



SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1277 be amended to read as follows:

- 1 Replace the effective date in SECTION 7 with "[EFFECTIVE JULY
- 2 1, 2025 (RETROACTIVE)]".
- 3 Page 6, between lines 14 and 15, begin a new paragraph and insert:
- 4 "SECTION 7. IC 12-15-12.7-7, AS ADDED BY P.L.174-2025,
- 5 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 6 JULY 1, 2025 (RETROACTIVE)]: Sec. 7. (a) This section applies to
- 7 claims submitted for payment under the program by a nursing facility
- 8 participating in the program.
- 9 (b) The managed care organization shall pay, deny, or suspend each
- 10 claim submitted by a nursing facility provider for payment under the
- 11 program not later than:
- 12 (1) twenty-one (21) days after the claim was electronically filed;
- 13 or
- 14 (2) thirty (30) days after a claim has been filed on paper;
- 15 from receipt by the managed care organization.
- 16 (c) If the managed care organization:
- 17 (1) fails to **accurately and fully** pay a clean claim in the time
- 18 required under this section; or
- 19 (2) denies or suspends a claim that is subsequently determined to
- 20 have been a clean claim when the claim was filed;
- 21 the managed care organization shall pay the provider interest on the
- 22 Medicaid allowable amount of the claim as set forth in this section.
- 23 (d) Interest paid under subsection (c):
- 24 (1) accrues beginning:
- 25 (A) twenty-two (22) days from the date the claim is filed under
- 26 subsection (b)(1); or

- 1 (B) thirty-one (31) days from the date the claim is filed under
- 2 subsection (b)(2); and
- 3 (2) stops accruing on the date the managed care organization pays
- 4 the claim.
- 5 (e) A managed care organization shall pay interest under subsection
- 6 (c) to a provider at the rate established for Medicare overpayments and
- 7 underpayments, as set forth in 42 CFR 405.378."
- 8 Page 6, line 17, delete "section," and insert "section **and section 1.9**
- 9 **of this chapter,**".
- 10 Page 6, line 20, delete "subsection (e)," and insert "**section 1.9 of**
- 11 **this chapter,**".
- 12 Page 6, line 36, after "to" insert "**accurately**".
- 13 Page 6, line 37, after "claim" insert "**in full that is**".
- 14 Page 7, line 1, delete "(e)" and insert "SECTION 9. IC 12-15-13-1.9
- 15 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO**
- 16 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 1.9.**".
- 17 Page 7, after line 6, begin a new paragraph and insert:
- 18 "SECTION 10. **An emergency is declared for this act.**".
- 19 Renumber all SECTIONS consecutively.
(Reference is to EHB 1277 as printed February 20, 2026.)

Senator BROWN L