



March 26, 2021

ENGROSSED HOUSE BILL No. 1402

DIGEST OF HB 1402 (Updated March 24, 2021 12:14 pm - DI 104)

Citations Affected: IC 27-1.

Synopsis: All payer claims data base. Amends the definition of "health payer" to except some policies of accident and sickness insurance. Establishes requirements for the development and administration of the all payer claims data base. Establishes the all payer claims data base advisory board (advisory board) and sets forth membership requirements. Specifies the duties of: (1) the advisory board; and (2) the executive director who oversees the operation of the data base. Requires the establishment of a fee formula for data licensing and claims data collection and release.

Effective: Upon passage.

Schaibley, Smaltz, Olthoff, Shackleford

(SENATE SPONSORS — ZAY, CHARBONNEAU)

January 14, 2021, read first time and referred to Committee on Financial Institutions and Insurance.

January 26, 2021, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

February 4, 2021, reported — Do Pass.

February 8, 2021, read second time, amended, ordered engrossed.

February 9, 2021, engrossed.

February 11, 2021, read third time, passed. Yeas 91, nays 2.

SENATE ACTION

February 23, 2021, read first time and referred to Committee on Health and Provider Services.

March 25, 2021, amended, reported favorably — Do Pass.

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March 26, 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.

ENGROSSED HOUSE BILL No. 1402

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

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

1 SECTION 1. IC 27-1-44.5-0.2 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE UPON PASSAGE]: **Sec. 0.2. As used in this chapter,**
4 **"administrator" means the entity that contracts with the**
5 **department to create, operate, and maintain the data base.**

6 SECTION 2. IC 27-1-44.5-0.4 IS ADDED TO THE INDIANA
7 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
8 [EFFECTIVE UPON PASSAGE]: **Sec. 0.4. As used in this chapter,**
9 **"advisory board" means the all payer claims data base advisory**
10 **board established under IC 27-1-44.6-5.**

11 SECTION 3. IC 27-1-44.5-1.2 IS ADDED TO THE INDIANA
12 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
13 [EFFECTIVE UPON PASSAGE]: **Sec. 1.2. As used in this chapter,**
14 **"executive director" means the individual who is responsible for**
15 **overseeing the operations of the data base as an employee of the**
16 **department.**

17 SECTION 4. IC 27-1-44.5-2, AS AMENDED BY THE

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1 TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL
 2 ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 UPON PASSAGE]: Sec. 2. As used in this chapter, "health payer"
 4 includes the following:

5 (1) Medicare.

6 (2) Medicaid or a managed care organization (as defined in
 7 IC 12-7-2-126.9) that has contracted with Medicaid to provide
 8 services to a Medicaid recipient.

9 (3) An insurer that issues a policy of accident and sickness
 10 insurance (as defined in IC 27-8-5-1), **except for the following**
 11 **types of coverage:**

12 (A) **Accident only, credit, dental, vision, Medicare**
 13 **supplement, long term care, or disability income insurance.**

14 (B) **Coverage issued as a supplement to liability insurance.**

15 (C) **Automobile medical payment insurance.**

16 (D) **A specified disease policy.**

17 (E) **A policy that provides indemnity benefits not based on**
 18 **any expense incurred requirements, including a plan that**
 19 **provides coverage for:**

20 (i) **hospital confinement, critical illness, or intensive care;**
 21 **or**

22 (ii) **gaps for deductibles or copayments.**

23 (F) **Worker's compensation or similar insurance.**

24 (G) **A student health plan.**

25 (H) **A supplemental plan that always pays in addition to**
 26 **other coverage.**

27 (I) **An employer sponsored health benefit plan that is:**

28 (i) **provided to individuals who are eligible for Medicare;**
 29 **and**

30 (ii) **not marketed as, or held out to be, a Medicare**
 31 **supplement policy.**

32 (4) A health maintenance organization (as defined in
 33 IC 27-13-1-19).

34 (5) A pharmacy benefit manager (as defined in ~~IC 27-1-24.8-3~~;
 35 **IC 27-1-24.5-12**).

