



February 14, 2025

SENATE BILL No. 2

DIGEST OF SB 2 (Updated February 13, 2025 9:30 am - DI 120)

Citations Affected: IC 2-5; IC 6-8.1; IC 12-15; IC 16-19; IC 22-4.

Synopsis: Medicaid matters. Requires the office of the secretary of family and social services (office) to report specified Medicaid data to the Medicaid oversight committee. Requires the office to annually prepare and present a report to the budget committee concerning the enforcement of the Medicaid five year look back period. Prohibits specified persons from advertising or otherwise marketing the Medicaid program. Repeals language allowing for marketing of the Medicaid program. Requires the office to receive and review data from specified federal and state agencies concerning Medicaid recipients to determine whether circumstances have changed that affect Medicaid eligibility for recipients and to perform a redetermination. Requires the office to establish: (1) performance standards for hospitals that make presumptive eligibility determinations and sets out action for when hospitals do not comply with the standards; and (2) an appeals procedure for hospitals that dispute the violation determination. Sets out a hospital's responsibilities when making a presumptive eligibility determination. Imposes corrective action and restrictions for failing to meet presumptive eligibility standards. Specifies requirements, allowances, and limitations for the healthy Indiana plan.

Effective: Upon passage; July 1, 2025.

**Mishler, Garten, Charbonneau,
Gaskill, Raatz, Rogers**

January 14, 2025, read first time and referred to Committee on Appropriations.
February 13, 2025, amended, reported favorably — Do Pass.

SB 2—LS 7504/DI 104



February 14, 2025

First Regular Session of the 124th General Assembly (2025)

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 2024 Regular Session of the General Assembly.

SENATE BILL No. 2

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 2-5-54-7 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2025]: **Sec. 7. Before October 1 of each year, the office of the**
4 **secretary of family and social services shall report the following**
5 **aggregate, nonconfidential, and nonpersonally identifying**
6 **information to the oversight committee concerning the Medicaid**
7 **program for the most recently concluded state fiscal year:**
8 (1) **Improper Medicaid payments and expenditures, including**
9 **the individual and total dollar amounts for claims that were**
10 **determined to be:**
11 (A) **fraudulent;**
12 (B) **waste; and**
13 (C) **abuse.**
14 (2) **Federal and state recovered funds, including the dollar**
15 **amounts per claim and the total dollar amounts concerning**
16 **Medicaid fraud, waste, and abuse.**
17 (3) **Aggregate data concerning improper payments and**

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1 **ineligible Medicaid recipients who received Medicaid services**
 2 **as a percentage of those investigated or reviewed.**

3 **The report must be in an electronic format under IC 5-14-6.**

4 SECTION 2. IC 6-8.1-7-1, AS AMENDED BY P.L.118-2024,
 5 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2025]: Sec. 1. (a) This subsection does not apply to the
 7 disclosure of information concerning a conviction on a tax evasion
 8 charge. Unless in accordance with a judicial order or as otherwise
 9 provided in this chapter, the department, its employees, former
 10 employees, counsel, agents, or any other person may not divulge the
 11 amount of tax paid by any taxpayer, terms of a settlement agreement
 12 executed between a taxpayer and the department, investigation records,
 13 investigation reports, or any other information disclosed by the reports
 14 filed under the provisions of the law relating to any of the listed taxes,
 15 including required information derived from a federal return, except to
 16 any of the following when it is agreed that the information is to be
 17 confidential and to be used solely for official purposes:

18 (1) Members and employees of the department.

19 (2) The governor.

20 (3) A member of the general assembly or an employee of the
 21 house of representatives or the senate when acting on behalf of a
 22 taxpayer located in the member's legislative district who has
 23 provided sufficient information to the member or employee for
 24 the department to determine that the member or employee is
 25 acting on behalf of the taxpayer.

26 (4) An employee of the legislative services agency to carry out the
 27 responsibilities of the legislative services agency under
 28 IC 2-5-1.1-7 or another law.

29 (5) The attorney general or any other legal representative of the
 30 state in any action in respect to the amount of tax due under the
 31 provisions of the law relating to any of the listed taxes.

32 (6) Any authorized officers of the United States.

33 (b) The information described in subsection (a) may be revealed
 34 upon the receipt of a certified request of any designated officer of the
 35 state tax department of any other state, district, territory, or possession
 36 of the United States when:

37 (1) the state, district, territory, or possession permits the exchange
 38 of like information with the taxing officials of the state; and

39 (2) it is agreed that the information is to be confidential and to be
 40 used solely for tax collection purposes.

41 (c) The information described in subsection (a) relating to a person
 42 on public welfare or a person who has made application for public

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1 welfare may be revealed to the **office of the secretary of family and**
2 **social services for purposes of IC 12-15-1-24**, the director of the
3 division of family resources, and to any director of a county office of
4 the division of family resources located in Indiana, upon receipt of a
5 written request from either director for the information. The
6 information shall be treated as confidential by the **office and the**
7 directors. In addition, the information described in subsection (a)
8 relating to a person who has been designated as an absent parent by the
9 state Title IV-D agency shall be made available to the state Title IV-D
10 agency upon request. The information shall be subject to the
11 information safeguarding provisions of the state and federal Title IV-D
12 programs.

13 (d) The name, address, Social Security number, and place of
14 employment relating to any individual who is delinquent in paying
15 educational loans owed to a postsecondary educational institution may
16 be revealed to that institution if it provides proof to the department that
17 the individual is delinquent in paying for educational loans. This
18 information shall be provided free of charge to approved postsecondary
19 educational institutions (as defined by IC 21-7-13-6(a)). The
20 department shall establish fees that all other institutions must pay to the
21 department to obtain information under this subsection. However, these
22 fees may not exceed the department's administrative costs in providing
23 the information to the institution.

