

**LEGISLATIVE SERVICES AGENCY**  
**OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**  
**FISCAL IMPACT STATEMENT**

**LS 6811**  
**BILL NUMBER:** SB 189

**NOTE PREPARED:** Dec 23, 2025  
**BILL AMENDED:**

**SUBJECT:** Nonparticipating Providers.

**FIRST AUTHOR:** Sen. Baldwin  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                           **DEDICATED**  
                           **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill prohibits a health carrier from assessing a health provider facility or a provider an administrative fee related to the provision of care to an individual that involves an out of network provider. It also provides that if a health carrier assesses a health provider facility or a provider an administrative fee related to the provision of care to an individual that involves an out of network provider, the Insurance Commissioner shall impose on the health carrier a civil penalty that is equal to double the amount of the administrative fee assessed by the health carrier.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:** The bill's requirements will increase workload for the Indiana Department of Insurance (DOI) to ensure compliance but should be able to be implemented using existing staffing and resources. *[The DOI is funded through a dedicated agency fund.]*

**Explanation of State Revenues:** The bill requires the DOI to assess a health carrier that violates the bill's provisions regarding administrative fees with a civil penalty equal to twice the amount of the administrative fee charged by the health carrier. Revenue from the civil penalties will be deposited into the agency's dedicated Department of Insurance Fund.

**Explanation of Local Expenditures:** The bill prohibits health carriers from assessing health provider facilities with an administrative fee in certain circumstances, which may reduce expenditures for locally owned hospitals.

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Department of Insurance.

**Local Agencies Affected:** Locally owned hospitals.

**Information Sources:**

**Fiscal Analyst:** Jason Barrett, 317-232-9809.