



February 16, 2021

HOUSE BILL No. 1127

DIGEST OF HB 1127 (Updated February 16, 2021 1:39 pm - DI 125)

Citations Affected: IC 12-12; IC 12-15; IC 12-23.

Synopsis: Mental health and addiction forensic treatments. Removes a provision that allows a: (1) delinquent child's; or (2) person's; Medicaid participation to be terminated following a two year suspension due to certain adjudications or incarceration. Adds competency restoration services to the list of treatment and wraparound recovery services made available to certain persons in the criminal justice system. Adds competency restoration services to the list of services that qualify a person for mental health and addiction forensic treatment services. Adds: (1) recovery community organizations; and (2) recovery residences; certified by the division of mental health and addiction (division) or its designee to the list of organizations eligible for certain funds and grants from the division. Requires demographic data concerning race and ethnicity to be included in certain demographic research performed by the division. Establishes the long term recovery group for Southwest Indiana program and the long term recovery group for Southwest Indiana fund.

Effective: July 1, 2021.

**Steuerwald, McNamara, Pierce,
Frye R**

January 7, 2021, read first time and referred to Committee on Courts and Criminal Code.
February 11, 2021, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.
February 16, 2021, amended, reported — Do Pass.

HB 1127—LS 6949/DI 123



February 16, 2021

First Regular Session of the 122nd General Assembly (2021)

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 2020 Regular Session of the General Assembly.

HOUSE BILL No. 1127

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

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

- 1 SECTION 1. IC 12-12-10 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2021]:
4 **Chapter 10. Long Term Recovery Group for Southwest Indiana**
5 **Program**
6 **Sec. 1. (a) As used in this chapter, "bureau" refers to the**
7 **rehabilitation services bureau established by IC 12-12-1-1.**
8 **(b) As used in this chapter, "fund" refers to the long term**
9 **recovery group for Southwest Indiana fund established by section**
10 **2 of this chapter.**
11 **(c) As used in this chapter, "program" refers to the long term**
12 **recovery group for Southwest Indiana program established by**
13 **subsection (d).**
14 **(d) The long term recovery group for Southwest Indiana**
15 **program is established to do the following:**
16 **(1) Create a local, long term residential substance use**
17 **disorder recovery facility in Southwest Indiana that is**

HB 1127—LS 6949/DI 123



1 effective, accessible, accountable, and sustainable.

2 (2) Provide a systematic method to facilitate the advocacy and
3 financial support of the recovery facility.

4 (3) Alleviate Southwest Indiana's drug and homelessness
5 problems by helping individuals recover from addiction and
6 help them gain control of their lives and eventually reside in
7 permanent housing.

8 (4) Alleviate the considerable annual economic impact that
9 substance use disorders have on Southwest Indiana.

10 (5) Provide assistance and rehabilitation to individuals who
11 are:

12 (A) incarcerated;

13 (B) hospitalized;

14 (C) homeless or housed in homeless shelters;

15 (D) living in transitional housing;

16 (E) being treated in emergency rooms;

17 (F) at risk of committing suicide; and

18 (G) at risk of experiencing an overdose on opiates and
19 other drugs.

20 (6) Serve as a pilot program for the development of other
21 potential long term recovery sites across Indiana.

22 (7) Provide for a program within the recovery facility that
23 undertakes a minimum six (6) month evidence based training,
24 peer led treatment plan for Southwest Indiana residents while
25 providing available resources for safe detoxification,
26 appropriate medication assistance, and psychiatric support.

27 (8) Provide daily living skills classes and job responsibility
28 classes, and promote an overall establishment of new life
29 behaviors.

