



February 18, 2000

**ENGROSSED
SENATE BILL No. 212**

DIGEST OF SB 212 (Updated February 17, 2000 12:59 PM - DI 92)

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

Synopsis: Insurance coverage for treatment of morbid obesity. Requires the state to provide coverage under group insurance plans for public employees for the treatment of morbid obesity. Requires an insurer that issues an accident and sickness insurance policy and a health maintenance organization that provides coverage for basic health care services under a group contract to offer coverage for the treatment of morbid obesity. Provides that coverage for morbid obesity is for non-experimental, surgical treatment by a health care provider if the obesity has persisted for at least 5 years and non-surgical treatment supervised by a physician for at least 18 months has been unsuccessful. Provides that the definition of "health care provider" includes a licensed physician or a hospital that provides health care services for surgical treatment of morbid obesity.

Effective: July 1, 2000.

Wheeler, Lewis, Antich, Gard

(HOUSE SPONSORS — CROSBY, DILLON)

January 10, 2000, read first time and referred to Committee on Insurance and Financial Institutions.

January 24, 2000, amended, reported favorably — Do Pass.

January 27, 2000, read second time, ordered engrossed.

January 28, 2000, engrossed.

January 31, 2000, read third time, passed. Yeas 32, nays 17.

HOUSE ACTION

February 7, 2000, read first time and referred to Committee on Ways and Means.

February 17, 2000, amended, reported — Do Pass.

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ES 212—LS 6696/DI 100+



February 18, 2000

Second Regular Session 111th General Assembly (2000)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

ENGROSSED SENATE BILL No. 212



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 5-10-8-7.7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2000]: **Sec. 7.7. (a) As used in this section, "health care plan"**
4 **means:**
5 (1) **a self-insurance program established under section 7(b) of**
6 **this chapter to provide group health coverage; or**
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 (b) **As used in this section, "health care provider" means a:**
11 (1) **physician licensed under IC 25-22.5; or**
12 (2) **hospital licensed under IC 16-21;**
13 **that provides health care services for surgical treatment of morbid**
14 **obesity.**
15 (c) **As used in this section, "morbid obesity" means:**
16 (1) **a weight of at least two (2) times the ideal weight for**
17 **frame, age, height, and gender, as specified in the 1983**

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1 Metropolitan Life Insurance tables;

2 (2) a body mass index of at least thirty-five (35) kilograms per
3 meter squared, with comorbidity or coexisting medical
4 conditions such as hypertension, cardiopulmonary conditions,
5 sleep apnea, or diabetes; or

6 (3) a body mass index of at least forty (40) kilograms per
7 meter squared without comorbidity.

8 For purposes of this subsection, body mass index is equal to weight
9 in kilograms divided by height in meters squared.

10 (d) The state shall provide coverage for nonexperimental,
11 surgical treatment by a health care provider of morbid obesity:

12 (1) that has persisted for at least five (5) years; and

13 (2) for which nonsurgical treatment that is supervised by a
14 physician has been unsuccessful for at least eighteen (18)
15 consecutive months.

16 SECTION 2. IC 27-8-14.1 IS ADDED TO THE INDIANA CODE
17 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2000]:

19 Chapter 14.1. Coverage for Services Related to Morbid Obesity

20 Sec. 1. (a) As used in this chapter, "accident and sickness
21 insurance policy" means an insurance policy that:

22 (1) provides one (1) or more of the types of insurance
23 described in IC 27-1-5-1, classes 1(b) and 2(a); and

24 (2) is issued on a group basis.

25 (b) As used in this chapter, "accident and sickness insurance
26 policy" does not include:

27 (1) accident only;

28 (2) credit;

29 (3) dental;

30 (4) vision;

31 (5) Medicare supplement;

32 (6) long term care; or

33 (7) disability income;

34 insurance.

