

SB 566

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed House Amendments to Engrossed Senate Bill No. 566 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the Senate recede from its dissent from all House amendments and that the Senate now concur in all House amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 12-7-2-47.5 IS ADDED TO THE INDIANA CODE
- 3 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: **Sec. 47.5. "Covered entity", for purposes of**
- 5 **IC 12-15-23.5, has the meaning set forth in IC 12-15-23.5-1.**
- 6 SECTION 2. IC 12-15-13-6 IS AMENDED TO READ AS
- 7 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) **Except as**
- 8 **provided by IC 12-15-35-50**, a notice or bulletin that is issued by:
 - 9 (1) the office;
 - 10 (2) a contractor of the office; or
 - 11 (3) a managed care plan under the office;
- 12 concerning a change to the Medicaid program that does not require use
- 13 of the rulemaking process under IC 4-22-2 may not become effective
- 14 until forty-five (45) days after the date the notice or bulletin is mailed
- 15 to the parties affected by the notice or bulletin.
- 16 (b) The office must mail a notice or bulletin described in subsection
- 17 (a) within five (5) business days after the date on the notice or bulletin.
- 18 SECTION 3. IC 12-15-23.5 IS ADDED TO THE INDIANA CODE
- 19 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 20 UPON PASSAGE]:
 - 21 **Chapter 23.5. Coordination of Benefits Study**
 - 22 **Sec. 1. As used in this chapter, "covered entity" has the meaning**

1 set forth in 45 CFR 160.103.

2 **Sec. 2. (a) Before January 1, 2008, the office shall:**

3 (1) examine all Medicaid claims paid after January 1, 2001,
4 and before July 1, 2007;

5 (2) determine which claims examined under subdivision (1)
6 were eligible for payment by a third party other than
7 Medicaid; and

8 (3) recover the claims that were determined under subdivision
9 (2) to be eligible for payment by a third party other than
10 Medicaid.

11 (b) The office shall require through an eligibility and benefit
12 request, and a covered entity shall provide, any information
13 necessary for the office to complete the examination required by
14 this section. The office, after notice and hearing, may impose a fine
15 not to exceed one thousand dollars (\$1,000) for each refusal by a
16 covered entity to provide information concerning an eligibility and
17 benefit request for a Medicaid recipient requested by the office
18 under this section.

19 **Sec. 3. If at least one percent (1%) of the claims were**
20 **determined under section 2 of this chapter to be eligible for**
21 **payment by a third party other than Medicaid, the office shall**
22 **develop and implement a procedure to improve the coordination**
23 **of benefits between:**

24 (1) the Medicaid program; and

25 (2) any other third party source of health care coverage
26 provided to a recipient.

27 **Sec. 4. If a procedure is developed and implemented under**
28 **section 3 of this chapter, the procedure:**

29 (1) must be automated; and

30 (2) must provide a system for determining whether a
31 Medicaid claim is eligible for payment by another third party
32 before the claim is paid under the Medicaid program.

33 SECTION 4. IC 12-15-29-2 IS AMENDED TO READ AS
34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Subject to
35 subsection (b), an insurer shall furnish records or information
36 pertaining to the coverage of an individual for the individual's medical
37 costs under an individual or a group policy or other obligation, or the
38 medical benefits paid or claims made under a policy or an obligation,
39 if the office does the following:

40 (1) Requests the information ~~in writing~~: **electronically or by**
41 **United States mail.**

42 (2) Certifies that the individual is:

43 (A) a Medicaid applicant or recipient; or

44 (B) a person who is legally responsible for the applicant or
45 recipient.

46 (b) The office may request only the records or information necessary
47 to determine whether insurance benefits have been or should have been
48 claimed and paid with respect to items of medical care and services
49 that were received by a particular individual and for which Medicaid
50 coverage would otherwise be available.

51 SECTION 5. IC 12-15-29-4.5 IS ADDED TO THE INDIANA

1 CODE AS A NEW SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 4.5. (a) An insurer shall**
 3 **accept a Medicaid claim for a Medicaid recipient for three (3)**
 4 **years from the date the service was provided.**

5 **(b) An insurer may not deny a Medicaid claim submitted by the**
 6 **office solely on the basis of:**

- 7 **(1) the date of submission of the claim;**
- 8 **(2) the type or format of the claim form;**
- 9 **(3) the method of submission of the claim; or**
- 10 **(4) a failure to provide proper documentation at the point of**
 11 **sale that is the basis of the claim;**

