



April 5, 2013

**ENGROSSED  
HOUSE BILL No. 1320**

DIGEST OF HB 1320 (Updated April 3, 2013 1:51 pm - DI 102)

**Citations Affected:** IC 22-3; IC 27-7.

**Synopsis:** Worker's compensation. Specifies, after June 30, 2014, the pecuniary liability for worker's compensation and occupational diseases compensation payments to a medical service facility. Specifies the reimbursement amounts for repackaged drugs. Provides that payment to a medical service provider located outside Indiana may not exceed the payment that would be made to the nearest similar medical service provider located in Indiana for furnishing the same service or product in Indiana. Provides that payment to a medical service provider for an implant furnished to an employee under worker's compensation or occupational diseases compensation may not exceed the invoice amount plus 25%. Allows a medical services provider to request an explanation from a billing review service if the medical services provider's bill has been reduced as a result of the application of a Medicare coding change. Defines "medical service facility", "services and/or product", and "medical service provider" for purposes of the worker's compensation and occupational diseases compensation law.  
(Continued next page)

**Effective:** July 1, 2013.

**Lehman, Soliday**

(SENATE SPONSOR — BOOTS)

January 17, 2013, read first time and referred to Committee on Employment, Labor and Pensions.

February 19, 2013, amended, reported — Do Pass.

February 21, 2013, read second time, amended, ordered engrossed.

February 22, 2013, engrossed.

February 25, 2013, read third time, passed. Yeas 91, nays 3.

**SENATE ACTION**

February 27, 2013, read first time and referred to Committee on Pensions and Labor.

April 4, 2013, amended, reported favorably — Do Pass.

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Digest Continued

Provides that, if an employer determines that a medical service provider has made an excessive charge or required an unjustified service or product, the medical service provider may not receive reimbursement for the charge, service, or product and is liable to return to the employer any amounts received as reimbursement. Permits the worker's compensation board (board) to review the records and medical bills of a medical service provider that an employer determines is not complying with the schedule of charges or is requiring unjustified services or products. On and after July 1, 2014, increases maximum average weekly wage by 20% and provides for graduated percentage increases for degrees of permanent partial impairment/disablement. Provides for worker's compensation insurance policy periods as permitted in certain rules. Requires that a claim filed by a medical service provider after June 30, 2014, must be: (1) filed and paid electronically; and (2) paid or denied not more than 30 days after the date the claim is received. Provides for an annual filing fee of \$2 from an employer to be deposited in the worker's compensation supplemental administrative fund. Establishes the worker's compensation and occupational diseases compensation program advisory committee (committee) to advise the board in the administration of the worker's compensation and occupational diseases compensation program. Requires the committee to report annually to the legislative council concerning recommendations and proposed changes related to the worker's compensation and occupational diseases compensation program. Specifies that all data collected by the worker's compensation rating bureau is considered to be confidential. Makes conforming amendments and technical corrections.

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April 5, 2013

First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1320

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

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

1 SECTION 1. IC 22-3-2-13 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 13. Whenever an injury  
3 or death, for which compensation is payable under chapters 2 through  
4 6 of this article shall have been sustained under circumstances creating  
5 in some other person than the employer and not in the same employ a  
6 legal liability to pay damages in respect thereto, the injured employee,  
7 or **his the injured employee's** dependents, in case of death, may  
8 commence legal proceedings against the other person to recover  
9 damages notwithstanding the employer's or the employer's  
10 compensation insurance carrier's payment of or liability to pay  
11 compensation under chapters 2 through 6 of this article. In that case,  
12 however, if the action against the other person is brought by the injured  
13 employee or **his the injured employee's** dependents and judgment is  
14 obtained and paid, and accepted or settlement is made with the other  
15 person, either with or without suit, then from the amount received by  
16 the employee or dependents there shall be paid to the employer or the  
17 employer's compensation insurance carrier, subject to its paying its

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1 pro-rata share of the reasonable and necessary costs and expenses of  
 2 asserting the third party claim, the amount of compensation paid to the  
 3 employee or dependents, plus the ~~medical, surgical, hospital and~~  
 4 ~~nurses'~~ services and ~~supplies products~~ and burial expenses paid by the  
 5 employer or the employer's compensation insurance carrier and the  
 6 liability of the employer or the employer's compensation insurance  
 7 carrier to pay further compensation or other expenses shall thereupon  
 8 terminate, whether or not one (1) or all of the dependents are entitled  
 9 to share in the proceeds of the settlement or recovery and whether or  
 10 not one (1) or all of the dependents could have maintained the action  
 11 or claim for wrongful death.

12 In the event the injured employee or ~~his the employee's~~ dependents,  
 13 not having received compensation or ~~medical, surgical, hospital or~~  
 14 ~~nurses'~~ services and ~~supplies products~~ or death benefits from the  
 15 employer or the employer's compensation insurance carrier, shall  
 16 procure a judgment against the other party for injury or death, which  
 17 judgment is paid, or if settlement is made with the other person either  
 18 with or without suit, then the employer or the employer's compensation  
 19 insurance carrier shall have no liability for payment of compensation  
 20 or for payment of ~~medical, surgical, hospital or nurses'~~ services and  
 21 ~~supplies products~~ or death benefits whatsoever, whether or not one (1)  
 22 or all of the dependents are entitled to share in the proceeds of  
 23 settlement or recovery and whether or not one (1) or all of the  
 24 dependents could have maintained the action or claim for wrongful  
 25 death.

26 In the event any injured employee, or in the event of ~~his the~~  
 27 ~~employee's~~ death, ~~his the employee's~~ dependents, shall procure a final  
 28 judgment against the other person other than by agreement, and the  
 29 judgment is for a lesser sum than the ~~even amount~~ **amount** for which  
 30 the employer or the employer's compensation insurance carrier is liable  
 31 for compensation and for ~~medical, surgical, hospital and nurses'~~  
 32 ~~services and supplies, products,~~ as of the date the judgment becomes  
 33 final, then the employee, or in the event of ~~his the employee's~~ death,  
 34 ~~his the employee's~~ dependents, shall have the option of either  
 35 collecting the judgment and repaying the employer or the employer's  
 36 compensation insurance carrier for compensation previously drawn, if  
 37 any, and repaying the employer or the employer's compensation  
 38 insurance carrier for ~~medical, surgical, hospital and nurses'~~ services  
 39 and ~~supplies products~~ previously paid, if any, and of repaying the  
 40 employer or the employer's compensation insurance carrier the burial  
 41 benefits paid, if any, or of assigning all rights under the judgment to the  
 42 employer or the employer's compensation insurance carrier and



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1 thereafter receiving all compensation and ~~medical, surgical, hospital~~  
 2 ~~and nurses' services and supplies, products,~~ to which the employee or  
 3 in the event of ~~his~~ **the employee's** death, which ~~his~~ **the employee's**  
 4 dependents would be entitled if there had been no action brought  
 5 against the other party.

6 If the injured employee or ~~his~~ **the employee's** dependents shall  
 7 agree to receive compensation from the employer or the employer's  
 8 compensation insurance carrier or to accept from the employer or the  
 9 employer's compensation insurance carrier, by loan or otherwise, any  
 10 payment on account of the compensation, or institute proceedings to  
 11 recover the same, the employer or the employer's compensation  
 12 insurance carrier shall have a lien upon any settlement award, judgment  
 13 or fund out of which the employee might be compensated from the  
 14 third party.

15 The employee, or in the event of ~~his~~ **the employee's** death, ~~his~~ **the**  
 16 **employee's** dependents, shall institute legal proceedings against the  
 17 other person for damages, within two (2) years after the cause of action  
 18 accrues. If, after the proceeding is commenced, it is dismissed, the  
 19 employer or the employer's compensation insurance carrier, having  
 20 paid compensation or having become liable therefor, may collect in  
 21 their own name, or in the name of the injured employee, or, in case of  
 22 death, in the name of ~~his~~ **the employee's** dependents, from the other  
 23 person in whom legal liability for damages exists, the compensation  
 24 paid or payable to the injured employee, or ~~his~~ **the employee's**  
 25 dependents, plus ~~medical, surgical, hospital and nurses' services and~~  
 26 ~~supplies, products,~~ and burial expenses paid by the employer or the  
 27 employer's compensation insurance carrier or for which they have  
 28 become liable. The employer or the employer's compensation insurance  
 29 carrier may commence an action at law for collection against the other  
 30 person in whom legal liability for damages exists, not later than one (1)  
 31 year from the date the action so commenced has been dismissed,  
 32 notwithstanding the provisions of any statute of limitations to the  
 33 contrary.

34 If the employee, or, in the event of ~~his~~ **the employee's** death, ~~his~~ **the**  
 35 **employee's** dependents, shall fail to institute legal proceedings against  
 36 the other person for damages within two (2) years after the cause of  
 37 action accrues, the employer or the employer's compensation insurance  
 38 carrier, having paid compensation, or having been liable therefor, may  
 39 collect in their own name or in the name of the injured employee, or in  
 40 the case of ~~his~~ **the employee's** death, in the name of ~~his~~ **the**  
 41 **employee's** dependents, from the other person in whom legal liability  
 42 for damage exists, the compensation paid or payable to the injured

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1 employee, or to ~~his~~ **the employee's** dependents, plus the ~~medical,~~  
 2 ~~surgical, hospital and nurses'~~ services and ~~supplies, products,~~ and  
 3 burial expenses, paid by them, or for which they have become liable,  
 4 and the employer or the employer's compensation insurance carrier  
 5 may commence an action at law for collection against the other person  
 6 in whom legal liability exists, at any time within one (1) year from the  
 7 date of the expiration of the two (2) years when the action accrued to  
 8 the injured employee, or, in the event of ~~his~~ **the employee's** death, to  
 9 ~~his~~ **the employee's** dependents, notwithstanding the provisions of any  
 10 statute of limitations to the contrary.

11 In actions brought by the employee or ~~his~~ **the employee's**  
 12 dependents, ~~he or they~~ **the employee or the employee's dependents**  
 13 shall, within thirty (30) days after the action is filed, notify the  
 14 employer or the employer's compensation insurance carrier by personal  
 15 service or registered mail, of the action and the name of the court in  
 16 which such suit is brought, filing proof thereof in the action.

17 The employer or the employer's compensation insurance carrier  
 18 shall pay its pro rata share of all costs and reasonably necessary  
 19 expenses in connection with asserting the third party claim, action or  
 20 suit, including but not limited to cost of depositions and witness fees,  
 21 and to the attorney at law selected by the employee or ~~his~~ **the**  
 22 **employee's** dependents, a fee of twenty-five ~~per cent percent~~ (25%),  
 23 if collected without suit, of the amount of benefits actually repaid after  
 24 the expenses and costs in connection with the third party claim have  
 25 been deducted therefrom, and a fee of thirty-three and one-third ~~per~~  
 26 **cent percent** (33 1/3%), if collected with suit, of the amount of benefits  
 27 actually repaid after deduction of costs and reasonably necessary  
 28 expenses in connection with the third party claim action or suit. The  
 29 employer may, within ninety (90) days after receipt of notice of suit  
 30 from the employee or ~~his~~ **the employee's** dependents, join in the action  
 31 upon ~~his~~ **the employee's** motion so that all orders of court after hearing  
 32 and judgment shall be made for ~~his~~ **the employee's** protection. An  
 33 employer or ~~his~~ **the employer's** compensation insurance carrier may  
 34 waive its right to reimbursement under this section and, as a result of  
 35 the waiver, not have to pay the pro-rata share of costs and expenses.

36 No release or settlement of claim for damages by reason of injury or  
 37 death, and no satisfaction of judgment in the proceedings, shall be valid  
 38 without the written consent of both employer or the employer's  
 39 compensation insurance carrier and employee or ~~his~~ **the employee's**  
 40 dependents, except in the case of the employer or the employer's  
 41 compensation insurance carrier, consent shall not be required where the  
 42 employer or the employer's compensation insurance carrier has been



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1 fully indemnified or protected by court order.  
 2 SECTION 2. IC 22-3-3-4, AS AMENDED BY P.L.67-2010,  
 3 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 4 JULY 1, 2013]: Sec. 4. (a) After an injury and prior to an adjudication  
 5 of permanent impairment, the employer shall furnish or cause to be  
 6 furnished, free of charge to the employee, an attending physician for  
 7 the treatment of the employee's injuries, and in addition thereto such  
 8 ~~surgical, hospital, and nursing~~ services and ~~supplies~~ **products** as the  
 9 attending physician or the worker's compensation board may deem  
 10 necessary. If the employee is requested or required by the employer to  
 11 submit to treatment outside the county of employment, the employer  
 12 shall also pay the reasonable expense of travel, food, and lodging  
 13 necessary during the travel, but not to exceed the amount paid at the  
 14 time of the travel by the state to its employees under the state travel  
 15 policies and procedures established by the department of  
 16 administration and approved by the state budget agency. If the  
 17 treatment or travel to or from the place of treatment causes a loss of  
 18 working time to the employee, the employer shall reimburse the  
 19 employee for the loss of wages using the basis of the employee's  
 20 average daily wage.  
 21 (b) During the period of temporary total disability resulting from the  
 22 injury, the employer shall furnish the physician, services and ~~supplies~~,  
 23 **products**, and the worker's compensation board may, on proper  
 24 application of either party, require that treatment by the physician and  
 25 services and ~~supplies~~ **products** be furnished by or on behalf of the  
 26 employer as the worker's compensation board may deem reasonably  
 27 necessary.  
 28 (c) After an employee's injury has been adjudicated by agreement  
 29 or award on the basis of permanent partial impairment and within the  
 30 statutory period for review in such case as provided in section 27 of  
 31 this chapter, the employer may continue to furnish a physician or  
 32 surgeon and other medical services and ~~supplies~~, **products**, and the  
 33 worker's compensation board may within the statutory period for  
 34 review as provided in section 27 of this chapter, on a proper application  
 35 of either party, require that treatment by that physician and other  
 36 ~~medical~~ services and ~~supplies~~ **products** be furnished by and on behalf  
 37 of the employer as the worker's compensation board may deem  
 38 necessary to limit or reduce the amount and extent of the employee's  
 39 impairment. The refusal of the employee to accept such services and  
 40 ~~supplies~~, **products**, when provided by or on behalf of the employer,  
 41 shall bar the employee from all compensation otherwise payable during  
 42 the period of the refusal, and the employee's right to prosecute any

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1 proceeding under IC 22-3-2 through IC 22-3-6 shall be suspended and  
 2 abated until the employee's refusal ceases. The employee must be  
 3 served with a notice setting forth the consequences of the refusal under  
 4 this section. The notice must be in a form prescribed by the worker's  
 5 compensation board. No compensation for permanent total impairment,  
 6 permanent partial impairment, permanent disfigurement, or death shall  
 7 be paid or payable for that part or portion of the impairment,  
 8 disfigurement, or death which is the result of the failure of the  
 9 employee to accept the ~~treatment~~, services and ~~supplies~~ **products**  
 10 required under this section. However, an employer may at any time  
 11 permit an employee to have treatment for the employee's injuries by  
 12 spiritual means or prayer in lieu of the physician or surgeon and other  
 13 ~~medical~~ services and ~~supplies~~ **products** required under this section.

14 (d) If, because of an emergency, or because of the employer's failure  
 15 to provide an attending physician or ~~surgical, hospital, or nursing~~  
 16 services and ~~supplies, products,~~ or treatment by spiritual means or  
 17 prayer, as required by this section, or because of any other good reason,  
 18 a physician other than that provided by the employer treats the injured  
 19 employee during the period of the employee's temporary total  
 20 disability, or necessary and proper ~~surgical, hospital, or nursing~~  
 21 services and ~~supplies~~ **products** are procured within the period, the  
 22 reasonable cost of those services and ~~supplies~~ **products** shall, subject  
 23 to the approval of the worker's compensation board, be paid by the  
 24 employer.

25 (e) An employer or employer's insurance carrier may not delay the  
 26 provision of emergency medical care whenever emergency medical  
 27 care is considered necessary in the professional judgment of the  
 28 attending health care facility physician.

29 (f) Regardless of when it occurs, where a compensable injury results  
 30 in the amputation of a body part, the enucleation of an eye, or the loss  
 31 of natural teeth, the employer shall furnish an appropriate artificial  
 32 member, braces, and prosthodontics. The cost of repairs to or  
 33 replacements for the artificial members, braces, or prosthodontics that  
 34 result from a compensable injury pursuant to a prior award and are  
 35 required due to either medical necessity or normal wear and tear,  
 36 determined according to the employee's individual use, but not abuse,  
 37 of the artificial member, braces, or prosthodontics, shall be paid from  
 38 the second injury fund upon order or award of the worker's  
 39 compensation board. The employee is not required to meet any other  
 40 requirement for admission to the second injury fund.

41 (g) If an accident arising out of and in the course of employment  
 42 after June 30, 1997, results in the loss of or damage to an artificial

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1 member, a brace, an implant, eyeglasses, prosthodontics, or other  
 2 medically prescribed device, the employer shall repair the artificial  
 3 member, brace, implant, eyeglasses, prosthodontics, or other medically  
 4 prescribed device or furnish an identical or a reasonably equivalent  
 5 replacement.

6 (h) This section may not be construed to prohibit an agreement  
 7 between an employer and the employer's employees that has the  
 8 approval of the board and that binds the parties to:

9 (1) medical care furnished by ~~health care~~ **medical service**  
 10 providers selected by agreement before or after injury; or

11 (2) the findings of a ~~health care~~ **medical service** provider who  
 12 was chosen by agreement.

13 SECTION 3. IC 22-3-3-4.5 IS ADDED TO THE INDIANA CODE  
 14 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 15 1, 2013]: **Sec. 4.5. (a) As used in this section, "legend drug" has the**  
 16 **meaning set forth in IC 25-26-14-7.**

17 **(b) As used in this section, "repackage" has the meaning set**  
 18 **forth in IC 25-26-14-9.3.**

19 **(c) This subsection does not apply to a retail or mail order**  
 20 **pharmacy. Except as provided in subsection (d), whenever a**  
 21 **prescription covered by IC 22-3-2 through IC 22-3-6 is filled using**  
 22 **a repackaged legend drug, the maximum reimbursement amount**  
 23 **for the repackaged legend drug must be computed using the**  
 24 **average wholesale price set by the original manufacturer for the**  
 25 **legend drug.**

26 **(d) If the National Drug Code (established under Section 510 of**  
 27 **the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 360) for a**  
 28 **legend drug cannot be determined from the medical service**  
 29 **provider's billing or statement, the maximum reimbursement**  
 30 **amount for the repackaged legend drug under subsection (c) is the**  
 31 **lowest cost generic for that legend drug.**

32 **(e) This subsection does not apply to a retail or mail order**  
 33 **pharmacy. The maximum period during which a medical service**  
 34 **provider may dispense to an employee medication for which the**  
 35 **medical service provider may receive a reimbursement under**  
 36 **IC 22-3-2 through IC 22-3-6 is the period from the date of the**  
 37 **employee's injury through the seventh day after the date of the**  
 38 **employee's injury. A medical service provider may not be**  
 39 **reimbursed under IC 22-3-2 through IC 22-3-6 for a medication**  
 40 **dispensed to an employee after the seventh day after the date of the**  
 41 **employee's injury.**

42 SECTION 4. IC 22-3-3-5, AS AMENDED BY P.L.168-2011,

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1 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2013]: Sec. 5. (a) The pecuniary liability of the employer for  
3 ~~medical, surgical, hospital and nurse~~ a service **or product** herein  
4 required shall be limited to **the following:**

5 **(1) This subdivision applies before July 1, 2014, to all medical**  
6 **service providers, and after June 30, 2014, to a medical**  
7 **service provider that is not a medical service facility.** Such  
8 charges as prevail as provided under ~~IC 22-3-6-1(j);~~  
9 **IC 22-3-6-1(k)(1)**, in the same community (as defined in  
10 IC 22-3-6-1(h)) for a like service or product to injured persons.

11 **(2) This subdivision applies after June 30, 2014, to a medical**  
12 **service facility. The amount provided under IC 22-3-6-1(k)(2).**

13 (b) The employee and the employee's estate do not have liability to  
14 a health care provider for payment for services obtained under  
15 IC 22-3-3-4.

16 (c) The right to order payment for all services **or products** provided  
17 under IC 22-3-2 through IC 22-3-6 is solely with the board.

18 (d) All claims by a ~~health care~~ **medical service** provider for  
19 payment for services **or products** are against the employer and the  
20 employer's insurance carrier, if any, and must be made with the board  
21 under IC 22-3-2 through IC 22-3-6. After June 30, 2011, a ~~health care~~  
22 **medical service** provider must file an application for adjustment of a  
23 claim for a ~~health care~~ **medical service** provider's fee with the board  
24 not later than two (2) years after the receipt of an initial written  
25 communication from the employer, the employer's insurance carrier, if  
26 any, or an agent acting on behalf of the employer after the ~~health care~~  
27 **medical service** provider submits a bill for services **or products**. To  
28 offset a part of the board's expenses related to the administration of  
29 ~~health care~~ **medical service** provider reimbursement disputes, a  
30 ~~hospital or facility that is a medical service provider (as defined in~~  
31 ~~IC 22-3-6-1) facility~~ shall pay a filing fee of sixty dollars (\$60) in a  
32 balance billing case. The filing fee must accompany each application  
33 filed with the board. If an employer, an employer's insurance carrier, or  
34 an agent acting on behalf of the employer denies or fails to pay any  
35 amount on a claim submitted by a ~~hospital or facility that is a medical~~  
36 ~~service provider; facility~~, a filing fee is not required to accompany an  
37 application that is filed for the denied or unpaid claim. A ~~health care~~  
38 **medical service** provider may combine up to ten (10) individual claims  
39 into one (1) application whenever:

- 40 (1) all individual claims involve the same employer, insurance  
41 carrier, or billing review service; and  
42 (2) the amount of each individual claim does not exceed two

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hundred dollars (\$200).  
(e) The worker's compensation board may withhold the approval of the fees of the attending physician in a case until the attending physician files a report with the worker's compensation board on the form prescribed by the board.

SECTION 5. IC 22-3-3-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5.2. (a) A billing review service shall adhere to the following requirements to determine the pecuniary liability of an employer or an employer's insurance carrier for a specific service or product covered under worker's compensation **provided before July 1, 2014, by all medical service providers, and after June 30, 2014, by a medical service provider that is not a medical service facility:**

(1) The formation of a billing review standard, and any subsequent analysis or revision of the standard, must use data that is based on the medical service provider billing charges as submitted to the employer and the employer's insurance carrier from the same community. This subdivision does not apply when a unique or specialized service or product does not have sufficient comparative data to allow for a reasonable comparison.

(2) Data used to determine pecuniary liability must be compiled on or before June 30 and December 31 of each year.

(3) Billing review standards must be revised for prospective future payments of medical service provider bills to provide for payment of the charges at a rate not more than the charges made by eighty percent (80%) of the medical service providers during the prior six (6) months within the same community. The data used to perform the analysis and revision of the billing review standards may not be more than two (2) years old and must be periodically updated by a representative inflationary or deflationary factor. Reimbursement for these charges may not exceed the actual charge invoiced by the medical service provider.

~~(4) The billing review standard shall include the billing charges of all hospitals in the applicable community for the service or product.~~

**(b) This subsection applies after June 30, 2014, to a medical service facility. The pecuniary liability of an employer or an employer's insurance carrier for a specific service or product covered under worker's compensation and provided by a medical service facility is equal to a reasonable amount, which is established by payment of one (1) of the following:**

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- 1           **(1) The amount negotiated at any time between the medical**
- 2           **service facility and any of the following:**
- 3           **(A) The employer.**
- 4           **(B) The employer's insurance carrier.**
- 5           **(C) A billing review service on behalf of a person described**
- 6           **in clause (A) or (B).**
- 7           **(D) A direct provider network that has contracted with a**
- 8           **person described in clause (A) or (B).**
- 9           **(2) Two hundred percent (200%) of the amount payable**
- 10           **under Medicare on the same date for the same service or**
- 11           **product provided by the medical service facility, if an amount**
- 12           **has not been negotiated as described in subdivision (1).**
- 13           **(3) An amount not less than one hundred twenty-five percent**
- 14           **(125%) of the cost to the medical service facility of the specific**
- 15           **service or product provided under worker's compensation, if**
- 16           **an amount has not been negotiated as described in subdivision**
- 17           **(1) and the parties have a dispute regarding the payment**
- 18           **under subdivision (2). The medical service facility shall**
- 19           **provide the cost amount required under this subdivision.**
- 20           **(c) The payment to a medical service provider located outside**
- 21           **Indiana for a service or product furnished to an employee under**
- 22           **IC 22-3-2 through IC 22-3-6 may not exceed the payment that**
- 23           **would be made to the nearest similar medical service provider**
- 24           **located in Indiana for furnishing the same service or product in**
- 25           **Indiana.**
- 26           **(d) The payment to a medical service provider for an implant**
- 27           **furnished to an employee under IC 22-3-2 through IC 22-3-6 may**
- 28           **not exceed the invoice amount plus twenty-five percent (25%).**
- 29           **(e) A medical service provider may request an explanation from**
- 30           **a billing review service if the medical service provider's bill has been**
- 31           **reduced as a result of application of the eightieth percentile or of a**
- 32           **Current Procedural Terminology (CPT) or Medicare coding change.**
- 33           **The request must be made not later than sixty (60) days after receipt of**
- 34           **the notice of the reduction. If a request is made, the billing review**
- 35           **service must provide:**
- 36           **(1) the name of the billing review service used to make the**
- 37           **reduction;**
- 38           **(2) the dollar amount of the reduction;**
- 39           **(3) the dollar amount of the medical service or product at the**
- 40           **eightieth percentile; and**
- 41           **(4) in the case of a CPT or Medicare coding change, the basis**
- 42           **upon which the change was made;**

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1 not later than thirty (30) days after the date of the request.  
 2 ~~(e)~~ **(f)** If, after a hearing, the worker's compensation board finds that  
 3 a billing review service used a billing review standard that did not  
 4 comply with subsection (a)(1) through ~~(a)(4)~~ **(a)(3), as applicable**, in  
 5 determining the pecuniary liability of an employer or an employer's  
 6 insurance carrier for a ~~health care~~ **medical service** provider's charge  
 7 for services or products covered under worker's compensation, the  
 8 worker's compensation board may assess a civil penalty against the  
 9 billing review service in an amount not less than one hundred dollars  
 10 (\$100) and not more than one thousand dollars (\$1,000).

