

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6838**

**BILL NUMBER:** SB 192

**NOTE PREPARED:** Jan 25, 2024

**BILL AMENDED:** Jan 25, 2024

**SUBJECT:** Various Health Care Matters.

**FIRST AUTHOR:** Sen. Johnson

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) *Physician Payments:* The bill provides that if a physician has entered into a provider agreement with the Office of Medicaid Policy and Planning (OMPP) or a managed care organization (MCO) and the physician, subject to the provider agreement, provides emergency medical services to individuals participating in the state Medicaid program, the OMPP or the MCO shall promptly compensate the physician for the services in accordance with an autopay list published by the OMPP.

It also prohibits any delay in or denial of compensation to the physician unless the cause of the delay or denial is specifically provided for in:

- (1) the Medicaid managed care law;
- (2) an administrative rule adopted under the Medicaid managed care law;
- (3) the federal administrative rules on Medicaid managed care; or
- (4) the provider agreement.

*Preemployment Tuberculosis Testing:* The bill states that a home health agency is not required to conduct a tuberculosis test on a job applicant before the individual has contact with a patient. It repeals a statute that requires certain personal services agency employees or agents to complete a tuberculosis test.

*Home Health Agency Cooperative Agreements:* It authorizes the establishment of home health agency cooperative agreements. (A similar law enacted in 2022 expired on July 1, 2023.) The bill makes statements and findings of the General Assembly concerning home health agency cooperative agreements. It specifies that a home health agency may contract directly or indirectly through a network of home health agencies.

*Pharmacists:* The bill allows a pharmacist to administer an immunization that is recommended by the federal

Centers for Disease Control and Prevention Advisory Committee on Immunization Practices to a group of individuals under a drug order, under a prescription, or according to a protocol approved by a physician if certain conditions are met. (Current law allows a pharmacist to administer specified immunizations to a group of individuals under a drug order, under a prescription, or according to a protocol approved by a physician if certain conditions are met.) It removes a provision allowing a pharmacist to administer pneumonia immunizations to individuals who are at least 50 years of age.

**Effective Date:** July 1, 2024.

**Explanation of State Expenditures:** (Revised) The bill’s provisions requiring emergency services payments and use of the prudent layperson standard will increase Medicaid reimbursement for emergency services by Office of the Secretary of Family and Social Services (FSSA) and Medicaid managed care organizations (MCO) if the payment would otherwise have been denied. The amount of the increase will depend in part on the autopay list to be developed by the FSSA. Also, cooperative agreements for the home health agencies potentially impact contracted reimbursement rates. Any change in overall reimbursement will depend on each home health agency’s current rate and the terms of contracts negotiated by the cooperative agreement members.

The bill’s requirements also will increase FSSA’s workload to develop an autopay list and to perform the duties concerning home health agency cooperative agreements. These functions are outside of the FSSA’s routine administrative functions, and existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program or with new appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

(Revised) *Pharmacists:* If Medicaid enrollees and State Employee Health Plan members receive additional vaccines as a result of pharmacists being able to provide a broader range of vaccines, state vaccine and vaccine administration costs will increase. The increase is indeterminate and based on the number of vaccines that would not otherwise have been provided in another setting. [Under Indiana’s Medicaid and CHIP programs, reimbursement rates for immunization administration are typically between \$8 and \$18 per dose. The typical state share of these costs would be between \$2 and \$6 per dose.]

(Revised) *Additional Information* - Medicaid and the Children’s Health Insurance Program (CHIP) are jointly funded between the state and federal governments. The state share of costs for most Medicaid medical services for FFY 2023 is 34%, 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan (HIP), and 24% for CHIP. The state share of most Medicaid and CHIP expenditures is paid from state General Fund appropriations, and state dedicated funds primarily cover HIP costs. An increase in premium costs for additional procedures incurred by the state health plans may be mitigated with adjustments to other benefits, or through the division of premium costs between the state and state employees.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Preemployment Tuberculosis Testing:* County hospital owned or operated home health agencies may have reduced workload and expenditures with the repeal of tuberculosis testing.

*Additional Information:* The tuberculosis test currently required by the Indiana Department of Health is

either the Mantoux skin test or the Quantiferon-TB assay blood test. The average cost for a Mantoux skin test is \$20 - \$25 and a Quantiferon-TB assay is roughly \$35. Costs may vary since tests are offered by local health departments.

**Explanation of Local Revenues:**

**State Agencies Affected:** Office of Medicaid Policy and Planning; Office of the Secretary of Family and Social Services.

**Local Agencies Affected:** County hospital owned or operated home health agencies; local units providing health care coverage.

**Information Sources:** <https://www.in.gov/health/files/AC-HHA-2019-01-TB-Advisory.pdf>;  
<https://co.johnson.in.us/topic/index.php?topicid=97&structureid=31>;  
<https://health.elkhartcounty.com/en/patient-services/about-patient-services/tuberculosis-tb-clinic/>;  
<https://www.clarkhealth.net/index.php/public-health-nurse/tuberculosis-tb-testing>;  
Indiana Essential Benchmark Plan available at  
<https://www.cms.gov/marketplace/resources/data/essential-health-benefits#Indiana>;  
Pre-Exposure Prophylaxis available at [hiv.gov](http://hiv.gov), updated November 20, 2023; Legislative Services Agency, Office of Technology Services.

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