30 **Sec. 2. (a) The long term recovery group for Southwest Indiana
31 fund is established to carry out the purposes of this chapter.**

32 **(b) The fund consists of:**

33 **(1) appropriations to the fund from sources other than the
34 general assembly;**

35 **(2) money received from state or federal grants or programs
36 for substance use disorder projects;**

37 **(3) donations and other grants intended for deposit in the
38 fund;**

39 **(4) gifts and bequests, and the proceeds of the sale of gifts and
40 bequests; and**

41 **(5) interest deposited into the fund under subsection (d).**

42 **(c) The bureau shall administer the fund. The following may be**



1 **paid from money in the fund:**

2 **(1) Expenses of administering the fund.**

3 **(2) Administrative expenses incurred to carry out the**
4 **purposes of this chapter.**

5 **(d) The treasurer of state shall invest the money in the fund not**
6 **currently needed to meet the obligations of the fund in the same**
7 **manner as other public funds may be invested. Interest that**
8 **accrues from these investments must be deposited in the fund.**

9 **(e) The money in the fund at the end of a state fiscal year does**
10 **not revert to the state general fund.**

11 **(f) The bureau shall submit to the general assembly an annual**
12 **report regarding the fund. The report must include information**
13 **regarding all services provided through the fund and a description**
14 **of changes in the information as compared to the year preceding**
15 **the year for which the report is issued.**

16 **(g) The bureau shall submit the report under subsection (f):**

17 **(1) not later than June 1 of each year; and**

18 **(2) in an electronic format under IC 5-14-6.**

19 SECTION 2. IC 12-15-1-20.4, AS AMENDED BY P.L.152-2017,
20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2021]: Sec. 20.4. (a) If a Medicaid recipient is:

22 (1) adjudicated to be a delinquent child and placed in:

23 (A) a community based correctional facility for children;

24 (B) a juvenile detention facility; or

25 (C) a secure facility, not including a facility licensed as a
26 ~~childcare~~ **child caring** institution under IC 31-27; or

27 (2) incarcerated in a prison or jail; and

28 ineligible to participate in the Medicaid program during the placement
29 described in subdivision (1) or (2) because of federal Medicaid law, the
30 division of family resources, upon notice that a child has been
31 adjudicated to be a delinquent child and placed in a facility described
32 in subdivision (1) or upon notice that a person is incarcerated in a
33 prison or jail and placed in a facility described in subdivision (2), shall
34 suspend the person's participation in the Medicaid program. ~~for up to~~
35 ~~two (2) years before terminating the person's eligibility.~~

36 (b) If the division of family resources receives:

37 (1) a dispositional decree under IC 31-37-19-28; or

38 (2) a modified disposition order under IC 31-37-22-9;

39 and the department of correction gives the division at least forty (40)
40 days notice that a person will be released from a facility described in
41 subsection (a)(1)(C) or (a)(2), the division of family resources shall
42 take action necessary to ensure that a person described in subsection



1 (a) is eligible to participate in the Medicaid program upon the person's
2 release, if the person is eligible to participate.

3 SECTION 3. IC 12-23-19-1, AS AMENDED BY P.L.65-2018,
4 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2021]: Sec. 1. (a) As used in this chapter, "mental health and
6 addiction forensic treatment services" means evidence based treatment
7 and recovery wraparound support services that may be provided to
8 individuals in the criminal justice system who are charged with a
9 felony offense, or have a prior felony conviction, and have been placed
10 or are eligible to be placed in a pretrial services program, community
11 corrections program, prosecuting attorney's diversion program, or jail
12 as an alternative to commitment to the department of correction. The
13 term includes the following:

14 (1) Mental health and substance abuse treatment, including:

15 (A) addiction counseling;

16 (B) inpatient detoxification;

17 (C) case management;

18 (D) daily living skills; and

19 (E) medication assisted treatment, including a federal Food
20 and Drug Administration approved long acting, nonaddictive
21 medication for the treatment of opioid or alcohol dependence.

22 (2) Vocational services.

23 (3) Housing assistance.

24 (4) Community support services.

25 (5) Care coordination.

26 (6) Transportation assistance.

27 (7) Mental health and substance abuse assessments.

28 **(8) Competency restoration services.**

29 (b) The term applies to services provided under a pilot program
30 under section 2 of this chapter to individuals who are charged with a
31 misdemeanor.

