



Reprinted
February 16, 1999

HOUSE BILL No. 2034

DIGEST OF HB 2034 (Updated February 15, 1999 9:13 pm - DI 87)

Citations Affected: IC 5-10; IC 12-17; IC 20-12; IC 27-8.

Synopsis: Coordination of insurance with state programs Makes technical corrections in the infants and toddlers with disabilities program to conform to federal law. Adds two members to the interagency coordinating council to include a representative of a Head Start agency or program in Indiana and a representative of a state agency responsible for child care. Requires that the interagency coordinating council meet quarterly. (Current law provides for at least four meetings per year.) Requires state employee health benefit plans, state educational institution employee health plans, and health insurance plans to reimburse the first steps program of the division of family and children for covered early intervention services provided under the program. Limits reimbursement to the first steps program to a maximum of \$5,000 per year. Prohibits the amount reimbursed to the first steps program from applying to an annual or lifetime maximum benefit under a plan. Allows the first steps program to pay required
(Continued next page)

Effective: July 1, 1999.

Brown C, Becker, Budak, Crawford

January 27, 1999, read first time and referred to Committee on Public Health.
February 10, 1999, amended, reported — Do Pass.
February 15, 1999, read second time, amended, ordered engrossed.

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deductibles, copayments, or other out-of-pocket expenses for a firststeps child directly to a provider. Requires a plan to apply any payments made by the first steps program to the plan's deductibles, copayments, or other out-of pocket expense according to the terms and conditions of the plan.

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February 16, 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.

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HOUSE BILL No. 2034

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 5-10-8-7.3 IS ADDED TO THE INDIANA CODE
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 1999]: **Sec. 7.3. (a) As used in this section, "covered individual"**
4 **means an individual who is:**
5 (1) **covered under a self-insurance program established under**
6 **section 7(b) of this chapter to provide group health coverage;**
7 **or**
8 (2) **entitled to services under a contract with a prepaid health**
9 **care delivery plan that is entered into or renewed under**
10 **section 7(c) of this chapter.**
11 (b) **As used in this this section, "early intervention services"**
12 **means services provided to a first steps child under IC 12-17-15-3**
13 **and 20 U.S.C. 1432(4).**
14 (c) **As used in this section, "first steps child" means an infant or**
15 **toddler from birth through two (2) years of age who is enrolled in**

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1 the Indiana first steps program and is a covered individual.

2 (d) As used in this section, "first steps program" refers to the
3 program established under IC 12-17-15 and 20 U.S.C. 1431 et seq.
4 to meet the needs of:

- 5 (1) children who are eligible for early intervention services;
6 and
7 (2) their families.

8 The term includes the coordination of all available federal, state,
9 local, and private resources available to provide early intervention
10 services within Indiana.

11 (e) As used in this section, "health benefits plan" means a:

- 12 (1) self-insurance program established under section 7(b) of
13 this chapter to provide group health coverage; or
14 (2) contract with a prepaid health care delivery plan that is
15 entered into or renewed under section 7(c) of this chapter.

16 (f) A health benefits plan that provides coverage for early
17 intervention services shall reimburse the first steps program for
18 payments made by the program for early intervention services that
19 are covered under the health benefits plan.

20 (g) The reimbursement required under subsection (f) is limited
21 to an annual maximum benefit of five thousand dollars (\$5,000) per
22 first steps child.

23 (h) The reimbursement required under subsection (f) may not
24 be applied to any annual or aggregate lifetime limit on the first
25 steps child's coverage under the health benefits plan.

26 (i) The first steps program may pay required deductibles,
27 copayments, or other out-of-pocket expenses for a first steps child
28 directly to a provider. A health benefits plan shall apply any
29 payments made by the first steps program to the health benefits
30 plan's deductibles, copayments, or other out-of-pocket expenses
31 according to the terms and conditions of the health benefits plan.

32 SECTION 2. IC 12-17-15-3 IS AMENDED TO READ AS
33 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 3. (a) As used in this
34 chapter, "early intervention services" means developmental services
35 that meet the following conditions:

- 36 (1) Are provided under public supervision.
37 (2) Are provided at no cost, except where federal or state law
38 allows for a system of payments by families, which may include
39 a sliding scale of fees.
40 (3) Are designed to meet the developmental needs of infants and
41 toddlers with disabilities in at least one (1) of the areas specified
42 in section 4(a)(1) of this chapter.



