

SENATE BILL No. 258

DIGEST OF INTRODUCED BILL

Citations Affected: IC 25-22.5-11-3.5; IC 27-1-44.5.

Synopsis: Physician referrals and reimbursement rates. Prohibits a referring physician from receiving compensation or an incentive from a health care entity or another physician, who is in the same health care network as the referring physician, for referring a patient to the health care entity or other physician. Provides that the rules adopted by the department of insurance regarding the all payer claims data base must include a requirement that health payers report physician reimbursement rates for each contract and specify a process for health payers to report the physician reimbursement rates. Requires the all payer claims data base to publish the physician reimbursement rates as a separate line item for each contract instead of in the aggregate.

Effective: July 1, 2024.

Busch

January 16, 2024, read first time and referred to Committee on Health and Provider Services.



Second Regular Session of the 123rd General Assembly (2024)

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 2023 Regular Session of the General Assembly.

SENATE BILL No. 258

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 25-22.5-11-3.5 IS ADDED TO THE INDIANA
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2024]: **Sec. 3.5. A referring physician may**
4 **not receive compensation or an incentive from a health care entity**
5 **or another physician, who is in the same health care network as the**
6 **referring physician, for referring a patient to the health care entity**
7 **or other physician.**

8 SECTION 2. IC 27-1-44.5-8, AS ADDED BY P.L.195-2021,
9 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2024]: Sec. 8. The data base must do the following:

11 (1) Provide an online, public web portal that is free to use and
12 allows the public to view the average negotiated charges by each
13 health carrier for specific health care services provided by an
14 individual health care provider, as well as the quality metrics for
15 facilities and providers for specific health care services. Facilities
16 and providers include hospitals, physician groups, ambulatory
17 outpatient surgical centers, physical therapy offices, imaging



1 centers, laboratories, infusion clinics, pharmacies, and any other
2 location providing health care services.

3 (2) Be available to the public as a resource to insurers, consumers,
4 employers, providers, purchasers of health care, and state
5 agencies to allow for continuous review of health care utilization,
6 expenditures, and quality and safety performance in the state.

7 (3) Be available to state agencies and private entities in the state
8 that are engaged in efforts to improve health care, subject to rules
9 adopted by the department.

10 (4) Be presented to allow for comparisons of geographic,
11 demographic, and economic factors and institutional size.

12 (5) Present data in a consumer friendly manner.

13 **(6) Publish data collected from health payers regarding**
14 **physician reimbursement rates as a separate line item for**
15 **each contract instead of in the aggregate.**

16 SECTION 3. IC 27-1-44.5-11, AS AMENDED BY P.L.225-2023,
17 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2024]: Sec. 11. (a) Except as provided in subsection (c), the
19 department shall adopt rules under IC 4-22-2 to implement this chapter.
20 The rules must include a requirement that health payer data sources
21 submit necessary information to the administrator. Rules enacted under
22 this subsection must cover all health payer data sources as follows:

23 (1) The department shall adopt rules that apply to health payers
24 regulated under IC 27.

25 (2) The office of the secretary of family and social services shall
26 adopt rules that apply to health payers regulated under IC 12.

27 (b) The department shall adopt provisional rules under
28 IC 4-22-2-37.1 establishing a fee formula for data licensing and the
29 collection and release of claims data.

30 (c) The department may adopt rules under IC 4-22-2 concerning the:

31 (1) requirement that health payers submit required data under
32 section 5 of this chapter; and

33 (2) establishment of a fee formula for data licensing, collection,
34 and release of claims described in section 9 of this chapter.

35 **(d) The rules adopted by the department under this section**
36 **must:**

37 **(1) include a requirement that health payers report physician**
38 **reimbursement rates for each contract, including contracts**
39 **with physician groups and individual physicians; and**

40 **(2) specify a process for health payers to report the data**
41 **described in subdivision (1).**

42 ~~(d)~~ (e) The department may impose a civil penalty on a health payer



1 that is required to submit information under this chapter and fails to
2 comply. A civil penalty collected under this section must be deposited
3 in the department of insurance fund created by IC 27-1-3-28.