36 (6) ~~A third party~~ **An administrator (as defined in IC 27-1-25-1).**

37 (7) ~~An insurer (as defined in IC 27-1-26-1), excluding insurers of~~
 38 ~~life insurance.~~

39 (8) (7) Any other person identified by the commissioner for
 40 participation in the data base described in this chapter.

41 SECTION 5. IC 27-1-44.5-5, AS ADDED BY P.L.50-2020,
 42 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 UPON PASSAGE]: Sec. 5. (a) A health payer shall begin submitting
 2 the required data in a format specified by the administrator of the data
 3 base not later than three (3) months from the first day the department
 4 declares the data base to be fully operational.

5 (b) An employer may opt-in to share claims data with the data base.

6 **(c) The state, the Indiana Medicaid state plan, and Medicaid**
 7 **managed care entities must submit data for the data base.**

8 SECTION 6. IC 27-1-44.5-7 IS ADDED TO THE INDIANA CODE
 9 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 10 UPON PASSAGE]: Sec. 7. **The administrator, with input from the**
 11 **executive director and the advisory board:**

12 **(1) shall ensure the security of the data;**

13 **(2) shall protect the privacy of the data in compliance with**
 14 **state and federal law;**

15 **(3) shall incorporate and utilize publicly available data other**
 16 **than administrative claims data if necessary to measure and**
 17 **analyze a significant health care quality, safety, or cost issue**
 18 **that cannot be adequately measured with administrative**
 19 **claims data alone;**

20 **(4) shall ensure uniform data collection and determine the**
 21 **data elements to be collected, the reporting formats for data**
 22 **submitted, and the use and reporting of any data submitted,**
 23 **which shall align with national, regional, and other uniform**
 24 **all payer claims data bases' standards where possible;**

25 **(5) may audit the accuracy of all data submitted;**

26 **(6) shall collect, aggregate, distribute, and publicly report**
 27 **performance data on cost, utilization, and pricing in a manner**
 28 **accessible for consumers, public and private purchasers,**
 29 **providers, and policymakers;**

30 **(7) may share data nationally or help develop a multistate**
 31 **effort if recommended by the advisory board; and**

32 **(8) may share data for research and publication purposes if**
 33 **approved by the advisory board.**

34 SECTION 7. IC 27-1-44.5-8 IS ADDED TO THE INDIANA CODE
 35 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 8. **The data base must do the following:**

37 **(1) Provide an online, public web portal that is free to use and**
 38 **allows the public to view the average negotiated charges by**
 39 **each health carrier for specific health care services provided**
 40 **by an individual health care provider, as well as the quality**
 41 **metrics for facilities and providers for specific health care**
 42 **services. Facilities and providers include hospitals, physician**



1 groups, ambulatory outpatient surgical centers, physical
 2 therapy offices, imaging centers, laboratories, infusion clinics,
 3 pharmacies, and any other location providing health care
 4 services.

5 (2) Be available to the public when published in a form and
 6 manner that ensures the privacy and security of personal
 7 health information as required by state and federal law, as a
 8 resource to insurers, consumers, employers, providers,
 9 purchasers of health care, and state agencies to allow for
 10 continuous review of health care utilization, expenditures, and
 11 quality and safety performance in the state.

12 (3) Be available to state agencies and private entities in the
 13 state that are engaged in efforts to improve health care,
 14 subject to rules adopted by the department.

15 (4) Be presented to allow for comparisons of geographic,
 16 demographic, and economic factors and institutional size.

17 (5) Present data in a consumer friendly manner.

18 SECTION 8. IC 27-1-44.5-9 IS ADDED TO THE INDIANA CODE
 19 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 9. (a) The executive director shall do the
 21 following:

22 (1) Report to the governor and, in an electronic format under
 23 IC 5-14-6, to the general assembly not later than September
 24 1 of each year on the following:

25 (A) The status of the operations of the data base.

26 (B) The financial stability of the data base.

27 (C) The status of efforts to obtain funding for the data
 28 base.

29 (2) Seek to establish agreements or requests with the federal
 30 Centers for Medicare and Medicaid Services to obtain their
 31 health claims data.

