

# HOUSE BILL No. 1655

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8; IC 27-13-7-3.

**Synopsis:** Preexisting conditions and essential benefits. Prohibits preexisting condition exclusions in, and use of a preexisting condition to determine a premium for, individual policies of accident and sickness insurance, small employer group health insurance plans, and health maintenance organization contracts. Specifies benefits that must be included in individual and small group policies of accident and sickness insurance and health maintenance organization contracts. Repeals provisions providing for individual and association group accident and sickness insurance policy waivers of coverage. Repeals provisions providing for preexisting condition exclusions in small employer group health insurance plans. Requires the legislative services agency to draft legislation for introduction in the 2020 session of the general assembly to make conforming changes to the Indiana Code.

**Effective:** July 1, 2019.

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## Austin

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January 24, 2019, read first time and referred to Committee on Insurance.

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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. 1655

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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 27-8-5-2.5, AS AMENDED BY P.L.3-2008,  
2 SECTION 212, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2019]: Sec. 2.5. (a) As used in this section, the  
4 term "policy of accident and sickness insurance" does not include the  
5 following:  
6 (1) Accident only, credit, dental, vision, Medicare supplement,  
7 long term care, or disability income insurance.  
8 (2) Coverage issued as a supplement to liability insurance.  
9 (3) Automobile medical payment insurance.  
10 (4) A specified disease policy.  
11 (5) A short term insurance plan that:  
12 (A) may not be renewed; and  
13 (B) has a duration of not more than six (6) months.  
14 (6) A policy that provides indemnity benefits not based on any  
15 expense incurred requirement, including a plan that provides  
16 coverage for:  
17 (A) hospital confinement, critical illness, or intensive care; or



- 1 (B) gaps for deductibles or copayments.  
 2 (7) Worker's compensation or similar insurance.  
 3 (8) A student health plan.  
 4 (9) A supplemental plan that always pays in addition to other  
 5 coverage.  
 6 (10) An employer sponsored health benefit plan that is:  
 7 (A) provided to individuals who are eligible for Medicare; and  
 8 (B) not marketed as, or held out to be, a Medicare supplement  
 9 policy.
- 10 (b) The benefits provided by:  
 11 (1) an individual policy of accident and sickness insurance; or  
 12 (2) a certificate of coverage that is issued under a nonemployer  
 13 based association group policy of accident and sickness insurance  
 14 to an individual who is a resident of Indiana;  
 15 may not be excluded, limited, or denied for more than twelve (12)  
 16 months after the effective date of the coverage because of a preexisting  
 17 condition of the individual.
- 18 (c) ~~An individual policy of accident and sickness insurance or a~~  
 19 ~~certificate of coverage described in subsection (b) may not define a~~  
 20 ~~preexisting condition, a rider, or an endorsement more restrictively~~  
 21 ~~than as:~~  
 22 ~~(1) a condition that would have caused an ordinarily prudent~~  
 23 ~~person to seek medical advice, diagnosis, care, or treatment~~  
 24 ~~during the twelve (12) months immediately preceding the~~  
 25 ~~effective date of the plan;~~  
 26 ~~(2) a condition for which medical advice, diagnosis, care, or~~  
 27 ~~treatment was recommended or received during the twelve (12)~~  
 28 ~~months immediately preceding the effective date of the plan; or~~  
 29 ~~(3) a pregnancy existing on the effective date of the plan.~~
- 30 (d) ~~An insurer shall reduce the period allowed for a preexisting~~  
 31 ~~condition exclusion described in subsection (b) by the amount of time~~  
 32 ~~the individual has continuously served under a preexisting condition~~  
 33 ~~clause for a policy of accident and sickness insurance issued under~~  
 34 ~~IC 27-8-15 if the individual applies for a policy under this chapter not~~  
 35 ~~more than thirty (30) days after coverage under a policy of accident and~~  
 36 ~~sickness insurance issued under IC 27-8-15 expires.~~
- 37 (c) **An insurer that issues an individual policy of accident and**  
 38 **sickness insurance or a certificate of coverage described in**  
 39 **subsection (b) may not use a preexisting condition of an insured as**  
 40 **a factor in determining the premium for the policy or certificate.**
- 41 (d) **An individual policy of accident and sickness insurance and**  
 42 **a certificate of coverage described in subsection (b) must include**