11 SECTION 6. IC 22-3-3-5.4 IS ADDED TO THE INDIANA CODE  
 12 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
 13 1, 2013]: **Sec. 5.4. (a) This section applies after June 30, 2014.**

14 **(b) A claim made by a medical service provider for payment for**  
 15 **services or products provided under IC 22-3-2 through IC 22-3-6**  
 16 **must be:**

- 17 **(1) filed with; and**
- 18 **(2) paid by;**
- 19 **an employer and an employer's insurance carrier, if any,**  
 20 **electronically.**

21 **(c) A medical service provider shall submit only the following**  
 22 **forms for payment by an employer or an employer's insurance**  
 23 **carrier:**

- 24 **(1) CMS-1500.**
- 25 **(2) CMS-1450 (UB-04).**
- 26 **(3) American Dental Association (ADA) claim form.**
- 27 **(4) ANSI-837I.**

28 **(d) Not more than thirty (30) days after the date on which the**  
 29 **claim is received, the employer or the employer's insurance carrier**  
 30 **shall pay or deny the claim made by the medical service provider.**

31 SECTION 7. IC 22-3-3-5.5 IS ADDED TO THE INDIANA CODE  
 32 AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY  
 33 1, 2013]: **Sec. 5.5. (a) If an employer determines that a medical**  
 34 **service provider has made an excessive charge or required an**  
 35 **unjustified service or product, the medical service provider:**

- 36 **(1) may not receive reimbursement under this article for the**  
 37 **excessive charge or unjustified service or product; and**
- 38 **(2) is liable to return to the employer any amounts received as**  
 39 **reimbursement for the excessive charge or unjustified service**  
 40 **or product.**

41 **(b) The worker's compensation board may review the records**  
 42 **and medical bills of a medical service provider that an employer**

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1 **determines is not complying with the schedule of charges or is**  
2 **requiring unjustified services or products.**

3 SECTION 8. IC 22-3-3-10, AS AMENDED BY P.L.3-2008,  
4 SECTION 156, IS AMENDED TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2013]: Sec. 10. (a) With respect to injuries in  
6 the schedule set forth in subsection (d) occurring on and after July 1,  
7 1979, and before July 1, 1988, the employee shall receive, in addition  
8 to temporary total disability benefits not to exceed fifty-two (52) weeks  
9 on account of the injury, a weekly compensation of sixty percent (60%)  
10 of the employee's average weekly wages, not to exceed one hundred  
11 twenty-five dollars (\$125) average weekly wages, for the period stated  
12 for the injury.

13 (b) With respect to injuries in the schedule set forth in subsection  
14 (d) occurring on and after July 1, 1988, and before July 1, 1989, the  
15 employee shall receive, in addition to temporary total disability benefits  
16 not exceeding seventy-eight (78) weeks on account of the injury, a  
17 weekly compensation of sixty percent (60%) of the employee's average  
18 weekly wages, not to exceed one hundred sixty-six dollars (\$166)  
19 average weekly wages, for the period stated for the injury.

20 (c) With respect to injuries in the schedule set forth in subsection  
21 (d) occurring on and after July 1, 1989, and before July 1, 1990, the  
22 employee shall receive, in addition to temporary total disability benefits  
23 not exceeding seventy-eight (78) weeks on account of the injury, a  
24 weekly compensation of sixty percent (60%) of the employee's average  
25 weekly wages, not to exceed one hundred eighty-three dollars (\$183)  
26 average weekly wages, for the period stated for the injury.

27 (d) With respect to injuries in the following schedule occurring on  
28 and after July 1, 1990, and before July 1, 1991, the employee shall  
29 receive, in addition to temporary total disability benefits not exceeding  
30 seventy-eight (78) weeks on account of the injury, a weekly  
31 compensation of sixty percent (60%) of the employee's average weekly  
32 wages, not to exceed two hundred dollars (\$200) average weekly  
33 wages, for the period stated for the injury.

34 (1) Amputation: For the loss by separation of the thumb, sixty  
35 (60) weeks, of the index finger forty (40) weeks, of the second  
36 finger thirty-five (35) weeks, of the third or ring finger thirty (30)  
37 weeks, of the fourth or little finger twenty (20) weeks, of the hand  
38 by separation below the elbow joint two hundred (200) weeks, or  
39 the arm above the elbow two hundred fifty (250) weeks, of the big  
40 toe sixty (60) weeks, of the second toe thirty (30) weeks, of the  
41 third toe twenty (20) weeks, of the fourth toe fifteen (15) weeks,  
42 of the fifth or little toe ten (10) weeks, for loss occurring on and

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1 after April 1, 1959, by separation of the foot below the knee joint,  
 2 one hundred seventy-five (175) weeks and of the leg above the  
 3 knee joint two hundred twenty-five (225) weeks. The loss of more  
 4 than one (1) phalange of a thumb or toes shall be considered as  
 5 the loss of the entire thumb or toe. The loss of more than two (2)  
 6 phalanges of a finger shall be considered as the loss of the entire  
 7 finger. The loss of not more than one (1) phalange of a thumb or  
 8 toe shall be considered as the loss of one-half (1/2) of the thumb  
 9 or toe and compensation shall be paid for one-half (1/2) of the  
 10 period for the loss of the entire thumb or toe. The loss of not more  
 11 than one (1) phalange of a finger shall be considered as the loss  
 12 of one-third (1/3) of the finger and compensation shall be paid for  
 13 one-third (1/3) the period for the loss of the entire finger. The loss  
 14 of more than one (1) phalange of the finger but not more than two  
 15 (2) phalanges of the finger, shall be considered as the loss of  
 16 one-half (1/2) of the finger and compensation shall be paid for  
 17 one-half (1/2) of the period for the loss of the entire finger.  
 18 (2) For the loss by separation of both hands or both feet or the  
 19 total sight of both eyes, or any two (2) such losses in the same  
 20 accident, five hundred (500) weeks.  
 21 (3) For the permanent and complete loss of vision by enucleation  
 22 or its reduction to one-tenth (1/10) of normal vision with glasses,  
 23 one hundred seventy-five (175) weeks.  
 24 (4) For the permanent and complete loss of hearing in one (1) ear,  
 25 seventy-five (75) weeks, and in both ears, two hundred (200)  
 26 weeks.  
 27 (5) For the loss of one (1) testicle, fifty (50) weeks; for the loss of  
 28 both testicles, one hundred fifty (150) weeks.  
 29 (e) With respect to injuries in the schedule set forth in subsection  
 30 (h) occurring on and after July 1, 1979, and before July 1, 1988, the  
 31 employee shall receive, in addition to temporary total disability benefits  
 32 not exceeding fifty-two (52) weeks on account of the injury, a weekly  
 33 compensation of sixty percent (60%) of the employee's average weekly  
 34 wages not to exceed one hundred twenty-five dollars (\$125) average  
 35 weekly wages for the period stated for the injury.  
 36 (f) With respect to injuries in the schedule set forth in subsection (h)  
 37 occurring on and after July 1, 1988, and before July 1, 1989, the  
 38 employee shall receive, in addition to temporary total disability benefits  
 39 not exceeding seventy-eight (78) weeks on account of the injury, a  
 40 weekly compensation of sixty percent (60%) of the employee's average  
 41 weekly wages, not to exceed one hundred sixty-six dollars (\$166)  
 42 average weekly wages, for the period stated for the injury.

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1 (g) With respect to injuries in the schedule set forth in subsection  
2 (h) occurring on and after July 1, 1989, and before July 1, 1990, the  
3 employee shall receive, in addition to temporary total disability benefits  
4 not exceeding seventy-eight (78) weeks on account of the injury, a  
5 weekly compensation of sixty percent (60%) of the employee's average  
6 weekly wages, not to exceed one hundred eighty-three dollars (\$183)  
7 average weekly wages, for the period stated for the injury.

8 (h) With respect to injuries in the following schedule occurring on  
9 and after July 1, 1990, and before July 1, 1991, the employee shall  
10 receive, in addition to temporary total disability benefits not exceeding  
11 seventy-eight (78) weeks on account of the injury, a weekly  
12 compensation of sixty percent (60%) of the employee's average weekly  
13 wages, not to exceed two hundred dollars (\$200) average weekly  
14 wages, for the period stated for the injury.

15 (1) Loss of use: The total permanent loss of the use of an arm,  
16 hand, thumb, finger, leg, foot, toe, or phalange shall be considered  
17 as the equivalent of the loss by separation of the arm, hand,  
18 thumb, finger, leg, foot, toe, or phalange, and compensation shall  
19 be paid for the same period as for the loss thereof by separation.

20 (2) Partial loss of use: For the permanent partial loss of the use of  
21 an arm, hand, thumb, finger, leg, foot, toe, or phalange,  
22 compensation shall be paid for the proportionate loss of the use of  
23 such arm, hand, thumb, finger, leg, foot, toe, or phalange.

24 (3) For injuries resulting in total permanent disability, five  
25 hundred (500) weeks.

26 (4) For any permanent reduction of the sight of an eye less than a  
27 total loss as specified in subsection (d)(3), compensation shall be  
28 paid for a period proportionate to the degree of such permanent  
29 reduction without correction or glasses. However, when such  
30 permanent reduction without correction or glasses would result in  
31 one hundred percent (100%) loss of vision, but correction or  
32 glasses would result in restoration of vision, then in such event  
33 compensation shall be paid for fifty percent (50%) of such total  
34 loss of vision without glasses, plus an additional amount equal to  
35 the proportionate amount of such reduction with glasses, not to  
36 exceed an additional fifty percent (50%).

37 (5) For any permanent reduction of the hearing of one (1) or both  
38 ears, less than the total loss as specified in subsection (d)(4),  
39 compensation shall be paid for a period proportional to the degree  
40 of such permanent reduction.

41 (6) In all other cases of permanent partial impairment,  
42 compensation proportionate to the degree of such permanent

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1 partial impairment, in the discretion of the worker's compensation  
 2 board, not exceeding five hundred (500) weeks.  
 3 (7) In all cases of permanent disfigurement which may impair the  
 4 future usefulness or opportunities of the employee, compensation,  
 5 in the discretion of the worker's compensation board, not  
 6 exceeding two hundred (200) weeks, except that no compensation  
 7 shall be payable under this subdivision where compensation is  
 8 payable elsewhere in this section.  
 9 (i) With respect to injuries in the following schedule occurring on  
 10 and after July 1, 1991, the employee shall receive in addition to  
 11 temporary total disability benefits, not exceeding one hundred  
 12 twenty-five (125) weeks on account of the injury, compensation in an  
 13 amount determined under the following schedule to be paid weekly at  
 14 a rate of sixty-six and two-thirds percent (66 2/3%) of the employee's  
 15 average weekly wages during the fifty-two (52) weeks immediately  
 16 preceding the week in which the injury occurred.  
 17 (1) Amputation: For the loss by separation of the thumb, twelve  
 18 (12) degrees of permanent impairment; of the index finger, eight  
 19 (8) degrees of permanent impairment; of the second finger, seven  
 20 (7) degrees of permanent impairment; of the third or ring finger,  
 21 six (6) degrees of permanent impairment; of the fourth or little  
 22 finger, four (4) degrees of permanent impairment; of the hand by  
 23 separation below the elbow joint, forty (40) degrees of permanent  
 24 impairment; of the arm above the elbow, fifty (50) degrees of  
 25 permanent impairment; of the big toe, twelve (12) degrees of  
 26 permanent impairment; of the second toe, six (6) degrees of  
 27 permanent impairment; of the third toe, four (4) degrees of  
 28 permanent impairment; of the fourth toe, three (3) degrees of  
 29 permanent impairment; of the fifth or little toe, two (2) degrees of  
 30 permanent impairment; by separation of the foot below the knee  
 31 joint, thirty-five (35) degrees of permanent impairment; and of the  
 32 leg above the knee joint, forty-five (45) degrees of permanent  
 33 impairment.  
 34 (2) Amputations: For the loss by separation of any of the body  
 35 parts described in subdivision (1) on or after July 1, 1997, and for  
 36 the loss by separation of any of the body parts described in  
 37 subdivision (3), ~~(5); (4)~~, or (8), on or after July 1, 1999, the dollar  
 38 values per degree applying on the date of the injury as described  
 39 in subsection (j) shall be multiplied by two (2). However, the  
 40 doubling provision of this subdivision does not apply to a loss of  
 41 use that is not a loss by separation.  
 42 (3) The loss of more than one (1) phalange of a thumb or toe shall

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- 1 be considered as the loss of the entire thumb or toe. The loss of  
 2 more than two (2) phalanges of a finger shall be considered as the  
 3 loss of the entire finger. The loss of not more than one (1)  
 4 phalange of a thumb or toe shall be considered as the loss of  
 5 one-half (1/2) of the degrees of permanent impairment for the loss  
 6 of the entire thumb or toe. The loss of not more than one (1)  
 7 phalange of a finger shall be considered as the loss of one-third  
 8 (1/3) of the finger and compensation shall be paid for one-third  
 9 (1/3) of the degrees payable for the loss of the entire finger. The  
 10 loss of more than one (1) phalange of the finger but not more than  
 11 two (2) phalanges of the finger shall be considered as the loss of  
 12 one-half (1/2) of the finger and compensation shall be paid for  
 13 one-half (1/2) of the degrees payable for the loss of the entire  
 14 finger.
- 15 (4) For the loss by separation of both hands or both feet or the  
 16 total sight of both eyes or any two (2) such losses in the same  
 17 accident, one hundred (100) degrees of permanent impairment.
- 18 (5) For the permanent and complete loss of vision by enucleation,  
 19 thirty-five (35) degrees of permanent impairment.
- 20 (6) For the reduction of vision to one-tenth (1/10) of normal  
 21 vision with glasses, thirty-five (35) degrees of permanent  
 22 impairment.
- 23 (7) For the permanent and complete loss of hearing in one (1) ear,  
 24 fifteen (15) degrees of permanent impairment, and in both ears,  
 25 forty (40) degrees of permanent impairment.
- 26 (8) For the loss of one (1) testicle, ten (10) degrees of permanent  
 27 impairment; for the loss of both testicles, thirty (30) degrees of  
 28 permanent impairment.
- 29 (9) Loss of use: The total permanent loss of the use of an arm, a  
 30 hand, a thumb, a finger, a leg, a foot, a toe, or a phalange shall be  
 31 considered as the equivalent of the loss by separation of the arm,  
 32 hand, thumb, finger, leg, foot, toe, or phalange, and compensation  
 33 shall be paid in the same amount as for the loss by separation.  
 34 However, the doubling provision of subdivision (2) does not  
 35 apply to a loss of use that is not a loss by separation.
- 36 (10) Partial loss of use: For the permanent partial loss of the use  
 37 of an arm, a hand, a thumb, a finger, a leg, a foot, a toe, or a  
 38 phalange, compensation shall be paid for the proportionate loss of  
 39 the use of the arm, hand, thumb, finger, leg, foot, toe, or phalange.
- 40 (11) For injuries resulting in total permanent disability, the  
 41 amount payable for impairment or five hundred (500) weeks of  
 42 compensation, whichever is greater.

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1 (12) For any permanent reduction of the sight of an eye less than  
2 a total loss as specified in subsection (h)(4), the compensation  
3 shall be paid in an amount proportionate to the degree of a  
4 permanent reduction without correction or glasses. However,  
5 when a permanent reduction without correction or glasses would  
6 result in one hundred percent (100%) loss of vision, then  
7 compensation shall be paid for fifty percent (50%) of the total loss  
8 of vision without glasses, plus an additional amount equal to the  
9 proportionate amount of the reduction with glasses, not to exceed  
10 an additional fifty percent (50%).

11 (13) For any permanent reduction of the hearing of one (1) or both  
12 ears, less than the total loss as specified in subsection (h)(5),  
13 compensation shall be paid in an amount proportionate to the  
14 degree of a permanent reduction.

15 (14) In all other cases of permanent partial impairment,  
16 compensation proportionate to the degree of a permanent partial  
17 impairment, in the discretion of the worker's compensation board,  
18 not exceeding one hundred (100) degrees of permanent  
19 impairment.

20 (15) In all cases of permanent disfigurement which may impair  
21 the future usefulness or opportunities of the employee,  
22 compensation, in the discretion of the worker's compensation  
23 board, not exceeding forty (40) degrees of permanent impairment  
24 except that no compensation shall be payable under this  
25 subdivision where compensation is payable elsewhere in this  
26 section.

27 (j) Compensation for permanent partial impairment shall be paid  
28 according to the degree of permanent impairment for the injury  
29 determined under subsection (i) and the following:

30 (1) With respect to injuries occurring on and after July 1, 1991,  
31 and before July 1, 1992, for each degree of permanent impairment  
32 from one (1) to thirty-five (35), five hundred dollars (\$500) per  
33 degree; for each degree of permanent impairment from thirty-six  
34 (36) to fifty (50), nine hundred dollars (\$900) per degree; for each  
35 degree of permanent impairment above fifty (50), one thousand  
36 five hundred dollars (\$1,500) per degree.

37 (2) With respect to injuries occurring on and after July 1, 1992,  
38 and before July 1, 1993, for each degree of permanent impairment  
39 from one (1) to twenty (20), five hundred dollars (\$500) per  
40 degree; for each degree of permanent impairment from  
41 twenty-one (21) to thirty-five (35), eight hundred dollars (\$800)  
42 per degree; for each degree of permanent impairment from

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1 thirty-six (36) to fifty (50), one thousand three hundred dollars  
 2 (\$1,300) per degree; for each degree of permanent impairment  
 3 above fifty (50), one thousand seven hundred dollars (\$1,700) per  
 4 degree.

5 (3) With respect to injuries occurring on and after July 1, 1993,  
 6 and before July 1, 1997, for each degree of permanent impairment  
 7 from one (1) to ten (10), five hundred dollars (\$500) per degree;  
 8 for each degree of permanent impairment from eleven (11) to  
 9 twenty (20), seven hundred dollars (\$700) per degree; for each  
 10 degree of permanent impairment from twenty-one (21) to  
 11 thirty-five (35), one thousand dollars (\$1,000) per degree; for  
 12 each degree of permanent impairment from thirty-six (36) to fifty  
 13 (50), one thousand four hundred dollars (\$1,400) per degree; for  
 14 each degree of permanent impairment above fifty (50), one  
 15 thousand seven hundred dollars (\$1,700) per degree.

16 (4) With respect to injuries occurring on and after July 1, 1997,  
 17 and before July 1, 1998, for each degree of permanent impairment  
 18 from one (1) to ten (10), seven hundred fifty dollars (\$750) per  
 19 degree; for each degree of permanent impairment from eleven  
 20 (11) to thirty-five (35), one thousand dollars (\$1,000) per degree;  
 21 for each degree of permanent impairment from thirty-six (36) to  
 22 fifty (50), one thousand four hundred dollars (\$1,400) per degree;  
 23 for each degree of permanent impairment above fifty (50), one  
 24 thousand seven hundred dollars (\$1,700) per degree.

25 (5) With respect to injuries occurring on and after July 1, 1998,  
 26 and before July 1, 1999, for each degree of permanent impairment  
 27 from one (1) to ten (10), seven hundred fifty dollars (\$750) per  
 28 degree; for each degree of permanent impairment from eleven  
 29 (11) to thirty-five (35), one thousand dollars (\$1,000) per degree;  
 30 for each degree of permanent impairment from thirty-six (36) to  
 31 fifty (50), one thousand four hundred dollars (\$1,400) per degree;  
 32 for each degree of permanent impairment above fifty (50), one  
 33 thousand seven hundred dollars (\$1,700) per degree.

34 (6) With respect to injuries occurring on and after July 1, 1999,  
 35 and before July 1, 2000, for each degree of permanent impairment  
 36 from one (1) to ten (10), nine hundred dollars (\$900) per degree;  
 37 for each degree of permanent impairment from eleven (11) to  
 38 thirty-five (35), one thousand one hundred dollars (\$1,100) per  
 39 degree; for each degree of permanent impairment from thirty-six  
 40 (36) to fifty (50), one thousand six hundred dollars (\$1,600) per  
 41 degree; for each degree of permanent impairment above fifty (50),  
 42 two thousand dollars (\$2,000) per degree.

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- 1 (7) With respect to injuries occurring on and after July 1, 2000,
- 2 and before July 1, 2001, for each degree of permanent impairment
- 3 from one (1) to ten (10), one thousand one hundred dollars
- 4 (\$1,100) per degree; for each degree of permanent impairment
- 5 from eleven (11) to thirty-five (35), one thousand three hundred
- 6 dollars (\$1,300) per degree; for each degree of permanent
- 7 impairment from thirty-six (36) to fifty (50), two thousand dollars
- 8 (\$2,000) per degree; for each degree of permanent impairment
- 9 above fifty (50), two thousand five hundred fifty dollars (\$2,500)
- 10 per degree.
- 11 (8) With respect to injuries occurring on and after July 1, 2001,
- 12 and before July 1, 2007, for each degree of permanent impairment
- 13 from one (1) to ten (10), one thousand three hundred dollars
- 14 (\$1,300) per degree; for each degree of permanent impairment
- 15 from eleven (11) to thirty-five (35), one thousand five hundred
- 16 dollars (\$1,500) per degree; for each degree of permanent
- 17 impairment from thirty-six (36) to fifty (50), two thousand four
- 18 hundred dollars (\$2,400) per degree; for each degree of
- 19 permanent impairment above fifty (50), three thousand dollars
- 20 (\$3,000) per degree.
- 21 (9) With respect to injuries occurring on and after July 1, 2007,
- 22 and before July 1, 2008, for each degree of permanent impairment
- 23 from one (1) to ten (10), one thousand three hundred forty dollars
- 24 (\$1,340) per degree; for each degree of permanent impairment
- 25 from eleven (11) to thirty-five (35), one thousand five hundred
- 26 forty-five dollars (\$1,545) per degree; for each degree of
- 27 permanent impairment from thirty-six (36) to fifty (50), two
- 28 thousand four hundred seventy-five dollars (\$2,475) per degree;
- 29 for each degree of permanent impairment above fifty (50), three
- 30 thousand one hundred fifty dollars (\$3,150) per degree.
- 31 (10) With respect to injuries occurring on and after July 1, 2008,
- 32 and before July 1, 2009, for each degree of permanent impairment
- 33 from one (1) to ten (10), one thousand three hundred sixty-five
- 34 dollars (\$1,365) per degree; for each degree of permanent
- 35 impairment from eleven (11) to thirty-five (35), one thousand five
- 36 hundred seventy dollars (\$1,570) per degree; for each degree of
- 37 permanent impairment from thirty-six (36) to fifty (50), two
- 38 thousand five hundred twenty-five dollars (\$2,525) per degree; for
- 39 each degree of permanent impairment above fifty (50), three
- 40 thousand two hundred dollars (\$3,200) per degree.
- 41 (11) With respect to injuries occurring on and after July 1, 2009,
- 42 and before July 1, 2010, for each degree of permanent impairment

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1 from one (1) to ten (10), one thousand three hundred eighty  
 2 dollars (\$1,380) per degree; for each degree of permanent  
 3 impairment from eleven (11) to thirty-five (35), one thousand five  
 4 hundred eighty-five dollars (\$1,585) per degree; for each degree  
 5 of permanent impairment from thirty-six (36) to fifty (50), two  
 6 thousand six hundred dollars (\$2,600) per degree; for each degree  
 7 of permanent impairment above fifty (50), three thousand three  
 8 hundred dollars (\$3,300) per degree.

9 (12) With respect to injuries occurring on and after July 1, 2010,  
 10 **and before July 1, 2014**, for each degree of permanent  
 11 impairment from one (1) to ten (10), one thousand four hundred  
 12 dollars (\$1,400) per degree; for each degree of permanent  
 13 impairment from eleven (11) to thirty-five (35), one thousand six  
 14 hundred dollars (\$1,600) per degree; for each degree of  
 15 permanent impairment from thirty-six (36) to fifty (50), two  
 16 thousand seven hundred dollars (\$2,700) per degree; for each  
 17 degree of permanent impairment above fifty (50), three thousand  
 18 five hundred dollars (\$3,500) per degree.

19 **(13) With respect to injuries occurring on and after July 1,**  
 20 **2014, for each degree of permanent impairment from one (1)**  
 21 **to ten (10), one thousand seven hundred fifty dollars (\$1,750)**  
 22 **per degree; for each degree of permanent impairment from**  
 23 **eleven (11) to thirty-five (35), one thousand nine hundred**  
 24 **fifty-two dollars (\$1,952) per degree; for each degree of**  
 25 **permanent impairment from thirty-six (36) to fifty (50), three**  
 26 **thousand one hundred eighty-six dollars (\$3,186) per degree;**  
 27 **for each degree of permanent impairment above fifty (50),**  
 28 **four thousand sixty dollars (\$4,060) per degree.**

29 (k) The average weekly wages used in the determination of  
 30 compensation for permanent partial impairment under subsections (i)  
 31 and (j) shall not exceed the following:

- 32 (1) With respect to injuries occurring on or after July 1, 1991, and  
 33 before July 1, 1992, four hundred ninety-two dollars (\$492).
- 34 (2) With respect to injuries occurring on or after July 1, 1992, and  
 35 before July 1, 1993, five hundred forty dollars (\$540).
- 36 (3) With respect to injuries occurring on or after July 1, 1993, and  
 37 before July 1, 1994, five hundred ninety-one dollars (\$591).
- 38 (4) With respect to injuries occurring on or after July 1, 1994, and  
 39 before July 1, 1997, six hundred forty-two dollars (\$642).
- 40 (5) With respect to injuries occurring on or after July 1, 1997, and  
 41 before July 1, 1998, six hundred seventy-two dollars (\$672).
- 42 (6) With respect to injuries occurring on or after July 1, 1998, and

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- 1 before July 1, 1999, seven hundred two dollars (\$702).
- 2 (7) With respect to injuries occurring on or after July 1, 1999, and
- 3 before July 1, 2000, seven hundred thirty-two dollars (\$732).
- 4 (8) With respect to injuries occurring on or after July 1, 2000, and
- 5 before July 1, 2001, seven hundred sixty-two dollars (\$762).
- 6 (9) With respect to injuries occurring on or after July 1, 2001, and
- 7 before July 1, 2002, eight hundred twenty-two dollars (\$822).
- 8 (10) With respect to injuries occurring on or after July 1, 2002,
- 9 and before July 1, 2006, eight hundred eighty-two dollars (\$882).
- 10 (11) With respect to injuries occurring on or after July 1, 2006,
- 11 and before July 1, 2007, nine hundred dollars (\$900).
- 12 (12) With respect to injuries occurring on or after July 1, 2007,
- 13 and before July 1, 2008, nine hundred thirty dollars (\$930).
- 14 (13) With respect to injuries occurring on or after July 1, 2008,
- 15 and before July 1, 2009, nine hundred fifty-four dollars (\$954).
- 16 (14) With respect to injuries occurring on or after July 1, 2009,
- 17 **and before July 1, 2014**, nine hundred seventy-five dollars
- 18 (\$975).
- 19 **(15) With respect to injuries occurring on or after July 1,**
- 20 **2014, one thousand one hundred seventy dollars (\$1,170).**

21 SECTION 9. IC 22-3-3-22, AS AMENDED BY P.L.134-2006,  
 22 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 23 JULY 1, 2013]: Sec. 22. (a) In computing compensation for temporary  
 24 total disability, temporary partial disability, and total permanent  
 25 disability, with respect to injuries occurring on and after July 1, 1985,  
 26 and before July 1, 1986, the average weekly wages are considered to  
 27 be:

- 28 (1) not more than two hundred sixty-seven dollars (\$267); and
- 29 (2) not less than seventy-five dollars (\$75).