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- 1 (4) Meet all required state and federal standards.
 2 (5) Are provided by qualified personnel, including the following:
 3 (A) Early childhood special educators, early childhood
 4 educators, and special educators.
 5 (B) Speech and language pathologists and audiologists.
 6 (C) Occupational therapists.
 7 (D) Physical therapists.
 8 (E) Psychologists.
 9 (F) Social workers.
 10 (G) Nurses.
 11 (H) Nutritionists.
 12 (I) Family therapists.
 13 (J) Orientation and mobility specialists.
 14 (K) Pediatricians and other physicians.
 15 (6) To the maximum extent appropriate, are provided in natural
 16 environments, including the home and community settings in
 17 which children without disabilities participate.
 18 (7) Are provided in conformity with an individualized family
 19 service plan adopted in accordance with 20 U.S.C. ~~1477~~ **1435**.
 20 (b) The term includes the following services:
 21 (1) Family training, counseling, and home visits.
 22 (2) Special instruction.
 23 (3) Speech and language pathology and audiology.
 24 (4) Occupational therapy.
 25 (5) Physical therapy.
 26 (6) Psychological services.
 27 (7) Service coordination services.
 28 (8) Medical services only for diagnostic, evaluation, or
 29 consultation purposes.
 30 (9) Early identification, screening, and assessment services.
 31 (10) Other health services necessary for the infant or toddler to
 32 benefit from the services.
 33 (11) Vision services.
 34 (12) Supportive technology services.
 35 (13) Transportation and related costs that are necessary to enable
 36 an infant or a toddler and the infant or toddler's family to receive
 37 early intervention services.

38 SECTION 3. IC 12-17-15-4 IS AMENDED TO READ AS
 39 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 4. (a) As used in this
 40 chapter, "infants and toddlers with disabilities" means individuals ~~less~~
 41 ~~than three (3) from birth through two (2) years of age life~~ who need
 42 early intervention services because the individuals meet the following



1 conditions:

- 2 (1) Are experiencing developmental delays, as measured by
 3 appropriate diagnostic instruments and procedures, in at least one
 4 (1) of the following:
 5 (A) Cognitive development.
 6 (B) Physical development.
 7 (C) Communication development.
 8 (D) Social or emotional development.
 9 (E) Adaptive development.
 10 (2) Have a diagnosed physical or mental condition that has a high
 11 probability of resulting in developmental delay.

12 (b) This term may also include, under rules adopted by the division,
 13 individuals ~~who are less than three (3)~~ **from birth through two (2)**
 14 years of ~~age~~ **life** and who are at risk of having substantial
 15 developmental delays if early intervention services are not provided.

16 SECTION 4. IC 12-17-15-5 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 5. The purposes of this
 18 chapter are as follows:

- 19 (1) To enhance the development and minimize the potential for
 20 developmental delay of infants and toddlers with disabilities.
 21 (2) To reduce the educational costs to the state by minimizing the
 22 need for special education and related services after infants and
 23 toddlers with disabilities reach school age.
 24 (3) To minimize the likelihood of institutionalization and
 25 maximize the potential for independent living of individuals with
 26 disabilities.
 27 (4) To enhance the capacity of families to meet the special needs
 28 of infants and toddlers with disabilities.
 29 (5) To comply with 20 U.S.C. ~~1471~~ **1431** through ~~1485~~ **1445**.

30 SECTION 5. IC 12-17-15-6 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. (a) The section shall
 32 do the following:

- 33 (1) Carry out the general administration and supervision of
 34 programs and activities receiving assistance under this chapter,
 35 monitor programs and activities implemented by the state,
 36 regardless of whether the programs and activities are receiving
 37 assistance under this chapter, and ensure that the state complies
 38 with 20 U.S.C. ~~1471~~ **1431** through ~~1485~~ **1445** in implementing
 39 this chapter.
 40 (2) Identify and coordinate all available resources from federal,
 41 state, local, and private sources, including public and private
 42 insurance coverage and utilizing all existing applicable resources



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1 to the full extent of the resources.

2 (3) Develop the procedures to ensure that early intervention
3 services are provided to infants and toddlers with disabilities and
4 their families in a timely manner pending the resolution of
5 disputes among public agencies and providers.

6 (4) Resolve disputes within an agency or between agencies.

7 (5) Enter into formal interagency agreements that define the
8 financial responsibility of each agency for paying for early
9 intervention services consistent with Indiana law and procedures
10 for resolving disputes, including all additional components
11 necessary to ensure meaningful cooperation and coordination.

