

# SENATE BILL No. 396

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 12-15-1-19.

**Synopsis:** Contracting of Medicaid services. Requires the office of the secretary of family and social services to require, as part of the office's initial contract for a specified risk based managed care program, a managed care organization to subcontract at least 75% of the specified services and programs to a home and community based entity for the duration of the contract. Allows for exceptions in specified circumstances.

**Effective:** July 1, 2023.

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January 19, 2023, read first time and referred to Committee on Health and Provider Services.

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First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

# SENATE BILL No. 396

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 12-15-1-19 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 19. **(a)** The office may,  
3 in administering managed care programs, contract with community  
4 entities, including private entities, for the following:  
5 (1) Outreach for and enrollment in the managed care programs.  
6 (2) Provision of services.  
7 (3) Consumer education and public health education.  
8 **(b) Except as provided in subsection (c), in the office's initial**  
9 **contract for a risk based managed care program or capitated**  
10 **managed care program for Medicaid recipients who are eligible to**  
11 **participate in the Medicare program (42 U.S.C. 1395 et seq.), the**  
12 **office shall require a managed care organization to subcontract to**  
13 **a home and community based entity at least seventy-five percent**  
14 **(75%) of the services and programs described in subsection (a) for**  
15 **the term of the initial contract.**  
16 **(c) A managed care organization may retain the provision of**  
17 **more than twenty-five percent (25%) of the services and programs**



1 described in subsection (a) if a qualified home and community  
2 based entity:  
3 (1) does not respond to a contract request described in  
4 subsection (b);  
5 (2) is not able to provide coverage for services and programs  
6 in the requested geographic area; or  
7 (3) does not satisfactorily meet the requirements of the  
8 contract.

