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HOUSE BILL No. 1296

Proposed Changes to introduced printing by AM129601

DIGEST OF PROPOSED AMENDMENT

Mental health. Changes the standards specified in the bill for the certification of integrated reentry and correction support programs. Removes language requiring the division to adopt rules concerning the receipt, review, and investigation of certain complaints.

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 12-7-2-78.6 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: **Sec. 78.6. "Ethical standards", for**
4 **purposes of IC 12-23-25, has the meaning set forth in**
5 **IC 12-23-25-1.**

6 SECTION 2. IC 12-7-2-117.9 IS ADDED TO THE INDIANA
7 CODE AS A NEW SECTION TO READ AS FOLLOWS
8 [EFFECTIVE JULY 1, 2026]: **Sec. 117.9. "Integrated reentry and**
9 **correctional support" refers to mental health and substance use**
10 **services and support, including certified peer support recovery**
11 **resources and treatment, provided to individuals during**
12 **incarceration and reentry.**

13 SECTION 3. IC 12-7-2-135.2 IS ADDED TO THE INDIANA
14 CODE AS A NEW SECTION TO READ AS FOLLOWS
15 [EFFECTIVE JULY 1, 2026]: **Sec. 135.2. "Owner", for purposes of**
16 **IC 12-23-25, has the meaning set forth in IC 12-23-25-2.**

17 SECTION 4. IC 12-7-2-158.3 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2026]: **Sec. 158.3. "Recovery residence**

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1 **services", for purposes of IC 12-23-25, has the meaning set forth in**
2 **IC 12-23-25-3.**

3 SECTION 5. IC 12-21-2-3, AS AMENDED BY P.L.104-2024,
4 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JULY 1, 2026]: Sec. 3. The secretary or the secretary's designee shall
6 do the following:

7 (1) Organize the division, create the appropriate personnel
8 positions, and employ personnel necessary to discharge the
9 statutory duties and powers of the division or a bureau of the
10 division.

11 (2) Subject to the approval of the state personnel department,
12 establish personnel qualifications for all deputy directors,
13 assistant directors, bureau heads, and superintendents.

14 (3) Subject to the approval of the budget director and the
15 governor, establish the compensation of all deputy directors,
16 assistant directors, bureau heads, and superintendents.

17 (4) Study the entire problem of mental health, mental illness, and
18 addictions existing in Indiana.

19 (5) Adopt rules under IC 4-22-2 for the following:

20 (A) Standards for the operation of private institutions that
21 are licensed under IC 12-25 for the diagnosis, treatment,
22 and care of individuals with psychiatric disorders,
23 addictions, or other abnormal mental conditions.

24 (B) Licensing or certifying community residential programs
25 described in IC 12-22-2-3.5 for individuals with serious
26 mental illness (SMI), serious emotional disturbance (SED),
27 or chronic addiction (CA) with the exception of psychiatric
28 residential treatment facilities.

29 (C) Subject to IC 12-29-2-21, certifying community mental
30 health centers to operate in Indiana.

31 (D) Establish exclusive geographic primary service areas
32 for community mental health centers. The rules must
33 include the following:

34 (i) Criteria and procedures to justify the change to the
35 boundaries of a community mental health center's
36 primary service area.

37 (ii) Criteria and procedures to justify the change of an
38 assignment of a community mental health center to a
39 primary service area.

40 (iii) A provision specifying that the criteria and
41 procedures determined in items (i) and (ii) must
42 include an option for the county and the community



mental health center to initiate a request for a change in primary service area or provider assignment.

(iv) A provision specifying the criteria and procedures determined in items (i) and (ii) may not limit an eligible consumer's right to choose or access the services of any provider who is certified by the division of mental health and addiction to provide public supported mental health services.

9 (6) Institute programs, in conjunction with an accredited college
10 or university and with the approval, if required by law, of the
11 commission for higher education, for the instruction of students
12 of mental health and other related occupations. The programs
13 may be designed to meet requirements for undergraduate and
14 postgraduate degrees and to provide continuing education and
15 research.

19 (8) Make the facilities of the state institutions available for the
20 instruction of medical students, student nurses, interns, and
21 resident and fellow physicians under the supervision of the
22 faculty of any accredited school of medicine or osteopathy
23 located in Indiana or an accredited residency or fellowship
24 training program in connection with research and instruction in
25 psychiatric disorders.

26 (9) Institute a stipend program designed to improve the quality
27 and quantity of staff that state institutions employ.

28 (10) Establish, supervise, and conduct community programs,
29 either directly or by contract, for the diagnosis, treatment, and
30 prevention of psychiatric disorders.

31 (11) Adopt rules under IC 4-22-2 concerning the records and
32 data to be kept concerning individuals admitted to state
33 institutions, community mental health centers, or other
34 providers.

37 (13) Establish standards for services described in IC 12-7-2-40.6
38 for community mental health centers and other providers.