12 (b) The state shall designate an individual or entity responsible for
13 assigning financial responsibility among appropriate agencies under
14 this chapter.

15 SECTION 6. IC 12-17-15-8 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 8. (a) The council
17 consists of at least fifteen (15) but not more than twenty-five (25)
18 members appointed by the governor as follows:

19 (1) At least twenty percent (20%) of the members must be
20 parents, including minority parents, of infants or toddlers with
21 disabilities or children who are ~~less than thirteen (13)~~ **twelve (12)**
22 years of age **or younger** with disabilities who have knowledge of,
23 or experience with, programs for infants and toddlers with
24 disabilities. At least one (1) of the members described in this
25 subdivision must be a parent of an infant or toddler with a
26 disability or a child with a disability who is ~~less than seven (7)~~ **six**
27 **(6)** years of age **or younger**.

28 (2) At least twenty percent (20%) of the members must be public
29 or private providers of early intervention services.

30 (3) At least one (1) member must be a member of the general
31 assembly.

32 (4) Each of the state agencies involved in the provision of, or
33 payment for, early intervention services to infants and toddlers
34 with disabilities and their families must be represented by at least
35 one (1) member. The members described in this subdivision must
36 have sufficient authority to engage in policy planning and
37 implementation on behalf of the state agency the member
38 represents.

39 (5) At least one (1) member must be involved in personnel
40 preparation.

41 (6) At least one (1) member must represent a state educational
42 agency responsible for preschool services to children with

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1 disabilities and must have sufficient authority to engage in policy
2 planning and implementation on behalf of the agency.

3 (7) At least one (1) member must represent the department of
4 insurance created under IC 27-1-1-1.

5 **(8) At least one (1) member must represent a Head Start
6 agency or program in Indiana.**

7 **(9) At least one (1) member must represent a state agency
8 responsible for child care.**

9 (b) To the extent possible, the governor shall ensure that the
10 membership of the council reasonably represents the population of
11 Indiana.

12 SECTION 7. IC 12-17-15-13 IS AMENDED TO READ AS
13 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 13. The council shall
14 meet at least ~~four (4) times each year~~: **quarterly**.

15 SECTION 8. IC 12-17-15-15 IS AMENDED TO READ AS
16 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 15. The council shall
17 do the following:

18 (1) Advise and assist the section in the performance of the
19 responsibilities set forth in section 6 of this chapter, particularly
20 the following:

21 (A) Identification of the sources of fiscal and other support for
22 services for early intervention programs.

23 (B) Use of the existing resources to the full extent in
24 implementing early intervention programs.

25 (C) Assignment of financial responsibility to the appropriate
26 agency.

27 (D) Promotion of the interagency agreements.

28 (2) Advise and assist the section in the preparation of applications
29 required under 20 U.S.C. ~~1471~~ **1431** through ~~1485~~: **1445**.

30 (3) Prepare and submit an annual report to the governor, the
31 general assembly, and the United States Secretary of Education by
32 November 1 of each year concerning the status of early
33 intervention programs for infants and toddlers with disabilities
34 and their families.

35 (4) Periodically request from the agencies responsible for
36 providing early childhood intervention services for infants and
37 toddlers with disabilities and preschool special education
38 programs written reports concerning the implementation of each
39 agency's respective programs.

40 (5) Make recommendations to the various agencies concerning
41 improvements to each agency's delivery of services.

42 (6) Otherwise comply with 20 U.S.C. ~~1482~~: **1441**.



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1 SECTION 9. IC 12-17-15-16 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 16. (a) To the extent
 3 that the services are appropriate, the council shall advise and assist the
 4 department of education regarding the transition of toddlers with
 5 disabilities to preschool special education services under IC 20-1-6.

6 (b) The council may advise and assist the section and the
 7 department of education regarding the provision of appropriate services
 8 for children who are ~~less than six (6)~~ **five (5)** years of age **or younger**.

9 SECTION 10. IC 12-17-15-17 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 17. Upon the
 11 recommendations of the council, the section shall adopt rules under
 12 IC 4-22-2 providing for a statewide system of coordinated,
 13 comprehensive, multidisciplinary, interagency programs that provide
 14 appropriate early intervention services to all infants and toddlers with
 15 disabilities and their families to the extent required under 20 U.S.C.
 16 ~~1471 1431~~ through ~~1485: 1445~~.

