



March 25, 2005

**ENGROSSED  
SENATE BILL No. 66**

DIGEST OF SB 66 (Updated March 24, 2005 2:09 pm - DI 77)

**Citations Affected:** IC 12-15; IC 12-16; IC 29-2; IC 34-30.

**Synopsis:** Hospital care and reimbursement under Medicaid and organ procurement. Extends provisions of law until December 31, 2007, that: (1) prohibit the office of Medicaid policy (office) or the office's managed care contractor from providing incentives or mandates that direct certain individuals to specified hospitals other than the hospital located in the city where the patient resides unless specified conditions are met; (2) require reimbursement for specified hospitals for services provided if certain conditions are met; and (3) require an inflation adjustment factor to be applied to the reimbursements. Extends the  
(Continued next page)

**Effective:** July 1, 2003 (retroactive); December 30, 2004 (retroactive); December 31, 2004 (retroactive); upon passage; July 1, 2005.

**Dillon, Rogers, Smith S**  
(HOUSE SPONSORS — BECKER, BROWN C)

January 4, 2005, read first time and referred to Committee on Rules and Legislative Procedure.  
February 15, 2005, amended; reassigned to Committee on Health and Provider Services.  
February 24, 2005, reported favorably — Do Pass.  
February 28, 2005, read second time, amended, ordered engrossed.  
March 1, 2005, engrossed. Read third time, passed. Yeas 49, nays 0.  
HOUSE ACTION  
March 10, 2005, read first time and referred to Committee on Public Health.  
March 24, 2005, amended, reported — Do Pass.

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ES 66—LS 6185/DI 13+



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deadline in which a hospital has to file an application for the hospital care for the indigent program (program) from 30 days to 45 days. Specifies the services or items included as a payable claim in the program. Makes changes to the procedures and requirements to file a claim and determine eligibility in the program. Provides immunity for administration of certain agreements between a hospital and the division of family and children. Removes the Medicaid risk based managed care program exemption from the requirement that hospital emergency department care must be paid at a rate under the Medicaid fee structure. Requires a coroner to attempt to facilitate permission for transplantation of organs, tissues, and eyes. Establishes procedures that a pathologist must follow if the pathologist considers withholding organs or tissues. Requires the procurement organization to provide reimbursement for the cost of organ removal if the pathologist is required to be present to examine the decedant. Provides that if a procurement organization has an agreement to perform anatomical gift services at a hospital the procurement organization is considered the donee for gifts from patients who die at the hospital.

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March 25, 2005

First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 66

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A BILL FOR AN ACT to amend the Indiana Code concerning health.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 12-15-11.5-3.1 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE DECEMBER 30, 2004 (RETROACTIVE)]: **Sec. 3.1. (a)**  
4 **The office or the office's managed care contractor may not provide**  
5 **incentives or mandates to the primary medical provider to direct**  
6 **individuals described in section 2 of this chapter to contracted**  
7 **hospitals other than a hospital in a city where the patient resides.**  
8 **(b) The prohibition in subsection (a) includes methodologies that**  
9 **operate to lessen a primary medical provider's payment due to the**  
10 **provider's referral of an individual described in section 2 of this**  
11 **chapter to the hospital in the city where the individual resides.**  
12 **(c) If a hospital's reimbursement for nonemergency services**  
13 **that are provided to an individual described in section 2 of this**  
14 **chapter is established by:**  
15 **(1) statute; or**  
16 **(2) an agreement between the hospital and the individual's**  
17 **managed care contractor;**

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1 the hospital may not decline to provide nonemergency services to  
2 the individual on the basis that the individual is enrolled in the  
3 Medicaid risk based program.

4 (d) A hospital that provides services to individuals described in  
5 section 2 of this chapter shall comply with eligibility verification  
6 and medical management programs negotiated under the hospital's  
7 most recent contract or agreement with the office's managed care  
8 contractor.

9 (e) Notwithstanding subsection (a), this section does not prohibit  
10 the office or the office's managed care contractor from directing  
11 individuals described in section 2 of this chapter to a hospital other  
12 than a hospital in a city where the patient resides if both of the  
13 following conditions exist:

14 (1) The patient is directed to a hospital other than a hospital  
15 in a city where the patient resides for the purpose of receiving  
16 medically necessary services.

17 (2) The type of medically necessary services to be received by  
18 the patient cannot be obtained in a hospital in a city where the  
19 patient resides.

20 (f) Actions taken after December 31, 2004, and before January  
21 1, 2008, in accordance with this section are hereby declared legal  
22 and valid, as if IC 12-15-11.5-3 had not expired.

23 (g) This section expires December 31, 2007.

24 SECTION 2. IC 12-15-11.5-4.2 IS ADDED TO THE INDIANA  
25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
26 [EFFECTIVE DECEMBER 30, 2004 (RETROACTIVE)]: Sec. 4.2. (a)

27 A hospital that:

28 (1) does not have a contract in effect with the office's managed  
29 care contractor; but

30 (2) previously contracted or entered into an agreement with  
31 the office's managed care contractor for the provision of  
32 services under the office's managed care program;

33 shall be reimbursed for services provided to individuals described  
34 in section 2 of this chapter at rates equivalent to the rates  
35 negotiated under the hospital's most recent contract or agreement  
36 with the office's managed care contractor, as adjusted for inflation  
37 by the inflation adjustment factor described in subsection (b).  
38 However, the adjusted rates may not exceed the established  
39 Medicaid rates paid to Medicaid providers who are not contracted  
40 providers in the office's managed health care services program.

41 (b) For each state fiscal year beginning after June 30, 2001, an  
42 inflation adjustment factor shall be applied under subsection (a)

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1 that is the average of the percentage increase in the medical care  
 2 component of the Consumer Price Index for all Urban Consumers  
 3 and the percentage increase in the Consumer Price Index for all  
 4 Urban Consumers, as published by the United States Bureau of  
 5 Labor Statistics, for the twelve (12) month period ending in March  
 6 preceding the beginning of the state fiscal year.

7 (c) Actions taken after December 31, 2004, and before January  
 8 1, 2008, in accordance with this section are hereby declared  
 9 legalized and valid, as if IC 12-15-11.5-4.1 had not expired.

10 (d) This section expires December 31, 2007.

11 SECTION 3. IC 12-15-15-2.5 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) Payment for  
 13 physician services provided in the emergency department of a hospital  
 14 licensed under IC 16-21 must be at a rate of one hundred percent  
 15 (100%) of rates payable under the Medicaid fee structure.

16 (b) The payment under subsection (a) must be calculated using the  
 17 same methodology used for all other physicians participating in the  
 18 Medicaid program.

19 (c) For services rendered and documented in an individual's medical  
 20 record, physicians must be reimbursed for federally required medical  
 21 screening exams that are necessary to determine the presence of an  
 22 emergency using the appropriate Current Procedural Terminology  
 23 (CPT) codes 99281, 99282, or 99283 described in the Current  
 24 Procedural Terminology Manual published annually by the American  
 25 Medical Association, without authorization by the enrollee's primary  
 26 medical provider.

27 (d) Payment for all other physician services provided in an  
 28 emergency department of a hospital to enrollees in the Medicaid  
 29 primary care case management program must be at a rate of one  
 30 hundred percent (100%) of the Medicaid fee structure rates, provided  
 31 the service is authorized, prospectively or retrospectively, by the  
 32 enrollee's primary medical provider.

33 (e) This section does not apply to a person enrolled in the Medicaid  
 34 risk based managed care program.

35 SECTION 4. IC 12-16-2.5-6.3 IS ADDED TO THE INDIANA  
 36 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 37 [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 6.3. For**  
 38 **purposes of this article, the following definitions apply to the**  
 39 **hospital care for the indigent program:**

40 (1) "Assistance" means the satisfaction of a person's financial  
 41 obligation for hospital items or services, physician services, or  
 42 transportation services provided to the person under

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**IC 12-16-7.5-1.2.**

**(2) "Claim" means a statement filed with the division by a hospital, physician, or transportation provider that identifies the health care items or services the hospital, physician, or transportation provider provided to a person for whom an application under IC 12-16-4.5 has been filed with the division.**

**(3) "Eligible" or "eligibility", when used in regard to a person for whom an application under IC 12-16-4.5 has been filed with the division, means the extent to which:**

**(A) the person, for purposes of the application, satisfies the income and resource standards established under IC 12-16-3.5; and**

**(B) the person's medical condition, for purposes of the application, satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3).**

**SECTION 5. IC 12-16-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) Notwithstanding IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5, except for the functions provided for under IC 12-16-4.5-3, IC 12-16-4.5-4, IC 12-16-6.5-3, IC 12-16-6.5-4, and IC 12-16-6.5-7, the division may enter into a written agreement with a hospital licensed under IC 16-21 for the hospital's performance of one (1) or more of the functions of the division or a county office under IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5. Under an agreement between the division and a hospital:**

**(1) if the hospital is authorized to determine:**

**(A) if a person meets the income and resource requirements established under IC 12-16-3.5;**

**(B) if the person's medical condition satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or**

**(C) if the health care items or services received by the person were necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or were a direct consequence of one (1) or more of the medical conditions listed in**

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- 1           **IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);**
- 2           **the determinations must be limited to persons receiving care**
- 3           **at the hospital;**
- 4           **(2) the agreement must state whether the hospital is**
- 5           **authorized to make determination regarding physician**
- 6           **services or transportation services provided to a person;**
- 7           **(3) the agreement must state the extent to which the functions**
- 8           **performed by the hospital include the provision of the notices**
- 9           **required under IC 12-16-5.5 and IC 12-16-6.5;**
- 10          **(4) the agreement may not limit the hearing and appeal**
- 11          **process available to persons, physicians, transportation**
- 12          **providers, or other hospitals under IC 12-16-6.5;**
- 13          **(5) the agreement must state how determinations made by the**
- 14          **hospital will be communicated to the division for purposes of**
- 15          **the attributions and calculations under IC 12-15-15-9,**
- 16          **IC 12-15-15-9.5, IC 12-16-7.5, and IC 12-16-14; and**
- 17          **(6) the agreement must state how the accuracy of the**
- 18          **hospital's determinations will be reviewed.**

19          **(b) A hospital, its employees, and its agents are immune from**  
 20          **civil or criminal liability arising from their good faith**  
 21          **implementation and administration of the agreement between the**  
 22          **division and the hospital under this section.**

23          SECTION 6. IC 12-16-3.5-1 IS AMENDED TO READ AS  
 24          FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 1.  
 25          (a) An Indiana resident who meets the income and resource standards  
 26          established by the division under section 3 of this chapter is eligible for  
 27          assistance to ~~pay for any part of the cost of~~ **satisfy the resident's**  
 28          **financial obligation for** care provided **to the resident** in a hospital in  
 29          Indiana that was necessitated after the onset of a medical condition that  
 30          was manifested by symptoms of sufficient severity that the absence of  
 31          immediate medical attention would probably result in any of the  
 32          following:

- 33               (1) Placing the individual's life in jeopardy.
- 34               (2) Serious impairment to bodily functions.
- 35               (3) Serious dysfunction of a bodily organ or part.

