

# HOUSE BILL No. 1205

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-7-2; IC 12-15-1-16.

**Synopsis:** Medicaid reimbursement for school services. Adds a school psychologist as a qualified provider for purposes of the Medicaid program. Requires the office of the secretary of family and social services to apply for a Medicaid state plan amendment before September 1, 2023, to allow school corporations to obtain Medicaid reimbursement for specified services. Provides that a school psychologist does not need supervision or authorization from another qualified provider in order to obtain Medicaid reimbursement for certain services provided to a Medicaid recipient.

**Effective:** July 1, 2023.

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## Karickhoff

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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. 1205

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

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

1 SECTION 1. IC 12-7-2-155.4, AS ADDED BY P.L.35-2022,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2023]: Sec. 155.4. "Qualified provider", for purposes of  
4 IC 12-15-1-16, means:

- 5 (1) a school based nurse;
- 6 **(2) a school psychologist; or**
- 7 ~~(2)~~ **(3) another provider who:**
  - 8 (A) is licensed and in good standing with the Indiana
  - 9 professional licensing agency; and
  - 10 (B) is employed by or contracts with a school corporation that
  - 11 participates in Medicaid.

12 SECTION 2. IC 12-7-2-171.5 IS ADDED TO THE INDIANA  
13 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
14 [EFFECTIVE JULY 1, 2023]: **Sec. 171.5. "School psychologist", for**  
15 **purposes of this article and IC 12-15, means an individual who:**

- 16 **(1) is licensed by the department of education established by**  
17 **IC 20-19-3-1;**



1           **(2) has obtained a graduate or postgraduate degree from an**  
 2           **accredited institution of higher education in school**  
 3           **psychology; and**

4           **(3) has received specialized training or clinical experience in**  
 5           **child and adolescent mental health in school psychology.**

6           SECTION 3. IC 12-15-1-16, AS AMENDED BY P.L.35-2022,  
 7           SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8           JULY 1, 2023]: Sec. 16. (a) Each:

9           (1) school corporation; or

10          (2) school corporation's employed, licensed, or qualified provider;  
 11          must enroll in a program to use federal funds under the Medicaid  
 12          program (IC 12-15-1 et seq.) with the intent to share the costs of  
 13          services that are reimbursable under the Medicaid program and that are  
 14          provided to eligible children by the school corporation. However, a  
 15          school corporation or a school corporation's employed, licensed, or  
 16          qualified provider is not required to file any claims or participate in the  
 17          program developed under this section.

18          (b) The secretary and the department of education may develop  
 19          policies and adopt rules to administer the program developed under this  
 20          section.

21          (c) The federal reimbursement for services provided under this  
 22          section must be distributed to the school corporation. The state shall  
 23          retain the nonfederal share of the reimbursement for Medicaid services  
 24          provided under this section.

25          (d) The office of Medicaid policy and planning, with the approval  
 26          of the budget agency and after consultation with the department of  
 27          education, shall establish procedures for the timely distribution of  
 28          federal reimbursement due to the school corporations. The distribution  
 29          procedures may provide for offsetting reductions to distributions of  
 30          state tuition support or other state funds to school corporations in the  
 31          amount of the nonfederal reimbursements required to be retained by the  
 32          state under subsection (c).

33          (e) **Before September 1, 2023**, the office ~~may~~ **shall** apply to the  
 34          United States Department of Health and Human Services for a state  
 35          plan amendment to allow school corporations to seek Medicaid  
 36          reimbursement for medically necessary, school based Medicaid  
 37          covered services that are provided under federal or state mandates. If  
 38          the state plan amendment is approved and implemented, services may  
 39          be provided by a qualified provider in a school setting to Medicaid  
 40          enrolled students. Subject to subsection (f), the services may be  
 41          pursuant to any of the following:

42          (1) An individualized education program (as defined in



- 1 IC 20-18-2-9).
- 2 (2) A plan developed under Section 504 of the federal
- 3 Rehabilitation Act, 29 U.S.C. 794.
- 4 (3) A behavioral intervention plan (as defined in IC 20-20-40-1).
- 5 (4) A service plan developed under 511 IAC 7-34.
- 6 (5) An individualized health care plan.
- 7 The office may, in consultation with the department of education,
- 8 develop any necessary state plan amendment under this subsection. The
- 9 office may apply for any state plan amendment necessary to implement
- 10 this subsection.
- 11 (f) Services under subsection (e) may not include the following:
- 12 (1) An abortion.
- 13 (2) Counseling for abortion procedures.
- 14 (3) Referrals for abortion services.
- 15 (4) Abortifacients.
- 16 (5) Contraceptives.
- 17 (g) If the state plan amendment described in subsection (e) is
- 18 approved and implemented, the medically necessary, school based
- 19 Medicaid covered services described in subsection (e):
- 20 (1) may only be performed by a qualified provider;
- 21 (2) must be within the qualified provider's scope of practice; and
- 22 (3) must be provided in accordance with this article and
- 23 administrative rules concerning the Medicaid program.
- 24 **(h) A school corporation may seek reimbursement for:**
- 25 **(1) Medicaid services; and**
- 26 **(2) upon approval of the state plan amendment described in**
- 27 **subsection (e), Medicaid services described in subsection (e);**
- 28 **provided to a Medicaid recipient by a school psychologist without**
- 29 **the office requiring another qualified provider to supervise or**
- 30 **approve the service if the service provided is within the school**
- 31 **psychologist's scope of practice. The office shall apply for any state**
- 32 **plan amendment necessary to implement this subsection.**

