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SENATE BILL No. 173

Proposed Changes to introduced printing by AM017302

DIGEST OF PROPOSED AMENDMENT

Pharmacy benefit managers. Removes language from the bill concerning pharmacy benefit managers and ownership interest.

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

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

1 SECTION 1. IC 5-10-8-14.5 IS ADDED TO THE INDIANA
2 CODE AS A NEW SECTION TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]: Sec. 14.5. (a) As used in this section,
4 "anesthesia time" means the period beginning when an anesthesia
5 practitioner begins to prepare a patient for anesthesia services in
6 the operating room or an equivalent area and ends when the
7 anesthesia practitioner is no longer furnishing anesthesia services
8 to the patient. The term includes blocks of time around an
9 interruption in anesthesia time provided that the anesthesia
10 practitioner is furnishing continuous anesthesia care within the
11 time periods surrounding the interruption.

12 (b) As used in this section, "covered individual" means an
13 individual who is entitled to coverage under a state employee
14 health plan.

15 (c) As used in this section, "state employee health plan" means
16 a:

17 (1) self-insurance program established under section 7(b) of
18 this chapter; or
19 (2) contract with a prepaid health care delivery plan that is
20 entered into or renewed under section 7(c) of this chapter;
21 that is issued, amended, or renewed after June 30, 2026, to provide

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1 **individual or group health coverage that includes coverage for**
 2 **anesthesia services.**

3 **(d) The state employee health plan may not impose any of the**
 4 **following concerning the provision of anesthesia services to a**
 5 **covered individual during a medical procedure:**

6 **(1) A time limit on the amount of covered anesthesia time for**
 7 **any medical procedure.**

8 **(2) Restrictions or exclusions of coverage or payment of**
 9 **anesthesia time.**

10 SECTION 2. IC 6-1.1-10-16, AS AMENDED BY P.L.230-2025,
 11 SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2026]: Sec. 16. (a) All or part of a building is exempt from
 13 property taxation if it is owned, occupied, and used by a person for
 14 educational, literary, scientific, religious, or charitable purposes.

15 (b) A building is exempt from property taxation if it is owned,
 16 occupied, and used by a town, city, township, or county for educational,
 17 literary, scientific, fraternal, or charitable purposes.

18 (c) A tract of land, including the campus and athletic grounds of
 19 an educational institution, is exempt from property taxation if:

20 (1) a building that is exempt under subsection (a) or (b) is
 21 situated on it;

22 (2) a parking lot or structure that serves a building referred to in
 23 subdivision (1) is situated on it; or

24 (3) the tract:

25 (A) is owned by a nonprofit entity established for the
 26 purpose of retaining and preserving land and water for their
 27 natural characteristics;

28 (B) does not exceed five hundred (500) acres; and

29 (C) is not used by the nonprofit entity to make a profit.

30 (d) A tract of land is exempt from property taxation if:

31 (1) it is purchased for the purpose of erecting a building that is
 32 to be owned, occupied, and used in such a manner that the
 33 building will be exempt under subsection (a) or (b); and

34 (2) not more than four (4) years after the property is purchased,
 35 and for each year after the four (4) year period, the owner
 36 demonstrates substantial progress and active pursuit towards the
 37 erection of the intended building and use of the tract for the
 38 exempt purpose. To establish substantial progress and active
 39 pursuit under this subdivision, the owner must prove the
 40 existence of factors such as the following:

41 (A) Organization of and activity by a building committee or
 42 other oversight group.



(B) Completion and filing of building plans with the appropriate local government authority.

(C) Cash reserves dedicated to the project of a sufficient amount to lead a reasonable individual to believe the actual construction can and will begin within four (4) years.

(D) The breaking of ground and the beginning of actual construction.

(E) Any other factor that would lead a reasonable individual to believe that construction of the building is an active plan and that the building is capable of being completed within eight (8) years considering the circumstances of the owner.

If the owner of the property sells, leases, or otherwise transfers a tract of land that is exempt under this subsection, the owner is liable for the property taxes that were not imposed upon the tract of land during the period beginning January 1 of the fourth year following the purchase of the property and ending on December 31 of the year of the sale, lease, or transfer. The county auditor of the county in which the tract of land is located may establish an installment plan for the repayment of taxes due under this subsection. The plan established by the county auditor may allow the repayment of the taxes over a period of years equal to the number of years for which property taxes must be repaid under this subsection.

(e) Personal property is exempt from property taxation if it is owned and used in such a manner that it would be exempt under subsection (a) or (b) if it were a building.

(f) A hospital's property that is exempt from property taxation under subsection (a), (b), or (e) shall remain exempt from property taxation even if the property is used in part to furnish goods or services to another hospital whose property qualifies for exemption under this section.

37 (h) This section does not exempt from property tax an office or a
38 practice of a physician or group of physicians that is owned by a
39 hospital licensed under IC 16-21-2 or other property that is not
40 substantially related to or supportive of the inpatient facility of the
41 hospital unless the office, practice, or other property:

42 (1) provides or supports the provision of charity care (as defined

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1 in ~~IC 16-18-2-52.5~~, IC 16-18-2-52.5(b)), including providing
 2 funds or other financial support for health care services for
 3 individuals who are indigent (as defined in ~~IC 16-18-2-52.5(b)~~
 4 IC 16-18-2-52.5(c) and ~~IC 16-18-2-52.5(e)~~);
 5 IC 16-18-2-52.5(d)); or

6 (2) provides or supports the provision of community benefits (as
 7 defined in IC 16-21-9-1), including research, education, or
 8 government sponsored indigent health care (as defined in
 9 IC 16-21-9-2).

10 However, participation in the Medicaid or Medicare program alone
 11 does not entitle an office, practice, or other property described in this
 12 subsection to an exemption under this section.

13 (i) A tract of land or a tract of land plus all or part of a structure on
 14 the land is exempt from property taxation if:

15 (1) the tract is acquired for the purpose of erecting, renovating,
 16 or improving a single family residential structure that is to be
 17 given away or sold:

18 (A) in a charitable manner;

19 (B) by a nonprofit organization; and

20 (C) to low income individuals who will:

21 (i) use the land as a family residence; and

22 (ii) not have an exemption for the land under this
 23 section;

24 (2) the tract does not exceed three (3) acres; and

25 (3) the tract of land or the tract of land plus all or part of a
 26 structure on the land is not used for profit while exempt under
 27 this section.

28 (j) An exemption under subsection (i) terminates when the
 29 property is conveyed by the nonprofit organization to another owner.

30 (k) When property that is exempt in any year under subsection (i)
 31 is conveyed to another owner, the nonprofit organization receiving the
 32 exemption must file a certified statement with the auditor of the county,
 33 notifying the auditor of the change not later than sixty (60) days after
 34 the date of the conveyance. The county auditor shall immediately
 35 forward a copy of the certified statement to the county assessor. A
 36 nonprofit organization that fails to file the statement required by this
 37 subsection is liable for the amount of property taxes due on the
 38 property conveyed if it were not for the exemption allowed under this
 39 chapter.

40 (l) If property is granted an exemption in any year under
 41 subsection (i) and the owner:

42 (1) fails to transfer the tangible property within eight (8) years



1 after the assessment date for which the exemption is initially
 2 granted; or

3 (2) transfers the tangible property to a person who:

4 (A) is not a low income individual; or

5 (B) does not use the transferred property as a residence for
 6 at least one (1) year after the property is transferred;

7 the person receiving the exemption shall notify the county recorder and
 8 the county auditor of the county in which the property is located not
 9 later than sixty (60) days after the event described in subdivision (1) or
 10 (2) occurs. The county auditor shall immediately inform the county
 11 assessor of a notification received under this subsection.