1 coverage for all of the following without annual or lifetime  
2 limitations:

- 3 (1) Ambulatory patient services.  
4 (2) Emergency services.  
5 (3) Hospitalization.  
6 (4) Maternity and newborn care.  
7 (5) Mental health and substance use disorder services,  
8 including behavioral health treatment.  
9 (6) Prescription drugs.  
10 (7) Rehabilitative and habilitative services and devices.  
11 (8) Laboratory services.  
12 (9) Preventive and wellness services and chronic disease  
13 management.  
14 (10) Pediatric services, including oral and vision care.

15 SECTION 2. IC 27-8-5-2.7 IS REPEALED [EFFECTIVE JULY 1,  
16 2019]. Sec. 2.7: (a) Notwithstanding section 2.5 of this chapter and any  
17 other law; and except as provided in subsection (b); an individual  
18 policy of accident and sickness insurance that is issued after June 30,  
19 2005; may contain a waiver of coverage for a specified condition and  
20 any complications that arise from the specified condition if:

- 21 (1) the waiver period does not exceed ten (10) years; and  
22 (2) all the following conditions are met:

23 (A) The insurer provides to the applicant before issuance of  
24 the policy written notice explaining the waiver of coverage for  
25 the specified condition and complications arising from the  
26 specified condition:

27 (B) The:

- 28 (i) offer of coverage; and  
29 (ii) policy;

30 include the waiver in a separate section stating in bold print  
31 that the applicant is receiving coverage with an exception for  
32 the waived condition:

33 (C) The:

- 34 (i) offer of coverage; and  
35 (ii) policy;

36 do not include more than two (2) waivers per individual:

37 (D) The waiver period is concurrent with and not in addition  
38 to any applicable preexisting condition limitation or  
39 exclusionary period:

40 (E) The insurer agrees to:

- 41 (i) review the underwriting basis for the waiver upon request  
42 one (1) time per year; and



1 (ii) remove the waiver if the insurer determines that  
2 evidence of insurability is satisfactory.

3 (F) The insurer discloses to the applicant that the applicant  
4 may decline the offer of coverage and apply for a policy issued  
5 by the Indiana comprehensive health insurance association  
6 under IC 27-8-10.

7 (G) An insurance benefit card issued by the insurer to the  
8 applicant includes a telephone number for verification of  
9 coverage waived.

10 The insurer shall require an applicant to initial the written notice  
11 provided under subdivision (2)(A) and the waiver included in the offer  
12 of coverage and in the policy under subdivision (2)(B) to acknowledge  
13 acceptance of the waiver of coverage. An offer of coverage under a  
14 policy that includes a waiver under this subsection does not preclude  
15 eligibility for an Indiana comprehensive health insurance association  
16 policy under IC 27-8-10-5.1.

17 (b) An individual policy of accident and sickness insurance may not  
18 include a waiver of coverage for a:

- 19 (1) mental health condition; or  
20 (2) developmental disability.

21 (c) An insurer may not, on the basis of a waiver contained in a  
22 policy as provided in subsection (a); deny coverage for any condition  
23 or complication that is not specified as required in the:

- 24 (1) written notice under subsection (a)(2)(A); and  
25 (2) offer of coverage and policy under subsection (a)(2)(B).

26 (d) An insurer that removes a waiver under subsection (a)(2)(E)  
27 shall not consider the condition or any complication to which the  
28 waiver previously applied in making policy renewal and underwriting  
29 determinations.