12 **if the claim is submitted by the office within three (3) years from**
 13 **the date the service was provided as required in subsection (a) and**
 14 **the office commences action to enforce the office's rights regarding**
 15 **the claim within six (6) years of the office's submission of the claim.**

16 **(c) An insurer may not deny a Medicaid claim submitted by the**
 17 **office solely due to a lack of prior authorization. An insurer shall**
 18 **conduct the prior authorization on a retrospective basis for claims**
 19 **where prior authorization is necessary and adjudicate any claim**
 20 **authorized in this manner as if the claim received prior**
 21 **authorization.**

22 SECTION 6. IC 12-15-29-7 IS AMENDED TO READ AS
 23 FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 7. (a) The notice**
 24 **requirements of section 4 of this chapter are satisfied if:**

- 25 **(1) the insurer receives from the office, by certified electronically**
 26 **or registered by United States mail, a statement of the claims**
 27 **paid or medical services rendered by the office, together with a**
 28 **claim for reimbursement; or**
- 29 **(2) the insurer receives a claim from a beneficiary stating that the**
 30 **beneficiary has applied for or has received Medicaid from the**
 31 **office in connection with the same claim.**

32 **(b) An insurer that receives a claim under subsection (a)(2) shall**
 33 **notify the office of the insurer's obligation on the claim and shall:**

- 34 **(1) pay the obligation to the provider of service; or**
- 35 **(2) if the office has provided Medicaid, pay the office.**

36 SECTION 7. IC 12-15-29-9 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 9. (a) IC 27-8-23**
 38 **applies to this section.**

39 **(b) To the extent that payment for covered medical expenses has**
 40 **been made under the state Medicaid program for health care items or**
 41 **services furnished to a person, in a case where a third party has a legal**
 42 **liability to make payments, the state is considered to have acquired the**
 43 **rights of the person to payment by any other party for the health care**
 44 **items or services.**

45 **(c) As required under 42 U.S.C. 1396a(a)(25), an insurer shall**
 46 **accept the state's right of recovery and the assignment to the state**
 47 **of any right of the individual or entity to payment for a health care**
 48 **item or service for which payment has been made under the state**
 49 **Medicaid plan.**

50 SECTION 8. IC 12-15-35-50 IS ADDED TO THE INDIANA
 51 CODE AS A NEW SECTION TO READ AS FOLLOWS

Budget.

1 (1) Requests the information ~~in writing~~: **electronically or by United States mail.**

2 (2) Certifies that the individual is:

3 (A) a Medicaid applicant or recipient; or

4 (B) a person who is legally responsible for the applicant or recipient.

5 (b) The office may request only the records or information necessary to determine whether
6 insurance benefits have been or should have been claimed and paid with respect to items of medical
7 care and services that were received by a particular individual and for which Medicaid coverage would
8 otherwise be available.

9 SECTION 210. IC 12-15-44 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

11 Chapter 44. Coordination of Benefits Study

12 Sec. 1. As used in this chapter, "covered entity" has the meaning set forth in 45 CFR 160.103.

13 Sec. 2. (a) Before January 1, 2008, the office shall do the following:

14 (1) Examine all Medicaid claims paid after January 1, 2001, and before July 1, 2007.

15 (2) Determine the claims examined under subdivision (1) that were eligible for payment by
16 a third party other than Medicaid.

17 (3) Recover the costs associated with the claims determined under subdivision (2) to be
18 eligible for payment by a third party other than Medicaid.

19 (b) If the office requests a covered entity to furnish information to complete the examination
20 required by this section, the covered entity shall furnish the requested information to the office.

21 Sec. 3. (a) The office is authorized to transmit the minimum human identifiers in ANSI X.12
22 270 inquiries, including the name, gender, and date of birth of a Medicaid recipient, to a covered
23 entity licensed or registered to provide health insurance or health care coverage to Indiana
24 residents for the purpose of establishing the coverage in force of a Medicaid recipient who
25 presents a claim.

26 (b) A health plan that receives a message described in subsection (a) from the office or its
27 agent shall respond to the office or its agent within twenty-four (24) hours.

28 (c) An entity licensed or registered to provide health insurance or health care coverage to
29 Indiana residents that refuses an ANSI X. 12 270 message described in subsection (a) that was
30 transmitted to the entity by the office or its agent is subject to a fine for each refusal in an
31 amount not to exceed one thousand dollars (\$1,000) for each refusal.

32 (d) The office may impose the fine described in subsection (c).