12 (m) If subsection (l)(1) or (l)(2) applies, the owner shall pay, not
 13 later than the date that the next installment of property taxes is due, an
 14 amount equal to the sum of the following:

15 (1) The total property taxes that, if it were not for the exemption
 16 under subsection (i), would have been levied on the property in
 17 each year in which an exemption was allowed.

18 (2) Interest on the property taxes at the rate of ten percent (10%)
 19 per year.

20 (n) The liability imposed by subsection (m) is a lien upon the
 21 property receiving the exemption under subsection (i). An amount
 22 collected under subsection (m) shall be collected as an excess levy. If
 23 the amount is not paid, it shall be collected in the same manner that
 24 delinquent taxes on real property are collected.

25 (o) Property referred to in this section shall be assessed to the
 26 extent required under IC 6-1.1-11-9.

27 (p) This subsection applies to assessment dates occurring before
 28 January 1, 2026. A for-profit provider of early childhood education
 29 services to children who are at least four (4) but less than six (6) years
 30 of age on the annual assessment date may receive the exemption
 31 provided by this section for property used for educational purposes
 32 only if all the requirements of section 46 of this chapter are satisfied.
 33 A for-profit provider of early childhood education services that
 34 provides the services only to children younger than four (4) years of
 35 age may not receive the exemption provided by this section for
 36 property used for educational purposes.

37 (q) This subsection applies to assessment dates occurring after
 38 December 31, 2025. Property used by a for-profit provider of early
 39 childhood education services to children who are less than six (6) years
 40 of age on the annual assessment date may receive the exemption
 41 provided by this section for property used for educational purposes
 42 only if all the requirements of section 46 of this chapter are satisfied.



5 (1) registered as a continuing care retirement community under
6 IC 23-2-4 and charges an entry fee of not more than five hundred
7 thousand dollars (\$500,000) per unit;
8 (2) defined as a small house health facility under
9 IC 16-18-2-331.9;
10 (3) licensed as a health care or residential care facility under
11 IC 16-28; or
12 (4) licensed under IC 31-27 and designated as a qualified
13 residential treatment provider that provides services under a
14 contract with the department of child services.

15 This subsection expires January 1, 2027.

16 SECTION 3. IC 6-1.1-10-18.5, AS AMENDED BY P.L.230-2025,
17 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JULY 1, 2026]: Sec. 18.5. (a) This section does not exempt from
19 property tax an office or a practice of a physician or group of
20 physicians that is owned by a hospital licensed under IC 16-21-2 or
21 other property that is not substantially related to or supportive of the
22 inpatient facility of the hospital unless the office, practice, or other
23 property:

24 (1) provides or supports the provision of charity care (as defined
25 in ~~IC 16-18-2-52.5~~), **IC 16-18-2-52.5(b)**, including funds or
26 other financial support for health care services for individuals
27 who are indigent (as defined in ~~IC 16-18-2-52.5(b)~~
28 **IC 16-18-2-52.5(c)** and ~~IC 16-18-2-52.5(c)~~);
29 **IC 16-18-2-52.5(d)**); or
30 (2) provides or supports the provision of community benefits (as
31 defined in IC 16-21-9-1), including research, education, or
32 government sponsored indigent health care (as defined in
33 IC 16-21-9-2).

34 However, participation in the Medicaid or Medicare program, alone,
35 does not entitle an office, a practice, or other property described in this
36 subsection to an exemption under this section.



1 sanatorium.

(c) This subsection applies only to property taxes first due and payable in calendar years 2025 and 2026. Tangible property that is not otherwise exempt from property taxation under subsection (b) is exempt from property taxation if it is:

6 (1) owned by an Indiana nonprofit corporation; and

7 (2) used by an Indiana nonprofit corporation in the operation of
8 a continuing care retirement community under IC 23-2-4 that
9 charges an entry fee of not more than five hundred thousand
10 dollars (\$500,000) per unit as described in section 16(r)(1) of
11 this chapter, a small house health facility under
12 IC 16-18-2-331.9, or a qualified residential treatment provider
13 listed in section 16(r)(4) of this chapter.

14 This subsection expires January 1, 2027.

15 (d) Property referred to in this section shall be assessed to the
16 extent required under IC 6-1.1-11-9.

17 SECTION 4. IC 12-15-5-22 IS ADDED TO THE INDIANA
18 CODE AS A NEW SECTION TO READ AS FOLLOWS
19 [EFFECTIVE JULY 1, 2026]: Sec. 22. (a) As used in this section,
20 "anesthesia time" means the period beginning when an anesthesia
21 practitioner begins to prepare a patient for anesthesia services in
22 the operating room or an equivalent area and ends when the
23 anesthesia practitioner is no longer furnishing anesthesia services
24 to the patient. The term includes blocks of time around an
25 interruption in anesthesia time provided that the anesthesia
26 practitioner is furnishing continuous anesthesia care within the
27 time periods surrounding the interruption.

28 (b) Unless otherwise prohibited by federal law, the state
29 Medicaid plan may not impose any of the following concerning the
30 provision of anesthesia services during a medical procedure:

31 (1) A time limit on the amount of covered anesthesia time for
32 any medical procedure.

35 SECTION 5. IC 16-18-2-52.5, AS AMENDED BY P.L.188-2025,
36 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
37 JULY 1, 2026]: Sec. 52.5. (a) **"Charity care"**, for purposes of
38 IC 16-21-6 and IC 16-21-9, means medically necessary health care
39 services provided free of charge or at a discounted rate under the
40 hospital's written financial assistance policy to patients who meet
41 income and asset criteria.

42 (a) (b) "Charity care", for purposes of IC 16-21-6, IC 16-21-9, and

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1 IC 16-40-6, means the unreimbursed cost to a hospital of providing,
 2 funding, or otherwise financially supporting health care services:

3 (1) to a person classified by the hospital as financially indigent
 4 or medically indigent on an inpatient or outpatient basis; and

5 (2) to financially indigent patients through other nonprofit or
 6 public outpatient clinics, hospitals, or health care organizations.

7 **(b) (c)** As used in **this section, subsection (b)**, "financially
 8 indigent" means an uninsured or underinsured person who is accepted
 9 for care with no obligation or a discounted obligation to pay for the
 10 services rendered based on the hospital's financial criteria and
 11 procedure used to determine if a patient is eligible for charity care. The
 12 criteria and procedure must include income levels and means testing
 13 indexed to the federal poverty guidelines. A hospital may determine
 14 that a person is financially or medically indigent under the hospital's
 15 eligibility system after health care services are provided.

16 **(c) (d)** As used in **this section, subsection (b)**, "medically
 17 indigent" means a person whose medical or hospital bills after payment
 18 by third party payors exceed a specified percentage of the patient's
 19 annual gross income as determined in accordance with the hospital's
 20 eligibility system, and who is financially unable to pay the remaining
 21 bill.

22 SECTION 6. IC 16-18-2-65.2 IS ADDED TO THE INDIANA
 23 CODE AS A NEW SECTION TO READ AS FOLLOWS
 24 [EFFECTIVE JULY 1, 2026]: **Sec. 65.2. "Community health needs
 25 assessment", for purposes of IC 16-21-9, has the meaning set forth
 26 in IC 16-21-9-1.5.**

27 SECTION 7. IC 16-18-2-247.5 IS ADDED TO THE INDIANA
 28 CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE
 29 JULY 1, 2026]: **Sec. 247.5. "Neuroplastogen", for
 30 purposes of IC 16-42-26.7, has the meaning set forth in
 31 IC 16-42-26.7-1.**

32 SECTION 8. IC 16-18-2-288, AS AMENDED BY P.L.96-2014,
 33 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 34 JULY 1, 2026]: Sec. 288. (a) "Practitioner", for purposes of
 35 IC 16-42-19, has the meaning set forth in IC 16-42-19-5.

