April 1, 2011

ENGROSSED
HOUSE BILL No. 1047

DIGEST OF HB 1047 (Updated March 30, 2011 11:16 am - DI 104)

Citations Affected: IC 5-10; IC 6-8.1; IC 12-7; IC 12-12.7; IC 12-28; IC 21-38; IC 27-8; noncode.

Synopsis: Developmental disabilities matters. Changes the definition of "developmental disabilities". Repeals the community residential council and gives the duties of the council to the division of disability and rehabilitative services (division). Allows for debt owed for services provided under the first steps program to be set off against the debtor's tax refund. Changes the following concerning the first steps program: (1) the third party payor requirements; (2) the copayment structure and amounts; (3) allows the division to require a copayment

(Continued next page)

Effective: Upon passage; July 1, 2011.

Crouch, Klinker
(SENATE SPONSOR — LAWSON C)

January 5, 2011, read first time and referred to Committee on Public Health.
January 20, 2011, amended, reported — Do Pass.
January 24, 2011, read second time, ordered engrossed. Engrossed.
January 25, 2011, read third time, passed. Yeas 97, nays 0.

SENATE ACTION

February 17, 2011, read first time and referred to Committee on Health and Provider Services.
March 31, 2011, amended, reported favorably — Do Pass.

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Digest Continued

for only one child per family during a billing period; and (4) specifies when termination of services may take place for nonpayment by families for program services. Requires certain reports to the division of disability and rehabilitative services advisory council. Eliminates priority criteria for formal categories for developmental disability waiver slots. Requires the office of Medicaid policy and planning to apply for federal approval to amend a Medicaid waiver to set an emergency placement priority for certain individuals. Requires the division to: (1) conduct a study on the number and types of audits and surveys required of entities providing services for which the division pays; and (2) evaluate whether certain providers that have achieved national accreditation should be considered by the division to be accredited for purposes of surveys conducted by state agencies; and to report back concerning the study to the developmental disabilities commission and the health finance commission by September 1, 2011.

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April 1, 2011

First Regular Session 117th General Assembly (2011)

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 2010 Regular Session of the General Assembly.

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ENGROSSED HOUSE BILL No. 1047

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

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

SECTION 1. IC 5-10-8-7.3, AS AMENDED BY P.L.93-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7.3. (a) As used in this section, "covered individual" means an individual who is:

(1) covered under a self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) entitled to services under a contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(b) As used in this section, "early intervention services" means services provided to a first steps child under IC 12-12.7-2 and 20 U.S.C. 1432(4).

(c) As used in this section, "first steps child" means an infant or toddler from birth through two (2) years of age who is enrolled in the Indiana first steps program and is a covered individual.

(d) As used in this section, "first steps program" refers to the program established under IC 12-12.7-2 and 20 U.S.C. 1431 et seq. to

meet the needs of:

(1) children who are eligible for early intervention services; and

(2) their families.

The term includes the coordination of all available federal, state, local, and private resources available to provide early intervention services within Indiana.

(e) As used in this section, "health benefits plan" means a:

(1) self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(f) A health benefits plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the health benefits plan.~~ **a monthly fee established by the division of disability and rehabilitative services established by IC 12-9-1-1. The monthly fee shall be provided instead of claims processing of individual claims.**

(g) The reimbursement required under subsection (f) may not be applied to any annual or aggregate lifetime limit on the first steps child's coverage under the health benefits plan.

~~(h) The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. A health benefits plan shall apply any payments made by the first steps program to the health benefits plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health benefits plan.~~

(h) The monthly fee required under subsection (f) may not be reduced or denied as a result of:

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 2. IC 6-8.1-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

Chapter 9.7. Set Off of Refunds On Debt Owed Under the Infants and Toddlers With Disabilities Program

Sec. 1. (a) As used in this chapter, "agency" means a department, commission, council, board, bureau, division, service, office, or administration that is responsible for providing services under the infants and toddlers with disabilities program, including

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the following:

(1) The division of mental health and addiction.

(2) The state department of health.

(3) The division of family resources.

(4) The division of disability and rehabilitative services.

(5) The department of education.

(6) The department of child services.

(b) As used in this chapter, "debt" means any amounts, including required copayments, that are owed and past due to an agency for a period of at least sixty (60) days for services provided under the program.

(c) As used in this chapter, "program" refers to the infants and toddlers with disabilities program under IC 12-12.7-2.

Sec. 2. If a person owes an agency a certified delinquent debt, the agency is entitled to have the department set off the person's tax refund against the delinquent debt.

Sec. 3. (a) To obtain a set off by the department under section 2 of this chapter, the agency must file an application for the set off with the department before November 30 of the year preceding the calendar year in which a tax refund is payable by the department. The department shall prescribe the form and contents of the application.

(b) An application filed under this section is effective only for the purpose of a set off of a tax refund that is payable in the calendar year that succeeds the calendar year in which the application is filed.

Sec. 4. After the department receives an application for a set off of a debtor's tax refund under section 3 of this chapter, the department shall determine whether the debtor is entitled to a tax refund. If the department determines that the debtor is entitled to a tax refund, the department shall notify the agency that filed the application of this fact.

Sec. 5. Within fifteen (15) days after an agency receives notice under section 4 of this chapter that a debtor is entitled to a tax refund from the department, the agency must send written notice to the debtor and the department of the agency's intent to have the debtor's tax refund set off. The notice must clearly set forth the basis for the agency's claim to the debt and set off.

Sec. 6. A debtor who receives written notice under section 5 of this chapter is entitled to contest the agency's claim to the debt and set off at a hearing only if the debtor, within thirty (30) days after receipt of the notice, mails to the agency written notice that the

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debtor intends to contest the agency's claim to the debt.

Sec. 7. If the agency receives written notice that a debtor intends to contest the agency's claim to a debt and set off, the agency shall hold a hearing under IC 4-21.5-3.

