.4%	4,329	17.2%
\$60,001 to 70,000	23,420	17,561	75.0%	1,804	7.7%	4,055	17.3%
\$70,001 to 80,000	20,744	15,686	75.6%	1,487	7.2%	3,571	17.2%
\$80,001 to 90,000	16,808	12,882	76.6%	988	5.9%	2,938	17.5%
\$90,001 to 100,000	13,568	10,365	76.4%	749	5.5%	2,454	18.1%
\$100,001 to 125,000	20,335	15,413	75.8%	1,002	4.9%	3,920	19.3%
\$125,001 to 150,000	9,425	7,050	74.8%	409	4.3%	1,966	20.9%
\$150,001 to 175,000	4,968	3,676	74.0%	178	3.6%	1,114	22.4%
\$175,001 to 200,000	2,836	2,020	71.2%	95	3.3%	721	25.4%
\$200,001 to 250,000	3,202	2,260	70.6%	81	2.5%	861	26.9%
\$250,001 or more	5,905	3,624	61.4%	90	1.5%	2,191	37.1%
Total	295,682	206,848	70.0%	36,367	12.3%	52,467	17.7%

Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 24, 2010, where all amended returns and those filed by non-residents are ignored.

Table 7: Dependent Health Care Coverage Reporting on Iowa Returns through Final Review by Federal Poverty Guideline, Tax Year 2009

<i>All Resident Filers</i>								
Gross Income	All Families with Dependents		Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Distribution	Count	Share of Families	Count	Share of Families	Count	Share of Families
Less than 133% FPL	105,987	23.4%	68,500	64.6%	21,737	20.5%	15,750	14.9%
133-200% FPL	67,786	15.0%	47,314	69.8%	10,045	14.8%	10,427	15.4%
200-300% FPL	89,432	19.7%	67,705	75.7%	7,978	8.9%	13,749	15.4%
300+% FPL	189,838	41.9%	148,670	78.3%	9,127	4.8%	32,041	16.9%
Total	453,043	100.0%	332,189	73.3%	48,887	10.8%	71,967	15.9%

<i>Paper Filers</i>								
Gross Income	All Families with Dependents		Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Distribution	Count	Share of Families	Count	Share of Families	Count	Share of Families
Less than 133% FPL	11,422	18.2%	5,750	50.3%	1,850	16.2%	3,822	33.5%
133-200% FPL	8,087	12.9%	4,992	61.7%	807	10.0%	2,288	28.3%
200-300% FPL	12,265	19.5%	8,550	69.7%	691	5.6%	3,024	24.7%
300+% FPL	31,082	49.4%	22,641	72.8%	1,038	3.3%	7,403	23.8%
Subtotal	62,856	100.0%	41,933	66.7%	4,386	7.0%	16,537	26.3%
Share of Total	13.9%							

<i>Electronic Filers Self-Prepared</i>								
Gross Income	All Families with Dependents		Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Distribution	Count	Share of Families	Count	Share of Families	Count	Share of Families
Less than 133% FPL	20,321	21.5%	15,849	78.0%	3,738	18.4%	734	3.6%
133-200% FPL	13,769	14.6%	11,532	83.8%	1,744	12.7%	493	3.6%
200-300% FPL	18,132	19.2%	16,268	89.7%	1,276	7.0%	588	3.2%
300+% FPL	42,283	44.7%	39,759	94.0%	1,376	3.3%	1,148	2.7%
Subtotal	94,505	100.0%	83,408	88.3%	8,134	8.6%	2,963	3.1%
Share of Total	20.9%							

<i>Paid Preparer</i>								
Gross Income	All Families with Dependents		Families Reporting Presence of Coverage		Families Reporting Absence of Coverage		Families Not Responding	
	Count	Distribution	Count	Share of Families	Count	Share of Families	Count	Share of Families
Less than 133% FPL	74,252	25.1%	46,903	63.2%	16,149	21.7%	11,200	15.1%
133-200% FPL	45,925	15.5%	30,789	67.0%	7,494	16.3%	7,642	16.6%
200-300% FPL	59,035	20.0%	42,887	72.6%	6,011	10.2%	10,137	17.2%
300+% FPL	116,470	39.4%	86,269	74.1%	6,713	5.8%	23,488	20.2%
Subtotal	295,682	100.0%	206,848	70.0%	36,367	12.3%	52,467	17.7%
Share of Total	65.3%							

*Analysis Using N220 Data from Tax Year 2009
Tax Research and Policy Analysis Section, Iowa Department of Revenue*

Notes: Families are grouped based on gross income, reported on line 15 of the Iowa 1040. A taxpayer reporting dependents with and without coverage is included only in the absence of coverage group. The numbers include individual income tax returns through final review as of November 24, 2010 where all amended returns and those filed by non-residents are ignored. Federal poverty guidelines are from the U.S. Department of Human Services.

