

January 14, 1998

SENATE BILL No. 19

DIGEST OF SB 19 (Updated January 13, 1998)

Citations Affected: IC 5-14-3-2; IC 12-7-2-154.8; IC 12-15; IC 12-26-2-5; IC 16-18; IC 16-35; Noncode.

Synopsis: Increases for one year the family income eligibility standard for Medicaid for a child who is less than 19 years of age to 150% of the federal income poverty level. Requires the office of Medicaid policy and planning to use all funds appropriated for outreach to conduct outreach activities in order to encourage children who are less than 19 years of age and who are eligible for Medicaid but are not enrolled in the Medicaid program to enroll in the Medicaid program. Requires for one year that the office of Medicaid policy and planning provide Medicaid services to a child or a pregnant woman who is less than 19 years of age and who is eligible for Medicaid for 12 consecutive
(Continued next page)

Effective: Upon Passage; July 1, 1998.

Johnson

November 18, 1997, read first time and referred to Committee on Rules and Legislative Procedure.

January 13, 1998, amended, reported favorably; reassigned to Committee on Planning and Public Services.

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Digest Continued

months from the date when the child's or pregnant woman's eligibility is determined or until the child or pregnant woman becomes 19 years of age, whichever occurs first. Provides that certain entities may determine that a pregnant woman or child is presumptively eligible for Medicaid. Provides that presumptive eligibility ends when a determination of Medicaid eligibility is made by an employee of a county office of family and children or the last day of the month following the month during which a presumptive eligibility determination is made, whichever occurs earlier. Establishes a children's health insurance program within the state department of health to obtain health insurance for eligible children. Requires the program to contract with providers of health insurance to provide health insurance and other required services to children in the program. Requires the program to establish performance criteria and evaluation measures for providers. Provides requirements a child must meet in order to enroll in the program. Provides a list of services for which the program must provide health insurance coverage. Provides other requirements under which the program and providers must operate. Requires the program, with the assistance of the office of Medicaid policy and planning to apply for waivers from the Secretary of the United States Department of Health and Human Services that are required to implement the program. Requires the program to submit state plans outlining Indiana's initial and long term children's health insurance program to the Secretary of the United States Department of Health and Human Services. Provides that funds from the Medicaid indigent care trust fund will be used to provide the state's share of funds required to implement the program.

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January 14, 1998

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

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SENATE BILL No. 19

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-14-3-2, AS AMENDED BY P.L.50-1995,
2 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. As used in this chapter:
4 "Copy" includes transcribing by handwriting, photocopying,
5 xerography, duplicating machine, duplicating electronically stored data
6 onto a disk, tape, drum, or any other medium of electronic data storage,
7 and reproducing by any other means.
8 "Direct cost" means one hundred five percent (105%) of the sum of
9 the cost of:
10 (1) the initial development of a program, if any;
11 (2) the labor required to retrieve electronically stored data; and
12 (3) any medium used for electronic output;
13 for providing a duplicate of electronically stored data onto a disk, tape,
14 drum, or other medium of electronic data retrieval under section 8(g)
15 of this chapter, or for reprogramming a computer system under section

