

# SENATE BILL No. 178

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-8-5.7; IC 27-13-36.2.

**Synopsis:** Payment of insurance claims. Provides that an insurer may not adjust a subsequent claim filed by a provider as a method of obtaining reimbursement of an overpayment made by the insurer on a prior claim by the provider. Provides that a health maintenance organization may not adjust a subsequent claim filed by a provider as a method of obtaining reimbursement of an overpayment made by the health maintenance organization on a prior claim by the provider. Provides that an insurer may not, more than one year after the date on which an overpayment on a provider claim was made to the provider by the insurer, request that the provider repay the overpayment (current law is two years). Provides that a health maintenance organization may not, more than one year after the date on which an overpayment on a provider claim was made to the provider by the health maintenance organization, request that the provider repay the overpayment (current law is two years). Makes conforming changes.

**Effective:** July 1, 2026.

---

---

## Jackson L

---

---

January 5, 2026, read first time and referred to Committee on Insurance and Financial Institutions.

---

---



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.

## SENATE BILL No. 178

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 27-8-5.7-10, AS ADDED BY P.L.55-2006,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2026]: Sec. 10. (a) An insurer may not, more than ~~two (2)~~  
4 **years one (1) year** after the date on which an overpayment on a  
5 provider claim was made to the provider by the insurer  
6 ~~(1) request that the provider repay the overpayment. or~~  
7 ~~(2) adjust a subsequent claim filed by the provider as a method of~~  
8 ~~obtaining reimbursement of the overpayment from the provider.~~  
9 (b) An insurer may not be required to correct a payment error to a  
10 provider more than two (2) years after the date on which a payment on  
11 a provider claim was made to the provider by the insurer.  
12 (c) This section does not apply in cases of fraud by the provider, the  
13 insured, or the insurer with respect to the claim on which the  
14 overpayment or underpayment was made.  
15 SECTION 2. IC 27-8-5.7-10.5 IS ADDED TO THE INDIANA  
16 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
17 [EFFECTIVE JULY 1, 2026]: **Sec. 10.5. An insurer may not adjust**



1 a subsequent claim filed by a provider as a method of obtaining  
 2 reimbursement of an overpayment made by the insurer on a prior  
 3 claim by the provider.

4 SECTION 3. IC 27-8-5.7-11 IS REPEALED [EFFECTIVE JULY  
 5 1, 2026]. ~~Sec. 11: Every subsequent claim that is adjusted by an insurer~~  
 6 ~~for reimbursement on an overpayment of a previous provider claim~~  
 7 ~~made to the provider must be accompanied by an explanation of the~~  
 8 ~~reason for the adjustment, including:~~

9 (1) an identification of:

10 (A) the claim on which the overpayment was made; and

11 (B) if ascertainable, the party financially responsible for the  
 12 overpaid amount; and

13 (2) the amount of the overpayment that is being reimbursed to the  
 14 insurer through the adjusted subsequent claim.

15 SECTION 4. IC 27-13-36.2-8, AS ADDED BY P.L.55-2006,  
 16 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 17 JULY 1, 2026]: Sec. 8. (a) A health maintenance organization may not,  
 18 more than ~~two (2) years~~ **one (1) year** after the date on which an  
 19 overpayment on a provider claim was made to the provider by the  
 20 health maintenance organization

21 (1) request that the provider repay the overpayment. ~~or~~

22 (2) ~~adjust a subsequent claim filed by the provider as a method of~~  
 23 ~~obtaining reimbursement of the overpayment from the provider.~~

24 (b) A health maintenance organization may not be required to  
 25 correct a payment error to a provider more than two (2) years after the  
 26 date on which a payment on a provider claim was made to the provider  
 27 by the health maintenance organization.

28 (c) This section does not apply in cases of fraud by the provider, the  
 29 enrollee, or the health maintenance organization with respect to the  
 30 claim on which the overpayment or underpayment was made.

31 SECTION 5. IC 27-13-36.2-8.5 IS ADDED TO THE INDIANA  
 32 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 33 [EFFECTIVE JULY 1, 2026]: **Sec. 8.5. A health maintenance**  
 34 **organization may not adjust a subsequent claim filed by a provider**  
 35 **as a method of obtaining reimbursement of an overpayment made**  
 36 **by the health maintenance organization on a prior claim by the**  
 37 **provider.**

38 SECTION 6. IC 27-13-36.2-9 IS REPEALED [EFFECTIVE JULY  
 39 1, 2026]. ~~Sec. 9: Every subsequent claim that is adjusted by a health~~  
 40 ~~maintenance organization for reimbursement on an overpayment of a~~  
 41 ~~previous provider claim made to the provider must be accompanied by~~  
 42 ~~an explanation of the reason for the adjustment, including:~~



- 1 (1) an identification of:
- 2 (A) the claim on which the overpayment was made; and
- 3 (B) if ascertainable, the party financially responsible for the
- 4 amount overpaid; and
- 5 (2) the amount of the overpayment that is being reimbursed to the
- 6 health maintenance organization through the adjusted subsequent
- 7 claim.