36          (b) A qualified resident is also eligible for assistance to ~~pay~~ **satisfy**  
 37          **the resident's financial obligation** for the ~~part of the cost of~~ care that  
 38          is a direct consequence of the medical condition that necessitated the  
 39          emergency care.

40          SECTION 7. IC 12-16-3.5-2 IS AMENDED TO READ AS  
 41          FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 2.  
 42          (a) An individual who is not an Indiana resident is eligible for

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1 assistance to ~~pay~~ **satisfy the resident's financial obligation** for the  
2 ~~part of the cost of~~ care provided to the individual in a hospital in  
3 Indiana that was necessitated after the onset of a medical condition that  
4 was manifested by symptoms of sufficient severity that the absence of  
5 immediate medical attention would probably result in any of the  
6 following:

- 7 (1) Placing the individual's life in jeopardy.
  - 8 (2) Serious impairment to bodily functions.
  - 9 (3) Serious dysfunction of any bodily organ or part.
- 10 (b) An individual is eligible for assistance under subsection (a) only  
11 if the following qualifications exist:

- 12 (1) The individual meets the income and resource standards  
13 established by the division under section 3 of this chapter.
- 14 (2) The onset of the medical condition that necessitated medical  
15 attention occurred in Indiana.

16 SECTION 8. IC 12-16-3.5-3 IS AMENDED TO READ AS  
17 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The division  
18 shall adopt rules under IC 4-22-2 to establish income and resource  
19 eligibility standards for patients whose care is to be paid under the  
20 hospital care for the indigent program.

21 (b) To the extent possible **and subject to this article**, rules adopted  
22 under this section must meet the following conditions:

- 23 (1) Be consistent with IC 12-15-21-2 and IC 12-15-21-3.
- 24 (2) Be adjusted at least one (1) time every two (2) years.
- 25 (c) The income and eligibility standards established under this  
26 section do not include any spend down provisions available under  
27 IC 12-15-21-2 or IC 12-15-21-3.

28 (d) In addition to the conditions imposed under subsection (b), rules  
29 adopted under this section must exclude a Holocaust victim's  
30 settlement payment received by an eligible individual from the income  
31 and eligibility standards for patients whose care is to be paid for under  
32 the hospital care for the indigent program.

33 SECTION 9. IC 12-16-4.5-1 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) To receive  
35 ~~payment from the division for the care provided to an~~ **assistance under**  
36 **the hospital care for the indigent person, program under this article**,  
37 a hospital, **the person, or the person's representative** must file an  
38 application regarding the person with the division.

39 (b) Upon receipt of an application under subsection (a), the division  
40 shall determine whether the person is a resident of Indiana and, if so,  
41 the person's county of residence. If the person is a resident of Indiana,  
42 the division shall provide a copy of the application to the county office

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1 of the person's county of residence. If the person is not a resident of  
 2 Indiana, the division shall provide a copy of the application to the  
 3 county office of the county where the onset of the medical condition  
 4 that necessitated the care occurred. If the division cannot determine  
 5 whether the person is a resident of Indiana or, if the person is a resident  
 6 of Indiana, the person's county of residence, the division shall provide  
 7 a copy of the application to the county office of the county where the  
 8 onset of the medical condition that necessitated the care occurred.

9 (c) A county office that receives a request from the division shall  
 10 cooperate with the division in determining whether a person is a  
 11 resident of Indiana and, if the person is a resident of Indiana, the  
 12 person's county of residence.

13 SECTION 10. IC 12-16-4.5-2 IS AMENDED TO READ AS  
 14 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A hospital must  
 15 file the application with the division not more than ~~thirty (30)~~  
 16 **forty-five (45)** days after the person has been ~~admitted to; or otherwise~~  
 17 **provided care by; released or discharged from** the hospital, unless the  
 18 person is medically unable and the next of kin or legal representative  
 19 is unavailable.

20 SECTION 11. IC 12-16-4.5-3 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **Subject to this**  
 22 **article**, the division shall adopt rules under IC 4-22-2 prescribing the  
 23 following:

- 24 (1) The form of an application.
- 25 (2) The establishment of procedures for applications.
- 26 (3) The time for submitting and processing claims.

27 SECTION 12. IC 12-16-4.5-8 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person  
 29 may file an application directly with the division if the application is  
 30 filed not more than ~~thirty (30)~~ **forty-five (45)** days after the person ~~was~~  
 31 **admitted to; or provided care by; has been released or discharged**  
 32 **from** the hospital.

33 (b) Reimbursement for the costs incurred in providing care to an  
 34 eligible person may only be made to the providers of the care.

35 SECTION 13. IC 12-16-4.5-8.5 IS ADDED TO THE INDIANA  
 36 CODE AS A **NEW SECTION** TO READ AS FOLLOWS  
 37 [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. A claim for hospital items**  
 38 **or services, physician services, or transportation services must be**  
 39 **filed with the division not more than forty-five (45) days after the**  
 40 **person who received the care has been released or discharged from**  
 41 **the hospital. For good cause as determined by the division, this**  
 42 **forty-five (45) day limit may be extended or waived for a claim.**

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1 SECTION 14. IC 12-16-5.5-1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The division  
3 shall, upon receipt of an application of or for a person who was  
4 admitted to, or who was otherwise provided care by, a hospital,  
5 promptly investigate to determine the person's eligibility under the  
6 hospital care for the indigent program. **The division shall consider the  
7 following information obtained by the hospital regarding the  
8 person:**

- 9 (1) **Income.**
- 10 (2) **Resources.**
- 11 (3) **Place of residence.**
- 12 (4) **Medical condition.**
- 13 (5) **Hospital care.**
- 14 (6) **Physician care.**
- 15 (7) **Transportation to and from the hospital.**

16 **The division may rely on the hospital's information in determining  
17 the person's eligibility under the program.**

18 (b) **The division may choose not to interview the person if, based  
19 on the information provided to the division, the division determines  
20 that it appears that the person is eligible for the program. If the  
21 division determines that an interview of the person is necessary,  
22 the division shall allow the interview to occur by telephone with the  
23 person or the person's representative if the person is not able to  
24 participate in the interview.**

25 (c) **The county office located in:**

- 26 (1) the county where the person is a resident; or
- 27 (2) the county where the onset of the medical condition that  
28 necessitated the care occurred if the person's Indiana residency or  
29 Indiana county of residence cannot be determined;

30 shall cooperate with the division in determining the person's eligibility  
31 under the program.

32 SECTION 15. IC 12-16-5.5-1.2 IS ADDED TO THE INDIANA  
33 CODE AS A NEW SECTION TO READ AS FOLLOWS  
34 [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) **The division shall,  
35 upon receipt of a claim pertaining to a person:**

- 36 (1) **who was admitted to, or who was otherwise provided care  
37 by, a hospital; and**
- 38 (2) **whose medical condition satisfies one (1) or more of the  
39 medical conditions identified in IC 12-16-3.5-1(a)(1) through  
40 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
41 IC 12-16-3.5-2(a)(3);**

42 **promptly review the claim to determine if the health care items or**

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1 services identified in the claim were necessitated by the person’s  
2 medical condition or, if applicable, if the items or services were a  
3 direct consequence of the person's medical condition.

4 (b) In conducting the review of a claim referenced in subsection  
5 (a), the division shall calculate the amount of the claim. For  
6 purposes of this section, IC 12-15-15-9, IC 12-15-15-9.5,  
7 IC 12-16-6.5, and IC 12-16-7.5, the amount of a claim shall be  
8 calculated by applying the office's applicable Medicaid  
9 fee-for-service reimbursement rate to each of the items and  
10 services identified in the claim that are determined:

11 (1) to have been necessitated by one (1) or more of the medical  
12 conditions listed in IC 12-16-3.5-1(a)(1) through  
13 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
14 IC 12-16-3.5-2(a)(3); or

15 (2) to be a direct consequence of one (1) or more of the  
16 medical conditions listed in IC 12-16-3.5-1(a)(1) through  
17 IC 12-16-3.5-1(a)(3).