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- 1 6(c) of this chapter.
- 2 "Electronic map" means copyrighted data provided by a public
- 3 agency from an electronic geographic information system.
- 4 "Enhanced access" means the inspection of a public record by a
- 5 person other than a governmental entity and that:
- 6 (1) is by means of an electronic device other than an electronic
- 7 device provided by a public agency in the office of the public
- 8 agency; or
- 9 (2) requires the compilation or creation of a list or report that does
- 10 not result in the permanent electronic storage of the information.
- 11 "Facsimile machine" means a machine that electronically transmits
- 12 exact images through connection with a telephone network.
- 13 "Inspect" includes the right to do the following:
- 14 (1) Manually transcribe and make notes, abstracts, or memoranda.
- 15 (2) In the case of tape recordings or other aural public records, to
- 16 listen and manually transcribe or duplicate, or make notes,
- 17 abstracts, or other memoranda from them.
- 18 (3) In the case of public records available:
- 19 (A) by enhanced access under section 3.5 of this chapter; or
- 20 (B) to a governmental entity under section 3(c)(2) of this
- 21 chapter;
- 22 to examine and copy the public records by use of an electronic
- 23 device.
- 24 (4) In the case of electronically stored data, to manually transcribe
- 25 and make notes, abstracts, or memoranda or to duplicate the data
- 26 onto a disk, tape, drum, or any other medium of electronic
- 27 storage.
- 28 "Investigatory record" means information compiled in the course of
- 29 the investigation of a crime.
- 30 "Patient" has the meaning set out in IC 16-18-2-272(c).
- 31 "Person" means an individual, a corporation, a limited liability
- 32 company, a partnership, an unincorporated association, or a
- 33 governmental entity.
- 34 "Provider" has the meaning set out in ~~IC 16-18-2-295(b)~~
- 35 **IC 16-18-2-295(c)** and includes employees of the state department of
- 36 health or local boards of health who create patient records at the
- 37 request of another provider or who are social workers and create
- 38 records concerning the family background of children who may need
- 39 assistance.
- 40 "Public agency" means the following:
- 41 (1) Any board, commission, department, division, bureau,
- 42 committee, agency, office, instrumentality, or authority, by

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1 whatever name designated, exercising any part of the executive,
2 administrative, judicial, or legislative power of the state.

3 (2) Any:

4 (A) county, township, school corporation, city, or town, or any
5 board, commission, department, division, bureau, committee,
6 office, instrumentality, or authority of any county, township,
7 school corporation, city, or town;

8 (B) political subdivision (as defined by IC 36-1-2-13); or

9 (C) other entity, or any office thereof, by whatever name
10 designated, exercising in a limited geographical area the
11 executive, administrative, judicial, or legislative power of the
12 state or a delegated local governmental power.

13 (3) Any entity or office that is subject to:

14 (A) budget review by either the state board of tax
15 commissioners or the governing body of a county, city, town,
16 township, or school corporation; or

17 (B) an audit by the state board of accounts.

18 (4) Any building corporation of a political subdivision that issues
19 bonds for the purpose of constructing public facilities.

20 (5) Any advisory commission, committee, or body created by
21 statute, ordinance, or executive order to advise the governing
22 body of a public agency, except medical staffs or the committees
23 of any such staff.

24 (6) Any law enforcement agency, which means an agency or a
25 department of any level of government that engages in the
26 investigation, apprehension, arrest, or prosecution of alleged
27 criminal offenders, such as the state police department, the police
28 or sheriff's department of a political subdivision, prosecuting
29 attorneys, members of the excise police division of the alcoholic
30 beverage commission, conservation officers of the department of
31 natural resources, and the security division of the state lottery
32 commission.

33 (7) Any license branch staffed by employees of the bureau of
34 motor vehicles commission under IC 9-16.

35 (8) The state lottery commission, including any department,
36 division, or office of the commission.

37 (9) The Indiana gaming commission established under IC 4-33,
38 including any department, division, or office of the commission.

39 (10) The Indiana horse racing commission established by IC 4-31,
40 including any department, division, or office of the commission.

41 "Public record" means any writing, paper, report, study, map,
42 photograph, book, card, tape recording, or other material that is

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1 created, received, retained, maintained, used, or filed by or with a
 2 public agency and which is generated on paper, paper substitutes,
 3 photographic media, chemically based media, magnetic or machine
 4 readable media, electronically stored data, or any other material,
 5 regardless of form or characteristics.

6 "Standard-sized documents" includes all documents that can be
 7 mechanically reproduced (without mechanical reduction) on paper
 8 sized eight and one-half (8 1/2) inches by eleven (11) inches or eight
 9 and one-half (8 1/2) inches by fourteen (14) inches.

10 "Trade secret" has the meaning set forth in IC 24-2-3-2.

