



February 22, 2019

SENATE BILL No. 437

DIGEST OF SB 437 (Updated February 21, 2019 1:34 pm - DI 120)

Citations Affected: IC 12-7; IC 12-15.

Synopsis: School based services and Medicaid. Provides that the office of the secretary of family and social services may apply for: (1) a Medicaid state plan amendment to provide Medicaid reimbursement for health care services and school based services to specified individuals provided by a school based health center; and (2) supplemental Medicaid reimbursement payments to qualified school based health centers under the fee for service Medicaid program. Provides that state expenditures and local school expenditures for funding for Medicaid covered school based services and other health care services provided to a Medicaid recipient by a school based health center may be made only if: (1) the state plan amendment is approved; and (2) intergovernmental transfer funding for the nonfederal share of supplemental Medicaid payments for Medicaid fee for services program is continuously made.

Effective: July 1, 2019.

Zay, Charbonneau

January 15, 2019, read first time and referred to Committee on Appropriations.
February 21, 2019, amended, reported favorably — Do Pass.

SB 437—LS 7232/DI 104



February 22, 2019

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.

SENATE BILL No. 437

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 12-7-2-170.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2019]: **Sec. 170.5. "School based health**
4 **center", for purposes of IC 12-15, means a clinic operated on**
5 **behalf of a public school (as defined in IC 20-18-2-15(1)), including**
6 **a charter school, that provides health care services either:**
7 **(1) by qualified health care providers employed by the school;**
8 **or**
9 **(2) through a contract with a health care provider, including**
10 **any of the following:**
11 **(A) A hospital licensed under IC 16-21.**
12 **(B) A physician group practice.**
13 **(C) A federally qualified health center (as defined in 42**
14 **U.S.C. 1396d(l)(2)(B)).**
15 **(D) A rural health clinic (as defined in 42 U.S.C.**
16 **1396d(l)(1)).**
17 **(E) A community mental health center.**

SB 437—LS 7232/DI 104



1 SECTION 2. IC 12-7-2-170.7 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2019]: **Sec. 170.7. "School based services",**
4 **for purposes of IC 12-15, means any covered Medicaid service**
5 **provided to any Medicaid recipient who is less than eighteen (18)**
6 **years of age at a school based health center.**

7 SECTION 3. IC 12-15-1.3-19 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JULY 1, 2019]: **Sec. 19. (a) This section applies to a**
10 **Medicaid recipient who:**

- 11 (1) is less than eighteen (18) years of age;
12 (2) is the parent of a recipient described in subdivision (1); or
13 (3) is a teacher or staff member of the public school for which
14 the school based health center is operated.

15 (b) The office may apply to the United States Department of
16 Health and Human Services for a state plan amendment to require
17 Medicaid reimbursement by:

- 18 (1) the office;
19 (2) a managed care organization that has contracted with the
20 office; or
21 (3) a contractor of the office;

22 for Medicaid covered school based services and other health care
23 services provided to a Medicaid recipient described in subsection
24 (a) by a school based health center.

25 (c) The office may apply to the United States Department of
26 Health and Human Services for a state plan amendment to provide
27 supplemental Medicaid reimbursement under the Medicaid fee for
28 service program as set forth in subsection (d) to a school based
29 health center that:

- 30 (1) is qualified to make; and
31 (2) has entered into an agreement with the office to make, or
32 has made on the school based health center's behalf;

33 an intergovernmental transfer to cover the nonfederal share of
34 supplemental Medicaid payments for Medicaid fee for service
35 program claims.

36 (d) For purposes of the fee for service program, a supplemental
37 Medicaid payment to a qualified school based health center under
38 this section by the office must be equal to either:

- 39 (1) the difference between the Medicaid fee for service rate
40 and the rate that Medicare pays for the same service; or
41 (2) if there is not a Medicare rate for the service, an amount
42 determined by the office.



1 (e) Any individual employed at the school based health center
2 must have had a national criminal history background check in
3 accordance with IC 20-26-5-10 and IC 20-26-5-11.