18 SECTION 16. IC 12-16-5.5-3 IS AMENDED TO READ AS  
19 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Subject to  
20 subsection (b), if the division is unable after prompt and diligent efforts  
21 to verify information contained in the application that is reasonably  
22 necessary to determine eligibility, the division may deny assistance  
23 under the hospital care for the indigent program. **The pending  
24 expiration of the period specified in IC 12-16-6.5-1.5 is not a valid  
25 reason for denying assistance under the hospital care for the  
26 indigent program.**

27 (b) Before denying assistance under the hospital care for the  
28 indigent program, the division must provide the person and the hospital  
29 written notice of:

30 (1) the specific information or verification needed to determine  
31 eligibility; and

32 (2) the date on which the application will be denied if the  
33 information or verification is not provided within ten (10) days  
34 after the date of the notice.

35 (2) the specific efforts undertaken to obtain the information  
36 or verification; and

37 (3) the statute or rule requiring the information or  
38 verification identified under subdivision (1).

39 (c) The division must provide the hospital at least ten (10) days  
40 beyond the deadline established under IC 12-16-6.5-1.5 to provide  
41 the division with information concerning the person's eligibility. If  
42 the division does not make a determination of the person's

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1 eligibility within ten (10) days after receiving the information  
2 under this subsection, the person is eligible for the hospital care for  
3 the indigent care program.

4 SECTION 17. IC 12-16-5.5-3.2 IS ADDED TO THE INDIANA  
5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
6 [EFFECTIVE UPON PASSAGE]: Sec. 3.2. (a) Subject to subsection  
7 (b), if the division is unable to determine that a health care item or  
8 service identified in a claim:

9 (1) was necessitated by one (1) or more of the medical  
10 conditions listed in IC 12-16-3.5-1(a)(1) through  
11 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
12 IC 12-16-3.5-2(a)(3); or

13 (2) was a direct consequence of one (1) or more of the medical  
14 conditions listed in IC 12-16-3.5-1(a)(1) through  
15 IC 12-16-3.5-1(a)(3);

16 the division may deny assistance to the person under the hospital  
17 care for the indigent program for that item or service. The pending  
18 expiration of the period specified in IC 12-16-6.5-1.7 is not a valid  
19 reason for determining that an item or a service was not  
20 necessitated by one (1) or more of the medical conditions listed in  
21 IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or  
22 IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was not a  
23 direct consequence of one (1) or more of the medical conditions  
24 listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

25 (b) Before denying assistance under the hospital care for the  
26 indigent program for an item or a service described in subsection  
27 (a), the division must provide the provider of the item or service  
28 written notice of:

29 (1) the specific item or service in question; and  
30 (2) an explanation of the basis for the division's inability to  
31 determine that the health care item or service was:

32 (A) necessitated by one (1) or more of the medical  
33 conditions listed in IC 12-16-3.5-1(a)(1) through  
34 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
35 IC 12-16-3.5-2(a)(3); or

36 (B) a direct consequence of one (1) or more of the medical  
37 conditions listed in IC 12-16-3.5-1(a)(1) through  
38 IC 12-16-3.5-1(a)(3);

39 including, if applicable, an explanation of the basis for a  
40 conclusion by the division that the item or service, in fact, was  
41 not necessitated by, or, as applicable, not a direct consequence  
42 of, one (1) or more of such medical conditions.

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1       **The division must grant the provider of the item or service time to**  
 2       **provide the division with information or materials bearing on**  
 3       **whether the item or service was necessitated by one (1) or more of**  
 4       **the medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 5       **IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through**  
 6       **IC 12-16-3.5-2(a)(3), or a direct consequence of one (1) or more of**  
 7       **the medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 8       **IC 12-16-3.5-1(a)(3), but time granted by the division may not be**  
 9       **less than ten (10) days beyond the deadline established under**  
 10       **IC 12-16-6.5-1.7. If the division does not make its determination**  
 11       **regarding the item or service within ten (10) days after receiving**  
 12       **information or materials provided for in this section, the item or**  
 13       **service is considered to have been necessitated by one (1) or more**  
 14       **of the medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 15       **IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through**  
 16       **IC 12-16-3.5-2(a)(3), or a direct consequence of one (1) or more of**  
 17       **the medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 18       **IC 12-16-3.5-1(a)(3).**

19       SECTION 18. IC 12-16-6.5-1 IS AMENDED TO READ AS  
 20       FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. If the division  
 21       determines that a person is not eligible for ~~payment of assistance for~~  
 22       medical care, hospital care, or transportation services, an affected  
 23       person, physician, hospital, or transportation provider may appeal to  
 24       the division not later than ninety (90) days after the mailing of notice  
 25       of that determination to the affected person, physician, hospital, or  
 26       transportation provider ~~at to~~ the last known address of the person,  
 27       physician, hospital, or transportation provider.

28       SECTION 19. IC 12-16-6.5-1.2 IS ADDED TO THE INDIANA  
 29       CODE AS A NEW SECTION TO READ TO READ AS FOLLOWS  
 30       [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) **If the division**  
 31       **determines that an item or service identified in a claim:**

32               **(1) was not necessitated by one (1) or more of the medical**  
 33               **conditions listed in IC 12-16-3.5-1(a)(1) through**  
 34               **IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through**  
 35               **IC 12-16-3.5-2(a)(3); or**

36               **(2) was not a direct consequence of one (1) or more of the**  
 37               **medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 38               **IC 12-16-3.5-1(a)(3);**

39       **the affected person, physician, hospital, and transportation**  
 40       **provider may appeal to the division not later than ninety (90) days**  
 41       **after the mailing of the notice of that determination to the affected**  
 42       **person, physician, hospital, or transportation provider to the last**

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1 known address of the person, physician, hospital, or transportation  
2 provider.

3 (b) If the division determines that an item or service identified  
4 in a claim:

5 (1) was necessitated by one (1) or more of the medical  
6 conditions listed in IC 12-16-3.5-1(a)(1) through  
7 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
8 IC 12-16-3.5-2(a)(3); or

9 (2) was a direct consequence of one (1) or more of the medical  
10 conditions listed in IC 12-16-3.5-1(a)(1) through  
11 IC 12-16-3.5-1(a)(3);

12 but the affected physician, hospital, or transportation provider  
13 disagrees with the amount of the claim calculated by the division  
14 under IC 12-16-5.5-1.2(b), the affected physician, hospital, or  
15 transportation provider may appeal the calculation to the division  
16 not later than ninety (90) days after the mailing of the notice of  
17 that calculation to the affected physician, hospital, or  
18 transportation provider to the last known address of the physician,  
19 hospital, or transportation provider.

20 SECTION 20. IC 12-16-6.5-1.5 IS ADDED TO THE INDIANA  
21 CODE AS A NEW SECTION TO READ AS FOLLOWS  
22 [EFFECTIVE UPON PASSAGE]: Sec. 1.5. Subject to  
23 IC 12-16-5.5-3(c), if the division fails to complete an investigation  
24 and determination of a person's financial and medical eligibility for  
25 the hospital care for the indigent program not later than forty-five  
26 (45) days after receipt of the application filed under IC 12-16-4.5,  
27 the person is considered to be eligible for assistance under the  
28 program.

29 SECTION 21. IC 12-16-6.5-1.7 IS ADDED TO THE INDIANA  
30 CODE AS A NEW SECTION TO READ AS FOLLOWS  
31 [EFFECTIVE UPON PASSAGE]: Sec. 1.7. Subject to  
32 IC 12-16-5.5-3.2(b), if the division fails to complete an investigation  
33 and determination of one (1) or more health care items or services  
34 identified in a claim within forty-five (45) days after receipt of the  
35 claim filed under IC 12-16-4.5, the item or service is considered to  
36 have been:

37 (1) necessitated by one (1) or more of the medical conditions  
38 listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or  
39 IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

40 (2) a direct consequence of one (1) or more of the medical  
41 conditions listed in IC 12-16-3.5-1(a)(1) through  
42 IC 12-16-3.5-1(a)(3).

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1 SECTION 22. IC 12-16-6.5-5 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) **If the**  
3 **division receives an application that was filed on behalf of a person**  
4 **under IC 12-16-4.5**, the division shall determine:

5 (1) the eligibility of the person for ~~payment of the cost of medical~~  
6 ~~or hospital care assistance~~ under the hospital care for the indigent  
7 program; and

8 (2) **if the health care items or services provided to the person**  
9 **and identified in a claim filed with the division under**  
10 **IC 12-16-4.5 were:**

11 (A) necessitated by at least one (1) medical condition listed  
12 in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or  
13 IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

14 (B) the direct consequence of at least one (1) of the medical  
15 conditions listed in IC 12-16-3.5-1(a)(1) through  
16 IC 12-16-3.5-1(a)(3).

17 (b) If:

18 (1) the person is found eligible the division shall pay the  
19 reasonable cost of the care covered under ~~IC 12-16-3.5-1~~ or  
20 ~~IC 12-16-3.5-2~~ to the physicians furnishing the covered medical  
21 care and the transportation providers furnishing the covered  
22 transportation services, subject to the limitations in ~~IC 12-16-7.5.~~  
23 for assistance; and

24 (2) at least one (1) of the items or services identified in the  
25 claim is determined:

26 (A) to have been necessitated by one (1) or more of the  
27 medical conditions listed in IC 12-16-3.5-1(a)(1) through  
28 IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through  
29 IC 12-16-3.5-2(a)(3); or

30 (B) to be a direct consequence of one (1) or more of the  
31 medical conditions listed in IC 12-16-3.5-1(a)(1) through  
32 IC 12-16-3.5-1(a)(3);

33 the person must receive assistance for those items and  
34 services.

35 (c) If the person is found eligible, the payment for the hospital  
36 services and items covered under ~~IC 12-16-3.5-1~~ or ~~IC 12-16-3.5-2~~  
37 shall be calculated using the office's applicable Medicaid  
38 fee-for-service reimbursement principles. Payment to the hospital shall  
39 be made:

40 (1) under ~~IC 12-15-15-9~~; and

41 (2) if the hospital is eligible, under ~~IC 12-15-15-9.5~~.

