



Reprinted  
April 9, 1999

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# ENGROSSED HOUSE BILL No. 1443

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DIGEST OF HB 1443 (Updated April 8, 1999 3:13 pm - DI 92)

**Citations Affected:** IC 5-10; IC 27-8; IC 27-13; noncode.

**Synopsis:** Insurance coverage for contraceptives. Requires insurers, health maintenance organizations, limited service health maintenance organizations, preferred provider plans, and comprehensive health insurance policies that: (1) provide coverage for basic health care services; and (2) provide coverage for outpatient prescription drugs and outpatient services provided by health care providers, to offer to provide equal coverage for contraceptive drugs, devices, and services. Exempts insurance policies issued by or to an entity that finds contraception incompatible with its religious and moral teachings and beliefs from the requirement to offer to provide equal coverage for contraceptive drugs, devices, and services. Requires the state to  
(Continued next page)

**Effective:** July 1, 1999.

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## Summers, Kruzan

(SENATE SPONSORS — SERVER, MILLER)

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January 19, 1999, read first time and referred to Committee on Insurance, Corporations and Small Business.

February 8, 1999, amended, reported — Do Pass.

February 16, 1999, read second time, amended, ordered engrossed.

February 17, 1999, engrossed.

February 18, 1999, read third time, passed. Yeas 52, nays 43.

SENATE ACTION

February 25, 1999, read first time and referred to Committee on Health and Provider Services.

April 5, 1999, amended, reported favorably — Do Pass.

April 8, 1999, read second time, amended, ordered engrossed.

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Digest Continued

consider covering contraceptive drugs, devices, and services under a self-insurance plan or a contract to provide health services offered to its employees. Exempts coverage for abortifacients, including any drugs or devices that are intended to terminate a pregnancy.

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Reprinted  
April 9, 1999

First Regular Session 111th General Assembly (1999)

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 1998 General Assembly.

## ENGROSSED HOUSE BILL No. 1443

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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 5-10-8-7.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 1999]: **Sec. 7.1. The state shall consider covering contraceptives**  
4 **as provided under IC 27-8-24.2 under:**

5 (1) **a self-insurance program established under section 7(b) of**  
6 **this chapter to provide group health coverage; and**  
7 (2) **a contract entered into under section 7(c) of this chapter**  
8 **to provide health services through a prepaid health care**  
9 **delivery plan.**

10 SECTION 2. IC 27-8-24.2 IS ADDED TO THE INDIANA CODE  
11 AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 1999]:

13 **Chapter 24.2. Contraceptive Coverage**

14 **Sec. 1. As used in this chapter, "contraceptive" means a**  
15 **prescription contraceptive drug, device, or service approved by the**  
16 **United States Food and Drug Administration that is:**

17 (1) **intended to prevent pregnancy;**

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- 1           (2) provided on an outpatient basis; and  
 2           (3) related to the use of contraceptive methods to prevent an  
 3           unintended pregnancy.

4           The term does not include abortion (as defined in IC 16-18-2-1) or  
 5           abortifacients, including any drugs or devices that are intended to  
 6           terminate a pregnancy.

7           Sec. 2. As used in this chapter, "covered individual" means an  
 8           individual policyholder, a subscriber, a certificate holder, an  
 9           enrollee, or other individual who is covered by the insurance policy  
 10          of a policyholder, a subscriber, a certificate holder, or an enrollee.

11          Sec. 3. (a) As used in this chapter, "insurance policy" means a:

- 12          (1) policy of accident and sickness insurance regulated under  
 13          IC 27-8-5;  
 14          (2) health maintenance organization contract regulated under  
 15          IC 27-13;  
 16          (3) preferred provider plan (as defined in IC 27-8-11-1);  
 17          (4) comprehensive health insurance policy issued under  
 18          IC 27-8-10;  
 19          (5) self-insurance program established under IC 5-10-8-7(b)  
 20          to provide group health coverage; or

21          (6) contract entered into under IC 5-10-8-7(c) to provide  
 22          health services through a prepaid health care delivery plan;  
 23          that provides coverage for basic health care services (as defined in  
 24          IC 27-13-1-4) under an individual or group policy or plan issued  
 25          for delivery in Indiana.

26          (b) The term does not include worker's compensation coverage  
 27          for an injury to, or occupational disease of, an employee under  
 28          IC 22-3.

29          Sec. 4. As used in this chapter, "insurer" means a person that  
 30          issues an insurance policy.

31          Sec. 5. As used in this chapter, "prescription drug" means an  
 32          article or a substance regulated under IC 16-42-19.