17 SECTION 11. IC 12-17-15-18 IS AMENDED TO READ AS
 18 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 18. To the extent
 19 required in 20 U.S.C. ~~1471 1431~~ through ~~1485: 1445~~, the statewide
 20 system must include the following:

21 (1) A definition of the term "developmentally delayed" to be used
 22 in carrying out the programs under this chapter.

23 (2) The timetables necessary for ensuring that the appropriate
 24 early intervention services are available to all infants and toddlers
 25 with disabilities before the beginning of the fifth year of the state's
 26 participation under 20 U.S.C. ~~1471 1431~~ through ~~1485: 1445~~.

27 (3) A timely, comprehensive, multidisciplinary evaluation of the
 28 functioning of each infant and toddler with disabilities in Indiana
 29 and the needs of the families to appropriately assist in the
 30 development of the infant and toddler with disabilities program.

31 (4) For each infant and toddler with disabilities in Indiana, an
 32 individualized family service plan in accordance with 20 U.S.C.
 33 ~~1477, 1436~~, including case management services consistent with
 34 the individualized family service plan.

35 (5) A comprehensive system for identifying infants and toddlers
 36 with disabilities, including a system for making referrals to
 37 service providers that:

38 (A) includes time lines; and

39 (B) provides for the participation by primary referral sources.

40 (6) A public awareness program.

41 (7) A central directory that includes early intervention services,
 42 resources, experts, and research and demonstration projects being

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- 1 conducted.
- 2 (8) A comprehensive system of personnel development.
- 3 (9) A policy pertaining to the contracting or making of other
- 4 arrangements with service providers to provide early intervention
- 5 services in Indiana, consistent with 20 U.S.C. ~~1471~~ **1431** through
- 6 ~~1485~~ **1445** and including the contents of the application used and
- 7 the conditions of the contract or other arrangements.
- 8 (10) A procedure for securing timely reimbursement of funds
- 9 used under this chapter in accordance with 20 U.S.C. ~~1481(a)~~:
- 10 **1440(a)**.
- 11 (11) Procedural safeguards with respect to programs under this
- 12 chapter as required under 20 U.S.C. ~~1480~~: **1439**.
- 13 (12) Policies and procedures relating to the establishment and
- 14 maintenance of standards to ensure that personnel necessary to
- 15 carry out this chapter are appropriately and adequately prepared
- 16 and trained, including the following:
- 17 (A) The establishment and maintenance of standards that are
- 18 consistent with any state approved or recognized certification,
- 19 licensing, registration, or other comparable requirements that
- 20 apply to the area in which the personnel are providing early
- 21 intervention services.
- 22 (B) To the extent the standards are not based on the highest
- 23 requirements in Indiana applicable to the specific profession
- 24 or discipline, the steps the state is taking to require the
- 25 retraining or hiring of personnel that meet appropriate
- 26 professional requirements in Indiana.
- 27 (13) A system for compiling data on the following:
- 28 (A) The numbers of infants and toddlers with disabilities and
- 29 their families in Indiana in need of appropriate early
- 30 intervention services, which may be based on a sampling of
- 31 data.
- 32 (B) The numbers of infants and toddlers and their families
- 33 served.
- 34 (C) The types of services provided, which may be based on a
- 35 sampling of data.
- 36 (D) Other information required under 20 U.S.C. ~~1471~~ **1431**
- 37 through ~~1485~~:
- 38 SECTION 12. IC 20-12-3.2 IS ADDED TO THE INDIANA CODE
- 39 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 40 JULY 1, 1999]:
- 41 **Chapter 3.2. State Educational Institution Employee Health**
- 42 **Plans**



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1 **Sec. 1. (a) For purposes of this chapter, "covered individual"**
 2 **means an individual entitled to coverage under an employee health**
 3 **plan.**

4 **(b) For purposes of this chapter, "early intervention services"**
 5 **means services provided to a first steps child under IC 12-17-15-3**
 6 **and 20 U.S.C. 1432(4).**

7 **(c) For purposes of this chapter, "employee health plan" means:**

8 **(1) a self-insurance plan;**

9 **(2) a group contract entered into or renewed by a state**
 10 **educational institution with a health maintenance**
 11 **organization (as defined in IC 27-13-1-19) to provide services**
 12 **to employees of the state educational institution; or**

13 **(3) a policy of accident and sickness insurance (as defined in**
 14 **IC 27-8-5-1) issued or renewed on a group basis to a state**
 15 **educational institution to provide coverage for employees of**
 16 **the state educational institution.**

