



February 20, 2007

HOUSE BILL No. 1008

DIGEST OF HB 1008 (Updated February 20, 2007 1:11 pm - DI 114)

Citations Affected: IC 6-7; IC 12-7; IC 12-15; IC 12-17.6; IC 12-17.9; noncode.

Synopsis: Health coverage. Increases the cigarette tax by 25 cents per pack for deposit in the health coverage fund. Creates the health coverage program to be administered by the office of the children's health insurance program (CHIP). Provides for 12 continuous months of eligibility for an eligible child under Medicaid, CHIP, or the health coverage program. Establishes the health coverage fund to fund the health coverage program. Establishes the healthy Indiana task force. Increases the income limit for Medicaid eligibility for pregnant women from 150% to 200% of the federal income poverty level. Makes conforming changes. Makes an appropriation.

Effective: Upon passage; July 1, 2007.

Brown C, Brown T

January 17, 2007, read first time and referred to Committee on Rules and Legislative Procedures.
February 7, 2007, reassigned to Committee on Public Health.
February 15, 2007, amended, reported — Do Pass. Recommitted to Committee on Ways and Means.
February 20, 2007, amended, reported — Do Pass.

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February 20, 2007

First Regular Session 115th General Assembly (2007)

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 2006 Regular Session of the General Assembly.

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HOUSE BILL No. 1008

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

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

- 1 SECTION 1. IC 6-7-1-12 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) The following taxes are
3 imposed, and shall be collected and paid as provided in this chapter,
4 upon the sale, exchange, bartering, furnishing, giving away, or
5 otherwise disposing of cigarettes within the state of Indiana:
6 (1) On cigarettes weighing not more than three (3) pounds per
7 thousand (1,000), a tax at the rate of ~~two and seven hundred~~
8 ~~seventy-five thousandths of a cent (\$0.02775)~~ **four and**
9 **twenty-five thousandths cents (\$0.04025)** per individual
10 cigarette.
11 (2) On cigarettes weighing more than three (3) pounds per
12 thousand (1,000), a tax at the rate of ~~three five and six thousand~~
13 ~~eight hundred eighty-one ten-thousandths of a cent (\$0.036881)~~
14 **three hundred forty-nine thousandths cents (\$0.05349)** per
15 individual cigarette, except that if any cigarettes weighing more
16 than three (3) pounds per thousand (1,000) shall be more than six
17 and one-half (6 1/2) inches in length, they shall be taxable at the

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1 rate provided in subdivision (1), counting each two and
2 three-fourths (2 3/4) inches (or fraction thereof) as a separate
3 cigarette.

4 (b) Upon all cigarette papers, wrappers, or tubes, made or prepared
5 for the purpose of making cigarettes, which are sold, exchanged,
6 bartered, given away, or otherwise disposed of within the state of
7 Indiana (other than to a manufacturer of cigarettes for use by him in the
8 manufacture of cigarettes), the following taxes are imposed, and shall
9 be collected and paid as provided in this chapter:

- 10 (1) On fifty (50) papers or less, a tax of one-half cent (\$0.005).
- 11 (2) On more than fifty (50) papers but not more than one hundred
- 12 (100) papers, a tax of one cent (\$0.01).
- 13 (3) On more than one hundred (100) papers, one-half cent
- 14 (\$0.005) for each fifty (50) papers or fractional part thereof.
- 15 (4) On tubes, one cent (\$0.01) for each fifty (50) tubes or
- 16 fractional part thereof.

17 SECTION 2. IC 6-7-1-17 IS AMENDED TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) Distributors who hold
19 certificates and retailers shall be agents of the state in the collection of
20 the taxes imposed by this chapter and the amount of the tax levied,
21 assessed, and imposed by this chapter on cigarettes sold, exchanged,
22 bartered, furnished, given away, or otherwise disposed of by
23 distributors or to retailers. Distributors who hold certificates shall be
24 agents of the department to affix the required stamps and shall be
25 entitled to purchase the stamps from the department at a discount of
26 ~~one and two-tenths~~ **nine tenths** percent (~~1.2%~~) (**0.9%**) of the amount
27 of the tax stamps purchased, as compensation for their labor and
28 expense.