33          Sec. 6. (a) This chapter does not apply to an insurance policy  
 34          that is issued by or to an entity that finds contraception  
 35          incompatible with its religious and moral teachings and beliefs.

36          (b) If an entity claims an exemption from this chapter under  
 37          subsection (a), the entity shall disclose in writing to each potential  
 38          policyholder or certificate holder of an insurance policy issued by  
 39          the entity the following:

- 40          (1) A statement that the entity does not offer coverage for the  
 41          diagnosis or treatment of certain conditions because the  
 42          diagnosis or treatment is incompatible with the entity's



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religious and moral teachings and beliefs.

(2) A list of the specific conditions for which the entity does not provide coverage for diagnosis or treatment under subdivision (1).

The disclosure must provide a space for the potential policyholder or certificate holder to sign in order to acknowledge that the potential policyholder or certificate holder has been provided with and understands the information disclosed under subdivisions (1) and (2).

Sec. 7. An insurer that issues an insurance policy that provides coverage for outpatient prescription drugs must offer to provide benefits for prescription contraceptive drugs or devices approved by the United States Food and Drug Administration to a covered individual.

Sec. 8. An insurer that issues an insurance policy that provides coverage for outpatient services provided by a health care provider must offer to provide benefits for outpatient contraceptive services provided by a health care provider to a covered individual.

Sec. 9. The coverage offered under this chapter may not be subject to dollar limits, deductibles, copayments, or coinsurance provisions that are less favorable to covered individuals than the dollar limits, deductibles, copayments, or coinsurance provisions applying generally under the insurance policy.

Sec. 10. Under the coverage that must be offered under this chapter, a covered individual may not be required to pay a deductible, coinsurance, or a copayment for contraceptive drugs, devices, or services that is greater than a deductible, coinsurance, or a copayment established for other prescription drugs, devices, or services under the insurance policy.

Sec. 11. Under the coverage that must be offered under this chapter, a covered individual who receives or is eligible to receive contraceptive drugs, devices, or services may not be required to pay a deductible, coinsurance, a copayment, or a fee that is greater than a deductible, coinsurance, a copayment, or a fee established for individuals of the same benefit category or class, or coinsurance or copayment level, receiving benefits for other prescription drugs, devices, or services.

Sec. 12. Under the coverage that must be offered under this chapter, if a covered individual's health care provider determines that contraceptive methods specifically covered under an insurance policy are not medically appropriate for the covered individual, the insurance policy must provide coverage for another medically

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1 **approved prescriptive contraceptive method prescribed by the**  
2 **covered individual's health care provider.**  
3 SECTION 3. IC 27-13-7-15 IS ADDED TO THE INDIANA CODE  
4 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
5 1, 1999]: **Sec. 15. A health maintenance organization that provides**  
6 **coverage for basic health care services under an individual or**  
7 **group contract shall offer coverage for contraceptives as provided**  
8 **under IC 27-8-24.2.**  
9 SECTION 4. [EFFECTIVE JULY 1, 1999] (a) **IC 5-10-8-7.1, as**  
10 **added by this act, applies to a self-insurance program or a contract**  
11 **to provide health services through a prepaid health care delivery**  
12 **plan that is established, delivered, entered into, or renewed after**  
13 **June 30, 1999.**  
14 (b) **IC 27-8-24.2, as added by this act, applies to insurance**  
15 **policies issued, delivered, executed, or renewed after June 30, 1999.**  
16 (c) **IC 27-13-7-15, as added by this act, applies to health**  
17 **maintenance organization contracts entered into, delivered,**  
18 **executed, or renewed after June 30, 1999.**

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1443, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 19 and 20, begin a new paragraph and insert:

**"Sec. 4. As used in this chapter, "insurer" means a person that issues an insurance policy."**

Page 2, line 20, delete "4" and insert "5".

Page 2, between lines 21 and 22, begin a new paragraph and insert:

**"Sec. 6. This chapter does not apply to an insurance policy that is issued to:**

**(1) a religious institution or organization; or**

**(2) an entity sponsored by a religious institution or organization;**

**that finds contraception incompatible with its religious and moral teachings and beliefs."**

Page 2, line 22, delete "5. An" and insert **"7. An insurer that issues an"**.

Page 2, line 23, delete "may not exclude or restrict" and insert **"must offer to provide"**.

Page 2, line 27, delete "6. An" and insert **"8. An insurer that issues an"**.

Page 2, line 28, delete "may not" and insert **"must offer to provide"**.

Page 2, line 29, delete "exclude or restrict".

Page 2, line 31, delete "7" and insert **"9"**.

Page 2, line 31, delete "required" and insert **"offered"**.