24 (e) The information described in subsection (a) relating to reports
25 submitted under IC 6-6-1.1-502 concerning the number of gallons of
26 gasoline sold by a distributor and IC 6-6-2.5 concerning the number of
27 gallons of special fuel sold by a supplier and the number of gallons of
28 special fuel exported by a licensed exporter or imported by a licensed
29 transporter may be released by the commissioner upon receipt of a
30 written request for the information.

31 (f) The information described in subsection (a) may be revealed
32 upon the receipt of a written request from the administrative head of a
33 state agency of Indiana when:

34 (1) the state agency shows an official need for the information;
35 and

36 (2) the administrative head of the state agency agrees that any
37 information released will be kept confidential and will be used
38 solely for official purposes.

39 (g) The information described in subsection (a) may be revealed
40 upon the receipt of a written request from the chief law enforcement
41 officer of a state or local law enforcement agency in Indiana when it is
42 agreed that the information is to be confidential and to be used solely



1 for official purposes.

2 (h) The name and address of retail merchants, including township,
3 as specified in IC 6-2.5-8-1(k) may be released solely for tax collection
4 purposes to township assessors and county assessors.

5 (i) The department shall notify the appropriate innkeeper's tax
6 board, bureau, or commission that a taxpayer is delinquent in remitting
7 innkeepers' taxes under IC 6-9.

8 (j) All information relating to the delinquency or evasion of the
9 vehicle excise tax may be disclosed to the bureau of motor vehicles in
10 Indiana and may be disclosed to another state, if the information is
11 disclosed for the purpose of the enforcement and collection of the taxes
12 imposed by IC 6-6-5.

13 (k) All information relating to the delinquency or evasion of
14 commercial vehicle excise taxes payable to the bureau of motor
15 vehicles in Indiana may be disclosed to the bureau and may be
16 disclosed to another state, if the information is disclosed for the
17 purpose of the enforcement and collection of the taxes imposed by
18 IC 6-6-5.5.

19 (l) All information relating to the delinquency or evasion of
20 commercial vehicle excise taxes payable under the International
21 Registration Plan may be disclosed to another state, if the information
22 is disclosed for the purpose of the enforcement and collection of the
23 taxes imposed by IC 6-6-5.5.

24 (m) All information relating to the delinquency or evasion of the
25 excise taxes imposed on recreational vehicles and truck campers that
26 are payable to the bureau of motor vehicles in Indiana may be disclosed
27 to the bureau and may be disclosed to another state if the information
28 is disclosed for the purpose of the enforcement and collection of the
29 taxes imposed by IC 6-6-5.1.

30 (n) This section does not apply to:

- 31 (1) the beer excise tax, including brand and packaged type
32 (IC 7.1-4-2);
33 (2) the liquor excise tax (IC 7.1-4-3);
34 (3) the wine excise tax (IC 7.1-4-4);
35 (4) the hard cider excise tax (IC 7.1-4-4.5);
36 (5) the vehicle excise tax (IC 6-6-5);
37 (6) the commercial vehicle excise tax (IC 6-6-5.5); and
38 (7) the fees under IC 13-23.

39 (o) The name and business address of retail merchants within each
40 county that sell tobacco products may be released to the division of
41 mental health and addiction and the alcohol and tobacco commission
42 solely for the purpose of the list prepared under IC 6-2.5-6-14.2.



1 (p) The name and business address of a person licensed by the
 2 department under IC 6-6 or IC 6-7, or issued a registered retail
 3 merchant's certificate under IC 6-2.5, may be released for the purpose
 4 of reporting the status of the person's license or certificate.

5 (q) The department may release information concerning total
 6 incremental tax amounts under:

7 (1) IC 5-28-26;

8 (2) IC 36-7-13;

9 (3) IC 36-7-26;

10 (4) IC 36-7-27;

11 (5) IC 36-7-31;

12 (6) IC 36-7-31.3; or

13 (7) any other statute providing for the calculation of incremental
 14 state taxes that will be distributed to or retained by a political
 15 subdivision or other entity;

16 to the fiscal officer of the political subdivision or other entity that
 17 established the district or area from which the incremental taxes were
 18 received if that fiscal officer enters into an agreement with the
 19 department specifying that the political subdivision or other entity will
 20 use the information solely for official purposes.

21 (r) The department may release the information as required in
 22 IC 6-8.1-3-7.1 concerning:

23 (1) an innkeeper's tax, a food and beverage tax, or an admissions
 24 tax under IC 6-9;

25 (2) the supplemental auto rental excise tax under IC 6-6-9.7; and

26 (3) the covered taxes allocated to a professional sports
 27 development area fund, sports and convention facilities operating
 28 fund, or other fund under IC 36-7-31 and IC 36-7-31.3.

29 (s) Information concerning state gross retail tax exemption
 30 certificates that relate to a person who is exempt from the state gross
 31 retail tax under IC 6-2.5-4-5 may be disclosed to a power subsidiary (as
 32 defined in IC 6-2.5-1-22.5) or a person selling the services or
 33 commodities listed in IC 6-2.5-4-5 for the purpose of enforcing and
 34 collecting the state gross retail and use taxes under IC 6-2.5.

