

# SENATE BILL No. 205

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-7-17.

**Synopsis:** Medical payment coverage. Specifies that medical payment coverage is supplemental to coverage under a health plan.

**Effective:** July 1, 2020.

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## Messmer

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January 6, 2020, read first time and referred to Committee on Insurance and Financial Institutions.

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Second Regular Session of the 121st General Assembly (2020)

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 2019 Regular Session of the General Assembly.

# SENATE BILL No. 205

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 27-7-17 IS ADDED TO THE INDIANA CODE AS  
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2020]:

4 **Chapter 17. Medical Payment Coverage**

5 **Sec. 1. As used in this chapter, "covered individual" means an**  
6 **individual who is entitled to coverage under a health plan.**

7 **Sec. 2. As used in this chapter, "health care services" has the**  
8 **meaning set forth in IC 27-8-11-1.**

9 **Sec. 3. (a) As used in this chapter, "health plan" means a plan**  
10 **through which coverage is provided for health care services**  
11 **through insurance, prepayment, reimbursement, or otherwise. The**  
12 **term includes the following:**

- 13 (1) **A policy of accident and sickness insurance (as defined in**  
14 **IC 27-8-5-1).**
- 15 (2) **An individual contract (as defined in IC 27-13-1-21) or a**  
16 **group contract (as defined in IC 27-13-1-16).**
- 17 (3) **A state employee health plan offered under IC 5-10-8.**



- 1           **(4) An employee welfare benefit plan (as defined in 29 U.S.C.**  
 2           **1002 et seq.).**  
 3           **(5) Accident only insurance.**  
 4           **(6) Medicare supplement insurance.**  
 5       **(b) The term does not include the following:**  
 6           **(1) Credit, long term care, or disability income insurance.**  
 7           **(2) Liability insurance coverage.**  
 8           **(3) Worker's compensation or similar insurance.**  
 9           **(4) Medical payment coverage.**  
 10          **(5) A specified disease policy issued as an individual policy.**  
 11          **(6) A policy that provides a stipulated daily, weekly, or**  
 12          **monthly payment to an insured during hospital confinement,**  
 13          **without regard to the actual expense of the confinement.**  
 14       **Sec. 4. (a) As used in this chapter, "medical payment coverage"**  
 15       **means an insurance policy benefit that provides payment for**  
 16       **expenses incurred by an individual as a result of injury, illness, or**  
 17       **death arising from the:**  
 18           **(1) operation of a motor vehicle; or**  
 19           **(2) individual's presence on a premises;**  
 20       **that is covered by the insurance policy.**  
 21       **(b) The term includes coverage for emergency medical**  
 22       **transportation, health care services, and funeral and burial**  
 23       **expenses.**  
 24       **(c) The term does not include benefits provided by the**  
 25       **following:**  
 26           **(1) Liability insurance coverage.**  
 27           **(2) A health plan.**  
 28       **Sec. 5. (a) Medical payment coverage is supplemental to the**  
 29       **benefits:**  
 30           **(1) to which a covered individual is entitled under a health**  
 31           **plan; and**  
 32           **(2) that are the same as or similar to benefits available to the**  
 33           **covered individual under the medical payment coverage.**  
 34       **(b) A health plan may not require the use or exhaustion of**  
 35       **medical payment coverage as a condition of payment of benefits:**  
 36           **(1) under the health plan; and**  
 37           **(2) for health care services rendered to a covered individual.**  
 38       **Sec. 6. In the absence of health plan benefits that are the same**  
 39       **as or similar to benefits available to an individual under medical**  
 40       **payment coverage, the medical payment coverage is primary**  
 41       **coverage.**  
 42       **Sec. 7. A contractual provision that is:**



1           **(1) contained in a contract entered into, amended, or renewed**  
2           **after June 30, 2020; and**  
3           **(2) contrary to this chapter;**  
4           **is void.**

