

HOUSE BILL No. 1095

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-7-2-174.7; IC 12-15-11-5; IC 16-18-2; IC 16-52.

Synopsis: Information required on reimbursement forms. Requires a provider to include the service facility location in order to obtain Medicaid reimbursement from the office of the secretary of family and social services or a managed care organization. Requires health care providers to include the address of the service facility location on submitted reimbursement forms. Establishes penalties.

Effective: July 1, 2022.

Schaibley

January 4, 2022, read first time and referred to Committee on Public Health.



Second Regular Session of the 122nd General Assembly (2022)

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 2021 Regular Session of the General Assembly.

HOUSE BILL No. 1095

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 12-7-2-174.7 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2022]: **Sec. 174.7. (a) "Service facility**
4 **location", for purposes of IC 12-15-11, means the address where**
5 **the services of a provider facility or practitioner were provided.**

6 **(b) The term consists of exact address and place of service codes**
7 **as required on CMS forms 1500 and 1450, including an office,**
8 **on-campus location of a hospital, and off-campus location of a**
9 **hospital.**

10 SECTION 2. IC 12-15-11-5, AS AMENDED BY P.L.195-2018,
11 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2022]: Sec. 5. (a) A provider who participates in the Medicaid
13 program must comply with the enrollment requirements that are
14 established under rules adopted under IC 4-22-2 by the secretary.

15 (b) A provider who participates in the Medicaid program may be
16 required to ~~use the centralized credentials verification organization~~
17 ~~established in section 9 of this chapter.~~ **include the address of the**



1 **service facility location in order to obtain Medicaid reimbursement**
 2 **for a claim for health care services from the office or a managed**
 3 **care organization.**

4 **(c) The office or a managed care organization is not required to**
 5 **accept a claim for health care services that does not contain the**
 6 **service facility location.**

7 SECTION 3. IC 16-18-2-163.6 IS ADDED TO THE INDIANA
 8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 9 [EFFECTIVE JULY 1, 2022]: **Sec. 163.6. "Health care services", for**
 10 **purposes of IC 16-52-1, has the meaning set forth in IC 16-52-1-1.**

11 SECTION 4. IC 16-18-2-167.8 IS ADDED TO THE INDIANA
 12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 13 [EFFECTIVE JULY 1, 2022]: **Sec. 167.8. "Health maintenance**
 14 **organization", for purposes of IC 16-52-1, has the meaning set**
 15 **forth in IC 16-52-1-2.**

16 SECTION 5. IC 16-18-2-190.7 IS ADDED TO THE INDIANA
 17 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2022]: **Sec. 190.7. "Insurer", for purposes of**
 19 **IC 16-52-1, has the meaning set forth in IC 16-52-1-3.**

20 SECTION 6. IC 16-18-2-288, AS AMENDED BY P.L.96-2014,
 21 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2022]: Sec. 288. (a) "Practitioner", for purposes of
 23 IC 16-42-19, has the meaning set forth in IC 16-42-19-5.

24 (b) "Practitioner", for purposes of IC 16-41-14, has the meaning set
 25 forth in IC 16-41-14-4.

26 (c) "Practitioner", for purposes of IC 16-42-21, has the meaning set
 27 forth in IC 16-42-21-3.

28 (d) "Practitioner", for purposes of IC 16-42-22 and IC 16-42-25, has
 29 the meaning set forth in IC 16-42-22-4.5.

