



# SENATE MOTION

MR. PRESIDENT:

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

- 1           Page 1, between the enacting clause and line 1, begin a new  
2 paragraph and insert:  
3           "SECTION 1. IC 12-7-2-40.3 IS ADDED TO THE INDIANA  
4 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2026]: **Sec. 40.3. "Compensation", for**  
6 **purposes of IC 12-8-1.6-5.5, has the meaning set forth in**  
7 **IC 12-8-1.6-5.5(a).**  
8           SECTION 2. IC 12-7-2-62.5 IS ADDED TO THE INDIANA CODE  
9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
10 1, 2026]: **Sec. 62.5. "Direct care staff", for purposes of**  
11 **IC 12-8-1.6-5.5, has the meaning set forth in IC 12-8-1.6-5.5(b)."**  
12           Page 3, between lines 5 and 6, begin a new paragraph and insert:  
13           "SECTION 4. IC 12-8-1.6-5.5 IS ADDED TO THE INDIANA  
14 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
15 [EFFECTIVE JULY 1, 2026]: **Sec. 5.5. (a) As used in this section,**  
16 **"compensation" means any of the following:**  
17           **(1) Salaries and wages.**  
18           **(2) Benefits, including the following:**  
19           **(A) Paid time off.**  
20           **(B) Health, dental, and vision insurance.**  
21           **(C) Life and disability insurance.**  
22           **(D) Worker's compensation.**  
23           **(E) Qualifying pensions and other retirement benefits.**  
24           **(F) Tuition reimbursement.**  
25           **(G) The employer's share of payroll taxes.**  
26           **(H) Travel reimbursement.**  
27           **(I) Other remuneration under the federal Fair Labor**

- 1           **Standards Act of 1938, as amended (29 U.S.C. 201-219).**  
 2           **The term does not include office administrative costs, supervision,**  
 3           **or other program or overhead costs.**  
 4           **(b) As used in this section, "direct care staff" means an agent or**  
 5           **employee of a provider entity who provides hands on services to an**  
 6           **individual while providing attendant care services under a home**  
 7           **and community based services waiver.**  
 8           **(c) A provider that provides attendant care services under a**  
 9           **home and community based services waiver must use at least**  
 10           **seventy percent (70%) of the Medicaid per diem reimbursement**  
 11           **for the services provided on compensation for the provider's direct**  
 12           **care staff providing attendant care services.**  
 13           **(d) A provider described in subsection (c) shall, not later than**  
 14           **June 30 of each year, submit a direct care staff cost report to the**  
 15           **office of the secretary documenting that the provider has complied**  
 16           **with subsection (c). The report must meet at least the following**  
 17           **requirements:**  
 18               **(1) Be based upon actual, documented expenditures.**  
 19               **(2) Be attested to by an authorized representative of the**  
 20               **provider.**  
 21               **(3) Include the following information for the previous**  
 22               **calendar year:**  
 23                   **(A) The provider's total attendant care revenue under a**  
 24                   **home and community based services waiver.**  
 25                   **(B) The total spent as compensation for direct care staff**  
 26                   **providing attendant care services, separated by each**  
 27                   **category described in subsection (a).**  
 28               **(4) Include any other information deemed relevant and**  
 29               **required by the office to ensure compliance with this section.**  
 30           **(e) A provider shall maintain all books, documents, papers,**  
 31           **accounting records, and other evidence required to support the**  
 32           **reporting required under subsection (d) for at least three (3) years**  
 33           **after the submission of the report. A provider shall make these**  
 34           **materials available to the office of the secretary at the provider's**  
 35           **offices at all reasonable times during the three (3) years and may**  
 36           **not charge for any copies requested by the office of the secretary."**  
 37           Renumber all SECTIONS consecutively.  
           (Reference is to EHB 1277 as printed February 20, 2026.)

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 Senator ALTING