11 "Work product of an attorney" means information compiled by an
 12 attorney in reasonable anticipation of litigation and includes the
 13 attorney's:

- 14 (1) notes and statements taken during interviews of prospective
 15 witnesses; and
- 16 (2) legal research or records, correspondence, reports, or
 17 memoranda to the extent that each contains the attorney's
 18 opinions, theories, or conclusions.

19 This definition does not restrict the application of any exception under
 20 section 4 of this chapter.

21 SECTION 2. IC 12-7-2-154.8 IS ADDED TO THE INDIANA
 22 CODE AS A NEW SECTION TO READ AS FOLLOWS
 23 [EFFECTIVE UPON PASSAGE]: **Sec. 154.8. "Qualified entity", for**
 24 **purposes of IC 12-15-2.2, has the meaning set forth in**
 25 **IC 12-15-2.2-1.**

26 SECTION 3. IC 12-15-1-18 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: **Sec. 18. The office shall use all funds that are**
 29 **appropriated to the office for outreach purposes to conduct**
 30 **outreach activities in order to encourage children who are:**

- 31 (1) less than nineteen (19) years of age;
- 32 (2) eligible for Medicaid; and
- 33 (3) not enrolled in the Medicaid program;

34 **to apply for and enroll in the Medicaid program.**

35 SECTION 4. IC 12-15-2-15.6 IS ADDED TO THE INDIANA
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS
 37 [EFFECTIVE JULY 1, 1998]: **Sec. 15.6. (a) Notwithstanding sections**
 38 **15 and 15.5 of this chapter, an individual:**

- 39 (1) whose family income does not exceed one hundred fifty
 40 percent (150%) of the federal income poverty level for the
 41 same size family;
- 42 (2) who is otherwise eligible for Medicaid under section 15 or

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1 **15.5 of this chapter; and**
 2 **(3) who is not otherwise eligible for Medicaid under this**
 3 **chapter;**
 4 **is eligible for Medicaid.**

5 **(b) The state's share of any treatment received by an individual**
 6 **who is eligible for Medicaid under this section is calculated under**
 7 **Title XXI of the federal Social Security Act (42 U.S.C. 1396aa et**
 8 **seq.).**

9 **(c) This section expires June 30, 1999.**

10 SECTION 5. IC 12-15-2-15.7 IS ADDED TO THE INDIANA
 11 CODE AS A NEW SECTION TO READ AS FOLLOWS
 12 [EFFECTIVE JULY 1, 1998]: **Sec. 15.7. (a) An individual who is less**
 13 **than nineteen (19) years of age and who is eligible for Medicaid**
 14 **under sections 11 through 15.6 of this chapter is eligible to receive**
 15 **Medicaid until the earlier of the following:**

16 **(1) The end of a period of twelve (12) consecutive months**
 17 **following a determination of the individual's eligibility for**
 18 **Medicaid.**

19 **(2) The individual becomes nineteen (19) years of age.**

20 **(b) This section expires June 30, 1999.**

21 SECTION 6. IC 12-15-2.2 IS ADDED TO THE INDIANA CODE
 22 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 23 JULY 1, 1998]:

24 **Chapter 2.2. Presumptive Eligibility for Pregnant Women and**
 25 **Children**

26 **Sec. 1. As used in this chapter, "qualified entity" means one (1)**
 27 **of the following:**

28 **(1) To determine presumptive eligibility for a pregnant**
 29 **woman, the term means an entity that:**

30 **(A) is eligible to receive payments under this article;**

31 **(B) provides outpatient hospital services, rural health**
 32 **clinic services and any other ambulatory services offered**
 33 **by a rural health clinic, or clinic services furnished by or**
 34 **under the direction of a licensed physician;**

35 **(C) is determined by the office to be capable of making a**
 36 **determination described in section 5(1) of this chapter; and**

37 **(D) meets all other requirements set forth in 42 U.S.C.**
 38 **1396r-1(b)(2)(D).**

39 **(2) To determine presumptive eligibility for a child, the term**
 40 **means a provider that is eligible to receive payments under**
 41 **this article and is approved by the office or an entity that is**
 42 **authorized:**

