

# HOUSE BILL No. 1162

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 16-21-9-3.5; IC 27-2-26.

**Synopsis:** Nonprofit hospital and insurer reporting. Requires a nonprofit hospital and a health carrier to post and provide certain information at least 45 days before a public forum. Modifies requirements concerning the: (1) date on which a public forum must be held; (2) topics that must be discussed at a public forum; (3) requirements of a public forum; and (4) use of technology to allow attendance at a public forum through real time audio and video through the Internet. Requires the Indiana department of health and the department of insurance to post specified information concerning public forums on the agency website.

**Effective:** Upon passage.

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## Harris, Schaibley

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January 10, 2023, read first time and referred to Committee on Public Health.

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First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

## HOUSE BILL No. 1162

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 16-21-9-3.5, AS AMENDED BY P.L.199-2021,  
2 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 UPON PASSAGE]: Sec. 3.5. (a) This section does not apply to the  
4 following:  
5 (1) A nonprofit critical access hospital that is not:  
6 (A) part of a hospital system; or  
7 (B) an affiliate of a hospital or hospital system.  
8 (2) A hospital that is established and operated under IC 16-22 or  
9 IC 16-23.  
10 (b) Before ~~December 31~~ **November 15** of each year, a nonprofit  
11 hospital shall hold a public forum **within fifteen (15) miles of the**  
12 **nonprofit hospital**, in which the nonprofit hospital, including the  
13 nonprofit hospital's board of directors, shall:  
14 (1) obtain feedback from the community about the nonprofit  
15 hospital's performance in the previous year;  
16 (2) discuss the pricing of **inpatient and outpatient** health  
17 services provided at:



- 1 (A) the nonprofit hospital; and  
 2 (B) **affiliates of the nonprofit hospital;**  
 3 (3) discuss the contributions made by the nonprofit hospital to the  
 4 community, including uncompensated care, charitable  
 5 contributions, and any other charitable assistance programs; **and**  
 6 (4) **discuss, at the hospital system level and at the individual**  
 7 **hospital level by hospital federal Centers for Medicare and**  
 8 **Medicaid certification number, the following financial**  
 9 **statements for the preceding three (3) years, using generally**  
 10 **accepted accounting principles:**  
 11 (A) **Income statements.**  
 12 (B) **Balance sheets.**  
 13 (C) **Cash flow statements.**  
 14 (c) At least ~~fourteen (14)~~ **forty-five (45)** days before the forum held  
 15 under subsection (b), the nonprofit hospital shall post on **the home**  
 16 **page of** the nonprofit hospital's ~~Internet web site~~ **website** the following:  
 17 (1) A printed notice that:  
 18 (A) is designed, lettered, and featured on the ~~Internet web site~~  
 19 **website** so as to be conspicuous to and readable by any  
 20 individual with normal vision who visits the ~~Internet web site;~~  
 21 **website;**  
 22 (B) states the date, time, and location of the public forum to be  
 23 held under subsection (b); ~~and~~  
 24 (C) **provides:**  
 25 (i) **instructions that describe how members of the**  
 26 **community and the public can attend and participate in**  
 27 **the public forum through real time audio and video**  
 28 **technology through the Internet; and**  
 29 (ii) **a link to the real time audio and video technology**  
 30 **that will be used for the public forum; and**  
 31 ~~(D)~~ (D) states that the purpose of the public forum is to  
 32 provide members of the community with an opportunity to:  
 33 (i) comment on the nonprofit hospital's performance in the  
 34 previous year;  
 35 (ii) discuss the pricing of **inpatient and outpatient** health  
 36 services provided at the nonprofit hospital **and affiliates of**  
 37 **the nonprofit hospital; and**  
 38 (iii) discuss the contributions made by the hospital to the  
 39 community, including uncompensated care, charitable  
 40 contributions, and any other charitable assistance programs.  
 41 (2) The following information relating to the subjects to be  
 42 **presented and** discussed at the public forum held under



