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# HOUSE BILL No. 1260

Proposed Changes to introduced printing by AM126003

## DIGEST OF PROPOSED AMENDMENT

Medicare supplement insurance birthday rule. Provides that the prohibition on denying, conditioning, or discriminating in the pricing of Medicare supplement policies for certain applicants applies to an applicant who submits an application for a Medicare supplement policy or certificate during the period beginning one month before the applicant's birthday and ending one month after the applicant's birthday. (Under current law, the provision applies to an applicant who submits an application for a Medicare supplement policy or certificate within 60 days of the applicant's birthday.)

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 27-2-28-8, AS ADDED BY P.L.226-2023,  
2 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2026]: Sec. 8. (a) An insurer that makes a material change to  
4 an insured's personal automobile or homeowner's policy shall provide  
5 a written notice to the insured that:  
6 (1) explains the principal factors for the material change; or  
7 (2) states that the insured has a right to request and obtain an  
8 explanation of the principal factors for the material change.  
9 (b) **Not later than thirty (30) days after** an insured who receives  
10 a notice of a material change described in subsection (a)(2), **the**  
11 **insured** may submit to the insurer a written request for an explanation  
12 of the principal factors for the material change.  
13 (c) **Upon Not later than thirty (30) days after** receiving a request  
14 for an explanation under subsection (b), the insurer shall provide  
15 written notice to the insured explaining the principal factors for the  
16 material change.

2026

IN 1260—LS 6767/DI 141



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1 (d) An insurer shall provide a copy of a written notice provided  
2 under subsection (a)(1) or (c):

3 (1) to the insurance producer, if any, who:

4 (A) represented:

5 (i) the insured in obtaining coverage from the insurer;

6 or

7 (ii) the insurer in regard to the providing of coverage to  
8 the insured; and

9 (B) is not an employee, an exclusive agent, or a captive  
10 agent of the insurer; and

11 (2) to the insurer's reporting portal for agent communications.

12 (e) A written notice provided under subsection (a) or (c), or a  
13 written request submitted under subsection (b), must be provided by:

14 (1) first class mail; or

15 (2) electronic delivery as set forth in IC 27-1-43.

16 SECTION 2. IC 27-7-6-0.5 IS ADDED TO THE INDIANA CODE

17 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

18 1, 2026]: Sec. 0.5. Section 6 of this chapter, as amended in the 2026

19 session of the general assembly, applies to automobile insurance  
20 policies that are issued, delivered, amended, or renewed after June  
21 30, 2026.

22 SECTION 3. IC 27-7-6-6, AS AMENDED BY P.L.196-2021,

23 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
24 JULY 1, 2026]: Sec. 6. (a) An insurer shall not fail to renew a policy  
25 unless it mails to the named insured, at the address shown in the policy,  
26 at least **twenty (20) sixty (60)** days advance notice of its intention not  
27 to renew the policy.

28 (b) If a policy was procured by an independent insurance producer  
29 duly licensed by the state of Indiana, a notice of intent not to renew the  
30 policy shall be mailed to the independent insurance producer at least  
31 ten (10) days prior to the mailing of the notice of intention not to renew  
32 to the named insured under subsection (a), unless such notice of intent  
33 is or has been waived in writing by the independent insurance  
34 producer.

35 (c) This section does not apply:

36 (1) if the insurer has manifested its willingness to renew; or

37 (2) in case of nonpayment of premium.

38 However, notwithstanding the failure of an insurer to comply with this  
39 section, the policy shall terminate on the effective date of any other  
40 insurance policy with respect to any automobile designated in both  
41 policies.

42 (d) A notice of intention not to renew is not required under this

2026

IN 1260—LS 6767/DI 141



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1       section if:

2               (1) the insured is transferred from an insurer to an affiliate of the  
 3               insurer for future coverage; and  
 4               (2) the transfer results in the same or broader coverage.

5               (e) Renewal of a policy shall not constitute a waiver or estoppel  
 6               with respect to grounds for cancellation which existed before the  
 7               effective date of such renewal.

8               SECTION 4. IC 27-7-12-1 IS AMENDED TO READ AS  
 9               FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) **Except as**  
 10               **provided in subsection (b)**, this chapter applies to policies of  
 11               insurance covering risks to property located in Indiana that take effect  
 12               or are renewed after June 30, 2001, and that insure loss of or damage  
 13               to:

14               (1) real property consisting of not more than four (4) residential  
 15               units, one (1) of which is the principal place of residence of the  
 16               named insured; or

17               (2) personal property:

18                       (A) in which the named insured has an insurable interest;  
 19                       and  
 20                       (B) that is used within a residential dwelling for personal,  
 21                       family, or household purposes.

22               **(b) Section 4 of this chapter, as amended in the 2026 session of**  
 23               **the general assembly, applies to policies of insurance described in**  
 24               **subsection (a) that are issued, delivered, amended, or renewed**  
 25               **after June 30, 2026.**

26               **(b) (c)** This chapter does not apply to the following:

27               (1) A policy of inland marine insurance.  
 28               (2) The cancellation or nonrenewal of an automobile insurance  
 29               policy under IC 27-7-6.

30               (3) The cancellation or nonrenewal of a commercial property and  
 31               casualty insurance policy under IC 27-1-31-2.5.