35 (t) The department may release a statement of tax withholding or
 36 other tax information statement provided on behalf of a taxpayer to the
 37 department to:

38 (1) the taxpayer on whose behalf the tax withholding or other tax
 39 information statement was provided to the department;

40 (2) the taxpayer's spouse, if:

41 (A) the taxpayer is deceased or incapacitated; and

42 (B) the taxpayer's spouse is filing a joint income tax return



- 1 with the taxpayer; or
 2 (3) an administrator, executor, trustee, or other fiduciary acting on
 3 behalf of the taxpayer if the taxpayer is deceased.
- 4 (u) Information related to a listed tax regarding a taxpayer may be
 5 disclosed to an individual without a power of attorney under
 6 IC 6-8.1-3-8(a)(2) if:
- 7 (1) the individual is authorized to file returns and remit payments
 8 for one (1) or more listed taxes on behalf of the taxpayer through
 9 the department's online tax system before September 8, 2020;
 10 (2) the information relates to a listed tax described in subdivision
 11 (1) for which the individual is authorized to file returns and remit
 12 payments;
 13 (3) the taxpayer has been notified by the department of the
 14 individual's ability to access the taxpayer's information for the
 15 listed taxes described in subdivision (1) and the taxpayer has not
 16 objected to the individual's access;
 17 (4) the individual's authorization or right to access the taxpayer's
 18 information for a listed tax described in subdivision (1) has not
 19 been withdrawn by the taxpayer; and
 20 (5) disclosure of the information to the individual is not
 21 prohibited by federal law.
- 22 Except as otherwise provided by this article, this subsection does not
 23 authorize the disclosure of any correspondence from the department
 24 that is mailed or otherwise delivered to the taxpayer relating to the
 25 specified listed taxes for which the individual was given authorization
 26 by the taxpayer. The department shall establish a date, which may be
 27 earlier but not later than September 1, 2023, after which a taxpayer's
 28 information concerning returns and remittances for a listed tax may not
 29 be disclosed to an individual without a power of attorney under
 30 IC 6-8.1-3-8(a)(2) by providing notice to the affected taxpayers and
 31 previously authorized individuals, including notification published on
 32 the department's website. After the earlier of the date established by the
 33 department or September 1, 2023, the department may not disclose a
 34 taxpayer's information concerning returns and remittances for a listed
 35 tax to an individual unless the individual has a power of attorney under
 36 IC 6-8.1-3-8(a)(2) or the disclosure is otherwise allowed under this
 37 article.
- 38 (v) The department may publish a list of persons, corporations, or
 39 other entities that qualify or have qualified for an exemption for sales
 40 tax under IC 6-2.5-5-16, IC 6-2.5-5-25, or IC 6-2.5-5-26, or otherwise
 41 provide information regarding a person's, corporation's, or entity's
 42 exemption status under IC 6-2.5-5-16, IC 6-2.5-5-25, or IC 6-2.5-5-26.



1 For purposes of this subsection, information that may be disclosed
2 includes:

- 3 (1) any federal identification number or other identification
4 number for the entity assigned by the department;
5 (2) any expiration date of an exemption under IC 6-2.5-5-25;
6 (3) whether any sales tax exemption has expired or has been
7 revoked by the department; and
8 (4) any other information reasonably necessary for a recipient of
9 an exemption certificate to determine if an exemption certificate
10 is valid.

11 (w) The department may share a taxpayer's name and other personal
12 identification information with a tax preparer or tax preparation
13 software provider in cases where the department suspects that a
14 fraudulent return has been filed on behalf of a taxpayer and the
15 department suspects that the system of a taxpayer's previous year tax
16 preparer or tax preparation software provider has been breached.

17 SECTION 3. IC 12-15-1-14.3 IS ADDED TO THE INDIANA
18 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
19 **[EFFECTIVE JULY 1, 2025]: Sec. 14.3. The office of the secretary**
20 **shall annually prepare and present a report to the budget**
21 **committee concerning the enforcement of the Medicaid five (5)**
22 **year look back period required under this article.**

23 SECTION 4. IC 12-15-1-17.5 IS ADDED TO THE INDIANA
24 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
25 **[EFFECTIVE JULY 1, 2025]: Sec. 17.5. The following may not**
26 **advertise or otherwise market the Medicaid program:**

- 27 (1) **A state agency.**
28 (2) **A person that has contracted with the office of the**
29 **secretary under the Medicaid program.**
30 (3) **A health provider.**
31 (4) **A law firm.**
32 (5) **Any other person or entity.**

33 SECTION 5. IC 12-15-1-24 IS ADDED TO THE INDIANA CODE
34 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
35 **1, 2025]: Sec. 24. (a) Except as required under federal law, the**
36 **office of the secretary may not accept self-attestation of any of the**
37 **following in the administration of the Medicaid program without**
38 **verification before enrollment:**

- 39 (1) **Income.**
40 (2) **Residency.**
41 (3) **Age.**
42 (4) **Household composition.**



1 (5) Caretaker or relative status.

2 (6) Receipt of other coverage.

3 (b) The office of the secretary shall enter into a data matching
4 agreement with:

5 (1) the state lottery commission; and

6 (2) the Indiana gaming commission;

7 to, on at least a monthly basis, identify individuals receiving
8 Medicaid assistance with lottery and gambling winnings of at least
9 three thousand dollars (\$3,000). Upon verification of any winnings
10 resulting in the individual no longer being eligible for Medicaid,
11 the office of the secretary shall terminate the individual's
12 enrollment.

13 (c) On at least a monthly basis, the office of the secretary shall
14 review vital statistics information provided by the Indiana
15 department of health under IC 16-19-3-19 to determine removal of
16 deceased individuals from Medicaid enrollment.

17 (d) On at least a quarterly basis, the office of the secretary shall
18 receive and review information from the department of state
19 revenue and the department of workforce development concerning
20 Medicaid recipients that indicates a change in circumstances that
21 may affect eligibility, including changes to employment or wages.

22 (e) On at least an annual basis, the office of the secretary shall
23 receive and review information from the department of state
24 revenue concerning Medicaid recipients, including:

25 (1) adjusted gross income; and

26 (2) family composition;

27 that indicates a change in circumstances that may affect Medicaid
28 eligibility.

29 (f) On at least a monthly basis, the office of the secretary shall
30 review information concerning Medicaid recipients who also
31 receive SNAP to determine whether there has been any change in
32 circumstances that may affect Medicaid eligibility, including a
33 change in residency as may be identified through electronic benefit
34 transfer program transactions.

35 (g) On at least a monthly basis, the office of the secretary shall
36 receive and review information from the department of correction
37 concerning Medicaid recipients that may indicate a change in
38 circumstances that may affect Medicaid eligibility.