- 1 subsection (b):
- 2 (A) The nonprofit hospital's Indiana specific:
- 3 (i) income statement;
- 4 (ii) **balance sheet; and**
- 5 (iii) **cash flow statement;**
- 6 **as set forth in subsection (b)(4) for the previous three (3)**
- 7 **calendar year years and** that is prepared according to
- 8 generally accepted accounting principles.
- 9 (B) Information concerning:
- 10 (i) the nonprofit hospital's pricing of health services in
- 11 comparison to the amounts of reimbursement for the health
- 12 services under the Medicare program;
- 13 (ii) the rationale for any pricing of health services by the
- 14 nonprofit hospital that is higher than the corresponding
- 15 reimbursement for the health services under the Medicare
- 16 program; and
- 17 (iii) any increase in the nonprofit hospital's pricing of health
- 18 services that occurred in the previous year.
- 19 **(d) At the public forum held under this section, a nonprofit**
- 20 **hospital must do the following:**
- 21 **(1) Allow participants to do the following during the public**
- 22 **forum:**
- 23 **(A) Ask questions.**
- 24 **(B) Provide feedback.**
- 25 **(C) Record and share recordings of the public forum.**
- 26 **(2) Announce the names of the corporate and local board**
- 27 **members, and introduce any of the board members who are**
- 28 **present at the public forum.**
- 29 **(3) Provide feedback concerning the participants' comments**
- 30 **during the public forum.**
- 31 **A nonprofit hospital may allow, but may not require, members of**
- 32 **the community to submit questions and feedback in advance of the**
- 33 **public forum. A nonprofit hospital may not require an individual**
- 34 **to register or otherwise disclose the individual's name to attend the**
- 35 **public forum.**
- 36 ~~(d)~~ **(e) The public forum requirement held under this section may**
- 37 **be held, either all or in part, must be accessible through an interactive**
- 38 **real time audio and video meeting that is accessible to the community**
- 39 **technology through the Internet. The technology must allow:**
- 40 **(1) at least one hundred (100) members of the community to**
- 41 **hear, see, and participate in the public forum in real time; and**
- 42 **(2) the public to hear, see, and participate in the public forum**



1           **in real time.**

2           **(f) At least forty-five (45) days before the public forum held**  
 3 **under subsection (b), the nonprofit hospital shall provide the state**  
 4 **department with:**

- 5           **(1) the printed notice described in subsection (c)(1); and**  
 6           **(2) a copy of the documents specified in subsection (b)(4).**

7 **The state department shall post the information concerning the**  
 8 **public forum on the state department's website not later than**  
 9 **thirty (30) days before the scheduled public forum. The nonprofit**  
 10 **hospital shall provide the state department with any changes made**  
 11 **concerning the public forum or the documentation and the state**  
 12 **department shall update the state department's website with the**  
 13 **changes.**

14           **(g) Not later than thirty (30) days after a public forum is held,**  
 15 **the nonprofit hospital shall do the following:**

16           **(1) Post:**

17           **(A) a link to an unedited recording of the public forum;**  
 18           **and**

19           **(B) all presentation materials;**  
 20 **on the hospital's website**

21           **(2) Provide the state department with:**

22           **(A) the link described in subdivision (1)(A); and**

23           **(B) all of the presentation materials;**

24           **for posting on the state department's website.**

25 **The state department shall post the link to the unedited recording**  
 26 **of the public forum and all of the presentation materials on the**  
 27 **state department's website for at least seven (7) years.**

28           **(h) The state department may assess a civil penalty for violation**  
 29 **of this section.**

30           SECTION 2. IC 27-2-26-2, AS ADDED BY P.L.151-2021,  
 31 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 32 UPON PASSAGE]: Sec. 2. (a) Before ~~December 31~~ **November 15** of  
 33 each year, a health carrier shall hold a public forum in which the health  
 34 carrier shall:

35           **(1) obtain feedback from the community about the health carrier's**  
 36 **performance in the previous year; and**

37           **(2) discuss the premiums (as defined in IC 27-1-2-3(w)) charged**  
 38 **by the health carrier; and**

39           **(3) discuss, at the corporate level and at the Indiana market**  
 40 **level, financial information concerning the health carrier,**  
 41 **including the financial documents specified in section 3(a)(2)**  
 42 **of this chapter.**



1 (b) The public forum required under subsection (a) may be held  
 2 **under this section either all or in part, must be accessible** through an  
 3 interactive real time audio and video meeting that is accessible to the  
 4 community through the Internet. **The technology must allow:**

- 5 (1) **at least one hundred (100) members of the community to**  
 6 **hear, see, and participate in the public forum in real time; and**  
 7 **(2) the public to hear, see, and participate in the public forum**  
 8 **in real time.**

9 (c) **At the public forum held under this section, a health carrier**  
 10 **must do the following:**