42 SECTION 23. IC 12-16-6.5-6 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person,  
2 **hospital, physician, or transportation provider** aggrieved by a  
3 determination **of an appeal taken** under ~~section 5(a)~~ **section 1 or 1.2**  
4 of this chapter may appeal the determination under IC 4-21.5.

5 SECTION 24. IC 12-16-7.5-1.2 IS ADDED TO THE INDIANA  
6 CODE AS A NEW SECTION TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 1.2. (a) A**  
8 **person determined to be eligible under the hospital care for the**  
9 **indigent program is not financially obligated for hospital items or**  
10 **services, physician services, or transportation services provided to**  
11 **the person during the person's eligibility under the program, if the**  
12 **items or services were:**

13 (1) **identified in a claim filed with the division under**  
14 **IC 12-16-4.5; and**

15 (2) **determined:**  
16 (A) **to have been necessitated by one (1) or more of the**  
17 **medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
18 **IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through**  
19 **IC 12-16-3.5-2(a)(3); or**

20 (B) **to be a direct consequence of one (1) or more of the**  
21 **medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
22 **IC 12-16-3.5-1(a)(3).**

23 (b) **Based on a hospital's items or services identified in a claim**  
24 **under subsection (a), the hospital must receive a payment from the**  
25 **office calculated and made under IC 12-15-15-9 and**  
26 **IC 12-15-15-9.5.**

27 (c) **Based on a physician's services identified in a claim under**  
28 **subsection (a), the physician must receive a payment from the**  
29 **division calculated and made under section 5 of this chapter.**

30 (d) **Based on the transportation services identified in a claim**  
31 **under in subsection (a), the transportation provider must receive**  
32 **a payment from the division calculated and made under section 5**  
33 **of this chapter.**

34 SECTION 25. IC 12-16-7.5-2.5 IS AMENDED TO READ AS  
35 FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 2.5.**

36 (a) **This section applies to payable claims involving:**

- 37 (1) **hospital services or items;**
- 38 (2) **physician services; or**
- 39 (3) **transportation services;**

40 **provided before July 1, 2004.**

41 (b) **Payable claims shall be segregated by state fiscal year.**

42 ~~(b)~~ (c) **For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5,**

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1 and IC 12-16-14:

2 (1) a "payable claim" is a claim for payment for physician care,

3 hospital care, or transportation services under this chapter:

4 (A) that includes, on forms prescribed by the division, all the

5 information required for timely payment;

6 (B) that is for a period during which the person is determined

7 to be financially and medically eligible for the hospital care for

8 the indigent program; and

9 (C) for which the payment amounts for the care and services

10 are determined by the division; and

11 (2) a physician, hospital, or transportation provider that submits

12 a payable claim to the division is considered to have submitted

13 the payable claim during the state fiscal year during which the

14 division determined, initially or upon appeal, the amount to pay

15 for the care and services comprising the payable claim.

16 ~~(e)~~ (d) The division shall promptly determine the amount to pay for

17 the care and services comprising a payable claim.

18 SECTION 26. IC 12-16-7.5-2.7 IS ADDED TO THE INDIANA

19 CODE AS A NEW SECTION TO READ AS FOLLOWS

20 [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 2.7. (a) Except**

21 **as provided in subsection (f), this section applies to state fiscal**

22 **years beginning after June 30, 2004.**

23 **(b) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5,**

24 **and IC 12-16-14 the following definitions apply:**

25 (1) "Amount" refers to a payable claim in an amount

26 calculated under STEP THREE of the following formula:

27 STEP ONE: Identify the items and services comprising a

28 payable claim.

29 STEP TWO: Using the applicable Medicaid fee for service

30 reimbursement rates, calculate the reimbursement

31 amounts for each of the items and services identified in

32 STEP ONE.

33 STEP THREE: Calculate the sum of the amounts

34 identified in STEP TWO.

35 (2) "Payable claim" means a claim for hospital items or

36 services, physician care, or transportation services:

37 (A) provided to a person under the hospital care for the

38 indigent program under this article during the person's

39 eligibility under the program;

40 (B) identified in a claim filed with the division; and

41 (C) determined to:

42 (i) have been necessitated by one (1) or more of the

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1                    **medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 2                    **IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through**  
 3                    **IC 12-16-3.5-2(a)(3); or**  
 4                    **(ii) to be a direct consequence of one (1) or more of the**  
 5                    **medical conditions listed in IC 12-16-3.5-1(a)(1) through**  
 6                    **IC 12-16-3.5-1(a)(3).**

7                    **(c) Payable claims shall be segregated by state fiscal year.**

8                    **(d) The division shall calculate the amount of a payable claim at**  
 9                    **the time referenced in IC 12-16-5.5-1.2.**

10                   **(e) A physician, hospital, or transportation provider that**  
 11                   **submits a payable claim to the division is considered to have**  
 12                   **submitted the payable claim during the state fiscal year during**  
 13                   **which the division determined, initially or upon appeal, the amount**  
 14                   **of a payable claim.**

15                   **(f) Hospital items or services, physician care, or transportation**  
 16                   **services provided between July 1, 2003, and June 30, 2004, are**  
 17                   **governed by section 2.5 of this chapter.**

18                   SECTION 27. IC 12-16-7.5-12 IS AMENDED TO READ AS  
 19                   FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. All providers  
 20                   receiving payment under **section 1.2 of this chapter** agree to accept, as  
 21                   payment in full, the amount paid for the hospital care for the indigent  
 22                   program **payment identified in section 1.2 of this chapter** for those  
 23                   claims submitted for payment under the program; with the exception of  
 24                   authorized deductibles, co-insurance, co-payment, or similar  
 25                   cost-sharing charges. **health care items or services identified in**  
 26                   **payable claims submitted to the division.**

27                   SECTION 28. IC 12-16-12.5-2 IS AMENDED TO READ AS  
 28                   FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division is  
 29                   responsible for the emergency medical care given in a hospital to an  
 30                   individual who qualifies for assistance under this chapter, subject to ~~the~~  
 31                   ~~limitations in~~ IC 12-16-7.5.

32                   SECTION 29. IC 12-16-12.5-4 IS AMENDED TO READ AS  
 33                   FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If a hospital  
 34                   owned by the health and hospital corporation is:

- 35                   (1) unable to care for a patient; or  
 36                   (2) unable to treat a patient at the time a transfer is requested by  
 37                   the hospital initiating treatment;  
 38                   the hospital may continue to treat the patient until the patient's  
 39                   discharge.

40                   (b) Subject to ~~the limitations in~~ IC 12-16-7.5, the division shall **pay**  
 41                   **the costs of** be responsible for care.

42                   SECTION 30. IC 12-16-12.5-5 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. The ~~division is~~  
2 ~~not responsible hospital care for the indigent program under this~~  
3 ~~article does not apply to~~ the following:

4 (1) ~~The payment of Nonemergency medical costs, care,~~ except as  
5 provided under ~~the hospital care for the indigent program. this~~  
6 ~~article.~~

7 (2) ~~The payment of medical costs accrued~~ Care provided at a  
8 hospital owned or operated by a health and hospital corporation,  
9 except for ~~hospital care provided under this chapter to a person~~  
10 not residing in Marion County.

11 SECTION 31. IC 12-16-14-3 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 3.

13 (a) For purposes of this section, **the following definitions apply:**

14 (1) "**Amount**" ~~"payable claim"~~ has the meaning set forth in  
15 ~~IC 12-16-7.5-2.5(b)(1). IC 12-16-7.5-2.7(b)(1).~~

16 (2) "**Payable claim**" has the meaning set forth in  
17 **IC 12-16-7.5-2.7(b)(2).**

18 (b) For taxes first due and payable in 2003, each county shall  
19 impose a hospital care for the indigent property tax levy equal to the  
20 product of:

21 (1) the county's hospital care for the indigent property tax levy for  
22 taxes first due and payable in 2002; multiplied by

23 (2) the county's assessed value growth quotient determined under  
24 IC 6-1.1-18.5-2 for taxes first due and payable in 2003.

25 (c) For taxes first due and payable in 2004, 2005, ~~and 2006, 2007,~~  
26 **and 2008**, each county shall impose a hospital care for the indigent  
27 property tax levy equal to the product of:

28 (1) the county's hospital care for the indigent property tax levy for  
29 taxes first due and payable in the preceding year; multiplied by

30 (2) the assessed value growth quotient determined in the last  
31 STEP of the following STEPS:

32 STEP ONE: Determine the three (3) calendar years that most  
33 immediately precede the ensuing calendar year and in which a  
34 statewide general reassessment of real property does not first  
35 become effective.

36 STEP TWO: Compute separately, for each of the calendar years  
37 determined in STEP ONE, the quotient (rounded to the nearest  
38 ten-thousandth) of the county's total assessed value of all taxable  
39 property in the particular calendar year, divided by the county's  
40 total assessed value of all taxable property in the calendar year  
41 immediately preceding the particular calendar year.

