



BULLETIN 25-01

To: Health Maintenance Organizations Contracting with the Iowa Department of Health and Human Services to serve as Managed Care Organizations
From: Doug Ommen, Iowa Insurance Commissioner
Re: Premium Tax Deferral for MCOs
Date: February 3, 2025

The purpose of this Bulletin is to inform Health Maintenance Organizations (HMOs) operating as managed care organizations (MCOs) that the Division will defer collection of any premium tax above the “applicable percent” as described in Iowa Code § 432.1(2.).

Beginning January 1, 2024, payments made to HMOs contracting with the Department of Health and Human Services to administer the medical assistance program under Iowa Code § 249A are considered premiums received and subject to premium taxes. The premium tax not deferred must be paid on or before March 1, 2025. The Commissioner of Insurance may suspend or revoke the license of a HMO that fails to pay the premium tax on or before this date.

The applicable percent as described in Iowa Code § 432.1(2) is as follows:

- For the 2024 calendar year, nine hundred seventy-five thousandths of one percent.
- For the 2025 calendar year, ninety-five hundredths of one percent.
- For the 2026 calendar year, nine hundred twenty-five thousandths of one percent.
- For the 2027 and subsequent calendar years, nine-tenths of one percent.

For questions or clarifications regarding this Bulletin, please contact Daniel Mathis at daniel.mathis@iid.iowa.gov.