32 (3) Maximize private and federal funding opportunities,
 33 including private and federal grants, and the use of fees for
 34 the costs of implementing and operating the data base.

35 (4) Establish a fee formula for data licensing and claims data
 36 collection and release.

37 (5) Ensure privacy and security of the data collected.

38 (6) Provide leadership and coordination of public and private
 39 health care quality and performance measurements to ensure
 40 efficiency, cost effectiveness, transparency, and informed
 41 choice by consumers and public and private purchasers.

42 (7) Seek to establish agreements for voluntary reporting of



1 health care claims data from health payers that are not
 2 subject to mandatory reporting requirements in order to
 3 ensure availability of the most comprehensive and systemwide
 4 data on health care costs and quality.

5 (8) Determine the data to be collected from health payers and
 6 the method of collection, including mandatory and voluntary
 7 reporting of health care and health quality data.

8 (9) Determine the measures necessary to implement the
 9 reporting requirements in a manner that is cost effective and
 10 reasonable for data sources and timely, relevant, and reliable
 11 for consumers, public and private purchasers, providers, and
 12 policymakers.

13 (10) Determine the reports and data to be made available to
 14 the public, with recommendations from the advisory board,
 15 in order to accomplish the purposes of this chapter, including
 16 conducting studies and reporting the results of the studies.

17 (b) The executive director may contract with third parties to
 18 collect and process the health care data collected under this
 19 chapter.

20 SECTION 9. IC 27-1-44.5-10 IS ADDED TO THE INDIANA
 21 CODE AS A NEW SECTION TO READ AS FOLLOWS
 22 [EFFECTIVE UPON PASSAGE]: **Sec. 10. The collection, storage,
 23 and release of health care data and other information under this
 24 chapter is subject to the federal Health Insurance Portability and
 25 Accountability Act (42 U.S.C. 201 et seq.), as amended.**

26 SECTION 10. IC 27-1-44.5-11 IS ADDED TO THE INDIANA
 27 CODE AS A NEW SECTION TO READ AS FOLLOWS
 28 [EFFECTIVE UPON PASSAGE]: **Sec. 11. (a) The department shall
 29 adopt emergency rules under IC 4-22-2-37.1 to implement this
 30 chapter. The rules must include a requirement that health payer
 31 data sources submit necessary information to the administrator.
 32 Rules enacted under this subsection must cover all health payer
 33 data sources as follows:**

34 (1) The department shall adopt rules that apply to health
 35 payers regulated under IC 27.

36 (2) The office of the secretary of family and social services
 37 shall adopt rules that apply to health payers regulated under
 38 IC 12.

39 (b) The department shall adopt emergency rules under
 40 IC 4-22-2-37.1 establishing a fee formula for data licensing and the
 41 collection and release of claims data.

42 (c) The department may impose a civil penalty on a health payer



1 that is required to submit information under this chapter and fails
 2 to comply. A civil penalty collected under this section must be
 3 deposited in the department of insurance fund created by
 4 IC 27-1-3-28.

5 SECTION 11. IC 27-1-44.6 IS ADDED TO THE INDIANA CODE
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 7 UPON PASSAGE]:

8 **Chapter 44.6. All Payer Claims Data Base Advisory Board**

9 **Sec. 1. As used in this chapter, "administrator" has the meaning**
 10 **in IC 27-1-44.5-0.2.**

11 **Sec. 2. As used in this chapter, "advisory board" refers to the all**
 12 **payer claims data base advisory board established under section 5**
 13 **of this chapter.**

14 **Sec. 3. As used in this chapter, "data base" refers to the all**
 15 **payer claims data base established under IC 27-1-44.5.**

16 **Sec. 4. As used in this chapter, "executive director" has the**
 17 **meaning in IC 27-1-44.5-1.2.**

18 **Sec. 5. The all payer claims data base advisory board is**
 19 **established to:**

20 (1) provide executive director candidate recommendations to
 21 the department for consideration. A candidate may only be
 22 considered if the candidate:

23 (A) has subject matter expertise in setting up an all payer
 24 claims data base; and

25 (B) is not affiliated with the administrator;

26 (2) advise the executive director and administrator in the
 27 administration of the all payer claims data base under
 28 IC 27-1-44.5; and

29 (3) ensure the integrity, security, and privacy of the all payer
 30 claims data base's operations.

