



February 14, 2025

SENATE BILL No. 317

DIGEST OF SB 317 (Updated February 12, 2025 11:52 am - DI 104)

Citations Affected: IC 16-18; IC 16-21; IC 24-4.5; IC 32-28; IC 34-55.

Synopsis: Health care debt and costs. Requires hospitals to do the following: (1) Offer the person who has received health services the opportunity to pay the charges through a payment plan that satisfies certain requirements. (2) Develop a written notice about a charity care program operated by the hospital, provide the notice to patients, and post the notice. (3) Include certain information concerning financial assistance on a billing statement. (4) Requires a hospital that reports an annual gross patient revenue of at least \$20,000,000 to provide written notice and information to a person who has requested an eligibility determination concerning a payment plan or charity care. Provides that the unpaid earnings of a consumer who meets specified income eligibility requirements may not be attached by garnishment in satisfaction of: (1) any amount of health care debt owed or alleged to be owed by the consumer; or (2) any amount of the judgment that
(Continued next page)

Effective: Upon passage; July 1, 2025.

**Qaddoura, Charbonneau, Yoder,
Ford J.D., Jackson L, Becker, Deery**

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

SB 317—LS 7017/DI 101



Digest Continued

represents health care debt determined to be owed by the consumer. Provides that: (1) any amount of health care debt owed or alleged to be owed by a consumer; or (2) in an action against a consumer in which a judgment has been entered, any amount of the judgment that represents health care debt determined to be owed by the consumer; does not constitute a lien against the consumer's principal residence for a consumer that meets specified income requirements. Provides that in any action filed in Indiana for the recovery of health care debt owed or alleged to be owed by a consumer, the principal residence of the consumer is not liable to judgment or attachment or to be sold on execution against the consumer.

SB 317—LS 7017/DI 101



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. 317

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

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

1 SECTION 1. IC 16-18-2-52.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 52.5. (a) "Charity care",
3 for purposes of IC 16-21-6, **IC 16-21-6.1**, and IC 16-21-9, means the
4 unreimbursed cost to a hospital of providing, funding, or otherwise
5 financially supporting health care services:
6 (1) to a person classified by the hospital as financially indigent or
7 medically indigent on an inpatient or outpatient basis; and
8 (2) to financially indigent patients through other nonprofit or
9 public outpatient clinics, hospitals, or health care organizations.
10 (b) As used in this section, "financially indigent" means an
11 uninsured or underinsured person who is accepted for care with no
12 obligation or a discounted obligation to pay for the services rendered
13 based on the hospital's financial criteria and procedure used to
14 determine if a patient is eligible for charity care. The criteria and
15 procedure must include income levels and means testing indexed to the

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1 federal poverty guidelines. A hospital may determine that a person is
 2 financially or medically indigent under the hospital's eligibility system
 3 after health care services are provided.

4 (c) As used in this section, "medically indigent" means a person
 5 whose medical or hospital bills after payment by third party payors
 6 exceed a specified percentage of the patient's annual gross income as
 7 determined in accordance with the hospital's eligibility system, and
 8 who is financially unable to pay the remaining bill.

9 SECTION 2. IC 16-21-6.1 IS ADDED TO THE INDIANA CODE
 10 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2025]:

12 **Chapter 6.1. Hospitals' Billing Practices and Financial**
 13 **Disclosures to Patients**

14 **Sec. 1. (a) This section applies to health care services provided**
 15 **to a person by a hospital after June 30, 2025.**

16 **(b) With respect to any bill that:**

17 **(1) includes charges for health care services provided to a**
 18 **person by a hospital; and**

19 **(2) is submitted to that person for payment;**

20 **a hospital shall offer the person the opportunity to pay the listed**
 21 **charges through a payment plan that satisfies the requirements set**
 22 **forth in this section.**

23 **(c) A hospital's offer under subsection (b) must:**

24 **(1) be in writing and communicated in plain language;**

25 **(2) include instructions for how the person may enter into a**
 26 **payment plan; and**

27 **(3) if the offer is included in the bill for the charges to which**
 28 **the offer pertains, be printed in prominent type on the front**
 29 **of the first page of the bill.**

30 **(d) A hospital may provide a person the offer required by**
 31 **subsection (b):**