30 However, the weekly compensation payable shall not exceed the  
 31 average weekly wages of the employee at the time of the injury.

32 (b) In computing compensation for temporary total disability,  
 33 temporary partial disability, and total permanent disability, with respect  
 34 to injuries occurring on and after July 1, 1986, and before July 1, 1988,  
 35 the average weekly wages are considered to be:

- 36 (1) not more than two hundred eighty-five dollars (\$285); and
- 37 (2) not less than seventy-five dollars (\$75).

38 However, the weekly compensation payable shall not exceed the  
 39 average weekly wages of the employee at the time of the injury.

40 (c) In computing compensation for temporary total disability,  
 41 temporary partial disability, and total permanent disability, with respect  
 42 to injuries occurring on and after July 1, 1988, and before July 1, 1989,

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1 the average weekly wages are considered to be:  
 2 (1) not more than three hundred eighty-four dollars (\$384); and  
 3 (2) not less than seventy-five dollars (\$75).  
 4 However, the weekly compensation payable shall not exceed the  
 5 average weekly wages of the employee at the time of the injury.  
 6 (d) In computing compensation for temporary total disability,  
 7 temporary partial disability, and total permanent disability, with respect  
 8 to injuries occurring on and after July 1, 1989, and before July 1, 1990,  
 9 the average weekly wages are considered to be:  
 10 (1) not more than four hundred eleven dollars (\$411); and  
 11 (2) not less than seventy-five dollars (\$75).  
 12 However, the weekly compensation payable shall not exceed the  
 13 average weekly wages of the employee at the time of the injury.  
 14 (e) In computing compensation for temporary total disability,  
 15 temporary partial disability, and total permanent disability, with respect  
 16 to injuries occurring on and after July 1, 1990, and before July 1, 1991,  
 17 the average weekly wages are considered to be:  
 18 (1) not more than four hundred forty-one dollars (\$441); and  
 19 (2) not less than seventy-five dollars (\$75).  
 20 However, the weekly compensation payable shall not exceed the  
 21 average weekly wages of the employee at the time of the injury.  
 22 (f) In computing compensation for temporary total disability,  
 23 temporary partial disability, and total permanent disability, with respect  
 24 to injuries occurring on and after July 1, 1991, and before July 1, 1992,  
 25 the average weekly wages are considered to be:  
 26 (1) not more than four hundred ninety-two dollars (\$492); and  
 27 (2) not less than seventy-five dollars (\$75).  
 28 However, the weekly compensation payable shall not exceed the  
 29 average weekly wages of the employee at the time of the injury.  
 30 (g) In computing compensation for temporary total disability,  
 31 temporary partial disability, and total permanent disability, with respect  
 32 to injuries occurring on and after July 1, 1992, and before July 1, 1993,  
 33 the average weekly wages are considered to be:  
 34 (1) not more than five hundred forty dollars (\$540); and  
 35 (2) not less than seventy-five dollars (\$75).  
 36 However, the weekly compensation payable shall not exceed the  
 37 average weekly wages of the employee at the time of the injury.  
 38 (h) In computing compensation for temporary total disability,  
 39 temporary partial disability, and total permanent disability, with respect  
 40 to injuries occurring on and after July 1, 1993, and before July 1, 1994,  
 41 the average weekly wages are considered to be:  
 42 (1) not more than five hundred ninety-one dollars (\$591); and

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- 1 (2) not less than seventy-five dollars (\$75).  
 2 However, the weekly compensation payable shall not exceed the  
 3 average weekly wages of the employee at the time of the injury.
- 4 (i) In computing compensation for temporary total disability,  
 5 temporary partial disability, and total permanent disability, with respect  
 6 to injuries occurring on and after July 1, 1994, and before July 1, 1997,  
 7 the average weekly wages are considered to be:  
 8 (1) not more than six hundred forty-two dollars (\$642); and  
 9 (2) not less than seventy-five dollars (\$75).  
 10 However, the weekly compensation payable shall not exceed the  
 11 average weekly wages of the employee at the time of the injury.
- 12 (j) In computing compensation for temporary total disability,  
 13 temporary partial disability, and total permanent disability, the average  
 14 weekly wages are considered to be:  
 15 (1) with respect to injuries occurring on and after July 1, 1997,  
 16 and before July 1, 1998:  
 17 (A) not more than six hundred seventy-two dollars (\$672); and  
 18 (B) not less than seventy-five dollars (\$75);  
 19 (2) with respect to injuries occurring on and after July 1, 1998,  
 20 and before July 1, 1999:  
 21 (A) not more than seven hundred two dollars (\$702); and  
 22 (B) not less than seventy-five dollars (\$75);  
 23 (3) with respect to injuries occurring on and after July 1, 1999,  
 24 and before July 1, 2000:  
 25 (A) not more than seven hundred thirty-two dollars (\$732);  
 26 and  
 27 (B) not less than seventy-five dollars (\$75);  
 28 (4) with respect to injuries occurring on and after July 1, 2000,  
 29 and before July 1, 2001:  
 30 (A) not more than seven hundred sixty-two dollars (\$762); and  
 31 (B) not less than seventy-five dollars (\$75);  
 32 (5) with respect to injuries occurring on and after July 1, 2001,  
 33 and before July 1, 2002:  
 34 (A) not more than eight hundred twenty-two dollars (\$822);  
 35 and  
 36 (B) not less than seventy-five dollars (\$75);  
 37 (6) with respect to injuries occurring on and after July 1, 2002,  
 38 and before July 1, 2006:  
 39 (A) not more than eight hundred eighty-two dollars (\$882);  
 40 and  
 41 (B) not less than seventy-five dollars (\$75);  
 42 (7) with respect to injuries occurring on and after July 1, 2006,

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- 1 and before July 1, 2007:
- 2 (A) not more than nine hundred dollars (\$900); and
- 3 (B) not less than seventy-five dollars (\$75);
- 4 (8) with respect to injuries occurring on and after July 1, 2007,
- 5 and before July 1, 2008:
- 6 (A) not more than nine hundred thirty dollars (\$930); and
- 7 (B) not less than seventy-five dollars (\$75);
- 8 (9) with respect to injuries occurring on and after July 1, 2008,
- 9 and before July 1, 2009:
- 10 (A) not more than nine hundred fifty-four dollars (\$954); and
- 11 (B) not less than seventy-five dollars (\$75); ~~and~~
- 12 (10) with respect to injuries occurring on and after July 1, 2009,
- 13 **and before July 1, 2014:**
- 14 (A) not more than nine hundred seventy-five dollars (\$975);
- 15 and
- 16 (B) not less than seventy-five dollars (\$75); **and**
- 17 **(11) with respect to injuries occurring on and after July 1,**
- 18 **2014:**
- 19 (A) **not more than one thousand one hundred seventy**
- 20 **dollars (\$1,170); and**
- 21 **(B) not less than seventy-five dollars (\$75).**
- 22 However, the weekly compensation payable shall not exceed the
- 23 average weekly wages of the employee at the time of the injury.
- 24 (k) With respect to any injury occurring on and after July 1, 1985,
- 25 and before July 1, 1986, the maximum compensation, exclusive of
- 26 medical benefits, which may be paid for an injury under any provisions
- 27 of this law or any combination of provisions may not exceed
- 28 eighty-nine thousand dollars (\$89,000) in any case.
- 29 (l) With respect to any injury occurring on and after July 1, 1986,
- 30 and before July 1, 1988, the maximum compensation, exclusive of
- 31 medical benefits, which may be paid for an injury under any provisions
- 32 of this law or any combination of provisions may not exceed
- 33 ninety-five thousand dollars (\$95,000) in any case.
- 34 (m) With respect to any injury occurring on and after July 1, 1988,
- 35 and before July 1, 1989, the maximum compensation, exclusive of
- 36 medical benefits, which may be paid for an injury under any provisions
- 37 of this law or any combination of provisions may not exceed one
- 38 hundred twenty-eight thousand dollars (\$128,000) in any case.
- 39 (n) With respect to any injury occurring on and after July 1, 1989,
- 40 and before July 1, 1990, the maximum compensation, exclusive of
- 41 medical benefits, which may be paid for an injury under any provisions
- 42 of this law or any combination of provisions may not exceed one

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1 hundred thirty-seven thousand dollars (\$137,000) in any case.  
 2 (o) With respect to any injury occurring on and after July 1, 1990,  
 3 and before July 1, 1991, the maximum compensation, exclusive of  
 4 medical benefits, which may be paid for an injury under any provisions  
 5 of this law or any combination of provisions may not exceed one  
 6 hundred forty-seven thousand dollars (\$147,000) in any case.  
 7 (p) With respect to any injury occurring on and after July 1, 1991,  
 8 and before July 1, 1992, the maximum compensation, exclusive of  
 9 medical benefits, that may be paid for an injury under any provisions  
 10 of this law or any combination of provisions may not exceed one  
 11 hundred sixty-four thousand dollars (\$164,000) in any case.  
 12 (q) With respect to any injury occurring on and after July 1, 1992,  
 13 and before July 1, 1993, the maximum compensation, exclusive of  
 14 medical benefits, that may be paid for an injury under any provisions  
 15 of this law or any combination of provisions may not exceed one  
 16 hundred eighty thousand dollars (\$180,000) in any case.  
 17 (r) With respect to any injury occurring on and after July 1, 1993,  
 18 and before July 1, 1994, the maximum compensation, exclusive of  
 19 medical benefits, that may be paid for an injury under any provisions  
 20 of this law or any combination of provisions may not exceed one  
 21 hundred ninety-seven thousand dollars (\$197,000) in any case.  
 22 (s) With respect to any injury occurring on and after July 1, 1994,  
 23 and before July 1, 1997, the maximum compensation, exclusive of  
 24 medical benefits, which may be paid for an injury under any provisions  
 25 of this law or any combination of provisions may not exceed two  
 26 hundred fourteen thousand dollars (\$214,000) in any case.  
 27 (t) The maximum compensation, exclusive of medical benefits, that  
 28 may be paid for an injury under any provision of this law or any  
 29 combination of provisions may not exceed the following amounts in  
 30 any case:  
 31 (1) With respect to an injury occurring on and after July 1, 1997,  
 32 and before July 1, 1998, two hundred twenty-four thousand  
 33 dollars (\$224,000).  
 34 (2) With respect to an injury occurring on and after July 1, 1998,  
 35 and before July 1, 1999, two hundred thirty-four thousand dollars  
 36 (\$234,000).  
 37 (3) With respect to an injury occurring on and after July 1, 1999,  
 38 and before July 1, 2000, two hundred forty-four thousand dollars  
 39 (\$244,000).  
 40 (4) With respect to an injury occurring on and after July 1, 2000,  
 41 and before July 1, 2001, two hundred fifty-four thousand dollars  
 42 (\$254,000).

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- 1 (5) With respect to an injury occurring on and after July 1, 2001,
- 2 and before July 1, 2002, two hundred seventy-four thousand
- 3 dollars (\$274,000).
- 4 (6) With respect to an injury occurring on and after July 1, 2002,
- 5 and before July 1, 2006, two hundred ninety-four thousand dollars
- 6 (\$294,000).
- 7 (7) With respect to an injury occurring on and after July 1, 2006,
- 8 and before July 1, 2007, three hundred thousand dollars
- 9 (\$300,000).
- 10 (8) With respect to an injury occurring on and after July 1, 2007,
- 11 and before July 1, 2008, three hundred ten thousand dollars
- 12 (\$310,000).
- 13 (9) With respect to an injury occurring on and after July 1, 2008,
- 14 and before July 1, 2009, three hundred eighteen thousand dollars
- 15 (\$318,000).
- 16 (10) With respect to an injury occurring on and after July 1, 2009,
- 17 **and before July 1, 2014**, three hundred twenty-five thousand
- 18 dollars (\$325,000).
- 19 **(11) With respect to an injury occurring on and after July 1,**
- 20 **2014, three hundred ninety thousand dollars (\$390,000).**

21 SECTION 10. IC 22-3-5-2 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. An employer  
 23 required to carry insurance under IC 22-3-2-5 and section 1 of this  
 24 chapter shall file with the worker's compensation board, in the form  
 25 prescribed by it, **the board**, within ten (10) days after the termination  
 26 of the employer's insurance by expiration or cancellation, evidence of  
 27 the employer's compliance with section 1 of this chapter and other  
 28 provisions relating to the insurance under IC 22-3-2 through IC 22-3-6  
 29 and shall pay a filing fee in the amount of:

- 30 (1) ten dollars (\$10) before July 1, 1992; **and**
- 31 (2) five dollars (\$5) on and after July 1, 1992, and before July 1,
- 32 1995; **and**
- 33 (3) **two dollars (\$2), after July 1, 2013.**

34 **This filing fee shall be deposited in the worker's compensation**  
 35 **supplemental administrative fund established by section 6 of this**  
 36 **chapter and used to offset a part of the board's expenses related to**  
 37 **the administration of health care provider reimbursement**  
 38 **disputes.** Proof of renewal of an existing insurance policy may be filed  
 39 every three (3) years, but the filing fee for the policy shall be paid  
 40 annually. An employer coming under the compensation provisions of  
 41 IC 22-3-2 through IC 22-3-6 shall in a like manner file like evidence of  
 42 compliance on the employer's part.



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1 SECTION 11. IC 22-3-5-5 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5. (a) No insurer shall  
 3 enter into or issue any policy of insurance under IC 22-3-2 through  
 4 IC 22-3-6 until its policy form shall have been submitted to and  
 5 approved by the department of insurance.

6 (b) All policies of insurance companies and of reciprocal insurance  
 7 associations insuring the payment of compensation under IC 22-3-2  
 8 through IC 22-3-6 are conclusively presumed to cover all the  
 9 employees and the entire compensation liability of the insured. Any  
 10 provision in any policy attempting to limit or modify the liability of the  
 11 company or association issuing the same shall be wholly void.

12 (c) Every policy of any such company or association is deemed to  
 13 include the following provisions and any change in the policy which  
 14 may be required by any statute enacted after May 21, 1929, as fully as  
 15 if they were written in the policy:

16 (1) Except as provided in section 5.5 of this chapter, the insurer  
 17 hereby assumes in full all the obligations to pay physician's fees,  
 18 nurse's charges, hospital services, hospital supplies, burial  
 19 expenses, compensation, or death benefits imposed upon or  
 20 accepted by the insured under the provisions of IC 22-3-2 through  
 21 IC 22-3-6.

22 (2) This policy is made subject to IC 22-3-2 through IC 22-3-6  
 23 relative to the liability of the insured to pay physician's fees,  
 24 nurse's charges, hospital services, hospital supplies, burial  
 25 expenses, compensation, or death benefits to and for the  
 26 employees, the acceptance of such liability by the insured, the  
 27 adjustment, trial, and adjudication of claims for such physician's  
 28 fees, nurse's charges, hospital services, hospital supplies, burial  
 29 expenses, compensation, or death benefits, and the liability of the  
 30 insurer to pay the same are and shall be a part of this policy  
 31 contract as fully and completely as if written in this policy.

32 (3) As between this insurer and the employee, notice to or  
 33 knowledge of the occurrence of the injury on the part of the  
 34 insured (the employer) shall be notice or knowledge thereof, on  
 35 the part of the insurer. The jurisdiction of the insured (the  
 36 employer) for the purpose of IC 22-3-2 through IC 22-3-6 shall be  
 37 the jurisdiction of this insurer. This insurer shall in all things be  
 38 bound by and shall be subject to the awards, judgments, and  
 39 decrees rendered against the insured (the employer) under  
 40 IC 22-3-2 through IC 22-3-6.

41 (4) This insurer will promptly pay to the person entitled to the  
 42 same all benefits conferred by IC 22-3-2 through IC 22-3-6,

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1 including physician's fees, nurse's charges, hospital services,  
 2 hospital supplies, burial expenses, and all installments of  
 3 compensation or death benefits that may be awarded or agreed  
 4 upon under IC 22-3-2 through IC 22-3-6. The obligation of this  
 5 insurer shall not be affected by any default of the insured (the  
 6 employer) after the injury or by any default in giving of any notice  
 7 required by this policy, or otherwise. This policy is a direct  
 8 promise by this insurer to the person entitled to physician's fees,  
 9 nurse's charges, fees for hospital services, charges for hospital  
 10 supplies, charges for burial compensation, or death benefits, and  
 11 shall be enforceable in the name of the person.

12 (5) Any termination of this policy by cancellation shall not be  
 13 effective as to employees of the insured covered hereby unless at  
 14 least ten (10) days prior to the taking effect of such cancellation,  
 15 a written notice giving the date upon which such termination is to  
 16 become effective has been received by the worker's compensation  
 17 board of Indiana at its office in Indianapolis, Indiana.

18 (6) This policy shall automatically expire one (1) year from the  
 19 effective date of the policy unless:

20 (A) the policy covers a period of three (3) years, in which  
 21 event, it shall automatically expire three (3) years from the  
 22 effective date of the policy; **or**

23 (B) the policy is issued as a continuous policy, in which event  
 24 it shall not expire until terminated by the insured or the insurer  
 25 in accord with applicable state law and applicable policy  
 26 provisions; **or**

27 **(C) the policy covers a period permitted in bureau rules**  
 28 **under IC 27-7-2-20.**

29 The termination of a policy, as provided in this subdivision, shall  
 30 be effective as to the employees of the insured covered by the  
 31 policy.

32 (d) All claims for compensation, nurse's charges, hospital services,  
 33 hospital supplies, physician's fees, or burial expenses may be made  
 34 directly against either the employer or the insurer or both, and the  
 35 award of the worker's compensation board may be made against either  
 36 the employer or the insurer or both. If any insurer shall fail or refuse to  
 37 pay final award or judgment (except during the pendency of an appeal)  
 38 rendered against it, or its insured, or, if it shall fail or refuse to comply  
 39 with any provision of IC 22-3-2 through IC 22-3-6, the board shall not  
 40 accept any further proofs of insurance from it until it shall have paid  
 41 the award or judgment or complied with the violated provision of  
 42 IC 22-3-2 through IC 22-3-6.

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1 SECTION 12. IC 22-3-5-5.5 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 5.5. (a) Each insurer  
 3 entering into or issuing an insurance policy under IC 22-3-2 through  
 4 IC 22-3-7 may, as a part of the policy or as an optional endorsement to  
 5 the policy, offer deductibles or co-insurance, or both, that are optional  
 6 to the insured for benefits under IC 22-3-2 through IC 22-3-7. Each  
 7 insurer may do the following:

8 (1) Offer deductibles in multiples of five hundred dollars (\$500),  
 9 up to a maximum of five thousand dollars (\$5,000) per  
 10 compensable claim.

11 (2) Offer co-insurance for each compensable claim. The following  
 12 apply to co-insurance provided under this subdivision:

13 (A) The co-insurance must require the insurer to pay eighty  
 14 percent (80%) and the insured to pay twenty percent (20%) of  
 15 the amount of benefits due to an employee for an injury  
 16 compensable under IC 22-3-2 through IC 22-3-7.

17 (B) An insured employer may not be required to pay more than  
 18 four thousand two hundred dollars (\$4,200) in co-insurance  
 19 under this subdivision for each compensable claim.

20 (b) An insurer shall fully disclose in writing to prospective  
 21 policyholders the deductibles and co-insurance offered under  
 22 subsection (a). An insured employer who chooses a deductible under  
 23 subsection (a):

24 (1) may choose only one (1) deductible amount; and

25 (2) is liable for the amount of the deductible for benefits paid for  
 26 each compensable claim of an employee under IC 22-3-2 through  
 27 IC 22-3-7.

28 (c) An insurer shall do the following:

29 (1) Where a policy provides for a deductible, the insurer shall:

30 (A) pay all or a part of the deductible amount, whichever is  
 31 applicable to a compensable claim, to the person or medical  
 32 **service** provider entitled to the benefits under IC 22-3-2  
 33 through IC 22-3-7; and

34 (B) seek reimbursement from the employer from the  
 35 applicable deductible.

36 (2) Where a policy provides a deductible or co-insurance, the  
 37 insurance company shall pay the full cost of the claim. The  
 38 insurance company shall seek reimbursement from the insured  
 39 employer for its portion of the liability following closing of the  
 40 claim or when twenty percent (20%) of the benefits paid exceed  
 41 four thousand two hundred dollars (\$4,200).

42 (d) The payment or nonpayment of a deductible or co-insurance

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1 amount by an insured employer to the insurer shall be treated under the  
2 policy insuring the liability for worker's compensation in the same  
3 manner as payment or nonpayment of premiums is treated.

4 (e) The premium reduction for deductibles or for co-insurance shall  
5 be determined before the application of any experience modifications,  
6 premium surcharges, or premium discounts. The applicable premium  
7 reduction percentage is the percentage corresponding to the appropriate  
8 deductible or co-insurance amount. The premium reduction is obtained  
9 by the application of the appropriate reduction percentage, shown  
10 under miscellaneous values in the rate pages, to the premium  
11 determined before application of any experience or schedule  
12 modification, premium discounts, or any retrospective rating plan.

13 (f) This section does not apply to the following:  
14 (1) An employer that is authorized to self-insure against liability  
15 for claims under IC 22-3-2 through IC 22-3-6.  
16 (2) Group self-insurance funds for claims under IC 22-3-2  
17 through IC 22-3-6.

18 (g) A deductible or co-insurance provided under this section applies  
19 against the total of all benefits paid for a compensable claim, including  
20 benefits paid under the following:  
21 (1) IC 22-3-3-4.  
22 (2) IC 22-3-3-8 through IC 22-3-3-10.  
23 (3) IC 22-3-3-17.  
24 (4) IC 22-3-3-22.

25 (h) An employer may not use the employer's election of a deductible  
26 or co-insurance under this section or the payment of a deductible or  
27 co-insurance under this section in negotiating with the employer's  
28 employees on any terms of employment. An employee of an employer  
29 that knowingly violates this subsection may file a complaint with the  
30 department of labor. The department of labor may impose a civil  
31 penalty of not more than one thousand dollars (\$1,000) against an  
32 employer that knowingly violates this subsection.

33 (i) This subsection applies to an employee of an employer that has  
34 paid a deductible or co-insurance under this section and to the  
35 employee's dependents. If an employee or a dependent recovers  
36 damages against a third party under IC 22-3-2-13, the insurer shall  
37 provide reimbursement to the insured equal to a pro-rata share of the  
38 net recovery by the insurer.

39 SECTION 13. IC 22-3-6-1, AS AMENDED BY P.L.168-2011,  
40 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
41 JULY 1, 2013]: Sec. 1. In IC 22-3-2 through IC 22-3-6, unless the  
42 context otherwise requires:

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1 (a) "Employer" includes the state and any political subdivision, any  
2 municipal corporation within the state, any individual or the legal  
3 representative of a deceased individual, firm, association, limited  
4 liability company, or corporation or the receiver or trustee of the same,  
5 using the services of another for pay. A parent corporation and its  
6 subsidiaries shall each be considered joint employers of the  
7 corporation's, the parent's, or the subsidiaries' employees for purposes  
8 of IC 22-3-2-6 and IC 22-3-3-31. Both a lessor and a lessee of  
9 employees shall each be considered joint employers of the employees  
10 provided by the lessor to the lessee for purposes of IC 22-3-2-6 and  
11 IC 22-3-3-31. If the employer is insured, the term includes the  
12 employer's insurer so far as applicable. However, the inclusion of an  
13 employer's insurer within this definition does not allow an employer's  
14 insurer to avoid payment for services rendered to an employee with the  
15 approval of the employer. The term also includes an employer that  
16 provides on-the-job training under the federal School to Work  
17 Opportunities Act (20 U.S.C. 6101 et seq.) to the extent set forth in  
18 IC 22-3-2-2.5. The term does not include a nonprofit corporation that  
19 is recognized as tax exempt under Section 501(c)(3) of the Internal  
20 Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the  
21 corporation enters into an independent contractor agreement with a  
22 person for the performance of youth coaching services on a part-time  
23 basis.

24 (b) "Employee" means every person, including a minor, in the  
25 service of another, under any contract of hire or apprenticeship, written  
26 or implied, except one whose employment is both casual and not in the  
27 usual course of the trade, business, occupation, or profession of the  
28 employer.

29 (1) An executive officer elected or appointed and empowered in  
30 accordance with the charter and bylaws of a corporation, other  
31 than a municipal corporation or governmental subdivision or a  
32 charitable, religious, educational, or other nonprofit corporation,  
33 is an employee of the corporation under IC 22-3-2 through  
34 IC 22-3-6. An officer of a corporation who is the sole officer of  
35 the corporation is an employee of the corporation under IC 22-3-2  
36 through IC 22-3-6, but may elect not to be an employee of the  
37 corporation under IC 22-3-2 through IC 22-3-6. If an officer  
38 makes this election, the officer must serve written notice of the  
39 election on the corporation's insurance carrier and the board. An  
40 officer of a corporation who is the sole officer of the corporation  
41 may not be considered to be excluded as an employee under  
42 IC 22-3-2 through IC 22-3-6 until the notice is received by the

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insurance carrier and the board.