39 (h) Upon receiving information concerning a Medicaid recipient
40 that indicates a change in circumstances that may affect Medicaid
41 eligibility, the office of the secretary shall promptly conduct an
42 eligibility redetermination for the recipient.



1 SECTION 6. IC 12-15-1-25 IS ADDED TO THE INDIANA CODE
 2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 3 1, 2025]: **Sec. 25. (a) Unless prohibited by federal law and on at
 4 least a monthly basis, the office of the secretary shall review the
 5 following to assess continuous eligibility of Medicaid recipients:**

6 **(1) The following information maintained by the United States
 7 Social Security Administration:**

8 **(A) Earned income information.**

9 **(B) Death register information.**

10 **(C) Incarceration records.**

11 **(D) Supplemental security income information.**

12 **(E) Beneficiary records.**

13 **(F) Earnings information.**

14 **(G) Pension information.**

15 **(2) The following information maintained by the United States
 16 Department of Health and Human Services:**

17 **(A) Income and employment information maintained in the
 18 national directory of new hires data base.**

19 **(B) Child support enforcement data.**

20 **(3) Change of address information maintained by the United
 21 States Postal Service.**

22 **(4) Payment and earnings information maintained by the
 23 United States Department of Housing and Urban
 24 Development.**

25 **(5) National fleeing felon information maintained by the
 26 United States Federal Bureau of Investigation.**

27 **(6) Tax filing information maintained by the United States
 28 Department of the Treasury.**

29 **(b) The office of the secretary may contract with an independent
 30 third party for additional data base searches that may contain
 31 information that indicates a change in circumstances that may
 32 affect Medicaid applicant or recipient eligibility.**

33 SECTION 7. IC 12-15-4-1.5 IS ADDED TO THE INDIANA CODE
 34 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 35 1, 2025]: **Sec. 1.5. (a) The office of the secretary shall establish the
 36 following:**

37 **(1) Performance standards for hospitals to use in making
 38 presumptive eligibility determinations.**

39 **(2) An appeals process for a hospital that disputes a
 40 determination that a presumptive eligibility standard was
 41 violated.**

42 **The office of the secretary shall limit presumptive eligibility**



1 determination to qualified hospitals.

2 (b) A hospital shall do the following when making a presumptive
3 eligibility determination:

4 (1) Notify the office of the secretary of each presumptive
5 eligibility determination not later than five (5) business days
6 after the date of the determination.

7 (2) Assist individuals whom the hospital determines are
8 presumptively eligible with completing and submitting a full
9 Medicaid application.

10 (3) Notify the applicant in writing and on all relevant forms
11 with plain language and large print that if the applicant:

12 (A) does not file a full Medicaid application with the office
13 of the secretary before the last day of the following month,
14 presumptive eligibility will end on that last day; and

15 (B) files a full Medicaid application with the office of the
16 secretary before the last day of the following month,
17 presumptive eligibility will continue until an eligibility
18 determination is made concerning the application.

19 (c) The office of the secretary shall use the following
20 performance standards to establish and ensure accurate
21 presumptive eligibility determinations by a qualified hospital:

22 (1) Determine whether each presumptive eligibility
23 determination received from the hospital complied with the
24 time requirement set forth in subsection (b)(1).

25 (2) Determine whether the office of the secretary received
26 before the expiration of each presumptive eligibility period
27 the full application from the individual determined by the
28 hospital to be presumptively eligible.

29 (3) Determine whether each applicant who was determined by
30 the hospital to be presumptively eligible was determined to be
31 eligible for Medicaid after the full application was received.

32 (d) Each single violation by a hospital of any of the performance
33 standards under subsection (c) counts as one (1) violation for the
34 presumptive eligibility determination. Each subsequent violation
35 of a performance standard is an additional violation for purposes
36 of this section.

37 (e) For the first violation of a presumptive eligibility standard
38 under this section that a hospital receives in a calendar year, the
39 office of the secretary shall notify the hospital in writing not later
40 than five (5) days after the determination of a violation is made.
41 The notice must include the following:

42 (1) A description of the standard that was not met and an



1 explanation of why the hospital did not meet the standard.
 2 (2) Notice that a second finding on noncompliance with a
 3 standard will result in a requirement that the hospital's
 4 applicable staff participate in mandatory training on hospital
 5 presumptive eligibility rules and standards that is performed
 6 by the office of the secretary.
 7 (3) A description of the available appeal procedures that the
 8 hospital may use to dispute the finding of a violation of
 9 presumptive eligibility standards.
 10 (f) If the office of the secretary determines that a hospital has
 11 failed to meet any of the presumptive eligibility standards under
 12 this section in any presumptive eligibility determination by the
 13 hospital for a second time within a twelve (12) month period of a
 14 first violation, the office of the secretary shall notify the hospital in
 15 writing not later than five (5) days after the determination that a
 16 second violation has occurred. The written notice must include the
 17 following:
 18 (1) A description of the standard that was not met and an
 19 explanation of why the hospital did not meet the standard.
 20 (2) Notice that the hospital's applicable staff must participate
 21 in mandatory training on hospital presumptive eligibility
 22 rules and standards that is performed by the office of the
 23 secretary, and information concerning the date, time, and
 24 location of the training by the office.
 25 (3) A description of the available appeal procedures that the
 26 hospital may use to dispute the finding of a violation of
 27 presumptive eligibility standards.
 28 (4) Notice that a third violation by the hospital of a
 29 presumptive eligibility standard within a twelve (12) month
 30 period from the second violation will result in the hospital no
 31 longer being qualified to make presumptive eligibility
 32 determinations.
 33 If a hospital appeals a finding of a violation of presumptive
 34 eligibility standards described in this subsection, the hospital must
 35 provide clear and convincing evidence during the appeals process
 36 that the standard was met by the hospital.
 37 (g) If the office of the secretary determines that a hospital has
 38 failed to meet any of the presumptive eligibility standards under
 39 this section in any presumptive eligibility determination by the
 40 hospital for a third time within a twelve (12) month period of the
 41 second violation by the hospital, the office of the secretary shall
 42 notify the hospital in writing not later than five (5) days from a



1 determination that a presumptive eligibility standard was violated
2 by the hospital for the third time. The written notice must include
3 the following:

- 4 (1) A description of the standard that was not met and an
- 5 explanation of why the hospital did not meet the standard.
- 6 (2) A description of the available appeal procedures that the
- 7 hospital may use to dispute the finding of a violation of
- 8 presumptive eligibility standards.
- 9 (3) Notice that, effective immediately from receipt of the
- 10 notice, the hospital is no longer qualified to make presumptive
- 11 eligibility determinations for the Medicaid program.