32 **(1) in a writing delivered to the person;**

33 **(2) by electronic mail; or**

34 **(3) through a mobile application or another Internet based**
 35 **method, if available;**

36 **according to the person's expressed preference for**
 37 **communications.**

38 **(e) If a person accepts a hospital's offer to enter into a payment**
 39 **plan under this section, the hospital shall provide, in the manner**
 40 **described in subsection (d), a written copy of the payment plan to**
 41 **the person not later than five (5) business days after the payment**
 42 **plan is executed by both parties. The plan must prominently**



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disclose:

- (1) the rate of any interest that will be applied to unpaid balances under the plan; and**
- (2) the date by which the account will be paid in full, assuming that all scheduled payments will be made when due.**

A person is not required to make a payment under the payment plan until a written copy of the payment plan has been provided to the person under this section in the manner described in subsection (d).

(f) A hospital's payment plan under this section must satisfy the following:

- (1) The payment plan must allow payments to be made over a period of at least twenty-four (24) months.**
- (2) The amount of any one (1) monthly payment may not exceed ten percent (10%) of the person's gross monthly household income.**
- (3) The first payment under the plan may not be due before thirty (30) days have elapsed from the latest date of service for the health care services to which the payment plan pertains.**
- (4) Payments under the plan must be suspended without penalty during the pendency of any appeal by the person for the denial of insurance or other third party coverage for the health care services to which the payment plan pertains if the patient provides the hospital with documentation of the appeal. Payments under the plan may resume after thirty (30) days from the date the hospital receives documentation of the appeal unless the patient provides additional documentation concerning the pending appeal.**

Sec. 2. (a) A hospital shall develop a written notice about any charity care program operated by the hospital and about the procedures by which a person may apply for any such charity care program. The notice must be in English and, to the extent practicable, in any other prevalent language used in the communities served by the hospital. The notice must be:

- (1) provided to a person at the time of intake or discharge of the person; and**
- (2) conspicuously posted in the waiting area of the emergency room, if any, and the admissions intake area of the hospital.**

(b) The hospital must include on a patient's billing statement the following information:

- (1) A statement that financial assistance is available.**



1 (2) The telephone number to call to obtain information
2 concerning financial assistance.

3 (3) An Internet link to a web page that includes information
4 and any documentation concerning obtaining financial
5 assistance.

6 **Sec. 3. (a) This section applies to:**

7 (1) a hospital that had gross patient revenue of at least twenty
8 million dollars (\$20,000,000) during the hospital's
9 immediately preceding fiscal year, as reported to the state
10 department under IC 16-21-6-3; and

11 (2) emergency or medically necessary health care services
12 provided to a person by the hospital after June 30, 2025.

13 (b) As used in this section, "gross patient revenue" has the
14 meaning set forth in IC 16-21-6-1.

15 (c) If a person requests a determination of eligibility for a
16 payment plan or charity care program administered by the
17 hospital, the hospital shall provide written notice as provided in
18 subsection (d) not later than fourteen (14) days from the person's
19 request.

20 (d) The written notice under subsection (c) must include the
21 following:

22 (1) A statement notifying the person as to whether the person
23 is eligible for the hospital's payment plan or charity care
24 program.

25 (2) If the hospital has determined that the person is eligible
26 for the hospital's payment plan or charity care program, an
27 offer to enroll the person in the payment plan or charity care
28 program to the extent the hospital is able to do so under any:

29 (A) funding limits;

30 (B) enrollment limits; or

31 (C) other limits, caps, or restrictions;

32 applicable to the payment plan or charity care program at the
33 time of the person's enrollment.

34 (3) Instructions for how the person may enroll in the payment
35 plan or charity care program.

36 (e) A hospital may provide notice to a person under subsection
37 (d):

38 (1) in a writing delivered to the person;

39 (2) by electronic mail; or

40 (3) through a mobile application or another Internet based
41 method, if available;

42 according to the preference expressed by the person to whom



1 **emergency or medically necessary health care services have been**
 2 **provided.**

3 SECTION 3. IC 16-21-9-7, AS AMENDED BY P.L.6-2012,
 4 SECTION 115, IS AMENDED TO READ AS FOLLOWS
 5 [EFFECTIVE JULY 1, 2025]: Sec. 7. (a) Each nonprofit hospital shall
 6 prepare an annual report of the community benefits plan. The report
 7 must include, in addition to the community benefits plan itself, the
 8 following background information:

9 (1) The hospital's mission statement.