4 (f) State expenditures and local school expenditures for funding
5 for Medicaid covered school based services and other health care
6 services provided to a Medicaid recipient by a school based health
7 center under this section may be made only if:

8 (1) the state plan amendment to provide supplemental
9 Medicaid reimbursement under the Medicaid fee for service
10 program is approved by the United States Department of
11 Health and Human Services; and

12 (2) intergovernmental transfer funding for the nonfederal
13 share of supplemental Medicaid payments for Medicaid fee
14 for services program is continuously made.

15 School based services shall not be provided under this article if
16 intergovernmental transfer funding for the nonfederal share of
17 supplemental Medicaid payments for Medicaid fee for services
18 program ceases to be made.

19 SECTION 4. IC 12-15-5-1, AS AMENDED BY P.L.210-2015,
20 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
21 JULY 1, 2019]: Sec. 1. Except as provided in IC 12-15-2-12,
22 IC 12-15-6, and IC 12-15-21, the following services and supplies are
23 provided under Medicaid:

24 (1) Inpatient hospital services.

25 (2) Nursing facility services.

26 (3) Physician's services, including services provided under
27 IC 25-10-1 and IC 25-22.5-1.

28 (4) Outpatient hospital or clinic services.

29 (5) Home health care services.

30 (6) Private duty nursing services.

31 (7) Physical therapy and related services.

32 (8) Dental services.

33 (9) Prescribed laboratory and x-ray services.

34 (10) Prescribed drugs and pharmacist services.

35 (11) Eyeglasses and prosthetic devices.

36 (12) Optometric services.

37 (13) Diagnostic, screening, preventive, and rehabilitative services.

38 (14) Podiatric medicine services.

39 (15) Hospice services.

40 (16) Services or supplies recognized under Indiana law and
41 specified under rules adopted by the office.

42 (17) Family planning services except the performance of



- 1 abortions.
- 2 (18) Nonmedical nursing care given in accordance with the tenets
- 3 and practices of a recognized church or religious denomination to
- 4 an individual qualified for Medicaid who depends upon healing
- 5 by prayer and spiritual means alone in accordance with the tenets
- 6 and practices of the individual's church or religious denomination.
- 7 (19) Services provided to individuals described in IC 12-15-2-8.
- 8 (20) Services provided under IC 12-15-34 and IC 12-15-32.
- 9 (21) Case management services provided to individuals described
- 10 in IC 12-15-2-11 and IC 12-15-2-13.
- 11 (22) Any other type of remedial care recognized under Indiana
- 12 law and specified by the United States Secretary of Health and
- 13 Human Services.
- 14 (23) Examinations required under IC 16-41-17-2(a)(10).
- 15 (24) Inpatient substance abuse detoxification services.
- 16 **(25) Subject to approval of the state plan amendment applied**
- 17 **for under IC 12-15-1.3-19, school based services.**



COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 437, 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:

Page 2, line 15, delete "Before September 1, 2019, the" and insert **"The"**.

Page 2, line 15, delete "shall" and insert **"may"**.

Page 2, line 25, delete "Before September 1, 2019, the" and insert **"The"**.

Page 2, line 25, delete "shall" and insert **"may"**.

Page 3, between lines 3 and 4, begin a new paragraph and insert:

"(f) State expenditures and local school expenditures for funding for Medicaid covered school based services and other health care services provided to a Medicaid recipient by a school based health center under this section may be made only if:

(1) the state plan amendment to provide supplemental Medicaid reimbursement under the Medicaid fee for service program is approved by the United States Department of Health and Human Services; and

(2) intergovernmental transfer funding for the nonfederal share of supplemental Medicaid payments for Medicaid fee for services program is continuously made.

School based services shall not be provided under this article if intergovernmental transfer funding for the nonfederal share of supplemental Medicaid payments for Medicaid fee for services program ceases to be made."

and when so amended that said bill do pass.

(Reference is to SB 437 as introduced.)

MISHLER, Chairperson

Committee Vote: Yeas 11, Nays 0.