(2) An executive officer of a municipal corporation or other governmental subdivision or of a charitable, religious, educational, or other nonprofit corporation may, notwithstanding any other provision of IC 22-3-2 through IC 22-3-6, be brought within the coverage of its insurance contract by the corporation by specifically including the executive officer in the contract of insurance. The election to bring the executive officer within the coverage shall continue for the period the contract of insurance is in effect, and during this period, the executive officers thus brought within the coverage of the insurance contract are employees of the corporation under IC 22-3-2 through IC 22-3-6.

(3) Any reference to an employee who has been injured, when the employee is dead, also includes the employee's legal representatives, dependents, and other persons to whom compensation may be payable.

(4) An owner of a sole proprietorship may elect to include the owner as an employee under IC 22-3-2 through IC 22-3-6 if the owner is actually engaged in the proprietorship business. If the owner makes this election, the owner must serve upon the owner's insurance carrier and upon the board written notice of the election. No owner of a sole proprietorship may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If the owner of a sole proprietorship:

- (A) is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain a certificate of exemption under IC 22-3-2-14.5; or
- (B) is an independent contractor and does not make the election provided under this subdivision, the owner may obtain a certificate of exemption under IC 22-3-2-14.5.

(5) A partner in a partnership may elect to include the partner as an employee under IC 22-3-2 through IC 22-3-6 if the partner is actually engaged in the partnership business. If a partner makes this election, the partner must serve upon the partner's insurance carrier and upon the board written notice of the election. No partner may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. If a partner in a partnership:

- (A) is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain a certificate of exemption under

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- 1 IC 22-3-2-14.5; or
- 2 (B) is an independent contractor and does not make the
- 3 election provided under this subdivision, the partner may
- 4 obtain a certificate of exemption under IC 22-3-2-14.5.
- 5 (6) Real estate professionals are not employees under IC 22-3-2
- 6 through IC 22-3-6 if:
- 7 (A) they are licensed real estate agents;
- 8 (B) substantially all their remuneration is directly related to
- 9 sales volume and not the number of hours worked; and
- 10 (C) they have written agreements with real estate brokers
- 11 stating that they are not to be treated as employees for tax
- 12 purposes.
- 13 (7) A person is an independent contractor ~~in the construction~~
- 14 ~~trades~~ and not an employee under IC 22-3-2 through IC 22-3-6 if
- 15 the person is an independent contractor under the guidelines of
- 16 the United States Internal Revenue Service.
- 17 (8) An owner-operator that provides a motor vehicle and the
- 18 services of a driver under a written contract that is subject to
- 19 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 376 to a motor carrier
- 20 is not an employee of the motor carrier for purposes of IC 22-3-2
- 21 through IC 22-3-6. The owner-operator may elect to be covered
- 22 and have the owner-operator's drivers covered under a worker's
- 23 compensation insurance policy or authorized self-insurance that
- 24 insures the motor carrier if the owner-operator pays the premiums
- 25 as requested by the motor carrier. An election by an
- 26 owner-operator under this subdivision does not terminate the
- 27 independent contractor status of the owner-operator for any
- 28 purpose other than the purpose of this subdivision.
- 29 (9) A member or manager in a limited liability company may elect
- 30 to include the member or manager as an employee under
- 31 IC 22-3-2 through IC 22-3-6 if the member or manager is actually
- 32 engaged in the limited liability company business. If a member or
- 33 manager makes this election, the member or manager must serve
- 34 upon the member's or manager's insurance carrier and upon the
- 35 board written notice of the election. A member or manager may
- 36 not be considered an employee under IC 22-3-2 through IC 22-3-6
- 37 until the notice has been received.
- 38 (10) An unpaid participant under the federal School to Work
- 39 Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the
- 40 extent set forth in IC 22-3-2-2.5.
- 41 (11) A person who enters into an independent contractor
- 42 agreement with a nonprofit corporation that is recognized as tax

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1 exempt under Section 501(c)(3) of the Internal Revenue Code (as  
2 defined in IC 6-3-1-11(a)) to perform youth coaching services on  
3 a part-time basis is not an employee for purposes of IC 22-3-2  
4 through IC 22-3-6.

5 (c) "Minor" means an individual who has not reached seventeen  
6 (17) years of age.

7 (1) Unless otherwise provided in this subsection, a minor  
8 employee shall be considered as being of full age for all purposes  
9 of IC 22-3-2 through IC 22-3-6.

10 (2) If the employee is a minor who, at the time of the accident, is  
11 employed, required, suffered, or permitted to work in violation of  
12 IC 20-33-3-35, the amount of compensation and death benefits,  
13 as provided in IC 22-3-2 through IC 22-3-6, shall be double the  
14 amount which would otherwise be recoverable. The insurance  
15 carrier shall be liable on its policy for one-half (1/2) of the  
16 compensation or benefits that may be payable on account of the  
17 injury or death of the minor, and the employer shall be liable for  
18 the other one-half (1/2) of the compensation or benefits. If the  
19 employee is a minor who is not less than sixteen (16) years of age  
20 and who has not reached seventeen (17) years of age and who at  
21 the time of the accident is employed, suffered, or permitted to  
22 work at any occupation which is not prohibited by law, this  
23 subdivision does not apply.

24 (3) A minor employee who, at the time of the accident, is a  
25 student performing services for an employer as part of an  
26 approved program under IC 20-37-2-7 shall be considered a  
27 full-time employee for the purpose of computing compensation  
28 for permanent impairment under IC 22-3-3-10. The average  
29 weekly wages for such a student shall be calculated as provided  
30 in subsection (d)(4).

31 (4) The rights and remedies granted in this subsection to a minor  
32 under IC 22-3-2 through IC 22-3-6 on account of personal injury  
33 or death by accident shall exclude all rights and remedies of the  
34 minor, the minor's parents, or the minor's personal  
35 representatives, dependents, or next of kin at common law,  
36 statutory or otherwise, on account of the injury or death. This  
37 subsection does not apply to minors who have reached seventeen  
38 (17) years of age.

39 (d) "Average weekly wages" means the earnings of the injured  
40 employee in the employment in which the employee was working at the  
41 time of the injury during the period of fifty-two (52) weeks  
42 immediately preceding the date of injury, divided by fifty-two (52),

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except as follows:

(1) If the injured employee lost seven (7) or more calendar days during this period, although not in the same week, then the earnings for the remainder of the fifty-two (52) weeks shall be divided by the number of weeks and parts thereof remaining after the time lost has been deducted.

(2) Where the employment prior to the injury extended over a period of less than fifty-two (52) weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed, if results just and fair to both parties will be obtained. Where by reason of the shortness of the time during which the employee has been in the employment of the employee's employer or of the casual nature or terms of the employment it is impracticable to compute the average weekly wages, as defined in this subsection, regard shall be had to the average weekly amount which during the fifty-two (52) weeks previous to the injury was being earned by a person in the same grade employed at the same work by the same employer or, if there is no person so employed, by a person in the same grade employed in the same class of employment in the same district.

(3) Wherever allowances of any character made to an employee in lieu of wages are a specified part of the wage contract, they shall be deemed a part of the employee's earnings.

(4) In computing the average weekly wages to be used in calculating an award for permanent impairment under IC 22-3-3-10 for a student employee in an approved training program under IC 20-37-2-7, the following formula shall be used. Calculate the product of:

- (A) the student employee's hourly wage rate; multiplied by
- (B) forty (40) hours.

The result obtained is the amount of the average weekly wages for the student employee.

(e) "Injury" and "personal injury" mean only injury by accident arising out of and in the course of the employment and do not include a disease in any form except as it results from the injury.

(f) "Billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the insurance carrier performs such a review.

(g) "Billing review standard" means the data used by a billing

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1 review service to determine pecuniary liability.

2 (h) "Community" means a geographic service area based on ZIP  
3 code districts defined by the United States Postal Service according to  
4 the following groupings:

5 (1) The geographic service area served by ZIP codes with the first  
6 three (3) digits 463 and 464.

7 (2) The geographic service area served by ZIP codes with the first  
8 three (3) digits 465 and 466.

9 (3) The geographic service area served by ZIP codes with the first  
10 three (3) digits 467 and 468.

11 (4) The geographic service area served by ZIP codes with the first  
12 three (3) digits 469 and 479.

13 (5) The geographic service area served by ZIP codes with the first  
14 three (3) digits 460, 461 (except 46107), and 473.

15 (6) The geographic service area served by the 46107 ZIP code and  
16 ZIP codes with the first three (3) digits 462.

17 (7) The geographic service area served by ZIP codes with the first  
18 three (3) digits 470, 471, 472, 474, and 478.

19 (8) The geographic service area served by ZIP codes with the first  
20 three (3) digits 475, 476, and 477.

21 (i) "Medical service provider" refers to a person or an entity that  
22 provides ~~medical services treatment, or supplies or products~~ to an  
23 employee under IC 22-3-2 through IC 22-3-6. **Except as otherwise  
24 provided in IC 22-3-2 through IC 22-3-6, the term includes a  
25 medical service facility.**

26 (j) "Medical service facility" means any of the following that  
27 provides a service or product under IC 22-3-2 through IC 22-3-6:

28 (1) A hospital (as defined in IC 16-18-2-179).

29 (2) A hospital based health facility (as defined in  
30 IC 16-18-2-180).

31 (3) A medical center (as defined in IC 16-18-2-223.4).

32 **The term does not include a professional corporation (as defined  
33 in IC 23-1.5-1-10) comprised of health care professionals (as  
34 defined in IC 23-1.5-1-8) formed to render professional services as  
35 set forth in IC 23-1.5-2-3(a)(4) or a health care professional (as  
36 defined in IC 23-1.5-1-8) who bills for a service or product  
37 provided under IC 22-3-2 through IC 22-3-6 as an individual or a  
38 member of a group practice.**

39 (k) "Pecuniary liability" means the responsibility of an employer  
40 or the employer's insurance carrier for the payment of the charges for  
41 each specific service or product for human medical treatment provided  
42 under IC 22-3-2 through IC 22-3-6, **as follows:**



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**(1) This subdivision applies before July 1, 2014, to all medical service providers, and after June 30, 2014, to a medical service provider that is not a medical service facility. Payment of the charges in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.**

**(2) This subdivision applies after June 30, 2014, to a medical service facility. Payment of the charges in a reasonable amount, which is established by payment of one (1) of the following:**

**(A) The amount negotiated at any time between the medical service facility and any of the following, if an amount has been negotiated:**

- (i) The employer.**
- (ii) The employer's insurance carrier.**
- (iii) A billing review service on behalf of a person described in item (i) or (ii).**
- (iv) A direct provider network that has contracted with a person described in item (i) or (ii).**

**(B) Two hundred percent (200%) of the amount payable under Medicare on the same date for the same service or product provided by the medical service facility, if an amount has not been negotiated as described in clause (A).**

**(C) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of the specific service or product provided under worker's compensation, if an amount has not been negotiated as described in clause (A) and the parties have a dispute regarding the payment under clause (B). The medical service facility shall provide the cost amount required under this clause.**

**(l) "Service or product" or "services and products" refers to medical, hospital, surgical, or nursing service, treatment, and supply provided under IC 22-3-2 through IC 22-3-6.**

SECTION 14. IC 22-3-7-9, AS AMENDED BY P.L.6-2012, SECTION 150, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 9. (a) As used in this chapter, "employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. A parent corporation and its

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1 subsidiaries shall each be considered joint employers of the  
 2 corporation's, the parent's, or the subsidiaries' employees for purposes  
 3 of sections 6 and 33 of this chapter. Both a lessor and a lessee of  
 4 employees shall each be considered joint employers of the employees  
 5 provided by the lessor to the lessee for purposes of sections 6 and 33  
 6 of this chapter. The term also includes an employer that provides  
 7 on-the-job training under the federal School to Work Opportunities Act  
 8 (20 U.S.C. 6101 et seq.) to the extent set forth under section 2.5 of this  
 9 chapter. If the employer is insured, the term includes the employer's  
 10 insurer so far as applicable. However, the inclusion of an employer's  
 11 insurer within this definition does not allow an employer's insurer to  
 12 avoid payment for services rendered to an employee with the approval  
 13 of the employer. The term does not include a nonprofit corporation that  
 14 is recognized as tax exempt under Section 501(c)(3) of the Internal  
 15 Revenue Code (as defined in IC 6-3-1-11(a)) to the extent the  
 16 corporation enters into an independent contractor agreement with a  
 17 person for the performance of youth coaching services on a part-time  
 18 basis.

19 (b) As used in this chapter, "employee" means every person,  
 20 including a minor, in the service of another, under any contract of hire  
 21 or apprenticeship written or implied, except one whose employment is  
 22 both casual and not in the usual course of the trade, business,  
 23 occupation, or profession of the employer. For purposes of this chapter  
 24 the following apply:

25 (1) Any reference to an employee who has suffered disablement,  
 26 when the employee is dead, also includes the employee's legal  
 27 representative, dependents, and other persons to whom  
 28 compensation may be payable.

29 (2) An owner of a sole proprietorship may elect to include the  
 30 owner as an employee under this chapter if the owner is actually  
 31 engaged in the proprietorship business. If the owner makes this  
 32 election, the owner must serve upon the owner's insurance carrier  
 33 and upon the board written notice of the election. No owner of a  
 34 sole proprietorship may be considered an employee under this  
 35 chapter unless the notice has been received. If the owner of a sole  
 36 proprietorship:

37 (A) is an independent contractor in the construction trades and  
 38 does not make the election provided under this subdivision,  
 39 the owner must obtain a certificate of exemption under section  
 40 34.5 of this chapter; or

41 (B) is an independent contractor and does not make the  
 42 election provided under this subdivision, the owner may obtain

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- 1 a certificate of exemption under section 34.5 of this chapter.
- 2 (3) A partner in a partnership may elect to include the partner as
- 3 an employee under this chapter if the partner is actually engaged
- 4 in the partnership business. If a partner makes this election, the
- 5 partner must serve upon the partner's insurance carrier and upon
- 6 the board written notice of the election. No partner may be
- 7 considered an employee under this chapter until the notice has
- 8 been received. If a partner in a partnership:
- 9 (A) is an independent contractor in the construction trades and
- 10 does not make the election provided under this subdivision,
- 11 the partner must obtain a certificate of exemption under
- 12 section 34.5 of this chapter; or
- 13 (B) is an independent contractor and does not make the
- 14 election provided under this subdivision, the partner may
- 15 obtain a certificate of exemption under section 34.5 of this
- 16 chapter.
- 17 (4) Real estate professionals are not employees under this chapter
- 18 if:
- 19 (A) they are licensed real estate agents;
- 20 (B) substantially all their remuneration is directly related to
- 21 sales volume and not the number of hours worked; and
- 22 (C) they have written agreements with real estate brokers
- 23 stating that they are not to be treated as employees for tax
- 24 purposes.
- 25 (5) A person is an independent contractor in the construction
- 26 trades and not an employee under this chapter if the person is an
- 27 independent contractor under the guidelines of the United States
- 28 Internal Revenue Service.
- 29 (6) An owner-operator that provides a motor vehicle and the
- 30 services of a driver under a written contract that is subject to
- 31 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 376, to a motor
- 32 carrier is not an employee of the motor carrier for purposes of this
- 33 chapter. The owner-operator may elect to be covered and have the
- 34 owner-operator's drivers covered under a worker's compensation
- 35 insurance policy or authorized self-insurance that insures the
- 36 motor carrier if the owner-operator pays the premiums as
- 37 requested by the motor carrier. An election by an owner-operator
- 38 under this subdivision does not terminate the independent
- 39 contractor status of the owner-operator for any purpose other than
- 40 the purpose of this subdivision.
- 41 (7) An unpaid participant under the federal School to Work
- 42 Opportunities Act (20 U.S.C. 6101 et seq.) is an employee to the

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1 extent set forth under section 2.5 of this chapter.  
 2 (8) A person who enters into an independent contractor agreement  
 3 with a nonprofit corporation that is recognized as tax exempt  
 4 under Section 501(c)(3) of the Internal Revenue Code (as defined  
 5 in IC 6-3-1-11(a)) to perform youth coaching services on a  
 6 part-time basis is not an employee for purposes of this chapter.  
 7 (9) An officer of a corporation who is the sole officer of the  
 8 corporation is an employee of the corporation under this chapter.  
 9 An officer of a corporation who is the sole officer of the  
 10 corporation may elect not to be an employee of the corporation  
 11 under this chapter. If an officer makes this election, the officer  
 12 must serve written notice of the election on the corporation's  
 13 insurance carrier and the board. An officer of a corporation who  
 14 is the sole officer of the corporation may not be considered to be  
 15 excluded as an employee under this chapter until the notice is  
 16 received by the insurance carrier and the board.  
 17 (c) As used in this chapter, "minor" means an individual who has  
 18 not reached seventeen (17) years of age. A minor employee shall be  
 19 considered as being of full age for all purposes of this chapter.  
 20 However, if the employee is a minor who, at the time of the last  
 21 exposure, is employed, required, suffered, or permitted to work in  
 22 violation of the child labor laws of this state, the amount of  
 23 compensation and death benefits, as provided in this chapter, shall be  
 24 double the amount which would otherwise be recoverable. The  
 25 insurance carrier shall be liable on its policy for one-half (1/2) of the  
 26 compensation or benefits that may be payable on account of the  
 27 disability or death of the minor, and the employer shall be wholly liable  
 28 for the other one-half (1/2) of the compensation or benefits. If the  
 29 employee is a minor who is not less than sixteen (16) years of age and  
 30 who has not reached seventeen (17) years of age, and who at the time  
 31 of the last exposure is employed, suffered, or permitted to work at any  
 32 occupation which is not prohibited by law, the provisions of this  
 33 subsection prescribing double the amount otherwise recoverable do not  
 34 apply. The rights and remedies granted to a minor under this chapter on  
 35 account of disease shall exclude all rights and remedies of the minor,  
 36 the minor's parents, the minor's personal representatives, dependents,  
 37 or next of kin at common law, statutory or otherwise, on account of any  
 38 disease.  
 39 (d) This chapter does not apply to casual laborers as defined in  
 40 subsection (b), nor to farm or agricultural employees, nor to household  
 41 employees, nor to railroad employees engaged in train service as  
 42 engineers, firemen, conductors, brakemen, flagmen, baggagemen, or

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1 foremen in charge of yard engines and helpers assigned thereto, nor to  
2 their employers with respect to these employees. Also, this chapter  
3 does not apply to employees or their employers with respect to  
4 employments in which the laws of the United States provide for  
5 compensation or liability for injury to the health, disability, or death by  
6 reason of diseases suffered by these employees.

7 (e) As used in this chapter, "disablement" means the event of  
8 becoming disabled from earning full wages at the work in which the  
9 employee was engaged when last exposed to the hazards of the  
10 occupational disease by the employer from whom the employee claims  
11 compensation or equal wages in other suitable employment, and  
12 "disability" means the state of being so incapacitated.

13 (f) For the purposes of this chapter, no compensation shall be  
14 payable for or on account of any occupational diseases unless  
15 disablement, as defined in subsection (e), occurs within two (2) years  
16 after the last day of the last exposure to the hazards of the disease  
17 except for the following:

18 (1) In all cases of occupational diseases caused by the inhalation  
19 of silica dust or coal dust, no compensation shall be payable  
20 unless disablement, as defined in subsection (e), occurs within  
21 three (3) years after the last day of the last exposure to the hazards  
22 of the disease.

23 (2) In all cases of occupational disease caused by the exposure to  
24 radiation, no compensation shall be payable unless disablement,  
25 as defined in subsection (e), occurs within two (2) years from the  
26 date on which the employee had knowledge of the nature of the  
27 employee's occupational disease or, by exercise of reasonable  
28 diligence, should have known of the existence of such disease and  
29 its causal relationship to the employee's employment.

30 (3) In all cases of occupational diseases caused by the inhalation  
31 of asbestos dust, no compensation shall be payable unless  
32 disablement, as defined in subsection (e), occurs within three (3)  
33 years after the last day of the last exposure to the hazards of the  
34 disease if the last day of the last exposure was before July 1, 1985.

35 (4) In all cases of occupational disease caused by the inhalation  
36 of asbestos dust in which the last date of the last exposure occurs  
37 on or after July 1, 1985, and before July 1, 1988, no compensation  
38 shall be payable unless disablement, as defined in subsection (e),  
39 occurs within twenty (20) years after the last day of the last  
40 exposure.

41 (5) In all cases of occupational disease caused by the inhalation  
42 of asbestos dust in which the last date of the last exposure occurs

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1 on or after July 1, 1988, no compensation shall be payable unless  
 2 disablement (as defined in subsection (e)) occurs within  
 3 thirty-five (35) years after the last day of the last exposure.

4 (g) For the purposes of this chapter, no compensation shall be  
 5 payable for or on account of death resulting from any occupational  
 6 disease unless death occurs within two (2) years after the date of  
 7 disablement. However, this subsection does not bar compensation for  
 8 death:

9 (1) where death occurs during the pendency of a claim filed by an  
 10 employee within two (2) years after the date of disablement and  
 11 which claim has not resulted in a decision or has resulted in a  
 12 decision which is in process of review or appeal; or

13 (2) where, by agreement filed or decision rendered, a  
 14 compensable period of disability has been fixed and death occurs  
 15 within two (2) years after the end of such fixed period, but in no  
 16 event later than three hundred (300) weeks after the date of  
 17 disablement.

18 (h) As used in this chapter, "billing review service" refers to a  
 19 person or an entity that reviews a medical service provider's bills or  
 20 statements for the purpose of determining pecuniary liability. The term  
 21 includes an employer's worker's compensation insurance carrier if the  
 22 insurance carrier performs such a review.

23 (i) As used in this chapter, "billing review standard" means the data  
 24 used by a billing review service to determine pecuniary liability.

25 (j) As used in this chapter, "community" means a geographic service  
 26 area based on ZIP code districts defined by the United States Postal  
 27 Service according to the following groupings:

28 (1) The geographic service area served by ZIP codes with the first  
 29 three (3) digits 463 and 464.

30 (2) The geographic service area served by ZIP codes with the first  
 31 three (3) digits 465 and 466.

32 (3) The geographic service area served by ZIP codes with the first  
 33 three (3) digits 467 and 468.

34 (4) The geographic service area served by ZIP codes with the first  
 35 three (3) digits 469 and 479.

36 (5) The geographic service area served by ZIP codes with the first  
 37 three (3) digits 460, 461 (except 46107), and 473.

38 (6) The geographic service area served by the 46107 ZIP code and  
 39 ZIP codes with the first three (3) digits 462.

40 (7) The geographic service area served by ZIP codes with the first  
 41 three (3) digits 470, 471, 472, 474, and 478.

42 (8) The geographic service area served by ZIP codes with the first

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1 three (3) digits 475, 476, and 477.

2 (k) As used in this chapter, "medical service provider" refers to a  
3 person or an entity that provides ~~medical services treatment, or supplies~~  
4 **or products** to an employee under this chapter. **Except as otherwise**  
5 **provided in this chapter, the term includes a medical service**  
6 **facility.**

7 (l) As used in this chapter, "medical service facility" means any  
8 of the following that provides a service or product under this  
9 chapter:

10 (1) A hospital (as defined in IC 16-18-2-179).

11 (2) A hospital based health facility (as defined in  
12 IC 16-18-2-180).

13 (3) A medical center (as defined in IC 16-18-2-223.4).

14 The term does not include a professional corporation (as defined  
15 in IC 23-1.5-1-10) comprised of health care professionals (as  
16 defined in IC 23-1.5-1-8) formed to render professional services as  
17 set forth in IC 23-1.5-2-3(a)(4) or a health care professional (as  
18 defined in IC 23-1.5-1-8) who bills for a service or product  
19 provided under this chapter as an individual or a member of a  
20 group practice.

21 (†) (m) As used in this chapter, "pecuniary liability" means the  
22 responsibility of an employer or the employer's insurance carrier for the  
23 payment of the charges for each specific service or product for human  
24 medical treatment provided under this chapter as follows:

25 (1) This subdivision applies before July 1, 2014, to all medical  
26 service providers, and after June 30, 2014, to a medical  
27 service provider that is not a medical service facility. Payment  
28 of the charges in a defined community, equal to or less than the  
29 charges made by medical service providers at the eightieth  
30 percentile in the same community for like services or products.

31 (2) This subdivision applies after June 30, 2014, to a medical  
32 service facility. Payment of the charges in a reasonable  
33 amount, which is established by payment of one (1) of the  
34 following:

35 (A) The amount negotiated at any time between the  
36 medical service facility and any of the following, if an  
37 amount has been negotiated:

38 (i) The employer.

39 (ii) The employer's insurance carrier.

40 (iii) A billing review service on behalf of a person  
41 described in item (i) or (ii).

42 (iv) A direct provider network that has contracted with

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a person described in item (i) or (ii).  
**(B) Two hundred percent (200%) of the amount payable under Medicare on the same date for the same service or product provided by the medical service facility, if an amount has not been negotiated as described in clause (A).**  
**(C) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of the specific service or product provided under occupational diseases compensation, if an amount has not been negotiated as described in clause (A) and the parties have a dispute regarding the payment under clause (B). The medical service facility shall provide the cost amount required under this clause.**

**(n) "Service or product" or "services and products" refers to medical, hospital, surgical, or nursing service, treatment, and supply provided under this chapter.**

SECTION 15. IC 22-3-7-16, AS AMENDED BY P.L.168-2011, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 16. (a) Compensation shall be allowed on account of disablement from occupational disease resulting in only temporary total disability to work or temporary partial disability to work beginning with the eighth day of such disability except for the medical benefits provided for in section 17 of this chapter. Compensation shall be allowed for the first seven (7) calendar days only as provided in this section. The first weekly installment of compensation for temporary disability is due fourteen (14) days after the disability begins. Not later than fifteen (15) days from the date that the first installment of compensation is due, the employer or the employer's insurance carrier shall tender to the employee or to the employee's dependents, with all compensation due, a properly prepared compensation agreement in a form prescribed by the board. Whenever an employer or the employer's insurance carrier denies or is not able to determine liability to pay compensation or benefits, the employer or the employer's insurance carrier shall notify the worker's compensation board and the employee in writing on a form prescribed by the worker's compensation board not later than thirty (30) days after the employer's knowledge of the claimed disablement. If a determination of liability cannot be made within thirty (30) days, the worker's compensation board may approve an additional thirty (30) days upon a written request of the employer or the employer's insurance carrier that sets forth the reasons that the determination could not be made within thirty (30) days and states the facts or circumstances that are necessary to determine liability within

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1 the additional thirty (30) days. More than thirty (30) days of additional  
2 time may be approved by the worker's compensation board upon the  
3 filing of a petition by the employer or the employer's insurance carrier  
4 that sets forth:

- 5 (1) the extraordinary circumstances that have precluded a
- 6 determination of liability within the initial sixty (60) days;
- 7 (2) the status of the investigation on the date the petition is filed;
- 8 (3) the facts or circumstances that are necessary to make a
- 9 determination; and
- 10 (4) a timetable for the completion of the remaining investigation.