30 **(e) "Practitioner", for purposes of IC 16-52-1, has the meaning**
 31 **set forth in IC 16-52-1-4.**

32 SECTION 7. IC 16-18-2-295.5 IS ADDED TO THE INDIANA
 33 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 34 [EFFECTIVE JULY 1, 2022]: **Sec. 295.5. "Provider facility", for**
 35 **purposes of IC 16-52-1, has the meaning set forth in IC 16-52-1-5.**

36 SECTION 8. IC 16-18-2-327.7 IS ADDED TO THE INDIANA
 37 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2022]: **Sec. 327.7. "Service facility location",**
 39 **for purposes of IC 16-52-1, has the meaning set forth in**
 40 **IC 16-52-1-6.**

41 SECTION 9. IC 16-52 IS ADDED TO THE INDIANA CODE AS
 42 A **NEW** ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,



1 2022]:

2 **ARTICLE 52. HEALTH CARE REQUIREMENTS**

3 **Chapter 1. Health Care Provider Billing**

4 **Sec. 1. (a) As used in this chapter, "health care services" means**
 5 **health care related services or products rendered or sold by a**
 6 **provider within the scope of the provider's license or legal**
 7 **authorization.**

8 **(b) The term includes hospital, medical, surgical, dental, vision,**
 9 **and pharmaceutical services or products.**

10 **Sec. 2. As used in this chapter, "health maintenance**
 11 **organization" has the meaning set forth in IC 27-13-1-19.**

12 **Sec. 3. As used in this chapter, "insurer" has the meaning set**
 13 **forth in IC 27-8-11-1(e).**

14 **Sec. 4. As used in this chapter, "practitioner" means an**
 15 **individual or entity duly licensed or legally authorized to provide**
 16 **health care services.**

17 **Sec. 5. As used in this chapter, "provider facility" means any of**
 18 **the following:**

- 19 (1) A hospital.
- 20 (2) A skilled nursing facility.
- 21 (3) An end stage renal disease provider.
- 22 (4) A home health agency.
- 23 (5) A hospice organization.
- 24 (6) An outpatient physical therapy, occupational therapy, or
- 25 speech-language pathology service provider.
- 26 (7) A comprehensive outpatient rehabilitation facility.
- 27 (8) A community mental health center.
- 28 (9) A critical access hospital.
- 29 (10) A federally qualified health center.
- 30 (11) A histocompatibility laboratory.
- 31 (12) An Indian health service facility.
- 32 (13) An organ procurement organization.
- 33 (14) A religious nonmedical health care institution.
- 34 (15) A rural health clinic.

35 **Sec. 6. As used in this chapter, "service facility location" means**
 36 **the address where the services of a provider facility or practitioner**
 37 **were provided. The term consists of exact address and place of**
 38 **service codes as required on CMS forms 1500 and 1450, including**
 39 **an office, on-campus location of a hospital, and off-campus location**
 40 **of a hospital.**

41 **Sec. 7. (a) A provider facility or practitioner shall include the**
 42 **address of the service facility location in order to obtain**



1 reimbursement for a commercial claim for health care services
2 from an insurer, health maintenance organization, employer, or
3 other person responsible for the payment of the cost of health care
4 services.

5 (b) An insurer, health maintenance organization, employer, or
6 other person responsible for the payment of the cost of health care
7 services is not required to accept a bill for health care services that
8 does not contain the service facility location.

9 Sec. 8. A patient is not liable for any additional payment that is
10 the result of a practitioner or provider facility filing an incorrect
11 form or not including the correct service facility location as
12 required under this chapter.

13 Sec. 9. (a) After receiving a complaint for a violation of this
14 chapter by a provider facility, practitioner, insurer, health
15 maintenance organization, employer, or other person responsible
16 for the payment of the cost of health care services and finding that
17 a violation occurred, the state health commissioner shall impose
18 the following penalties against the person:

19 (1) For a second violation, a civil penalty of not more than one
20 thousand dollars (\$1,000).

21 (2) For a third violation, a civil penalty of not less than one
22 thousand dollars (\$1,000) but not more than five thousand
23 dollars (\$5,000).

24 (3) For any subsequent violation, a civil penalty of not less
25 than five thousand dollars (\$5,000) but not more than ten
26 thousand dollars (\$10,000).

27 (b) Notwithstanding subsection (a), if the state health
28 commissioner determines that the violation of this chapter was a
29 mistake or caused by inadvertence and that the person has taken
30 appropriate corrective action, the state health commissioner may
31 reduce or waive the penalty.