42 STEP THREE: Divide the sum of the three (3) quotients

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1           computed in STEP TWO by three (3).  
2           (d) Except as provided in subsection (e):  
3           (1) for taxes first due and payable in ~~2007~~, **2009**, each county  
4           shall impose a hospital care for the indigent property tax levy  
5           equal to the average **of the** annual amount of payable claims  
6           attributed to the county under IC 12-16-7.5-4.5 during the state  
7           fiscal years beginning:  
8           (A) ~~July 1, 2003~~;  
9           (B) ~~July 1, 2004~~; and  
10          (C) ~~(A) July 1, 2005; and~~  
11          **(B) July 1, 2006; and**  
12          **(C) July 1, 2007; and**  
13          (2) for all subsequent annual levies under this section, the average  
14          annual amount of payable claims attributed to the county under  
15          IC 12-16-7.5-4.5 during the three (3) most recently completed  
16          state fiscal years.  
17          (e) A county may not impose an annual levy under subsection (d) in  
18          an amount greater than the product of:  
19          (1) The greater of:  
20                (A) the county's hospital care for the indigent property tax levy  
21                for taxes first due and payable in ~~2006~~, **2008**; or  
22                (B) the amount of the county's maximum hospital care for the  
23                indigent property tax levy determined under this subsection for  
24                taxes first due and payable in the immediately preceding year;  
25                multiplied by  
26          (2) the assessed value growth quotient determined in the last  
27          STEP of the following STEPS:  
28          STEP ONE: Determine the three (3) calendar years that most  
29          immediately precede the ensuing calendar year and in which a  
30          statewide general reassessment of real property does not first  
31          become effective.  
32          STEP TWO: Compute separately, for each of the calendar years  
33          determined in STEP ONE, the quotient (rounded to the nearest  
34          ten-thousandth) of the county's total assessed value of all taxable  
35          property in the particular calendar year, divided by the county's  
36          total assessed value of all taxable property in the calendar year  
37          immediately preceding the particular calendar year.  
38          STEP THREE: Divide the sum of the three (3) quotients  
39          computed in STEP TWO by three (3).  
40          **(f) For purposes of this section, a payable claim is attributed to**  
41          **the state fiscal year during which the division determined, under**  
42          **IC 12-16-5.5-1.2(b) or upon appeal, the amount of the payable**

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SECTION 32. IC 29-2-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except where the context clearly indicates a different meaning, the terms used in this chapter shall be construed as follows:

(a) "Bank or storage facility" means a facility licensed, accredited, or approved under the laws of any state for storage of human bodies or parts thereof.

(b) "Decedent" means a deceased individual and includes a stillborn infant or fetus.

(c) "Donor" means an individual who makes a gift of all or part of his ~~the~~ **decedent's** body.

(d) "Hospital" means a hospital licensed, accredited, or approved under the laws of any state. **The term** includes a hospital operated by the United States government, a state, or a subdivision thereof, although not required to be licensed under state laws.

(e) "Part" means organs, tissues, eyes, bones, arteries, blood, other fluids, and any other portions of a human body.

(f) "Person" means an individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(g) "Physician" or "surgeon" means a physician or surgeon licensed or authorized to practice under the laws of any state.

**(h) "Procurement organization" means an organization qualified to recover anatomical gifts from donors.**

~~(h)~~ **(i)** "State" includes any state, district, commonwealth, territory, insular possession, and any other area subject to the legislative authority of the United States of America.

SECTION 33. IC 29-2-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The following persons may become donees of gifts of bodies or parts thereof for the purposes stated:

- (1) any hospital, surgeon, or physician for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; ~~or~~
- (2) any accredited medical or dental school, college or university for education, research, advancement of medical or dental science, or therapy; ~~or~~
- (3) any ~~bank~~ **procurement organization** or storage facility, for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; or
- (4) any specified individual for therapy or transplantation needed

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by ~~him~~ **the individual.**

SECTION 34. IC 29-2-16-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A coroner ~~may release and permit~~ **shall attempt to facilitate permission for** the removal of ~~a part from a body~~ **organs, tissues, or eyes** within the coroner's custody, for transplantation, ~~or therapy, only,~~ **or research by providing information to or seeking information from the procurement organization that would assist the procurement organization in the evaluation of the viability for transplantation of any organ, tissue, or eye** if all of the following occur:

- (1) The coroner receives a request ~~for a part~~ from a hospital, physician, surgeon, or procurement organization.
- (2) The coroner makes a reasonable effort, taking into account the useful life of a part, to locate and examine the decedent's medical records and inform individuals listed in section 2(b) of this chapter of their option to make or object to making a gift under this chapter.
- (3) The decision to allow the removal of organs, tissues, or eyes is based on a medical decision made by the pathologist or forensic pathologist. If the pathologist or forensic pathologist considers withholding one (1) or more organs or tissues of a potential donor, the pathologist or forensic pathologist:**
  - (A) shall be present during the removal of the organs or tissues;**
  - (B) may request a biopsy of the removed organs; and**
  - (C) after viewing the removed organs or tissues and determining that removal may interfere with the death investigation, may prohibit removal and shall provide a written explanation to the procurement organization.**

**If it is determined that prior removal will interfere with the death investigation, the procurement organization may remove the tissues and eyes after the autopsy.**

- ~~(3)~~ **(4)** The coroner does not know of a refusal or contrary indication by the decedent or an objection by an individual having priority to act as listed in section 2(b) of this chapter.
- ~~(4)~~ **(5)** The removal will be by:
  - (A) a physician licensed under IC 25-22.5; or
  - (B) in the case of removal of an eye or part of an eye, by an individual described in section 4(e) of this chapter; and under IC 36-2-14-19.
- ~~(5)~~ **(6)** The removal will not interfere with any autopsy or investigation.

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1           ~~(6)~~ (7) The removal will be in accordance with accepted medical  
2 standards.  
3           ~~(7)~~ (8) Cosmetic restoration will be done, if appropriate.  
4           **(9) If the pathologist or forensic pathologist is required to be**  
5 **present to examine the decedent before or during the removal**  
6 **of the parts, the procurement organization shall reimburse**  
7 **the pathologist or forensic pathologist for actual costs, but the**  
8 **amount may not exceed one thousand dollars (\$1,000). The**  
9 **county is not responsible for any costs incurred by the**  
10 **pathologist, forensic pathologist, or procurement organization**  
11 **under this subdivision.**  
12           **(10) If requested by the coroner, pathologist, or forensic**  
13 **pathologist, the procurement organization shall provide a**  
14 **surgeon's report detailing the condition of the organs and the**  
15 **relationship of the organs to the cause of death, if any.**  
16           (b) If the body is not within the custody of the coroner, the ~~medical~~  
17 ~~examiner~~ **pathologist or forensic pathologist** may release and permit  
18 the removal of any part from a body in the ~~medical examiner's~~ custody  
19 for transplantation or therapy if the requirements of subsection (a) are  
20 met.  
21           (c) A person under this section who releases or permits the removal  
22 of a part shall maintain a permanent record of the name of the  
23 decedent, the individual making the request, the date and purpose of  
24 the request, the body part requested, and the person to whom it was  
25 released.  
26           SECTION 35. IC 29-2-16-6.5 IS ADDED TO THE INDIANA  
27 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
28 [EFFECTIVE JULY 1, 2005]: **Sec. 6.5. (a) Except for a gift made by**  
29 **a donor to a specific donee, a procurement organization that holds**  
30 **an agreement with a hospital to perform anatomical gift donation**  
31 **services for the hospital under 42 U.S.C. 1329b-8 and 42 CFR Part**  
32 **482 is considered to be the donee of all gifts from patients who have**  
33 **died in the hospital.**  
34           **(b) An investigation by a coroner or a medical examiner does**  
35 **not change the rights of a procurement organization to act as the**  
36 **donee.**  
37           SECTION 36. IC 34-30-2-45.2 IS ADDED TO THE INDIANA  
38 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
39 [EFFECTIVE UPON PASSAGE]: **Sec. 45.2. IC 12-16-2.5-6.5**  
40 **(Concerning administering agreements between the hospital and**  
41 **the division of family and children under the hospital care for the**  
42 **indigent program).**

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1 SECTION 37. THE FOLLOWING ARE REPEALED [EFFECTIVE  
2 DECEMBER 31, 2004 (RETROACTIVE)]: IC 12-15-11.5-3;  
3 IC 12-15-11.5-4.1.

4 SECTION 38. THE FOLLOWING ARE REPEALED [EFFECTIVE  
5 UPON PASSAGE]: IC 12-16-2.5-3; IC 12-16-6.5-2; IC 12-16-7.5-1;  
6 IC 12-16-11.5-1; IC 12-16-11.5-2.

7 SECTION 39. **An emergency is declared for this act.**

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SENATE MOTION

Madam President: I move that Senator Garton be removed as author of Senate Bill 66 and that Senator Dillon be substituted therefor.

GARTON

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COMMITTEE REPORT

Madam President: The Senate Committee on Rules and Legislative Procedure, to which was referred Senate Bill No. 66, 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:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill be reassigned to the Senate Committee on Health and Provider Services.

(Reference is to SB 66 as introduced.)

GARTON, Chairperson

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SENATE MOTION

Madam President: I move that Senator Rogers be added as coauthor of Senate Bill 66.

DILLON

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COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 66, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 66 as printed February 16, 2005.)

MILLER, Chairperson

Committee Vote: Yeas 10, Nays 0.

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## SENATE MOTION

Madam President: I move that Senate Bill 66 be amended to read as follows:

Page 3, between lines 10 and 11, begin a new paragraph and insert:  
 "SECTION 3. IC 12-16-4.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. A hospital must file the application with the division not more than ~~thirty (30)~~ **forty-five (45)** days after the person has been admitted to, or otherwise provided care by, **released or discharged from** the hospital, unless the person is medically unable and the next of kin or legal representative is unavailable.

SECTION 4. IC 12-16-7.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division shall pay the following **under IC 12-16-9.5 and** subject to the limitations in section 5 of this chapter:

- (1) The reasonable cost of ~~medical~~ **physician** care covered under IC 12-16-3.5-1 or IC 12-16-3.5-2.
- (2) The reasonable cost of transportation ~~to the place of treatment arising out of the medical care where health care services covered under IC 12-16-3.5-1 or IC 12-16-3.5-2 are provided.~~

SECTION 5. IC 12-16-7.5-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 2.5.