10 (2) A disclosure of the health care needs of the community that
 11 were considered in developing the hospital's community benefits
 12 plan.

13 (3) A disclosure of the amount and types of community benefits
 14 actually provided, including charity care. Charity care must be
 15 reported as a separate item from other community benefits.

16 (b) Each nonprofit hospital shall annually file a report of the
 17 community benefits plan with the state department. For a hospital's
 18 fiscal year that ends before July 1, 2011, the report must be filed not
 19 later than one hundred twenty (120) days after the close of the
 20 hospital's fiscal year. For a hospital's fiscal year that ends after June 30,
 21 2011, the report must be filed at the same time the nonprofit hospital
 22 files its annual return described under Section 6033 of the Internal
 23 Revenue Code that is timely filed under Section 6072(e) of the Internal
 24 Revenue Code, including any applicable extension authorized under
 25 Section 6081 of the Internal Revenue Code.

26 (c) Each nonprofit hospital shall prepare a statement that notifies the
 27 public that the annual report of the community benefits plan is:

28 (1) public information;

29 (2) filed with the state department; and

30 (3) available to the public on request from the state department.

31 This statement shall be posted in prominent places throughout the
 32 hospital, including the emergency room waiting area and the
 33 admissions office waiting area. The statement shall also be printed in
 34 the hospital patient guide or other material that provides the patient
 35 with information about the admissions criteria of the hospital.

36 (d) Each nonprofit hospital shall develop, **provide, and post** a
 37 written notice about any charity care program operated by the hospital
 38 **and how to apply for charity care. The notice must be in appropriate**
 39 **languages if possible. The notice must also be conspicuously posted in**
 40 **the following areas:**

41 (1) The general waiting area.

42 (2) The waiting area for emergency services.



1 (3) The business office.

2 (4) Any other area that the hospital considers an appropriate area
3 in which to provide notice of a charity care program. in
4 accordance with IC 16-21-6.1-2.

5 SECTION 4. IC 24-4.5-5-104 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 104. No
7 Garnishment Before Judgment — (1) As used in this section,
8 "consumer" means an individual whose household income is not
9 more than two hundred fifty percent (250%) of the federal poverty
10 level and whose principal residence is in Indiana. The term
11 includes the following:

12 (a) A protected consumer (as defined in IC 24-5-24.5-4).

13 (b) A representative acting on behalf of a protected consumer
14 (as defined in IC 24-5-24.5-4).

15 (2) As used in this section, "health care debt" means an
16 obligation or an alleged obligation of a consumer to pay an amount
17 related to the receipt of health care services, products, or devices
18 provided to a person by a health care provider. The term does not
19 include debt charged to a credit card unless the credit card is
20 issued under:

21 (a) an open-end plan; or

22 (b) a closed-end plan;

23 offered specifically for the payment of health care services,
24 products, or devices provided to a person.

25 (3) As used in this section, "health care provider" means:

26 (a) a hospital or facility listed in IC 16-39-7-1(a)(13); or

27 (b) a provider of ambulance services (as defined in
28 IC 16-18-2-13.4).

29 The term includes an affiliate, officer, agent, or employee of a
30 person described in subdivision (a) or (b).

31 (4) Notwithstanding any other law, the unpaid earnings of a
32 consumer may not, at any time, be attached by garnishment or like
33 proceedings in satisfaction of:

34 (a) any amount of health care debt owed or alleged to be owed
35 by the consumer; or

36 (b) in an action against the consumer in which a judgment has
37 been entered, any amount of the judgment that represents
38 health care debt determined to be owed by the consumer.

39 (5) Prior to entry of judgment in an action against the debtor, no a
40 creditor may not attach unpaid earnings of the debtor by garnishment
41 or like proceedings.