11 An employer who fails to comply with this section is subject to a civil  
12 penalty under IC 22-3-4-15.

13 (b) Once begun, temporary total disability benefits may not be  
14 terminated by the employer unless:

- 15 (1) the employee has returned to work;
- 16 (2) the employee has died;
- 17 (3) the employee has refused to undergo a medical examination
- 18 under section 20 of this chapter;
- 19 (4) the employee has received five hundred (500) weeks of
- 20 temporary total disability benefits or has been paid the maximum
- 21 compensation allowable under section 19 of this chapter; or
- 22 (5) the employee is unable or unavailable to work for reasons
- 23 unrelated to the compensable disease.

24 In all other cases the employer must notify the employee in writing of  
25 the employer's intent to terminate the payment of temporary total  
26 disability benefits, and of the availability of employment, if any, on a  
27 form approved by the board. If the employee disagrees with the  
28 proposed termination, the employee must give written notice of  
29 disagreement to the board and the employer within seven (7) days after  
30 receipt of the notice of intent to terminate benefits. If the board and  
31 employer do not receive a notice of disagreement under this section,  
32 the employee's temporary total disability benefits shall be terminated.  
33 Upon receipt of the notice of disagreement, the board shall immediately  
34 contact the parties, which may be by telephone or other means and  
35 attempt to resolve the disagreement. If the board is unable to resolve  
36 the disagreement within ten (10) days of receipt of the notice of  
37 disagreement, the board shall immediately arrange for an evaluation of  
38 the employee by an independent medical examiner. The independent  
39 medical examiner shall be selected by mutual agreement of the parties  
40 or, if the parties are unable to agree, appointed by the board under  
41 IC 22-3-4-11. If the independent medical examiner determines that the  
42 employee is no longer temporarily disabled or is still temporarily

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1 disabled but can return to employment that the employer has made  
2 available to the employee, or if the employee fails or refuses to appear  
3 for examination by the independent medical examiner, temporary total  
4 disability benefits may be terminated. If either party disagrees with the  
5 opinion of the independent medical examiner, the party shall apply to  
6 the board for a hearing under section 27 of this chapter.

7 (c) An employer is not required to continue the payment of  
8 temporary total disability benefits for more than fourteen (14) days  
9 after the employer's proposed termination date unless the independent  
10 medical examiner determines that the employee is temporarily disabled  
11 and unable to return to any employment that the employer has made  
12 available to the employee.

13 (d) If it is determined that as a result of this section temporary total  
14 disability benefits were overpaid, the overpayment shall be deducted  
15 from any benefits due the employee under this section and, if there are  
16 no benefits due the employee or the benefits due the employee do not  
17 equal the amount of the overpayment, the employee shall be  
18 responsible for paying any overpayment which cannot be deducted  
19 from benefits due the employee.

20 (e) For disablements occurring on and after July 1, 1976, from  
21 occupational disease resulting in temporary total disability for any work  
22 there shall be paid to the disabled employee during the temporary total  
23 disability weekly compensation equal to sixty-six and two-thirds  
24 percent (66 2/3%) of the employee's average weekly wages, as defined  
25 in section 19 of this chapter, for a period not to exceed five hundred  
26 (500) weeks. Compensation shall be allowed for the first seven (7)  
27 calendar days only if the disability continues for longer than twenty-one  
28 (21) days.

29 (f) For disablements occurring on and after July 1, 1974, from  
30 occupational disease resulting in temporary partial disability for work  
31 there shall be paid to the disabled employee during such disability a  
32 weekly compensation equal to sixty-six and two-thirds percent (66  
33 2/3%) of the difference between the employee's average weekly wages,  
34 as defined in section 19 of this chapter, and the weekly wages at which  
35 the employee is actually employed after the disablement, for a period  
36 not to exceed three hundred (300) weeks. Compensation shall be  
37 allowed for the first seven (7) calendar days only if the disability  
38 continues for longer than twenty-one (21) days. In case of partial  
39 disability after the period of temporary total disability, the latter period  
40 shall be included as a part of the maximum period allowed for partial  
41 disability.

42 (g) For disabilities occurring on and after July 1, 1979, and before



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1 July 1, 1988, from occupational disease in the schedule set forth in  
 2 subsection (j), the employee shall receive in addition to disability  
 3 benefits, not exceeding fifty-two (52) weeks on account of the  
 4 occupational disease, a weekly compensation of sixty percent (60%) of  
 5 the employee's average weekly wages, not to exceed one hundred  
 6 twenty-five dollars (\$125) average weekly wages, for the period stated  
 7 for the disabilities.

8 (h) For disabilities occurring on and after July 1, 1988, and before  
 9 July 1, 1989, from occupational disease in the schedule set forth in  
 10 subsection (j), the employee shall receive in addition to disability  
 11 benefits, not exceeding seventy-eight (78) weeks on account of the  
 12 occupational disease, a weekly compensation of sixty percent (60%) of  
 13 the employee's average weekly wages, not to exceed one hundred  
 14 sixty-six dollars (\$166) average weekly wages, for the period stated for  
 15 the disabilities.

16 (i) For disabilities occurring on and after July 1, 1989, and before  
 17 July 1, 1990, from occupational disease in the schedule set forth in  
 18 subsection (j), the employee shall receive in addition to disability  
 19 benefits, not exceeding seventy-eight (78) weeks on account of the  
 20 occupational disease, a weekly compensation of sixty percent (60%) of  
 21 the employee's average weekly wages, not to exceed one hundred  
 22 eighty-three dollars (\$183) average weekly wages, for the period stated  
 23 for the disabilities.

24 (j) For disabilities occurring on and after July 1, 1990, and before  
 25 July 1, 1991, from occupational disease in the following schedule, the  
 26 employee shall receive in addition to disability benefits, not exceeding  
 27 seventy-eight (78) weeks on account of the occupational disease, a  
 28 weekly compensation of sixty percent (60%) of the employee's average  
 29 weekly wages, not to exceed two hundred dollars (\$200) average  
 30 weekly wages, for the period stated for the disabilities.

31 (1) Amputations: For the loss by separation, of the thumb, sixty  
 32 (60) weeks; of the index finger, forty (40) weeks; of the second  
 33 finger, thirty-five (35) weeks; of the third or ring finger, thirty  
 34 (30) weeks; of the fourth or little finger, twenty (20) weeks; of the  
 35 hand by separation below the elbow, two hundred (200) weeks; of  
 36 the arm above the elbow joint, two hundred fifty (250) weeks; of  
 37 the big toe, sixty (60) weeks; of the second toe, thirty (30) weeks;  
 38 of the third toe, twenty (20) weeks; of the fourth toe, fifteen (15)  
 39 weeks; of the fifth or little toe, ten (10) weeks; of the foot below  
 40 the knee joint, one hundred fifty (150) weeks; and of the leg  
 41 above the knee joint, two hundred (200) weeks. The loss of more  
 42 than one (1) phalange of a thumb or toe shall be considered as the



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- 1 loss of the entire thumb or toe. The loss of more than two (2)  
 2 phalanges of a finger shall be considered as the loss of the entire  
 3 finger. The loss of not more than one (1) phalange of a thumb or  
 4 toe shall be considered as the loss of one-half (1/2) of the thumb  
 5 or toe and compensation shall be paid for one-half (1/2) of the  
 6 period for the loss of the entire thumb or toe. The loss of not more  
 7 than two (2) phalanges of a finger shall be considered as the loss  
 8 of one-half (1/2) the finger and compensation shall be paid for  
 9 one-half (1/2) of the period for the loss of the entire finger.
- 10 (2) Loss of Use: The total permanent loss of the use of an arm,  
 11 hand, thumb, finger, leg, foot, toe, or phalange shall be considered  
 12 as the equivalent of the loss by separation of the arm, hand,  
 13 thumb, finger, leg, foot, toe, or phalange and the compensation  
 14 shall be paid for the same period as for the loss thereof by  
 15 separation.
- 16 (3) Partial Loss of Use: For the permanent partial loss of the use  
 17 of an arm, hand, thumb, finger, leg, foot, toe, or phalange,  
 18 compensation shall be paid for the proportionate loss of the use of  
 19 such arm, hand, thumb, finger, leg, foot, toe, or phalange.
- 20 (4) For disablements for occupational disease resulting in total  
 21 permanent disability, five hundred (500) weeks.
- 22 (5) For the loss of both hands, or both feet, or the total sight of  
 23 both eyes, or any two (2) of such losses resulting from the same  
 24 disablement by occupational disease, five hundred (500) weeks.
- 25 (6) For the permanent and complete loss of vision by enucleation  
 26 of an eye or its reduction to one-tenth (1/10) of normal vision with  
 27 glasses, one hundred fifty (150) weeks, and for any other  
 28 permanent reduction of the sight of an eye, compensation shall be  
 29 paid for a period proportionate to the degree of such permanent  
 30 reduction without correction or glasses. However, when such  
 31 permanent reduction without correction or glasses would result in  
 32 one hundred percent (100%) loss of vision, but correction or  
 33 glasses would result in restoration of vision, then compensation  
 34 shall be paid for fifty percent (50%) of such total loss of vision  
 35 without glasses plus an additional amount equal to the  
 36 proportionate amount of such reduction with glasses, not to  
 37 exceed an additional fifty percent (50%).
- 38 (7) For the permanent and complete loss of hearing, two hundred  
 39 (200) weeks.
- 40 (8) In all other cases of permanent partial impairment,  
 41 compensation proportionate to the degree of such permanent  
 42 partial impairment, in the discretion of the worker's compensation

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1 board, not exceeding five hundred (500) weeks.

2 (9) In all cases of permanent disfigurement, which may impair the  
3 future usefulness or opportunities of the employee, compensation  
4 in the discretion of the worker's compensation board, not  
5 exceeding two hundred (200) weeks, except that no compensation  
6 shall be payable under this paragraph where compensation shall  
7 be payable under subdivisions (1) through (8). Where  
8 compensation for temporary total disability has been paid, this  
9 amount of compensation shall be deducted from any  
10 compensation due for permanent disfigurement.

11 (k) With respect to disablements in the following schedule occurring  
12 on and after July 1, 1991, the employee shall receive in addition to  
13 temporary total disability benefits, not exceeding one hundred  
14 twenty-five (125) weeks on account of the disablement, compensation  
15 in an amount determined under the following schedule to be paid  
16 weekly at a rate of sixty-six and two-thirds percent (66 2/3%) of the  
17 employee's average weekly wages during the fifty-two (52) weeks  
18 immediately preceding the week in which the disablement occurred:

19 (1) Amputation: For the loss by separation of the thumb, twelve  
20 (12) degrees of permanent impairment; of the index finger, eight  
21 (8) degrees of permanent impairment; of the second finger, seven  
22 (7) degrees of permanent impairment; of the third or ring finger,  
23 six (6) degrees of permanent impairment; of the fourth or little  
24 finger, four (4) degrees of permanent impairment; of the hand by  
25 separation below the elbow joint, forty (40) degrees of permanent  
26 impairment; of the arm above the elbow, fifty (50) degrees of  
27 permanent impairment; of the big toe, twelve (12) degrees of  
28 permanent impairment; of the second toe, six (6) degrees of  
29 permanent impairment; of the third toe, four (4) degrees of  
30 permanent impairment; of the fourth toe, three (3) degrees of  
31 permanent impairment; of the fifth or little toe, two (2) degrees of  
32 permanent impairment; of separation of the foot below the knee  
33 joint, thirty-five (35) degrees of permanent impairment; and of the  
34 leg above the knee joint, forty-five (45) degrees of permanent  
35 impairment.

36 (2) Amputations occurring on or after July 1, 1997: For the loss  
37 by separation of any of the body parts described in subdivision (1)  
38 on or after July 1, 1997, the dollar values per degree applying on  
39 the date of the injury as described in subsection (1) shall be  
40 multiplied by two (2). However, the doubling provision of this  
41 subdivision does not apply to a loss of use that is not a loss by  
42 separation.

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- 1 (3) The loss of more than one (1) phalange of a thumb or toe shall  
2 be considered as the loss of the entire thumb or toe. The loss of  
3 more than two (2) phalanges of a finger shall be considered as the  
4 loss of the entire finger. The loss of not more than one (1)  
5 phalange of a thumb or toe shall be considered as the loss of  
6 one-half (1/2) of the degrees of permanent impairment for the loss  
7 of the entire thumb or toe. The loss of not more than one (1)  
8 phalange of a finger shall be considered as the loss of one-third  
9 (1/3) of the finger and compensation shall be paid for one-third  
10 (1/3) of the degrees payable for the loss of the entire finger. The  
11 loss of more than one (1) phalange of the finger but not more than  
12 two (2) phalanges of the finger shall be considered as the loss of  
13 one-half (1/2) of the finger and compensation shall be paid for  
14 one-half (1/2) of the degrees payable for the loss of the entire  
15 finger.
- 16 (4) For the loss by separation of both hands or both feet or the  
17 total sight of both eyes or any two (2) such losses in the same  
18 accident, one hundred (100) degrees of permanent impairment.
- 19 (5) For the permanent and complete loss of vision by enucleation  
20 or its reduction to one-tenth (1/10) of normal vision with glasses,  
21 thirty-five (35) degrees of permanent impairment.
- 22 (6) For the permanent and complete loss of hearing in one (1) ear,  
23 fifteen (15) degrees of permanent impairment, and in both ears,  
24 forty (40) degrees of permanent impairment.
- 25 (7) For the loss of one (1) testicle, ten (10) degrees of permanent  
26 impairment; for the loss of both testicles, thirty (30) degrees of  
27 permanent impairment.
- 28 (8) Loss of use: The total permanent loss of the use of an arm, a  
29 hand, a thumb, a finger, a leg, a foot, a toe, or a phalange shall be  
30 considered as the equivalent of the loss by separation of the arm,  
31 hand, thumb, finger, leg, foot, toe, or phalange, and compensation  
32 shall be paid in the same amount as for the loss by separation.  
33 However, the doubling provision of subdivision (2) does not  
34 apply to a loss of use that is not a loss by separation.
- 35 (9) Partial loss of use: For the permanent partial loss of the use of  
36 an arm, a hand, a thumb, a finger, a leg, a foot, a toe, or a  
37 phalange, compensation shall be paid for the proportionate loss of  
38 the use of the arm, hand, thumb, finger, leg, foot, toe, or phalange.
- 39 (10) For disablements resulting in total permanent disability, the  
40 amount payable for impairment or five hundred (500) weeks of  
41 compensation, whichever is greater.
- 42 (11) For any permanent reduction of the sight of an eye less than

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1 a total loss as specified in subdivision (5), the compensation shall  
 2 be paid in an amount proportionate to the degree of a permanent  
 3 reduction without correction or glasses. However, when a  
 4 permanent reduction without correction or glasses would result in  
 5 one hundred percent (100%) loss of vision, then compensation  
 6 shall be paid for fifty percent (50%) of the total loss of vision  
 7 without glasses, plus an additional amount equal to the  
 8 proportionate amount of the reduction with glasses, not to exceed  
 9 an additional fifty percent (50%).

10 (12) For any permanent reduction of the hearing of one (1) or both  
 11 ears, less than the total loss as specified in subdivision (6),  
 12 compensation shall be paid in an amount proportionate to the  
 13 degree of a permanent reduction.

14 (13) In all other cases of permanent partial impairment,  
 15 compensation proportionate to the degree of a permanent partial  
 16 impairment, in the discretion of the worker's compensation board,  
 17 not exceeding one hundred (100) degrees of permanent  
 18 impairment.

19 (14) In all cases of permanent disfigurement which may impair  
 20 the future usefulness or opportunities of the employee,  
 21 compensation, in the discretion of the worker's compensation  
 22 board, not exceeding forty (40) degrees of permanent impairment  
 23 except that no compensation shall be payable under this  
 24 subdivision where compensation is payable elsewhere in this  
 25 section.

26 (l) With respect to disablements occurring on and after July 1, 1991,  
 27 compensation for permanent partial impairment shall be paid according  
 28 to the degree of permanent impairment for the disablement determined  
 29 under subsection (k) and the following:

30 (1) With respect to disablements occurring on and after July 1,  
 31 1991, and before July 1, 1992, for each degree of permanent  
 32 impairment from one (1) to thirty-five (35), five hundred dollars  
 33 (\$500) per degree; for each degree of permanent impairment from  
 34 thirty-six (36) to fifty (50), nine hundred dollars (\$900) per  
 35 degree; for each degree of permanent impairment above fifty (50),  
 36 one thousand five hundred dollars (\$1,500) per degree.

37 (2) With respect to disablements occurring on and after July 1,  
 38 1992, and before July 1, 1993, for each degree of permanent  
 39 impairment from one (1) to twenty (20), five hundred dollars  
 40 (\$500) per degree; for each degree of permanent impairment from  
 41 twenty-one (21) to thirty-five (35), eight hundred dollars (\$800)  
 42 per degree; for each degree of permanent impairment from

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1 thirty-six (36) to fifty (50), one thousand three hundred dollars  
2 (\$1,300) per degree; for each degree of permanent impairment  
3 above fifty (50), one thousand seven hundred dollars (\$1,700) per  
4 degree.

5 (3) With respect to disablements occurring on and after July 1,  
6 1993, and before July 1, 1997, for each degree of permanent  
7 impairment from one (1) to ten (10), five hundred dollars (\$500)  
8 per degree; for each degree of permanent impairment from eleven  
9 (11) to twenty (20), seven hundred dollars (\$700) per degree; for  
10 each degree of permanent impairment from twenty-one (21) to  
11 thirty-five (35), one thousand dollars (\$1,000) per degree; for  
12 each degree of permanent impairment from thirty-six (36) to fifty  
13 (50), one thousand four hundred dollars (\$1,400) per degree; for  
14 each degree of permanent impairment above fifty (50), one  
15 thousand seven hundred dollars (\$1,700) per degree.

16 (4) With respect to disablements occurring on and after July 1,  
17 1997, and before July 1, 1998, for each degree of permanent  
18 impairment from one (1) to ten (10), seven hundred fifty dollars  
19 (\$750) per degree; for each degree of permanent impairment from  
20 eleven (11) to thirty-five (35), one thousand dollars (\$1,000) per  
21 degree; for each degree of permanent impairment from thirty-six  
22 (36) to fifty (50), one thousand four hundred dollars (\$1,400) per  
23 degree; for each degree of permanent impairment above fifty (50),  
24 one thousand seven hundred dollars (\$1,700) per degree.

25 (5) With respect to disablements occurring on and after July 1,  
26 1998, and before July 1, 1999, for each degree of permanent  
27 impairment from one (1) to ten (10), seven hundred fifty dollars  
28 (\$750) per degree; for each degree of permanent impairment from  
29 eleven (11) to thirty-five (35), one thousand dollars (\$1,000) per  
30 degree; for each degree of permanent impairment from thirty-six  
31 (36) to fifty (50), one thousand four hundred dollars (\$1,400) per  
32 degree; for each degree of permanent impairment above fifty (50),  
33 one thousand seven hundred dollars (\$1,700) per degree.

34 (6) With respect to disablements occurring on and after July 1,  
35 1999, and before July 1, 2000, for each degree of permanent  
36 impairment from one (1) to ten (10), nine hundred dollars (\$900)  
37 per degree; for each degree of permanent impairment from eleven  
38 (11) to thirty-five (35), one thousand one hundred dollars  
39 (\$1,100) per degree; for each degree of permanent impairment  
40 from thirty-six (36) to fifty (50), one thousand six hundred dollars  
41 (\$1,600) per degree; for each degree of permanent impairment  
42 above fifty (50), two thousand dollars (\$2,000) per degree.

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- 1 (7) With respect to disablements occurring on and after July 1,  
2 2000, and before July 1, 2001, for each degree of permanent  
3 impairment from one (1) to ten (10), one thousand one hundred  
4 dollars (\$1,100) per degree; for each degree of permanent  
5 impairment from eleven (11) to thirty-five (35), one thousand  
6 three hundred dollars (\$1,300) per degree; for each degree of  
7 permanent impairment from thirty-six (36) to fifty (50), two  
8 thousand dollars (\$2,000) per degree; for each degree of  
9 permanent impairment above fifty (50), two thousand five  
10 hundred fifty dollars (\$2,500) per degree.
- 11 (8) With respect to disablements occurring on and after July 1,  
12 2001, and before July 1, 2007, for each degree of permanent  
13 impairment from one (1) to ten (10), one thousand three hundred  
14 dollars (\$1,300) per degree; for each degree of permanent  
15 impairment from eleven (11) to thirty-five (35), one thousand five  
16 hundred dollars (\$1,500) per degree; for each degree of  
17 permanent impairment from thirty-six (36) to fifty (50), two  
18 thousand four hundred dollars (\$2,400) per degree; for each  
19 degree of permanent impairment above fifty (50), three thousand  
20 dollars (\$3,000) per degree.
- 21 (9) With respect to disablements occurring on and after July 1,  
22 2007, and before July 1, 2008, for each degree of permanent  
23 impairment from one (1) to ten (10), one thousand three hundred  
24 forty dollars (\$1,340) per degree; for each degree of permanent  
25 impairment from eleven (11) to thirty-five (35), one thousand five  
26 hundred forty-five dollars (\$1,545) per degree; for each degree of  
27 permanent impairment from thirty-six (36) to fifty (50), two  
28 thousand four hundred seventy-five dollars (\$2,475) per degree;  
29 for each degree of permanent impairment above fifty (50), three  
30 thousand one hundred fifty dollars (\$3,150) per degree.
- 31 (10) With respect to disablements occurring on and after July 1,  
32 2008, and before July 1, 2009, for each degree of permanent  
33 impairment from one (1) to ten (10), one thousand three hundred  
34 sixty-five dollars (\$1,365) per degree; for each degree of  
35 permanent impairment from eleven (11) to thirty-five (35), one  
36 thousand five hundred seventy dollars (\$1,570) per degree; for  
37 each degree of permanent impairment from thirty-six (36) to fifty  
38 (50), two thousand five hundred twenty-five dollars (\$2,525) per  
39 degree; for each degree of permanent impairment above fifty (50),  
40 three thousand two hundred dollars (\$3,200) per degree.
- 41 (11) With respect to disablements occurring on and after July 1,  
42 2009, and before July 1, 2010, for each degree of permanent

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1 impairment from one (1) to ten (10), one thousand three hundred  
 2 eighty dollars (\$1,380) per degree; for each degree of permanent  
 3 impairment from eleven (11) to thirty-five (35), one thousand five  
 4 hundred eighty-five dollars (\$1,585) per degree; for each degree  
 5 of permanent impairment from thirty-six (36) to fifty (50), two  
 6 thousand six hundred dollars (\$2,600) per degree; for each degree  
 7 of permanent impairment above fifty (50), three thousand three  
 8 hundred dollars (\$3,300) per degree.

9 (12) With respect to disablements occurring on and after July 1,  
 10 2010, **and before July 1, 2014**, for each degree of permanent  
 11 impairment from one (1) to ten (10), one thousand four hundred  
 12 dollars (\$1,400) per degree; for each degree of permanent  
 13 impairment from eleven (11) to thirty-five (35), one thousand six  
 14 hundred dollars (\$1,600) per degree; for each degree of  
 15 permanent impairment from thirty-six (36) to fifty (50), two  
 16 thousand seven hundred dollars (\$2,700) per degree; for each  
 17 degree of permanent impairment above fifty (50), three thousand  
 18 five hundred dollars (\$3,500) per degree.

19 **(13) With respect to disablements occurring on and after July**  
 20 **1, 2014, for each degree of permanent impairment from one**  
 21 **(1) to ten (10), one thousand seven hundred fifty dollars**  
 22 **(\$1,750) per degree; for each degree of permanent**  
 23 **impairment from eleven (11) to thirty-five (35), one thousand**  
 24 **nine hundred fifty-two dollars (\$1,952) per degree; for each**  
 25 **degree of permanent impairment from thirty-six (36) to fifty**  
 26 **(50), three thousand one hundred eighty-six dollars (\$3,186)**  
 27 **per degree; for each degree of permanent impairment above**  
 28 **fifty (50), four thousand sixty dollars (\$4,060) per degree.**

29 (m) The average weekly wages used in the determination of  
 30 compensation for permanent partial impairment under subsections (k)  
 31 and (l) shall not exceed the following:

32 (1) With respect to disablements occurring on or after July 1,  
 33 1991, and before July 1, 1992, four hundred ninety-two dollars  
 34 (\$492).

35 (2) With respect to disablements occurring on or after July 1,  
 36 1992, and before July 1, 1993, five hundred forty dollars (\$540).

37 (3) With respect to disablements occurring on or after July 1,  
 38 1993, and before July 1, 1994, five hundred ninety-one dollars  
 39 (\$591).

40 (4) With respect to disablements occurring on or after July 1,  
 41 1994, and before July 1, 1997, six hundred forty-two dollars  
 42 (\$642).