Sec. 8. (a) After a final determination under sections 6 and 7 of this chapter of the validity of a debt due to an agency, the agency shall certify to the department the amount owed by the debtor to the agency that is subject to set off.

(b) Upon receipt of certification of a debt, the department shall set off the appropriate amount and pay that amount to the appropriate agency.

Sec. 9. If the department sets off a debtor's tax refund under this chapter, the department shall serve the debtor written notice of the action and provide an accounting of the action taken on any refund.

Sec. 10. (a) The department may charge the agency a fee of fifteen percent (15%) of any funds the department sets off under this chapter as a collection fee for the department's services.

(b) The department must bill the agency in order to collect the fee described in subsection (a).

Sec. 11. (a) Notwithstanding IC 6-8.1-7, or any other law prohibiting disclosure of a taxpayer's records or information, all information exchanged among the department, the agency, and the debtor necessary to accomplish the purposes of this chapter is lawful.

(b) If the agency seeks action under this chapter against a debtor's tax refund, the agency shall make the following information, if known, available to the department:

(1) A list of the debtors.

(2) Each debtor's Social Security account number (or numbers, if the debtor has more than one (1) number).

(3) Each debtor's home address.

SECTION 3. IC 12-7-2-44, AS AMENDED BY P.L.130-2009, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 44. "Council" means the following:

(1) For purposes of IC 12-9-4, the meaning set forth in IC 12-9-4-1.

(2) For purposes of IC 12-12-8, the meaning set forth in IC 12-12-8-2.5.

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

(4) For purposes of IC 12-15-41 and IC 12-15-42, the Medicaid

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work incentives council established by IC 12-15-42-1.

(5) For purposes of IC 12-12.7-2, the meaning set forth in IC 12-12.7-2-2.

(6) For purposes of IC 12-21-4, the meaning set forth in IC 12-21-4-1.

~~(7) For purposes of IC 12-28-5, the meaning set forth in IC 12-28-5-1.~~

SECTION 4. IC 12-7-2-61 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 61. **(a) Except as provided in subsection (b),** "developmental disability" means ~~the following:~~

~~(1) Except as provided in subdivision (2), before July 1, 1993, the term means~~ a **severe, chronic** disability of an individual that **meets all of the following conditions:**

~~(A)~~ **(1)** Is attributable to:

~~(i)~~ **(A)** ~~mental retardation,~~ **intellectual disability,** cerebral palsy, epilepsy, or autism; **or**

~~(ii)~~ **(B)** any other condition **(other than a sole diagnosis of mental illness)** found to be closely related to ~~mental retardation,~~ **intellectual disability,** because this condition results in similar impairment of general intellectual functioning or adaptive behavior or requires ~~similar~~ treatment ~~and~~ **or** services **similar to those required for a person with an intellectual disability.** ~~or~~

~~(iii) dyslexia resulting from a disability described in this subdivision;~~

~~(B) originates before the person is eighteen (18) years of age;~~

~~(C) has continued or is expected to continue indefinitely; and~~

~~(D) constitutes a substantial disability to the individual's ability to function normally in society.~~

~~(2) For purposes of IC 12-10-7 and IC 12-28-1 before July 1, 1993, and for purposes of IC 12 after June 30, 1993, the term means a severe, chronic disability of an individual that:~~

~~(A) is attributable to a mental or physical impairment, or a combination of mental and physical impairments (other than a sole diagnosis of mental illness);~~

~~(B)~~ **(2)** Is manifested before the individual is twenty-two (22) years of age.

~~(C)~~ **(3)** Is likely to continue indefinitely.

~~(D) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended~~

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~~duration and are individually planned and coordinated; and~~

~~(E)~~ **(4)** Results in substantial **functional** limitations in at least three (3) of the following **areas of major life activities:**

~~(i)~~ **(A)** Self-care.

~~(ii)~~ **(B)** ~~Receptive and expressive~~ **Understanding and use of** language.

~~(iii)~~ **(C)** Learning.

~~(iv)~~ **(D)** Mobility.

~~(v)~~ **(E)** Self-direction.

~~(vi)~~ **(F)** Capacity for independent living.

~~(vii)~~ **(G)** Economic self-sufficiency.

(b) The definition in subsection (a) does not apply and may not affect services provided to an individual receiving:

(1) home and community based Medicaid waiver; or

(2) ICF/MR;

services through the division on June 30, 2011.

SECTION 5. IC 12-7-2-69, AS AMENDED BY P.L.1-2007, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability and rehabilitative services established by IC 12-9-1-1.

(2) The division of aging established by IC 12-9.1-1-1.

(3) The division of family resources established by IC 12-13-1-1.

(4) The division of mental health and addiction established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-11.

(C) IC 12-12.

(D) IC 12-12.5.

(E) IC 12-12.7.

(F) IC 12-28-5.

(2) For purposes of the following statutes, the division of aging established by IC 12-9.1-1-1:

(A) IC 12-9.1.

(B) IC 12-10.

(3) For purposes of the following statutes, the division of family resources established by IC 12-13-1-1:

(A) IC 12-13.

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(B) IC 12-14.
(C) IC 12-15.
(D) IC 12-16.
(E) IC 12-17.2.
(F) IC 12-18.
(G) IC 12-19.
(H) IC 12-20.

(4) For purposes of the following statutes, the division of mental health and addiction established by IC 12-21-1-1:
(A) IC 12-21.
(B) IC 12-22.
(C) IC 12-23.
(D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution.

