

January 16, 1998

SENATE BILL No. 216

DIGEST OF SB0216 (Updated January 14, 1998 1:41 pm - DI 88)

Citations Affected: IC 27-13-36.

Synopsis: Return to home. Provides that an individual who receives health care under an individual or a group health maintenance organization contract, who resides in a continuing care retirement community or a health facility, and who requires skilled nursing care, must receive skilled nursing care from the facility in which the individual resides if the following conditions are met: (1) The facility provides the necessary level of care. (2) The facility agrees to accept payment at the usual and customary terms and conditions for payment at the contract rate negotiated with similar providers for the same services and supplies. (3) The facility meets certain guidelines established by the health maintenance organization relating to quality
(Continued next page)

Effective: July 1, 1998.

Miller, Server

January 6, 1998, read first time and referred to Committee on Health and Environmental Affairs.
January 15, 1998, reported favorably — Do Pass.

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Digest Continued

of care, utilization, referral authorization, risk assumption, use of the health maintenance organization's network, and others. (4) The facility meets the guidelines for Medicare certification and the facility's skilled nursing facility is Medicare certified. (5) The individual chooses to receive skilled nursing care from the facility.

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January 16, 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. 216

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

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

- 1 SECTION 1. IC 27-13-36 IS ADDED TO THE INDIANA CODE
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 1998]:
4 **Chapter 36. Release to Skilled Nursing Facility Within a Home**
5 **Sec. 1. This chapter applies to the following:**
6 (1) **A group contract or individual contract through which a**
7 **health maintenance organization with coverage for Medicare**
8 **benefits furnishes health care services, when the contract:**
9 (A) **is issued, delivered, executed, or renewed in Indiana;**
10 **and**
11 (B) **provides skilled nursing care benefits.**
12 (2) **An enrollee or a subscriber who is a resident of:**
13 (A) **a home registered under IC 23-2-4 that provides**
14 **services under a continuing care agreement as provided in**
15 **IC 23-2-4; or**

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1 **(B) a health facility licensed under IC 16-28.**

2 **Sec. 2. If an enrollee's or a subscriber's physician determines**
 3 **that it is medically necessary to refer the enrollee or subscriber to**
 4 **a skilled nursing facility (as defined in 42 U.S.C. 1395i-3), the**
 5 **physician must refer the enrollee or subscriber back to a home**
 6 **described in section 1(2)(A) of this chapter or a health facility**
 7 **described in section 1(2)(B) of this chapter, where the enrollee or**
 8 **subscriber resides, if the following conditions are met:**

9 **(1) The home or health facility has a Medicare certified skilled**
 10 **nursing facility located within the home or health facility and**
 11 **the enrollee or subscriber will be placed in the Medicare**
 12 **certified skilled nursing facility upon referral.**

13 **(2) All of the following apply:**

14 **(A) The home or health facility provides the level of care**
 15 **the enrollee or subscriber needs.**

16 **(B) The home or health facility agrees to accept payment**
 17 **for care of the enrollee or subscriber that is subject to the**
 18 **health maintenance organization's usual and customary**
 19 **terms and conditions for payment at the contract rate**
 20 **negotiated with similar providers for the same services and**
 21 **supplies.**

22 **(C) The home or health facility meets all guidelines**
 23 **established by the health maintenance organization related**
 24 **to:**

25 **(i) quality of care;**

26 **(ii) utilization;**

27 **(iii) referral authorization;**

28 **(iv) risk assumption;**

29 **(v) use of the health maintenance organization's**
 30 **network; and**

31 **(vi) other criteria applicable to providers under contract**
 32 **for the same services and supplies.**

33 **(D) The home or health facility meets the guidelines for**
 34 **Medicare certification.**

35 **(3) The enrollee or subscriber chooses to receive the necessary**
 36 **skilled nursing services from the home or health facility.**

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SENATE MOTION

Mr. President: I move that Senator Server be added as second author of Senate Bill 216.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Environmental Affairs, to which was referred Senate Bill 216, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 216 as introduced.)

MILLER, Chairperson

Committee Vote: Yeas 10, Nays 0.

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