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- 1 (5) With respect to disablements occurring on or after July 1,  
2 1997, and before July 1, 1998, six hundred seventy-two dollars  
3 (\$672).
- 4 (6) With respect to disablements occurring on or after July 1,  
5 1998, and before July 1, 1999, seven hundred two dollars (\$702).
- 6 (7) With respect to disablements occurring on or after July 1,  
7 1999, and before July 1, 2000, seven hundred thirty-two dollars  
8 (\$732).
- 9 (8) With respect to disablements occurring on or after July 1,  
10 2000, and before July 1, 2001, seven hundred sixty-two dollars  
11 (\$762).
- 12 (9) With respect to ~~injuries~~ **disablements** occurring on or after  
13 July 1, 2001, and before July 1, 2002, eight hundred twenty-two  
14 dollars (\$822).
- 15 (10) With respect to ~~injuries~~ **disablements** occurring on or after  
16 July 1, 2002, and before July 1, 2006, eight hundred eighty-two  
17 dollars (\$882).
- 18 (11) With respect to ~~injuries~~ **disablements** occurring on or after  
19 July 1, 2006, and before July 1, 2007, nine hundred dollars  
20 (\$900).
- 21 (12) With respect to ~~injuries~~ **disablements** occurring on or after  
22 July 1, 2007, and before July 1, 2008, nine hundred thirty dollars  
23 (\$930).
- 24 (13) With respect to ~~injuries~~ **disablements** occurring on or after  
25 July 1, 2008, and before July 1, 2009, nine hundred fifty-four  
26 dollars (\$954).
- 27 (14) With respect to ~~injuries~~ **disablements** occurring on or after  
28 July 1, 2009, **and before July 1, 2014**, nine hundred seventy-five  
29 dollars (\$975).
- 30 **(15) With respect to disablements occurring on or after July**  
31 **1, 2014, one thousand one hundred seventy dollars (\$1,170).**
- 32 (n) If any employee, only partially disabled, refuses employment  
33 suitable to the employee's capacity procured for the employee, the  
34 employee shall not be entitled to any compensation at any time during  
35 the continuance of such refusal unless, in the opinion of the worker's  
36 compensation board, such refusal was justifiable. The employee must  
37 be served with a notice setting forth the consequences of the refusal  
38 under this subsection. The notice must be in a form prescribed by the  
39 worker's compensation board.
- 40 (o) If an employee has sustained a permanent impairment or  
41 disability from an accidental injury other than an occupational disease  
42 in another employment than that in which the employee suffered a

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1 subsequent disability from an occupational disease, such as herein  
 2 specified, the employee shall be entitled to compensation for the  
 3 subsequent disability in the same amount as if the previous impairment  
 4 or disability had not occurred. However, if the permanent impairment  
 5 or disability resulting from an occupational disease for which  
 6 compensation is claimed results only in the aggravation or increase of  
 7 a previously sustained permanent impairment from an occupational  
 8 disease or physical condition regardless of the source or cause of such  
 9 previously sustained impairment from an occupational disease or  
 10 physical condition, the board shall determine the extent of the  
 11 previously sustained permanent impairment from an occupational  
 12 disease or physical condition as well as the extent of the aggravation or  
 13 increase resulting from the subsequent permanent impairment or  
 14 disability, and shall award compensation only for that part of said  
 15 occupational disease or physical condition resulting from the  
 16 subsequent permanent impairment. An amputation of any part of the  
 17 body or loss of any or all of the vision of one (1) or both eyes caused by  
 18 an occupational disease shall be considered as a permanent impairment  
 19 or physical condition.

20 (p) If an employee suffers a disablement from an occupational  
 21 disease for which compensation is payable while the employee is still  
 22 receiving or entitled to compensation for a previous injury by accident  
 23 or disability by occupational disease in the same employment, the  
 24 employee shall not at the same time be entitled to compensation for  
 25 both, unless it be for a permanent injury, such as specified in  
 26 subsection (k)(1), (k)(4), (k)(5), (k)(8), or (k)(9), but the employee shall  
 27 be entitled to compensation for that disability and from the time of that  
 28 disability which will cover the longest period and the largest amount  
 29 payable under this chapter.

30 (q) If an employee receives a permanent disability from an  
 31 occupational disease such as specified in subsection (k)(1), (k)(4),  
 32 (k)(5), (k)(8), or (k)(9) after having sustained another such permanent  
 33 disability in the same employment the employee shall be entitled to  
 34 compensation for both such disabilities, but the total compensation  
 35 shall be paid by extending the period and not by increasing the amount  
 36 of weekly compensation and, when such previous and subsequent  
 37 permanent disabilities, in combination result in total permanent  
 38 disability or permanent total impairment, compensation shall be  
 39 payable for such permanent total disability or impairment, but  
 40 payments made for the previous disability or impairment shall be  
 41 deducted from the total payment of compensation due.

42 (r) When an employee has been awarded or is entitled to an award



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1 of compensation for a definite period from an occupational disease  
 2 wherein disablement occurs on and after April 1, 1963, and such  
 3 employee dies from other causes than such occupational disease,  
 4 payment of the unpaid balance of such compensation not exceeding  
 5 three hundred fifty (350) weeks shall be paid to the employee's  
 6 dependents of the second and third class as defined in sections 11  
 7 through 14 of this chapter and compensation, not exceeding five  
 8 hundred (500) weeks shall be made to the employee's dependents of the  
 9 first class as defined in sections 11 through 14 of this chapter.

10 (s) Any payment made by the employer to the employee during the  
 11 period of the employee's disability, or to the employee's dependents,  
 12 which, by the terms of this chapter, was not due and payable when  
 13 made, may, subject to the approval of the worker's compensation board,  
 14 be deducted from the amount to be paid as compensation, but such  
 15 deduction shall be made from the distal end of the period during which  
 16 compensation must be paid, except in cases of temporary disability.

17 (t) When so provided in the compensation agreement or in the  
 18 award of the worker's compensation board, compensation may be paid  
 19 semimonthly, or monthly, instead of weekly.

20 (u) When the aggregate payments of compensation awarded by  
 21 agreement or upon hearing to an employee or dependent under eighteen  
 22 (18) years of age do not exceed one hundred dollars (\$100), the  
 23 payment thereof may be made directly to such employee or dependent,  
 24 except when the worker's compensation board shall order otherwise.

25 (v) Whenever the aggregate payments of compensation, due to any  
 26 person under eighteen (18) years of age, exceed one hundred dollars  
 27 (\$100), the payment thereof shall be made to a trustee, appointed by the  
 28 circuit or superior court, or to a duly qualified guardian, or, upon the  
 29 order of the worker's compensation board, to a parent or to such minor  
 30 person. The payment of compensation, due to any person eighteen (18)  
 31 years of age or over, may be made directly to such person.

32 (w) If an employee, or a dependent, is mentally incompetent, or a  
 33 minor at the time when any right or privilege accrues to the employee  
 34 under this chapter, the employee's guardian or trustee may, in the  
 35 employee's behalf, claim and exercise such right and privilege.

36 (x) All compensation payments named and provided for in this  
 37 section, shall mean and be defined to be for only such occupational  
 38 diseases and disabilities therefrom as are proved by competent  
 39 evidence, of which there are or have been objective conditions or  
 40 symptoms proven, not within the physical or mental control of the  
 41 employee.

42 SECTION 16. IC 22-3-7-17, AS AMENDED BY P.L.168-2011,

**EH 1320—LS 7270/DI 97+**



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1 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 2 JULY 1, 2013]: Sec. 17. (a) During the period of disablement, the  
 3 employer shall furnish or cause to be furnished, free of charge to the  
 4 employee, an attending physician for the treatment of the employee's  
 5 occupational disease, and in addition thereto such ~~surgical, hospital,~~  
 6 ~~and nursing~~ services and **supplies products** as the attending physician  
 7 or the worker's compensation board may deem necessary. If the  
 8 employee is requested or required by the employer to submit to  
 9 treatment outside the county of employment, the employer shall also  
 10 pay the reasonable expense of travel, food, and lodging necessary  
 11 during the travel, but not to exceed the amount paid at the time of the  
 12 travel by the state of Indiana to its employees. If the treatment or travel  
 13 to or from the place of treatment causes a loss of working time to the  
 14 employee, the employer shall reimburse the employee for the loss of  
 15 wages using the basis of the employee's average daily wage.

16 (b) During the period of disablement resulting from the occupational  
 17 disease, the employer shall furnish such physician, services and  
 18 ~~supplies, products,~~ and the worker's compensation board may, on  
 19 proper application of either party, require that treatment by such  
 20 physician and such services and ~~supplies products~~ be furnished by or  
 21 on behalf of the employer as the board may deem reasonably necessary.  
 22 After an employee's occupational disease has been adjudicated by  
 23 agreement or award on the basis of permanent partial impairment and  
 24 within the statutory period for review in such case as provided in  
 25 section 27(i) of this chapter, the employer may continue to furnish a  
 26 physician or a surgeon and other ~~medical~~ services and ~~supplies,~~  
 27 **products,** and the board may, within such statutory period for review  
 28 as provided in section 27(i) of this chapter, on a proper application of  
 29 either party, require that treatment by such physician or surgeon and  
 30 such services and ~~supplies products~~ be furnished by and on behalf of  
 31 the employer as the board may deem necessary to limit or reduce the  
 32 amount and extent of such impairment. The refusal of the employee to  
 33 accept such services and ~~supplies products~~ when so provided by or on  
 34 behalf of the employer, shall bar the employee from all compensation  
 35 otherwise payable during the period of such refusal and the employee's  
 36 right to prosecute any proceeding under this chapter shall be suspended  
 37 and abated until such refusal ceases. The employee must be served with  
 38 a notice setting forth the consequences of the refusal under this section.  
 39 The notice must be in a form prescribed by the worker's compensation  
 40 board. No compensation for permanent total impairment, permanent  
 41 partial impairment, permanent disfigurement, or death shall be paid or  
 42 payable for that part or portion of such impairment, disfigurement, or

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1 death which is the result of the failure of such employee to accept such  
 2 ~~treatment, services and supplies, products,~~ provided that an employer  
 3 may at any time permit an employee to have treatment for the  
 4 employee's disease or injury by spiritual means or prayer in lieu of such  
 5 physician, services and ~~supplies, products.~~

6 (c) Regardless of when it occurs, where a compensable occupational  
 7 disease results in the amputation of a body part, the enucleation of an  
 8 eye, or the loss of natural teeth, the employer shall furnish an  
 9 appropriate artificial member, braces, and prosthodontics. The cost of  
 10 repairs to or replacements for the artificial members, braces, or  
 11 prosthodontics that result from a compensable occupational disease  
 12 pursuant to a prior award and are required due to either medical  
 13 necessity or normal wear and tear, determined according to the  
 14 employee's individual use, but not abuse, of the artificial member,  
 15 braces, or prosthodontics, shall be paid from the second injury fund  
 16 upon order or award of the worker's compensation board. The  
 17 employee is not required to meet any other requirement for admission  
 18 to the second injury fund.

19 (d) If an emergency or because of the employer's failure to provide  
 20 such attending physician or such ~~surgical, hospital, or nurse's~~ services  
 21 and ~~supplies products~~ or such treatment by spiritual means or prayer  
 22 as specified in this section, or for other good reason, a physician other  
 23 than that provided by the employer treats the diseased employee within  
 24 the period of disability, or necessary and proper ~~surgical, hospital, or~~  
 25 ~~nurse's~~ services and ~~supplies products~~ are procured within the period,  
 26 the reasonable cost of such services and ~~supplies products~~ shall,  
 27 subject to approval of the worker's compensation board, be paid by the  
 28 employer.

29 (e) An employer or employer's insurance carrier may not delay the  
 30 provision of emergency medical care whenever emergency medical  
 31 care is considered necessary in the professional judgment of the  
 32 attending health care facility physician.

33 (f) This section may not be construed to prohibit an agreement  
 34 between an employer and employees that has the approval of the board  
 35 and that:

- 36 (1) binds the parties to medical care furnished by **medical service**
- 37 providers selected by agreement before or after disablement; or
- 38 (2) makes the findings of a **medical service** provider chosen in
- 39 this manner binding upon the parties.

40 (g) The employee and the employee's estate do not have liability to  
 41 a ~~health care~~ **medical service** provider for payment for services  
 42 obtained under this section. The right to order payment for all services

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1 provided under this chapter is solely with the board. All claims by a  
 2 ~~health care medical service~~ provider for payment for services are  
 3 against the employer and the employer's insurance carrier, if any, and  
 4 must be made with the board under this chapter. After June 30, 2011,  
 5 a ~~health care medical service~~ provider must file an application for  
 6 adjustment of a claim for a ~~health care medical service~~ provider's fee  
 7 with the board not later than two (2) years after the receipt of an initial  
 8 written communication from the employer, the employer's insurance  
 9 carrier, if any, or an agent acting on behalf of the employer after the  
 10 ~~health care medical service~~ provider submits a bill for services. To  
 11 offset a part of the board's expenses related to the administration of  
 12 ~~health care medical service~~ provider reimbursement disputes, a  
 13 ~~hospital or facility that is a medical service provider (as defined in~~  
 14 ~~IC 22-3-6-1) facility~~ shall pay a filing fee of sixty dollars (\$60) in a  
 15 balance billing case. The filing fee must accompany each application  
 16 filed with the board. If an employer, employer's insurance carrier, or an  
 17 agent acting on behalf of the employer denies or fails to pay any  
 18 amount on a claim submitted by a ~~hospital or facility that is a medical~~  
 19 ~~service provider, facility,~~ a filing fee is not required to accompany an  
 20 application that is filed for the denied or unpaid claim. A ~~health care~~  
 21 ~~medical service~~ provider may combine up to ten (10) individual claims  
 22 into one (1) application whenever:

- 23 (1) all individual claims involve the same employer, insurance
- 24 carrier, or billing review service; and
- 25 (2) the amount of each individual claim does not exceed two
- 26 hundred dollars (\$200).

27 SECTION 17. IC 22-3-7-17.2 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 17.2. (a) A billing  
 29 review service shall adhere to the following requirements to determine  
 30 the pecuniary liability of an employer or an employer's insurance  
 31 carrier for a specific service or product covered under this chapter  
 32 **provided before July 1, 2014, by all medical service providers, and**  
 33 **after June 30, 2014, by a medical service provider that is not a**  
 34 **medical service facility:**

- 35 (1) The formation of a billing review standard, and any
- 36 subsequent analysis or revision of the standard, must use data that
- 37 is based on the medical service provider billing charges as
- 38 submitted to the employer and the employer's insurance carrier
- 39 from the same community. This subdivision does not apply when
- 40 a unique or specialized service or product does not have sufficient
- 41 comparative data to allow for a reasonable comparison.
- 42 (2) Data used to determine pecuniary liability must be compiled

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1 on or before June 30 and December 31 of each year.

2 (3) Billing review standards must be revised for prospective  
3 future payments of medical service provider bills to provide for  
4 payment of the charges at a rate not more than the charges made  
5 by eighty percent (80%) of the medical service providers during  
6 the prior six (6) months within the same community. The data  
7 used to perform the analysis and revision of the billing review  
8 standards may not be more than two (2) years old and must be  
9 periodically updated by a representative inflationary or  
10 deflationary factor. Reimbursement for these charges may not  
11 exceed the actual charge invoiced by the medical service  
12 provider.

13 (4) The billing review standard shall include the billing charges  
14 of all hospitals in the applicable community for the service or  
15 product.

16 **(b) This subsection applies after June 30, 2014, to a medical**  
17 **service facility. The pecuniary liability of an employer or an**  
18 **employer's insurance carrier for a specific service or product**  
19 **covered under worker's compensation and provided by a medical**  
20 **service facility is equal to a reasonable amount, which is**  
21 **established by payment of one (1) of the following:**

22 **(1) The amount negotiated at any time between the medical**  
23 **service facility and any of the following:**

24 **(A) The employer.**

25 **(B) The employer's insurance carrier.**

26 **(C) A billing review service on behalf of a person described**  
27 **in clause (A) or (B).**

28 **(D) A direct provider network that has contracted with a**  
29 **person described in clause (A) or (B).**

30 **(2) Two hundred percent (200%) of the amount payable**  
31 **under Medicare on the same date for the same service or**  
32 **product provided by the medical service facility, if an amount**  
33 **has not been negotiated as described in subdivision (1).**

34 **(3) An amount not less than one hundred twenty-five percent**  
35 **(125%) of the cost to the medical service facility of a specific**  
36 **service or product provided under occupational diseases**  
37 **compensation, if an amount has not been negotiated as**  
38 **described in subdivision (1) and the parties have a dispute**  
39 **regarding the payment under subdivision (2). The medical**  
40 **service facility shall provide the cost amount required under**  
41 **this subdivision.**

42 **(c) The payment to a medical service provider located outside**

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1 **Indiana for a service or product furnished to an employee under**  
 2 **this chapter may not exceed the payment that would be made to the**  
 3 **nearest similar medical service provider located in Indiana for**  
 4 **furnishing the same service or product in Indiana.**

5 **(d) The payment to a medical service provider for an implant**  
 6 **furnished to an employee under this chapter may not exceed the**  
 7 **invoice amount plus twenty-five percent (25%).**

8 ~~(b)~~ **(e)** A medical service provider may request an explanation from  
 9 a billing review service if the medical service provider's bill has been  
 10 reduced as a result of application of the eightieth percentile or of a  
 11 Current Procedural Terminology (CPT) **or Medicare** coding change.  
 12 The request must be made not later than sixty (60) days after receipt of  
 13 the notice of the reduction. If a request is made, the billing review  
 14 service must provide:

15 (1) the name of the billing review service used to make the  
 16 reduction;

17 (2) the dollar amount of the reduction;

18 (3) the dollar amount of the medical service at the eightieth  
 19 percentile; and

20 (4) in the case of a CPT **or Medicare** coding change, the basis  
 21 upon which the change was made;

22 not later than thirty (30) days after the date of the request.

23 ~~(e)~~ **(f)** If, after a hearing, the worker's compensation board finds that  
 24 a billing review service used a billing review standard that did not  
 25 comply with subsection (a)(1) through ~~(a)(4)~~ **(a)(3), as applicable**, in  
 26 determining the pecuniary liability of an employer or an employer's  
 27 insurance carrier for a ~~health care~~ **medical service** provider's charge  
 28 for services or products covered under occupational disease  
 29 compensation, the worker's compensation board may assess a civil  
 30 penalty against the billing review service in an amount not less than  
 31 one hundred dollars (\$100) and not more than one thousand dollars  
 32 (\$1,000).

33 SECTION 18. IC 22-3-7-17.3 IS ADDED TO THE INDIANA  
 34 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 35 [EFFECTIVE JULY 1, 2013]: **Sec. 17.3. (a) This section applies after**  
 36 **June 30, 2014.**

37 **(b) A claim made by a medical service provider for payment for**  
 38 **services or products provided under this chapter must be:**

39 **(1) filed with; and**

40 **(2) paid by;**

41 **an employer and an employer's insurance carrier, if any,**  
 42 **electronically.**



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1 (c) A medical service provider shall submit only the following  
 2 forms for payment by an employer or an employer's insurance  
 3 carrier:

- 4 (1) CMS-1500.  
 5 (2) CMS-1450 (UB-04).  
 6 (3) American Dental Association (ADA) claim form.  
 7 (4) ANSI-837I.

8 (d) Not more than thirty (30) days after the date on which the  
 9 claim is received, the employer or the employer's insurance carrier  
 10 shall pay or deny the claim made by the medical service provider.

11 SECTION 19. IC 22-3-7-17.4 IS ADDED TO THE INDIANA  
 12 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 13 [EFFECTIVE JULY 1, 2013]: Sec. 17.4. (a) As used in this section,  
 14 "legend drug" has the meaning set forth in IC 25-26-14-7.

15 (b) As used in this section, "repackage" has the meaning set  
 16 forth in IC 25-26-14-9.3.

17 (c) This subsection does not apply to a retail or mail order  
 18 pharmacy. Except as provided in subsection (d), whenever a  
 19 prescription covered by this chapter is filled using a repackaged  
 20 legend drug, the maximum reimbursement amount for the  
 21 repackaged legend drug must be computed using the average  
 22 wholesale price set by the original manufacturer for the legend  
 23 drug.

24 (d) If the National Drug Code (established under Section 510 of  
 25 the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 360) for a  
 26 legend drug cannot be determined from the medical service  
 27 provider's billing or statement, the maximum reimbursement  
 28 amount for the repackaged legend drug under subsection (c) is the  
 29 lowest cost generic for that legend drug.

30 (e) The maximum period during which a medical service  
 31 provider that is not a retail or mail order pharmacy may dispense  
 32 to an employee medication for which the medical service provider  
 33 may receive a reimbursement under this chapter is the period of  
 34 seven (7) days after the date of the employee's disablement. A  
 35 medical service provider that is not a retail or mail order  
 36 pharmacy may not be reimbursed under this article for a  
 37 medication dispensed to an employee after the seventh day after  
 38 the date of the employee's disablement.

39 SECTION 20. IC 22-3-7-17.5 IS ADDED TO THE INDIANA  
 40 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 41 [EFFECTIVE JULY 1, 2013]: Sec. 17.5. (a) If an employer  
 42 determines that a medical service provider has made an excessive

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1 **charge or required an unjustified service or product, the medical**  
2 **service provider:**

- 3 **(1) may not receive reimbursement under this chapter for the**
- 4 **excessive charge or unjustified service or product; and**
- 5 **(2) is liable to return to the employer any amounts received as**
- 6 **reimbursement for the excessive charge or unjustified service**
- 7 **or product.**

8 **(b) The worker's compensation board may review the records**  
9 **and medical bills of a medical service provider that an employer**  
10 **determines is not complying with the schedule of charges or is**  
11 **requiring unjustified services or products.**

12 SECTION 21. IC 22-3-7-19, AS AMENDED BY P.L.134-2006,  
13 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
14 JULY 1, 2013]: Sec. 19. (a) In computing compensation for temporary  
15 total disability, temporary partial disability, and total permanent  
16 disability, with respect to occupational diseases occurring on and after  
17 July 1, 1985, and before July 1, 1986, the average weekly wages are  
18 considered to be:

- 19 (1) not more than two hundred sixty-seven dollars (\$267); and
- 20 (2) not less than seventy-five dollars (\$75).

21 (b) In computing compensation for temporary total disability,  
22 temporary partial disability, and total permanent disability, with respect  
23 to occupational diseases occurring on and after July 1, 1986, and before  
24 July 1, 1988, the average weekly wages are considered to be:

- 25 (1) not more than two hundred eighty-five dollars (\$285); and
- 26 (2) not less than seventy-five dollars (\$75).

27 (c) In computing compensation for temporary total disability,  
28 temporary partial disability, and total permanent disability, with respect  
29 to occupational diseases occurring on and after July 1, 1988, and before  
30 July 1, 1989, the average weekly wages are considered to be:

- 31 (1) not more than three hundred eighty-four dollars (\$384); and
- 32 (2) not less than seventy-five dollars (\$75).

33 (d) In computing compensation for temporary total disability,  
34 temporary partial disability, and total permanent disability, with respect  
35 to occupational diseases occurring on and after July 1, 1989, and before  
36 July 1, 1990, the average weekly wages are considered to be:

- 37 (1) not more than four hundred eleven dollars (\$411); and
- 38 (2) not less than seventy-five dollars (\$75).

39 (e) In computing compensation for temporary total disability,  
40 temporary partial disability, and total permanent disability, with respect  
41 to occupational diseases occurring on and after July 1, 1990, and before  
42 July 1, 1991, the average weekly wages are considered to be:

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- 1 (1) not more than four hundred forty-one dollars (\$441); and  
 2 (2) not less than seventy-five dollars (\$75).
- 3 (f) In computing compensation for temporary total disability,  
 4 temporary partial disability, and total permanent disability, with respect  
 5 to occupational diseases occurring on and after July 1, 1991, and before  
 6 July 1, 1992, the average weekly wages are considered to be:  
 7 (1) not more than four hundred ninety-two dollars (\$492); and  
 8 (2) not less than seventy-five dollars (\$75).
- 9 (g) In computing compensation for temporary total disability,  
 10 temporary partial disability, and total permanent disability, with respect  
 11 to occupational diseases occurring on and after July 1, 1992, and before  
 12 July 1, 1993, the average weekly wages are considered to be:  
 13 (1) not more than five hundred forty dollars (\$540); and  
 14 (2) not less than seventy-five dollars (\$75).
- 15 (h) In computing compensation for temporary total disability,  
 16 temporary partial disability, and total permanent disability, with respect  
 17 to occupational diseases occurring on and after July 1, 1993, and before  
 18 July 1, 1994, the average weekly wages are considered to be:  
 19 (1) not more than five hundred ninety-one dollars (\$591); and  
 20 (2) not less than seventy-five dollars (\$75).
- 21 (i) In computing compensation for temporary total disability,  
 22 temporary partial disability and total permanent disability, with respect  
 23 to occupational diseases occurring on and after July 1, 1994, and before  
 24 July 1, 1997, the average weekly wages are considered to be:  
 25 (1) not more than six hundred forty-two dollars (\$642); and  
 26 (2) not less than seventy-five dollars (\$75).
- 27 (j) In computing compensation for temporary total disability,  
 28 temporary partial disability, and total permanent disability, the average  
 29 weekly wages are considered to be:  
 30 (1) with respect to occupational diseases occurring on and after  
 31 July 1, 1997, and before July 1, 1998:  
 32 (A) not more than six hundred seventy-two dollars (\$672); and  
 33 (B) not less than seventy-five dollars (\$75);  
 34 (2) with respect to occupational diseases occurring on and after  
 35 July 1, 1998, and before July 1, 1999:  
 36 (A) not more than seven hundred two dollars (\$702); and  
 37 (B) not less than seventy-five dollars (\$75);  
 38 (3) with respect to occupational diseases occurring on and after  
 39 July 1, 1999, and before July 1, 2000:  
 40 (A) not more than seven hundred thirty-two dollars (\$732);  
 41 and  
 42 (B) not less than seventy-five dollars (\$75);

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- 1 (4) with respect to occupational diseases occurring on and after  
 2 July 1, 2000, and before July 1, 2001:  
 3 (A) not more than seven hundred sixty-two dollars (\$762); and  
 4 (B) not less than seventy-five dollars (\$75);  
 5 (5) with respect to disablements occurring on and after July 1,  
 6 2001, and before July 1, 2002:  
 7 (A) not more than eight hundred twenty-two dollars (\$822);  
 8 and  
 9 (B) not less than seventy-five dollars (\$75);  
 10 (6) with respect to disablements occurring on and after July 1,  
 11 2002, and before July 1, 2006:  
 12 (A) not more than eight hundred eighty-two dollars (\$882);  
 13 and  
 14 (B) not less than seventy-five dollars (\$75);  
 15 (7) with respect to disablements occurring on and after July 1,  
 16 2006, and before July 1, 2007:  
 17 (A) not more than nine hundred dollars (\$900); and  
 18 (B) not less than seventy-five dollars (\$75);  
 19 (8) with respect to disablements occurring on and after July 1,  
 20 2007, and before July 1, 2008:  
 21 (A) not more than nine hundred thirty dollars (\$930); and  
 22 (B) not less than seventy-five dollars (\$75);  
 23 (9) with respect to disablements occurring on and after July 1,  
 24 2008, and before July 1, 2009:  
 25 (A) not more than nine hundred fifty-four dollars (\$954); and  
 26 (B) not less than seventy-five dollars (\$75);  
 27 (10) with respect to disablements occurring on and after July 1,  
 28 2009, **and before July 1, 2014:**  
 29 (A) not more than nine hundred seventy-five dollars (\$975);  
 30 and  
 31 (B) not less than seventy-five dollars (\$75); **and**  
 32 **(11) with respect to disablements occurring on and after July**  
 33 **1, 2014:**  
 34 **(A) not more than one thousand one hundred seventy**  
 35 **dollars (\$1,170); and**  
 36 **(B) not less than seventy-five dollars (\$75).**  
 37 (k) The maximum compensation with respect to disability or death  
 38 occurring on and after July 1, 1985, and before July 1, 1986, which  
 39 shall be paid for occupational disease and the results thereof under the  
 40 provisions of this chapter or under any combination of its provisions  
 41 may not exceed eighty-nine thousand dollars (\$89,000) in any case.  
 42 (l) The maximum compensation with respect to disability or death

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1 occurring on and after July 1, 1986, and before July 1, 1988, which  
2 shall be paid for occupational disease and the results thereof under the  
3 provisions of this chapter or under any combination of its provisions  
4 may not exceed ninety-five thousand dollars (\$95,000) in any case.