30 (e) Upon the expiration of the waiver period allowed under this  
31 section, the insurer shall:

- 32 (1) remove the waiver;  
33 (2) not consider the condition or any complication to which the  
34 waiver previously applied in making policy underwriting  
35 determinations; and  
36 (3) renew the policy in accordance with 45 CFR 148.122.

37 SECTION 3. IC 27-8-5-16.5, AS AMENDED BY P.L.11-2011,  
38 SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
39 JULY 1, 2019]: Sec. 16.5. (a) As used in this section, "delivery state"  
40 means any state other than Indiana in which a policy is delivered or  
41 issued for delivery.

42 (b) Except as provided in subsection (c), (d), or (e), a certificate may



1 not be issued to a resident of Indiana pursuant to a group policy that is  
2 delivered or issued for delivery in a state other than Indiana.

3 (c) A certificate may be issued to a resident of Indiana pursuant to  
4 a group policy not described in subsection (d) that is delivered or  
5 issued for delivery in a state other than Indiana if:

6 (1) the delivery state has a law substantially similar to section 16  
7 of this chapter;

8 (2) the delivery state has approved the group policy; and

9 (3) the policy or the certificate contains provisions that are:

10 (A) substantially similar to the provisions required by:

11 (i) section 19 of this chapter;

12 (ii) section 21 of this chapter; and

13 (iii) IC 27-8-5.6; and

14 (B) consistent with the requirements set forth in:

15 (i) section 24 of this chapter;

16 (ii) IC 27-8-6;

17 (iii) IC 27-8-14;

18 (iv) IC 27-8-23;

19 (v) 760 IAC 1-38.1; and

20 (vi) 760 IAC 1-39.

21 (d) A certificate may be issued to a resident of Indiana under an  
22 association group policy, a discretionary group policy, or a trust group  
23 policy that is delivered or issued for delivery in a state other than  
24 Indiana if:

25 (1) the delivery state has a law substantially similar to section 16  
26 of this chapter;

27 (2) the delivery state has approved the group policy; and

28 (3) the policy or the certificate contains provisions that are:

29 (A) substantially similar to the provisions required by:

30 (i) section 19 of this chapter or, if the policy or certificate is  
31 described in section 2.5(b)(2) of this chapter, section 2.5 of  
32 this chapter;

33 ~~(ii) section 19.3 of this chapter if the policy or certificate~~  
34 ~~contains a waiver of coverage;~~

35 ~~(iii) (ii) section 21 of this chapter; and~~

36 ~~(iv) (iii) IC 27-8-5.6; and~~

37 (B) consistent with the requirements set forth in:

38 (i) section 15.6 of this chapter;

39 (ii) section 24 of this chapter;

40 (iii) section 26 of this chapter;

41 (iv) IC 27-8-6;

42 (v) IC 27-8-14;



- 1 (vi) IC 27-8-14.1;  
 2 (vii) IC 27-8-14.5;  
 3 (viii) IC 27-8-14.7;  
 4 (ix) IC 27-8-14.8;  
 5 (x) IC 27-8-20;  
 6 (xi) IC 27-8-23;  
 7 (xii) IC 27-8-24.3;  
 8 (xiii) IC 27-8-26;  
 9 (xiv) IC 27-8-28;  
 10 (xv) IC 27-8-29;  
 11 (xvi) 760 IAC 1-38.1; and  
 12 (xvii) 760 IAC 1-39.

13 (e) A certificate may be issued to a resident of Indiana pursuant to  
 14 a group policy that is delivered or issued for delivery in a state other  
 15 than Indiana if the commissioner determines that the policy pursuant  
 16 to which the certificate is issued meets the requirements set forth in  
 17 section 17(a) of this chapter.

18 (f) This section does not affect any other provision of Indiana law  
 19 governing the terms or benefits of coverage provided to a resident of  
 20 Indiana under any certificate or policy of insurance.