SECTION 6. IC 12-12.7-2-17, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. **(a) As used in this section, "per unit of treatment" means an increment of fifteen (15) minutes for services provided to an individual.**

~~(a)~~ **(b)** A family shall participate in the cost of programs and services provided under this chapter to the extent allowed by federal law according to the following cost participation schedule:

Percentage of Federal Income Poverty Level		Copayment Per **Unit of** Treatment	~~Maximum Monthly Cost Share~~
At Least	But Not More Than		
0%	250%	$ 0	~~$ 0~~
251%	350%	$ ~~3~~ **0.75**	~~$ 24~~
351%	450%	~~$ 6~~ **1.50**	~~$ 48~~
451%	550%	$ ~~15~~ **3.75**	~~$ 120~~
551%	650%	$ ~~25~~ **6.25**	~~$ 200~~
651%	750%	$ ~~50~~ **13**	~~$ 400~~
751%	850%	$ ~~75~~ **19**	~~$ 600~~
851%	~~1000%~~	$ ~~100~~ **25**	~~$ 800~~
~~1001%~~		~~$ 120~~	~~$ 960~~

~~(b)~~ **(c)** A cost participation plan used by the division for families to

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participate in the cost of the programs and services provided under this chapter:

(1) must:

(A) be based on income and ability to pay;

(B) provide for a review of a family's cost participation amount:

(i) annually; and

(ii) within thirty (30) days after the family reports a reduction in income; and

(C) allow the division to waive a required copayment if other medical expenses or personal care needs expenses for any member of the family reduce the level of income the family has available to pay copayments under this section;

(2) may allow:

(A) the division to require a copayment for only one (1) child per family during a billing period; and

(B) a family to voluntarily contribute payments that exceed the family's required cost participation amount;

(3) must require the family to allow the division access to all health care coverage information that the family has concerning the infant or toddler who is to receive services;

(4) must require families to consent to the division billing third party payors for early intervention services provided;

(5) may allow the division to waive the billing to third party payors if the family is able to demonstrate financial or personal hardship on the part of the family member; and

(6) must require the division to waive the family's monthly copayments in any month for those services for which it receives payment from the family's health insurance coverage.

~~(c)~~ **(d)** Funds received through a cost participation plan under this section must be used to fund programs described in section 18 of this chapter.

SECTION 7. IC 12-12.7-2-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 17.5. (a) Subject to subsection (b), the agency may do any of the following for any amount owed under section 17 of this chapter by a person if the amount owed is more than sixty (60) days past due:**

(1) Set off under IC 6-8.1-9.7 on any state tax refund owed to the person against the delinquent debt.

(2) Terminate services provided to an individual under the program for failure to pay the cost participation set forth in

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section 17 of this chapter.

(b) The agency may not terminate services under subsection (a)(2) until the agency has provided the family with written notice:

(1) stating:

(A) the amount of money owed by the family that is past due for services provided; and

(B) the amount of payment necessary in order to prevent termination of services; and

(2) advising the family to contact the agency:

(A) for assistance; or

(B) to negotiate an alternative payment arrangement or to recalculate the amount of payment owed.

SECTION 8. IC 12-28-5-10, AS AMENDED BY P.L.99-2007, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. ~~In conjunction with the~~ **The** division ~~of disability and rehabilitative services, the council~~ shall do the following:

(1) Determine the current and projected needs of each geographic area of Indiana for residential services for individuals with a developmental disability **and, beginning July 1, 2012, annually report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.**

(2) Determine how the provision of developmental or vocational services for residents in these geographic areas affects the availability of developmental or vocational services to individuals with a developmental disability living in their own homes **and, beginning July 1, 2012, report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.**

(3) Develop standards for licensure of supervised group living facilities regarding the following:

(A) A sanitary and safe environment for residents and employees.

(B) Classification of supervised group living facilities.

(C) Any other matters that will ensure that the residents will receive a residential environment.

(4) Develop standards for the approval of entities providing supported living services.

~~(5) Recommend social and habilitation programs to the Indiana health facilities council for individuals with a developmental disability who reside in health facilities licensed under IC 16-28.~~

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~~(6) Develop and update semiannually a report that identifies the numbers of individuals with a developmental disability who live in health facilities licensed under IC 16-28. The Indiana health facilities council shall assist in developing and updating this report.~~

SECTION 9. IC 12-28-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) A supervised group living facility must have a license or provisional license issued under this chapter to operate.

(b) An entity that provides supported living services must be approved by the ~~council~~ **division** under this chapter to operate.

SECTION 10. IC 12-28-5-12, AS AMENDED BY P.L.99-2007, SECTION 148, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) The ~~council~~ **division** may license only those supervised group living facilities that:

(1) meet the standards established under section 10 of this chapter; and

(2) are necessary to provide adequate services to individuals with a developmental disability in that geographic area.

~~(b) A supervised group living facility described in subsection (c) may locate in only one (1) of the following counties:~~

~~(1) A county having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand two hundred (27,200).~~

~~(2) A county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000).~~

~~(3) A county having a population of more than fifty thousand (50,000) but less than fifty-five thousand (55,000).~~

~~(c)~~ **(b)** Notwithstanding 431 IAC 1.1-3-7(c) and 431 IAC 1.1-3-7(d), the ~~council~~ **division** shall license one (1) supervised group living facility that is located less than one thousand (1,000) feet from another supervised group living facility or a sheltered workshop under the following conditions:

(1) Both of the supervised group living facilities meet all standards for licensure as provided in section 10(3) of this chapter.

(2) Both of the supervised group living facilities are built on land that is owned by one (1) private entity.

(3) The ~~community formed by the~~ supervised group living facilities ~~provides~~ **provide** job opportunities for residents of the supervised group living facilities, **as appropriate.**

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~~(d)~~ **(c)** The ~~council~~ **division** may approve an entity to provide supported living services only if the entity meets the standards established under section 10 of this chapter.