5 (m) The maximum compensation with respect to disability or death  
6 occurring on and after July 1, 1988, and before July 1, 1989, that shall  
7 be paid for occupational disease and the results thereof under this  
8 chapter or under any combination of its provisions may not exceed one  
9 hundred twenty-eight thousand dollars (\$128,000) in any case.

10 (n) The maximum compensation with respect to disability or death  
11 occurring on and after July 1, 1989, and before July 1, 1990, that shall  
12 be paid for occupational disease and the results thereof under this  
13 chapter or under any combination of its provisions may not exceed one  
14 hundred thirty-seven thousand dollars (\$137,000) in any case.

15 (o) The maximum compensation with respect to disability or death  
16 occurring on and after July 1, 1990, and before July 1, 1991, that shall  
17 be paid for occupational disease and the results thereof under this  
18 chapter or under any combination of its provisions may not exceed one  
19 hundred forty-seven thousand dollars (\$147,000) in any case.

20 (p) The maximum compensation with respect to disability or death  
21 occurring on and after July 1, 1991, and before July 1, 1992, that shall  
22 be paid for occupational disease and the results thereof under this  
23 chapter or under any combination of the provisions of this chapter may  
24 not exceed one hundred sixty-four thousand dollars (\$164,000) in any  
25 case.

26 (q) The maximum compensation with respect to disability or death  
27 occurring on and after July 1, 1992, and before July 1, 1993, that shall  
28 be paid for occupational disease and the results thereof under this  
29 chapter or under any combination of the provisions of this chapter may  
30 not exceed one hundred eighty thousand dollars (\$180,000) in any case.

31 (r) The maximum compensation with respect to disability or death  
32 occurring on and after July 1, 1993, and before July 1, 1994, that shall  
33 be paid for occupational disease and the results thereof under this  
34 chapter or under any combination of the provisions of this chapter may  
35 not exceed one hundred ninety-seven thousand dollars (\$197,000) in  
36 any case.

37 (s) The maximum compensation with respect to disability or death  
38 occurring on and after July 1, 1994, and before July 1, 1997, that shall  
39 be paid for occupational disease and the results thereof under this  
40 chapter or under any combination of the provisions of this chapter may  
41 not exceed two hundred fourteen thousand dollars (\$214,000) in any  
42 case.



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1 (t) The maximum compensation that shall be paid for occupational  
2 disease and the results of an occupational disease under this chapter or  
3 under any combination of the provisions of this chapter may not exceed  
4 the following amounts in any case:

5 (1) With respect to disability or death occurring on and after July  
6 1, 1997, and before July 1, 1998, two hundred twenty-four  
7 thousand dollars (\$224,000).

8 (2) With respect to disability or death occurring on and after July  
9 1, 1998, and before July 1, 1999, two hundred thirty-four  
10 thousand dollars (\$234,000).

11 (3) With respect to disability or death occurring on and after July  
12 1, 1999, and before July 1, 2000, two hundred forty-four thousand  
13 dollars (\$244,000).

14 (4) With respect to disability or death occurring on and after July  
15 1, 2000, and before July 1, 2001, two hundred fifty-four thousand  
16 dollars (\$254,000).

17 (5) With respect to disability or death occurring on and after July  
18 1, 2001, and before July 1, 2002, two hundred seventy-four  
19 thousand dollars (\$274,000).

20 (6) With respect to disability or death occurring on and after July  
21 1, 2002, and before July 1, 2006, two hundred ninety-four  
22 thousand dollars (\$294,000).

23 (7) With respect to disability or death occurring on and after July  
24 1, 2006, and before July 1, 2007, three hundred thousand dollars  
25 (\$300,000).

26 (8) With respect to disability or death occurring on and after July  
27 1, 2007, and before July 1, 2008, three hundred ten thousand  
28 dollars (\$310,000).

29 (9) With respect to disability or death occurring on and after July  
30 1, 2008, and before July 1, 2009, three hundred eighteen thousand  
31 dollars (\$318,000).

32 (10) With respect to disability or death occurring on ~~or~~ **and** after  
33 July 1, 2009, **and before July 1, 2014**, three hundred twenty-five  
34 thousand dollars (\$325,000).

35 **(11) With respect to disability or death occurring on and after**  
36 **July 1, 2014, three hundred ninety thousand dollars**  
37 **(\$390,000).**

38 (u) For all disabilities occurring on and after July 1, 1985, "average  
39 weekly wages" means the earnings of the injured employee during the  
40 period of fifty-two (52) weeks immediately preceding the disability  
41 divided by fifty-two (52). If the employee lost seven (7) or more  
42 calendar days during the period, although not in the same week, then

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1 the earnings for the remainder of the fifty-two (52) weeks shall be  
 2 divided by the number of weeks and parts of weeks remaining after the  
 3 time lost has been deducted. If employment before the date of disability  
 4 extended over a period of less than fifty-two (52) weeks, the method of  
 5 dividing the earnings during that period by the number of weeks and  
 6 parts of weeks during which the employee earned wages shall be  
 7 followed if results just and fair to both parties will be obtained. If by  
 8 reason of the shortness of the time during which the employee has been  
 9 in the employment of the employer or of the casual nature or terms of  
 10 the employment it is impracticable to compute the average weekly  
 11 wages for the employee, the employee's average weekly wages shall be  
 12 considered to be the average weekly amount that, during the fifty-two  
 13 (52) weeks before the date of disability, was being earned by a person  
 14 in the same grade employed at the same work by the same employer or,  
 15 if there is no person so employed, by a person in the same grade  
 16 employed in that same class of employment in the same district.  
 17 Whenever allowances of any character are made to an employee  
 18 instead of wages or a specified part of the wage contract, they shall be  
 19 considered a part of the employee's earnings.

20 (v) The provisions of this article may not be construed to result in  
 21 an award of benefits in which the number of weeks paid or to be paid  
 22 for temporary total disability, temporary partial disability, or permanent  
 23 total disability benefits combined exceeds five hundred (500) weeks.  
 24 This section shall not be construed to prevent a person from applying  
 25 for an award under IC 22-3-3-13. However, in case of permanent total  
 26 disability resulting from a disablement occurring on or after January 1,  
 27 1998, the minimum total benefit shall not be less than seventy-five  
 28 thousand dollars (\$75,000).

29 SECTION 22. IC 22-3-7-36, AS AMENDED BY P.L.99-2007,  
 30 SECTION 185, IS AMENDED TO READ AS FOLLOWS  
 31 [EFFECTIVE JULY 1, 2013]: Sec. 36. (a) Whenever disablement or  
 32 death from an occupational disease arising out of and in the course of  
 33 the employment for which compensation is payable under this chapter,  
 34 shall have been sustained under circumstances creating in some other  
 35 person than the employer and not in the same employ a legal liability  
 36 to pay damages in respect thereto, the injured employee, or the  
 37 employee's dependents, in case of death, may commence legal  
 38 proceedings against such other person to recover damages  
 39 notwithstanding such employer's or such employer's occupational  
 40 disease insurance carrier's payment of, or liability to pay, compensation  
 41 under this chapter. In such case, however, if the action against such  
 42 other person is brought by the injured employee or the employee's

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1 dependents and judgment is obtained and paid and accepted and  
 2 settlement is made with such other person, either with or without suit,  
 3 then from the amount received by such employee or dependents there  
 4 shall be paid to the employer, or such employer's occupational disease  
 5 insurance carrier, the amount of compensation paid to such employee  
 6 or dependents, plus the ~~medical, hospital, and nurses'~~ services and  
 7 ~~supplies products~~ and burial expense paid by the employer or such  
 8 employer's occupational disease insurance carrier, and the liability of  
 9 the employer or such employer's occupational disease insurance carrier  
 10 to pay further compensation or other expenses shall thereupon  
 11 terminate, whether or not one (1) or all of the dependents are entitled  
 12 to share in the proceeds of the settlement or recovery and whether or  
 13 not one (1) or all of the dependents could have maintained the action  
 14 or claim for wrongful death.

15 (b) In the event such employee or the employee's dependents, not  
 16 having received compensation or ~~medical, surgical, hospital, or nurse's~~  
 17 services and ~~supplies products~~ or death benefits, or such employer's  
 18 occupational disease insurance carrier, shall procure a judgment  
 19 against such other party for disablement or death from an occupational  
 20 disease arising out of and in the course of the employment, which  
 21 judgment is paid, or if settlement is made with such other person, either  
 22 with or without suit, then the employer or such employer's occupational  
 23 disease insurance carrier shall have no liability for payment of  
 24 compensation or for payment of medical, surgical, hospital, or nurse's  
 25 services and supplies or death benefits whatsoever, whether or not one  
 26 (1) or all of the dependents are entitled to share in the proceeds of  
 27 settlement or recovery and whether or not one (1) or all of the  
 28 dependents could have maintained the action or claim for wrongful  
 29 death.

30 (c) In the event an employee, or in the event of the employee's death,  
 31 the employee's dependents, shall procure a final judgment against such  
 32 other person other than by agreement, for disablement or death from an  
 33 occupational disease arising out of and in the course of the employment  
 34 and such judgment is for a lesser sum than the amount for which the  
 35 employer or such employer's occupational disease insurance carrier is  
 36 liable for compensation and for ~~medical, surgical, hospital, and nurse's~~  
 37 services and ~~supplies, products~~, as of the date the judgment becomes  
 38 final, then the employee, or in the event of the employee's death, the  
 39 employee's dependents, shall have the option of either collecting such  
 40 judgment and repaying the employer or such employer's occupational  
 41 disease insurance carrier for compensation previously drawn, if any,  
 42 and repaying the employer or such employer's occupational disease



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1 insurance carrier for ~~medical, surgical, hospital, and nurse's~~ services  
 2 and ~~supplies products~~ previously paid, if any, and of repaying the  
 3 employer or such employer's occupational disease insurance carrier, the  
 4 burial benefits paid, if any, or of assigning all rights under said  
 5 judgment to the employer or such employer's occupational disease  
 6 insurance carrier and thereafter receiving all compensation and  
 7 ~~medical, surgical, hospital, and nurse's~~ services and ~~supplies products~~  
 8 to which the employee, or in the event of the employee's death, to  
 9 which the employee's dependents would be entitled if there had been  
 10 no action brought against such other party.

11 (d) If the employee or the employee's dependents agree to receive  
 12 compensation, because of an occupational disease arising out of and in  
 13 the course of the employment, from the employer or such employer's  
 14 occupational disease insurance carrier, or to accept from the employer  
 15 or such employer's occupational disease insurance carrier by loan or  
 16 otherwise, any payment on account of such compensation or institute  
 17 proceedings to recover the same, the said employer or such employer's  
 18 occupational disease insurance carrier shall have a lien upon any  
 19 settlement award, judgment, or fund out of which such employee might  
 20 be compensated from the third party.

21 (e) The employee, or in the event of the employee's death, the  
 22 employee's dependents, shall institute legal proceedings against such  
 23 other person for damages within two (2) years after said cause of action  
 24 accrues. If, after said proceeding is commenced, the same is dismissed,  
 25 the employer or such employer's occupational disease insurance carrier,  
 26 having paid compensation or having become liable therefor, may  
 27 collect in their own name or in the name of the employee with a  
 28 disability, or in the case of death, in the name of the employee's  
 29 dependents, from the other person in whom legal liability for damages  
 30 exists, the compensation paid or payable to the employee with a  
 31 disability, or the employee's dependents, plus such ~~medical, surgical,~~  
 32 ~~hospital, and nurse's~~ services and ~~supplies products~~ and burial expense  
 33 paid by the employer or such employer's occupational disease  
 34 insurance carrier for which they have become liable. The employer or  
 35 such employer's occupational disease insurance carrier may commence  
 36 such action at law for such collection against the other person in whom  
 37 legal liability for damages exists, not later than one (1) year from the  
 38 date said action so commenced, has been dismissed, notwithstanding  
 39 the provisions of any statute of limitations to the contrary.

40 (f) If said employee, or in the event of the employee's death, the  
 41 employee's dependents, shall fail to institute legal proceedings, against  
 42 such other person for damages within two (2) years after said cause of

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1 action accrues, the employer or such employer's occupational disease  
 2 insurance carrier, having paid compensation or having been liable  
 3 therefor, may collect in their own name or in the name of the employee  
 4 with a disability, or in the case of the employee's death, in the name of  
 5 the employee's dependents, from the other person in whom legal  
 6 liability for damage exists, the compensation paid or payable to the  
 7 employee with a disability or to the employee's dependents, plus the  
 8 ~~medical, surgical, hospital, and nurse's services and supplies~~ **products**  
 9 and burial expenses, paid by them or for which they have become  
 10 liable, and the employer or such employer's occupational disease  
 11 insurance carrier may commence such action at law for such collection  
 12 against such other person in whom legal liability exists at any time  
 13 within one (1) year from the date of the expiration of the two (2) years  
 14 when the action accrued to the employee with a disability or, in the  
 15 event of the employee's death, to the employee's dependents,  
 16 notwithstanding the provisions of any statute of limitations to the  
 17 contrary.

18 (g) In such actions brought as provided in this section by the  
 19 employee or the employee's dependents, the employee or the  
 20 employee's dependents shall, within thirty (30) days after such action  
 21 is filed, notify the employer or such employer's occupational disease  
 22 insurance carrier, by personal service or registered or certified mail, of  
 23 such fact and the name of the court in which suit is brought, filing  
 24 proof thereof in such action.

25 (h) If the employer does not join in the action within ninety (90)  
 26 days after receipt of the notice, then out of any actual money  
 27 reimbursement received by the employer or such employer's  
 28 occupational disease insurance carrier pursuant to this section, they  
 29 shall pay their pro rata share of all costs and reasonably necessary  
 30 expenses in connection with such third party claim, action, or suit, and  
 31 to the attorney at law selected by the employee or the employee's  
 32 dependents, a fee of twenty-five percent (25%), if collected without  
 33 trial, of the amount of benefits after the expenses and costs in  
 34 connection with such third party claim have been deducted therefrom,  
 35 and a fee of thirty-three and one-third percent (33 1/3%), if collected  
 36 after trial, of the amount of such benefits after deduction of the costs  
 37 and reasonably necessary expenses in connection with such third party  
 38 claim, action, or suit. The employer may, within ninety (90) days after  
 39 receipt of notice of suit from the employee or the employee's  
 40 dependents, join in the action upon the employee's motion so that all  
 41 orders of court after hearing and judgment shall be made for the  
 42 employee's protection.



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1 (i) No release or settlement of claim for damages by reason of such  
 2 injury or death, and no satisfaction of judgment in such proceedings  
 3 shall be valid without the written consent of both employer or such  
 4 employer's occupational disease insurance carrier, and employee, or the  
 5 employee's dependents. However, in the case of the employer or such  
 6 employer's occupational disease insurance carrier, such consent shall  
 7 not be required where the employer or such employer's occupational  
 8 disease insurance carrier has been fully indemnified or protected by  
 9 court order.

10 SECTION 23. IC 22-3-13 IS ADDED TO THE INDIANA CODE  
 11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2013]:

13 **Chapter 13. Worker's Compensation and Occupational Diseases**  
 14 **Compensation Program Advisory Committee**

15 **Sec. 1. As used in this chapter, "billing review service" means**  
 16 **a person or an entity that reviews a medical service provider's bills**  
 17 **or statements to determine pecuniary liability under IC 22-3-2**  
 18 **through IC 22-3-7.**

19 **Sec. 2. As used in this chapter, "committee" refers to the**  
 20 **worker's compensation and occupational diseases compensation**  
 21 **program advisory committee established by section 4 of this**  
 22 **chapter.**

23 **Sec. 3. As used in this chapter, "medical service provider"**  
 24 **means a person or an entity that provides services and products to**  
 25 **an employee under IC 22-3-2 through IC 22-3-7.**

26 **Sec. 4. (a) The worker's compensation and occupational diseases**  
 27 **compensation program advisory committee is established.**

28 **(b) The committee shall act in an advisory capacity to the**  
 29 **worker's compensation board in the administration of the worker's**  
 30 **compensation and occupational diseases compensation program**  
 31 **under IC 22-3-2 through IC 22-3-7.**

32 **Sec. 5. The committee consists of the following members:**

33 **(1) One (1) member of each of the following organizations,**  
 34 **appointed by the governor:**

35 **(A) Indiana State Medical Association.**

36 **(B) Indiana Hospital Association.**

37 **(C) Indiana Federation of Ambulatory Surgical Centers.**

38 **(D) AFL-CIO.**

39 **(E) Indiana State Building and Construction Trades**  
 40 **Council.**

41 **(F) Insurance Institute of Indiana.**

42 **(G) Indiana Manufacturers Association.**



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- 1           **(H) Indiana Chamber of Commerce.**  
 2           **(I) National Federation of Independent Business.**  
 3           **(J) Indiana Builders Association.**  
 4           **(K) Indiana Self Insurers Association.**  
 5           **(2) One (1) member representing billing review services,**  
 6           **appointed by the governor.**  
 7           **(3) One (1) member of the house of representatives appointed**  
 8           **by the speaker of the house of representatives, who serves as**  
 9           **a nonvoting member of the committee.**  
 10          **(4) One (1) member of the senate appointed by the president**  
 11          **pro tempore of the senate, who serves as a nonvoting member**  
 12          **of the committee.**  
 13          **(5) The chair of the worker's compensation board, who shall**  
 14          **serve as an ex officio member of the committee.**  
 15          **Sec. 6. (a) This section does not apply to a member of the house**  
 16          **of representatives or a member of the senate.**  
 17          **(b) An appointment to the committee is for a four (4) year term,**  
 18          **beginning on July 1, 2013, but a member serves until a successor**  
 19          **is designated.**  
 20          **Sec. 7. The term of a committee member who is a member of the**  
 21          **house of representatives or a member of the senate coincides with**  
 22          **the member's legislative term of office.**  
 23          **Sec. 8. If a vacancy on the committee occurs, the person who**  
 24          **appointed the member whose position is vacant shall appoint an**  
 25          **individual to fill the vacancy using the criteria in section 5 of this**  
 26          **chapter.**  
 27          **Sec. 9. (a) The chair of the worker's compensation board serves**  
 28          **as the chair of the committee.**  
 29          **(b) The committee shall meet at least four (4) times each year,**  
 30          **once each calendar quarter, and may meet more frequently at the**  
 31          **call of the chair.**  
 32          **(c) The chair shall establish the agenda for each meeting of the**  
 33          **committee.**  
 34          **Sec. 10. (a) Each member of the committee who is not a state**  
 35          **employee or is not a member of the general assembly is entitled to**  
 36          **the following:**  
 37                  **(1) The salary per diem provided under IC 4-10-11-2.1(b).**  
 38                  **(2) Reimbursement for traveling expenses as provided under**  
 39                  **IC 4-13-1-4.**  
 40                  **(3) Other expenses actually incurred in connection with the**  
 41                  **member's duties, as provided in the state policies and**  
 42                  **procedures established by the department of administration**



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1           **and approved by the budget agency.**

2           **(b) Each member of the committee who is a state employee but**  
 3 **not a member of the general assembly is entitled to the following:**

4           **(1) Reimbursement for traveling expenses as provided under**  
 5 **IC 4-13-1-4.**

6           **(2) Other expenses actually incurred in connection with the**  
 7 **member's duties, as provided in the state policies and**  
 8 **procedures established by the department of administration**  
 9 **and approved by the budget agency.**

10          **(c) Each member of the committee who is a member of the**  
 11 **general assembly is entitled to the same:**

12           **(1) per diem;**

13           **(2) mileage; and**

14           **(3) travel allowances;**

15 **paid to legislative members of interim study committees**  
 16 **established by the legislative council.**

17          **Sec. 11. The committee shall make a report annually not later**  
 18 **than September 1, beginning September 1, 2014, to the legislative**  
 19 **council concerning recommendations and proposed changes**  
 20 **related to the worker's compensation and occupational diseases**  
 21 **compensation program. The report must be in an electronic format**  
 22 **under IC 5-14-6.**

23          SECTION 24. IC 27-7-2-20.2 IS AMENDED TO READ AS  
 24 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 20.2. (a) Every  
 25 company and the bureau shall file with the commissioner all minimum  
 26 premiums, rates, and supplementary rate information that are to be used  
 27 in Indiana. Such minimum premiums, rates, and supplementary rate  
 28 information must be submitted to the commissioner at least thirty (30)  
 29 days before the effective date. The commissioner shall disapprove a  
 30 filing that does not meet the requirements of section 20.1 of this  
 31 chapter. A filing shall be deemed approved unless disapproved by the  
 32 commissioner within thirty (30) days after the filing is made. A  
 33 company may adopt by reference, with or without deviation, the  
 34 minimum premiums, rates, and supplementary rate information filed by  
 35 another company or by the bureau.

36          (b) Minimum premiums, rates, and supplementary information filed  
 37 under this section shall be filed in the form and manner prescribed by  
 38 the commissioner.

39          (c) There shall accompany each filing adequate proof that notice of  
 40 the filing has been mailed, by first class United States mail, to each  
 41 interested person at the person's address as shown on the records of the  
 42 department.

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1 (d) All information material filed under this chapter by the bureau  
 2 or any company as part of any official rate filing shall, as soon as  
 3 filed, be open to the public for inspection and copying under IC 5-14-3.  
 4 This requirement is not applicable to information and data  
 5 transmitted to the department or the worker's compensation board  
 6 or to both, under section 20 or 40 of this chapter.

7 SECTION 25. IC 27-7-2-40 IS ADDED TO THE INDIANA CODE  
 8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 9 1, 2013]: **Sec. 40. The bureau may collect data from its members  
 10 under this chapter, including:**

11 (1) claims data;

12 (2) policy data such as policy number, policy term, and  
 13 employer and employee identification information; and

14 (3) proof of coverage data such as employer identification  
 15 information, classification information, carrier information,  
 16 agency identification information, premium information, and  
 17 payroll data.

18 Unless this chapter specifically states otherwise, all data collected  
 19 by the bureau from its members is confidential and shall not be  
 20 disclosed or disseminated to third parties unless consented to by  
 21 the bureau. To the extent this chapter authorizes the bureau to  
 22 share the data with the department or the worker's compensation  
 23 board, the data must remain confidential and may not be  
 24 considered a public record under IC 5-14-3. The department and  
 25 the worker's compensation board shall not publish the data or  
 26 distribute the data to third parties.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1320, 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 9, line 3, after "(b)" insert "**This subsection applies after June 30, 2014.**".

Page 9, line 14, delete "one hundred seventy-five percent (175%)" and insert "**two hundred twenty-five percent (225%)**".

Page 9, delete line 42.

Page 10, delete lines 1 through 3.

Page 22, line 3, delete "2013:" and insert "**2014:**".

Page 22, line 6, delete "and".

Page 22, line 8, delete "2013:" and insert "**2014, and before July 1, 2015:**".

Page 22, line 9, delete "one hundred twenty-five" and insert "**twenty dollars (\$1,020); and**".

Page 22, delete line 10.

Page 22, line 11, delete "\$75." and insert "**(\$75);**

**(12) with respect to injuries occurring on and after July 1, 2015, and before July 1, 2016:**

**(A) not more than one thousand sixty-five dollars (\$1,065); and**

**(B) not less than seventy-five dollars (\$75);**

**(13) with respect to injuries occurring on and after July 1, 2016, and before July 1, 2017:**

**(A) not more than one thousand one hundred ten dollars (\$1,110); and**

**(B) not less than seventy-five dollars (\$75);**

**(14) with respect to injuries occurring on and after July 1, 2017, and before July 1, 2018:**

**(A) not more than one thousand one hundred fifty-five dollars (\$1,155); and**

**(B) not less than seventy-five dollars (\$75); and**

**(15) with respect to injuries occurring on and after July 1, 2018:**

**(A) not more than one thousand two hundred dollars (\$1,200); and**

**(B) not less than seventy-five dollars (\$75)."**

Page 24, line 7, delete "2013," and insert "**2014,**".

Page 24, delete line 10 and insert "**2014, and before July 1, 2015, three hundred forty thousand dollars (\$340,000).**"

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(12) With respect to an injury occurring on and after July 1, 2015, and before July 1, 2016, three hundred fifty-five thousand dollars (\$355,000).

(13) With respect to an injury occurring on and after July 1, 2016, and before July 1, 2017, three hundred seventy thousand dollars (\$370,000).

(14) With respect to an injury occurring on and after July 1, 2017, and before July 1, 2018, three hundred eighty-five thousand dollars (\$385,000).

(15) With respect to an injury occurring on and after July 1, 2018, four hundred thousand dollars (\$400,000).