29 (b) The department may permit distributors who hold certificates
30 and who are admitted to do business in Indiana to pay for revenue
31 stamps within thirty (30) days after the date of purchase. However, the
32 privilege is extended upon the express condition that:

- 33 (1) except as provided in subsection (c), a bond or letter of credit
- 34 satisfactory to the department, in an amount not less than the sales
- 35 price of the stamps, is filed with the department; and
- 36 (2) proof of payment is made of all local property, state income,
- 37 and excise taxes for which any such distributor may be liable. The
- 38 bond or letter of credit, conditioned to secure payment for the
- 39 stamps, shall be executed by the distributor as principal and by a
- 40 corporation duly authorized to engage in business as a surety
- 41 company or financial institution in Indiana.

42 (c) If a distributor has at least five (5) consecutive years of good

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1 credit standing with the state, the distributor shall not be required to
2 post a bond or letter of credit under subsection (b).

3 SECTION 3. IC 6-7-1-28.1 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.1. The taxes,
5 registration fees, fines, or penalties collected under this chapter shall
6 be deposited in the following manner:

7 (1) ~~Six Four and six-tenths~~ **ninety-four hundredths** percent
8 ~~(6.6%)~~ **(4.94%)** of the money shall be deposited in a fund to be
9 known as the cigarette tax fund.

10 (2) ~~Ninety-four~~ **Seventy** hundredths percent ~~(0.94%)~~ **(0.70%)** of
11 the money shall be deposited in a fund to be known as the mental
12 health centers fund.

13 (3) ~~Eighty-three~~ **Sixty-two** and ~~ninety-seven~~ **ninety-one**
14 hundredths percent ~~(83.97%)~~ **(62.91%)** of the money shall be
15 deposited in the state general fund.

16 (4) ~~Eight Six and forty-nine~~ **thirty-six** hundredths percent
17 ~~(8.49%)~~ **(6.36%)** of the money shall be deposited into the pension
18 relief fund established in IC 5-10.3-11.

19 (5) **Twenty-five and nine hundredths percent (25.09%) of the**
20 **money shall be deposited into the health coverage fund**
21 **established by IC 12-17.9-14.**

22 The money in the cigarette tax fund, the mental health centers fund, **the**
23 **health coverage fund**, or the pension relief fund at the end of a fiscal
24 year does not revert to the state general fund. However, if in any fiscal
25 year, the amount allocated to a fund under subdivision (1) or (2) is less
26 than the amount received in fiscal year 1977, then that fund shall be
27 credited with the difference between the amount allocated and the
28 amount received in fiscal year 1977, and the allocation for the fiscal
29 year to the fund under subdivision (3) shall be reduced by the amount
30 of that difference.

31 SECTION 4. IC 12-7-2-15.3 IS ADDED TO THE INDIANA CODE
32 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY
33 1, 2007]: **Sec. 15.3. "Application agent", for purposes of IC 12-17.9,**
34 **has the meaning set forth in IC 12-17.9-1-2.**

35 SECTION 5. IC 12-7-2-28, AS AMENDED BY P.L.145-2006,
36 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2007]: Sec. 28. "Child" means the following:

38 (1) For purposes of IC 12-17.2, an individual who is less than
39 eighteen (18) years of age.