11 (1) **Allow participants to do the following:**

12 (A) **Ask questions.**

13 (B) **Provide feedback during the public forum.**

14 (C) **Record and share a recording of the public forum.**

15 (2) **Announce the names of the corporate and local board**  
 16 **members, and introduce any of the board members who are**  
 17 **present at the public forum.**

18 (3) **Provide feedback concerning the participants' comments**  
 19 **during the public forum.**

20 **A health carrier may allow, but may not require, members of the**  
 21 **community to submit questions and feedback in advance of the**  
 22 **public forum. A health carrier may not require an individual to**  
 23 **register or otherwise disclose the individual's name to attend the**  
 24 **public forum.**

25 SECTION 3. IC 27-2-26-3, AS ADDED BY P.L.151-2021,  
 26 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 27 UPON PASSAGE]: Sec. 3. (a) At least ~~fourteen (14)~~ **forty-five (45)**  
 28 days before the public forum required by this chapter is held, the health  
 29 carrier shall post on the **home page of the** health carrier's ~~Internet web~~  
 30 ~~site~~ **website** the following:

31 (1) A printed notice that:

32 (A) is designed, lettered, and featured on the ~~Internet web site~~  
 33 **website** in a manner that is conspicuous to and readable by  
 34 any individual with normal vision who visits the ~~Internet web~~  
 35 ~~site;~~ **website;**

36 (B) states the date, time, and location of the public forum; ~~and~~  
 37 **(C) provides:**

38 (i) **instructions that describe how members of the**  
 39 **community and the public can attend and participate in**  
 40 **the public forum through real time audio and video**  
 41 **technology through the Internet; and**

42 (ii) **a link to the real time audio and video technology**



1 **that will be used for the public forum; and**

2 ~~(C)~~ **(D)** states that the purpose of the public forum is to  
3 provide members of the community with an opportunity to:

- 4 (i) comment on the health carrier's performance in the  
5 previous year; and  
6 (ii) discuss the premiums (as defined in IC 27-1-2-3(w))  
7 charged by the health carrier.

8 **(2) The following information concerning the subjects to be  
9 presented and discussed at the public forum:**

10 **(A) The health carrier's Indiana based profits, if the health  
11 carrier is publicly traded.**

12 **(B) The premiums (as defined in IC 27-1-2-3(w)) charged by  
13 the health carrier.**

14 **(C) The health carrier's strategy to lower health care costs.**

15 **(D) Any increase in the health carrier's premiums, on average  
16 statewide, that occurred in the previous year for each health  
17 carrier.**

18 **(E) Annual audited financial reports, if required under  
19 IC 27-1-3.5-6 and if the health carrier is publicly traded.**

20 **(F) The following financial statements for the preceding  
21 three (3) calendar years, using generally accepted  
22 accounting principles, at the corporate level and at the  
23 Indiana market level:**

- 24 **(i) Income statements.**  
25 **(ii) Balance sheets.**  
26 **(iii) Cash flow statements.**

27 **(b) At least forty-five (45) days before the public forum, the  
28 health carrier shall provide the department with information  
29 described in subsection (a)(1) and (a)(2)(F). The department shall  
30 post the information submitted to the department's website  
31 concerning the public forum not later than thirty (30) days before  
32 the scheduled public forum. The health carrier shall provide the  
33 department with any changes made concerning the public forum  
34 or the documents and the department shall update the  
35 department's website with the changes.**

36 **(c) Not later than thirty (30) days after a public forum is held,  
37 the health carrier shall do the following:**

38 **(1) Post:**

39 **(A) a link to an unedited recording of the public forum;  
40 and**

41 **(B) all:**

- 42 **(i) presentation materials; and**



- 1                   (ii) financial documents described in subsection (a)(2)  
2                   and section 2 of this chapter;  
3                   on the health carrier's website.  
4                   (2) Provide the department with:  
5                   (A) the link described in subdivision (1)(A);  
6                   (B) all presentation materials; and  
7                   (C) financial statements described in subsection (a)(2)(E)  
8                   and (a)(2)(F);  
9                   for posting on the department's website.  
10                  The department shall post the link to the unedited recording of the  
11                  public forum and all presentation materials and financial  
12                  statements on the department's website for at least seven (7) years.  
13                  (d) The department may assess a civil penalty for a violation of  
14                  this section and section 2 of this chapter.  
15                  SECTION 4. An emergency is declared for this act.