Table 8: Taxpayer Response to Receipt of *hawk-i* Application, Tax Year 2009

		Percent of Mailed Letters	Percent of Delivered Letters	Percent of Submitted Applications	Percent of Denied Applications
Letters Mailed to Taxpayers	37,203				
Letters Undeliverable	254	0.68%			
Total Letters Delivered	36,949				
Applications Submitted	341		0.92%		
Applications approved for <i>hawk-i</i>	131		0.35%	38.42%	Total: 215 children
Applications approved for Medicaid	103		0.28%	30.21%	Total: 168 children
Applications pending for <i>hawk-i</i>	10		0.03%	2.93%	
Applications pending for Medicaid	11		0.03%	3.23%	
Applications denied	86		0.23%	25.22%	
Reasons for Denial					
Missing information not received	41		0.11%	12.02%	47.67%
Non-compliant with Medicaid	24		0.06%	7.04%	27.91%
Income exceeded limits	9		0.02%	2.64%	10.47%
Over age 19	5		0.01%	1.47%	5.81%
Duplicate application	4		0.01%	1.17%	4.65%
Child did not live with applicant	2		0.01%	0.59%	2.33%
Immigration document invalid	1		0.00%	0.29%	1.16%
Other health insurance	0		0.00%	0.00%	0.00%

Source: Letter counts were tracked by IDR; applications were tracked by an outside vendor for DHS where numbers reflect tracking through December 31, 2010. Applications attributed to IDR mailing based on use of IDR-specific brochure or indication by applicant using available check box for how the applicant heard about *hawk-i*. Applicants using the brochure where tracking was possible only through the check box or completing an online application may have failed to indicate IDR as their information source, and thus the application would not be included in these counts.

Table 9: Newly Enrolled Iowa Families by Income, Tax Year 2009

Net Income	Newly Enrolled Families			
	Total Count	Share of Total	<i>hawk-i</i>	Medicaid
Less than \$20,000	78	33.3%	8	70
\$20,001 to 30,000	62	26.5%	39	23
\$30,001 to 40,000	51	21.8%	45	6
\$40,001 to 50,000	17	7.3%	16	1
\$50,001 to 60,000	17	7.3%	14	3
\$60,001 to 70,000	8	3.4%	8	0
\$70,001 to 80,000	1	0.4%	1	0
\$80,001 to 90,000	0	0.0%	0	0
\$90,001 to 100,000	0	0.0%	0	0
\$100,001 to 125,000	0	0.0%	0	0
\$125,001 to 150,000	0	0.0%	0	0
\$150,001 to 175,000	0	0.0%	0	0
\$175,001 to 200,000	0	0.0%	0	0
\$200,001 to 250,000	0	0.0%	0	0
\$250,001 or more	0	0.0%	0	0
Total	234	100.0%	131	103

Notes: Information on newly enrolled families provided by DHS. Net income is defined by DHS.

Table 10: HF 2539 Program Costs For Tax Year 2009 Filing Season

Component	Total Cost	Average Cost per Letter	Average Cost per Enrollee
Envelopes	\$1,777	\$0.05	\$4.64
Brochures	\$10,800	\$0.29	\$28.20
Handling	\$3,313	\$0.09	\$8.65
Postage	\$8,815	\$0.24	\$23.01
Staff Time	\$7,006	\$0.19	\$18.29
Total	\$31,711	\$0.85	\$82.80

Notes: Staff time includes estimates of the cost to the State for employees' time at both IDR and DHS.

Appendix to the Report on Dependent Health Care in Iowa

Includes:

Tax Year 2009 Iowa Individual Income Tax Form 1040

Sample TY 2010 cover letter

IA 1040 Iowa Individual Income Tax Long Form 2009

or fiscal year beginning ___/___/2009 and ending ___/___/___

STEP 1: Fill in all spaces. You MUST fill in your Social Security Number.