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- (A) to determine the eligibility of a child to:**
 - (i) participate in a Head Start program under 42 U.S.C. 9831 et seq.;**
 - (ii) receive child care services for which financial assistance is provided under the Child Care and Development Block Grant Act of 1990 under 42 U.S.C. 9858 et seq.; or**
 - (iii) receive assistance under the women, infants, and children nutrition program (as defined in IC 16-35-1.5-5); and**
- (B) by the office to be capable of making a determination described in section 5(1) of this chapter.**

Sec. 2. A qualified entity may establish the presumptive eligibility of an individual who may be eligible for Medicaid under IC 12-15-2-11 through IC 12-15-2-15.6.

Sec. 3. An entity described in section 1(2) of this chapter may apply to the office, on a form provided by the office, for authorization to be a qualified entity under this chapter.

Sec. 4. The office shall provide each qualified entity with the following:

- (1) Application forms for Medicaid.**
- (2) Information on how to assist pregnant women, parents, guardians, and other individuals in completing and filing the application forms.**

Sec. 5. Subject to section 6(2) of this chapter, the office shall provide Medicaid services to a child or pregnant woman during a period that:

- (1) begins on the date on which a qualified entity determines on the basis of preliminary information, including a certified copy of the previous year's tax return or a recent pay stub, that the family income of the child or pregnant woman does not exceed the applicable family income level of eligibility for the child or pregnant woman for Medicaid under IC 12-15-2; and**
- (2) ends on the earlier of the following:**
 - (A) The date on which a determination is made by a representative of the county office with respect to the eligibility of the child or pregnant woman for Medicaid under IC 12-15-2.**
 - (B) The last day of the month following the month in which the qualified entity makes the determination described in subdivision (1).**

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1 **Sec. 6. A pregnant woman:**

- 2 (1) may only have a presumptive eligibility determination
3 made by an entity described in section 1(1) of this chapter;
4 and
5 (2) is eligible to receive only ambulatory prenatal care during
6 a period of presumptive eligibility.

7 **Sec. 7. A qualified entity that determines that a child or**
8 **pregnant woman is presumptively eligible for Medicaid shall do the**
9 **following:**

- 10 (1) Notify the office of the determination within five (5)
11 working days after the date on which the determination is
12 made.

13 (2) Inform:

- 14 (A) the parent, guardian, or custodian of the child; or
15 (B) the pregnant woman;

16 that an application for Medicaid is required to be made at the
17 county office in the county where the child or the pregnant
18 woman resides not later than the last day of the month
19 following the month during which the determination is made.

20 **Sec. 8. If a child or pregnant woman is determined to be**
21 **presumptively eligible for Medicaid under this chapter, the:**

- 22 (1) child's parent, guardian, or custodian; or
23 (2) pregnant woman;

24 shall complete an application for Medicaid as provided in
25 IC 12-15-4 not later than the last day of the month following the
26 month during which the determination is made.

27 **Sec. 9. The office shall adopt rules under IC 4-22-2 to implement**
28 **this chapter.**

29 SECTION 7. IC 12-26-2-5, AS AMENDED BY P.L.6-1995,
30 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
31 UPON PASSAGE]: Sec. 5. (a) This section applies under the following
32 statutes:

- 33 (1) IC 12-26-6.
34 (2) IC 12-26-7.
35 (3) IC 12-26-12.
36 (4) IC 12-26-15.

37 (b) A petitioner may be represented by counsel.

38 (c) The court may appoint counsel for a petitioner upon a showing
39 of the petitioner's indigency and the court shall pay for such counsel if
40 appointed.

41 (d) A petitioner, including a petitioner who is a health care provider
42 under ~~IC 16-18-2-295(b)~~, IC 16-18-2-295(c), in the petitioner's



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1 individual capacity or as a corporation is not required to be represented
 2 by counsel. If a petitioner who is a corporation elects not to be
 3 represented by counsel, the individual representing the corporation at
 4 the commitment hearing must present the court with written
 5 authorization from:

- 6 (1) an officer;
- 7 (2) a director;
- 8 (3) a principal; or
- 9 (4) a manager;

10 of the corporation that authorizes the individual to represent the interest
 11 of the corporation in the proceedings.

