

HOUSE BILL No. 1004

DIGEST OF INTRODUCED BILL

Citations Affected: IC 16-21-2-17; IC 25-1-9-23.

Synopsis: Out of network billing for health care services. Prohibits specified health care providers from billing a patient for amounts that exceed the in network rates paid by the patient's insurance plus any deductibles, copayments, and coinsurance amounts. Specifies an exception.

Effective: July 1, 2020.

Smaltz

January 6, 2020, read first time and referred to Committee on Insurance.



Second Regular Session of the 121st General Assembly (2020)

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 *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1004

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

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

1 SECTION 1. IC 16-21-2-17 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2020]: **Sec. 17. (a) Except as provided in subsection (b), a patient**
4 **who receives services at a hospital or an ambulatory outpatient**
5 **surgical center that is an in network provider of the patient's**
6 **health plan described in subdivision (1) may not be billed at a rate**
7 **that exceeds:**
8 (1) **an in network payment made under:**
9 (A) **a policy of accident and sickness insurance (as defined**
10 **in IC 27-8-5-1);**
11 (B) **an individual contract (as defined in IC 27-13-1-21); or**
12 (C) **a group contract (as defined in IC 27-13-1-16);**
13 **for covered services rendered at the hospital or ambulatory**
14 **outpatient surgical center to the patient; and**
15 (2) **any copayment, deductible, or coinsurance amounts**
16 **applicable under the policy or contract.**
17 (b) **A hospital or an ambulatory outpatient surgical center that**



1 is an in network provider of the patient's health plan described in
 2 subsection (a)(1) may bill a patient an amount greater than the in
 3 network amount described in subsection (a) if the following
 4 conditions are met:

5 (1) The hospital or ambulatory outpatient surgical center
 6 notifies the patient both verbally and in writing of the
 7 increased out of network charges by providing a good faith
 8 estimate of all of the charges.

9 (2) The patient signs the notification agreeing to pay the
 10 specified charges listed in subdivision (1).

11 (3) The increased rate does not violate the in network
 12 provider agreement between the health plan and the hospital
 13 or ambulatory outpatient surgical center.

14 SECTION 2. IC 25-1-9-23 IS ADDED TO THE INDIANA CODE
 15 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 16 1, 2020]: Sec. 23. (a) Except as provided in subsection (b), a
 17 practitioner that provides services to a patient at a hospital or
 18 ambulatory outpatient surgical center that is an in network
 19 provider of the patient's health plan described in subdivision (1)
 20 shall not bill a patient for any amount that exceeds:

21 (1) the payment made under:

22 (A) a policy of accident and sickness insurance (as defined
 23 in IC 27-8-5-1);

24 (B) an individual contract (as defined in IC 27-13-1-21); or

25 (C) a group contract (as defined in IC 27-13-1-16);

26 for covered services rendered by the practitioner to the
 27 patient; and

28 (2) any copayment, deductible, or coinsurance amounts
 29 applicable under the policy or contract.

30 (b) A practitioner providing services to a patient at a hospital or
 31 ambulatory outpatient surgical center that is an in network
 32 provider in the patient's health plan described in subsection (a)(1)
 33 may bill a patient an amount greater than the amount described in
 34 subsection (a) if the following conditions are met:

35 (1) The practitioner notifies the patient both verbally and in
 36 writing of the increased charges by providing a good faith
 37 estimate of all of the charges.

38 (2) The patient signs the notification agreeing to pay the
 39 specified charges listed in subdivision (1).

