HOUSE BILL No. 1134

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-5-15.8; IC 27-13-7-14.2.

Synopsis: Insurance for mental health and substance use. Amends the definition of "treatment of a mental illness or substance abuse" for certain provisions of the Indiana Code.

Effective: July 1, 2026.

Andrade, Campbell

January 5, 2026, read first time and referred to Committee on Insurance.



Second Regular Session of the 124th General Assembly (2026)

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 2025 Regular Session of the General Assembly.

HOUSE BILL No. 1134

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

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

SECTION 1. IC 27-8-5-15.8, AS ADDED BY P.L.103-2020,

2	SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2026]: Sec. 15.8. (a) As used in this section, "treatment of a
4	mental illness or substance abuse" means:
5	(1) treatment for a mental illness, as defined in IC 12-7-2-130(1);
6	and
7	(2) treatment for drug abuse or alcohol abuse.
8	The term includes treatment provided by a mental health
9	counselor associate licensed under IC 25-23.6, a social worker
10	licensed under IC 25-23.6, a marriage and family therapist
11	associate licensed under IC 25-23.6-8-1.5, a clinical addiction
12	counselor associate licensed under IC 25-23.6, or an intern or a
13	trainee pursuing a course of study in medicine or psychology or a
14	course of study to gain licensure under IC 25-23.6, regardless of
15	whether the individual is in network (as defined in IC 27-1-46-4).
16	(b) As used in this section, "act" refers to the Paul Wellstone and

Pete Domenici Mental Health Parity and Addiction Act of 2008 and



16 17

1	any amendments thereto, plus any federal guidance or regulations
2	relevant to that act, including 45 CFR 146.136, 45 CFR 147.136, 45
3	CFR 147.160, and 45 CFR 156.115(a)(3).
4	(c) As used in this section, "nonquantitative treatment limitations"
5	refers to those limitations described in 26 CFR 54.9812-1, 29 CFR
6	2590.712, and 45 CFR 146.136.
7	(d) An insurer that issues a policy of accident and sickness
8	insurance that provides coverage of services for treatment of a mental
9	illness or substance abuse shall submit a report to the department not
10	later than December 31 of each year that contains the following
11	information:
12	
13	(1) A description of the processes:
14	(A) used to develop or select the medical necessity criteria for
	coverage of services for treatment of a mental illness or
15	substance abuse; and
16	(B) used to develop or select the medical necessity criteria for
17	coverage of services for treatment of other medical or surgical
18	conditions.
19	(2) Identification of all nonquantitative treatment limitations that
20	are applied to:
21	(A) coverage of services for treatment of a mental illness or
22	substance abuse; and
23	(B) coverage of services for treatment of other medical or
24	surgical conditions;
25	within each classification of benefits.
26	(e) There may be no separate nonquantitative treatment limitations
27	that apply to coverage of services for treatment of a mental illness or
28	substance abuse that do not apply to coverage of services for treatment
29	of other medical or surgical conditions within any classification of
30	benefits.
31	(f) An insurer that issues a policy of accident and sickness insurance
32	that provides coverage of services for treatment of a mental illness or
33	substance abuse shall also submit an analysis showing the insurer's
34	compliance with this section and the act to the department not later
35	than December 31 of each year. The analysis must do the following:
36	(1) Identify the factors used to determine that a nonquantitative
37	treatment limitation will apply to a benefit, including factors that
38	were considered but rejected.
39	(2) Identify and define the specific evidentiary standards used to
40	define the factors and any other evidence relied upon in designing
41	each nonquantitative treatment limitation.
42	(3) Provide the comparative analyses, including the results of the