31 **Sec. 6. (a) The advisory board consists of the following**
 32 **members, appointed by the governor:**

33 (1) One (1) individual representing the Indiana Hospital
 34 Association.

35 (2) One (1) individual who is a physician or surgeon and is not
 36 employed by or contracted to predominantly provide health
 37 care services at a hospital licensed under IC 16-21-2 or a
 38 hospital system.

39 (3) One (1) individual representing a small employer that
 40 purchases a group health plan for its employees.

41 (4) One (1) individual representing a large employer that
 42 purchases a group health plan for its employees.



- 1 **(5) One (1) individual representing a self-insured employer.**
 2 **(6) One (1) individual from a firm that processes claims for**
 3 **health plans.**
 4 **(7) One (1) individual representing a domestic insurance**
 5 **company that issues policies of accident and sickness**
 6 **insurance (as defined in IC 27-8-5-1).**
 7 **(8) One (1) individual representing pharmacists or an affiliate**
 8 **society.**
 9 **(9) The executive director.**
 10 **Individuals appointed to represent an employer under subdivisions**
 11 **(3), (4), and (5) may not represent an employer who is a health care**
 12 **facility or provider or a supplier or broker of health plans.**
 13 **(b) The advisory board consists of the following nonvoting**
 14 **advisory members:**
 15 **(1) The commissioner of the department or a designee of the**
 16 **commissioner.**
 17 **(2) The secretary of family and social services or a designee of**
 18 **the secretary.**
 19 **(3) The commissioner of the state department of health or a**
 20 **designee of the commissioner.**
 21 **(4) Two (2) members of the senate, who may not be members**
 22 **of the same political party, appointed by the president pro**
 23 **tempore of the senate with the advice of the minority leader**
 24 **of the senate.**
 25 **(5) Two (2) members of the house of representatives, who may**
 26 **not be members of the same political party, appointed by the**
 27 **speaker of the house of representatives with the advice of the**
 28 **minority leader of the house of representatives.**
 29 **Sec. 7. (a) The initial appointment of members beginning July**
 30 **1, 2021, must be made not later than August 1, 2021.**
 31 **(b) For the initial appointment of the twelve (12) members**
 32 **appointed to the advisory board by the governor under section 6(a)**
 33 **of this chapter, six (6) members will serve for a term of two (2)**
 34 **years and six (6) members will serve for a term of four (4) years.**
 35 **For all subsequent appointments by the governor under section**
 36 **6(a) of this chapter and all appointments made under section 6(b)**
 37 **of this chapter, members will serve for a term of four (4) years.**
 38 **Members may be reappointed.**
 39 **(c) Subject to subsection (e), the executive director is a**
 40 **permanent member of the advisory board.**
 41 **(d) Each appointed member serves until the member's successor**
 42 **is appointed and qualified. A vacancy must be filled by**



1 appointment of the governor for the unexpired term.

2 (e) A member may be removed from the advisory board for
3 good cause.

4 Sec. 8. The advisory board must meet at least two (2) times per
5 calendar year. A majority of the members of the advisory board
6 constitutes a quorum.

7 Sec. 9. (a) Each member of the advisory board who is not a state
8 employee is entitled to the minimum financial compensation per
9 diem provided by IC 4-10-11-2.1(b). Such a member is also entitled
10 to reimbursement for traveling expenses and other expenses
11 actually incurred in connection with the member's duties, as
12 provided in the state travel policies and procedures established by
13 the Indiana department of administration and approved by the
14 budget agency.

15 (b) Each member of the advisory board who is a state employee
16 but who is not a member of the general assembly is entitled to
17 reimbursement for traveling expenses and other expenses actually
18 incurred in connection with the member's duties, as provided in the
19 state travel policies and procedures established by the Indiana
20 department of administration and approved by the budget agency.

