HOUSE BILL No. 1546

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-15; IC 27-1-37.5-5.

Synopsis: Prior authorization and Medicaid. Specifies that the prior authorization for health care services statute applies to the risk based managed care Medicaid program.

Effective: July 1, 2019.

Kirchhofer

January 17, 2019, read first time and referred to Committee on Public Health.

Introduced

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. 1546

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 12-15-12-0.9, AS ADDED BY P.L.152-2017, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 0.9. (a) This section applies only with respect to the responsibilities of a managed care organization under:

(1) this article;

(2) IC 12-17.6;

(3) 42 CFR 438; or

(4) a rule adopted under a law described in subdivision (1) or (2).

(b) **Except as provided in IC 27-1-37.5,** if a provision of, or rule adopted under, IC 27 conflicts with the administration of the programs under a law described in subsection (a), the law described in subsection (a) is controlling.

SECTION 2. IC 12-15-29-4.5, AS ADDED BY P.L.187-2007, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 4.5. (a) An insurer shall accept a Medicaid claim for a Medicaid recipient for three (3) years from the date the service was provided.

(b) An insurer may not deny a Medicaid claim submitted by the office solely on the basis of:

(1) the date of submission of the claim;

(2) the type or format of the claim form;

(3) the method of submission of the claim; or

(4) a failure to provide proper documentation at the point of sale that is the basis of the claim;

if the claim is submitted by the office within three (3) years from the date the service was provided as required in subsection (a) and the office commences action to enforce the office's rights regarding the claim within six (6) years of the office's submission of the claim.

(c) An insurer may not deny a Medicaid claim submitted by the office solely due to a lack of prior authorization. An insurer shall:

(1) meet the requirements set forth in IC 27-1-37.5;

(2) conduct the prior authorization on a retrospective basis for claims where prior authorization is necessary; and

(3) adjudicate any claim authorized in this manner as if the claim received prior authorization.

SECTION 3. IC 27-1-37.5-5, AS ADDED BY P.L.77-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. (a) As used in this chapter, "health plan" means any of the following that provides coverage for health care services:

(1) A policy of accident and sickness insurance (as defined in IC 27-8-5-1). However, the term does not include the coverages described in IC 27-8-5-2.5(a).

(2) A contract with a health maintenance organization (as defined in IC 27-13-1-19) that provides coverage for basic health care services (as defined in IC 27-13-1-4).

(3) The Medicaid risk based managed care program under IC 12-15.

(b) The term includes a person that administers any of the following:

(1) A policy described in subsection (a)(1).

(2) A contract described in subsection (a)(2).

(3) A self-insurance program established under IC 5-10-8-7(b) to provide health care coverage.

(4) Medicaid risk based managed care.