Your last name _____ Your first name/middle initial _____

Spouse's last name _____ Spouse's first name/middle initial _____

Current mailing address (number and street, apartment, lot, or suite number) or PO Box _____

City, State, ZIP _____

<input type="checkbox"/> Check this box if you or your spouse were 65 or older as of 12/31/09.	
Your Social Security Number - - -	Spouse Social Security Number - - -
Are your name, your spouse's name, if applicable, and your address the same as on last year's return? <input type="checkbox"/> YES <input type="checkbox"/> NO	Residence on 12/31/09 County No. ● School District No. ●
Dependent children for whom an exemption is claimed in Step 3 How many have health care coverage? _____ ● (including Medicaid or hawk-) How many do not have health care coverage? _____ ●	

STEP 2 Filing Status: Mark one box only.

- 1 Single: Were you claimed as a dependent on another person's Iowa return? YES NO ▲
- 2 Married filing a joint return. (Two-income families may benefit by using status 3 or 4)
- 3 Married filing separately on this combined return. Spouse use column B.
- 4 Married filing separate returns. Spouse's name: _____ SSN: _____ ▲ Income: \$ _____
- 5 Head of household with qualifying person. If qualifying person is not claimed as a dependent on this return, enter the person's name and Social Security Number below.
- 6 Qualifying widow(er) with dependent child. Name: _____ SSN: _____

STEP 3 Exemptions

YOU
(and spouse if filing jointly)

- a. Personal Credit: Enter 1 (Enter 2 if filing joint or head of household)▲ X \$ 40 = \$ _____
- b. Enter 1 for each person who is **65 or older** and/or 1 for each person who is **blind**▲ X \$ 20 = \$ _____
- c. Dependents: Enter 1 for each dependent▲ X \$ 40 = \$ _____
- d. Enter first names of dependents here: _____ e. TOTAL \$ _____

SPOUSE
(if filing status 3)

- a. Personal Credit: Enter 1▲ X \$ 40 = \$ _____
- b. Enter 1 if **65 or older** and/or 1 if **blind**▲ X \$ 20 = \$ _____
- c. Dependents: Enter 1 for each dependent▲ X \$ 40 = \$ _____
- d. Enter first names of dependents here: _____ e. TOTAL \$ _____

STEP 4

Figure your gross income

	B. Spouse/Status 3	A. You or Joint	B. Spouse/Status 3	A. You or Joint
1. Wages, salaries, tips, etc.	1. _____ .00	_____ .00		
2. Taxable interest income. If more than \$1,500, complete Sch. B	2. _____ .00	_____ .00		
3. Ordinary dividend income. If more than \$1,500, complete Sch. B	3. _____ .00	_____ .00		
4. Alimony received	4. _____ .00	_____ .00		
5. Business income/(loss) from federal Schedule C or C-EZ	5. _____ .00	_____ .00		
6. Capital gain/(loss) from federal Sch. D if required for federal purposes .	6. _____ .00	_____ .00		
7. Other gains/(losses) from federal form 4797	7. _____ .00	_____ .00		
8. Taxable IRA distributions	8. _____ .00	_____ .00		
9. Taxable pensions and annuities	9. _____ .00	_____ .00		
10. Rents, royalties, partnerships, estates, etc.	10. _____ .00	_____ .00		
11. Farm income/(loss) from federal Schedule F	11. _____ .00	_____ .00		
12. Unemployment compensation. See instructions.	12. _____ .00	_____ .00		
13. Taxable Social Security benefits	13. _____ .00 ▲	_____ .00		
14. Other income, gambling income, bonus depreciation adjustment ...	14. _____ .00	_____ .00		
15. GROSS INCOME. ADD lines 1-14	15. _____ .00 ▲	_____ .00		

STEP 5

Figure your adjustments to income

16. Payments to an IRA, Keogh, or SEP	16. _____ .00	_____ .00		
17. One-half of self-employment tax	17. _____ .00	_____ .00		
18. Health insurance deduction	18. _____ .00	_____ .00		
19. Penalty on early withdrawal of savings	19. _____ .00	_____ .00		
20. Alimony paid	20. _____ .00	_____ .00		
21. Pension/retirement income exclusion	21. _____ .00 ▲	_____ .00		
22. Moving expense deduction from federal form 3903	22. _____ .00	_____ .00		
23. Iowa capital gain deduction.	23. _____ .00 ▲	_____ .00		
24. Other adjustments	24. _____ .00	_____ .00		
25. Total adjustments. ADD lines 16-24	25. _____ .00 ▲	_____ .00		
26. NET INCOME. SUBTRACT line 25 from line 15	26. _____ .00 ▲	_____ .00		