40 (2) **For purposes of IC 12-17.9, the meaning set forth in**
41 **IC 12-17.9-1-3.**

42 ~~(2)~~ (3) For purposes of IC 12-26, the meaning set forth in

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1 IC 31-9-2-13(d).
 2 SECTION 6. IC 12-7-2-76.4 IS ADDED TO THE INDIANA CODE
 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 4 1, 2007]: **Sec. 76.4. "Employer sponsored health coverage" has the**
 5 **meaning set forth in IC 12-17.9-1-4.**

6 SECTION 7. IC 12-7-2-91 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 91. "Fund" means the
 8 following:

- 9 (1) For purposes of IC 12-12-1-9, the fund described in
 10 IC 12-12-1-9.
- 11 (2) For purposes of IC 12-13-8, the meaning set forth in
 12 IC 12-13-8-1.
- 13 (3) For purposes of IC 12-15-20, the meaning set forth in
 14 IC 12-15-20-1.
- 15 (4) For purposes of IC 12-17-12, the meaning set forth in
 16 IC 12-17-12-4.
- 17 (5) For purposes of IC 12-17.6, the meaning set forth in
 18 IC 12-17.6-1-3.
- 19 **(6) For purposes of IC 12-17.9, the meaning set forth in**
 20 **IC 12-17.9-1-5.**
- 21 ~~(6)~~ (7) For purposes of IC 12-18-4, the meaning set forth in
 22 IC 12-18-4-1.
- 23 ~~(7)~~ (8) For purposes of IC 12-18-5, the meaning set forth in
 24 IC 12-18-5-1.
- 25 ~~(8)~~ (9) For purposes of IC 12-19-7, the meaning set forth in
 26 IC 12-19-7-2.
- 27 ~~(9)~~ (10) For purposes of IC 12-23-2, the meaning set forth in
 28 IC 12-23-2-1.
- 29 ~~(10)~~ (11) For purposes of IC 12-23-18, the meaning set forth in
 30 IC 12-23-18-4.
- 31 ~~(11)~~ (12) For purposes of IC 12-24-6, the meaning set forth in
 32 IC 12-24-6-1.
- 33 ~~(12)~~ (13) For purposes of IC 12-24-14, the meaning set forth in
 34 IC 12-24-14-1.
- 35 ~~(13)~~ (14) For purposes of IC 12-30-7, the meaning set forth in
 36 IC 12-30-7-3.

37 SECTION 8. IC 12-7-2-134 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 134. "Office" means
 39 the following:

- 40 (1) Except as provided in subdivisions (2) and (3), the office of
 41 Medicaid policy and planning established by IC 12-8-6-1.
- 42 (2) For purposes of IC 12-10-13, the meaning set forth in

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1 IC 12-10-13-4.
2 (3) For purposes of IC 12-17.6, the meaning set forth in
3 IC 12-17.6-1-4.

4 **(4) For purposes of IC 12-17.9, the meaning set forth in**
5 **IC 12-17.9-1-6.**

6 SECTION 9. IC 12-7-2-146 IS AMENDED TO READ AS
7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 146. "Program" refers
8 to the following:

9 (1) For purposes of IC 12-10-7, the adult guardianship services
10 program established by IC 12-10-7-5.

11 (2) For purposes of IC 12-10-10, the meaning set forth in
12 IC 12-10-10-5.

13 (3) For purposes of IC 12-17.6, the meaning set forth in
14 IC 12-17.6-1-5.

15 **(4) For purposes of IC 12-17.9, the meaning set forth in**
16 **IC 12-17.9-1-7.**

17 SECTION 10. IC 12-7-2-164 IS AMENDED TO READ AS
18 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 164. "Resident" has the
19 following meaning:

20 (1) For purposes of IC 12-10-15, the meaning set forth in
21 IC 12-10-15-5.

22 (2) For purposes of IC 12-16, except IC 12-16-1, an individual
23 who has actually resided in Indiana for at least ninety (90) days.

24 **(3) For purposes of IC 12-17.9, the meaning set forth in**
25 **IC 12-17.9-1-8.**

26 ~~(3)~~ **(4)** For purposes of IC 12-20-8, the meaning set forth in
27 IC 12-20-8-1.