12 (e) The petitioner is required to prove by clear and convincing
 13 evidence that:

- 14 (1) the individual is mentally ill and either dangerous or gravely
 15 disabled; and
- 16 (2) detention or commitment of that individual is appropriate.

17 SECTION 8. IC 16-18-2-294.3 IS ADDED TO THE INDIANA
 18 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 19 [EFFECTIVE JULY 1, 1998]: **Sec. 294.3. "Program" for purposes**
 20 **of IC 16-35-6, has the meaning set forth in IC 16-35-6-1.**

21 SECTION 9. IC 16-18-2-295, AS AMENDED BY P.L.188-1995,
 22 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 23 UPON PASSAGE]: Sec. 295. (a) "Provider", for purposes of IC 16-25,
 24 means a hospice program certified under IC 16-25-1.

25 **(b) "Provider", for purposes of IC 16-35-6, has the meaning set**
 26 **forth in IC 16-35-6-2.**

27 ~~(b)~~ (c) "Provider", for purposes of IC 16-39 except for IC 16-39-7
 28 and for purposes of IC 16-41-1 through IC 16-41-9, means any of the
 29 following:

- 30 (1) An individual (other than an individual who is an employee or
 31 a contractor of a hospital, a facility, or an agency described in
 32 subdivision (2) or (3)) who is licensed, registered, or certified as
 33 a health care professional, including the following:
- 34 (A) A physician.
- 35 (B) A psychotherapist.
- 36 (C) A dentist.
- 37 (D) A registered nurse.
- 38 (E) A licensed practical nurse.
- 39 (F) An optometrist.
- 40 (G) A podiatrist.
- 41 (H) A chiropractor.
- 42 (I) A physical therapist.



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- 1 (J) A psychologist.
 2 (K) An audiologist.
 3 (L) A speech-language pathologist.
 4 (M) A dietitian.
 5 (N) An occupational therapist.
 6 (O) A respiratory therapist.
 7 (P) A pharmacist.
 8 (2) A hospital or facility licensed under IC 16-21-2 or IC 12-25 or
 9 described in IC 12-24-1 or IC 12-29.
 10 (3) A health facility licensed under IC 16-28-2.
 11 (4) A home health agency licensed under IC 16-27-1.
 12 (5) An employer of a certified emergency medical technician, a
 13 certified advanced emergency medical technician, or a certified
 14 paramedic.

15 (d) "Provider", for purposes of IC 16-39-7-1, has the meaning set
 16 forth in IC 16-39-7-1(a).

17 SECTION 10. IC 16-35-6 IS ADDED TO THE INDIANA CODE
 18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 19 UPON PASSAGE]:

20 **Chapter 6. Children's Health Insurance Program**

21 **Sec. 1. As used in this chapter, "program" refers to the**
 22 **children's health insurance program established under this**
 23 **chapter.**

24 **Sec. 2. As used in this chapter, "provider" means any person**
 25 **who provides health insurance in Indiana. The term includes the**
 26 **following:**

- 27 (1) A licensed insurance company.
 28 (2) A prepaid hospital or medical service plan.
 29 (3) A health maintenance organization.
 30 (4) A multiple employer welfare arrangement.
 31 (5) Any person providing a plan of health insurance subject to
 32 state insurance law.

33 **Sec. 3. The children's health insurance program is established**
 34 **within the state department.**

35 **Sec. 4. A child may apply to receive services provided by the**
 36 **program if the child:**

- 37 (1) meets the qualifications described in section 12 of this
 38 chapter; or
 39 (2) receives health care services through the Hoosier
 40 Healthwise program under IC 12-15.

41 **Sec. 5. A child who enrolls in the program shall receive the**
 42 **health care services described in section 18 of this chapter**



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regardless of whether the child is described in section 4(1) of this chapter or section 4(2) of this chapter.