32 SECTION 4. IC 12-23-19-2, AS AMENDED BY P.L.65-2018,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2021]: Sec. 2. (a) An individual is eligible for mental health
35 and addiction forensic treatment services if:

36 (1) subject to subsection (d), the individual:

37 (A) is a member of a household with an annual income that
38 does not exceed two hundred percent (200%) of the federal
39 income poverty level;

40 (B) is a resident of Indiana;

41 (C) is:

42 (i) at least eighteen (18) years of age; or



- 1 (ii) subject to the approval of the Indiana commission to
 2 combat drug abuse, less than eighteen (18) years of age and
 3 the individual is a defendant whose case is either waived
 4 from juvenile court to adult court or directly filed in adult
 5 court; and
 6 (D) has entered the criminal justice system as a felon or with
 7 a prior felony conviction **or is ordered to be committed for**
 8 **competency restoration services as described in**
 9 **IC 35-36-3-1(b);** and
 10 (2) subject to subsection (b), reimbursement for the service is not
 11 available to the individual through any of the following:
 12 (A) A policy of accident and sickness insurance (IC 27-8-5).
 13 (B) A health maintenance organization contract (IC 27-13).
 14 (C) The Medicaid program (IC 12-15), excluding the Medicaid
 15 rehabilitation program and the Behavioral and Primary Health
 16 Coordination Program under Section 1915(i) of the Social
 17 Security Act.
 18 (D) The federal Medicare program or any other federal
 19 assistance program.
 20 (b) If an individual is not entitled to reimbursement from the sources
 21 described in subsection (a)(2) of the full amount of the cost of the
 22 mental health and addiction forensic treatment services, grants and
 23 vouchers under this chapter may be used to provide those services to
 24 the extent that the costs of those services exceed the reimbursement the
 25 individual is entitled to receive from the sources described in
 26 subsection (a)(2), excluding any copayment or deductible that the
 27 individual is required to pay.
 28 (c) The division shall determine the extent to which an individual
 29 who is provided mental health and addiction forensic treatment
 30 services under this chapter is entitled to receive reimbursement from
 31 the sources described in subsection (a)(2).
 32 (d) Notwithstanding subsection (a)(1)(D), subject to available
 33 funding and on the recommendation of the justice reinvestment
 34 advisory council (established by IC 33-38-9.5-2), the division may
 35 operate a pilot program applying the eligibility criteria in this section
 36 to individuals who are charged with a misdemeanor. If the division
 37 operates a pilot program under this subsection, the division shall issue
 38 annual reports to the justice reinvestment advisory council.
 39 SECTION 5. IC 12-23-19-4, AS AMENDED BY P.L.114-2018,
 40 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 41 JULY 1, 2021]: Sec. 4. (a) As used in this section, "account" refers to
 42 the mental health and addiction forensic treatment services account



1 established by subsection (b).

2 (b) The mental health and addiction forensic treatment services
3 account is established for the purpose of providing grants and vouchers
4 and for leveraging federal funds for the provision of mental health and
5 addiction forensic treatment services. The account shall be
6 administered by the division. The division may use money in the
7 account only to fund grants and vouchers under this chapter that are
8 provided to the following:

9 (1) Community corrections programs.

10 (2) Court administered programs.

11 (3) Probation and diversion programs.

12 (4) Community mental health centers.

13 (5) Certified or licensed mental health or addiction providers.

14 **(6) Recovery community organizations certified by the**
15 **division or its designee.**

16 **(7) Recovery residences certified by the division or its**
17 **designee.**

18 (c) The account consists of:

19 (1) appropriations made by the general assembly;

20 (2) grants; and

21 (3) gifts and bequests.

22 (d) The expenses of administering the account shall be paid from
23 money in the account.

24 (e) The treasurer of state shall invest the money in the account not
25 currently needed to meet the obligations of the account in the same
26 manner as other public money may be invested. Interest that accrues
27 from these investments shall be deposited in the account.

28 (f) Money in the account at the end of a state fiscal year does not
29 revert to the state general fund.

30 (g) Money deposited in the account may be used as the required
31 state match under the Medicaid program.