21 (c) Each member of the advisory board who is a member of the
22 general assembly is entitled to receive the same per diem, mileage,
23 and travel allowances paid to legislative members of interim study
24 committees established by the legislative council. Per diem,
25 mileage, and travel allowances paid under this subsection shall be
26 paid from appropriations made to the legislative council or the
27 legislative services agency.

28 (d) Membership on the advisory board does not constitute the
29 holding of a public office.

30 Sec. 10. (a) The advisory board may make recommendations to
31 the executive director and administrator regarding the data base
32 that:

33 (1) include specific strategies to measure and collect data
34 related to health care safety and quality, utilization, health
35 outcomes, and cost;

36 (2) focus on data elements that foster quality improvement
37 and peer group comparisons;

38 (3) facilitate value based, cost effective purchasing of health
39 care services by public and private purchasers and
40 consumers;

41 (4) result in usable and comparable information that allows
42 public and private health care purchasers, consumers, and



1 data analysts to identify and compare health plans, health
2 insurers, health care facilities, and health care providers
3 regarding the provision of safe, cost effective, high quality
4 health care services;

5 (5) use and build upon existing data collection standards and
6 methods to establish and maintain the data base in a cost
7 effective and efficient manner;

8 (6) are designed to measure the following performance
9 domains:

10 (A) safety;

11 (B) timeliness;

12 (C) effectiveness;

13 (D) efficiency;

14 (E) equity; and

15 (F) patient centeredness;

16 (7) incorporate and utilize claims, eligibility, and other
17 publicly available data to the extent it is the most cost
18 effective method of collecting data to minimize the cost and
19 administrative burden on data sources;

20 (8) include recommendations about whether to include data
21 on the uninsured;

22 (9) discuss the harmonization of the data base with other
23 state, regional, and federal efforts concerning all payer claims
24 data bases;

25 (10) discuss the harmonization of the data base with federal
26 legislation concerning all payer claims data bases;

27 (11) discuss a limit on the number of times the executive
28 director and administrator may require submission of the
29 required data elements;

30 (12) discuss a limit on the number of times the executive
31 director and administrator may change the required data
32 elements for submission in a calendar year considering
33 administrative costs, resources, and time required to fulfill the
34 requests; and

35 (13) discuss compliance with the federal Health Insurance
36 Portability and Accountability Act (42 U.S.C. 201 et seq.), as
37 amended, and other proprietary information related to
38 collection and release of data.

39 (b) The advisory board shall make recommendations to the
40 executive director regarding how the ongoing oversight of the
41 operations of the data base should function, including where the
42 data base should be housed.



1 **(c) Any recommendations or actions by the advisory board are**
2 **subject to the approval of the commissioner.**
3 **SECTION 12. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions and Insurance, to which was referred House Bill 1402, 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 3, line 23, after "shall" insert "**ensure uniform data collection and**".

Page 5, line 24, delete "integrity and privacy" and insert "**integrity, security, and privacy**".

Page 6, delete lines 28 through 29, begin a new paragraph and insert:

"(b) For the initial appointment of the twelve (12) members appointed to the advisory board by the governor under section 6(a) of this chapter, six (6) members will serve for a term of two (2) years and six (6) members will serve for a term of four (4) years. For all subsequent appointments by the governor under section 6(a) of this chapter and all appointments made under section 6(b) of this chapter, members will serve for a term of four (4) years. Members may be reappointed.

(c) Subject to subsection (e), the executive director is a permanent member of the advisory board."

Page 6, line 30, delete "(c)" and insert "**(d)**".

Page 6, line 33, delete "(d)" and insert "**(e)**".

and when so amended that said bill do pass.

(Reference is to HB 1402 as introduced.)

CARBAUGH

Committee Vote: yeas 12, nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1402, 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 1402 as printed January 26, 2021.)