39 (14) Provide that the standards for services provided by recovery
40 residences for residential care and supported housing for chronic
41 addiction, when used as a recovery residence, to:

(A) be certified through an entity approved by the division

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1 to ensure adherence to standards determined by the
 2 National Alliance for Recovery Residences (NARR) or a
 3 similar entity; and
 4 (B) meet other standards established by the division under
 5 rules adopted under IC 4-22-2.

6 (15) Provide that the standards for services provided by recovery
 7 community organizations for behavioral health recovery, when
 8 used as a recovery community organization:

9 (A) be certified through an entity approved by the division
 10 to ensure adherence to standards determined by the Indiana
 11 Recovery Network or similar entity that certifies recovery
 12 community organizations; and
 13 (B) meet other standards established by the division under
 14 rules adopted under IC 4-22-2.

15 **(16) Certify integrated reentry and correctional support
 16 programs to ensure adherence to<**

17 ~~(A) integrated reentry and correctional support
 18 services> standards <accredited by Mental Health
 19 America of Indiana; and~~

20 ~~(B) any other standards established>[determined by the
 21 division or a certification body approved] by the
 22 division.~~

23 (16) (17) Require the division to:

24 (A) provide best practice recommendations to community
 25 mental health centers; and
 26 (B) work with community mental health centers in a
 27 collaborative manner in order to ensure improved health
 28 outcomes as a part of reviews or audits.

29 Documentation developed as a part of an incident or death
 30 reporting audit or review is confidential and may only be shared
 31 between the division and the community mental health center.

32 SECTION 6. IC 12-23-25 IS ADDED TO THE INDIANA CODE
 33 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2026]:

35 **Chapter 25. Registration of Recovery Residences**

36 **Sec. 1. As used in this chapter, "ethical standards" means the
 37 ethical standards for recovery residences determined by any of the
 38 following:**

39 (1) The National Alliance for Recovery Residences (NARR).
 40 (2) The Indiana Affiliation of Recovery Residences.
 41 (3) A similar organization, as determined by the division.

42 **Sec. 2. As used in this chapter, "owner" means a person that**



1 owns a recovery residence.

2 **Sec. 3.** As used in this chapter, "recovery residence services"

3 means residential care and supported housing for individuals with

4 chronic addiction provided in a recovery residence.

5 **Sec. 4.** An owner shall register with the division for the

6 purpose of ensuring adherence to ethical standards.

7 **Sec. 5.** (a) An owner applying for registration under this

8 chapter shall provide to the division the following:

9 (1) Information concerning the owner's qualifications and

10 work experience. The owner must certify that the

11 information provided under this subdivision is correct.

12 (2) Official documentation that the owner has met all

13 applicable zoning and legal requirements concerning the

14 recovery residence.

15 (3) Three (3) letters of reference.

16 (4) Subject to subsection (c), a registration fee of five

17 hundred dollars (\$500) for each recovery residence owned.

18 (5) Proof that the owner and all recovery residence staff are

19 at least eighteen (18) years of age.

20 (6) A statement that the owner will adhere to the ethical

21 standards.

22 (7) Any other information required by the division.

23 (b) A registration is valid for two (2) years. The owner shall

24 renew the recovery residence's registration by:

25 (1) updating any information required under subsection (a)

26 that has changed; and

27 (2) subject to subsection (c), paying a renewal fee of three

28 hundred fifty dollars (\$350) for each recovery residence.

29 (c) This subsection applies to an owner that owns more than

30 one (1) recovery residence. The division may not charge an owner

31 a total amount for registration or renewal fees that exceeds two

32 thousand dollars (\$2,000) for each registration or renewal period.

33 **Sec. 6.** The division shall post a list of recovery residences

34 registered under this chapter on the division's public website,

35 including the following information for each recovery residence:

36 (1) Name.

37 (2) Address.

38 (3) Contact information.

39 (4) Registration status.

40 (5) Any violations of the ethical standards.

41 (6) Any other information required by the division.

42 **Sec. 7.** An owner may not use the words "recovery residence"



1 in a title or description of a facility, organization, or program that
 2 provides recovery residence services unless the recovery residence
 3 is registered and in good standing under this chapter.

4 Sec. 8. The division shall adopt rules under IC 4-22-2
 5 concerning the following:~~1~~

6 ~~(1) The receipt, review, and investigation of complaints,
 7 including anonymous complaints, concerning alleged
 8 violations of this chapter and alleged violations of the ethical
 9 standards.~~

10 ~~(2)~~¹

11 ⁽¹⁾ The issuance, revocation, and denial of a registration.
 12 ~~(2)~~¹ Any other rules necessary to implement this
 13 chapter.

14 Sec. 9. An administrative proceeding under this chapter is
 15 governed by IC 4-21.5.

16 Sec. 10. The division may contract with the Indiana Affiliation
 17 of Recovery Residences or a similar entity that specializes in the
 18 ethical standards to administer the registration of recovery
 19 residences under this chapter, including maintaining the list
 20 described in section 6 of this chapter and performing any
 21 administrative activities necessary to implement this chapter.

22 Sec. 11. This chapter does not affect the standards for the
 23 certification of recovery residences established under
 24 IC 12-21-2-3(14).¹

25 ¹