36 (b) "Practitioner", for purposes of IC 16-41-14, has the meaning
 37 set forth in IC 16-41-14-4.

38 (c) "Practitioner", for purposes of IC 16-42-21, has the meaning set
 39 forth in IC 16-42-21-3.

40 (d) "Practitioner", for purposes of IC 16-42-22 and IC 16-42-25,
 41 has the meaning set forth in IC 16-42-22-4.5.

42 **(e) "Practitioner", for purposes of IC 16-42-26.7, has the**



1 **meaning set forth in IC 16-42-26.7-2.**

2 SECTION 9. IC 16-18-2-317.4 IS ADDED TO THE INDIANA
 3 CODE AS A NEW SECTION TO READ AS FOLLOWS
 4 [EFFECTIVE JULY 1, 2026]: Sec. 317.4. "Research institution", for
 5 purposes of IC 16-42-26.7, has the meaning set forth in
 6 **IC 16-42-26.7-3.**

7 SECTION 10. IC 16-21-9-1 IS AMENDED TO READ AS
 8 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 1. (a) As used in this
 9 chapter, "community benefits" means the unreimbursed cost to a
 10 hospital of providing **the following:**

11 (1) Charity care.

12 (2) Government sponsored indigent health care. ~~donations, education, government sponsored program services, research, and subsidized health services.~~

13 (3) Subsidized clinical services provided despite a net
 14 financial loss if not providing the services would result in the
 15 community loss of access to the services.

16 (4) Services and activities that address needs identified in the
 17 nonprofit hospital's community health needs assessment.

18 (b) The term does not include **any of the following:**

19 (1) The cost to the hospital of paying any taxes or other
 20 governmental assessments.

21 (2) **Bad debt.**

22 (3) Contractual allowances and discounts negotiated with
 23 third party payors.

24 (4) Payment disruptions unrelated to hospital policy.

25 (5) Staff education required for licensure or certification.

26 (6) Activities with a primary purpose of marketing, lobbying,
 27 fundraising, or routine operations.

28 SECTION 11. IC 16-21-9-1.5 IS ADDED TO THE INDIANA
 29 CODE AS A NEW SECTION TO READ AS FOLLOWS
 30 [EFFECTIVE JULY 1, 2026]: Sec. 1.5. As used in this chapter,
 31 "community health needs assessment" refers to a nonprofit
 32 hospital's most recent assessment that meets the requirements set
 33 forth in 26 U.S.C. 501(r)(3).

34 SECTION 12. IC 16-21-9-7, AS AMENDED BY P.L.6-2012,
 35 SECTION 115, IS AMENDED TO READ AS FOLLOWS
 36 [EFFECTIVE JULY 1, 2026]: Sec. 7. (a) Each nonprofit hospital shall
 37 prepare an annual report of the community benefits plan. The report
 38 must include, in addition to the community benefits plan itself, the
 39 following **background** information:

40 (1) The hospital's mission statement.



(2) A disclosure of the health care needs of the community that were considered in developing the hospital's community benefits plan.

(3) A disclosure of the amount and types of community benefits actually provided, including charity care. Charity care must be reported as a separate item from other community benefits.

(4) The following information concerning the hospital's charity care program:

(A) The eligibility criteria.

(B) The number of program applications received by the hospital in the previous calendar year.

(C) The number of approvals and denials of the applications received, as described in clause (B).

(5) Each government sponsored indigent health care program that the hospital participated in during the previous calendar year and the net cost of the program to the hospital. Net costs must account for any supplemental payments made to the hospital under the program, including those provided under IC 12-15-16.

(6) A list of each clinical service provided at a subsidized cost by the hospital and the net cost to the hospital for the subsidized clinical service.

(7) A list of each service provided, and any activity invested in, to address any need identified in the community health needs assessment, and the following information for each service or activity listed:

(A) The net cost of each item.

(B) The need in the community health needs assessment that each item addresses.

(C) The estimated impact of the item on addressing the identified need.

(8) An estimate of the value of the:

(A) sales tax exemption under IC 6-2.5-5; and

(B) property tax exemption under IC 6-1.1-10;

for the hospital.

(9) Any net revenue derived from the hospital's participation in the federal 340B Drug Pricing Program under 42 U.S.C. 256b(a)(4).

(b) Not later than one hundred twenty (120) days after the close of a nonprofit hospital's fiscal year, each nonprofit hospital shall annually file a the report of the community benefits plan described in subsection (a) with the state department. For a hospital's

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1 fiscal year that ends before July 1, 2011, the report must be filed not
 2 later than one hundred twenty (120) days after the close of the
 3 hospital's fiscal year. For a hospital's fiscal year that ends after June 30,
 4 2011, the report must be filed at the same time the nonprofit hospital
 5 files its annual return described under Section 6033 of the Internal
 6 Revenue Code that is timely filed under Section 6072(e) of the Internal
 7 Revenue Code, including any applicable extension authorized under
 8 Section 6081 of the Internal Revenue Code. **The nonprofit hospital**
 9 **shall post the report on the nonprofit hospital's website.**

10 (c) Each nonprofit hospital shall prepare a statement that notifies
 11 the public that the annual report of the community benefits plan is:

- 12 (1) public information;
- 13 (2) filed with the state department; and
- 14 (3) available to the public on **the nonprofit hospital's website**
 15 **and by** request from the state department.

16 This statement shall be posted in prominent places throughout the
 17 hospital, including the emergency room waiting area and the
 18 admissions office waiting area. The statement shall also be printed in
 19 the hospital patient guide or other material that provides the patient
 20 with information about the admissions criteria of the hospital.

21 (d) Each nonprofit hospital shall develop a written notice about
 22 any charity care program operated by the hospital and how to apply for
 23 charity care. The notice must be in appropriate languages if possible.
 24 The notice must also be conspicuously posted in the following areas:

- 25 (1) The general waiting area.
- 26 (2) The waiting area for emergency services.
- 27 (3) The business office.
- 28 (4) Any other area that the hospital considers an appropriate area
 29 in which to provide notice of a charity care program.

30 (e) **The state department shall post a report submitted under**
 31 **this section on the state department's website.**

32 SECTION 13. IC 16-21-9-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 8. (a) The state
 34 department may assess a civil penalty against a nonprofit hospital that
 35 fails to make a report of the community benefits plan as required under
 36 this chapter. The penalty may not exceed ~~one ten~~ thousand dollars [
 37 ~~1~~ (\$1,000) (\$10,000) for each day a report is delinquent after the date on
 38 which the report is due. ~~No penalty may be assessed against a hospital~~
 39 ~~under this section until thirty (30) business days have elapsed after~~
 40 ~~written notification to the hospital of its failure to file a report.~~

41 (b) **The penalty collected under this section shall be deposited**
 42 **in the local public health fund established by IC 16-46-10-1.**



1 SECTION 14. IC 16-42-26.7 IS ADDED TO THE INDIANA
2 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2026]:

4 **Chapter 26.7. Right to Try Investigational Neuroplastogens**

5 **Sec. 1. As used in this chapter, "neuroplastogen" means a drug**
6 **or compound that:**

7 **(1) demonstrates rapid onset neuroplastic effects in humans;**
8 **and**
9 **(2) has successfully completed Phase I of a federal Food and**
10 **Drug Administration approved clinical trial.**

11 **The term includes psilocybin (as defined in IC 12-21-9-2).**

12 **Sec. 2. As used in this chapter, "practitioner" means a health**
13 **professional who:**