SECTION 11. IC 12-28-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. The ~~council~~ **division** may revoke:

(1) the license of a supervised group living facility; or

(2) the approval of an entity that provides supported living services;

that no longer meets the standards established under section 10 of this chapter after following the procedures prescribed by IC 4-21.5-3. If a hearing is provided for or authorized to be held by the ~~council,~~ **division,** the ~~council~~ **division** may designate a person as its agent or representative to conduct a hearing. The agent or representative shall conduct the hearing under IC 4-21.5-3.

SECTION 12. IC 12-28-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) The ~~council~~ **division** may issue a provisional license to a facility that does not qualify for a license under section 12 of this chapter but that provides satisfactory evidence that the facility will qualify within a period prescribed by the ~~council.~~ **division.** The period may not exceed six (6) months.

(b) The ~~council~~ **division** may issue provisional approval to an entity providing supported living services that does not qualify for approval under section 12 of this chapter but that provides satisfactory evidence that the entity will qualify within a period prescribed by the ~~council.~~ **division.** The period may not exceed six (6) months.

SECTION 13. IC 12-28-5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. **(a)** The ~~council~~ **division** may adopt rules under IC 4-22-2 to implement this chapter.

(b) After June 30, 2011, rules of the former community residential council (repealed) are considered rules of the division.

SECTION 14. IC 21-38-6-1, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. An employee health plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the employee health plan.~~ **a monthly fee established by the division of disability and rehabilitative services. The monthly fee shall be provided instead of claims processing of individual claims.**

SECTION 15. IC 21-38-6-3, AS ADDED BY P.L.2-2007,

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SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. ~~The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An employee health plan shall apply any payments made by the first steps program to the employee health plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the employee health plan.~~ **The reimbursement required under section 1 of this chapter may not be reduced or denied as a result of:**

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 16. IC 27-8-27-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. A health insurance plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the health insurance plan.~~ **a monthly fee established by the division of disability and rehabilitative services. The monthly fee shall be provided instead of claims processing of individual claims.**

SECTION 17. IC 27-8-27-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. ~~The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An insurer (as defined in IC 27-8-14.5-3) shall apply any payments made by the first steps program to the health insurance plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health insurance plan.~~ **Reimbursement required under section 6 of this chapter may not be reduced or denied as a result of:**

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 18. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2011]: IC 12-28-5-1; IC 12-28-5-2; IC 12-28-5-3; IC 12-28-5-4; IC 12-28-5-5; IC 12-28-5-6; IC 12-28-5-7; IC 12-28-5-8; IC 12-28-5-9; IC 12-28-5-15.

SECTION 19. P.L.73-2008, SECTION 1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: SECTION 1. (a) As used in this SECTION, "division" refers to the division of disability and

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rehabilitative services established by IC 12-9-1-1.

(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(c) As used in this SECTION, "waiver" refers to any waiver administered by the office and the division under section 1915(c) of the federal Social Security Act.

~~(d) Before July 1, 2008, the office shall apply to the United States Department of Health and Human Services for approval to amend a waiver to set priorities as described in subsection (e) in providing services under the waiver.~~

~~(e) The waiver amendment must provide for the following individuals to be given priority in receiving services under the waiver:~~

~~(1) An individual who is determined by the state department of health to no longer need or receive active treatment provided in a supervised group living setting.~~

~~(2) An individual who is receiving service under the direction of the division in a supervised group living setting, nursing facility, or large private intermediate care facility and has a history of unexplained injuries or documented abuse that is substantiated by the division and that threatens the health and welfare of the individual.~~

~~(3) A current resident, or the guardian of a resident who is incapacitated, of a large, private intermediate care facility for the mentally retarded who requests to leave the facility.~~

~~(4) An individual who will be attaining the maximum age for a residential or group home setting funded by the department of education, the division of family resources, or the office.~~

~~(5) An individual for whom the primary caregiver of the individual is no longer able to care for the individual due to:~~

~~(A) the death of the primary caregiver;~~

~~(B) the long term institutionalization of the primary caregiver;~~

~~(C) the long term incapacitation of the primary caregiver; or~~

~~(D) the long term incarceration of the primary caregiver.~~

~~(6) An individual who is on the waiver waiting list and has been determined to have a shortened life span as defined by the division.~~

~~(7) Any other priority as determined by the division.~~

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

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~~is approved.~~

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

(d) Before October 1, 2011, the office shall apply to the United States Department of Health and Human Services for approval to amend a waiver to set an emergency placement priority for individuals in the following situations:

(1) Death of a primary caregiver where alternative placement in a supervised group living setting:

(A) is not available; or

(B) is determined by the division to be an inappropriate option.

(2) A situation in which:

(A) the primary caregiver is at least eighty (80) years of age; and

(B) alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(3) There is evidence of abuse or neglect in the current institutional or home placement, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(4) There are other health and safety risks, as determined by the division director, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

~~(h)~~ **(e) The division shall report on a quarterly basis the following information to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2 concerning each Medicaid waiver for which the office has been approved under this section to administer an emergency placement priority for individuals described in this section:**

(1) The number of applications for emergency placement priority waivers.

(2) The number of individuals served on the waiver.

(3) The number of individuals on a wait list for the waiver.

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

~~(i)~~ **(g)** This SECTION expires July 1, 2016.

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SECTION 20. [EFFECTIVE UPON PASSAGE] **(a) As used in this SECTION, "division" refers to the division of disability and rehabilitative services established by IC 12-9-1-1.**

(b) As used in this SECTION, "provider" refers to any entity that receives funding from the division.

(c) The division shall:

(1) conduct a study of the various federal, state, and local audits and reviews that are required to be conducted by providers; and

(2) report its findings to the commission on developmental disabilities established by IC 2-5-27.2-2 and to the health finance commission established by IC 2-5-23-3 not later than September 1, 2011.

(d) In conducting the study required by subsection (c), the division must consult with providers.

