

# HOUSE BILL No. 1428

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-11-15; IC 27-13-15-8.

**Synopsis:** Renewal of insurance coverage. Requires insurers offering policies of accident and sickness insurance and health maintenance organizations to provide an insured an additional 30 days from the date: (1) a preferred provider agreement or a participating provider contract is terminated; or (2) the insurer or health maintenance organization and a preferred provider or participating provider are required to complete the renegotiation of an agreement or a contract; to make a decision on the renewal of coverage under a policy of accident and sickness insurance or a health maintenance organization contract.

**Effective:** July 1, 2021.

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**Lehman, Manning**

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

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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. 1428

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 27-8-11-15 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2021]: **Sec. 15. (a) As used in this section, "preferred provider"**  
4 **means a provider that has entered into a preferred provider**  
5 **agreement.**

6       **(b) As used in this section, "preferred provider agreement"**  
7 **means an agreement entered into under section 3 of this chapter.**

8       **(c) This section applies when a preferred provider agreement is:**

9           **(1) canceled by an insurer;**

10          **(2) not renewed by an insurer; or**

11          **(3) being renegotiated by an insurer and a preferred provider.**

12       **(d) An insurer must provide an additional thirty (30) days after**  
13 **the date:**

14           **(1) a preferred provider agreement is terminated due to the**  
15 **insurer canceling or not renewing the agreement; or**

16           **(2) the insurer and preferred provider are required to**  
17 **complete the renegotiation of the terms of a preferred**



1           **provider agreement;**  
2           **for an insured to make a decision on the renewal of coverage under**  
3           **a policy of accident and sickness insurance.**

4           SECTION 2. IC 27-13-15-8 IS ADDED TO THE INDIANA CODE  
5           AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
6           1, 2021]: **Sec. 8. (a) This section applies when a participating**  
7           **provider contract entered into under this chapter is:**

- 8                   **(1) canceled by a health maintenance organization;**  
9                   **(2) not renewed by a health maintenance organization; or**  
10                  **(3) being renegotiated by a health maintenance organization**  
11                  **and a participating provider.**

12           **(b) A health maintenance organization must provide an**  
13           **additional thirty (30) days after the date:**

- 14                   **(1) a participating provider contract is terminated due to the**  
15                   **health maintenance organization canceling or not renewing**  
16                   **the contract; or**  
17                   **(2) the health maintenance organization and participating**  
18                   **provider are required to complete the renegotiation of the**  
19                   **terms of a participating provider contract;**

20           **for a group contract holder or an individual insured under an**  
21           **individual contract to make a decision on the renewal of coverage**  
22           **under a health maintenance organization contract.**