14 **(1) is licensed and in good standing under IC 25;**
15 **(2) has prescriptive authority; and**
16 **(3) is acting within the health professional's scope of practice.**

17 **Sec. 3. As used in this chapter, "research institution" means an**
18 **organization that meets all of the following:**

19 **(1) Has an academic institution that operates an institutional**
20 **review board (IRB) that oversees research.**
21 **(2) Publishes the results of previous clinical trials in peer**
22 **reviewed publications.**
23 **(3) Has access to a clinical research center and the center's**
24 **resources, including research dedicated medical staff.**

25 **Sec. 4. An individual must meet the following requirements in**
26 **order to qualify as an eligible patient under this chapter:**

27 **(1) Has been diagnosed with a life threatening condition as**
28 **defined in 21 CFR 312.81 and meets the criteria set forth in**
29 **21 U.S.C. 360bbb-0a.**
30 **(2) Provides written informed consent to the practitioner for**
31 **the treatment.**

32 **Sec. 5. (a) Notwithstanding IC 35-48, a practitioner may**
33 **administer or supervise the psychotherapy supported**
34 **administration of a neuroplastogen to a patient if the following**
35 **conditions are met:**

36 **(1) The practitioner has evaluated the patient, reviewed the**
37 **patient's medical history, and documented in the patient's**
38 **medical charts the clinical rationale for the practitioner**
39 **determining that the patient is qualified and could benefit**
40 **from the treatment.**
41 **(2) The practitioner has obtained and documented the**
42 **patient's written informed consent as set forth in subsection**



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5 (8) A statement that the individual or the individual's legal
6 guardian consents to the investigational neuroplastogen
7 treatment for the life threatening condition.

11 Sec. 6. (a) A practitioner, research institution, or clinic may
12 conduct neuroplastogen outcomes access research if the following
13 conditions are met:

13 conditions are met:

14 **(1) Any data collected and maintained in a patient registry**
15 **that complies with the federal Health Insurance Portability**
16 **and Accountability Act (HIPAA) and only includes**
17 **de-identified patient data.**

23 (3) outcome measures.

24 (b) The state department may do the following:

(3) Establish a registry to maintain data collected under this chapter.

32 chapter.
33 (4) Adopt rules under IC 4-22-2 to implement this chapter,
34 including rules concerning the following:

35 (A) Safety standards.
36 (B) Standardized informed consent forms

36 **(B) Standardized informed consent forms.**
37 **(C) Data elements for inclusion in a registry.**

37 (C) Data elements for inclusion
38 (D) Adverse event reporting.

(E) Staff qualifications for psychotherapy support.

(F) Standardized notification forms for section 4 of this chapter.

42 (G) Report formatting.

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1 **Sec. 7. (a) Before February 1 of each year, a practitioner who**
 2 **performs neuroplastogen treatment under this chapter shall report**
 3 **the following information concerning the previous calendar year**
 4 **to the state department:**

5 (1) **The number of patients for whom the practitioner has**
 6 **conducted neuroplastogen treatment.**
 7 (2) **Each neuroplastogen used and the typical dosage range.**
 8 (3) **Any adverse event (as defined in 21 CFR 312.32(a)).**

9 **The report may not include patient identifying information.**

10 **(b) Before May 1 of each year, the state department shall**
 11 **aggregate and publish on the state department's website**
 12 **de-identified statistics from the reports submitted under subsection**
 13 **(a).**

14 **Sec. 8. Nothing in this chapter may be construed to do any of**
 15 **the following:**

16 (1) **Allow nonmedical use of neuroplastogens.**
 17 (2) **Supersede federal law or regulation.**
 18 (3) **Reschedule a controlled substance.**
 19 (4) **Create a fiscal burden on the state.**
 20 (5) **Require a practitioner, clinic, research institution, or**
 21 **other person to participate in providing treatment under this**
 22 **chapter.**
 23 (6) **Mandate insurance coverage for treatment under this**
 24 **chapter.**

25 **Sec. 9. A practitioner, eligible facility (as defined in**
 26 **IC 16-42-26.5-1), research institution, or other person participating**
 27 **in providing treatment that complies with the requirements of this**
 28 **chapter is immune from criminal or civil liability.**

29 SECTION 15. IC 16-46-10-1, AS AMENDED BY P.L.164-2023,
 30 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 31 JULY 1, 2026]: Sec. 1. (a) The local public health fund is established
 32 for the purpose of providing local boards of health with funds as
 33 provided in sections 2.1 through 2.3 of this chapter to provide public
 34 health services. The fund shall be administered by the state department
 35 and consists of:

36 (1) appropriations by the general assembly;
 37 (2) penalties paid and deposited in the fund under IC 6-8-11-17
 38 **and IC 16-21-9-8;** and
 39 (3) amounts, if any, that another statute requires to be distributed
 40 to the fund from the Indiana tobacco master settlement
 41 agreement fund.

42 (b) The expenses of administering the fund shall be paid from



1 money in the fund.

2 (c) The treasurer of state shall invest the money in the fund not
 3 currently needed to meet the obligations of the fund in the same
 4 manner as other public funds may be invested. Interest that accrues
 5 from these investments shall be deposited in the fund.

6 SECTION 16. IC 25-27-1-1, AS AMENDED BY P.L.156-2020,
 7 SECTION 107, IS AMENDED TO READ AS FOLLOWS
 8 [EFFECTIVE JULY 1, 2026]: Sec. 1. For the purposes of this chapter:

9 (1) "Physical therapy" means the care and services provided by
 10 or under the direction and supervision of a physical therapist that
 11 includes any of the following:

12 (A) Examining, evaluating, and conduct testing (as defined
 13 in subdivision (16) (14)) on patients with mechanical,
 14 physiological, or developmental impairments, functional
 15 limitations, and disabilities or other health and movement
 16 related conditions in order to determine a physical therapy
 17 diagnosis.

18 (B) Alleviating impairments, functional limitations, and
 19 disabilities by designing, implementing, and modifying
 20 treatment interventions that may include therapeutic
 21 exercise, functional training in home, community, or work
 22 integration or reintegration that is related to physical
 23 movement and mobility, manual therapy, including soft
 24 tissue and joint mobilization or manipulation, therapeutic
 25 massage, prescription, application, and fabrication of
 26 assistive, adaptive, orthotic, protective, and supportive
 27 devices and equipment, including prescription and
 28 application of prosthetic devices and equipment, airway
 29 clearance techniques, integumentary protection and repair
 30 techniques, debridement and wound care, physical agents or
 31 modalities, mechanical and electrotherapeutic modalities,
 32 and patient related instruction.

33 (C) Using solid filiform needles to treat
 34 neuromusculoskeletal pain and dysfunction (dry needling),
 35 after completing board approved continuing education and
 36 complying with applicable board rules. However, a physical
 37 therapist may not engage in the practice of acupuncture (as
 38 defined in IC 25-2.5-1-5) unless the physical therapist is
 39 licensed under IC 25-2.5.

40 (D) Reducing the risk of injury, impairment, functional
 41 limitation, and disability, including the promotion and
 42 maintenance of fitness, health, and wellness in populations



of all ages.

(E) Engaging in administration, consultation, education, and research.

(2) "Physical therapist" means a person who is licensed under this chapter to practice physical therapy.

(3) "Physical therapist assistant" means a person who:

(A) is certified under this chapter; and

(B) assists a physical therapist in selected components of physical therapy treatment interventions.

(4) "Board" refers to the Indiana board of physical therapy.

(5) "Physical therapy aide" means support personnel who perform designated tasks related to the operation of physical therapy services.

(6) "Person" means an individual.

