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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.

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

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

(A) represented:

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

or

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

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

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

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

(1) first class mail; or

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

SECTION 2. IC 27-7-6-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: **Sec. 0.5. Section 6 of this chapter, as amended in the 2026 session of the general assembly, applies to automobile insurance policies that are issued, delivered, amended, or renewed after June 30, 2026.**

SECTION 3. IC 27-7-6-6, AS AMENDED BY P.L.196-2021, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 6. (a) An insurer shall not fail to renew a policy unless it mails to the named insured, at the address shown in the policy, at least ~~twenty (20)~~ **sixty (60)** days advance notice of its intention not to renew the policy.

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

(c) This section does not apply:

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

(2) in case of nonpayment of premium.

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

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



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



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

3 (b) If the policy was procured by an independent insurance
4 producer licensed in Indiana, the insurer shall mail notice of
5 nonrenewal to the insurance producer not less than ten (10) days before
6 the insurer mails the notice to the named insured under subsection (a),
7 unless the obligation to notify the insurance producer is waived in
8 writing by the insurance producer.

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.

13 (d) If an insurer mails to an insured a renewal notice, bill,
14 certificate, or policy indicating the insurer's willingness to renew a
15 policy and the insured does not respond, the insurer is not required to
16 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.**

24 **Sec. 2. As used in this chapter, "condominium unit" has the**
25 **meaning set forth in IC 32-25-2-9.**

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:**

33 (1) were designed and built for occupancy by not more than
34 two (2) separate families; and

35 (2) contain not more than two (2) separate living quarters.

36 (b) Notwithstanding IC 32-25-8-9, the co-owners of a
37 condominium described in subsection (a) may obtain property and
38 casualty insurance coverage for the condominium units through
39 one (1) of the following methods:

40 (1) By purchasing a master policy for property and casualty
41 insurance.

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



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

(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

(D) seeks to maintain the same type of lettered Medicare supplement plan, including any variation of the lettered plan.

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



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

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

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

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

- (A) implement;
- (B) establish;
- (C) create;
- (D) administer; or
- (E) otherwise operate;

a health benefit exchange.

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

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

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