

SENATE BILL No. 381

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-13.5; IC 27-13.

Synopsis: Health benefit mandate moratorium. Places a temporary moratorium on new state mandated health benefits for a certain period.

Effective: July 1, 2004.

Hershman

January 12, 2004, read first time and referred to Committee on Health and Provider Services.

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Second Regular Session 113th General Assembly (2004)

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 2003 Regular Session of the General Assembly.

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SENATE BILL No. 381



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 27-8-13.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2004]:

4 **Chapter 13.5. State Mandated Health Benefit Moratorium**

5 **Sec. 1. As used in this chapter, "insurer" refers to an insurer (as**
6 **defined in IC 27-1-2-3) that issues or delivers a policy of accident**
7 **and sickness insurance.**

8 **Sec. 2. (a) As used in this chapter, "state mandated health**
9 **benefit" means:**

10 (1) **coverage for a particular condition or treatment that must**
11 **be provided under; or**

12 (2) **an offering of coverage for a particular condition or**
13 **treatment that must be made in connection with the purchase**
14 **of;**

15 **a policy of accident and sickness insurance under this title.**

16 **(b) The term does not include coverage that must be provided**
17 **under a policy of accident and sickness insurance under federal**



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Sec. 3. As used in this chapter, "policy of accident and sickness insurance" has the meaning set forth in IC 27-8-5-1.

Sec. 4. As used in this chapter, "prospective purchaser" means:

(1) an individual who requests coverage under a policy of accident and sickness insurance issued on an individual basis;
or

(2) a person that requests coverage for members of a group under a policy of accident and sickness insurance issued on a group basis.

Sec. 5. Notwithstanding any other law, a policy of accident and sickness insurance that is issued, delivered, amended, or renewed after December 31, 2004, and before January 1, 2009, is not required to provide coverage for a state mandated health benefit unless the state mandated health benefit is in effect on July 1, 2004.

Sec. 6. This chapter does not prohibit:

(1) a prospective purchaser from electing to purchase; or
(2) an insurer from electing to provide;

coverage under a policy of accident and sickness insurance for any health benefit.

Sec. 7. This chapter expires July 1, 2010.

SECTION 2. IC 27-13-1-27.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 27.8. (a) "Prospective purchaser" means:

(1) an individual who requests coverage under an individual contract; or

(2) a person that requests coverage for members of a group under a group contract.

(b) This section expires July 1, 2010.

SECTION 3. IC 27-13-1-31.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]: Sec. 31.5. (a) "State mandated health benefit" means:

(1) coverage for a particular condition or treatment that must be provided under; or

(2) an offering of coverage for a particular condition or treatment that must be made in connection with the purchase of;

an individual contract or a group contract under this title. The term does not include coverage that must be provided under an individual contract or a group contract under federal law.

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1 **(b) This section expires July 1, 2010.**
 2 SECTION 4. IC 27-13-7.5 IS ADDED TO THE INDIANA CODE
 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 4 JULY 1, 2004]:
 5 **Chapter 7.5. State Mandated Health Benefit Moratorium**
 6 **Sec. 1. Notwithstanding any other law, an individual contract or**
 7 **a group contract that is entered into, delivered, amended, or**
 8 **renewed after December 31, 2004, and before January 1, 2009, is**
 9 **not required to provide coverage for a state mandated health**
 10 **benefit unless the state mandated health benefit is in effect on July**
 11 **1, 2004.**
 12 **Sec. 2. This chapter does not prohibit:**
 13 **(1) a prospective purchaser from electing to purchase; or**
 14 **(2) a health maintenance organization from electing to**
 15 **provide;**
 16 **coverage under an individual contract or a group contract for any**
 17 **health benefit.**
 18 **Sec. 3. This chapter expires July 1, 2010.**

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