Sec. 6. The program shall design and administer a system to obtain health insurance for eligible children.

Sec. 7. The program shall contract with providers under IC 5-22 to provide health insurance and other services to a child who is enrolled in the program. A contract under this section must require a provider to do the following:

- (1) Serve as a qualified entity (as defined in IC 12-15-2.2-1) in order to determine the presumptive eligibility for pregnant women and children for Medicaid as provided in IC 12-15-2.2.
- (2) Assist a presumptively eligible individual under subdivision (1) to select a primary care provider.
- (3) Establish locations where an applicant may apply to receive services provided by the program.
- (4) Provide education concerning the following:
 - (A) The responsible use of health facilities and information.
 - (B) Preventive care.
 - (C) Parental responsibilities for a child's health care.
- (5) Provide outreach and evaluation activities for the program.

Sec. 8. (a) The program shall establish performance criteria and evaluation measures for a provider that the program contracts with under section 7 of this chapter.

(b) The program shall assess monetary penalties on a provider that fails to comply with the requirements of this chapter or a rule adopted under this chapter.

Sec. 9. The program shall adopt a sliding scale formula that specifies the premiums, if any, to be paid by the parent or guardian of a child enrolled in the program based on the parent's or guardian's annual income.

Sec. 10. The program shall annually adjust the participation requirements to reflect the amount of money available to obtain health insurance for children enrolled in the program.

Sec. 11. The program shall establish and administer a program fund to provide premium assistance from the state to children enrolled in the program.

Sec. 12. (a) In order to enroll in the program, a child must meet the following requirements:

- (1) The child and the child's family may not have access to affordable health insurance through an employer.

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- 1 (2) The child and the child's family may not have not
- 2 participated in a health insurance program for at least one (1)
- 3 year before enrolling in the program.
- 4 (3) The child's family agrees to provide copayments for
- 5 services based on a sliding fee scale developed by the
- 6 program.
- 7 (b) The program must operate within available funds
- 8 appropriated to the program.
- 9 Sec. 13. To be eligible to receive reimbursement from the
- 10 program, a provider shall offer program services to an eligible
- 11 child without:
- 12 (1) regard to the child's health status; and
- 13 (2) imposing a preexisting condition exclusion;
- 14 except that a preexisting condition exclusion may be applied if
- 15 program services are provided through a group health plan or
- 16 group health insurance coverage, consistent with the limitations on
- 17 imposing preexisting condition exclusions provided in state and
- 18 federal law.
- 19 Sec. 14. Premium and cost sharing amounts under the program
- 20 are limited to the following:
- 21 (1) Deductibles, coinsurance, or other cost sharing are not
- 22 permitted with respect to benefits for well-baby and well-child
- 23 care, including age appropriate immunizations.
- 24 (2) For children whose family income is equal to or less than
- 25 one hundred fifty percent (150%) of the federal income
- 26 poverty level:
- 27 (A) premiums, enrollment fees or similar charges may not
- 28 exceed the maximum monthly charge permitted consistent
- 29 with standards established to carry out section 1916(b)(1)
- 30 of the Social Security Act, (42 U.S.C. 301 et seq.); and
- 31 (b) deductibles and other cost sharing shall not exceed a
- 32 nominal amount that is consistent with standards provided
- 33 under Section 1916(a)(3) of the Social Security Act (42
- 34 U.S.C. 301 et seq.), as adjusted.
- 35 (3) For children whose family income is greater than one
- 36 hundred fifty percent (150%) of the federal income poverty
- 37 level, premiums, deductibles, and other cost sharing may be
- 38 imposed on a sliding scale related to family income; however,
- 39 the total annual aggregate cost sharing with respect to all
- 40 children in a family under this chapter may not exceed five
- 41 percent (5%) of the family's income for the year.
- 42 Sec. 15. Providers shall use existing health insurance sales and

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1 marketing methods, including the use of agents and payment of
 2 commissions, to inform families of the availability of the program
 3 and assist families in obtaining health insurance coverage for
 4 children under the program.