(7) "Sharp debridement" means the removal of foreign material or dead tissue from or around a wound, without anesthesia and with generally no bleeding, through the use of:

(A) a sterile scalpel;

(B) ~~seissors~~;

(C) forceps;

(D) tweezers, or

(E) other sharp medical instruments;

in order to expose healthy tissue, prevent infection, and promote healing.

(8) "Spinal manipulation" means a method of skillful and beneficial treatment by which a physical therapist uses direct thrust to move a joint of the patient's spine beyond its normal range of motion, but without exceeding the limits of anatomical integrity.

(9) (7) "Tasks" means activities that do not require the clinical decision making of a physical therapist or the clinical problem solving of a physical therapist assistant.

(+) (8) "Competence" is the application of knowledge, skills, and behaviors required to function effectively, safely, ethically, and legally within the context of the patient's role and environment.

(+) (9) "Continuing competence" is the process of maintaining and documenting competence through ongoing self-assessment, development, and implementation of a personal learning plan and subsequent reassessment.

(12) (10) "State" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth

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1 of Puerto Rico.

2 **(13) (11)** "Direct supervision" means that a physical therapist or
 3 physical therapist assistant is physically present and immediately
 4 available to direct and supervise tasks that are related to patient
 5 management.

6 **(14) (12)** "General supervision" means supervision provided by
 7 a physical therapist who is available by telecommunication.

8 **(15) (13)** "Onsite supervision" means supervision provided by a
 9 physical therapist who is continuously onsite and present in the
 10 department or facility where services are provided. The
 11 supervising therapist must be immediately available to the
 12 person being supervised and maintain continued involvement in
 13 the necessary aspects of patient care.

14 **(16) (14)** "Conduct testing" means standard methods and
 15 techniques used to gather data about a patient, including, subject
 16 to section 2.5(e) 2.5 of this chapter, electrodiagnostic and
 17 electrophysiologic tests and measures. ~~The term does not include~~
 18 ~~x-rays~~.

19 **(17) (15)** "Physical therapy diagnosis" means a systematic
 20 examination, evaluation, and testing process that culminates in
 21 identifying the dysfunction toward which physical therapy
 22 treatment will be directed. The term does not include a medical
 23 diagnosis.

24 SECTION 17. IC 25-27-1-2, AS AMENDED BY P.L.143-2022,
 25 SECTION 73, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2026]: Sec. 2. (a) Except as otherwise provided in this chapter
 27 and IC 25-27-2, it is unlawful for a person or business entity to do the
 28 following:

29 (1) Practice physical therapy without first obtaining from the
 30 board a license authorizing the person to practice physical
 31 therapy in this state.

32 (2) Profess to be or promote an employee to be a physical
 33 therapist, physiotherapist, doctor of physiotherapy, doctor of
 34 physical therapy, or registered physical therapist or to use the
 35 initials "P.T.", "D.P.T.", "L.P.T.", or "R.P.T.", or any other
 36 letters, words, abbreviations, or insignia indicating that physical
 37 therapy is provided by a physical therapist, unless physical
 38 therapy is provided by or under the direction of a physical
 39 therapist.

40 (3) Advertise services for physical therapy or physiotherapy
 41 services, unless the individual performing those services is a
 42 physical therapist.



11 (1) teaching;
12 (2) doing research;
13 (3) providing advisory services; or
14 (4) conducting seminars on physical therapy;

is not considered to be a practice of physical therapy.

16 (c) Except as otherwise provided in this chapter and IC 25-27-2,
17 it is unlawful for a person to profess to be or act as a physical therapist
18 assistant or to use the initials "P.T.A." or any other letters, words,
19 abbreviations, or insignia indicating that the person is a physical
20 therapist assistant without first obtaining from the board a certificate
21 authorizing the person to act as a physical therapist assistant. It is
22 unlawful for the person to act as a physical therapist assistant other
23 than under the general supervision of a licensed physical therapist who
24 is in responsible charge of a patient. However, nothing in this chapter
25 prohibits a person licensed or registered in this state under another law
26 from engaging in the practice for which the person is licensed or
27 registered. These exempted persons include persons engaged in the
28 practice of osteopathic medicine, chiropractic, or podiatric medicine.

(d) Except as provided in section 2.5 of this chapter, This chapter does not authorize a person who is licensed as a physical therapist or certified as a physical therapist assistant to:

(1) evaluate any physical disability or mental disorder except upon the order or referral of a physician, a podiatrist, a psychologist, a chiropractor, a physician assistant, an advanced practice registered nurse, or a dentist;

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(1) licensed under this article; and
(2) an employee or contractor of a school corporation;
may provide mandated school services to a student that are within the physical therapist's scope of practice.

5 SECTION 18. IC 25-27-1-2.5, AS AMENDED BY P.L.160-2019,
6 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2026]: Sec. 2.5. (a) Except as provided in subsection (b), a
8 physical therapist may evaluate and treat an individual during a period
9 not to exceed forty-two (42) calendar days beginning with the date of
10 the initiation of treatment without a referral from a provider described
11 in section 2(b) of this chapter. However, if the individual needs
12 additional treatment from the physical therapist after forty-two (42)
13 calendar days, the physical therapist shall obtain a referral from the
14 individual's provider, as described in section 2(b) of this chapter.

15 (b) A physical therapist may not perform spinal manipulation of
16 the spinal column or the vertebral column unless:

(1) the physical therapist is acting on the order or referral of a physician, an osteopathic physician, or a chiropractor; and
(2) the referring physician, osteopathic physician, or chiropractor has examined the patient before issuing the order or referral;

21 (e) A physical therapist who conducts testing using
22 electrophysiologic or electrodiagnostic testing must obtain and
23 maintain the American Board of Physical Therapy Specialties Clinical
24 Electrophysiologic Specialist Certification.

25 SECTION 19. IC 25-27-1-3.5 IS REPEALED [EFFECTIVE JULY
26 1, 2026]. Sec. 3.5. A physical therapist may not perform sharp
27 debridement unless the physical therapist is acting on the order or
28 referral of a:

(1) physician or osteopath licensed under IC 25-22.5; or
(2) podiatrist licensed under IC 25-29;

31 ← SECTION 20. IC 27-1-7-2.5 IS ADDED TO THE INDIANA
32 CODE AS A NEW SECTION TO READ AS FOLLOWS
33 [EFFECTIVE JULY 1, 2026]. See. 2.5. (a) This section applies to a
34 policy of health insurance coverage that is issued, delivered,
35 amended, or renewed after June 30, 2026.

36 ~~(b) As used in this section, "health carrier" has the meaning~~
37 ~~set forth in JC 27-1-46-3.~~

38 ~~(c) A health carrier may not contract with, enter into an~~
39 ~~agreement with, or use a pharmacy benefit manager to provide~~
40 ~~services for a policy of health insurance coverage described in~~
41 ~~subsection (a) if the health carrier has an ownership interest in the~~
42 ~~pharmacy benefit manager.~~



5 — SECTION 21.1C 27-1-24.5-18.5 IS ADDED TO THE INDIANA
6 CODE AS A NEW SECTION TO READ AS FOLLOWS
7 [EFFECTIVE JULY 1, 2026]: **Sec. 18.5. (a) This section applies to a**
8 **policy of health insurance coverage that is issued, delivered,**
9 **amended, or renewed after June 30, 2026.**

10 ~~(b) As used in this section, "health carrier" has the meaning~~
11 ~~set forth in JC 27-1-46-3.~~

16 — SECTION 22.1C 27-1-24.5-18.6 IS ADDED TO THE INDIANA
17 CODE AS A NEW SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 2026]. See. 18.6. A **pharmacy** benefit
19 manager licensed under this chapter may not have an ownership
20 interest in a **pharmacy**.

