
SENATE BILL No. 504

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-7-2-76.5; IC 12-15; IC 12-17.6.

Synopsis: Medicaid and children's health insurance program. Defines "emergency" for purposes of the children's health insurance program (CHIP). Prohibits cost sharing under CHIP for emergency services provided within a hospital emergency department. Provides that a request to repay an overpayment made to a provider under the Medicaid program or CHIP must be made not later than 12 months after the provider receives the overpayment.

Effective: July 1, 2000.

Miller

January 10, 2000, read first time and referred to Committee on Health and Provider Services.

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

SENATE BILL No. 504



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 12-7-2-76.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 76.5. (a) "Emergency",
3 for purposes of IC 12-20, means an unpredictable circumstance or a
4 series of unpredictable circumstances that:

- 5 (1) place the health or safety of a household or a member of a
6 household in jeopardy; and
- 7 (2) cannot be remedied in a timely manner by means other than
8 township assistance.

9 (b) "Emergency", for purposes of IC 12-17.6, has the meaning
10 set forth in IC 12-17.6-1-2.6.

11 SECTION 2. IC 12-15-13-3 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. (a) If the office of the
13 secretary believes that an overpayment to a provider has occurred, the
14 office of the secretary may, **not more than twelve (12) months after**
15 **the provider receives the overpayment**, do the following:

- 16 (1) Notify the provider in writing that the office of the secretary
17 believes that an overpayment has occurred.



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- 1 (2) Request in the notice that the provider repay the amount of the
 2 alleged overpayment, including interest from the date of
 3 overpayment.
- 4 (b) Except as provided in subsection (e), a provider who receives a
 5 notice and request for repayment under subsection (a) may elect to do
 6 one (1) of the following:
- 7 (1) Repay the amount of the overpayment not later than sixty (60)
 8 days after receiving notice from the office of the secretary,
 9 including interest from the date of overpayment.
- 10 (2) Request a hearing and repay the amount of the alleged
 11 overpayment not later than sixty (60) days after receiving notice
 12 from the office of the secretary.
- 13 (3) Request a hearing not later than sixty (60) days after receiving
 14 notice from the office of the secretary and not repay the alleged
 15 overpayment, except as provided in subsection (d).
- 16 (c) If:
- 17 (1) a provider elects to proceed under subsection (b)(2); and
 18 (2) the office of the secretary determines after the hearing and any
 19 subsequent appeal that the provider does not owe the money that
 20 the office of the secretary believed the provider owed;
 21 the office of the secretary shall return the amount of the alleged
 22 overpayment and interest paid and pay the provider interest on the
 23 money from the date of the provider's repayment.
- 24 (d) If:
- 25 (1) a provider elects to proceed under subsection (b)(3); and
 26 (2) the office of the secretary determines after the hearing and any
 27 subsequent appeal that the provider owes the money;
 28 the provider shall pay the amount of the overpayment, including
 29 interest from the date of the overpayment.
- 30 (e) A hospital licensed under IC 16-21 that receives a notice and
 31 request for repayment under subsection (a) has one hundred eighty
 32 (180) days to elect one (1) of the actions under subsection (b)(1),
 33 (b)(2), or (b)(3).
- 34 (f) Interest that is due under this section shall be paid at a rate that
 35 is determined by the commissioner of the department of state revenue
 36 under IC 6-8.1-10-1(c) as follows:
- 37 (1) Interest due from a provider to the state shall be paid at the
 38 rate set by the commissioner for interest payments from the
 39 department of state revenue to a taxpayer.
- 40 (2) Interest due from the state to a provider shall be paid at the
 41 rate set by the commissioner for interest payments from the
 42 department of state revenue to a taxpayer.

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(g) Proceedings under this section are subject to IC 4-21.5.

SECTION 3. IC 12-15-23-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 2. If the administrator determines that a provider has received payments the provider is not entitled to, the administrator may:

(1) **not more than twelve (12) months after the provider receives the overpayment, request in writing that the provider repay the amount of the overpayment; and**

(2) enter into an agreement with the provider stating that the amount of the overpayment shall be deducted from subsequent payments to the provider.

SECTION 4. IC 12-17.6-1-2.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 2.6. "Emergency" means a medical condition that arises suddenly and unexpectedly and manifests itself by acute symptoms of such severity, including severe pain, that the absence of immediate medical attention could reasonably be expected by a prudent lay person who possesses an average knowledge of health and medicine to:**

(1) **place an individual's health in serious jeopardy;**

(2) **result in serious impairment to the individual's bodily functions; or**

(3) **result in serious dysfunction of a bodily organ or part of the individual.**

SECTION 5. IC 12-17.6-2-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: **Sec. 13. If the office determines that an overpayment has been made to a provider, the office shall, not more than twelve (12) months after the provider receives the overpayment, request in writing that the provider repay the amount of the overpayment.**

SECTION 6. IC 12-17.6-4-3, AS ADDED BY P.L.273-1999, SECTION 177, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2000]: Sec. 3. Premium and cost sharing amounts established by the office are limited by the following:

(1) Deductibles, coinsurance, or other cost sharing is not permitted with respect to benefits for:

(A) well-baby and well-child care, including age appropriate immunizations; **and**

(B) **services provided for treatment of an emergency in an emergency department of a hospital licensed under IC 16-21.**

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1 (2) Premiums and other cost sharing may be imposed based on
2 family income. However, the total annual aggregate cost sharing
3 with respect to all children in a family under this article may not
4 exceed five percent (5%) of the family's income for the year.

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