21 SECTION 4. IC 27-8-5-19.3 IS REPEALED [EFFECTIVE JULY  
 22 1, 2019]. Sec. 19.3: (a) This section applies to an association or a  
 23 discretionary group policy of accident and sickness insurance:

- 24 (1) under which a certificate of coverage is issued after June 30,  
 25 2005; to an individual member of the association or discretionary  
 26 group;  
 27 (2) under which a member of the association or discretionary  
 28 group is individually underwritten; and  
 29 (3) that is not employer based:

30 (b) Notwithstanding sections 19 and 19.2 of this chapter and any  
 31 other law, and except as provided in subsection (c), a policy described  
 32 in subsection (a) may contain a waiver of coverage for a specified  
 33 condition and any complications that arise from the specified condition  
 34 if:

- 35 (1) the waiver period does not exceed ten (10) years; and  
 36 (2) all of the following conditions are met:  
 37 (A) The insurer provides to the applicant before issuance of  
 38 the certificate written notice explaining the waiver of coverage  
 39 for the specified condition and complications arising from the  
 40 specified condition.  
 41 (B) The:  
 42 (i) offer of coverage; and



- 1 (ii) certificate of coverage;  
 2 include the waiver in a separate section stating in bold print  
 3 that the applicant is receiving coverage with an exception for  
 4 the waived condition.  
 5 (C) The:  
 6 (i) offer of coverage; and  
 7 (ii) certificate of coverage;  
 8 do not include more than two (2) waivers per individual.  
 9 (D) The waiver period is concurrent with and not in addition  
 10 to any applicable preexisting condition limitation or  
 11 exclusionary period.  
 12 (E) The insurer agrees to:  
 13 (i) review the underwriting basis for the waiver upon request  
 14 one (1) time per year; and  
 15 (ii) remove the waiver if the insurer determines that  
 16 evidence of insurability is satisfactory.  
 17 (F) The insurer discloses to the applicant that the applicant  
 18 may decline the offer of coverage, and that any individual to  
 19 whom the waiver would have applied may apply for a policy  
 20 issued by the Indiana comprehensive health insurance  
 21 association under IC 27-8-10.  
 22 (G) An insurance benefit card issued by the insurer to the  
 23 applicant includes a telephone number for verification of  
 24 coverage waived.  
 25 (c) The insurer shall require an applicant to initial the written notice  
 26 provided under subsection (b)(2)(A) and the waiver included in the  
 27 offer of coverage and in the certificate of coverage under subsection  
 28 (b)(2)(B) to acknowledge acceptance of the waiver of coverage.  
 29 (d) An offer of coverage under a policy that includes a waiver under  
 30 this section does not preclude eligibility for an Indiana comprehensive  
 31 health insurance association policy under IC 27-8-10-5.1.  
 32 (e) A policy described in subsection (a) may not include a waiver of  
 33 coverage for a:  
 34 (1) mental health condition; or  
 35 (2) developmental disability.  
 36 (f) An insurer may not, on the basis of a waiver contained in a policy  
 37 as provided in this section, deny coverage for any condition or  
 38 complication that is not specified as required in the:  
 39 (1) written notice under subsection (b)(2)(A); and  
 40 (2) offer of coverage and certificate of coverage under subsection  
 41 (b)(2)(B).  
 42 (g) An insurer that removes a waiver under subsection (b)(2)(E)





1 shall not consider the condition or any complication to which the  
 2 waiver previously applied in making policy renewal and underwriting  
 3 determinations:

4 (h) Upon the expiration of the waiver period allowed under this  
 5 section, the insurer shall:

6 (1) remove the waiver;

7 (2) not consider the condition or any complication to which the  
 8 waiver previously applied in making policy underwriting  
 9 determinations; and

10 (3) renew the policy in accordance with 45 CFR 148.122.

11 SECTION 5. IC 27-8-15-9, AS AMENDED BY P.L.11-2011,  
 12 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 13 JULY 1, 2019]: Sec. 9. (a) ~~Except as provided in section 28 of this~~  
 14 ~~chapter~~, As used in this chapter, "health insurance plan" or "plan"  
 15 means any:

16 (1) hospital or medical expense incurred policy or certificate;

17 (2) hospital or medical service plan contract; or

18 (3) health maintenance organization subscriber contract;

19 provided to the employees of a small employer.