STEP 6

Figure your federal tax addition and deduction

27. Federal income tax refund / overpayment received in 2009	27. _____ .00 ▲	_____ .00		
28. Self-employment/household employment taxes	28. _____ .00 ▲	_____ .00		
29. Addition for federal taxes. ADD lines 27 and 28	29. _____ .00	_____ .00		
30. Total. ADD lines 26 and 29	30. _____ .00	_____ .00		
31. Federal tax withheld	31. _____ .00 ▲	_____ .00		
32. Federal estimated tax payments made in 2009	32. _____ .00 ▲	_____ .00		
33. Additional federal tax paid in 2009 for 2008 and prior years	33. _____ .00 ▲	_____ .00		
34. Deduction for federal taxes. ADD lines 31, 32, and 33	34. _____ .00	_____ .00		
35. BALANCE. SUBTRACT line 34 from line 30. Enter here and on line 36, side 2	35. _____ .00	_____ .00		

Staple W-2s, payment, and voucher here.

STEP 7 36. BALANCE. From side 1, line 35. 36. _____ .00 _____ .00

37. Total itemized deductions from federal Schedule A 37. _____ .00 _____ .00
 Taxpayers with bonus depreciation must use Iowa Schedule A

38. Iowa income tax if included in line 5 of federal Schedule A 38. _____ .00 _____ .00

39. BALANCE. Subtract line 38 from line 37 or enter the 39. _____ .00 _____ .00
 amount of itemized deductions from the Iowa Schedule A

40. Other deductions. 40. _____ .00 _____ .00

41. Deduction. Check one box. Itemized. Add lines 39 and 40. Standard. 41. _____ .00 ▲ _____ .00

42. **TAXABLE INCOME.** SUBTRACT line 41 from line 36. 42. _____ .00 _____ .00

} Complete lines 37-40 ONLY if you itemize.

STEP 8 43. Tax from tables or alternate tax 43. _____ .00 ▲ _____ .00

44. Iowa lump-sum tax. 25% of federal tax from form 4972. 44. _____ .00 ▲ _____ .00

45. Iowa minimum tax. Attach IA 6251. 45. _____ .00 ▲ _____ .00

46. Total tax. ADD lines 43, 44, and 45. 46. _____ .00 _____ .00

47. Total exemption credit amount(s) from Step 3, side 1 47. _____ .00 _____ .00

48. Tuition and textbook credit for dependents K-12. 48. _____ .00 ▲ _____ .00

49. Total credits. ADD lines 47 and 48. 49. _____ .00 _____ .00

50. BALANCE. SUBTRACT line 49 from line 46. If less than zero, enter zero. 50. _____ .00 ▲ _____ .00

51. Credit for nonresident or part-year resident. Attach IA 126 and federal return. 51. _____ .00 ▲ _____ .00

52. BALANCE. SUBTRACT line 51 from line 50. If less than or equal to zero, enter zero. 52. _____ .00 _____ .00

53. Other nonrefundable Iowa credits. Attach IA 148 Tax Credits Schedule. 53. _____ .00 ▲ _____ .00

54. BALANCE. SUBTRACT line 53 from line 52. 54. _____ .00 _____ .00

55. School district surtax/EMS surtax. Take percentage from table; multiply by line 54. 55. _____ .00 ▲ _____ .00

56. Total Tax. ADD lines 54 and 55. 56. _____ .00 ▲ _____ .00

57. Total tax before contributions. ADD columns A & B on line 56 and enter here. 57. _____ .00

58. Contributions. Contributions will reduce your refund or add to the amount you owe. Amounts must be in whole dollars.
 Fish/Wildlife 58a: ▲ _____ StateFair 58b: ▲ _____ Firefighters/Veterans 58c: ▲ _____ Child Abuse Prevention 58d: ▲ _____ Enter total. 58. _____ .00

59. **TOTAL TAX AND CONTRIBUTIONS.** ADD lines 57 and 58. 59. _____ .00

STEP 9 60. Iowa income tax withheld. 60. _____ .00 ▲ _____ .00

61. Estimated and voucher payments made for tax year 2009 61. _____ .00 ▲ _____ .00

62. Out-of-state tax credit. Attach IA 130. 62. _____ .00 ▲ _____ .00

63. Motor fuel tax credit. Attach IA 4136. 63. _____ .00 ▲ _____ .00

64. Check One: Child and dependent care credit OR
 Early childhood development credit 64. _____ .00 ▲ _____ .00

65. Iowa earned income credit: **7.0% (.07) of federal credit** 65. _____ .00 ▲ _____ .00

66. Other refundable credits. Attach IA 148 Tax Credits Schedule. 66. _____ .00 ▲ _____ .00

67. TOTAL. ADD lines 60 - 66. 67. _____ .00 _____ .00

68. **TOTAL CREDITS.** ADD columns A and B on line 67 and enter here. 68. _____ .00

