



February 5, 2019

HOUSE BILL No. 1238

DIGEST OF HB 1238 (Updated January 31, 2019 4:28 pm - DI 113)

Citations Affected: IC 12-7; IC 12-8; IC 12-15.

Synopsis: Medicaid reimbursement for children's hospitals. Requires the office of the secretary of family and social services to establish a pilot program to reimburse under Medicaid a children's hospital located in Chicago, Illinois, for Medicaid covered services provided to a qualifying Medicaid recipient at the same reimbursement rate at which the office reimburses a children's hospital located in Indiana. Requires the office of the secretary of family and social services to prepare a report on Medicaid nonemergency medical transportation and present the report to the budget committee.

Effective: July 1, 2019.

**Soliday, Huston,
Candelaria Reardon**

January 10, 2019, read first time and referred to Committee on Ways and Means.
February 4, 2019, amended, reported — Do Pass.

HB 1238—LS 7013/DI 104



February 5, 2019

First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

HOUSE BILL No. 1238

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

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

- 1 SECTION 1. IC 12-7-2-32.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2019]: **Sec. 32.5. "Children's hospital", for purposes of**
4 **IC 12-15-15.5, has the meaning set forth in IC 12-15-15.5-1.**
5 SECTION 2. IC 12-8-1.5-19 IS ADDED TO THE INDIANA CODE
6 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 2019]: **Sec. 19. (a) Before August 1, 2019, the office of the**
8 **secretary of family and social services shall do the following:**
9 (1) **Prepare and submit a report as described in subsection (b)**
10 **to the legislative council in an electronic format under**
11 **IC 5-14-6.**
12 (2) **Present the report required under this section to the**
13 **budget committee.**
14 (b) **The report must describe significant metrics related to the**
15 **efficiency of Medicaid nonemergency medical transportation**
16 **providers, including:**
17 (1) **the total number of pickups by Medicaid nonemergency**

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1 **medical transportation providers;**

2 **(2) the number of pickups by Medicaid nonemergency**
 3 **medical transportation providers in which the transportation**
 4 **provider failed to deliver the client to the client's medical**
 5 **appointment on time; and**

6 **(3) the number of pickups by Medicaid nonemergency**
 7 **medical transportation providers in which the client's medical**
 8 **provider canceled or rescheduled the client's medical**
 9 **appointment because the transportation provider failed to**
 10 **deliver the client to the client's medical appointment on time.**

11 **(c) The report described in subsection (b) must cover the period**
 12 **beginning on the effective date of the contract between the office of**
 13 **the secretary and the sole Medicaid nonemergency medical**
 14 **transportation provider that was in force on January 1, 2019, and**
 15 **ending on the earlier of:**

16 **(1) the termination date of the contract; or**

17 **(2) the report cutoff date of July 1, 2019.**

18 **SECTION 3. IC 12-15-15.5 IS ADDED TO THE INDIANA CODE**
 19 **AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**
 20 **JULY 1, 2019]:**

21 **Chapter 15.5. Out-of-State Children's Hospital Pilot Program**

22 **Sec. 1. As used in this chapter, "children's hospital" means a**
 23 **freestanding general acute care hospital that:**

24 **(1) is a level I trauma center or a level IV neonatal care unit,**
 25 **or both; and**

26 **(2) is either:**

27 **(A) designated by the Medicare program as a children's**
 28 **hospital; or**

29 **(B) furnishes services to inpatients who are predominantly**
 30 **individuals less than eighteen (18) years of age, as**
 31 **determined using the same criteria used by the Medicare**
 32 **program to determine whether a hospital's services are**
 33 **furnished to inpatients who are predominantly individuals**
 34 **less than eighteen (18) years of age.**

35 **Sec. 2. This chapter applies to inpatient Medicaid services and**
 36 **outpatient Medicaid services provided at a children's hospital**
 37 **located in Chicago, Illinois.**

38 **Sec. 3. (a) The office shall establish and implement a pilot**
 39 **program for the reimbursement of a children's hospital at a rate**
 40 **described in section 4 of this chapter if the Medicaid recipient who**
 41 **received the covered Medicaid services is qualified as set forth in**
 42 **subsection (b).**



- 1 **(b) A Medicaid recipient is qualified for purposes of this chapter**
- 2 **if the following criteria are met:**
- 3 **(1) The recipient is less than six (6) years of age and resides in**
- 4 **Indiana.**
- 5 **(2) Either:**
- 6 **(A) the Medicaid service is not being offered or is**
- 7 **otherwise unavailable in Indiana; or**
- 8 **(B) the recipient's provider determines that it is medically**
- 9 **necessary for the recipient to obtain the services at a**
- 10 **children's hospital located in Chicago, Illinois.**
- 11 **(3) The recipient obtained the covered Medicaid service from**
- 12 **a children's hospital located in Chicago, Illinois.**
- 13 **Sec. 4. The office shall reimburse the children's hospital for the**
- 14 **provision of the Medicaid covered service to a qualified recipient**
- 15 **at the same reimbursement rate at which the office reimburses a**
- 16 **children's hospital located in Indiana for the service.**
- 17 **Sec. 5. The office shall apply to the United States Department of**
- 18 **Health and Human Services for any state plan amendment or**
- 19 **Medicaid waiver necessary to implement and administer this**
- 20 **chapter.**
- 21 **Sec. 6. The office may adopt rules under IC 4-22-2 necessary for**
- 22 **the implementation and administration of this chapter.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1238, 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 lines 4 and 5, begin a new paragraph and insert:

"SECTION 2. IC 12-8-1.5-19 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 19. (a) Before August 1, 2019, the office of the secretary of family and social services shall do the following:**

(1) Prepare and submit a report as described in subsection (b) to the legislative council in an electronic format under IC 5-14-6.

(2) Present the report required under this section to the budget committee.

(b) The report must describe significant metrics related to the efficiency of Medicaid nonemergency medical transportation providers, including:

(1) the total number of pickups by Medicaid nonemergency medical transportation providers;

(2) the number of pickups by Medicaid nonemergency medical transportation providers in which the transportation provider failed to deliver the client to the client's medical appointment on time; and

(3) the number of pickups by Medicaid nonemergency medical transportation providers in which the client's medical provider canceled or rescheduled the client's medical appointment because the transportation provider failed to deliver the client to the client's medical appointment on time.

(c) The report described in subsection (b) must cover the period beginning on the effective date of the contract between the office of the secretary and the sole Medicaid nonemergency medical transportation provider that was in force on January 1, 2019, and ending on the earlier of:

(1) the termination date of the contract; or

(2) the report cutoff date of July 1, 2019."

Page 1, delete lines 9 through 17, begin a new paragraph and insert:

"Sec. 1. As used in this chapter, "children's hospital" means a freestanding general acute care hospital that:

(1) is a level I trauma center or a level IV neonatal care unit, or both; and



(2) is either:

(A) designated by the Medicare program as a children's hospital; or

(B) furnishes services to inpatients who are predominantly individuals less than eighteen (18) years of age, as determined using the same criteria used by the Medicare program to determine whether a hospital's services are furnished to inpatients who are predominantly individuals less than eighteen (18) years of age."

Page 2, delete line 1.

Page 2, line 12, delete "eighteen (18)" and insert "**six (6)**".

Page 2, line 19, delete "outside of Indiana." and insert "**in Chicago, Illinois.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1238 as introduced.)

HUSTON

Committee Vote: yeas 22, nays 0.