20 (b) The term does not include the following:

21 (1) Accident-only, credit, dental, vision, Medicare supplement,  
 22 long term care, or disability income insurance.

23 (2) Coverage issued as a supplement to liability insurance.

24 (3) Worker's compensation or similar insurance.

25 (4) Automobile medical payment insurance.

26 (5) A specified disease policy.

27 (6) A short term insurance plan that:

28 (A) may not be renewed; and

29 (B) has a duration of not more than six (6) months.

30 (7) A policy that provides indemnity benefits not based on any  
 31 expense incurred requirement, including a plan that provides  
 32 coverage for:

33 (A) hospital confinement, critical illness, or intensive care; or

34 (B) gaps for deductibles or copayments.

35 (8) A supplemental plan that always pays in addition to other  
 36 coverage.

37 (9) A student health plan.

38 (10) An employer sponsored health benefit plan that is:

39 (A) provided to individuals who are eligible for Medicare; and

40 (B) not marketed as, or held out to be, a Medicare supplement  
 41 policy.

42 SECTION 6. IC 27-8-15-27, AS AMENDED BY P.L.160-2011,



1 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
2 JULY 1, 2019]: Sec. 27. (a) This section shall be applied in conformity  
3 with the requirements of the federal Patient Protection and Affordable  
4 Care Act (P.L. 111-148), as amended by the federal Health Care and  
5 Education Reconciliation Act of 2010 (P.L. 111-152), as in effect on  
6 September 23, 2010.

7 (b) **The benefits under** a health insurance plan provided by a small  
8 employer insurer to a small employer ~~must comply with the following:~~

9 (1) ~~The benefits provided by a plan to an eligible employee~~  
10 ~~enrolled in the plan may not be excluded, limited, or denied for~~  
11 ~~more than nine (9) months after the effective date of the coverage~~  
12 ~~because of a preexisting condition of the an eligible employee,~~  
13 ~~the eligible employee's spouse, or the eligible employee's~~  
14 ~~dependent.~~

15 (2) ~~The plan may not define a preexisting condition, rider, or~~  
16 ~~endorsement more restrictively than as a condition for which~~  
17 ~~medical advice, diagnosis, care, or treatment was recommended~~  
18 ~~or received during the six (6) months immediately preceding the~~  
19 ~~effective date of enrollment in the plan.~~

20 (c) **A small employer insurer may not use a preexisting**  
21 **condition of a covered individual as a factor in determining the**  
22 **premium for the covered individual's health insurance plan.**

23 (d) **A health insurance plan provided by a small employer**  
24 **insurer to a small employer must include coverage for all of the**  
25 **following without annual or lifetime limitations:**

26 (1) **Ambulatory patient services.**

27 (2) **Emergency services.**

28 (3) **Hospitalization.**

29 (4) **Maternity and newborn care.**

30 (5) **Mental health and substance use disorder services,**  
31 **including behavioral health treatment.**

32 (6) **Prescription drugs.**

33 (7) **Rehabilitative and habilitative services and devices.**

34 (8) **Laboratory services.**

35 (9) **Preventive and wellness services and chronic disease**  
36 **management.**

37 (10) **Pediatric services, including oral and vision care.**

38 SECTION 7. IC 27-8-15-28 IS REPEALED [EFFECTIVE JULY 1,  
39 2019]. Sec. 28: (a) As used in this section, "health insurance plan"  
40 means coverage provided under any of the following:

41 (1) A hospital or medical expense incurred policy or certificate:

42 (2) A hospital or medical service plan contract.