32 SECTION 6. IC 12-23-19-7, AS AMENDED BY P.L.243-2017,
33 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2021]: Sec. 7. (a) The division shall survey individuals
35 receiving mental health and addiction forensic treatment services under
36 this chapter. The division shall survey and develop demographic
37 research on such an individual one (1) year after the individual begins
38 receiving the services. The survey must request information
39 concerning:

40 (1) the employment status of the individual since the individual
41 began receiving the services; ~~and~~

42 (2) whether the individual has been arrested, convicted of a crime,



1 alleged to have violated probation, or placed in a community
2 corrections program as an alternative to commitment to the
3 department of correction since the individual began receiving the
4 services; **and**
5 **(3) the racial and ethnic demographics of the individuals**
6 **referred.**
7 (b) The division shall report to the justice reinvestment advisory
8 council established by IC 33-38-9.5-2 any findings from the survey
9 under subsection (a) concerning providing mental health and addiction
10 forensic treatment services to individuals charged with a misdemeanor
11 offense.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred House Bill 1127, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-12-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]:

Chapter 10. Long Term Recovery Group for Southwest Indiana Program

Sec. 1. (a) As used in this chapter, "bureau" refers to the rehabilitation services bureau established by IC 12-12-1-1.

(b) As used in this chapter, "fund" refers to the long term recovery group for Southwest Indiana fund established by section 2 of this chapter.

(c) As used in this chapter, "program" refers to the long term recovery group for Southwest Indiana program established by subsection (d).

(d) The long term recovery group for Southwest Indiana program is established to do the following:

(1) Create a local, long term residential substance use disorder recovery facility in Southwest Indiana that is effective, accessible, accountable, and sustainable.

(2) Provide a systematic method to facilitate the advocacy and financial support of the recovery facility.

(3) Alleviate Southwest Indiana's drug and homelessness problems by helping individuals recover from addiction and help them gain control of their lives and eventually reside in permanent housing.

(4) Alleviate the considerable annual economic impact that substance use disorders have on Southwest Indiana.

(5) Provide assistance and rehabilitation to individuals who are:

(A) incarcerated;

(B) hospitalized;

(C) homeless or housed in homeless shelters;

(D) living in transitional housing;

(E) being treated in emergency rooms;

(F) at risk of committing suicide; and

(G) at risk of experiencing an overdose on opiates and



other drugs.

(6) Serve as a pilot program for the development of other potential long term recovery sites across Indiana.

(7) Provide for a program within the recovery facility that undertakes a minimum six (6) month evidence based training, peer led treatment plan for Southwest Indiana residents while providing available resources for safe detoxification, appropriate medication assistance, and psychiatric support.

(8) Provide daily living skills classes and job responsibility classes, and promote an overall establishment of new life behaviors.

Sec. 2. (a) The long term recovery group for Southwest Indiana fund is established to carry out the purposes of this chapter.

(b) The fund consists of:

(1) appropriations from the general assembly;

(2) appropriations to the fund from other sources;

(3) money received from state or federal grants or programs for substance use disorder projects;

(4) donations and other grants intended for deposit in the fund;

(5) gifts and bequests, and the proceeds of the sale of gifts and bequests; and

(6) interest deposited into the fund under subsection (d).

(c) The bureau shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Administrative expenses incurred to carry out the purposes of this chapter.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments must be deposited in the fund.

(e) The money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) The bureau shall submit to the general assembly an annual report regarding the fund. The report must include information regarding all services provided through the fund and a description of changes in the information as compared to the year preceding the year for which the report is issued.

(g) The bureau shall submit the report under subsection (f):

(1) not later than June 1 of each year; and



(2) in an electronic format under IC 5-14-6."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1127 as introduced.)

MCNAMARA

Committee Vote: yeas 11, nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1127, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete line 33.

Page 2, line 34, delete "(2)" and insert "**(1)**".

Page 2, line 34, delete "other sources;" and insert "**sources other than the general assembly;**".

Page 2, line 35, delete "(3)" and insert "**(2)**".

Page 2, line 37, delete "(4)" and insert "**(3)**".

Page 2, line 39, delete "(5)" and insert "**(4)**".

Page 2, line 41, delete "(6)" and insert "**(5)**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1127 as printed February 11, 2021.)

BROWN T

Committee Vote: yeas 20, nays 0.