33 Sec. 4. The office, any medical provider wishing to bill Indiana Medicaid, or any health plan
34 has a cause of action for injunctive relief against any health plan that fails to comply with this
35 chapter. A plaintiff seeking relief under this section may recover costs of litigation, including
36 attorney's fees.

37 Sec. 5. If the office or its agent furnishes evidence that a health plan has refused or failed to
38 respond to messages described in section 3(a) of this chapter transmitted by the office or its
39 agent to the health plan, the attorney general shall:

40 (1) subpoena the enrollment data of any entity that refuses or fails to respond to the
41 messaging described in section 3(a) of this chapter;

42 (2) commence a complaint under 42 U.S.C. 1320d-5 for administrative sanctions under the
43 Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191); and

44 (3) commence a prosecution under USC 1035 or IC 5-11-5.5 of any entity that refuses or
45 fails to respond to the messaging described under section 3(a) of this chapter.

46 Sec. 6. (a) If, after the office completes its examination under section 2 of this chapter, the
47 office determines that the number of claims determined under section 2(a)(2) of this chapter is
48 at least one percent (1%) of the number of claims examined under section 2(a)(1) of this chapter,
49 the office shall develop and implement a procedure to improve the coordination of benefits

1 between:

- 2 (1) the Medicaid program; and
- 3 (2) entities that provide health coverage to a Medicaid recipient.

4 (b) If a procedure is developed and implemented under subsection (a), the procedure:

- 5 (1) must be automated; and
- 6 (2) must have the capability to determine whether a Medicaid claim is eligible for payment
- 7 by an entity other than the Medicaid program before the claim is paid under the Medicaid
- 8 program.

9 SECTION 211. IC 33-33-24-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 2. The judge of the Franklin circuit court**
11 **may appoint one (1) full-time magistrate under IC 33-23-5. The magistrate continues in office**
12 **until removed by the judge.**

13 SECTION 212. IC 33-33-29-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
14 2007]: **Sec. 6. The judges of the Hamilton superior court may jointly appoint ~~one (1)~~ two (2) full-time**
15 **magistrate magistrates under IC 33-23-5. ~~The A~~ magistrate continues in office until removed by the**
16 **judges of the superior court.**

17 SECTION 213. IC 33-33-36-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 2008]: **Sec. 3. The Jackson superior court has ~~one (1)~~ judge two (2) judges. who shall**
19 **hold sessions in Seymour.**

20 SECTION 214. [EFFECTIVE JULY 1, 2007] **(a) The Jackson superior court is not expanded**
21 **to two (2) judges until January 1, 2008.**

22 **(b) The governor shall appoint a person under IC 3-13-6-1(f) to serve as the initial judge**
23 **added to the Jackson superior court by IC 33-33-36-3, as amended by this act, before January**
24 **1, 2008.**

25 **(c) The term of the initial judge appointed under subsection (b) begins January 1, 2008, and**
26 **ends December 31, 2010.**

27 **(d) The initial election of the judge of the Jackson superior court added by IC 33-33-36-3, as**
28 **amended by this act, is the general election on November 2, 2010. The term of the initially**
29 **elected judge begins January 1, 2011.**

30 SECTION 215. IC 33-33-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
31 2007]: **Sec. 2. (a) Clark County constitutes the fourth judicial circuit.**

32 **(b) The judges of the Clark circuit court and Clark superior court may jointly appoint ~~one (1)~~ two**
33 **(2) full-time magistrate magistrates under IC 33-23-5 to serve the circuit and superior courts.**

34 **(c) ~~The A~~ magistrate continues in office until removed by the judges of the Clark circuit and**
35 **superior courts.**

36 SECTION 216. IC 33-30-2-1, AS AMENDED BY P.L.237-2005, SECTION 1, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 1. (a) A county court is established**
38 **in the following counties:**

39 **(1) Floyd County;**

40 **(2) Madison County.**

41 **(b) However, a county court listed described in subsection (a) is abolished if:**

- 42 (1) IC 33-33 provides a small claims docket of the circuit court;
- 43 (2) IC 33-33 provides a small claims docket of the superior court; or
- 44 (3) IC 33-34 provides a small claims court;

45 for the county in which the county court was established.

46 SECTION 217. IC 33-33-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
47 JANUARY 1, 2009]: **Sec. 1. (a) Floyd County constitutes the fifty-second judicial circuit.**

48 **(b) The judges of the Floyd circuit court and Floyd superior court and Floyd county court may**
49 **jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the circuit and superior and**