
SENATE BILL No. 540

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-5-36; IC 12-15; IC 27-1-42.

Synopsis: Implementation of federal Affordable Care Act. Establishes the Indiana affordable care study committee to study and make recommendations to the legislative council concerning the establishment and implementation of a health benefit exchange in Indiana and the defining of "essential health benefits" for use in Indiana. Changes Medicaid eligibility requirements as allowed under the federal Patient Protection and Affordable Care Act. Expires, on December 31, 2013, language that sets forth certain asset limitations within the Medicaid program. Requires the department of insurance to create a health benefit exchange in Indiana. Requires the legislative services agency to prepare legislation for introduction in the 2014 session to make necessary changes to statutes affected by this act. Requires the department of insurance to report annually to the study committee concerning the status and operation of the health benefit exchange established by the department of insurance.

Effective: Upon passage; July 1, 2013.

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January 14, 2013, read first time and referred to Committee on Appropriations.

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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.

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SENATE BILL No. 540



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

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

1 SECTION 1. IC 2-5-36 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]:

4 **Chapter 36. Indiana Affordable Care Study Committee**

5 **Sec. 1. As used in this chapter, "Affordable Care Act" refers to**
6 **the federal Patient Protection and Affordable Care Act (P.L.**
7 **111-148), as amended by the federal Health Care and Education**
8 **Reconciliation Act of 2010 (P.L. 111-152).**

9 **Sec. 2. As used in this chapter, "committee" refers to the**
10 **Indiana affordable care study committee established by section 4**
11 **of this chapter.**

12 **Sec. 3. As used in this chapter, "exchange" refers to an**
13 **American health benefit exchange established under the affordable**
14 **care act.**

15 **Sec. 4. (a) There is established the Indiana affordable care study**
16 **committee.**

17 **(b) The committee shall study and make recommendations**



1 concerning the following:

2 (1) The establishment and implementation of an exchange in
3 Indiana.

4 (2) The definition of "essential health benefits" for use in
5 Indiana under the Affordable Care Act, including ensuring
6 that the definition results in adequate benefits.

7 (c) The committee shall receive and consider annual reports
8 from the department of insurance concerning the status and
9 operation of the exchange established by the department of
10 insurance.

11 (d) The committee shall, not later than November 1 of each
12 year, report the committee's findings and recommendations
13 concerning the committee's study under subsection (b) to the
14 legislative council in an electronic format under IC 5-14-6.

15 **Sec. 5.** The committee shall operate under the policies governing
16 study committees adopted by the legislative council.

17 **Sec. 6. (a)** The committee consists of the following voting
18 members:

19 (1) Four (4) members of the senate, not more than two (2) of
20 whom may be members of the same political party, appointed
21 by the president pro tempore.

22 (2) Four (4) members of the house of representatives, not
23 more than two (2) of whom may be members of the same
24 political party, appointed by the speaker.

25 (3) The secretary of family and social services or the
26 secretary's designee.

27 (4) The commissioner of the state department of health or the
28 commissioner's designee.

29 (5) The commissioner of insurance or the commissioner's
30 designee.

31 (6) One (1) member representing the insurance industry.

32 (7) One (1) member representing hospitals.

33 (8) One (1) member representing physicians.

34 (b) The president pro tempore shall appoint a chairperson of the
35 committee during each even numbered year. The speaker shall
36 appoint a chairperson of the committee during each odd numbered
37 year.

38 **Sec. 7.** The affirmative votes of a majority of the voting
39 members appointed to the committee are required for the
40 committee to take action on any measure, including final reports.

41 **Sec. 8.** This chapter expires July 1, 2016.

42 SECTION 2. IC 12-15-2-2.5 IS ADDED TO THE INDIANA CODE

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1 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
2 1, 2013]: **Sec. 2.5. (a) Beginning January 1, 2014, and**
3 **notwithstanding any other state law, a person described in 42**
4 **U.S.C. 1396a(a)(10)(A)(i)(VIII) is eligible to receive Medicaid**
5 **assistance.**

6 **(b) The office shall take any action necessary to implement this**
7 **section.**

8 SECTION 3. IC 12-15-2-13, AS AMENDED BY P.L.218-2007,
9 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2013]: Sec. 13. (a) A pregnant woman:

11 (1) who is not described in 42 U.S.C. 1396a(a)(10)(A)(i); and

12 (2) whose family income does not exceed the income level
13 established in subsection (b);

14 is eligible to receive Medicaid.

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

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

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

28 (e) The office may apply a resource standard in determining the
29 eligibility of a pregnant woman described in this section. **This**
30 **subsection expires December 31, 2013.**

31 SECTION 4. IC 12-15-3-1, AS AMENDED BY P.L.196-2011,
32 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
33 JULY 1, 2013]: Sec. 1. (a) Except as provided in subsections (b) and
34 (c) and section 7 of this chapter, an applicant for or recipient of
35 Medicaid is ineligible for assistance if the total cash value of money,
36 stock, bonds, and life insurance owned by:

37 (1) the applicant or recipient is more than one thousand five
38 hundred dollars (\$1,500) for assistance to the aged, blind, or
39 disabled; or

40 (2) the applicant or recipient and the applicant's or recipient's
41 spouse is more than two thousand two hundred fifty dollars
42 (\$2,250) for medical assistance to the aged, blind, or disabled.

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1 (b) In the case of an applicant who is an eligible individual, a
 2 Holocaust victim's settlement payment received by the applicant or the
 3 applicant's spouse may not be considered when calculating the total
 4 cash value of money, stock, bonds, and life insurance owned by the
 5 applicant or the applicant's spouse.

6 (c) In the case of an individual who:

7 (1) resides in a nursing facility or another medical institution; and

8 (2) has a spouse who does not reside in a nursing facility or
 9 another medical institution;

10 the total cash value of money, stock, bonds, and life insurance that may
 11 be owned by the couple to be eligible for the program is determined
 12 under IC 12-15-2-24.

13 **(d) This section expires December 31, 2013.**

14 SECTION 5. IC 27-1-42 IS ADDED TO THE INDIANA CODE AS
 15 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON
 16 PASSAGE]:

17 **Chapter 42. Indiana Health Benefit Exchange**

18 **Sec. 1. As used in this chapter, "Affordable Care Act" refers to**
 19 **the federal Patient Protection and Affordable Care Act (P.L.**
 20 **111-148), as amended by the federal Health Care and Education**
 21 **Reconciliation Act of 2010 (P.L. 111-152).**

22 **Sec. 2. As used in this chapter, "exchange" refers to an**
 23 **American health benefit exchange established under the affordable**
 24 **care act.**

25 **Sec. 3. The department shall create an exchange in accordance**
 26 **with the broadest powers provided to the state under the**
 27 **Affordable Care Act.**

28 SECTION 6. [EFFECTIVE JULY 1, 2013] (a) **The legislative**
 29 **services agency shall prepare legislation for introduction in the**
 30 **2014 regular session of the general assembly to make appropriate**
 31 **changes in statutes that are required by this act.**

32 **(b) This SECTION expires December 31, 2014.**

33 SECTION 7. [EFFECTIVE UPON PASSAGE] (a) **The department**
 34 **of insurance shall, not later than July 1 of each year, report to the**
 35 **Indiana affordable care study committee established by**
 36 **IC 2-5-36-4, as added by this act, concerning the status and**
 37 **operation of the exchange (as defined in IC 2-5-36-3, as added by**
 38 **this act).**

39 **(b) This SECTION expires July 1, 2016.**

40 SECTION 8. **An emergency is declared for this act.**

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