12 (h) If a hospital appeals a finding of a violation of presumptive
13 eligibility standards described in subsection (g), the hospital must
14 provide clear and convincing evidence during the appeals process
15 that the standard was met by the hospital.

16 SECTION 8. IC 12-15-25-2 IS REPEALED [EFFECTIVE JULY 1,
17 2025]. Sec. 2: This chapter does not preclude a provider from
18 marketing or advertising the following:

- 19 (1) The provider's services to the general public.
- 20 (2) Special therapies or services, such as those offered to
- 21 ventilator-dependent patients or patients with acquired
- 22 immunodeficiency syndrome (AIDS) or Alzheimer's disease.
- 23 (3) Children's units.

24 SECTION 9. IC 12-15-44.5-3, AS AMENDED BY P.L.241-2023,
25 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2025]: Sec. 3. (a) The healthy Indiana plan is established.

- 27 (b) The office shall administer the plan.
- 28 (c) The following individuals are eligible for the plan:

29 (1) The adult group described in 42 CFR 435.119 **may be eligible**
30 **for the plan if the conditions in section 4 of this chapter are**
31 **met and if the individual meets at least one (1) of the**
32 **following:**

- 33 (1) Is working at least twenty (20) hours per week on a
- 34 monthly average.
- 35 (2) Is participating in and complying with the requirements of
- 36 a work program for at least twenty (20) hours per week, as
- 37 determined by the office.
- 38 (3) Is volunteering at least twenty (20) hours per week, as
- 39 determined by the office.
- 40 (4) Undertakes the activities described in subdivisions (1) and
- 41 (2) for a combined total of at least twenty (20) hours per week,
- 42 as determined by the office.



- 1 **(5) Participates in and complies with the requirements of a**
- 2 **workfare program, as determined by the office.**
- 3 **(6) Receives unemployment compensation and complies with**
- 4 **federal and state work requirements under the unemployment**
- 5 **compensation system.**
- 6 **(7) Participates in a substance use treatment and**
- 7 **rehabilitation program.**
- 8 **(8) Is medically certified as physically or mentally unfit for**
- 9 **employment.**
- 10 **(9) Is pregnant or is a parent or caretaker responsible for the**
- 11 **care of a dependent child less than six (6) years of age.**
- 12 **(10) Is a parent or caretaker personally providing the care for**
- 13 **a dependent child with a serious medical condition or a**
- 14 **disability.**
- 15 **(11) Is an individual who has been released from**
- 16 **incarceration for less than ninety (90) days.**
- 17 ~~(2) Parents and caretaker relatives eligible under 42 CFR 435.110.~~
- 18 ~~(3) Low income individuals who are:~~
- 19 ~~(A) at least nineteen (19) years of age; and~~
- 20 ~~(B) less than twenty-one (21) years of age;~~
- 21 ~~and eligible under 42 CFR 435.222.~~
- 22 ~~(4) Individuals, for purposes of receiving transitional medical~~
- 23 ~~assistance.~~
- 24 An individual must meet the Medicaid residency requirements under
- 25 IC 12-15-4-4 and this article to be eligible for the plan.
- 26 (d) The following individuals are not eligible for the plan:
- 27 (1) An individual who participates in the federal Medicare
- 28 program (42 U.S.C. 1395 et seq.).
- 29 (2) An individual who is otherwise eligible and enrolled for
- 30 medical assistance.
- 31 (e) The department of insurance and the office of the secretary shall
- 32 provide oversight of the marketing practices of the plan.
- 33 (f) The office shall promote the plan and provide information to
- 34 potential eligible individuals who live in medically underserved rural
- 35 areas of Indiana.
- 36 (g) The office shall, to the extent possible, ensure that enrollment in
- 37 the plan is distributed throughout Indiana in proportion to the number
- 38 of individuals throughout Indiana who are eligible for participation in
- 39 the plan.
- 40 (h) The office shall establish standards for consumer protection,
- 41 including the following:
- 42 (1) Quality of care standards.



- 1 (2) A uniform process for participant grievances and appeals.
- 2 (3) Standardized reporting concerning provider performance,
- 3 consumer experience, and cost.
- 4 (i) A health care provider that provides care to an individual who
- 5 receives health coverage under the plan shall also participate in the
- 6 Medicaid program under this article.
- 7 (j) The following do not apply to the plan:
- 8 (1) IC 12-15-12.
- 9 (2) IC 12-15-13.
- 10 (3) IC 12-15-14.
- 11 (4) IC 12-15-15.
- 12 (5) IC 12-15-21.
- 13 (6) IC 12-15-26.
- 14 (7) IC 12-15-31.1.
- 15 (8) IC 12-15-34.
- 16 (9) IC 12-15-35.
- 17 (10) IC 16-42-22-10.