(a) **This section applies to payable claims involving:**

- (1) **hospital services or items;**
- (2) **physician care; or**
- (3) **transportation services;**

**provided before July 1, 2004.**

(b) Payable claims shall be segregated by state fiscal year.

~~(b)~~(c) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5, and IC 12-16-14:

- (1) a "payable claim" is a claim for payment for physician care, hospital care, or transportation services under this chapter:
  - (A) that includes, on forms prescribed by the division, all the information required for timely payment;
  - (B) that is for a period during which the person is determined to be financially and medically eligible for the hospital care for the indigent program; and
  - (C) for which the payment amounts for the care and services are determined by the division; and
- (2) a physician, hospital, or transportation provider that submits a payable claim to the division is considered to have submitted the payable claim during the state fiscal year during which the

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division determined, initially or upon appeal, the amount to pay for the care and services comprising the payable claim.

~~(e)~~(d) The division shall promptly determine the amount to pay for the care and services comprising a payable claim."

Renumber all SECTIONS consecutively.

(Reference is to SB 66 as reprinted February 25, 2005.)

DILLON

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SENATE MOTION

Madam President: I move that Senator Smith S be added as coauthor of Engrossed Senate Bill 66.

DILLON

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 66, 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 3, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 3. IC 12-15-15-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2.5. (a) Payment for physician services provided in the emergency department of a hospital licensed under IC 16-21 must be at a rate of one hundred percent (100%) of rates payable under the Medicaid fee structure.

(b) The payment under subsection (a) must be calculated using the same methodology used for all other physicians participating in the Medicaid program.

(c) For services rendered and documented in an individual's medical record, physicians must be reimbursed for federally required medical screening exams that are necessary to determine the presence of an emergency using the appropriate Current Procedural Terminology (CPT) codes 99281, 99282, or 99283 described in the Current Procedural Terminology Manual published annually by the American Medical Association, without authorization by the enrollee's primary medical provider.

(d) Payment for all other physician services provided in an emergency department of a hospital to enrollees in the Medicaid primary care case management program must be at a rate of one hundred percent (100%) of the Medicaid fee structure rates, provided the service is authorized, prospectively or retrospectively, by the enrollee's primary medical provider.

(e) This section does not apply to a person enrolled in the Medicaid risk based managed care program:

SECTION 4. IC 12-16-2.5-6.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 6.3. For purposes of this article, the following definitions apply to the hospital care for the indigent program:**

(1) "Assistance" means the satisfaction of a person's financial obligation for hospital items or services, physician services, or transportation services provided to the person under IC 12-16-7.5-1.2.

(2) "Claim" means a statement filed with the division by a hospital, physician, or transportation provider that identifies the health care items or services the hospital, physician, or

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transportation provider provided to a person for whom an application under IC 12-16-4.5 has been filed with the division.

(3) "Eligible" or "eligibility", when used in regard to a person for whom an application under IC 12-16-4.5 has been filed with the division, means the extent to which:

(A) the person, for purposes of the application, satisfies the income and resource standards established under IC 12-16-3.5; and

(B) the person's medical condition, for purposes of the application, satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3).

SECTION 5. IC 12-16-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6.5. (a) Notwithstanding IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5, except for the functions provided for under IC 12-16-4.5-3, IC 12-16-4.5-4, IC 12-16-6.5-3, IC 12-16-6.5-4, and IC 12-16-6.5-7, the division may enter into a written agreement with a hospital licensed under IC 16-21 for the hospital's performance of one (1) or more of the functions of the division or a county office under IC 12-16-4.5, IC 12-16-5.5, and IC 12-16-6.5. Under an agreement between the division and a hospital:

(1) if the hospital is authorized to determine:

(A) if a person meets the income and resource requirements established under IC 12-16-3.5;

(B) if the person's medical condition satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(C) if the health care items or services received by the person were necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or were a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the determinations must be limited to persons receiving care at the hospital;

(2) the agreement must state whether the hospital is

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- authorized to make determination regarding physician services or transportation services provided to a person;
- (3) the agreement must state the extent to which the functions performed by the hospital include the provision of the notices required under IC 12-16-5.5 and IC 12-16-6.5;
- (4) the agreement may not limit the hearing and appeal process available to persons, physicians, transportation providers, or other hospitals under IC 12-16-6.5;
- (5) the agreement must state how determinations made by the hospital will be communicated to the division for purposes of the attributions and calculations under IC 12-15-15-9, IC 12-15-15-9.5, IC 12-16-7.5, and IC 12-16-14; and
- (6) the agreement must state how the accuracy of the hospital's determinations will be reviewed.

(b) A hospital, its employees, and its agents are immune from civil or criminal liability arising from their good faith implementation and administration of the agreement between the division and the hospital under this section.

SECTION 6. IC 12-16-3.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 1.

(a) An Indiana resident who meets the income and resource standards established by the division under section 3 of this chapter is eligible for assistance to ~~pay for any part of the cost of~~ **satisfy the resident's financial obligation for** care provided ~~to the resident~~ in a hospital in Indiana that was necessitated after the onset of a medical condition that was manifested by symptoms of sufficient severity that the absence of immediate medical attention would probably result in any of the following:

- (1) Placing the individual's life in jeopardy.
- (2) Serious impairment to bodily functions.
- (3) Serious dysfunction of a bodily organ or part.

(b) A qualified resident is also eligible for assistance to ~~pay~~ **satisfy the resident's financial obligation** for the ~~part of the cost of~~ care that is a direct consequence of the medical condition that necessitated the emergency care.

SECTION 7. IC 12-16-3.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 2.

(a) An individual who is not an Indiana resident is eligible for assistance to ~~pay~~ **satisfy the resident's financial obligation** for the ~~part of the cost of~~ care provided ~~to the individual~~ in a hospital in Indiana that was necessitated after the onset of a medical condition that was manifested by symptoms of sufficient severity that the absence of

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immediate medical attention would probably result in any of the following:

- (1) Placing the individual's life in jeopardy.
- (2) Serious impairment to bodily functions.
- (3) Serious dysfunction of any bodily organ or part.

(b) An individual is eligible for assistance under subsection (a) only if the following qualifications exist:

- (1) The individual meets the income and resource standards established by the division under section 3 of this chapter.
- (2) The onset of the medical condition that necessitated medical attention occurred in Indiana.

SECTION 8. IC 12-16-3.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The division shall adopt rules under IC 4-22-2 to establish income and resource eligibility standards for patients whose care is to be paid under the hospital care for the indigent program.

(b) To the extent possible **and subject to this article**, rules adopted under this section must meet the following conditions:

- (1) Be consistent with IC 12-15-21-2 and IC 12-15-21-3.
- (2) Be adjusted at least one (1) time every two (2) years.

(c) The income and eligibility standards established under this section do not include any spend down provisions available under IC 12-15-21-2 or IC 12-15-21-3.

(d) In addition to the conditions imposed under subsection (b), rules adopted under this section must exclude a Holocaust victim's settlement payment received by an eligible individual from the income and eligibility standards for patients whose care is to be paid for under the hospital care for the indigent program.

SECTION 9. IC 12-16-4.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) To receive ~~payment from the division for the care provided to an~~ **assistance under the hospital care for the indigent person, program under this article**, a hospital, **the person, or the person's representative** must file an application regarding the person with the division.

(b) Upon receipt of an application under subsection (a), the division shall determine whether the person is a resident of Indiana and, if so, the person's county of residence. If the person is a resident of Indiana, the division shall provide a copy of the application to the county office of the person's county of residence. If the person is not a resident of Indiana, the division shall provide a copy of the application to the county office of the county where the onset of the medical condition that necessitated the care occurred. If the division cannot determine

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whether the person is a resident of Indiana or, if the person is a resident of Indiana, the person's county of residence, the division shall provide a copy of the application to the county office of the county where the onset of the medical condition that necessitated the care occurred.

(c) A county office that receives a request from the division shall cooperate with the division in determining whether a person is a resident of Indiana and, if the person is a resident of Indiana, the person's county of residence."

Page 3, line 14, strike "admitted to, or otherwise".

Page 3, line 15, strike "provided care by,".

Page 3, between lines 17 and 18, begin a new paragraph and insert:

"SECTION 11. IC 12-16-4.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **Subject to this article**, the division shall adopt rules under IC 4-22-2 prescribing the following:

- (1) The form of an application.
- (2) The establishment of procedures for applications.
- (3) The time for submitting and processing claims.

SECTION 12. IC 12-16-4.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) A person may file an application directly with the division if the application is filed not more than ~~thirty (30)~~ **forty-five (45)** days after the person ~~was admitted to, or provided care by,~~ **has been released or discharged from** the hospital.

(b) Reimbursement for the costs incurred in providing care to an eligible person may only be made to the providers of the care.

SECTION 13. IC 12-16-4.5-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8.5. A claim for hospital items or services, physician services, or transportation services must be filed with the division not more than forty-five (45) days after the person who received the care has been released or discharged from the hospital. For good cause as determined by the division, this forty-five (45) day limit may be extended or waived for a claim.**

SECTION 14. IC 12-16-5.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a)** The division shall, upon receipt of an application of or for a person who was admitted to, or who was otherwise provided care by, a hospital, promptly investigate to determine the person's eligibility under the hospital care for the indigent program. **The division shall consider the following information obtained by the hospital regarding the person:**

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- (1) **Income.**
- (2) **Resources.**
- (3) **Place of residence.**
- (4) **Medical condition.**
- (5) **Hospital care.**
- (6) **Physician care.**
- (7) **Transportation to and from the hospital.**

The division may rely on the hospital's information in determining the person's eligibility under the program.

(b) The division may choose not to interview the person if, based on the information provided to the division, the division determines that it appears that the person is eligible for the program. If the division determines that an interview of the person is necessary, the division shall allow the interview to occur by telephone with the person or the person's representative if the person is not able to participate in the interview.