(e) The division shall evaluate whether a provider of supported living services that has achieved national accreditation for those services should be considered by the division to be accredited for purposes of surveys conducted by the bureau of quality improvement services and other state agencies. The division shall report the findings of the evaluation to the commission on developmental disabilities.

(f) This SECTION expires December 31, 2011.

SECTION 21. **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 1047, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 11, after "IC 2-5-27.2-2" insert "**and to the health finance commission established by IC 2-5-23-3**".

and when so amended that said bill do pass.

(Reference is to HB 1047 as introduced.)

BROWN T, Chair

Committee Vote: yeas 11, nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1047, 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 human services.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10-8-7.3, AS AMENDED BY P.L.93-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 7.3. (a) As used in this section, "covered individual" means an individual who is:

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

(b) As used in this section, "early intervention services" means services provided to a first steps child under IC 12-12.7-2 and 20 U.S.C. 1432(4).

(c) As used in this section, "first steps child" means an infant or toddler from birth through two (2) years of age who is enrolled in the

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Indiana first steps program and is a covered individual.

(d) As used in this section, "first steps program" refers to the program established under IC 12-12.7-2 and 20 U.S.C. 1431 et seq. to meet the needs of:

(1) children who are eligible for early intervention services; and

(2) their families.

The term includes the coordination of all available federal, state, local, and private resources available to provide early intervention services within Indiana.

(e) As used in this section, "health benefits plan" means a:

(1) self-insurance program established under section 7(b) of this chapter to provide group health coverage; or

(2) contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.

(f) A health benefits plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the health benefits plan.~~ **a monthly fee established by the division of disability and rehabilitative services established by IC 12-9-1-1. The monthly fee shall be provided instead of claims processing of individual claims.**

(g) The reimbursement required under subsection (f) may not be applied to any annual or aggregate lifetime limit on the first steps child's coverage under the health benefits plan.

~~(h) The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. A health benefits plan shall apply any payments made by the first steps program to the health benefits plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health benefits plan.~~

(h) The monthly fee required under subsection (f) may not be reduced or denied as a result of:

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 2. IC 6-8.1-9.7 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]:

Chapter 9.7. Set Off of Refunds On Debt Owed Under the Infants and Toddlers With Disabilities Program

Sec. 1. (a) As used in this chapter, "agency" means a

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department, commission, council, board, bureau, division, service, office, or administration that is responsible for providing services under the infants and toddlers with disabilities program, including the following:

(1) The division of mental health and addiction.

(2) The state department of health.

(3) The division of family resources.

(4) The division of disability and rehabilitative services.

(5) The department of education.

(6) The department of child services.

(b) As used in this chapter, "debt" means any amounts, including required copayments, that are owed and past due to an agency for a period of at least sixty (60) days for services provided under the program.

(c) As used in this chapter, "program" refers to the infants and toddlers with disabilities program under IC 12-12.7-2.

Sec. 2. If a person owes an agency a certified delinquent debt, the agency is entitled to have the department set off the person's tax refund against the delinquent debt.

Sec. 3. (a) To obtain a set off by the department under section 2 of this chapter, the agency must file an application for the set off with the department before November 30 of the year preceding the calendar year in which a tax refund is payable by the department. The department shall prescribe the form and contents of the application.

(b) An application filed under this section is effective only for the purpose of a set off of a tax refund that is payable in the calendar year that succeeds the calendar year in which the application is filed.

Sec. 4. After the department receives an application for a set off of a debtor's tax refund under section 3 of this chapter, the department shall determine whether the debtor is entitled to a tax refund. If the department determines that the debtor is entitled to a tax refund, the department shall notify the agency that filed the application of this fact.

Sec. 5. Within fifteen (15) days after an agency receives notice under section 4 of this chapter that a debtor is entitled to a tax refund from the department, the agency must send written notice to the debtor and the department of the agency's intent to have the debtor's tax refund set off. The notice must clearly set forth the basis for the agency's claim to the debt and set off.

Sec. 6. A debtor who receives written notice under section 5 of

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this chapter is entitled to contest the agency's claim to the debt and set off at a hearing only if the debtor, within thirty (30) days after receipt of the notice, mails to the agency written notice that the debtor intends to contest the agency's claim to the debt.

Sec. 7. If the agency receives written notice that a debtor intends to contest the agency's claim to a debt and set off, the agency shall hold a hearing under IC 4-21.5-3.

Sec. 8. (a) After a final determination under sections 6 and 7 of this chapter of the validity of a debt due to an agency, the agency shall certify to the department the amount owed by the debtor to the agency that is subject to set off.

(b) Upon receipt of certification of a debt, the department shall set off the appropriate amount and pay that amount to the appropriate agency.

Sec. 9. If the department sets off a debtor's tax refund under this chapter, the department shall serve the debtor written notice of the action and provide an accounting of the action taken on any refund.

Sec. 10. (a) The department may charge the agency a fee of fifteen percent (15%) of any funds the department sets off under this chapter as a collection fee for the department's services.

(b) The department must bill the agency in order to collect the fee described in subsection (a).

Sec. 11. (a) Notwithstanding IC 6-8.1-7, or any other law prohibiting disclosure of a taxpayer's records or information, all information exchanged among the department, the agency, and the debtor necessary to accomplish the purposes of this chapter is lawful.

(b) If the agency seeks action under this chapter against a debtor's tax refund, the agency shall make the following information, if known, available to the department:

(1) A list of the debtors.

(2) Each debtor's Social Security account number (or numbers, if the debtor has more than one (1) number).

(3) Each debtor's home address.

SECTION 3. IC 12-7-2-44, AS AMENDED BY P.L.130-2009, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 44. "Council" means the following:

(1) For purposes of IC 12-9-4, the meaning set forth in IC 12-9-4-1.

(2) For purposes of IC 12-12-8, the meaning set forth in IC 12-12-8-2.5.