28 ~~(4)~~ **(5)** For purposes of IC 12-24-5, the meaning set forth in
29 IC 12-24-5-1.

30 SECTION 11. IC 12-7-2-196.7 IS ADDED TO THE INDIANA
31 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
32 [EFFECTIVE JULY 1, 2007]: **Sec. 196.7. "Usual and customary or**
33 **reasonable charge", for purposes of IC 12-17.9, has the meaning**
34 **set forth in IC 12-17.9-1-9.**

35 SECTION 12. IC 12-15-2-15.8 IS ADDED TO THE INDIANA
36 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
37 [EFFECTIVE JULY 1, 2007]: **Sec. 15.8. An individual who is less**
38 **than nineteen (19) years of age and who is eligible for Medicaid**
39 **under section 14 of this chapter is eligible to receive Medicaid until**
40 **the earlier of the following:**

41 (1) **The end of a period of twelve (12) consecutive months**
42 **following a determination of the individual's eligibility for**

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Medicaid.

(2) The individual becomes nineteen (19) years of age.

SECTION 13. IC 12-15-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) A pregnant woman:

- (1) who is not described in 42 U.S.C. 1396a(a)(10)(A)(i); and
- (2) whose family income does not exceed the income level established in subsection (b);

is eligible to receive Medicaid.

(b) A pregnant woman described in this section is eligible to receive Medicaid, subject to subsections (c) and (d) and 42 U.S.C. 1396a et seq., if her family income does not exceed ~~one~~ **two** hundred fifty percent (~~+150%~~) **(200%)** of the federal income poverty level for the same size family.

(c) Medicaid made available to a pregnant woman described in this section is limited to medical assistance for services related to pregnancy, including prenatal, delivery, and postpartum services, and to other conditions that may complicate pregnancy.

(d) Medicaid is available to a pregnant woman described in this section for the duration of the pregnancy and for the sixty (60) day postpartum period that begins on the last day of the pregnancy, without regard to any change in income of the family of which she is a member during that time.

(e) The office may apply a resource standard in determining the eligibility of a pregnant woman described in this section.

SECTION 14. IC 12-17.6-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Subject to subsection (b), a child who is eligible for the program shall receive services from the program until the earlier of the following:

- (1) ~~The child becomes financially ineligible:~~ **end of a period of twelve (12) consecutive months following the determination of the child's eligibility for the program.**
- (2) The child becomes nineteen (19) years of age.

(b) Subsection (a) applies only if the child and the child's family comply with enrollment requirements.

SECTION 15. IC 12-17.9 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

ARTICLE 17.9. HEALTH COVERAGE

Chapter 1. Definitions

Sec. 1. The definitions in this chapter apply throughout this article.

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1 **Sec. 2. "Application agent" means an organization or**
2 **individual, including a licensed health care provider, a school, a**
3 **youth service agency, an employer, a labor union, a local chamber**
4 **of commerce, a community organization, or another organization,**
5 **that is approved by the office to assist in enrolling children in the**
6 **program.**

7 **Sec. 3. "Child" means an individual who is less than nineteen**
8 **(19) years of age.**

9 **Sec. 4. "Employer sponsored health coverage" means coverage**
10 **that:**

- 11 (1) **is available through an employer; and**
- 12 (2) **provides coverage for health care services provided to a**
13 **dependent child.**

14 **Sec. 5. "Fund" refers to the health coverage fund established by**
15 **IC 12-17.9-14-1.**

16 **Sec. 6. "Office" refers to the office of the children's health**
17 **insurance program established by IC 12-17.6-2-1.**

18 **Sec. 7. "Program" refers to the health coverage for children**
19 **program established by IC 12-17.9-2-1.**

20 **Sec. 8. "Resident" means an individual who is:**
 21 (1) **in Indiana for a purpose other than a temporary or**
 22 **transitory purpose during the taxable year; or**
 23 (2) **domiciled in Indiana, but is absent from Indiana for a**
 24 **temporary or transitory purpose during the taxable year.**