1	analyses, performed to determine the following:
2	(A) That the processes and strategies used to design each
3	nonquantitative treatment limitation for coverage of services
4	for treatment of a mental illness or substance abuse are
5	comparable to, and applied no more stringently than, the
6	processes and strategies used to design each nonquantitative
7	treatment limitation for coverage of services for treatment of
8	other medical or surgical conditions.
9	(B) That the processes and strategies used to apply each
10	nonquantitative treatment limitation for treatment of a mental
11	illness or substance abuse are comparable to, and applied no
12	more stringently than, the processes and strategies used to
13	apply each nonquantitative limitation for treatment of other
14	medical or surgical conditions.
15	(g) The department shall adopt rules to ensure compliance with this
16	section and the applicable provisions of the act.
17	SECTION 2. IC 27-13-7-14.2, AS ADDED BY P.L.103-2020,
18	SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19	JULY 1, 2026]: Sec. 14.2. (a) As used in this section, "treatment of a
20	mental illness or substance abuse" means:
21	(1) treatment for a mental illness, as defined in IC 12-7-2-130(1);
22	and
23	(2) treatment for drug abuse or alcohol abuse.
24	The term includes treatment provided by a mental health
25	counselor associate licensed under IC 25-23.6, a social worker
26	licensed under IC 25-23.6, a marriage and family therapist
27	associate licensed under IC 25-23.6-8-1.5, a clinical addiction
28	counselor associate licensed under IC 25-23.6, or an intern or a
29	trainee pursuing a course of study in medicine or psychology or a
30	course of study to gain licensure under IC 25-23.6, regardless of
31	whether the individual is in network (as defined in IC 27-1-46-4).
32	(b) As used in this section, "act" refers to the Paul Wellstone and
33	Pete Domenici Mental Health Parity and Addiction Act of 2008 and
34	any amendments thereto, plus any federal guidance or regulations
35	relevant to that act, including 45 CFR 146.136, 45 CFR 147.136, 45
36	CFR 147.160, and 45 CFR 156.115(a)(3).
37	(c) As used in this section, "nonquantitative treatment limitations"
38	refers to those limitations described in 26 CFR 54.9812-1, 29 CFR
39	2590.712, and 45 CFR 146.136.
40	(d) An individual contract or a group contract that provides
41	coverage of services for treatment of a mental illness or substance

abuse shall submit a report to the department not later than December



42

2026

1	31 of each year that contains the following information:
2	(1) A description of the processes:
3	(A) used to develop or select the medical necessity criteria for
4	coverage of services for treatment of a mental illness or
5	substance abuse; and
6	(B) used to develop or select the medical necessity criteria for
7	coverage of services for treatment of other medical or surgical
8	conditions.
9	(2) Identification of all nonquantitative treatment limitations that
10	are applied to:
11	(A) coverage of services for treatment of a mental illness or
12	substance abuse; and
13	(B) coverage of services for treatment of other medical or
14	surgical conditions;
15	within each classification of benefits.
16	(e) There may be no separate nonquantitative treatment limitations
17	that apply to coverage of services for treatment of a mental illness or
18	substance abuse that do not apply to coverage of services for treatment
19	of other medical or surgical conditions within any classification of
20	benefits.
21	(f) An individual contract or a group contract that provides coverage
22	of services for treatment of a mental illness or substance abuse shall
23	also submit an analysis showing the insurer's compliance with this
24	section and the act to the department not later than December 31 of
25	each year. The analysis must do the following:
26	(1) Identify the factors used to determine that a nonquantitative
27	treatment limitation will apply to a benefit, including factors that
28	were considered but rejected.
29	(2) Identify and define the specific evidentiary standards used to
30	define the factors and any other evidence relied upon in designing
31	each nonquantitative treatment limitation.
32	(3) Provide the comparative analyses, including the results of the
33	analyses, performed to determine the following:
34	(A) That the processes and strategies used to design each
35	nonquantitative treatment limitation for coverage of services
36	for treatment of a mental illness or substance abuse are
37	comparable to, and applied no more stringently than, the
38	processes and strategies used to design each nonquantitative
39	treatment limitation for coverage of services for treatment of
40	other medical or surgical conditions.
41	(B) That the processes and strategies used to apply each



42

2026

nonquantitative treatment limitation for treatment of a mental

1	illness or substance abuse are comparable to, and applied no
2	more stringently than, the processes and strategies used to
3	apply each nonquantitative limitation for treatment of other
4	medical or surgical conditions.
5	(g) The department shall adopt rules to ensure compliance with this
6	section and the applicable provisions of the act