- 1 (3) A health maintenance organization subscriber contract.  
 2 (4) Medicare or Medicaid.  
 3 (5) An employer based health insurance arrangement.  
 4 (6) An individual health insurance policy.  
 5 (7) A policy issued by the Indiana comprehensive health  
 6 insurance association under IC 27-8-10.  
 7 (8) An employee welfare benefit plan (as defined in 29 U.S.C.  
 8 1002) that is self-funded.  
 9 (9) A conversion policy issued under section 31 or 31.1 of this  
 10 chapter.

11 (b) Except as provided in section 29 of this chapter, a small  
 12 employer insurer shall waive the exclusion period described in section  
 13 27 of this chapter applicable to a preexisting condition or the limitation  
 14 period with respect to a particular service in a health insurance plan for  
 15 the time an eligible employee or a dependent of an eligible employee  
 16 was previously covered by a health insurance plan if the following  
 17 conditions are met:

- 18 (1) The eligible employee or a dependent of the eligible employee  
 19 was previously covered by a health insurance plan that provided  
 20 benefits with respect to the particular service.  
 21 (2) Coverage under the health insurance plan was continuous to  
 22 a date not more than sixty-three (63) days before the effective  
 23 date of enrollment by:  
 24 (A) the eligible employee; or  
 25 (B) a dependent of the eligible employee.

26 (c) In determining whether an eligible employee or a dependent of  
 27 the eligible employee meets the requirements of subsection (b)(2), a  
 28 waiting period imposed by a small employer insurer or small employer  
 29 before new coverage may become effective must be excluded from the  
 30 calculation.

31 (d) This section does not preclude the application of any waiting  
 32 period applicable to all new enrollees under a plan.

33 SECTION 8. IC 27-8-15-29 IS REPEALED [EFFECTIVE JULY 1,  
 34 2019]. See: 29: (a) This section shall be applied in conformity with the  
 35 requirements of the federal Patient Protection and Affordable Care Act  
 36 (P.L. 111-148); as amended by the federal Health Care and Education  
 37 Reconciliation Act of 2010 (P.L. 111-152); as in effect on September  
 38 23, 2010.

39 (b) A plan may exclude coverage for a late enrollee or the late  
 40 enrollee's covered spouse or dependent for not more than fifteen (15)  
 41 months.

42 (c) If a late enrollee or the late enrollee's covered spouse or



1 dependent has a preexisting condition, a plan may exclude coverage for  
 2 the preexisting condition for not more than fifteen (15) months:

3 (d) If a period of exclusion from coverage under subsection (b) and  
 4 a preexisting condition exclusion under subsection (c) are applicable  
 5 to the late enrollee, the combined period of exclusion may not exceed  
 6 fifteen (15) months from the date that the eligible employee enrolls for  
 7 coverage under the health insurance plan.

8 SECTION 9. IC 27-8-15-30 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 30. Except as permitted  
 10 under sections section 27 and 29 of this chapter, a small employer  
 11 insurer shall not modify a health insurance plan with respect to:

12 (1) a small employer; or

13 (2) an eligible employee or dependent;

14 through riders, endorsements, or otherwise to restrict or exclude  
 15 coverage or benefits for specific diseases, medical conditions, or  
 16 services otherwise covered by the plan.

17 SECTION 10. IC 27-8-15-32 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 32. (a) If an individual:

19 (1) becomes an eligible employee of a small employer after the  
 20 date that a small employer insurer first insures an eligible  
 21 employee of the small employer under a health insurance plan;  
 22 and

23 (2) is not a late enrollee;

24 the individual and all dependents of the individual are entitled to  
 25 coverage under section 33 of this chapter, subject to the provisions of  
 26 sections section 27 and 28 of this chapter.

27 SECTION 11. IC 27-8-15-33 IS AMENDED TO READ AS  
 28 FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 33. (a) If a small  
 29 employer insurer offers coverage under a health insurance plan to a  
 30 small employer, the small employer insurer shall provide the employer  
 31 coverage under the plan for:

32 (1) all eligible employees of the small employer; and

33 (2) the dependents of all eligible employees of the small  
 34 employer.