18 SECTION 10. IC 12-15-44.5-4, AS AMENDED BY P.L.30-2016,
 19 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2025]: Sec. 4. (a) The plan:

- 21 (1) is not an entitlement program; ~~and~~
- 22 (2) serves as an alternative to health care coverage under Title
- 23 XIX of the federal Social Security Act (42 U.S.C. 1396 et seq.);
- 24 **(3) except as provided in section 4.2(a) of this chapter, must**
- 25 **not grant eligibility under the state Medicaid plan for medical**
- 26 **assistance under 42 U.S.C. 1396a; and**
- 27 **(4) must grant eligibility for the plan through an approved**
- 28 **demonstration project under 42 U.S.C. 1315.**

29 (b) If **either any** of the following occurs, the office shall terminate
 30 the plan in accordance with section 6(b) of this chapter:

- 31 (1) The:
- 32 (A) percentages of federal medical assistance available to the
- 33 plan for coverage of plan participants described in Section
- 34 1902(a)(10)(A)(i)(VIII) of the federal Social Security Act are
- 35 less than the percentages provided for in Section
- 36 2001(a)(3)(B) of the federal Patient Protection and Affordable
- 37 Care Act; and
- 38 (B) hospital assessment committee (IC 16-21-10), after
- 39 considering the modification and the reduction in available
- 40 funding, does not alter the formula established under
- 41 IC 16-21-10-13.3(b)(1) to cover the amount of the reduction
- 42 in federal medical assistance.



1 For purposes of this subdivision, "coverage of plan participants"
 2 includes payments, contributions, and amounts referred to in
 3 IC 16-21-10-13.3(b)(1)(A), IC 16-21-10-13.3(b)(1)(C), and
 4 IC 16-21-10-13.3(b)(1)(D), including payments, contributions,
 5 and amounts incurred during a phase out period of the plan.

6 (2) The:

7 (A) methodology of calculating the incremental fee set forth in
 8 IC 16-21-10-13.3 is modified in any way that results in a
 9 reduction in available funding;

10 (B) hospital assessment fee committee (IC 16-21-10), after
 11 considering the modification and reduction in available
 12 funding, does not alter the formula established under
 13 IC 16-21-10-13.3(b)(1) to cover the amount of the reduction
 14 in fees; and

15 (C) office does not use alternative financial support to cover
 16 the amount of the reduction in fees.

17 **(3) The Medicaid waiver approving the plan is revoked,**
 18 **rescinded, vacated, or otherwise altered in a manner that the**
 19 **state cannot comply with the requirements of this chapter.**

20 **(c) If federal financial participation for recipients covered under**
 21 **the plan is less than ninety percent (90%), the office may terminate**
 22 **the plan in accordance with section 6(b) of this chapter.**

23 ~~(e)~~ **(d)** If the plan is terminated under subsection (b), the secretary
 24 may implement a plan for coverage of the affected population in a
 25 manner consistent with the healthy Indiana plan (IC 12-15-44.2 (before
 26 its repeal)) in effect on January 1, 2014:

27 (1) subject to prior approval of the United States Department of
 28 Health and Human Services; and

29 (2) without funding from the incremental fee set forth in
 30 IC 16-21-10-13.3.

31 ~~(d)~~ **(e)** The office may not operate the plan in a manner that would
 32 obligate the state to financial participation beyond the level of state
 33 appropriations or funding otherwise authorized for the plan.

34 ~~(e)~~ **(f)** The office of the secretary shall submit annually to the budget
 35 committee an actuarial analysis of the plan that reflects a determination
 36 that sufficient funding is reasonably estimated to be available to
 37 operate the plan.

38 SECTION 11. IC 12-15-44.5-4.2 IS ADDED TO THE INDIANA
 39 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 40 [EFFECTIVE UPON PASSAGE]: **Sec. 4.2. (a) Notwithstanding**
 41 **section 3 of this chapter, the office of the secretary shall amend the**
 42 **Medicaid state plan to not include individuals described in 42 CFR**



1 **435.119. The office of the secretary shall delay the effective date of**
 2 **the amendment to not later than upon the completion of**
 3 **negotiations with the United States Department of Health and**
 4 **Human Services for a 3.0 plan waiver and an approved**
 5 **implementation of the waiver.**

6 **(b) The office of the secretary shall continue to operate the plan,**
 7 **as in effect on January 1, 2025, until the effective date of a 3.0 plan**
 8 **waiver authorized by the United States Department of Health and**
 9 **Human Services or the expiration, termination, or vacatur of the**
 10 **waiver authorizing the plan.**

11 SECTION 12. IC 12-15-44.5-10, AS AMENDED BY P.L.30-2016,
 12 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2025]: Sec. 10. (a) The secretary has the authority to provide
 14 benefits to individuals eligible under the adult group described in 42
 15 CFR 435.119 only in accordance with this chapter.

16 **(b) The secretary shall limit enrollment in the plan to the lesser**
 17 **of:**

18 **(1) the number individuals that ensures that financial**
 19 **participation does not exceed the level of state appropriations**
 20 **or other funding for the plan; or**

21 **(2) subject to federal law, five hundred thousand (500,000)**
 22 **individuals.**

23 ~~(b)~~ **(c) The secretary may negotiate and make changes to the plan,**
 24 **except that the secretary may not negotiate or change the plan in a way**
 25 **that would do the following:**

26 (1) Reduce the following:

27 (A) Contribution amounts below the minimum levels set forth
 28 in section 4.7 of this chapter.

29 (B) Deductible amounts below the minimum amount
 30 established in section 4.5(c) of this chapter.

31 **(C) The number of hours required to satisfy the work**
 32 **requirements specified in section 3(c)(1)(A) of this chapter**
 33 **unless expressly required by federal law.**

34 (2) Remove or reduce the penalties for nonpayment set forth in
 35 section 4.7 of this chapter.

36 (3) Revise the use of the health care account requirement set forth
 37 in section 4.5 of this chapter.

38 (4) Include noncommercial benefits or add additional plan
 39 benefits in a manner inconsistent with section 3.5 of this chapter.