21 > SECTION 2~~01~~ IC 27-1-37.5-17, AS AMENDED BY
22 P.L.144-2025, SECTION 27, IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 17. (a) As used in this
24 section, "necessary information" includes the results of any face-to-face
25 clinical evaluation, second opinion, or other clinical information that
26 is directly applicable to the requested health care service that may be
27 required.

(b) If a utilization review entity makes an adverse determination on a prior authorization request by a covered individual's health care provider, the utilization review entity must offer the covered individual's health care provider the option to request a peer to peer review by a clinical peer concerning the adverse determination.

(c) A covered individual's health care provider may request a peer to peer review by a clinical peer either in writing or electronically.

35 (d) If a peer to peer review by a clinical peer is requested under
36 this section:

36 this section.

37 (1) the utilization review entity's clinical peer and the covered
38 individual's health care provider or the health care provider's

38 individual's health care provider or the health care provider's
39 designee shall make every effort to provide the peer to peer
40 review not later than forty-eight (48) hours (excluding weekends
41 and state and federal legal holidays) after the utilization review
42 entity receives the request by the covered individual's health care

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1 provider for a peer to peer review if the utilization review entity
 2 has received the necessary information for the peer to peer
 3 review; **and**

4 (2) the utilization review entity must have the peer to peer
 5 review conducted between the clinical peer and the covered
 6 individual's health care provider or the provider's designee; **and**
 7 **(3) the clinical peer must disclose the clinical peer's:**

8 **(A) full name;**
 9 **(B) licensure; and**
 10 **(C) speciality, if applicable;**
 11 **to the covered individual's health care provider or the**
 12 **provider's designee .**

13 SECTION 2~~↔~~[1]. IC 27-1-37.5-19.5 IS ADDED TO THE
 14 INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 15 **[EFFECTIVE JULY 1, 2026]: Sec. 19.5. (a) A utilization review**
 16 **entity may not use artificial intelligence as the primary means for**
 17 **making adverse determinations.**

18 **(b) A utilization review entity must disclose in an easily**
 19 **accessible and readable manner when artificial intelligence is used**
 20 **during any part of the prior authorization review process.**

21 SECTION 2~~↔~~[2]. IC 27-1-37.5-20, AS ADDED BY
 22 P.L.144-2025, SECTION 29, IS AMENDED TO READ AS
 23 FOLLOWS **[EFFECTIVE JULY 1, 2026]: Sec. 20. (a) A utilization**
 24 **review entity must ensure that:**

25 **(1) all:**
 26 **(A) adverse determinations based on medical necessity are**
 27 **made;**

28 **(B) adverse determinations made through the use of**
 29 **artificial intelligence; and**

30 **(C) appeals are reviewed and decided;**
 31 **by a clinical peer; and**

32 **(2) when making an adverse determination based on medical**
 33 **necessity or reviewing and deciding an appeal **under****
 34 **subdivision (1), the clinical peer is under the clinical direction**
 35 **of a medical director of the utilization review entity who is:**

36 **(A) responsible for the provision of health care services**
 37 **provided to covered individuals; and**
 38 **(B) a physician licensed in Indiana under IC 25-22.5.**

39 **(b) An appeal may not be reviewed or decided by a clinical peer**
 40 **who:**

41 **(1) has a financial interest in the outcome of the appeal; or**
 42 **(2) was involved in making the adverse determination that is the**



1 subject of the appeal.

2 SECTION 2-~~6~~[3]. IC 27-1-52.5 IS ADDED TO THE INDIANA
3 CODE AS A NEW CHAPTER TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2026]:

Chapter 52.5. Downcoding of Medical Claims

6 **Sec. 1. As used in this chapter, "CARC" refers to the claim**
7 **adjustment reason codes that provide the reason for a financial**
8 **adjustment specified to a particular claim or service, as referenced**
9 **in the transmitted Accredited Standards Committee (ASC) X12**
10 **835 standard transaction adopted by the Department of Health and**
11 **Human Services under 45 CFR 162.1602.**

12 **Sec. 2. As used in this chapter, "downcoding" means the**
13 **unilateral alteration by a health insurer of the level of evaluation**
14 **and management service code or other service code submitted on**
15 **a claim that results in a lower payment.**

16 **Sec. 3. (a)** As used in this chapter, "health insurer" means an
17 entity:

(1) that is subject to this title and the administrative rules adopted under this title; and

(2) that enters into a contract to:

- (A) provide health care services;
- (B) deliver health care services;
- (C) arrange for health care services; or
- (D) pay for or reimburse any of the costs of health care services.

(b) The term includes the following:

- (1) An insurer (as defined in IC 27-1-2-3(x)) that issues a policy of accident and sickness insurance (as defined in IC 27-8-5-1(a)).
- (2) A health maintenance organization (as defined in IC 27-13-1-19).
- (3) An administrator (as defined in IC 27-1-25-1(a)) that is licensed under IC 27-1-25.
- (4) A state employee health plan offered under IC 5-10-8.
- (5) A short term insurance plan (as defined in IC 27-8-5.9-3).
- (6) Any other entity that provides a plan of health insurance, health benefits, or health care services.

(c) The term does not include:

- (1) an insurer that issues a policy of accident and sickness insurance;
- (2) a limited service health maintenance organization (as defined in IC 27-13-34-4); or

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4 **Sec. 4. As used in this chapter, "RARC" refers to remittance
5 advice remark codes that provide:**

- (1) supplemental information about a financial adjustment indicated by a CARC; or
- (2) information about remittance processing.

Sec. 5. (a) A health insurer may not use an automated:

- (1) process;
- (2) system; or
- (3) tool, including artificial intelligence;

13 to downcode a claim.

(b) A downcoding decision must be made by a physician who:

- (1) is licensed in Indiana under IC 25-22.5;
- (2) has the same specialty as the treating physician; and
- (3) performs a documented review of the clinical information supporting the billed service.

19 **Sec. 6. A health insurer may not downcode a claim based solely**
20 **on the reported diagnosis code.**

Sec. 7. If a claim is downcoded, the health insurer shall:

(1) notify the physician using the appropriate CARC and RARC to clearly indicate that the claim has been downcoded; and

(2) provide:

(A) the specific reason for the downcoding, including reference to the clinical criteria used to justify the downcoding;

(B) the original and revised service codes and payment amounts;

(C) the:

(i) national provider identifier;

(ii) credentials;

(iii) board certifications; and

(iv) areas of specialty expertise and training;

of the physician who is responsible for the downcoding decision; and

(D) a notice of the right to appeal as described in section 8 of this chapter.

40 **Sec. 8. (a) A health insurer shall provide physicians with a**
41 **clear and accessible process for appealing downcoded claims,**
42 **including:**

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- (1) a written or electronic notice detailing how to initiate an appeal;
- (2) contact information for the individual managing the appeal;
- (3) a timeline for submission of an appeal that is not less than one hundred eighty (180) days; and
- (4) a timeline for adjudication of an appeal that is not later than forty-eight (48) hours after an appeal is submitted.

Sec. 9. A health insurer may not use downcoding practices in a targeted or discriminatory manner against physicians who routinely treat patients with complex or chronic conditions.

Sec. 10. (a) The department has the authority to enforce this chapter.

(b) The department may do any of the following:

(1) Impose monetary penalties of not more than fifty thousand dollars (\$50,000) in violation of this chapter.

thousand dollars (\$50,000) per violation of this chapter.

(2) Order a health insurer to reprocess improperly downcoded claims with interest.

(3) If a pattern or practice of discriminatory downcoding is identified by the department, suspend a health insurer's certificate of authority or license.