25 **Sec. 9. "Usual and customary or reasonable charge" means a**
26 **charge for health care services consistent with the average charge**
27 **for similar health care services furnished by similar health care**
28 **providers in a particular geographic area.**

29 **Chapter 2. Health Coverage for Children Program**

30 **Sec. 1. The health coverage for children program is established.**

31 **Sec. 2. The office shall administer the program.**

32 **Sec. 3. The office has the same powers and authority to**
33 **administer the program as the powers and duties available to the**
34 **office under IC 12-17.6.**

35 **Sec. 4. The office shall coordinate the program with existing**
36 **children's health programs operated by state agencies.**

37 **Chapter 3. Eligibility**

38 **Sec. 1. To be eligible for the program, an individual must be a**
39 **child:**

- 40 (1) **who is a resident;**
- 41 (2) **who is ineligible for coverage under the:**
 42 (A) **children's health insurance program under IC 12-17.6;**

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- or
- (B) Medicaid program under IC 12-15; and
- (3) to whom one (1) of the following applies:
 - (A) The child has been without health coverage for a period of at least six (6) months.
 - (B) The child previously was covered by affordable dependent health coverage through a parent's employment and is no longer covered due to the parent's loss of employment.
 - (C) The child is a newborn for whom affordable private health coverage or employer sponsored health coverage is not available.
 - (D) The child, less than six (6) months before applying for coverage under the program, lost coverage under the children's health insurance program under IC 12-17.6 or the Medicaid program under IC 12-15.

Sec. 2. (a) An administrator licensed under IC 27-1-25, an insurer that holds a certificate of authority under IC 27 to issue or deliver a policy of accident and sickness insurance (as defined in IC 27-8-5-1), and a health maintenance organization that holds a certificate of authority under IC 27-13 shall provide health coverage data match information to the office for the use of the office in determining an individual's eligibility for the program.

(b) Personal information contained in the data provided to the office under subsection (a) is confidential and may not be disclosed or used for any other purpose.

(c) The office, in collaboration with the department of insurance, shall adopt rules under IC 4-22-2:

- (1) to govern the exchange of information under this section; and
- (2) that are consistent with laws relating to the confidentiality and privacy of personal information, including the federal Health Insurance Portability and Accountability Act.

Sec. 3. The office shall:

- (1) monitor the availability and retention of employer sponsored health coverage; and
- (2) modify a period specified in section 1(3) of this chapter as necessary to promote retention of private health coverage or employer sponsored health coverage and timely access to health care services. However, the period described in section 1(3)(A) of this chapter may not be less than six (6) months.

Sec. 4. The office may consider the affordability of dependent

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1 health coverage in making a determination concerning whether
2 employer sponsored health coverage is available upon
3 reemployment of a child's parent described in section 1(3)(B) of
4 this chapter.

5 Sec. 5. A child who is eligible for the program under this
6 chapter remains eligible for twelve (12) months if the child:

- 7 (1) remains a resident;
- 8 (2) is less than nineteen (19) years of age; and
- 9 (3) is not excluded under section 6 of this chapter.

10 Sec. 6. (a) A child is not eligible for coverage under the program
11 if:

- 12 (1) the premium required under IC 12-17.9-8 has not been
- 13 timely paid; or
- 14 (2) the child is an inpatient in a public institution or an
- 15 institution for mental illness.
- 16 (b) If a premium described in subsection (a)(1) is not paid:
- 17 (1) the liability of the program is limited to benefits received
- 18 under the program for the period for which premiums have
- 19 been paid;
- 20 (2) the child is ineligible for reenrollment in the program for
- 21 at least three (3) months;
- 22 (3) reenrollment in the program must be completed before the
- 23 next covered medical visit; and
- 24 (4) the first month's premium after reenrollment must be paid
- 25 before the next covered medical visit.