40 (5) Allow services to begin:

41 (A) without the payment established or required by; or

42 (B) earlier than the time frames otherwise established by;



1 section 4.7 of this chapter.
 2 (6) Reduce financial penalties for the inappropriate use of the
 3 emergency room below the minimum levels set forth in section
 4 5.7 of this chapter.
 5 (7) Permit members to change health plans without cause in a
 6 manner inconsistent with section 4.7(g) of this chapter.
 7 (8) Operate the plan in a manner that would obligate the state to
 8 financial participation beyond the level of state appropriations or
 9 funding otherwise authorized for the plan.
 10 **(9) Increase the maximum duration of benefits beyond the**
 11 **limitations specified in section 3(c) of this chapter.**
 12 ~~(c)~~ **(d)** The secretary may make changes to the plan under this
 13 chapter if the changes are required by federal law or regulation **and the**
 14 **office provides a written report of the changes to the state budget**
 15 **committee.**
 16 SECTION 13. IC 16-19-3-19, AS AMENDED BY P.L.128-2015,
 17 SECTION 237, IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2025]: Sec. 19. (a) The state department shall
 19 study the vital statistics and endeavor to make intelligent and profitable
 20 use of the collected records of death and sickness among the people.
 21 (b) As required under 52 U.S.C. 21083, after January 1, 2006, the
 22 department shall provide information to **the following:**
 23 **(1)** The election division to coordinate the computerized list of
 24 voters maintained under IC 3-7-26.3 with the department records
 25 concerning individuals identified as deceased under IC 3-7-45.
 26 **(2) The office of the secretary of family and social services to**
 27 **determine whether a Medicaid recipient is identified as**
 28 **deceased for purposes of IC 12-15-1-24(c).**
 29 SECTION 14. IC 22-4-19-6, AS AMENDED BY P.L.122-2019,
 30 SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2025]: Sec. 6. (a) Each employing unit shall keep true and
 32 accurate records containing information the department considers
 33 necessary. These records are:
 34 (1) open to inspection; and
 35 (2) subject to being copied;
 36 by an authorized representative of the department at any reasonable
 37 time and as often as may be necessary. The department, the review
 38 board, or an administrative law judge may require from any employing
 39 unit any verified or unverified report, with respect to persons employed
 40 by it, which is considered necessary for the effective administration of
 41 this article.
 42 (b) Except as provided in this section, information obtained or



1 obtained from any person in the administration of this article and the
 2 records of the department relating to the unemployment tax or the
 3 payment of benefits is confidential and may not be published or be
 4 open to public inspection in any manner revealing the individual's or
 5 the employing unit's identity, except in obedience to an order of a court
 6 or as provided in this section.

7 (c) A claimant or an employer at a hearing before an administrative
 8 law judge or the review board shall be supplied with information from
 9 the records referred to in this section to the extent necessary for the
 10 proper presentation of the subject matter of the appearance.

11 (d) The department may release the following information:

12 (1) Summary statistical data may be released to the public.

13 (2) Employer specific information known as Quarterly Census of
 14 Employment and Wages data and data resulting from
 15 enhancements made through the business establishment list
 16 improvement project may be released to the Indiana economic
 17 development corporation only for the following purposes:

18 (A) The purpose of conducting a survey.

19 (B) The purpose of aiding the officers or employees of the
 20 Indiana economic development corporation in providing
 21 economic development assistance through program
 22 development, research, or other methods.

23 (C) Other purposes consistent with the goals of the Indiana
 24 economic development corporation and not inconsistent with
 25 those of the department, including the purposes of IC 5-28-6-7.

26 (3) Employer specific information known as Quarterly Census of
 27 Employment and Wages data and data resulting from
 28 enhancements made through the business establishment list
 29 improvement project may be released to:

30 (A) the budget agency and the legislative services agency only
 31 for aiding the employees of the budget agency or the
 32 legislative services agency in forecasting tax revenues; and

33 (B) the Indiana department of labor for the purpose of
 34 conducting a survey and reporting to the United States
 35 Department of Labor or the federal Bureau of Labor Statistics.

36 **(4) Wages data to the office of the secretary of family and**
 37 **social services for the purposes specified in IC 12-15-1-24(d).**

38 (e) The department may make information available under
 39 subsection (d) only:

40 (1) if:

41 (A) under subsection (d)(1), data provided in summary form
 42 cannot be used to identify information relating to a specific



- 1 employer or specific employee; or
 2 (B) under subsection (d)(2) and (d)(3), there is an agreement
 3 that the employer specific information released will be treated
 4 as confidential and will be released only in summary form that
 5 cannot be used to identify information relating to a specific
 6 employer or a specific employee; and
 7 (2) after the cost of making the information available to the
 8 person requesting the information is paid under IC 5-14-3.
 9 (f) The department may disclose confidential information:
 10 (1) to an individual or employer as provided in 20 CFR 603.5(c),
 11 upon request and proper identification of the individual or
 12 employer;
 13 (2) through informed consent of a party as provided in 20 CFR
 14 603.5(d);
 15 (3) to a public official as provided in 20 CFR 603.5(e);
 16 (4) to an agent or contractor of a public official as provided in 20
 17 CFR 603.5(f); or
 18 (5) to the Bureau of Labor Statistics as provided in 20 CFR
 19 603.5(g);
 20 after the cost of making the information available to the party
 21 requesting the information is paid under IC 5-14-3.
 22 (g) In addition to the confidentiality provisions of subsection (b), the
 23 fact that a claim has been made under IC 22-4-15-1(c)(8) and any
 24 information furnished by the claimant or an agent to the department to
 25 verify a claim of domestic or family violence are confidential.
 26 Information concerning the claimant's current address or physical
 27 location shall not be disclosed to the employer or any other person.
 28 Disclosure is subject to the following additional restrictions:
 29 (1) The claimant must be notified before any release of
 30 information.
 31 (2) Any disclosure is subject to redaction of unnecessary
 32 identifying information, including the claimant's address.
 33 (h) An employee:
 34 (1) of the department who recklessly violates subsection (a), (c),
 35 (d), (e), (f), or (g); or
 36 (2) of any governmental entity listed in subsection (f) who
 37 recklessly violates subsection (f);
 38 commits a Class B misdemeanor.
 39 (i) An employee of the Indiana economic development corporation,
 40 the budget agency, or the legislative services agency who violates
 41 subsection (d), (e), or (f) commits a Class B misdemeanor.
 42 (j) An employer or agent of an employer that becomes aware that a



1 claim has been made under IC 22-4-15-1(c)(8) shall maintain that
2 information as confidential.