SECTION ~~27. IC 27-4-1-4, AS AMENDED BY P.L.158-2024, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]:~~ See. 4. (a) The following are hereby defined as unfair methods of competition and unfair and deceptive acts and practices in the business of insurance:

(1) Making, issuing, circulating, or causing to be made, issued, or circulated, any estimate, illustration, circular, or statement:

(A) misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon;

(B) making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies;

(C) making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any

life insurer operates;

(E) using any name or title of any policy or class of policies



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1 employees to issue or deliver, agency company stock or other
 2 capital stock, or benefit certificates or shares in any common law
 3 corporation, or securities or any special or advisory board
 4 contracts or other contracts of any kind promising returns and
 5 profits as an inducement to insurance.

6 (7) Making or permitting any of the following:

7 (A) Unfair discrimination between individuals of the same
 8 class and equal expectation of life in the rates or
 9 assessments charged for any contract of life insurance or of
 10 life annuity or in the dividends or other benefits payable
 11 thereon, or in any other of the terms and conditions of such
 12 contract. However, in determining the class, consideration
 13 may be given to the nature of the risk, plan of insurance, the
 14 actual or expected expense of conducting the business, or
 15 any other relevant factor.

16 (B) Unfair discrimination between individuals of the same
 17 class involving essentially the same hazards in the amount
 18 of premium, policy fees, assessments, or rates charged or
 19 made for any policy or contract of accident or health
 20 insurance or in the benefits payable thereunder, or in any of
 21 the terms or conditions of such contract, or in any other
 22 manner whatever. However, in determining the class,
 23 consideration may be given to the nature of the risk, the
 24 plan of insurance, the actual or expected expense of
 25 conducting the business, or any other relevant factor.

26 (C) Excessive or inadequate charges for premiums, policy
 27 fees, assessments, or rates, or making or permitting any
 28 unfair discrimination between persons of the same class
 29 involving essentially the same hazards, in the amount of
 30 premiums, policy fees, assessments, or rates charged or
 31 made for:

32 (i) policies or contracts of reinsurance or joint
 33 reinsurance, or abstract and title insurance;

34 (ii) policies or contracts of insurance against loss or
 35 damage to aircraft, or against liability arising out of the
 36 ownership, maintenance, or use of any aircraft, or of
 37 vessels or craft, their cargoes, marine builders' risks,
 38 marine protection and indemnity, or other risks
 39 commonly insured under marine, as distinguished from
 40 inland marine, insurance; or

41 (iii) policies or contracts of any other kind or kinds of
 42 insurance whatsoever.



1 — However, nothing contained in clause (C) shall be construed to
 2 apply to any of the kinds of insurance referred to in clauses (A)
 3 and (B) nor to reinsurance in relation to such kinds of insurance.
 4 Nothing in clause (A), (B), or (C) shall be construed as making
 5 or permitting any excessive, inadequate, or unfairly
 6 discriminatory charge or rate or any charge or rate determined by
 7 the department or commissioner to meet the requirements of any
 8 other insurance rate regulatory law of this state.

9 — (8) Except as otherwise expressly provided by IC 27-1-47 or
 10 another law, knowingly permitting or offering to make or making
 11 any contract or policy of insurance of any kind or kinds
 12 whatsoever, including but not in limitation, life annuities, or
 13 agreement as to such contract or policy other than as plainly
 14 expressed in such contract or policy issued thereon, or paying or
 15 allowing, or giving or offering to pay, allow, or give, directly or
 16 indirectly, as inducement to such insurance, or annuity, any
 17 rebate of premiums payable on the contract, or any special favor
 18 or advantage in the dividends, savings, or other benefits thereon,
 19 or any valuable consideration or inducement whatever not
 20 specified in the contract or policy, or giving, or selling, or
 21 purchasing or offering to give, sell, or purchase as inducement
 22 to such insurance or annuity or in connection therewith, any
 23 stocks, bonds, or other securities of any insurance company or
 24 other corporation, association, limited liability company, or
 25 partnership, or any dividends, savings, or profits accrued
 26 thereon, or anything of value whatsoever not specified in the
 27 contract. Nothing in this subdivision and subdivision (7) shall be
 28 construed as including within the definition of discrimination or
 29 rebates any of the following practices:

30 — (A) Paying bonuses to policyholders or otherwise abating
 31 their premiums in whole or in part out of surplus
 32 accumulated from nonparticipating insurance, so long as
 33 any such bonuses or abatement of premiums are fair and
 34 equitable to policyholders and for the best interests of the
 35 company and its policyholders.

36 — (B) In the case of life insurance policies issued on the
 37 industrial debit plan, making allowance to policyholders
 38 who have continuously for a specified period made
 39 premium payments directly to an office of the insurer in an
 40 amount which fairly represents the saving in collection
 41 expense.

42 — (C) Readjustment of the rate of premium for a group



insurance policy based on the loss or expense experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, which may be made retroactive only for such policy year:

(D) Paying by an insurer or insurance producer thereof of money, licensed as such under the laws of this state or giving or allowing by an insurer or such licensed insurance producer thereof anything of value, for or on account of the solicitation or negotiation of policies or other contracts of any kind or kinds, to a broker, an insurance producer, or a solicitor duly licensed under the laws of this state, but such broker, insurance producer, or solicitor receiving such consideration shall not pay, give, or allow credit for such consideration as received in whole or in part, directly or indirectly, to the insured by way of rebate.

Requiring, as a condition precedent to loaning money upon security of a mortgage upon real property, that the owner of property to whom the money is to be loaned negotiate any type of insurance covering such real property through a particular insurance producer or broker or brokers. However, this division shall not prevent the exercise by any lender of the lender's right to approve or disapprove of the insurance company selected by the borrower to underwrite the insurance.

7) Entering into any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of commerce in the business of insurance.

Monopolizing or attempting to monopolize or combining or conspiring with any other person or persons to monopolize any of commerce in the business of insurance. However, participation as a member, director, or officer in the activities of nonprofit organization of insurance producers or other persons in the insurance business shall not be interpreted, in itself, to constitute a combination in restraint of trade or as combining to create a monopoly as provided in this subdivision subdivision (10). The enumeration in this chapter of specific unfair methods of competition and unfair or deceptive acts and practices in the business of insurance is not exclusive or restrictive or intended to limit the powers of the commissioner or department or of any court of review under section 8 of this chapter.

Requiring as a condition precedent to the sale of real or

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1 personal property under any contract of sale, conditional sales
 2 contract, or other similar instrument or upon the security of a
 3 chattel mortgage, that the buyer of such property negotiate any
 4 policy of insurance covering such property through a particular
 5 insurance company, insurance producer, or broker or brokers.
 6 However, this subdivision shall not prevent the exercise by any
 7 seller of such property or the one making a loan thereon of the
 8 right to approve or disapprove of the insurance company selected
 9 by the buyer to underwrite the insurance.

10 (13) Issuing, offering, or participating in a plan to issue or offer,
 11 any policy or certificate of insurance of any kind or character as
 12 an inducement to the purchase of any property, real, personal, or
 13 mixed, or services of any kind, where a charge to the insured is
 14 not made for and on account of such policy or certificate of
 15 insurance. However, this subdivision shall not apply to any of
 16 the following:

17 (A) Insurance issued to credit unions or members of credit
 18 unions in connection with the purchase of shares in such
 19 credit unions.
 20 (B) Insurance employed as a means of guaranteeing the
 21 performance of goods and designed to benefit the
 22 purchasers or users of such goods.
 23 (C) Title insurance.
 24 (D) Insurance written in connection with an indebtedness
 25 and intended as a means of repaying such indebtedness in
 26 the event of the death or disability of the insured.
 27 (E) Insurance provided by or through motorists service
 28 clubs or associations.
 29 (F) Insurance that is provided to the purchaser or holder of
 30 an air transportation ticket and that:
 31 (i) insures against death or nonfatal injury that occurs
 32 during the flight to which the ticket relates;
 33 (ii) insures against personal injury or property damage
 34 that occurs during travel to or from the airport in a
 35 common carrier immediately before or after the flight;
 36 (iii) insures against baggage loss during the flight to
 37 which the ticket relates; or
 38 (iv) insures against a flight cancellation to which the
 39 ticket relates.