42 SECTION 5. IC 32-28-16 IS ADDED TO THE INDIANA CODE



1 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
2 UPON PASSAGE]:

3 **Chapter 16. Prohibition Against Lien on Principal Residence of**
4 **a Consumer for Health Care Debt**

5 **Sec. 1. (a) As used in this chapter, "consumer" means an**
6 **individual whose household income is not more than two hundred**
7 **fifty percent (250%) of the federal poverty level and whose**
8 **principal residence is in Indiana.**

9 **(b) The term includes the following:**

10 **(1) A protected consumer (as defined in IC 24-5-24.5-4).**

11 **(2) A representative acting on behalf of a protected consumer**
12 **(as defined in IC 24-5-24.5-4).**

13 **Sec. 2. (a) As used in this chapter, "health care debt" means an**
14 **obligation or an alleged obligation of a consumer to pay an amount**
15 **related to the receipt of health care services, products, or devices**
16 **provided to a person by a health care provider.**

17 **(b) The term does not include debt charged to a credit card**
18 **unless the credit card is issued under:**

19 **(1) an open-end plan; or**

20 **(2) a closed-end plan;**

21 **offered specifically for the payment of health care services,**
22 **products, or devices provided to a person.**

23 **Sec. 3. As used in this chapter, "health care provider" means:**

24 **(1) a hospital or facility listed in IC 16-39-7-1(a)(13); or**

25 **(2) a provider of ambulance services (as defined in**
26 **IC 16-18-2-13.4).**

27 **The term includes an affiliate, officer, agent, or employee of a**
28 **person described in subdivision (1) or (2).**

29 **Sec. 4. As used in this chapter, "principal residence", with**
30 **respect to a consumer, means real or personal property that:**

31 **(1) is located in Indiana;**

32 **(2) the consumer:**

33 **(A) owns; or**

34 **(B) is buying under contract;**

35 **whether solely or jointly with another person; and**

36 **(3) constitutes the principal place of residence of:**

37 **(A) the consumer; or**

38 **(B) a dependent of the consumer.**

39 **Sec. 5. (a) Notwithstanding any other law:**

40 **(1) any amount of health care debt owed or alleged to be owed**
41 **by a consumer; or**

42 **(2) in an action against a consumer in which a judgment has**



1 been entered, any amount of the judgment that represents
2 health care debt determined to be owed by the consumer;
3 does not constitute a lien against the consumer's principal
4 residence.

5 (b) A person having any ownership or other interest in an
6 amount described in subsection (a)(1) or (a)(2) may not assert,
7 claim, enter, or enforce a lien against the consumer's principal
8 residence.

9 SECTION 6. IC 34-55-9-0.5 IS ADDED TO THE INDIANA CODE
10 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]: Sec. 0.5. As used in this chapter, the following
12 terms have the following meanings:

13 (1) "Consumer" means an individual whose household income
14 is not more than two hundred fifty percent (250%) of the
15 federal poverty level and whose principal residence is in
16 Indiana. The term includes the following:

17 (A) A protected consumer (as defined in IC 24-5-24.5-4).

18 (B) A representative acting on behalf of a protected
19 consumer (as defined in IC 24-5-24.5-4).

20 (2) "Health care debt" means an obligation or an alleged
21 obligation of a consumer to pay an amount related to the
22 receipt of health care services, products, or devices provided
23 to a person by a health care provider. The term does not
24 include debt charged to a credit card unless the credit card is
25 issued under:

26 (A) an open-end plan; or

27 (B) a closed-end plan;

28 offered specifically for the payment of health care services,
29 products, or devices provided to a person.

30 (3) "Health care provider" means:

31 (A) a hospital or facility listed in IC 16-39-7-1(a)(13); or

32 (B) a provider of ambulance services (as defined in
33 IC 16-18-2-13.4).

34 The term includes an affiliate, officer, agent, or employee of
35 a person described in clause (A) or (B).

36 (4) "Principal residence", with respect to a consumer, means
37 real or personal property that:

38 (A) is located in Indiana;

39 (B) the consumer:

40 (i) owns; or

41 (ii) is buying under contract;

42 whether solely or jointly with another person; and



1 **(C) constitutes the principal place of residence of:**

2 **(i) the consumer; or**

3 **(ii) a dependent of the consumer.**

4 SECTION 7. IC 34-55-9-1 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a) Except as**
6 **provided in subsection (b),** the following real estate is liable to all
7 judgments and attachments and to be sold on execution against the
8 debtor ~~owing~~ **owning** the real estate or for whose use the real estate is
9 held:

10 (1) All lands of the judgment debtor, whether in possession,
11 remainder, or reversion.