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

(4) For purposes of IC 12-15-41 and IC 12-15-42, the Medicaid work incentives council established by IC 12-15-42-1.

(5) For purposes of IC 12-12.7-2, the meaning set forth in IC 12-12.7-2-2.

(6) For purposes of IC 12-21-4, the meaning set forth in IC 12-21-4-1.

~~(7) For purposes of IC 12-28-5, the meaning set forth in IC 12-28-5-1.~~

SECTION 4. IC 12-7-2-61 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 61. **(a) Except as provided in subsection (b),** "developmental disability" means ~~the following:~~

~~(1) Except as provided in subdivision (2), before July 1, 1993, the term means~~ a **severe, chronic** disability of an individual that **meets all of the following conditions:**

~~(A)~~ **(1)** Is attributable to:

~~(i)~~ **(A)** ~~mental retardation,~~ **intellectual disability,** cerebral palsy, epilepsy, or autism; **or**

~~(ii)~~ **(B)** any other condition **(other than a sole diagnosis of mental illness)** found to be closely related to ~~mental retardation,~~ **intellectual disability,** because this condition results in similar impairment of general intellectual functioning or adaptive behavior or requires ~~similar~~ treatment ~~and~~ **or** services **similar to those required for a person with an intellectual disability.** ~~or~~

~~(iii) dyslexia resulting from a disability described in this subdivision;~~

~~(B) originates before the person is eighteen (18) years of age;~~

~~(C) has continued or is expected to continue indefinitely; and~~

~~(D) constitutes a substantial disability to the individual's ability to function normally in society.~~

~~(2) For purposes of IC 12-10-7 and IC 12-28-1 before July 1, 1993, and for purposes of IC 12 after June 30, 1993, the term means a severe, chronic disability of an individual that:~~

~~(A) is attributable to a mental or physical impairment, or a combination of mental and physical impairments (other than a sole diagnosis of mental illness);~~

~~(B)~~ **(2)** Is manifested before the individual is twenty-two (22) years of age.

~~(C)~~ **(3)** Is likely to continue indefinitely.

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~~(D) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated; and~~

~~(E)~~ **(4)** Results in substantial **functional** limitations in at least three (3) of the following **areas of major life activities:**

~~(i)~~ **(A)** Self-care.

~~(ii)~~ **(B)** ~~Receptive and expressive~~ **Understanding and use of** language.

~~(iii)~~ **(C)** Learning.

~~(iv)~~ **(D)** Mobility.

~~(v)~~ **(E)** Self-direction.

~~(vi)~~ **(F)** Capacity for independent living.

~~(vii)~~ **(G)** Economic self-sufficiency.

(b) The definition in subsection (a) does not apply and may not affect services provided to an individual receiving:

(1) home and community based Medicaid waiver; or

(2) ICF/MR;

services through the division on June 30, 2011.

SECTION 5. IC 12-7-2-69, AS AMENDED BY P.L.1-2007, SECTION 108, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 69. (a) "Division", except as provided in subsections (b) and (c), refers to any of the following:

(1) The division of disability and rehabilitative services established by IC 12-9-1-1.

(2) The division of aging established by IC 12-9.1-1-1.

(3) The division of family resources established by IC 12-13-1-1.

(4) The division of mental health and addiction established by IC 12-21-1-1.

(b) The term refers to the following:

(1) For purposes of the following statutes, the division of disability and rehabilitative services established by IC 12-9-1-1:

(A) IC 12-9.

(B) IC 12-11.

(C) IC 12-12.

(D) IC 12-12.5.

(E) IC 12-12.7.

(F) IC 12-28-5.

(2) For purposes of the following statutes, the division of aging established by IC 12-9.1-1-1:

(A) IC 12-9.1.

(B) IC 12-10.

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(3) For purposes of the following statutes, the division of family resources established by IC 12-13-1-1:

(A) IC 12-13.
(B) IC 12-14.
(C) IC 12-15.
(D) IC 12-16.
(E) IC 12-17.2.
(F) IC 12-18.
(G) IC 12-19.
(H) IC 12-20.

(4) For purposes of the following statutes, the division of mental health and addiction established by IC 12-21-1-1:

(A) IC 12-21.
(B) IC 12-22.
(C) IC 12-23.
(D) IC 12-25.

(c) With respect to a particular state institution, the term refers to the division whose director has administrative control of and responsibility for the state institution.

(d) For purposes of IC 12-24, IC 12-26, and IC 12-27, the term refers to the division whose director has administrative control of and responsibility for the appropriate state institution.

SECTION 6. IC 12-12.7-2-17, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 17. **(a) As used in this section, "per unit of treatment" means an increment of fifteen (15) minutes for services provided to an individual.**

~~(a)~~ **(b)** A family shall participate in the cost of programs and services provided under this chapter to the extent allowed by federal law according to the following cost participation schedule:

Percentage of Federal Income Poverty Level		Copayment Per **Unit of** Treatment	~~Maximum Monthly Cost Share~~
At Least	But Not More Than		
0%	250%	$ 0	~~$ 0~~
251%	350%	$ ~~3~~ **0.75**	~~$ 24~~
351%	450%	~~$ 6~~ **1.50**	~~$ 48~~
451%	550%	$ ~~15~~ **3.75**	~~$ 120~~
551%	650%	$ ~~25~~ **6.25**	~~$ 200~~
651%	750%	$ ~~50~~ **13**	~~$ 400~~
751%	850%	$ ~~75~~ **19**	~~$ 600~~

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851%	~~1000%~~	$ ~~100~~ **25**	~~$ 800~~
~~1001%~~		~~$ 120~~	~~$ 960~~

~~(b)~~ **(c)** A cost participation plan used by the division for families to participate in the cost of the programs and services provided under this chapter:

(1) must:

(A) be based on income and ability to pay;

(B) provide for a review of a family's cost participation amount:

(i) annually; and

(ii) within thirty (30) days after the family reports a reduction in income; and

(C) allow the division to waive a required copayment if other medical expenses or personal care needs expenses for any member of the family reduce the level of income the family has available to pay copayments under this section;

(2) may allow:

(A) the division to require a copayment for only one (1) child per family during a billing period; and

(B) a family to voluntarily contribute payments that exceed the family's required cost participation amount;

(3) must require the family to allow the division access to all health care coverage information that the family has concerning the infant or toddler who is to receive services;

(4) must require families to consent to the division billing third party payors for early intervention services provided;

(5) may allow the division to waive the billing to third party payors if the family is able to demonstrate financial or personal hardship on the part of the family member; and

(6) must require the division to waive the family's monthly copayments in any month for those services for which it receives payment from the family's health insurance coverage.