26 Chapter 4. Enrollment in Program

27 Sec. 1. The office shall develop procedures to allow application
28 agents to assist in enrolling children in the program or other
29 children's health programs.

30 Sec. 2. At the office's discretion, technical assistance payments
31 may be made for approved applications facilitated by an
32 application agent.

33 Chapter 5. Program Outreach and Marketing

34 Sec. 1. The office may provide grants to application agents and
35 other community based organizations to educate the public about
36 the availability of the program.

37 Sec. 2. The office shall adopt rules under IC 4-22-2 regarding
38 performance standards and outcome measures expected of
39 organizations that are awarded grants under this chapter,
40 including penalties for nonperformance of contract standards.

41 Chapter 6. Health Coverage for Children

42 Sec. 1. The office shall purchase or provide for eligible children

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1 health coverage, except for nonemergency transportation, that is
2 identical to the coverage provided for children under the children's
3 health insurance program under IC 12-17.6.

4 Sec. 2. If cost effective, the office may, as an alternative to the
5 coverage required under section 1 of this chapter, offer subsidies
6 toward the cost of private health coverage or employer sponsored
7 health coverage.

8 Sec. 3. The office may offer to a child who would be eligible for
9 the program, but does not meet at least one (1) of the requirements
10 of IC 12-17.9-3-1(3), the following:

11 (1) Partial coverage if the child is covered under a private,
12 high deductible health coverage plan.

13 (2) A limited package of benefits if the child is covered under
14 private health coverage or employer sponsored health
15 coverage that does not provide dental, vision, or other
16 particular benefits.

17 Sec. 4. (a) Subject to subsection (b), the office has sole discretion
18 to determine the:

- 19 (1) content and availability of;
 - 20 (2) terms of eligibility for; and
 - 21 (3) efficacy and cost effectiveness of providing;
- 22 benefits described in sections 2 and 3 of this chapter.

23 (b) In making the determination under subsection (a), the office
24 shall consider the need to promote retention of private health
25 coverage and employer sponsored health coverage.

26 Chapter 7. Health Coverage for Adults Plan

27 Sec. 1. The office shall establish a plan through which the office
28 purchases or provides health coverage to individuals who:

- 29 (1) are residents;
- 30 (2) are at least nineteen (19) years of age;
- 31 (3) have a family income equal to not more than one hundred
32 percent (100%) of the federal income poverty level; and
- 33 (4) do not have coverage for health care services.

34 Sec. 2. The health coverage made available under this chapter
35 must include benefits determined by the office.

36 Chapter 8. Cost Sharing

37 Sec. 1. (a) The office shall adopt rules under IC 4-22-2 to
38 establish cost sharing requirements, including:

- 39 (1) copayments and coinsurance for health care services
40 (other than well baby or well child health care services and
41 age appropriate immunizations required by law); and
- 42 (2) monthly premiums for coverage under the program;

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1 for children receiving coverage described in IC 12-17.9-6-1.

2 (b) Cost sharing requirements established under subsection (a)
3 must be determined under a sliding scale based on family income.

4 (c) The office may periodically modify the cost sharing
5 requirements established under this section.

6 Sec. 2. Children enrolled in private health coverage or employer
7 sponsored health coverage for which a subsidy is provided as
8 described in IC 12-17.9-6-2 are subject to the cost sharing
9 provisions stated in the private health coverage or employer
10 sponsored health coverage plan.

11 Sec. 3. Notwithstanding any other law, rates paid by the office
12 for coverage under the program may not be considered in
13 determining a usual and customary or reasonable charge.