BROWN T

Committee Vote: Yeas 24, Nays 0

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HOUSE MOTION

Mr. Speaker: I move that House Bill 1402 be amended to read as follows:

Page 1, between lines 16 and 17, begin a new paragraph and insert: "SECTION 4. IC 27-1-44.5-2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2021 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2021]: Sec. 2. As used in this chapter, "health payer" includes the following:

- (1) Medicare.
- (2) Medicaid or a managed care organization (as defined in IC 12-7-2-126.9) that has contracted with Medicaid to provide services to a Medicaid recipient.
- (3) An insurer that issues a policy of accident and sickness insurance (as defined in IC 27-8-5-1), **except for the following types of coverage:**
 - (A) **Accident only, credit, dental, vision, Medicare supplement, long term care, or disability income insurance.**
 - (B) **Coverage issued as a supplement to liability insurance.**
 - (C) **Automobile medical payment insurance.**
 - (D) **A specified disease policy.**
 - (E) **A policy that provides indemnity benefits not based on any expense incurred requirements, including a plan that provides coverage for:**
 - (i) **hospital confinement, critical illness, or intensive care;**
or
 - (ii) **gaps for deductibles or copayments.**
 - (F) **Worker's compensation or similar insurance.**
 - (G) **A student health plan.**
 - (H) **A supplemental plan that always pays in addition to other coverage.**
 - (I) **An employer sponsored health benefit plan that is:**
 - (i) **provided to individuals who are eligible for Medicare;**
and
 - (ii) **not marketed as, or held out to be, a Medicare supplement policy.**
- (4) A health maintenance organization (as defined in IC 27-13-1-19).
- (5) A pharmacy benefit manager (as defined in ~~IC 27-1-24.8-3~~; **IC 27-1-24.5-12**).
- (6) ~~A third party~~ **An administrator (as defined in IC 27-1-25-1).**
- (7) ~~An insurer (as defined in IC 27-1-26-1), excluding insurers of~~

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life insurance:

~~(8)~~ (7) Any other person identified by the commissioner for participation in the data base described in this chapter."

Page 2, delete lines 24 through 26.

Page 2, line 27, delete "(4)" and insert "(3)".

Page 2, line 32, delete "(5)" and insert "(4)".

Page 2, line 36, delete "(6)" and insert "(5)".

Page 2, line 41, delete "(7)" and insert "(6)".

Page 3, line 3, delete "(8)" and insert "(7)".

Page 3, line 8, delete "(9)" and insert "(8)".

Page 3, delete lines 12 through 13.

Page 4, line 20, delete "and administrator shall" and insert "**shall do the following:**

(1) Report to the governor and, in an electronic format under IC 5-14-6, to the general assembly not later than September 1 of each year on the following:

(A) The status of the operations of the data base.

(B) The financial stability of the data base.

(C) The status of efforts to obtain funding for the data base.

(2) Seek to establish agreements or requests with the federal Centers for Medicare and Medicaid Services to obtain their health claims data.

(3) Seek out federal funding opportunities for the costs of implementing and operating the data base."

Page 4, delete lines 21 through 26.

Page 4, line 35, delete "The department shall" and insert "**The department shall adopt emergency rules under IC 4-22-2-37.1 to implement this chapter. The rules must include a requirement that health payer data sources submit necessary information to the administrator. Rules enacted under this subsection must cover all health payer data sources as follows:**

(1) The department shall adopt rules that apply to health payers regulated under IC 27.

(2) The family and social services administration shall adopt rules that apply to health payers regulated under IC 12.

(3) The state department of health shall adopt rules that apply to health payers regulated under IC 16.

(4) The Indiana professional licensing agency shall adopt rules that apply to health payers regulated under IC 25."

Page 4, delete lines 36 through 38.

Page 6, line 1, delete "health insurers." and insert "**a domestic**



insurance company that issues policies of accident and sickness insurance (as defined in IC 27-8-5-1)."

Page 6, between lines 17 and 18, begin a new line block indented and insert:

"(2) The secretary of family and social services or a designee of the secretary.

(3) The commissioner of the state department of health or a designee of the commissioner."

Page 6, line 18, delete "(2) Two" and insert "**(4) Two**".

Page 6, line 22, delete "(3)" and insert "**(5)**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1402 as printed February 4, 2021.)

SCHAIBLEY

COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1402, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Replace the effective dates in SECTIONS 1 through 12 with "[EFFECTIVE UPON PASSAGE]".