(c) The county office located in:

- (1) the county where the person is a resident; or
- (2) the county where the onset of the medical condition that necessitated the care occurred if the person's Indiana residency or Indiana county of residence cannot be determined;

shall cooperate with the division in determining the person's eligibility under the program.

SECTION 15. IC 12-16-5.5-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.2. (a) The division shall, upon receipt of a claim pertaining to a person:**

- (1) **who was admitted to, or who was otherwise provided care by, a hospital; and**
- (2) **whose medical condition satisfies one (1) or more of the medical conditions identified in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3);**

**promptly review the claim to determine if the health care items or services identified in the claim were necessitated by the person's medical condition or, if applicable, if the items or services were a direct consequence of the person's medical condition.**

(b) **In conducting the review of a claim referenced in subsection (a), the division shall calculate the amount of the claim. For purposes of this section, IC 12-15-15-9, IC 12-15-15-9.5, IC 12-16-6.5, and IC 12-16-7.5, the amount of a claim shall be calculated by applying the office's applicable Medicaid**

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**fee-for-service reimbursement rate to each of the items and services identified in the claim that are determined:**

**(1) to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or**

**(2) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).**

SECTION 16. IC 12-16-5.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Subject to subsection (b), if the division is unable after prompt and diligent efforts to verify information contained in the application that is reasonably necessary to determine eligibility, the division may deny assistance under the hospital care for the indigent program. **The pending expiration of the period specified in IC 12-16-6.5-1.5 is not a valid reason for denying assistance under the hospital care for the indigent program.**

(b) Before denying assistance under the hospital care for the indigent program, the division must provide the person and the hospital written notice of:

(1) the specific information or verification needed to determine eligibility; and

(2) the date on which the application will be denied if the information or verification is not provided within ten (10) days after the date of the notice.

(2) the specific efforts undertaken to obtain the information or verification; and

(3) the statute or rule requiring the information or verification identified under subdivision (1).

(c) The division must provide the hospital at least ten (10) days beyond the deadline established under IC 12-16-6.5-1.5 to provide the division with information concerning the person's eligibility. If the division does not make a determination of the person's eligibility within ten (10) days after receiving the information under this subsection, the person is eligible for the hospital care for the indigent care program.

SECTION 17. IC 12-16-5.5-3.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3.2. (a) Subject to subsection (b), if the division is unable to determine that a health care item or service identified in a claim:

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- (1) was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (2) was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the division may deny assistance to the person under the hospital care for the indigent program for that item or service. The pending expiration of the period specified in IC 12-16-6.5-1.7 is not a valid reason for determining that an item or a service was not necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or was not a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) Before denying assistance under the hospital care for the indigent program for an item or a service described in subsection (a), the division must provide the provider of the item or service written notice of:

- (1) the specific item or service in question; and
- (2) an explanation of the basis for the division's inability to determine that the health care item or service was:
  - (A) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
  - (B) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

including, if applicable, an explanation of the basis for a conclusion by the division that the item or service, in fact, was not necessitated by, or, as applicable, not a direct consequence of, one (1) or more of such medical conditions.

The division must grant the provider of the item or service time to provide the division with information or materials bearing on whether the item or service was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3), but time granted by the division may not be

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less than ten (10) days beyond the deadline established under IC 12-16-6.5-1.7. If the division does not make its determination regarding the item or service within ten (10) days after receiving information or materials provided for in this section, the item or service is considered to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3), or a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

SECTION 18. IC 12-16-6.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. If the division determines that a person is not eligible for ~~payment of assistance for~~ medical care, hospital care, or transportation services, an affected person, physician, hospital, or transportation provider may appeal to the division not later than ninety (90) days after the mailing of notice of that determination to the affected person, physician, hospital, or transportation provider ~~at to~~ the last known address of the person, physician, hospital, or transportation provider.

SECTION 19. IC 12-16-6.5-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.2. (a) If the division determines that an item or service identified in a claim:

- (1) was not necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (2) was not a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the affected person, physician, hospital, and transportation provider may appeal to the division not later than ninety (90) days after the mailing of the notice of that determination to the affected person, physician, hospital, or transportation provider to the last known address of the person, physician, hospital, or transportation provider.

(b) If the division determines that an item or service identified in a claim:

- (1) was necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

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(2) was a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

but the affected physician, hospital, or transportation provider disagrees with the amount of the claim calculated by the division under IC 12-16-5.5-1.2(b), the affected physician, hospital, or transportation provider may appeal the calculation to the division not later than ninety (90) days after the mailing of the notice of that calculation to the affected physician, hospital, or transportation provider to the last known address of the physician, hospital, or transportation provider.

SECTION 20. IC 12-16-6.5-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. Subject to IC 12-16-5.5-3(c), if the division fails to complete an investigation and determination of a person's financial and medical eligibility for the hospital care for the indigent program not later than forty-five (45) days after receipt of the application filed under IC 12-16-4.5, the person is considered to be eligible for assistance under the program.**

SECTION 21. IC 12-16-6.5-1.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.7. Subject to IC 12-16-5.5-3.2(b), if the division fails to complete an investigation and determination of one (1) or more health care items or services identified in a claim within forty-five (45) days after receipt of the claim filed under IC 12-16-4.5, the item or service is considered to have been:**

- (1) necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (2) a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

SECTION 22. IC 12-16-6.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) If the division receives an application that was filed on behalf of a person under IC 12-16-4.5, the division shall determine:**

- (1) the eligibility of the person for payment of the cost of medical or hospital care assistance under the hospital care for the indigent program; and
- (2) if the health care items or services provided to the person

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and identified in a claim filed with the division under IC 12-16-4.5 were:

- (A) necessitated by at least one (1) medical condition listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (B) the direct consequence of at least one (1) of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) If:

(1) the person is found eligible the division shall pay the reasonable cost of the care covered under ~~IC 12-16-3.5-1~~ or ~~IC 12-16-3.5-2~~ to the physicians furnishing the covered medical care and the transportation providers furnishing the covered transportation services, subject to the limitations in ~~IC 12-16-7.5~~ for assistance; and

(2) at least one (1) of the items or services identified in the claim is determined:

- (A) to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or
- (B) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3);

the person must receive assistance for those items and services.

(c) If the person is found eligible, the payment for the hospital services and items covered under ~~IC 12-16-3.5-1~~ or ~~IC 12-16-3.5-2~~ shall be calculated using the office's applicable Medicaid fee-for-service reimbursement principles. Payment to the hospital shall be made:

- (1) under ~~IC 12-15-15-9~~; and
- (2) if the hospital is eligible, under ~~IC 12-15-15-9.5~~.

SECTION 23. IC 12-16-6.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. A person, **hospital, physician, or transportation provider** aggrieved by a determination of an appeal taken under ~~section 5(a)~~ **section 1 or 1.2** of this chapter may appeal the determination under IC 4-21.5."

Page 3, delete lines 18 through 26, begin a new paragraph and insert:

"SECTION 24. IC 12-16-7.5-1.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS

COPY



[EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 1.2. (a)** A person determined to be eligible under the hospital care for the indigent program is not financially obligated for hospital items or services, physician services, or transportation services provided to the person during the person's eligibility under the program, if the items or services were:

(1) identified in a claim filed with the division under IC 12-16-4.5; and

(2) determined:

(A) to have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(B) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(b) Based on a hospital's items or services identified in a claim under subsection (a), the hospital must receive a payment from the office calculated and made under IC 12-15-15-9 and IC 12-15-15-9.5.

(c) Based on a physician's services identified in a claim under subsection (a), the physician must receive a payment from the division calculated and made under section 5 of this chapter.

(d) Based on the transportation services identified in a claim under in subsection (a), the transportation provider must receive a payment from the division calculated and made under section 5 of this chapter."

Page 3, line 31, delete "care;" and insert "services;"

Page 4, between lines 10 and 11, begin a new paragraph and insert:  
"SECTION 26. IC 12-16-7.5-2.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: **Sec. 2.7. (a)** Except as provided in subsection (f), this section applies to state fiscal years beginning after June 30, 2004.

(b) For purposes of this chapter, IC 12-15-15-9, IC 12-15-15-9.5, and IC 12-16-14 the following definitions apply:

(1) "Amount" refers to a payable claim in an amount calculated under STEP THREE of the following formula:

STEP ONE: Identify the items and services comprising a payable claim.

STEP TWO: Using the applicable Medicaid fee for service reimbursement rates, calculate the reimbursement

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amounts for each of the items and services identified in STEP ONE.

STEP THREE: Calculate the sum of the amounts identified in STEP TWO.

(2) "Payable claim" means a claim for hospital items or services, physician care, or transportation services:

(A) provided to a person under the hospital care for the indigent program under this article during the person's eligibility under the program;

(B) identified in a claim filed with the division; and

(C) determined to:

(i) have been necessitated by one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3) or IC 12-16-3.5-2(a)(1) through IC 12-16-3.5-2(a)(3); or

(ii) to be a direct consequence of one (1) or more of the medical conditions listed in IC 12-16-3.5-1(a)(1) through IC 12-16-3.5-1(a)(3).

(c) Payable claims shall be segregated by state fiscal year.

(d) The division shall calculate the amount of a payable claim at the time referenced in IC 12-16-5.5-1.2.

(e) A physician, hospital, or transportation provider that submits a payable claim to the division is considered to have submitted the payable claim during the state fiscal year during which the division determined, initially or upon appeal, the amount of a payable claim.

(f) Hospital items or services, physician care, or transportation services provided between July 1, 2003, and June 30, 2004, are governed by section 2.5 of this chapter.

