

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:

1 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
17 Pete Domenici Mental Health Parity and Addiction Act of 2008 and



any amendments thereto, plus any federal guidance or regulations relevant to that act, including 45 CFR 146.136, 45 CFR 147.136, 45 CFR 147.160, and 45 CFR 156.115(a)(3).

(c) As used in this section, "nonquantitative treatment limitations" refers to those limitations described in 26 CFR 54.9812-1, 29 CFR 2590.712, and 45 CFR 146.136.

(d) An insurer that issues a policy of accident and sickness insurance that provides coverage of services for treatment of a mental illness or substance abuse shall submit a report to the department not later than December 31 of each year that contains the following information:

(1) A description of the processes:

(A) used to develop or select the medical necessity criteria for coverage of services for treatment of a mental illness or substance abuse; and

(B) used to develop or select the medical necessity criteria for coverage of services for treatment of other medical or surgical conditions.

(2) Identification of all nonquantitative treatment limitations that are applied to:

(A) coverage of services for treatment of a mental illness or substance abuse; and

(B) coverage of services for treatment of other medical or surgical conditions;

within each classification of benefits.

(e) There may be no separate nonquantitative treatment limitations that apply to coverage of services for treatment of a mental illness or substance abuse that do not apply to coverage of services for treatment of other medical or surgical conditions within any classification of benefits.

(f) An insurer that issues a policy of accident and sickness insurance that provides coverage of services for treatment of a mental illness or substance abuse shall also submit an analysis showing the insurer's compliance with this section and the act to the department not later than December 31 of each year. The analysis must do the following:

(1) Identify the factors used to determine that a nonquantitative treatment limitation will apply to a benefit, including factors that were considered but rejected.

(2) Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each nonquantitative treatment limitation.

(3) Provide the comparative analyses, including the results of the



analyses, performed to determine the following:

(A) That the processes and strategies used to design each nonquantitative treatment limitation for coverage of services for treatment of a mental illness or substance abuse are comparable to, and applied no more stringently than, the processes and strategies used to design each nonquantitative treatment limitation for coverage of services for treatment of other medical or surgical conditions.

(B) That the processes and strategies used to apply each nonquantitative treatment limitation for treatment of a mental illness or substance abuse are comparable to, and applied no more stringently than, the processes and strategies used to apply each nonquantitative limitation for treatment of other medical or surgical conditions.

(g) The department shall adopt rules to ensure compliance with this section and the applicable provisions of the act.

SECTION 2. IC 27-13-7-14.2, AS ADDED BY P.L.103-2020, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 14.2. (a) As used in this section, "treatment of a mental illness or substance abuse" means:

- (1) treatment for a mental illness, as defined in IC 12-7-2-130(1);
- and
- (2) treatment for drug abuse or alcohol abuse.

The term includes treatment provided by a mental health counselor associate licensed under IC 25-23.6, a social worker licensed under IC 25-23.6, a marriage and family therapist associate licensed under IC 25-23.6-8-1.5, a clinical addiction counselor associate licensed under IC 25-23.6, or an intern or a trainee pursuing a course of study in medicine or psychology or a course of study to gain licensure under IC 25-23.6, regardless of whether the individual is in network (as defined in IC 27-1-46-4).

(b) As used in this section, "act" refers to the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Act of 2008 and any amendments thereto, plus any federal guidance or regulations relevant to that act, including 45 CFR 146.136, 45 CFR 147.136, 45 CFR 147.160, and 45 CFR 156.115(a)(3).

(c) As used in this section, "nonquantitative treatment limitations" refers to those limitations described in 26 CFR 54.9812-1, 29 CFR 2590.712, and 45 CFR 146.136.

(d) An individual contract or a group contract that provides coverage of services for treatment of a mental illness or substance abuse shall submit a report to the department not later than December



31 of each year that contains the following information:

(1) A description of the processes:

(A) used to develop or select the medical necessity criteria for coverage of services for treatment of a mental illness or substance abuse; and

(B) used to develop or select the medical necessity criteria for coverage of services for treatment of other medical or surgical conditions.

(2) Identification of all nonquantitative treatment limitations that are applied to:

(A) coverage of services for treatment of a mental illness or substance abuse; and

(B) coverage of services for treatment of other medical or surgical conditions;

within each classification of benefits.

(e) There may be no separate nonquantitative treatment limitations that apply to coverage of services for treatment of a mental illness or substance abuse that do not apply to coverage of services for treatment of other medical or surgical conditions within any classification of benefits.

(f) An individual contract or a group contract that provides coverage of services for treatment of a mental illness or substance abuse shall also submit an analysis showing the insurer's compliance with this section and the act to the department not later than December 31 of each year. The analysis must do the following:

(1) Identify the factors used to determine that a nonquantitative treatment limitation will apply to a benefit, including factors that were considered but rejected.

(2) Identify and define the specific evidentiary standards used to define the factors and any other evidence relied upon in designing each nonquantitative treatment limitation.

(3) Provide the comparative analyses, including the results of the analyses, performed to determine the following:

(A) That the processes and strategies used to design each nonquantitative treatment limitation for coverage of services for treatment of a mental illness or substance abuse are comparable to, and applied no more stringently than, the processes and strategies used to design each nonquantitative treatment limitation for coverage of services for treatment of other medical or surgical conditions.

(B) That the processes and strategies used to apply each 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.