17 **(d) For purposes of this chapter, "first steps child" means an**
 18 **infant or toddler from birth through two (2) years of age who is**
 19 **enrolled in the Indiana first steps program and is a covered**
 20 **individual.**

21 **(e) As used in this chapter, "first steps program" means the**
 22 **program established under IC 12-17-15 and 20 U.S.C. 1431 et seq.**
 23 **to meet the needs of:**

24 **(1) children who are eligible for early intervention services;**

25 **and**

26 **(2) their families.**

27 **The term includes the coordination of all available federal, state,**
 28 **local, and private resources available to provide early intervention**
 29 **services within Indiana.**

30 **(f) As used in this chapter, "self-insurance plan" means a**
 31 **program of self-insurance established and maintained by a state**
 32 **educational institution (as defined in IC 20-12-0.5-1) to cover the**
 33 **provision of health care services (as defined in IC 27-8-11-1) to its**
 34 **employees.**

35 **Sec. 2. An employee health plan that provides coverage for early**
 36 **intervention services shall reimburse the first steps program for**
 37 **payments made by the program for early intervention services that**
 38 **are covered under the employee health plan.**

39 **Sec. 3. The reimbursement required under section 2 of this**
 40 **chapter is limited to an annual maximum benefit of five thousand**
 41 **dollars (\$5,000) per first steps child.**

42 **Sec. 4. The reimbursement required under section 2 of this**

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1 chapter may not be applied to any annual or aggregate lifetime
2 limit on the first steps child's coverage under the employee health
3 plan.

4 Sec. 5. The first steps program may pay required deductibles,
5 copayments, or other out-of-pocket expenses for a first steps child
6 directly to a provider. An employee health plan shall apply any
7 payments made by the first steps program to the employee health
8 plan's deductibles, copayments, or other out-of-pocket expenses
9 according to the terms and conditions of the employee health plan.

10 SECTION 13. IC 27-8-27 IS ADDED TO THE INDIANA CODE
11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 1999]:

13 **Chapter 27. Coverage for Services to Infants and Toddlers With**
14 **Disabilities**

15 Sec. 1. For purposes of this chapter, "early intervention
16 services" means services provided to a first steps child under
17 IC 12-17-15-3 and 20 U.S.C. 1432(4).

18 Sec. 2. For purposes of this chapter, "first steps child" means an
19 infant or toddler from birth through two (2) years of age who is
20 enrolled in the Indiana first steps program and is an insured.

21 Sec. 3. As used in this chapter, "first steps program" means the
22 program established under IC 12-17-15 and 20 U.S.C. 1431 et seq.
23 to meet the needs of:

- 24 (1) children who are eligible for early intervention services;
- 25 and
- 26 (2) their families.

27 The term includes the coordination of all available federal, state,
28 local, and private resources available to provide early intervention
29 services within Indiana.

30 Sec. 4. (a) For purposes of this chapter, "health insurance plan"
31 means any:

- 32 (1) hospital or medical expense incurred policy or certificate;
- 33 (2) hospital or medical service plan contract; or
- 34 (3) health maintenance organization subscriber contract;

35 provided to an insured.

36 (b) The term does not include the following:

- 37 (1) Accident-only, credit, dental, Medicare supplement, long
38 term care, or disability income insurance.
- 39 (2) Coverage issued as a supplement to liability insurance.
- 40 (3) Worker's compensation or similar insurance.
- 41 (4) Automobile medical payment insurance.
- 42 (5) A specified disease policy issued as an individual policy.



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- 1 **(6) A limited benefit health insurance plan issued as an**
- 2 **individual policy.**
- 3 **(7) A short term insurance plan that:**
- 4 **(A) may not be renewed; and**
- 5 **(B) has a duration of not more than six (6) months.**
- 6 **(8) A policy that provides a stipulated daily, weekly, or**
- 7 **monthly payment to an insured during hospital confinement,**
- 8 **without regard to the actual expense of the confinement.**
- 9 **Sec. 5. As used in this chapter, "insured" means an individual**
- 10 **covered by a health insurance plan.**
- 11 **Sec. 6. As used in this chapter, "insurer" has the meaning set**
- 12 **forth in IC 27-8-14.5-3.**
- 13 **Sec. 7. A health insurance plan that provides coverage for early**
- 14 **intervention services shall reimburse the first steps program for**
- 15 **payments made by the program for early intervention services that**
- 16 **are covered under the health insurance plan.**
- 17 **Sec. 8. The reimbursement required under section 7 of this**
- 18 **chapter is limited to an annual maximum benefit of five thousand**
- 19 **dollars (\$5,000) per first steps child.**
- 20 **Sec. 9. The reimbursement required under section 7 of this**
- 21 **chapter may not be applied to any annual or aggregate lifetime**
- 22 **limit on the first steps child's coverage under the health insurance**
- 23 **plan.**
- 24 **Sec. 10. The first steps program may pay required deductibles,**
- 25 **copayments, or other out-of-pocket expenses for a first steps child**
- 26 **directly to a provider. An insurer shall apply any payments made**
- 27 **by the first steps program to the health insurance plan's**
- 28 **deductibles, copayments, or other out-of-pocket expenses**
- 29 **according to the terms and conditions of the health insurance plan.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 2034, 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, line 27, before "as" insert "**and covered under the health benefits plan**".