~~(c)~~ **(d)** Funds received through a cost participation plan under this section must be used to fund programs described in section 18 of this chapter.

SECTION 7. IC 12-12.7-2-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: **Sec. 17.5. (a) Subject to subsection (b), the agency may do any of the following for any amount owed under section 17 of this chapter by a person if the amount owed is more than sixty (60) days past due:**

(1) Set off under IC 6-8.1-9.7 on any state tax refund owed to

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the person against the delinquent debt.

(2) Terminate services provided to an individual under the program for failure to pay the cost participation set forth in section 17 of this chapter.

(b) The agency may not terminate services under subsection (a)(2) until the agency has provided the family with written notice:

(1) stating:

(A) the amount of money owed by the family that is past due for services provided; and

(B) the amount of payment necessary in order to prevent termination of services; and

(2) advising the family to contact the agency:

(A) for assistance; or

(B) to negotiate an alternative payment arrangement or to recalculate the amount of payment owed.

SECTION 8. IC 12-28-5-10, AS AMENDED BY P.L.99-2007, SECTION 147, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 10. ~~In conjunction with the~~ **The** division ~~of disability and rehabilitative services, the council~~ shall do the following:

(1) Determine the current and projected needs of each geographic area of Indiana for residential services for individuals with a developmental disability **and, beginning July 1, 2012, annually report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.**

(2) Determine how the provision of developmental or vocational services for residents in these geographic areas affects the availability of developmental or vocational services to individuals with a developmental disability living in their own homes **and, beginning July 1, 2012, report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.**

(3) Develop standards for licensure of supervised group living facilities regarding the following:

(A) A sanitary and safe environment for residents and employees.

(B) Classification of supervised group living facilities.

(C) Any other matters that will ensure that the residents will receive a residential environment.

(4) Develop standards for the approval of entities providing supported living services.

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~~(5) Recommend social and habilitation programs to the Indiana health facilities council for individuals with a developmental disability who reside in health facilities licensed under IC 16-28.~~

~~(6) Develop and update semiannually a report that identifies the numbers of individuals with a developmental disability who live in health facilities licensed under IC 16-28. The Indiana health facilities council shall assist in developing and updating this report.~~

SECTION 9. IC 12-28-5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 11. (a) A supervised group living facility must have a license or provisional license issued under this chapter to operate.

(b) An entity that provides supported living services must be approved by the ~~council~~ **division** under this chapter to operate.

SECTION 10. IC 12-28-5-12, AS AMENDED BY P.L.99-2007, SECTION 148, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 12. (a) The ~~council~~ **division** may license only those supervised group living facilities that:

(1) meet the standards established under section 10 of this chapter; and

(2) are necessary to provide adequate services to individuals with a developmental disability in that geographic area.

~~(b) A supervised group living facility described in subsection (c) may locate in only one (1) of the following counties:~~

~~(1) A county having a population of more than twenty-seven thousand (27,000) but less than twenty-seven thousand two hundred (27,200).~~

~~(2) A county having a population of more than one hundred seventy thousand (170,000) but less than one hundred eighty thousand (180,000).~~

~~(3) A county having a population of more than fifty thousand (50,000) but less than fifty-five thousand (55,000).~~

~~(c)~~ **(b)** Notwithstanding 431 IAC 1.1-3-7(c) and 431 IAC 1.1-3-7(d), the ~~council~~ **division** shall license one (1) supervised group living facility that is located less than one thousand (1,000) feet from another supervised group living facility or a sheltered workshop under the following conditions:

(1) Both of the supervised group living facilities meet all standards for licensure as provided in section 10(3) of this chapter.

(2) Both of the supervised group living facilities are built on land that is owned by one (1) private entity.

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(3) The ~~community formed by the~~ supervised group living facilities ~~provides~~ **provide** job opportunities for residents of the supervised group living facilities, **as appropriate.**

~~(d)~~ **(c)** The ~~council~~ **division** may approve an entity to provide supported living services only if the entity meets the standards established under section 10 of this chapter.

SECTION 11. IC 12-28-5-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 13. The ~~council~~ **division** may revoke:

(1) the license of a supervised group living facility; or

(2) the approval of an entity that provides supported living services;

that no longer meets the standards established under section 10 of this chapter after following the procedures prescribed by IC 4-21.5-3. If a hearing is provided for or authorized to be held by the ~~council,~~ **division,** the ~~council~~ **division** may designate a person as its agent or representative to conduct a hearing. The agent or representative shall conduct the hearing under IC 4-21.5-3.

SECTION 12. IC 12-28-5-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 14. (a) The ~~council~~ **division** may issue a provisional license to a facility that does not qualify for a license under section 12 of this chapter but that provides satisfactory evidence that the facility will qualify within a period prescribed by the ~~council.~~ **division.** The period may not exceed six (6) months.

(b) The ~~council~~ **division** may issue provisional approval to an entity providing supported living services that does not qualify for approval under section 12 of this chapter but that provides satisfactory evidence that the entity will qualify within a period prescribed by the ~~council.~~ **division.** The period may not exceed six (6) months.