SECTION 19. IC 22-3-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 2. An employer required to carry insurance under IC 22-3-2-5 and section 1 of this chapter shall file with the worker's compensation board, in the form prescribed by it, **the board**, within ten (10) days after the termination of the employer's insurance by expiration or cancellation, evidence of the employer's compliance with section 1 of this chapter and other provisions relating to the insurance under IC 22-3-2 through IC 22-3-6 and shall pay a filing fee in the amount of:

(1) ten dollars (\$10) before July 1, 1992; **and**

(2) five dollars (\$5) on and after July 1, 1992, and before July 1, 1995; **and**

(3) two dollars (\$2), after July 1, 2013.

**This filing fee shall be deposited in the worker's compensation supplemental administrative fund established by section 6 of this chapter and used to offset a part of the board's expenses related to the administration of health care provider reimbursement disputes.** Proof of renewal of an existing insurance policy may be filed every three (3) years, but the filing fee for the policy shall be paid annually. An employer coming under the compensation provisions of IC 22-3-2 through IC 22-3-6 shall in a like manner file like evidence of compliance on the employer's part."

Page 25, line 37, after "in" insert "**bureau**".

Page 25, line 37, delete "filed by".

Page 25, line 38, delete "the bureau and approved by the commissioner".

Page 25, delete lines 39 through 40 and insert "**IC 27-7-2-20**".

Page 30, line 25, strike "in the construction".

Page 30, line 26, strike "trades".

Page 34, line 18, delete "one hundred seventy-five percent" and insert "**two hundred twenty-five percent (225%)**".

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Page 34, line 19, delete "(175%)".

Page 40, line 19, delete "one hundred seventy-five percent" and insert "**two hundred twenty-five percent (225%)**".

Page 40, line 20, delete "(175%)".

Page 57, line 25, delete "one hundred seventy-five percent (175%)" and insert "**two hundred twenty-five percent (225%)**".

Page 60, line 32, delete "2013:" and insert "**2014:**".

Page 60, line 35, delete "and".

Page 60, line 37, delete "2013:" and insert "**2014, and before July 1, 2015:**".

Page 60, line 38, delete "one hundred twenty-five" and insert "**twenty dollars (\$1,020); and**".

Page 60, delete line 39.

Page 60, line 40, delete "\$75." and insert "**(\$75);**

**(12) with respect to disablements occurring on and after July 1, 2015, and before July 1, 2016:**

**(A) not more than one thousand sixty-five dollars (\$1,065); and**

**(B) not less than seventy-five dollars (\$75);**

**(13) with respect to disablements occurring on and after July 1, 2016, and before July 1, 2017:**

**(A) not more than one thousand one hundred ten dollars (\$1,110); and**

**(B) not less than seventy-five dollars (\$75);**

**(14) with respect to disablements occurring on and after July 1, 2017, and before July 1, 2018:**

**(A) not more than one thousand one hundred fifty-five dollars (\$1,155); and**

**(B) not less than seventy-five dollars (\$75); and**

**(15) with respect to disablements occurring on and after July 1, 2018:**

**(A) not more than one thousand two hundred dollars (\$1,200); and**

**(B) not less than seventy-five dollars (\$75)."**

Page 62, line 37, delete "2013," and insert "**2014,**".

Page 62, delete lines 40 through 41 and insert "**July 1, 2014, and before July 1, 2015, three hundred forty thousand dollars (\$340,000).**

**(12) With respect to disability or death occurring on and after July 1, 2015, and before July 1, 2016, three hundred fifty-five thousand dollars (\$355,000).**

**(13) With respect to disability or death occurring on and after**

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**July 1, 2016, and before July 1, 2017, three hundred seventy thousand dollars (\$370,000).**

**(14) With respect to disability or death occurring on and after July 1, 2017, and before July 1, 2018, three hundred eighty-five thousand dollars (\$385,000).**

**(15) With respect to disability or death occurring on and after July 1, 2018, four hundred thousand dollars (\$400,000)."**

Page 68, line 34, delete "HCFA-1500." and insert "**CMS-1500.**".

Page 68, line 35, delete "HCFA-1450 (UB-92)." and insert "**CMS-1450 (UB-04).**".

Page 68, between lines 36 and 37, begin a new line block indented and insert:

**"(4) ANSI-837I."**

Page 70, line 8, delete "Except as provided in subsection (e), all" and insert "All".

Page 70, line 8, strike "information" and insert "**material**".

Page 70, line 9, strike "under this chapter" and insert "**by the bureau or any company as part of any official rate filing**".

Page 70, line 10, after "5-14-3." insert "**This requirement is not applicable to information and data transmitted to the department or the worker's compensation board or to both, under section 20 or section 40 of this chapter.**".

Page 70, delete lines 11 through 15, begin a new paragraph and insert:

"SECTION 20. IC 27-7-2-40 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 40. The bureau may collect data from its members under this chapter, including:**

- (1) claims data;**
- (2) policy data such as policy number, policy term, and employer and employee identification information; and**
- (3) proof of coverage data such as employer identification information, classification information, carrier information, agency identification information, premium information, and payroll data.**

**Unless this chapter specifically states otherwise, all data collected by the bureau from its members is confidential and shall not be disclosed or disseminated to third parties unless consented to by the bureau. To the extent this chapter authorizes the bureau to share the data with the department or the worker's compensation board, the data must remain confidential and may not be considered a public record under IC 5-14-3. The department and**



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**the worker's compensation board shall not publish the data or distribute the data to third parties."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1320 as introduced.)

GUTWEIN, Chair

Committee Vote: yeas 11, nays 1.

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1320 be amended to read as follows:

Page 9, line 9, delete "following, if an amount has been" and insert **"following:"**.

Page 9, delete line 10.

Page 35, line 5, delete "22-3-6." and insert **"22-3-6, but does not include a professional corporation (as defined in IC 23-1.5-1-10) comprised of health care professionals (as defined in IC 23-1.5-1-8) formed to render professional services as set forth in IC 23-1.5-2-3(a)(4)."**

Page 41, line 6, delete "chapter." and insert **"chapter, but does not include a professional corporation (as defined in IC 23-1.5-1-10) comprised of health care professionals (as defined in IC 23-1.5-1-8) formed to render professional services as set forth in IC 23-1.5-2-3(a)(4)."**

Page 58, line 25, delete "following, if an amount has been" and insert **"following:"**.

Page 58, delete line 26.

Page 59, delete lines 17 through 20.

(Reference is to HB 1320 as printed February 19, 2013.)

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## COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred House Bill No. 1320, 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:

Page 1, line 7, strike "his" and insert "**the injured employee's**".

Page 1, line 12, strike "his" and insert "**the injured employee's**".

Page 2, line 28, strike "evenamount" and insert "**amount**".

Page 4, line 20, strike "per cent" and insert "**percent**".

Page 4, line 23, strike "per".

Page 4, line 24, strike "cent" and insert "**percent**".

Page 7, between lines 10 and 11, begin a new paragraph and insert:  
 "SECTION 3. IC 22-3-3-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 4.5. (a) As used in this section, "legend drug" has the meaning set forth in IC 25-26-14-7.**

**(b) As used in this section, "repackage" has the meaning set forth in IC 25-26-14-9.3.**

**(c) This subsection does not apply to a retail or mail order pharmacy. Except as provided in subsection (d), whenever a prescription covered by IC 22-3-2 through IC 22-3-6 is filled using a repackaged legend drug, the maximum reimbursement amount for the repackaged legend drug must be computed using the average wholesale price set by the original manufacturer for the legend drug.**

**(d) If the National Drug Code (established under Section 510 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 360) for a legend drug cannot be determined from the medical service provider's billing or statement, the maximum reimbursement amount for the repackaged legend drug under subsection (c) is the lowest cost generic for that legend drug.**

**(e) This subsection does not apply to a retail or mail order pharmacy. The maximum period during which a medical service provider may dispense to an employee medication for which the medical service provider may receive a reimbursement under IC 22-3-2 through IC 22-3-6 is the period from the date of the employee's injury through the seventh day after the date of the employee's injury. A medical service provider may not be reimbursed under IC 22-3-2 through IC 22-3-6 for a medication dispensed to an employee after the seventh day after the date of the employee's injury."**

Page 7, line 16, delete "For" and insert "**This subdivision applies**



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**before July 1, 2014, to all medical service providers, and after June 30, 2014, to".**

Page 7, line 17, delete "facility, such" and insert "**facility. Such**".

Page 7, line 20, delete "For" and insert "**This subdivision applies after June 30, 2014, to**".

Page 7, line 20, delete "facility, the" and insert "**facility. The**".

Page 8, line 20, after "provided" insert "**before July 1, 2014, by all medical service providers, and after June 30, 2014,**".

Page 9, line 3, after "2014" delete "." and insert ", **to a medical service facility.**".

Page 9, line 6, delete "either" and insert "**a reasonable amount, which is established by payment of one (1)**".

Page 9, line 8, after "negotiated" insert "**at any time**".

Page 9, between lines 13 and 14, begin a new line double block indented and insert:

**"(D) A direct provider network that has contracted with a person described in clause (A) or (B)."**

Page 9, line 14, delete "Not more than two hundred twenty-five percent (225%)" and insert "**Two hundred percent (200%)**".

Page 9, line 15, after "Medicare" insert "**on the same date**".

Page 9, line 16, after "product" delete "," and insert "**provided by the medical service facility,**".

Page 9, between lines 17 and 18, begin a new line block indented and insert:

**"(3) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of the specific service or product provided under worker's compensation, if an amount has not been negotiated as described in subdivision (1) and the parties have a dispute regarding the payment under subdivision (2). The medical service facility shall provide the cost amount required under this subdivision.**

**(c) The payment to a medical service provider located outside Indiana for a service or product furnished to an employee under IC 22-3-2 through IC 22-3-6 may not exceed the payment that would be made to the nearest similar medical service provider located in Indiana for furnishing the same service or product in Indiana.**

**(d) The payment to a medical service provider for an implant furnished to an employee under IC 22-3-2 through IC 22-3-6 may not exceed the invoice amount plus twenty-five percent (25%)."**

Page 9, line 18, delete "(c)" and insert "(e)".

Page 9, line 33, delete "(d)" and insert "(f)".



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Page 9, between lines 41 and 42, begin a new paragraph and insert:  
 "SECTION 6. IC 22-3-3-5.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 5.4. (a) This section applies after June 30, 2014.**

**(b) A claim made by a medical service provider for payment for services or products provided under IC 22-3-2 through IC 22-3-6 must be:**

- (1) filed with; and**
- (2) paid by;**

**an employer and an employer's insurance carrier, if any, electronically.**

**(c) A medical service provider shall submit only the following forms for payment by an employer or an employer's insurance carrier:**

- (1) CMS-1500.**
- (2) CMS-1450 (UB-04).**
- (3) American Dental Association (ADA) claim form.**
- (4) ANSI-837I.**

**(d) Not more than thirty (30) days after the date on which the claim is received, the employer or the employer's insurance carrier shall pay or deny the claim made by the medical service provider.**

SECTION 7. IC 22-3-3-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 5.5. (a) If an employer determines that a medical service provider has made an excessive charge or required an unjustified service or product, the medical service provider:**

- (1) may not receive reimbursement under this article for the excessive charge or unjustified service or product; and**
- (2) is liable to return to the employer any amounts received as reimbursement for the excessive charge or unjustified service or product.**

**(b) The worker's compensation board may review the records and medical bills of a medical service provider that an employer determines is not complying with the schedule of charges or is requiring unjustified services or products."**

Page 13, line 34, strike "(5)," and insert "(4),".

Page 18, line 6, after "2010," insert "**and before July 1, 2014,**".

Page 18, between lines 14 and 15, begin a new line block indented and insert:

**"(13) With respect to injuries occurring on and after July 1, 2014, for each degree of permanent impairment from one (1) to ten (10), one thousand seven hundred fifty dollars (\$1,750)**

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per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand nine hundred fifty-two dollars (\$1,952) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), three thousand one hundred eighty-six dollars (\$3,186) per degree; for each degree of permanent impairment above fifty (50), four thousand sixty dollars (\$4,060) per degree."

Page 19, line 3, delete "2013," and insert "2014,".

Page 19, line 6, delete "2013," and insert "2014,".

Page 19, line 6, delete "twenty-five" and insert "seventy".

Page 19, line 6, delete "(\$1,125)." and insert "(\$1,170).".

Page 22, line 2, after "(\$75);" insert "and".

Page 22, delete lines 3 through 27, begin a new line block indented and insert:

**"(11) with respect to injuries occurring on and after July 1, 2014:**

**(A) not more than one thousand one hundred seventy dollars (\$1,170); and**

**(B) not less than seventy-five dollars (\$75)."**

Page 24, delete lines 25 through 38, begin a new line block indented and insert:

**"(11) With respect to an injury occurring on and after July 1, 2014, three hundred ninety thousand dollars (\$390,000)."**

Page 35, line 1, delete "a hospital, clinic, surgery".

Page 35, delete lines 2 through 3.

Page 35, line 4, delete "IC 22-3-6, but" and insert **"any of the following that provides a service or product under IC 22-3-2 through IC 22-3-6:**

**(1) A hospital (as defined in IC 16-18-2-179).**

**(2) A hospital based health facility (as defined in IC 16-18-2-180).**

**(3) A medical center (as defined in IC 16-18-2-223.4).**

**The term".**

Page 35, line 7, after "IC 23-1.5-2-3(a)(4)" delete "." and insert **"or a health care professional (as defined in IC 23-1.5-1-8) who bills for a service or product provided under IC 22-3-2 through IC 22-3-6 as an individual or a member of a group practice."**

Page 35, line 12, delete "For payment" and insert **"This subdivision applies before July 1, 2014, to all medical service providers, and after June 30, 2014,".**

Page 35, line 13, delete "facility, payment" and insert **"facility. Payment"**.



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Page 35, line 17, delete "For payment" and insert "**This subdivision applies after June 30, 2014,**".

Page 35, line 17, delete "facility, payment" and insert "**facility. Payment**".

Page 35, line 18, delete "an amount equal to" and insert "**a reasonable amount, which is established by payment of one (1) of**".

Page 35, line 19, after "negotiated" insert "**at any time**".

Page 35, between lines 25 and 26, begin a new line triple block indented and insert:

**"(iv) A direct provider network that has contracted with a person described in item (i) or (ii)."**

Page 35, line 26, delete "Not more than two hundred twenty-five percent" and insert "**Two hundred percent**".

Page 35, line 27, delete "(225%)" and insert "**(200%)**".

Page 35, line 27, after "Medicare" insert "**on the same date**".

Page 35, line 28, after "product" delete "," and insert "**provided by the medical service facility,**".

Page 35, between lines 29 and 30, begin a new line double block indented and insert:

**"(C) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of the specific service or product provided under worker's compensation, if an amount has not been negotiated as described in clause (A) and the parties have a dispute regarding the payment under clause (B). The medical service facility shall provide the cost amount required under this clause."**

Page 41, line 5, after "means" delete "a".

Page 41, delete lines 6 through 7.

Page 41, line 8, delete "under this chapter, but" and insert "**any of the following that provides a service or product under this chapter:**

**(1) A hospital (as defined in IC 16-18-2-179).**

**(2) A hospital based health facility (as defined in IC 16-18-2-180).**

**(3) A medical center (as defined in IC 16-18-2-223.4).**

**The term**".

Page 41, line 11, after "IC 23-1.5-2-3(a)(4)" delete "." and insert "**or a health care professional (as defined in IC 23-1.5-1-8) who bills for a service or product provided under this chapter as an individual or a member of a group practice.**".

Page 41, line 16, delete "For payment" and insert "**This subdivision applies before July 1, 2014, to all medical service providers, and**

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after June 30, 2014,".

Page 41, line 17, delete "facility, payment" and insert "**facility. Payment**".

Page 41, line 21, delete "For payment" and insert "**This subdivision applies after June 30, 2014,**".

Page 41, line 21, delete "facility, payment" and insert "**facility. Payment**".

Page 41, line 22, delete "an amount equal to" and insert "**a reasonable amount, which is established by payment of one (1) of**".

Page 41, line 23, after "negotiated" insert "**at any time**".

Page 41, between lines 29 and 30, begin a new line triple block indented and insert:

**"(iv) A direct provider network that has contracted with a person described in item (i) or (ii)."**

Page 41, line 30, delete "Not more than two hundred twenty-five percent" and insert "**Two hundred percent**".

Page 41, line 31, delete "(225%)" and insert "**(200%)**".

Page 41, line 31, after "Medicare" insert "**on the same date**".

Page 41, line 32, after "product" delete "," and insert "**provided by the medical service facility,**".

Page 41, between lines 33 and 34, begin a new line double block indented and insert:

**"(C) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of the specific service or product provided under occupational diseases compensation, if an amount has not been negotiated as described in clause (A) and the parties have a dispute regarding the payment under clause (B). The medical service facility shall provide the cost amount required under this clause."**

Page 51, line 30, after "2010," insert "**and before July 1, 2014,**".

Page 51, between lines 37 and 38, begin a new line block indented and insert:

**"(13) With respect to disablements occurring on and after July 1, 2014, for each degree of permanent impairment from one (1) to ten (10), one thousand seven hundred fifty dollars (\$1,750) per degree; for each degree of permanent impairment from eleven (11) to thirty-five (35), one thousand nine hundred fifty-two dollars (\$1,952) per degree; for each degree of permanent impairment from thirty-six (36) to fifty (50), three thousand one hundred eighty-six dollars (\$3,186) per degree; for each degree of permanent impairment above**



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**fifty (50), four thousand sixty dollars (\$4,060) per degree."**

Page 52, line 37, delete "2013," and insert "2014,".

Page 52, line 40, delete "2013," and insert "2014,".

Page 52, line 40, delete "twenty-five" and insert "seventy".

Page 52, line 41, delete "\$1,125)." and insert "\$1,170)."

Page 57, line 42, after "provided" insert **"before July 1, 2014, by all medical service providers, and after June 30, 2014,"**.

Page 58, line 25, after "(b)" insert **"This subsection applies after June 30, 2014, to a medical service facility."**

Page 58, line 28, after "equal to" insert **"a reasonable amount, which is established by payment of one (1) of"**.

Page 58, line 29, after "negotiated" insert **"at any time"**.

Page 58, between lines 34 and 35, begin a new line double block indented and insert:

**"(D) A direct provider network that has contracted with a person described in clause (A) or (B)."**

Page 58, line 35, delete "Not more than two hundred twenty-five percent (225%)" and insert **"Two hundred percent (200%)"**.

Page 58, line 36, after "Medicare" insert **"on the same date"**.

Page 58, line 37, after "product" delete "," and insert **"provided by the medical service facility,"**.

Page 58, between lines 38 and 39, begin a new line block indented and insert:

**"(3) An amount not less than one hundred twenty-five percent (125%) of the cost to the medical service facility of a specific service or product provided under occupational diseases compensation, if an amount has not been negotiated as described in subdivision (1) and the parties have a dispute regarding the payment under subdivision (2). The medical service facility shall provide the cost amount required under this subdivision.**

**(c) The payment to a medical service provider located outside Indiana for a service or product furnished to an employee under this chapter may not exceed the payment that would be made to the nearest similar medical service provider located in Indiana for furnishing the same service or product in Indiana.**

**(d) The payment to a medical service provider for an implant furnished to an employee under this chapter may not exceed the invoice amount plus twenty-five percent (25%)."**

Page 58, line 39, delete "(c)" and insert "(e)".

Page 59, line 12, delete "(d)" and insert "(f)".

Page 59, between lines 20 and 21, begin a new paragraph and insert:

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"SECTION 18. IC 22-3-7-17.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 17.3. (a) This section applies after June 30, 2014.**

**(b) A claim made by a medical service provider for payment for services or products provided under this chapter must be:**

- (1) filed with; and**
- (2) paid by;**

**an employer and an employer's insurance carrier, if any, electronically.**

**(c) A medical service provider shall submit only the following forms for payment by an employer or an employer's insurance carrier:**

- (1) CMS-1500.**
- (2) CMS-1450 (UB-04).**
- (3) American Dental Association (ADA) claim form.**
- (4) ANSI-837I.**

**(d) Not more than thirty (30) days after the date on which the claim is received, the employer or the employer's insurance carrier shall pay or deny the claim made by the medical service provider.**

SECTION 19. IC 22-3-7-17.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 17.4. (a) As used in this section, "legend drug" has the meaning set forth in IC 25-26-14-7.**

**(b) As used in this section, "repackage" has the meaning set forth in IC 25-26-14-9.3.**

**(c) This subsection does not apply to a retail or mail order pharmacy. Except as provided in subsection (d), whenever a prescription covered by this chapter is filled using a repackaged legend drug, the maximum reimbursement amount for the repackaged legend drug must be computed using the average wholesale price set by the original manufacturer for the legend drug.**

**(d) If the National Drug Code (established under Section 510 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 360) for a legend drug cannot be determined from the medical service provider's billing or statement, the maximum reimbursement amount for the repackaged legend drug under subsection (c) is the lowest cost generic for that legend drug.**

**(e) The maximum period during which a medical service provider that is not a retail or mail order pharmacy may dispense to an employee medication for which the medical service provider**

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may receive a reimbursement under this chapter is the period of seven (7) days after the date of the employee's disablement. A medical service provider that is not a retail or mail order pharmacy may not be reimbursed under this article for a medication dispensed to an employee after the seventh day after the date of the employee's disablement.

SECTION 20. IC 22-3-7-17.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 17.5. (a) If an employer determines that a medical service provider has made an excessive charge or required an unjustified service or product, the medical service provider:**

- (1) may not receive reimbursement under this chapter for the excessive charge or unjustified service or product; and**
- (2) is liable to return to the employer any amounts received as reimbursement for the excessive charge or unjustified service or product.**

**(b) The worker's compensation board may review the records and medical bills of a medical service provider that an employer determines is not complying with the schedule of charges or is requiring unjustified services or products."**

Page 61, line 40, after "\$75);" insert "and".

Page 61, delete lines 41 through 42, begin a new line block indented and insert:

**"(11) with respect to disablements occurring on and after July 1, 2014:**

- (A) not more than one thousand one hundred seventy dollars (\$1,170); and**
- (B) not less than seventy-five dollars (\$75)."**

Page 62, delete lines 1 through 23.

Page 64, delete lines 22 through 35, begin a new line block indented and insert:

**"(11) With respect to disability or death occurring on and after July 1, 2014, three hundred ninety thousand dollars (\$390,000)."**

Page 69, delete lines 8 through 42.

Delete page 70.

Page 71, delete lines 1 through 24, begin a new paragraph and insert:

"SECTION 23. IC 22-3-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]:

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**Chapter 13. Worker's Compensation and Occupational Diseases  
Compensation Program Advisory Committee**

**Sec. 1. As used in this chapter, "billing review service" means a person or an entity that reviews a medical service provider's bills or statements to determine pecuniary liability under IC 22-3-2 through IC 22-3-7.**

**Sec. 2. As used in this chapter, "committee" refers to the worker's compensation and occupational diseases compensation program advisory committee established by section 4 of this chapter.**

**Sec. 3. As used in this chapter, "medical service provider" means a person or an entity that provides services and products to an employee under IC 22-3-2 through IC 22-3-7.**

**Sec. 4. (a) The worker's compensation and occupational diseases compensation program advisory committee is established.**

**(b) The committee shall act in an advisory capacity to the worker's compensation board in the administration of the worker's compensation and occupational diseases compensation program under IC 22-3-2 through IC 22-3-7.**

**Sec. 5. The committee consists of the following members:**

**(1) One (1) member of each of the following organizations, appointed by the governor:**

- (A) Indiana State Medical Association.**
- (B) Indiana Hospital Association.**
- (C) Indiana Federation of Ambulatory Surgical Centers.**
- (D) AFL-CIO.**
- (E) Indiana State Building and Construction Trades Council.**
- (F) Insurance Institute of Indiana.**
- (G) Indiana Manufacturers Association.**
- (H) Indiana Chamber of Commerce.**
- (I) National Federation of Independent Business.**
- (J) Indiana Builders Association.**
- (K) Indiana Self Insurers Association.**

**(2) One (1) member representing billing review services, appointed by the governor.**

**(3) One (1) member of the house of representatives appointed by the speaker of the house of representatives, who serves as a nonvoting member of the committee.**

**(4) One (1) member of the senate appointed by the president pro tempore of the senate, who serves as a nonvoting member of the committee.**



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(5) The chair of the worker's compensation board, who shall serve as an ex officio member of the committee.

Sec. 6. (a) This section does not apply to a member of the house of representatives or a member of the senate.

(b) An appointment to the committee is for a four (4) year term, beginning on July 1, 2013, but a member serves until a successor is designated.

Sec. 7. The term of a committee member who is a member of the house of representatives or a member of the senate coincides with the member's legislative term of office.

Sec. 8. If a vacancy on the committee occurs, the person who appointed the member whose position is vacant shall appoint an individual to fill the vacancy using the criteria in section 5 of this chapter.

Sec. 9. (a) The chair of the worker's compensation board serves as the chair of the committee.

(b) The committee shall meet at least four (4) times each year, once each calendar quarter, and may meet more frequently at the call of the chair.

(c) The chair shall establish the agenda for each meeting of the committee.

Sec. 10. (a) Each member of the committee who is not a state employee or is not a member of the general assembly is entitled to the following:

- (1) The salary per diem provided under IC 4-10-11-2.1(b).
- (2) Reimbursement for traveling expenses as provided under IC 4-13-1-4.
- (3) Other expenses actually incurred in connection with the member's duties, as provided in the state policies and procedures established by the department of administration and approved by the budget agency.

(b) Each member of the committee who is a state employee but not a member of the general assembly is entitled to the following:

- (1) Reimbursement for traveling expenses as provided under IC 4-13-1-4.
- (2) Other expenses actually incurred in connection with the member's duties, as provided in the state policies and procedures established by the department of administration and approved by the budget agency.

(c) Each member of the committee who is a member of the general assembly is entitled to the same:

- (1) per diem;



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(2) mileage; and  
(3) travel allowances;  
paid to legislative members of interim study committees established by the legislative council.

**Sec. 11. The committee shall make a report annually not later than September 1, beginning September 1, 2014, to the legislative council concerning recommendations and proposed changes related to the worker's compensation and occupational diseases compensation program. The report must be in an electronic format under IC 5-14-6."**

Page 72, line 8, after "20 or" delete "section".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1320 as reprinted February 22, 2013.)

BOOTS, Chairperson

Committee Vote: Yeas 8, Nays 1.

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