5 **Sec. 16.** A child who is eligible to participate in the program is
 6 eligible for coverage with a participating provider regardless of the
 7 child's health status.

8 **Sec. 17. (a)** A child who is participating in the program may
 9 change enrollment between participating providers during the
 10 annual coverage renewal date if the child provides notice to the
 11 participating provider with which the child is currently enrolled at
 12 least six (6) months before the child changes enrollment.

13 (b) The period required for the notice to be sent under
 14 subsection (a) is reduced to sixty (60) days before the child elects to
 15 change participating providers if the child has changed residence
 16 to an area outside the geographic service area of the participating
 17 provider with which the child is currently enrolled.

18 **Sec. 18. (a)** The program shall offer health insurance coverage
 19 for the following basic services:

- 20 (1) Inpatient and outpatient hospital services.
- 21 (2) Physicians' surgical and medical services.
- 22 (3) Laboratory and x-ray services.
- 23 (4) Well-baby and well-child care, including age appropriate
 24 immunizations.

25 (b) The program shall offer health insurance coverage for the
 26 following additional services if the coverage for the services has an
 27 actuarial value of at least seventy-five percent (75%) of the
 28 actuarial value of the services provided by the benchmark program
 29 for the following:

- 30 (1) Coverage of prescription drugs.
- 31 (2) Mental health services.
- 32 (3) Vision services.
- 33 (4) Hearing services.
- 34 (5) Dental services.

35 (c) Notwithstanding subsections (a) and (b), the program shall
 36 offer health insurance coverage for the same services provided
 37 under the early and periodic screening, diagnosis, and treatment
 38 program (EPSDT) under IC 12-15.

39 **Sec. 19.** The office of the secretary of family and social services
 40 shall provide information and assistance to the program as
 41 requested by the program.

42 **Sec. 20.** Not later than March 1 of each year, the program shall

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1 provide a report describing the program's activities during the
 2 preceding calendar year to the state budget committee.

3 **Sec. 21. The program shall adopt rules under IC 4-22-2 to**
 4 **implement this chapter.**

5 SECTION 11. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
 6 **SECTION, "program" refers to the children's health insurance**
 7 **program under IC 16-35-6, as added by this act.**

8 (b) **The program, with the assistance of the office of Medicaid**
 9 **policy and planning, shall apply under Section 1115 of the federal**
 10 **Social Security Act to the Secretary of the United States**
 11 **Department of Health and Human Services for any waivers**
 12 **required to implement the program. The intent of a waiver under**
 13 **this SECTION is to allow the state to offer the same health care**
 14 **services both to children who enroll in the program and to children**
 15 **who currently receive health care services under the Medicaid**
 16 **program.**

17 (c) **This SECTION expires January 1, 2001.**

18 SECTION 12. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
 19 **SECTION, "program" refers to the children's health insurance**
 20 **program under IC 16-35-6, as added by this act.**

21 (b) **The program shall submit a state plan outlining Indiana's**
 22 **initial children's health insurance program to the Secretary of the**
 23 **United States Department of Health and Human Services before**
 24 **July 1, 1998.**

25 (c) **The program shall amend the state plan outlining Indiana's**
 26 **children's health insurance program to describe a program**
 27 **including the elements required under IC 16-35-6, as added by this**
 28 **act, before April 1, 1999.**

29 (d) **The state shall transfer funds from the Medicaid indigent**
 30 **care trust fund under IC 12-15-20 to pay for the state's share of**
 31 **funds required to receive federal financial participation under the**
 32 **program.**

33 (e) **This SECTION expires January 1, 2001.**

34 SECTION 13. **An emergency is declared for this act.**

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SENATE MOTION

Mr. President: I move that Senator Garton be removed as author of Senate Bill 19 and that Senator Johnson be substituted therefor.

GARTON

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COMMITTEE REPORT

Mr. President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill 19, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

"A BILL FOR AN ACT to amend the Indiana Code concerning human services."

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Planning and Public Services.

(Reference is to Senate Bill 19 as introduced.)

GARTON, Chairperson

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