SECTION 13. IC 12-28-5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 19. **(a)** The ~~council~~ **division** may adopt rules under IC 4-22-2 to implement this chapter.

(b) After June 30, 2011, rules of the former community residential council (repealed) are considered rules of the division.

SECTION 14. IC 21-38-6-1, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 1. An employee health plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the employee health plan.~~ **a monthly fee established by the division of disability and**

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rehabilitative services. The monthly fee shall be provided instead of claims processing of individual claims.

SECTION 15. IC 21-38-6-3, AS ADDED BY P.L.2-2007, SECTION 279, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 3. ~~The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An employee health plan shall apply any payments made by the first steps program to the employee health plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the employee health plan.~~ **The reimbursement required under section 1 of this chapter may not be reduced or denied as a result of:**

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 16. IC 27-8-27-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 6. A health insurance plan that provides coverage for early intervention services shall reimburse the first steps program ~~for payments made by the program for early intervention services that are covered under the health insurance plan.~~ **a monthly fee established by the division of disability and rehabilitative services. The monthly fee shall be provided instead of claims processing of individual claims.**

SECTION 17. IC 27-8-27-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: Sec. 9. ~~The first steps program may pay required deductibles, copayments, or other out-of-pocket expenses for a first steps child directly to a provider. An insurer (as defined in IC 27-8-14.5-3) shall apply any payments made by the first steps program to the health insurance plan's deductibles, copayments, or other out-of-pocket expenses according to the terms and conditions of the health insurance plan.~~ **Reimbursement required under section 6 of this chapter may not be reduced or denied as a result of:**

(1) a required deductible;

(2) copayments;

(3) coinsurance; or

(4) other out-of-pocket expenses.

SECTION 18. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2011]: IC 12-28-5-1; IC 12-28-5-2; IC 12-28-5-3; IC 12-28-5-4; IC 12-28-5-5; IC 12-28-5-6; IC 12-28-5-7; IC 12-28-5-8; IC 12-28-5-9; IC 12-28-5-15.

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SECTION 19. P.L.73-2008, SECTION 1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2011]: SECTION 1. (a) As used in this SECTION, "division" refers to the division of disability and rehabilitative services established by IC 12-9-1-1.

(b) As used in this SECTION, "office" refers to the office of Medicaid policy and planning established by IC 12-8-6-1.

(c) As used in this SECTION, "waiver" refers to any waiver administered by the office and the division under section 1915(c) of the federal Social Security Act.

~~(d) Before July 1, 2008, the office shall apply to the United States Department of Health and Human Services for approval to amend a waiver to set priorities as described in subsection (e) in providing services under the waiver.~~

~~(e) The waiver amendment must provide for the following individuals to be given priority in receiving services under the waiver:~~
~~(1) An individual who is determined by the state department of health to no longer need or receive active treatment provided in a supervised group living setting.~~
~~(2) An individual who is receiving service under the direction of the division in a supervised group living setting, nursing facility, or large private intermediate care facility and has a history of unexplained injuries or documented abuse that is substantiated by the division and that threatens the health and welfare of the individual.~~
~~(3) A current resident, or the guardian of a resident who is incapacitated, of a large, private intermediate care facility for the mentally retarded who requests to leave the facility.~~
~~(4) An individual who will be attaining the maximum age for a residential or group home setting funded by the department of education, the division of family resources, or the office.~~
~~(5) An individual for whom the primary caregiver of the individual is no longer able to care for the individual due to:~~
~~(A) the death of the primary caregiver;~~
~~(B) the long term institutionalization of the primary caregiver;~~
~~(C) the long term incapacitation of the primary caregiver; or~~
~~(D) the long term incarceration of the primary caregiver.~~
~~(6) An individual who is on the waiver waiting list and has been determined to have a shortened life span as defined by the division.~~
~~(7) Any other priority as determined by the division.~~

~~(f) The office may not implement the amendment to the waiver until the office files an affidavit with the governor attesting that the amendment to the federal waiver applied for under this SECTION is in~~

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~~effect. The office shall file the affidavit under this subsection not later than five (5) days after the office is notified that the waiver amendment is approved.~~

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

(d) Before October 1, 2011, the office shall apply to the United States Department of Health and Human Services for approval to amend a waiver to set an emergency placement priority for individuals in the following situations:

(1) Death of a primary caregiver where alternative placement in a supervised group living setting:

(A) is not available; or

(B) is determined by the division to be an inappropriate option.

(2) A situation in which:

(A) the primary caregiver is at least eighty (80) years of age; and

(B) alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(3) There is evidence of abuse or neglect in the current institutional or home placement, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

(4) There are other health and safety risks, as determined by the division director, and alternate placement in a supervised group living setting is not available or is determined by the division to be an inappropriate option.

~~(h)~~ **(e) The division shall report on a quarterly basis the following information to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2 concerning each Medicaid waiver for which the office has been approved under this section to administer an emergency placement priority for individuals described in this section:**

(1) The number of applications for emergency placement priority waivers.

(2) The number of individuals served on the waiver.

(3) The number of individuals on a wait list for the waiver.

(f) The office may adopt rules under IC 4-22-2 necessary to

C o p y

implement this SECTION.

~~(f)~~ **(g)** This SECTION expires July 1, 2016.".

Page 1, line 16, after "(e)" insert "**The division shall evaluate whether a provider of supported living services that has achieved national accreditation for those services should be considered by the division to be accredited for purposes of surveys conducted by the bureau of quality improvement services and other state agencies. The division shall report the findings of the evaluation to the commission on developmental disabilities.**

(f)".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1047 as printed January 21, 2011.)

MILLER, Chairperson

Committee Vote: Yeas 8, Nays 0.

C o p y