12 (2) All rights of redeeming mortgaged lands and all lands held by
13 virtue of any land office certificate.

14 (3) Lands or any estate or interest in land held by anyone in trust
15 for or to the use of another.

16 (4) All chattels real of the judgment debtor.

17 **(b) In any action filed, in a court of competent jurisdiction in**
18 **Indiana, for the recovery of health care debt owed or alleged to be**
19 **owed by a consumer, the principal residence of the consumer is not**
20 **liable to judgment or attachment or to be sold on execution against**
21 **the consumer.**

22 SECTION 8. IC 34-55-9-2 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. **(a) Except as**
24 **provided in subsection (b),** all final judgments for the recovery of
25 money or costs in the circuit court and other courts of record of general
26 original jurisdiction in Indiana, whether state or federal, constitute a
27 lien upon real estate and chattels real liable to execution in the county
28 where the judgment has been duly entered and indexed in the judgment
29 docket as provided by law:

30 (1) after the time the judgment was entered and indexed; and

31 (2) until the expiration of ten (10) years after the rendition of the
32 judgment;

33 exclusive of any time during which the party was restrained from
34 proceeding on the lien by an appeal, an injunction, the death of the
35 defendant, or the agreement of the parties entered of record.

36 **(b) A final judgment for the recovery of money or costs in any**
37 **action filed, in a court of competent jurisdiction in Indiana, for the**
38 **recovery of health care debt owed or alleged to be owed by a**
39 **consumer does not constitute a lien upon the principal residence of**
40 **the consumer.**

41 SECTION 9. An emergency is declared for this act.



COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 317, 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 3, line 2, delete "subject to IC 24-5-24.8-12(b)(1),".

Page 3, line 15, delete "five" and insert "**ten**".

Page 3, line 15, delete "(5%)" and insert "**(10%)**".

Page 3, line 18, delete "ninety (90)" and insert "**thirty (30)**".

Page 3, line 24, delete "pertains." and insert "**pertains if the patient provides the hospital with documentation of the appeal. Payments under the plan may resume after thirty (30) days from the date the hospital receives documentation of the appeal unless the patient provides additional documentation concerning the pending appeal.**".

Page 3, line 25, after "2." insert "**(a)**".

Page 3, line 31, after "time" insert "**of intake or discharge of**".

Page 3, line 31, delete "person receives health" and insert "**person; and**".

Page 3, delete line 32.

Page 3, line 33, delete "following areas:" and insert "**waiting area of the emergency room, if any, and the admissions intake area of the hospital.**".

(b) The hospital must include on a patient's billing statement the following information:

(1) A statement that financial assistance is available.

(2) The telephone number to call to obtain information concerning financial assistance.

(3) An Internet link to a web page that includes information and any documentation concerning obtaining financial assistance."

Page 3, delete lines 34 through 39.

Page 4, delete lines 7 through 25, begin a new paragraph and insert:

"(c) If a person requests a determination of eligibility for a payment plan or charity care program administered by the hospital, the hospital shall provide written notice as provided in subsection (d) not later than fourteen (14) days from the person's request.

(d) The written notice under subsection (c) must include the following:"



Page 4, line 27, after "hospital's" insert "**payment plan or**".

Page 4, line 29, after "hospital's" insert "**payment plan or**".

Page 4, line 30, delete "program" and insert "**payment plan or charity care program**".

Page 4, line 35, delete "program" and insert "**payment plan or charity care program**".

Page 4, line 38, delete "program." and insert "**payment plan or charity care program.**".

Page 5, delete lines 6 through 42.

Page 6, delete lines 1 through 4.

Page 7, line 10, after "whose" insert "**household income is not more than two hundred fifty percent (250%) of the federal poverty level and whose**".

Page 7, delete line 42.

Delete pages 8 through 15.

Page 16, delete lines 1 through 28.

Page 16, line 35, after "whose" insert "**household income is not more than two hundred fifty percent (250%) of the federal poverty level and whose**".

Page 17, delete lines 36 through 42.

Delete pages 18 through 19.

Page 20, delete lines 1 through 2.

Page 20, line 7, after "whose" insert "**household income is not more than two hundred fifty percent (250%) of the federal poverty level and whose**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 317 as introduced.)

CHARBONNEAU, Chairperson

Committee Vote: Yeas 11, Nays 0.