SECTION 27. IC 12-16-7.5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. All providers receiving payment under **section 1.2** of this chapter agree to accept, as payment in full, the amount paid for the hospital care for the indigent program **payment identified in section 1.2 of this chapter** for those claims submitted for payment under the program, with the exception of authorized deductibles, co-insurance, co-payment, or similar cost-sharing charges. **health care items or services identified in payable claims submitted to the division.**

SECTION 28. IC 12-16-12.5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division is responsible for the emergency medical care given in a hospital to an individual who qualifies for assistance under this chapter, subject to the

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~~limitations in IC 12-16-7.5.~~

SECTION 29. IC 12-16-12.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) If a hospital owned by the health and hospital corporation is:

- (1) unable to care for a patient; or
- (2) unable to treat a patient at the time a transfer is requested by the hospital initiating treatment;

the hospital may continue to treat the patient until the patient's discharge.

(b) Subject to ~~the limitations in IC 12-16-7.5,~~ the division shall ~~pay the costs of~~ **be responsible for** care.

SECTION 30. IC 12-16-12.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. ~~The division is not responsible~~ **hospital care for the indigent program under this article does not apply** to the following:

- (1) ~~The payment of Nonemergency medical costs, care,~~ except as provided under ~~the hospital care for the indigent program: this article.~~
- (2) ~~The payment of medical costs accrued~~ **Care provided** at a hospital owned or operated by a health and hospital corporation, except for ~~hospital care~~ provided under this chapter to a person not residing in Marion County.

SECTION 31. IC 12-16-14-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003 (RETROACTIVE)]: Sec. 3.

(a) For purposes of this section, **the following definitions apply:**

- (1) **"Amount"** ~~"payable claim"~~ has the meaning set forth in ~~IC 12-16-7.5-2.5(b)(1).~~ **IC 12-16-7.5-2.7(b)(1).**
- (2) **"Payable claim"** has the meaning set forth in **IC 12-16-7.5-2.7(b)(2).**

(b) For taxes first due and payable in 2003, each county shall impose a hospital care for the indigent property tax levy equal to the product of:

- (1) the county's hospital care for the indigent property tax levy for taxes first due and payable in 2002; multiplied by
- (2) the county's assessed value growth quotient determined under IC 6-1.1-18.5-2 for taxes first due and payable in 2003.

(c) For taxes first due and payable in 2004, 2005, ~~and~~ **2006, 2007, and 2008,** each county shall impose a hospital care for the indigent property tax levy equal to the product of:

- (1) the county's hospital care for the indigent property tax levy for taxes first due and payable in the preceding year; multiplied by
- (2) the assessed value growth quotient determined in the last

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STEP of the following STEPS:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the county's total assessed value of all taxable property in the particular calendar year, divided by the county's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

(d) Except as provided in subsection (e):

(1) for taxes first due and payable in ~~2007~~, **2009**, each county shall impose a hospital care for the indigent property tax levy equal to the average **of the** annual amount of payable claims attributed to the county under IC 12-16-7.5-4.5 during the state fiscal years beginning:

~~(A) July 1, 2003;~~

~~(B) July 1, 2004; and~~

~~(C) (A) July 1, 2005; and~~

**(B) July 1, 2006; and**

**(C) July 1, 2007; and**

(2) for all subsequent annual levies under this section, the average annual amount of payable claims attributed to the county under IC 12-16-7.5-4.5 during the three (3) most recently completed state fiscal years.

(e) A county may not impose an annual levy under subsection (d) in an amount greater than the product of:

(1) The greater of:

(A) the county's hospital care for the indigent property tax levy for taxes first due and payable in ~~2006~~, **2008**; or

(B) the amount of the county's maximum hospital care for the indigent property tax levy determined under this subsection for taxes first due and payable in the immediately preceding year; multiplied by

(2) the assessed value growth quotient determined in the last STEP of the following STEPS:

STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property does not first

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become effective.

STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth) of the county's total assessed value of all taxable property in the particular calendar year, divided by the county's total assessed value of all taxable property in the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

**(f) For purposes of this section, a payable claim is attributed to the state fiscal year during which the division determined, under IC 12-16-5.5-1.2(b) or upon appeal, the amount of the payable claim.**

SECTION 32. IC 29-2-16-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. Except where the context clearly indicates a different meaning, the terms used in this chapter shall be construed as follows:

(a) "Bank or storage facility" means a facility licensed, accredited, or approved under the laws of any state for storage of human bodies or parts thereof.

(b) "Decedent" means a deceased individual and includes a stillborn infant or fetus.

(c) "Donor" means an individual who makes a gift of all or part of ~~his~~ **the decedent's** body.

(d) "Hospital" means a hospital licensed, accredited, or approved under the laws of any state. **The term** includes a hospital operated by the United States government, a state, or a subdivision thereof, although not required to be licensed under state laws.

(e) "Part" means organs, tissues, eyes, bones, arteries, blood, other fluids, and any other portions of a human body.

(f) "Person" means an individual, corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, or any other legal entity.

(g) "Physician" or "surgeon" means a physician or surgeon licensed or authorized to practice under the laws of any state.

**(h) "Procurement organization" means an organization qualified to recover anatomical gifts from donors.**

~~(i)~~ **(i)** "State" includes any state, district, commonwealth, territory, insular possession, and any other area subject to the legislative authority of the United States of America.

SECTION 33. IC 29-2-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. The following



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persons may become donees of gifts of bodies or parts thereof for the purposes stated:

- (1) any hospital, surgeon, or physician for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; ~~or~~
- (2) any accredited medical or dental school, college or university for education, research, advancement of medical or dental science, or therapy; ~~or~~
- (3) any ~~bank~~ **procurement organization** or storage facility, for medical or dental education, research, advancement of medical or dental science, therapy, or transplantation; or
- (4) any specified individual for therapy or transplantation needed by ~~him~~: **the individual**.

SECTION 34. IC 29-2-16-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4.5. (a) A coroner ~~may release and permit~~ **shall attempt to facilitate permission for the removal of a part from a body organs, tissues, or eyes** within the coroner's custody, for transplantation, ~~or therapy, only,~~ **or research by providing information to or seeking information from the procurement organization that would assist the procurement organization in the evaluation of the viability for transplantation of any organ, tissue, or eye** if all of the following occur:

- (1) The coroner receives a request ~~for a part~~ from a hospital, physician, surgeon, or procurement organization.
  - (2) The coroner makes a reasonable effort, taking into account the useful life of a part, to locate and examine the decedent's medical records and inform individuals listed in section 2(b) of this chapter of their option to make or object to making a gift under this chapter.
  - (3) **The decision to allow the removal of organs, tissues, or eyes is based on a medical decision made by the pathologist or forensic pathologist. If the pathologist or forensic pathologist considers withholding one (1) or more organs or tissues of a potential donor, the pathologist or forensic pathologist:**
    - (A) **shall be present during the removal of the organs or tissues;**
    - (B) **may request a biopsy of the removed organs; and**
    - (C) **after viewing the removed organs or tissues and determining that removal may interfere with the death investigation, may prohibit removal and shall provide a written explanation to the procurement organization.**
- If it is determined that prior removal will interfere with the**

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**death investigation, the procurement organization may remove the tissues and eyes after the autopsy.**

~~(3)~~ **(4)** The coroner does not know of a refusal or contrary indication by the decedent or an objection by an individual having priority to act as listed in section 2(b) of this chapter.

~~(4)~~ **(5)** The removal will be by:

(A) a physician licensed under IC 25-22.5; or

(B) in the case of removal of an eye or part of an eye, by an individual described in section 4(e) of this chapter; and under IC 36-2-14-19.

~~(5)~~ **(6)** The removal will not interfere with any autopsy or investigation.

~~(6)~~ **(7)** The removal will be in accordance with accepted medical standards.

~~(7)~~ **(8)** Cosmetic restoration will be done, if appropriate.

**(9) If the pathologist or forensic pathologist is required to be present to examine the decedent before or during the removal of the parts, the procurement organization shall reimburse the pathologist or forensic pathologist for actual costs, but the amount may not exceed one thousand dollars (\$1,000). The county is not responsible for any costs incurred by the pathologist, forensic pathologist, or procurement organization under this subdivision.**

**(10) If requested by the coroner, pathologist, or forensic pathologist, the procurement organization shall provide a surgeon's report detailing the condition of the organs and the relationship of the organs to the cause of death, if any.**

(b) If the body is not within the custody of the coroner, the ~~medical examiner pathologist or forensic pathologist~~ may release and permit the removal of any part from a body ~~in the medical examiner's custody~~ for transplantation or therapy if the requirements of subsection (a) are met.

(c) A person under this section who releases or permits the removal of a part shall maintain a permanent record of the name of the decedent, the individual making the request, the date and purpose of the request, the body part requested, and the person to whom it was released.

SECTION 35. IC 29-2-16-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 6.5. (a) Except for a gift made by a donor to a specific donee, a procurement organization that holds an agreement with a hospital to perform anatomical gift donation**

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services for the hospital under 42 U.S.C. 1329b-8 and 42 CFR Part 482 is considered to be the donee of all gifts from patients who have died in the hospital.

**(b) An investigation by a coroner or a medical examiner does not change the rights of a procurement organization to act as the donee.**

SECTION 36. IC 34-30-2-45.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 45.2. IC 12-16-2.5-6.5 (Concerning administering agreements between the hospital and the division of family and children under the hospital care for the indigent program).**".

Page 4, between lines 13 and 14, begin a new paragraph and insert:  
"SECTION 38. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 12-16-2.5-3; IC 12-16-6.5-2; IC 12-16-7.5-1; IC 12-16-11.5-1; IC 12-16-11.5-2."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 66 as reprinted March 1, 2005.)

BECKER, Chair

Committee Vote: yeas 8, nays 0.

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