Page 1, delete lines 11 through 16, begin a new paragraph and insert:

"SECTION 3. IC 27-1-44.5-1.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.2. As used in this chapter, "executive director" means the individual who is responsible for overseeing the operations of the data base as an employee of the department.**"

Page 3, delete lines 8 through 42.

Page 4, delete lines 1 through 7.

Page 4, line 12, after "(1)" insert "**shall ensure the security of the data;**

(2) shall protect the privacy of the data in compliance with state and federal law;

(3)".

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Page 4, line 17, delete "(2)" and insert "(4)".

Page 4, line 22, delete "(3)" and insert "(5)".

Page 4, delete lines 23 through 24, begin a new line block indented and insert:

"(6) shall collect, aggregate, distribute, and publicly report performance data on cost, utilization, and pricing in a manner accessible for consumers, public and private purchasers, providers, and policymakers;"

Page 4, line 25, delete "(5)" and insert "(7)".

Page 4, line 27, delete "(6)" and insert "(8)".

Page 4, line 38, after "ambulatory" insert **"outpatient"**.

Page 4, line 41, delete "disclosed" and insert **"published"**.

Page 5, line 14, after "9." insert **"(a)"**.

Page 5, line 25, delete "Seek out" and insert **"Maximize private and"**.

Page 5, line 25, after "opportunities" insert **", including private and federal grants, and the use of fees"**.

Page 5, between lines 26 and 27, begin a new line block indented and insert:

"(4) Establish a fee formula for data licensing and claims data collection and release.

(5) Ensure privacy and security of the data collected.

(6) Provide leadership and coordination of public and private health care quality and performance measurements to ensure efficiency, cost effectiveness, transparency, and informed choice by consumers and public and private purchasers.

(7) Seek to establish agreements for voluntary reporting of health care claims data from health payers that are not subject to mandatory reporting requirements in order to ensure availability of the most comprehensive and systemwide data on health care costs and quality.

(8) Determine the data to be collected from health payers and the method of collection, including mandatory and voluntary reporting of health care and health quality data.

(9) Determine the measures necessary to implement the reporting requirements in a manner that is cost effective and reasonable for data sources and timely, relevant, and reliable for consumers, public and private purchasers, providers, and policymakers.

(10) Determine the reports and data to be made available to the public, with recommendations from the advisory board, in order to accomplish the purposes of this chapter, including



conducting studies and reporting the results of the studies.

(b) The executive director may contract with third parties to collect and process the health care data collected under this chapter."

Page 6, line 1, after "The" insert "office of the secretary of".

Page 6, line 1, delete "administration".

Page 6, delete lines 3 through 6.

Page 6, line 7, after "(b)" insert "**The department shall adopt emergency rules under IC 4-22-2-37.1 establishing a fee formula for data licensing and the collection and release of claims data.**

(c)".

Page 6, line 24, delete "IC 27-1-44.5-0.6." and insert "**IC 27-1-44.5-1.2.**".

Page 6, line 27, delete "appoint an executive director that:" and insert "**provide executive director candidate recommendations to the department for consideration. A candidate may only be considered if the candidate:**".

Page 6, line 40, delete "." and insert "**and is not employed by or contracted to predominantly provide health care services at a hospital licensed under IC 16-21-2 or a hospital system.**".

Page 7, delete lines 6 through 10.

Page 7, line 11, delete "(9)" and insert "**(7)**".

Page 7, line 14, delete "(10)" and insert "**(8)**".

Page 7, delete lines 16 through 20.

Page 7, line 21, delete "(13) Once appointed by the advisory board, the" and insert "**(9) The**".

Page 9, line 1, delete "shall" and insert "**may**".

Page 10, after line 13, begin a new paragraph and insert:

"(c) Any recommendations or actions by the advisory board are subject to the approval of the commissioner.

SECTION 13. An emergency is declared for this act."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1402 as reprinted February 9, 2021.)

CHARBONNEAU, Chairperson

Committee Vote: Yeas 11, Nays 0.

EH 1402—LS 7252/DI 137

