



February 4, 2021

HOUSE BILL No. 1305

DIGEST OF HB 1305 (Updated February 3, 2021 1:55 pm - DI 140)

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

Synopsis: Medicaid reimbursement for children's hospitals. Specifies the reimbursement rate for inpatient and outpatient Medicaid services that are provided by an out of state children's hospital located in a state bordering Indiana.

Effective: July 1, 2021.

Slager, Soliday, Clere, Olthoff

January 14, 2021, read first time and referred to Committee on Ways and Means.
February 4, 2021, reported — Do Pass.

HB 1305—LS 7191/DI 104



February 4, 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. 1305

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, 2021]: **Sec. 32.5. "Children's hospital", for purposes of**
4 **IC 12-15-15-1.2, has the meaning set forth in IC 12-15-15-1.2(a).**
5 SECTION 2. IC 12-15-15-1.2 IS ADDED TO THE INDIANA
6 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2021]: **Sec. 1.2. (a) As used in this section,**
8 **"children's hospital" means:**
9 (1) **a freestanding general acute care hospital that:**
10 (A) **is designated by the Medicare program as a children's**
11 **hospital; or**
12 (B) **furnishes inpatient and outpatient health care services**
13 **to patients who are predominantly individuals less than**
14 **nineteen (19) years of age; or**
15 (2) **a facility located within a freestanding general acute care**
16 **hospital that:**
17 (A) **is designated by the Medicare program as a children's**

HB 1305—LS 7191/DI 104



- 1 **hospital; or**
2 **(B) furnishes inpatient and outpatient health care services**
3 **to patients who are predominately individuals less than**
4 **nineteen (19) years of age.**
5 **(b) This section applies to reimbursement for inpatient**
6 **Medicaid services and outpatient Medicaid services provided to a**
7 **Medicaid recipient who is less than nineteen (19) years of age at a**
8 **children's hospital that is located in a state bordering Indiana.**
9 **(c) The office shall reimburse a children's hospital for covered**
10 **services provided to a Medicaid recipient that is described in**
11 **subsection (b) at a rate set by the secretary that is based on a**
12 **reimbursement formula that is:**
13 **(1) comparable to the current federal Medicare**
14 **reimbursement rate for the service provided by the children's**
15 **hospital; or**
16 **(2) one hundred thirty percent (130%) of the Medicaid**
17 **reimbursement rate for a service that does not have a**
18 **Medicare reimbursement rate.**
19 **(d) Before September 1, 2021, the office shall apply to the United**
20 **States Department of Health and Human Services for any state**
21 **plan amendment or Medicaid waiver necessary to implement and**
22 **administer this section.**
23 **(e) The office may adopt rules under IC 4-22-2 necessary for the**
24 **implementation of this section.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1305, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1305 as introduced.)

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Committee Vote: Yeas 22, Nays 0