Page 8, line 39, delete "Self-Insurance" and insert "**Employee Health**".

Page 8, line 41, delete "a self-insurance" and insert "**an employee health**".

Page 9, between lines 3 and 4, begin a new paragraph and insert:
"(c) For purposes of this chapter, "employee health plan" means:

- (1) a self-insurance plan;**
- (2) a group contract entered into or renewed by a state educational institution with a health maintenance organization (as defined in IC 27-13-1-19) to provide services to employees of the state educational institution; or**
- (3) a policy of accident and sickness insurance (as defined in IC 27-8-5-1) issued or renewed on a group basis to a state educational institution to provide coverage for employees of the state educational institution."**

Page 9, line 4, delete "(c)" and insert "**(d)**".

Page 9, line 8, delete "(d)" and insert "**(e)**".

Page 9, line 8, delete "section," and insert "**chapter,**".

Page 9, line 17, delete "(e)" and insert "**(f)**".

Page 9, line 22, delete "A self-insurance" and insert "**An employee health**".

Page 9, line 30, delete "self-insurance" and insert "**employee health**".

Page 9, line 32, delete "A self-insurance" and insert "**An employee health**".

Page 9, line 34, before "as" insert "**and covered under the employee health plan**".

Page 9, line 36, delete "self-insurance" and insert "**employee health**".

Page 10, line 7, delete "section," and insert "**chapter,**".

Page 10, line 16, after "4." insert "**(a)**".

Page 10, line 16, delete "has" and insert "**means any:**

- (1) hospital or medical expense incurred policy or certificate;**
- (2) hospital or medical service plan contract; or**

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(3) health maintenance organization subscriber contract; provided to an insured.

(b) The term does not include the following:

- (1) Accident-only, credit, dental, Medicare supplement, long term care, or disability income insurance.**
- (2) Coverage issued as a supplement to liability insurance.**
- (3) Worker's compensation or similar insurance.**
- (4) Automobile medical payment insurance.**
- (5) A specified disease policy issued as an individual policy.**
- (6) A limited benefit health insurance plan issued as an individual policy.**
- (7) A short term insurance plan that:
 - (A) may not be renewed; and**
 - (B) has a duration of not more than six (6) months.****
- (8) A policy that provides a stipulated daily, weekly, or monthly payment to an insured during hospital confinement, without regard to the actual expense of the confinement."**

Page 10, delete line 17.

Page 10, line 34, before "as" insert "**and covered under the health insurance plan**".

and when so amended that said bill do pass.

(Reference is to HB 2034 as introduced.)

BROWN C, Chair

Committee Vote: yeas 13, nays 0.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 2034 be amended to read as follows:

Page 2, line 18, after "services" insert "**that are covered under the health benefits plan**".

Page 2, line 25, delete "A health benefits plan shall deem payments made by the first" and insert "**The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. A health benefits plan shall apply any payments made by the first steps program to the health benefits plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health benefits plan.**".

Page 2, delete lines 26 through 30.

Page 9, line 36, after "services" insert "**that are covered under the employee health plan**".

Page 10, line 2, delete "An employee health plan shall deem payments made by" and insert "**The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An employee health plan shall apply any payments made by the first steps program to the employee health plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the employee health plan.**".

Page 10, delete lines 3 through 7.

Page 11, line 13, after "services" insert "**that are covered under the health insurance plan**".

Page 11, line 21, delete "An insurer shall deem payments made by the first steps" and insert "**The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An insurer shall apply any payments made by the first steps program to the health insurance plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health insurance plan.**".

Page 11, delete lines 22 through 26.

(Reference is to HB 2034 as printed February 11, 1999.)

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