40 (14) Refusing, because of the for-profit status of a hospital or
 41 medical facility, to make payments otherwise required to be
 42 made under a contract or policy of insurance for charges



1 incurred by an insured in such a for-profit hospital or other
2 for-profit medical facility licensed by the Indiana department of
3 health.

(15) Refusing to insure an individual, refusing to continue to issue insurance to an individual, limiting the amount, extent, or kind of coverage available to an individual, or charging an individual a different rate for the same coverage, solely because of that individual's blindness or partial blindness, except where the refusal, limitation, or rate differential is based on sound actuarial principles or is related to actual or reasonably anticipated experience.

12 (16) Committing or performing, with such frequency as to
13 indicate a general practice, unfair claim settlement practices (as
14 defined in section 4.5 of this chapter).

15 (17) Between policy renewal dates, unilaterally canceling an
16 individual's coverage under an individual or group health
17 insurance policy solely because of the individual's medical or
18 physical condition.

19 (18) Using a policy form or rider that would permit a
20 cancellation of coverage as described in subdivision (17).

21 (19) Violating IC 27-1-22-25, IC 27-1-22-26, or IC 27-1-22-26.1
22 concerning motor vehicle insurance rates.

23 (20) Violating IC 27-8-21-2 concerning advertisements referring
24 to interest rate guarantees:

25 (21) Violating IC 27-8-24.3 concerning insurance and health
26 plan coverage for victims of abuse.
27 (22) Violating IC 27-8-26 concerning genetic screening or

29 (23) Violating IC 27-1-15.6-3(b) concerning licensure of
30 insurance producers.

31 (24) Violating IC 27-1-38 concerning depository institutions.
32 (25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning

33 the resolution of an appealed grievance decision.
34 (26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(f) (expired

35 July 1, 2007, and removed) or IC 27-8-5-19.2 (expired July 1,
36 2007, and repealed).

37 ~~(27) Violating IC 27-2-21 concerning use of credit information.~~

38 (28) Violating IC 27-4-9-3 concerning recommendations to
39 consumers.

40 (29) Engaging in dishonest or predatory insurance practices in
41 marketing or sales of insurance to members of the United States
42 Armed Forces; or

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1 (A) described in the federal Military Personnel Financial
 2 Services Protection Act, P.L.109-290; or
 3 (B) defined in rules adopted under subsection (b);
 4 (30) Violating IC 27-8-19.8-20.1 concerning stranger originated
 5 life insurance;
 6 (31) Violating IC 27-2-22 concerning retained asset accounts;
 7 (32) Violating IC 27-8-5-29 concerning health plans offered
 8 through a health benefit exchange (as defined in IC 27-19-2-8);
 9 (33) Violating a requirement of the federal Patient Protection
 10 and Affordable Care Act (P.L. 111-148), as amended by the
 11 federal Health Care and Education Reconciliation Act of 2010
 12 (P.L. 111-152), that is enforceable by the state;
 13 (34) After June 30, 2015, violating IC 27-2-23 concerning
 14 unclaimed life insurance, annuity, or retained asset account
 15 benefits;
 16 (35) Willfully violating IC 27-1-12-46 concerning a life
 17 insurance policy or certificate described in IC 27-1-12-46(a);
 18 (36) Violating IC 27-1-37-7 concerning prohibiting the
 19 disclosure of health care service claims data;
 20 (37) Violating IC 27-4-10-10 concerning virtual claims
 21 payments;
 22 (38) Violating IC 27-1-24.5 concerning pharmacy benefit
 23 managers;
 24 (39) Violating IC 27-7-17-16 or IC 27-7-17-17 concerning the
 25 marketing of travel insurance policies;
 26 (40) Violating IC 27-1-49 concerning individual prescription
 27 drug rebates;
 28 (41) Violating IC 27-1-50 concerning group prescription drug
 29 rebates;
 30 (42) Violating IC 27-1-7-2.5 concerning a health carrier
 31 contracting with a pharmacy benefit manager in which the
 32 health carrier has an ownership interest.
 33 (b) Except with respect to federal insurance programs under
 34 Subchapter III of Chapter 19 of Title 38 of the United States Code, the
 35 commissioner may, consistent with the federal Military Personnel
 36 Financial Services Protection Act (10 U.S.C. 992 note), adopt rules
 37 under IC 4-22-2 to:
 38 (1) define; and
 39 (2) while the members are on a United States military
 40 installation or elsewhere in Indiana, protect members of the
 41 United States Armed Forces from;
 42 dishonest or predatory insurance practices.



1 ~~SECTION 28~~^[24] IC 27-8-5-27.5 IS ADDED TO THE
 2 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2026]: **Sec. 27.5. (a) This section applies to a**
 4 **policy of accident and sickness insurance that provides coverage**
 5 **for anesthesia services and is issued, amended, or renewed after**
 6 **June 30, 2026.**

7 **(b) As used in this section, "anesthesia time" means the period**
 8 **beginning when an anesthesia practitioner begins to prepare a**
 9 **patient for anesthesia services in the operating room or an**
 10 **equivalent area and ends when the anesthesia practitioner is no**
 11 **longer furnishing anesthesia services to the patient. The term**
 12 **includes blocks of time around an interruption in anesthesia time**
 13 **provided that the anesthesia practitioner is furnishing continuous**
 14 **anesthesia care within the time periods surrounding the**
 15 **interruption.**

16 **(c) A policy of accident and sickness insurance may not impose**
 17 **any of the following concerning the provision of anesthesia services**
 18 **during a medical procedure:**

- 19 **(1) A time limit on the amount of covered anesthesia time for**
 20 **any medical procedure.**
- 21 **(2) Restrictions or exclusions of coverage or payment of**
 22 **anesthesia time.**

23 SECTION 2~~9~~^[5] IC 27-13-7-15.2 IS ADDED TO THE
 24 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
 25 [EFFECTIVE JULY 1, 2026]: **Sec. 15.2. (a) This section applies to an**
 26 **individual or group contract that provides coverage for anesthesia**
 27 **services and is issued, amended, or renewed after June 30, 2026.**

28 **(b) As used in this section, "anesthesia time" means the period**
 29 **beginning when an anesthesia practitioner begins to prepare a**
 30 **patient for anesthesia services in the operating room or an**
 31 **equivalent area and ends when the anesthesia practitioner is no**
 32 **longer furnishing anesthesia services to the patient. The term**
 33 **includes blocks of time around an interruption in anesthesia time**
 34 **provided that the anesthesia practitioner is furnishing continuous**
 35 **anesthesia care within the time periods surrounding the**
 36 **interruption.**

37 **(c) An individual or group contract may not impose any of the**
 38 **following concerning the provision of anesthesia services during a**
 39 **medical procedure:**

- 40 **(1) A time limit on the amount of covered anesthesia time for**
 41 **any medical procedure.**
- 42 **(2) Restrictions or exclusions of coverage or payment of**



1 anesthesia time.

2 SECTION ~~30~~[26]. IC 34-30-2.1-256.5 IS ADDED TO THE
3 INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2026]: Sec. 256.5. IC 16-42-26.7-9
5 (Concerning practitioners, eligible facilities, research institutions,
6 and other persons participating in providing neuroplastogen
7 treatment).1

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