14 Chapter 9. Study

15 Sec. 1. The office shall conduct a study that does the following:

16 (1) Establishes estimates of the following that are calculated
17 using data compiled from particular regions of Indiana:

- 18 (A) Number of children who have health coverage.
- 19 (B) Number of children who do not have health coverage.
- 20 (C) Number of children who are eligible for Medicaid
21 under IC 12-15 or the children's health insurance program
22 under IC 12-17.6.
- 23 (D) Number of children who are enrolled in Medicaid
24 under IC 12-15 or the children's health insurance program
25 under IC 12-17.6.
- 26 (E) Number of children who have access to employer
27 sponsored health coverage.
- 28 (F) Number of children who are enrolled in employer
29 sponsored health coverage.

30 (2) Surveys families:

- 31 (A) whose children have access to employer sponsored
32 health coverage; and
- 33 (B) who decline the coverage described in clause (A);
34 concerning the reason for declining the coverage.

35 (3) Ascertains, for the population of children accessing
36 employer sponsored health coverage or who have access to the
37 coverage, the:

- 38 (A) comprehensiveness of coverage available;
- 39 (B) cost sharing associated with the coverage; and
- 40 (C) amount of cost sharing currently required of
41 employees.

42 (4) Measures health outcomes or other benefits for children

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using the program.

(5) Analyzes the effects of enrollment in the program on use of health care services by children after enrollment compared to use of health care services before enrollment.

Sec. 2. The study described in section 1 of this chapter must be conducted annually and must compare the data for each year with the data for the immediately preceding year.

Sec. 3. The office shall submit the results of the study conducted under this chapter to the governor and, in an electronic format under IC 5-14-6, to the legislative council as follows:

- (1) Preliminary results, not later than July 1, 2009.
- (2) Final results, not later than July 1, 2011.

Chapter 10. Consultation With Interested Parties

Sec. 1. The office shall present details regarding implementation of the program to the select joint commission on Medicaid oversight established by IC 2-5-26-3.

Sec. 2. The select joint commission on Medicaid oversight serves as the forum for health care providers, advocates, consumers, and other interested parties to advise the office with respect to the program.

Chapter 11. Federal Financial Participation

Sec. 1. The office, in cooperation with the office of Medicaid policy and planning established by IC 12-8-6-1, shall request necessary state plan amendments or waivers of federal requirements to allow receipt of federal funds to implement the program.

Sec. 2. The failure of a responsible federal agency to approve a state plan amendment or waiver requested under section 1 of this chapter does not prevent the implementation of this article.

Chapter 12. Rulemaking

Sec. 1. (a) The office shall adopt under IC 4-22-2 rules necessary to implement this article, including rules:

- (1) regarding annual eligibility renewals;
- (2) providing for reenrollment, grace periods, notice requirements, and hearing procedures related to a determination of ineligibility under IC 12-17.9-3-6(a)(1) or IC 12-17.9-3-6(b); and
- (3) used to determine availability and affordability of private health coverage or employer sponsored health coverage, including consideration of:
 - (A) the percentage of income needed to purchase child or family health coverage;

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(B) the availability of employer subsidies; and
 (C) other relevant factors.

(b) The office may adopt emergency rules under IC 4-22-2-37.1 to implement this article.

Chapter 13. Subrogation

Sec. 1. The program is subrogated to all claims, demands, and causes of action for injuries to an individual covered under the program for all amounts paid by the program from the time of injury of the individual to the date of recovery on the claim, demand, or cause of action.

Chapter 14. Health Coverage Fund

Sec. 1. The health coverage fund is established to provide funding for the program and the plan established under IC 12-17.9-7-1. The fund shall be administered by the office.

Sec. 2. The fund consists of the following:

- (1) Money deposited in the fund under IC 6-7-1-28.1.
- (2) Donations to the fund.
- (3) Appropriations made by the general assembly.

Sec. 3. The expenses of administering the fund shall be paid from money in the fund.

Sec. 4. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. (Interest that accrues from these investments shall be deposited in the fund.)

Sec. 5. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

Sec. 6. There is annually appropriated to the office the money in the fund for the use of the office in carrying out the purposes described in section 1 of this chapter.