35 Sec. 2. As used in this chapter, "health care provider" means a:

36 (1) physician licensed under IC 25-22.5; or

37 (2) hospital licensed under IC 16-21;

38 that provides health care services for surgical treatment of morbid
39 obesity.

40 Sec. 3. As used in this chapter, "morbid obesity" means:

41 (1) a weight of at least two (2) times the ideal weight for
42 frame, age, height, and gender, as specified in the 1983

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1 Metropolitan Life Insurance tables;

2 (2) a body mass index of at least thirty-five (35) kilograms per
3 meter squared, with comorbidity or coexisting medical
4 conditions such as hypertension, cardiopulmonary conditions,
5 sleep apnea, or diabetes; or

6 (3) a body mass index of at least forty (40) kilograms per
7 meter squared without comorbidity.

8 For purposes of this section, body mass index is equal to weight in
9 kilograms divided by height in meters squared.

10 Sec. 4. An insurer that issues an accident and sickness insurance
11 policy shall offer coverage for nonexperimental, surgical treatment
12 by a health care provider of morbid obesity:

13 (1) that has persisted for at least five (5) years; and

14 (2) for which nonsurgical treatment that is supervised by a
15 physician has been unsuccessful for at least eighteen (18)
16 consecutive months.

17 SECTION 3. IC 27-13-7-14.5 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2000]: Sec. 14.5. (a) As used in this section,
20 "health care provider" means a:

21 (1) physician licensed under IC 25-22.5; or

22 (2) hospital licensed under IC 16-21;

23 that provides health care services for surgical treatment of morbid
24 obesity.

25 (b) As used in this section, "morbid obesity" means:

26 (1) a weight of at least two (2) times the ideal weight for
27 frame, age, height, and gender as specified in the 1983
28 Metropolitan Life Insurance tables;

29 (2) a body mass index of at least thirty-five (35) kilograms per
30 meter squared with comorbidity or coexisting medical
31 conditions such as hypertension, cardiopulmonary conditions,
32 sleep apnea, or diabetes; or

33 (3) a body mass index of at least forty (40) kilograms per
34 meter squared without comorbidity.

35 For purposes of this subsection, body mass index equals weight in
36 kilograms divided by height in meters squared.

37 (c) A health maintenance organization that provides coverage
38 for basic health care services under a group contract shall offer
39 coverage for nonexperimental, surgical treatment by a health care
40 provider of morbid obesity:

41 (1) that has persisted for at least five (5) years; and

42 (2) for which nonsurgical treatment that is supervised by a

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1 **physician has been unsuccessful for at least eighteen (18)**
2 **consecutive months.**
3 **SECTION 4. [EFFECTIVE JULY 1, 2000] (a) IC 5-10-8-7.7, as**
4 **added by this act, applies to a self-insurance program or a contract**
5 **to provide health services through a prepaid health care delivery**
6 **plan that is established, delivered, entered into, or renewed after**
7 **June 30, 2000.**
8 **(b) IC 27-8-14.1, as added by this act, applies to policies issued,**
9 **delivered, amended, or renewed after June 30, 2000.**
10 **(c) IC 27-13-7-14.5, as added by this act, applies to contracts**
11 **entered into, delivered, amended, or renewed after June 30, 2000.**
12 **(d) This SECTION expires July 1, 2002.**

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SENATE MOTION

Mr. President: I move that Senator Antich be added as coauthor of Senate Bill 212.

WHEELER

SENATE MOTION

Mr. President: I move that Senator Lewis be added as second author of Senate Bill 212.

WHEELER

SENATE MOTION

Mr. President: I move that Senator Gard be added as coauthor of Senate Bill 212.

WHEELER

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COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 212, 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, line 3, after "(a)" insert "**As used in this section, "health care plan" means:**

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

(b)".

Page 1, line 7, delete "(b)" and insert "(c)".

Page 2, line 3, delete "(c)" and insert "(d)".

Page 2, line 3, delete "consider offering" and insert "**provide**".