Page 2, line 36, delete "8. A" and insert **"10. Under the coverage that must be offered under this chapter, a"**.

Page 2, line 41, delete "9. A" and insert **"11. Under the coverage that must be offered under this chapter, a"**.

Page 2, line 42, delete "under this chapter".

Page 3, line 6, delete "10. If" and insert **"12. Under the coverage that must be offered under this chapter, if"**.

and when so amended that said bill do pass.

(Reference is to HB 1443 as introduced.)

FRY, Chair

Committee Vote: yeas 8, nays 4.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1443 be amended to read as follows:

Page 2, line 25, delete "to:" and insert "**by or to an entity**".

Page 2, delete lines 26 through 28.

Page 2, run in lines 25 through 29.

(Reference is to HB 1443 as printed February 9, 1999.)

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1443, 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:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10-8-7.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 7.1. The state shall consider covering contraceptives as provided under IC 27-8-24.2 under:**

- (1) a self-insurance program established under section 7(b) of this chapter to provide group health coverage; and**
- (2) a contract entered into under section 7(c) of this chapter to provide health services through a prepaid health care delivery plan."**

Page 1, line 8, delete ", including any medically" and insert ";".

Page 1, delete lines 9 through 10.

Page 1, line 14, before "." insert "**or abortifacients, including any drugs or devices that are intended to terminate a pregnancy**".

Page 2, line 5, delete "or limited".

Page 2, line 6, delete "service health maintenance organization contract".

Page 2, line 8, delete "or".

Page 2, between lines 10 and 11, begin a new line block indented and insert:

- "(5) self-insurance program established under IC 5-10-8-7(b) to provide group health coverage; or**
- (6) contract entered into under IC 5-10-8-7(c) to provide health services through a prepaid health care delivery plan;".**

Page 2, line 14, delete ":".

Page 2, delete lines 15 through 17.

Page 2, line 18, delete "(2)".

Page 2, run in lines 14 and 18.

Page 2, delete lines 24 through 26.

Page 2, line 27, delete "7" and insert "6".

Page 2, line 32, delete "8" and insert "7".

Page 2, line 36, delete "9" and insert "8".

Page 2, line 40, delete "to physical illness".

Page 2, line 41, delete "10" and insert "9".

Page 3, line 5, delete "11" and insert "10".

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Page 3, line 13, delete "12" and insert "11".

Page 3, between lines 19 and 20, begin a new paragraph and insert:  
"SECTION 3. IC 27-13-7-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 15. A health maintenance organization that provides coverage for basic health care services under an individual or group contract shall offer coverage for contraceptives as provided under IC 27-8-24.2.**"

Page 3, line 20, before "IC 27-8-24.2" insert "(a) **IC 5-10-8-7.1, as added by this act, applies to a self-insurance program or a contract to provide health services through a prepaid health care delivery plan that is established, delivered, entered into, or renewed after June 30, 1999.**

(b)".

Page 3, after line 22, begin a new paragraph and insert:

"(c) **IC 27-13-7-15, as added by this act, applies to health maintenance organization contracts entered into, delivered, executed, or renewed after June 30, 1999.**"

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1443 as reprinted February 17, 1999.)

MILLER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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## SENATE MOTION

Mr. President: I move that Engrossed House Bill 1443 be amended to read as follows:

Page 2, between lines 32 and 33, begin a new paragraph and insert:

**"Sec. 6. (a) This chapter does not apply to an insurance policy that is issued by or to an entity that finds contraception incompatible with its religious and moral teachings and beliefs.**

**(b) If an entity claims an exemption from this chapter under subsection (a), the entity shall disclose in writing to each potential policyholder or certificate holder of an insurance policy issued by the entity the following:**

**(1) A statement that the entity does not offer coverage for the diagnosis or treatment of certain conditions because the diagnosis or treatment is incompatible with the entity's religious and moral teachings and beliefs.**

**(2) A list of the specific conditions for which the entity does not provide coverage for diagnosis or treatment under subdivision (1).**

**The disclosure must provide a space for the potential policyholder or certificate holder to sign in order to acknowledge that the potential policyholder or certificate holder has been provided with and understands the information disclosed under subdivisions (1) and (2)."**

Page 2, line 33, delete "6" and insert "7".

Page 2, line 38, delete "7" and insert "8".

Page 2, line 42, delete "8" and insert "9".

Page 3, line 5, delete "9" and insert "10".

Page 3, line 11, delete "10" and insert "11".

Page 3, line 19, delete "11" and insert "12".

(Reference is to EHB 1443 as printed April 6, 1999.)

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