

HOUSE BILL No. 1279

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-1-53.

Synopsis: Collection of cost sharing. Provides that an insurer: (1) must pay a health care provider the full amount due for health care services under the health care provider's agreement with the insurer, including any cost sharing; (2) has the sole responsibility for collecting cost sharing from a covered individual; and (3) upon request of the covered individual, must collect cost sharing throughout the policy year in increments defined by the insurer. Prohibits an insurer from taking certain actions regarding the collection of cost sharing. Requires each insurer to certify to the insurance commissioner, before December 31 of each year, that the insurer has fully and completely complied with the requirements during the previous calendar year.

Effective: January 1, 2027.

Barrett

January 6, 2026, read first time and referred to Committee on Insurance.



Introduced

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. 1279

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 27-1-53 IS ADDED TO THE INDIANA CODE AS
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2027]:

4 **Chapter 53. Collection of Cost Sharing for Health Care Services**

5 **Sec. 1. As used in this chapter, "administrator" means a person
6 who, directly or indirectly and on behalf of an insurer:**

7 **(1) underwrites; or
8 (2) collects charges or premiums from or adjusts or settles
9 claims on residents of Indiana;**

10 **in connection with health insurance coverage offered or provided
11 by an insurer.**

12 **Sec. 2. As used in this chapter, "cost sharing" means any
13 copayment, coinsurance, deductible, or other similar charge that
14 is:**

15 **(1) required of a covered individual for a health care service
16 covered by a policy of health insurance coverage, including a
17 prescription drug; and**



(2) paid:
(A) by; or
(B) on behalf of;
the covered individual.

Sec. 3. As used in this chapter, "covered individual" means an individual who is entitled to health insurance coverage under a policy or contract.

Sec. 4. As used in this chapter, "health care provider" means an individual or entity that is licensed, certified, or otherwise authorized to administer health care services under Indiana law.

Sec. 5. As used in this chapter, "health care service" means a service or good furnished for the purpose of preventing, alleviating, curing, or healing:

- (1) human illness;
- (2) physical disability; or
- (3) injury.

Sec. 6. As used in this chapter, "health insurance coverage" means:

- (1) an individual or group policy of accident and sickness insurance (as defined in IC 27-8-5-1);
- (2) an individual contract (as defined in IC 27-13-1-21) or a group contract (as defined in IC 27-13-1-16) that provides coverage for basic health care services (as defined in IC 27-13-1-4);
- (3) a self-funded health benefit plan that complies with the federal Employee Retirement Income Security Act (ERISA) of 1974 (29 U.S.C. 1001 et seq.); and
- (4) the Medicaid risk based managed care program under IC 12-15.

Sec. 7. As used in this chapter, "insurer" means an insurer that provides health insurance coverage to a covered individual. The term includes:

- (1) an administrator; or
- (2) a pharmacy benefit manager (as defined in IC 27-1-24.5-12);

of a policy or contract of health insurance coverage.

Sec. 8. As used in this chapter, "person" means a natural person, corporation, mutual company, unincorporated association, partnership, joint venture, limited liability company, trust, estate, foundation, not-for-profit corporation, unincorporated organization, government, or governmental subdivision or agency.

Sec. 9. (a) An insurer shall:



1 **(1) pay a health care provider the full amount due for health**
2 **care services under the health care provider's agreement with**
3 **the insurer, including any cost sharing;**
4 **(2) have the sole responsibility for collecting cost sharing from**
5 **a covered individual; and**
6 **(3) upon request of the covered individual, collect cost sharing**
7 **throughout the policy year in increments defined by the**
8 **insurer.**

9 **(b) An insurer may not:**

10 **(1) withhold an amount for cost sharing from the payment to**
11 **a health care provider;**
12 **(2) require a health care provider to offer additional discounts**
13 **to a covered individual outside the terms of the health care**
14 **provider's agreement with the insurer;**
15 **(3) deny or delay payment to a health care provider for the**
16 **insurer's failure to collect the covered individual's cost**
17 **sharing; or**
18 **(4) require a person to collect the covered individual's cost**
19 **sharing on behalf of the insurer.**

20 **(c) An insurer may not cancel the health insurance coverage of**
21 **a covered individual solely for failure to collect cost sharing.**

22 **(d) An expense incurred by an insurer to implement or comply**
23 **with this chapter may not be used as justification to increase**
24 **premiums or decrease payments to a health care provider.**

25 **Sec. 10. Before December 31 of each year, each insurer shall**
26 **certify to the commissioner that the insurer has fully and**
27 **completely complied with the requirements of this chapter during**
28 **the previous calendar year. The certification must be signed by the**
29 **chief executive officer or chief financial officer of the insurer.**