35 (b) Except as provided in section 29 of this chapter With respect to  
 36 late enrollees, a small employer insurer shall not limit the insurer's  
 37 provision of coverage to:

38 (1) certain individuals in a small employer group; or

39 (2) a part of a small employer group.

40 (c) This section does not prohibit an eligible employee from  
 41 declining coverage under this section.

42 (d) Nothing in this chapter prohibits a small employer insurer from



1 including minimum participation and contribution requirements in its  
2 offer of coverage.

3 SECTION 12. IC 27-13-7-3, AS AMENDED BY P.L.160-2011,  
4 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2019]: Sec. 3. (a) A contract referred to in section 1 of this  
6 chapter must clearly state the following:

7 (1) The name and address of the health maintenance organization.

8 (2) Eligibility requirements.

9 (3) Benefits and services within the service area.

10 (4) Emergency care benefits and services.

11 (5) Any out-of-area benefits and services.

12 (6) Copayments, deductibles, and other out-of-pocket costs.

13 (7) **Subject to subsection (d)**, limitations and exclusions.

14 (8) Enrollee termination provisions.

15 (9) Any enrollee reinstatement provisions.

16 (10) Claims procedures.

17 (11) Enrollee grievance procedures.

18 (12) Continuation of coverage provisions.

19 (13) Conversion provisions.

20 (14) Extension of benefit provisions.

21 (15) Coordination of benefit provisions.

22 (16) Any subrogation provisions.

23 (17) A description of the service area.

24 (18) The entire contract provisions.

25 (19) The term of the coverage provided by the contract.

26 (20) Any right of cancellation of the group or individual contract  
27 holder.

28 (21) Right of renewal provisions.

29 (22) Provisions regarding reinstatement of a group or an  
30 individual contract holder.

31 (23) Grace period provisions.

32 (24) A provision on conformity with state law.

33 (25) A provision or provisions that comply with the:

34 (A) guaranteed renewability; and

35 (B) group portability;

36 requirements of the federal Health Insurance Portability and  
37 Accountability Act of 1996 (26 U.S.C. 9801(c)(1)).

38 (26) That the contract provides, upon request of the subscriber,  
39 coverage for a child of the subscriber until the date the child  
40 becomes twenty-six (26) years of age.

41 (b) For purposes of subsection (a), an evidence of coverage which  
42 is filed with a contract may be considered part of the contract.



- 1           **(c) Benefits under an individual contract or a group contract**
- 2 **may not be excluded, limited, or denied because of a preexisting**
- 3 **condition of an enrollee.**
- 4           **(d) A health maintenance organization may not use a preexisting**
- 5 **condition of an enrollee as a factor in determining the premium for**
- 6 **the individual contract or group contract.**
- 7           **(e) An individual contract and a group contract entered into**
- 8 **with a small employer for the benefit of the small employer's**
- 9 **employees must include coverage for all of the following without**
- 10 **annual or lifetime limitations:**
  - 11           **(1) Ambulatory patient services.**
  - 12           **(2) Emergency services.**
  - 13           **(3) Hospitalization.**
  - 14           **(4) Maternity and newborn care.**
  - 15           **(5) Mental health and substance use disorder services,**
  - 16 **including behavioral health treatment.**
  - 17           **(6) Prescription drugs.**
  - 18           **(7) Rehabilitative and habilitative services and devices.**
  - 19           **(8) Laboratory services.**
  - 20           **(9) Preventive and wellness services and chronic disease**
  - 21 **management.**
  - 22           **(10) Pediatric services, including oral and vision care.**
- 23           **SECTION 13. [EFFECTIVE JULY 1, 2019] (a) The legislative**
- 24 **services agency shall prepare legislation for introduction during**
- 25 **the 2020 session of the general assembly to conform the Indiana**
- 26 **Code to amendments made by this act.**
- 27           **(b) To the extent that a provision of this act is inconsistent with**
- 28 **another provision of the Indiana Code, the provision of this act**
- 29 **prevails.**
- 30           **(c) This SECTION expires July 1, 2020.**