STEP 10 69. If line 68 is more than line 59, SUBTRACT line 59 from line 68. This is the amount you overpaid. 69. ▲ _____ .00

70. Amount of line 69 to be **REFUNDED** REFUND 70. ▲ _____ .00
Mail return to Iowa Income Tax - Refund Processing, Hoover State Office Bldg, Des Moines IA 50319-0120

71. Amount of line 69 to be **applied to your 2010 estimated tax** 71. _____ .00 ▲ _____ .00

72. If line 68 is less than line 59, SUBTRACT line 68 from line 59. This is the AMOUNT OF TAX YOU OWE. 72. ▲ _____ .00

73. Penalty for underpayment of estimated tax. From IA 2210 or IA 2210F. Check if annualized income method is used 73. ▲ _____ .00

74. Penalty and interest. 74a. Penalty. _____ .00 ▲ 74b. Interest _____ .00 ▲ ADD Enter total 74. _____ .00

75. **TOTAL AMOUNT DUE.** ADD lines 72, 73, and 74, and enter here. PAY THIS AMOUNT 75. ▲ _____ .00
Electronically pay by credit card or direct debit. Go to www.state.ia.us/tax/
To pay by mail: Iowa Income Tax - Document Processing, PO Box 9187, Des Moines IA 50306-9187. Make check payable to Treasurer, State of Iowa.

STEP 11 POLITICAL CHECKOFF. This checkoff does not increase the amount of tax you owe or decrease your refund.

SPOUSE ▲		YOURSELF	
\$1.50 to Democratic Party <input type="checkbox"/>	<input type="checkbox"/>	\$1.50 to Democratic Party	<input type="checkbox"/>
\$1.50 to Republican Party <input type="checkbox"/>	<input type="checkbox"/>	\$1.50 to Republican Party	<input type="checkbox"/>
\$1.50 to Campaign Fund <input type="checkbox"/>	<input type="checkbox"/>	\$1.50 to Campaign Fund	<input type="checkbox"/>

STEP 12 NEXT YEAR,
 Would you like to receive a booklet? This option is not available to electronic filers.

0. Yes
 ▲ 1. No

Mailing Addresses:
 See lines 70 and 75 above.

Mailing envelopes are no longer provided by or available from the Department.

STEP 14 PLEASE SIGN HERE

I (We), the undersigned, declare under penalty of perjury that I (we) have examined this return, including all accompanying schedules and statements, and, to the best of my (our) knowledge and belief, it is a true, correct, and complete return. Declaration of preparer (other than taxpayer) is based on all information of which the preparer has any knowledge.

_____ Your Signature	_____ Date	_____ Preparer's Signature	_____ Date
_____ Spouse's Signature	_____ Date	_____ Address	
_____ Daytime Telephone Number		_____ Daytime Telephone Number	_____ Identification Number



Iowa Department of Revenue

DATE

TAXPAYER NAME
ADDRESS 1
ADDRESS 2

On your 2010 Iowa income tax return, you indicated you have one or more children who do not have health care coverage. Children without health care coverage may be eligible to receive health care coverage from the State of Iowa through the Medicaid program or the *hawk-i* (Healthy and Well Kids in Iowa) program.

Are my children eligible?

The Iowa Department of Human Services will make this determination.

Where do I find more information?

Visit www.hawk-i.org for information on *hawk-i* or contact *hawk-i* Customer Service at 1-800-257-8563.

What must I do to apply?

If you believe one or more children are eligible for health care coverage under either the Medicaid or *hawk-i* program, you must within 90 days complete the online application available at www.hawk-i.org. You may also request a paper application after 90 days by calling *hawk-i* Customer Service at 1-800-257-8563. Mail the completed application to The Healthy and Well Kids in Iowa Program, PO Box 71336, Des Moines IA 50325-9958.

When completing the online or paper application, please indicate that you heard about *hawk-i* from the State income tax form.

What if I have questions?

If you have any questions, please contact *hawk-i* Customer Service at 1-800-257-8563.