Page 2, line 4, delete ":" and insert "**a health care plan.**".

Page 2, delete lines 5 through 9.

Page 2, between lines 9 and 10, begin a new paragraph and insert:

"(e) The coverage that must be provided under this section includes surgical treatment of morbid obesity.

(f) If a health care plan requires prior authorization for the treatment of morbid obesity, the covered individual must be notified by a person who administers the health care plan of the determination of coverage not more than twenty-one (21) days after the date prior authorization is requested."

Page 3, between lines 6 and 7, begin a new paragraph and insert:

"Sec. 5. The coverage that must be offered under this chapter includes surgical treatment of morbid obesity.

Sec. 6. If an insurer that issues an accident and sickness insurance policy requires prior authorization for the treatment of morbid obesity, the insured must be notified of the insurer's determination of coverage not more than twenty-one (21) days after the date prior authorization is requested."

Page 3, between lines 30 and 31, begin a new paragraph and insert:

"(d) The coverage that must be offered under this section includes surgical treatment of morbid obesity.

(e) If a health maintenance organization contract requires prior authorization for the treatment of morbid obesity, the enrollee must be notified of the health maintenance organization's determination of coverage not more than twenty-one (21) days



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after the date prior authorization is requested."

and when so amended that said bill do pass.

(Reference is to SB 212 as introduced.)

PAUL, Chairperson

Committee Vote: Yeas 7, Nays 2.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Senate Bill 212, 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 1, line 10, after "a" insert ":

(1) physician licensed under IC 25-22.5; or

(2) hospital licensed under IC 16-21;

that provides health care services for surgical treatment of morbid obesity."

Page 1, delete lines 11 through 13.

Page 1, line 15, delete "one hundred (100) pounds more than".

Page 1, line 16, delete "or".

Page 2, line 10, after "for" insert "**nonexperimental, surgical**".

Page 2, line 10, after "treatment" insert "**by a health care provider**".

Page 2, line 11, delete "by a health care provider under a health care plan." and insert ":

(1) that has persisted for at least five (5) years; and

(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least eighteen (18) consecutive months."

Page 2, delete lines 12 through 18.

Page 2, line 27, delete "an individual or".

Page 2, line 38, after "a" insert ":

(1) physician licensed under IC 25-22.5; or

(2) hospital licensed under IC 16-21;

that provides health care services for surgical treatment of morbid obesity."

Page 2, delete lines 39 through 41.

Page 3, line 1, delete "one hundred (100) pounds more than".

Page 3, line 2, delete "or".

Page 3, line 14, delete "the" and insert "**nonexperimental, surgical**".

Page 3, line 14, after "treatment" insert "**by a health care provider**".

Page 3, line 14, delete "by" and insert ":

(1) that has persisted for at least five (5) years; and

(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least eighteen (18) consecutive months."

Page 3, delete lines 15 through 22.

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Page 3, line 26, delete "physician or medical institution" and insert ":

**(1) physician licensed under IC 25-22.5; or
(2) hospital licensed under IC 16-21;
that provides health care services for surgical treatment of morbid obesity."**

Page 3, delete lines 27 through 29.

Page 3, line 31, delete "one hundred (100) pounds more than".

Page 3, line 32, delete "or".

Page 4, line 2, delete "an individual or" and insert "a".

Page 4, line 3, delete "the" and insert "**nonexperimental, surgical**".

Page 4, line 3, after "treatment" insert "**by a health care provider**".

Page 4, line 3, after "obesity" insert ":

**(1) that has persisted for at least five (5) years; and
(2) for which nonsurgical treatment that is supervised by a physician has been unsuccessful for at least eighteen (18) consecutive months."**

Page 4, delete lines 4 through 11.

and when so amended that said bill do pass.

(Reference is to SB 212 as printed January 25, 2000.)

BAUER, Chair

Committee Vote: yeas 18, nays 5.

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