32               SECTION 5. IC 27-7-12-4, AS AMENDED BY P.L.196-2021,  
 33               SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 34               JULY 1, 2026]: Sec. 4. (a) Notice of nonrenewal by an insurer must:

35               (1) be in writing;

36               (2) be mailed to the named insured at the last known address of  
 37               the named insured;

38               (3) state the insurer's intention not to renew the policy upon  
 39               expiration of the current policy period;

40               (4) upon request of the named insured, be accompanied by a  
 41               written explanation of the specific reasons for the nonrenewal;  
 42               and

2026

IN 1260—LS 6767/DI 141



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1 (5) be mailed to the named insured at least **twenty (20) sixty (60)**  
2 days before the expiration of the current policy period.

9 (c) Notice of nonrenewal under this section is not required if:  
10 (1) the named insured is transferred from an insurer to an  
11 affiliate of the insurer for future coverage; and  
12 (2) the transfer results in the same or broader coverage.

(d) If an insurer mails to an insured a renewal notice, bill, certificate, or policy indicating the insurer's willingness to renew a policy and the insured does not respond, the insurer is not required to mail to the insured notice of intention not to renew.

17 SECTION 6. IC 27-7-18.7 IS ADDED TO THE INDIANA CODE  
18 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
19 JULY 1, 2026]:

20                   **Chapter 18.7. Property and Casualty Insurance for**  
21                   **Condominium Units**

22 Sec. 1. As used in this chapter, "condominium" has the  
23 meaning set forth in IC 32-25-2-7.

26 Sec. 3. As used in this chapter, "co-owner" has the meaning set  
27 forth in IC 32-25-2-11.

28        Sec. 4. As used in this chapter, "property and casualty  
29        insurance" means one (1) or more of the types of insurance  
30        described in IC 27-1-5-1, Class 2 and Class 3.

31           **Sec. 5. (a) This section applies to a condominium in which all**  
32           **of the condominium units:**

42 (2) By allowing each co-owner to purchase property and

2026

IN 1260—LS 6767/DI 141



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**casualty insurance on an individual basis.**

(c) This section may not be construed to relieve the co-owners from any obligation under IC 32-25-8-9 to provide insurance coverage under a master policy for:

- (1) the land on which the condominium is located;**
- (2) swimming pools and other recreational facilities; or**
- (3) any other parts of the condominium existing for common use.**

[ SECTION 7. IC 27-8-13-9.3, AS ADDED BY P.L.56-2025, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2027]: Sec. 9.3. (a) Except as provided in subsection (b), this section applies to a Medicare supplement policy or certificate delivered, issued, or renewed on or after January 1, 2026. ]

**(b) The amendments made to this section in the 2026 session of the general assembly apply to a Medicare supplement policy or certificate delivered, issued, or renewed on or after January 1, 2027.**

(b) (c) This section applies to:

(1) an applicant who submits an application for a Medicare supplement policy or certificate before or during the six (6) month period beginning on the first day of the first month during which the applicant is:

(A) at least sixty-five (65) years of age; and

(A) at least sixty-five (65) years of age; and  
(B) timely enrolled for benefits under Medicare Part B  
without penalty under federal law; and

(2) an applicant who:

(A) is at least sixty-five (65) years of age;

(B) is insured under a Medicare supplement policy or certificate;

(C) submits an application for a Medicare supplement policy or certificate:

- (i) to an issuer that is different than the issuer of the applicant's current Medicare supplement policy or certificate; and
- (ii) within sixty (60) days of during the period beginning one (1) month before the applicant's birthday and ending one (1) month after the applicant's birthday; and

Applicant's birthday, and  
(D) seeks to maintain the same type of lettered Medicare  
supplement plan, including any variation of the lettered  
plan.

(e) (d) An issuer of a Medicare supplement policy or certificate

2026

IN 1260—LS 6767/DI 141



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1 shall not deny, condition the issuance or effectiveness of, or  
2 discriminate in the pricing of a Medicare supplement policy or  
3 certificate because of the health status, claims experience, receipt of  
4 health care, or medical condition of an applicant to which subsection  
5 ~~(b) (c)~~ applies.

6 ~~(d) (e) A new Medicare supplement policy or certificate issued to~~  
7 ~~an applicant under subsection (b)(2) (c)(2) must go into effect on the~~  
8 ~~first day of the month that is at least thirty (30) days after the signature~~  
9 ~~date on the application for the Medicare supplement policy or~~  
10 ~~certificate.~~

11 1 SECTION ~~↔~~[8] IC 27-19-3-1.5 IS ADDED TO THE INDIANA  
12 CODE AS A NEW SECTION TO READ AS FOLLOWS  
13 [EFFECTIVE JULY 1, 2026]: **Sec. 1.5. The commissioner shall have**  
14 **the authority to do the following:**

15 (1) Establish any program, promulgate any rule, policy,  
16 guideline, or plan, or change any program, rule, policy, or  
17 guideline to:

- 18 (A) implement;
- 19 (B) establish;
- 20 (C) create;
- 21 (D) administer; or
- 22 (E) otherwise operate;

23 a health benefit exchange.

24 (2) Apply for, accept, or expend federal money related to the  
25 creation, implementation, or operation of a health benefit  
26 exchange.

27 (3) Establish any advisory board or committee that the  
28 commissioner deems necessary to provide recommendations  
29 on the creation, implementation, or operation of a health  
30 benefit exchange.[1]

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2026

IN 1260—LS 6767/DI 141



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