3 (k) The department may charge a reasonable processing fee not to
4 exceed two dollars (\$2) for each record that provides information about
5 an individual's last known employer released in compliance with a
6 court order under subsection (b).

7 **SECTION 15. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 2, 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 7, between lines 16 and 17, begin a new paragraph and insert:

"SECTION 3. IC 12-15-1-14.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 14.3. The office of the secretary shall annually prepare and present a report to the budget committee concerning the enforcement of the Medicaid five (5) year look back period required under this article.**

SECTION 4. IC 12-15-1-17.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 17.5. The following may not advertise or otherwise market the Medicaid program:**

- (1) A state agency.
- (2) A person that has contracted with the office of the secretary under the Medicaid program.
- (3) A health provider.
- (4) A law firm.
- (5) Any other person or entity."

Page 11, delete line 42, begin a new paragraph and insert:

"SECTION 7. IC 12-15-25-2 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 2: This chapter does not preclude a provider from marketing or advertising the following:

- (1) The provider's services to the general public.
- (2) Special therapies or services, such as those offered to ventilator-dependent patients or patients with acquired immunodeficiency syndrome (AIDS) or Alzheimer's disease.
- (3) Children's units.

SECTION 8. IC 12-15-44.5-3, AS AMENDED BY P.L.241-2023, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. (a) The healthy Indiana plan is established.

(b) The office shall administer the plan.

(c) The following individuals are eligible for the plan:

- (1) The adult group described in 42 CFR 435.119 **may be eligible for the plan if the conditions in section 4 of this chapter are met and if the individual meets at least one (1) of the following:**
 - (1) Is working at least twenty (20) hours per week on a monthly average.

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- (2) Is participating in and complying with the requirements of a work program for at least twenty (20) hours per week, as determined by the office.**
- (3) Is volunteering at least twenty (20) hours per week, as determined by the office.**
- (4) Undertakes the activities described in subdivisions (1) and (2) for a combined total of at least twenty (20) hours per week, as determined by the office.**
- (5) Participates in and complies with the requirements of a workfare program, as determined by the office.**
- (6) Receives unemployment compensation and complies with federal and state work requirements under the unemployment compensation system.**
- (7) Participates in a substance use treatment and rehabilitation program.**
- (8) Is medically certified as physically or mentally unfit for employment.**
- (9) Is pregnant or is a parent or caretaker responsible for the care of a dependent child less than six (6) years of age.**
- (10) Is a parent or caretaker personally providing the care for a dependent child with a serious medical condition or a disability.**
- (11) Is an individual who has been released from incarceration for less than ninety (90) days.**
- ~~(2) Parents and caretaker relatives eligible under 42 CFR 435.110.~~
- ~~(3) Low income individuals who are:~~
 - ~~(A) at least nineteen (19) years of age; and~~
 - ~~(B) less than twenty-one (21) years of age;~~
- ~~and eligible under 42 CFR 435.222.~~
- ~~(4) Individuals; for purposes of receiving transitional medical assistance.~~

An individual must meet the Medicaid residency requirements under IC 12-15-4-4 and this article to be eligible for the plan.

(d) The following individuals are not eligible for the plan:

- (1) An individual who participates in the federal Medicare program (42 U.S.C. 1395 et seq.).
- (2) An individual who is otherwise eligible and enrolled for medical assistance.

(e) The department of insurance and the office of the secretary shall provide oversight of the marketing practices of the plan.

(f) The office shall promote the plan and provide information to potential eligible individuals who live in medically underserved rural



areas of Indiana.

(g) The office shall, to the extent possible, ensure that enrollment in the plan is distributed throughout Indiana in proportion to the number of individuals throughout Indiana who are eligible for participation in the plan.

(h) The office shall establish standards for consumer protection, including the following:

- (1) Quality of care standards.
- (2) A uniform process for participant grievances and appeals.
- (3) Standardized reporting concerning provider performance, consumer experience, and cost.

(i) A health care provider that provides care to an individual who receives health coverage under the plan shall also participate in the Medicaid program under this article.

(j) The following do not apply to the plan:

- (1) IC 12-15-12.
- (2) IC 12-15-13.
- (3) IC 12-15-14.
- (4) IC 12-15-15.
- (5) IC 12-15-21.
- (6) IC 12-15-26.
- (7) IC 12-15-31.1.
- (8) IC 12-15-34.
- (9) IC 12-15-35.
- (10) IC 16-42-22-10."

Delete page 12.

Page 13, delete lines 1 through 37.

Page 14, line 2, after "(3)" insert "**except as provided in section 4.2(a) of this chapter,**".

Page 15, between lines 14 and 15, begin a new paragraph and insert:
"SECTION 10. IC 12-15-44.5-4.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.2. (a) Notwithstanding section 3 of this chapter, the office of the secretary shall amend the Medicaid state plan to not include individuals described in 42 CFR 435.119. The office of the secretary shall delay the effective date of the amendment to not later than upon the completion of negotiations with the United States Department of Health and Human Services for a 3.0 plan waiver and an approved implementation of the waiver.

(b) The office of the secretary shall continue to operate the plan, as in effect on January 1, 2025, until the effective date of a 3.0 plan



waiver authorized by the United States Department of Health and Human Services or the expiration, termination, or vacatur of the waiver authorizing the plan."

Page 15, line 25, after "(2)" insert "**subject to federal law,**".

Page 19, delete lines 10 through 15.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 2 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 9, Nays 4.