SECTION 16. [EFFECTIVE JULY 1, 2007] (a) As used in this SECTION, "task force" refers to the healthy Indiana task force established by subsection (b).

(b) The healthy Indiana task force is established to:

- (1) study and provide guidance to the state concerning expanding coverage for health care services for all children in Indiana;
- (2) develop methods to increase availability of affordable coverage for health care services for all Indiana residents; and
- (3) make recommendations to the legislative council.

(c) The task force:

- (1) shall operate under the policies governing study

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1 committees adopted by the legislative council; and
2 (2) may request funding from the legislative council to hire
3 consultants.
4 (d) The affirmative votes of a majority of the voting members
5 appointed to the task force are required for the task force to take
6 action on any measure, including final reports.
7 (e) The task force consists of the following voting members:
8 (1) Eight (8) members appointed by the speaker of the house
9 of representatives, three (3) of whom are appointed based on
10 the recommendation of the minority leader of the house of
11 representatives and none of whom are legislators.
12 (2) Eight (8) members appointed by the president pro tempore
13 of the senate, three (3) of whom are appointed based on the
14 recommendation of the minority leader of the senate and none
15 of whom are legislators.
16 (f) In making appointments under subsection (e), the speaker of
17 the house of representatives and the president pro tempore of the
18 senate shall each appoint one (1) member representing each of the
19 following:
20 (1) Hospitals.
21 (2) Insurance companies.
22 (3) Primary care providers.
23 (4) Health professionals who are not primary care providers.
24 (5) Minority health concern experts.
25 (6) Business.
26 (7) Organized labor.
27 (8) Consumers.
28 (g) The chairman of the legislative council shall appoint the
29 chairperson of the task force.
30 (h) The task force shall report findings and make
31 recommendations in a final report to the legislative council in an
32 electronic format under IC 5-14-6 before November 1, 2008.
33 (i) The task force expires November 1, 2008, unless the
34 legislative council extends the work of the task force until
35 November 1, 2009.
36 (j) If the legislative council extends the work of the task force
37 until November 1, 2009, the task force shall submit additional
38 findings and recommendations in a final report before November
39 1, 2009.
40 (k) This SECTION expires January 1, 2010.
41 SECTION 17. [EFFECTIVE UPON PASSAGE] (a) As used in this
42 SECTION, "office" refers to the office of Medicaid policy and

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planning established by IC 12-8-6-1.

(b) The office shall apply to the United States Department of Health and Human Services for any amendment to the state Medicaid plan or demonstration waiver that is needed to implement IC 12-17.9, as added by this act.

(c) The office may not implement the amendment or waiver until the office files an affidavit with the governor attesting that the amendment or waiver applied for under this SECTION is in effect. The office shall file the affidavit under this subsection not more than five (5) days after the office is notified that the amendment or waiver is approved.

(d) If the office receives approval for the amendment or waiver under this SECTION from the United States Department of Health and Human Services and the governor receives the affidavit filed under subsection (c), the office shall implement the amendment or waiver not more than sixty (60) days after the governor receives the affidavit.

(e) The office may adopt rules under IC 4-22-2 to implement this SECTION.

SECTION 18. [EFFECTIVE JULY 1, 2007] Notwithstanding IC 6-7-1-14, revenue stamps paid for before July 1, 2007, and in the possession of a distributor may be used after June 30, 2007, only if the full amount of the tax imposed by IC 6-7-1-12, as effective after June 30, 2007, and as amended by this act, is remitted to the department of state revenue under the procedures prescribed by the department.

SECTION 19. An emergency is declared for this act.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred House Bill 1008, 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:

Delete the title and insert the following:

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

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1008 as introduced.)

BROWN C, Chair

Committee Vote: yeas 8, nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1008, 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:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1008 as printed February 16, 2007.)

CRAWFORD, Chair

Committee Vote: yeas 12, nays 11.

