

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

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

**NOTE PREPARED:** Jan 22, 2026  
**BILL AMENDED:** Jan 22, 2026

**SUBJECT:** Nonparticipating Providers.

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

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

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

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill prohibits a health carrier from assessing a health provider facility or a provider an administrative fee or penalty related to the provision of care to an individual that involves an out of network provider. It provides that if a health carrier assesses a health provider facility or a provider an administrative fee or penalty related to the provision of care to an individual that involves an out of network provider, the health carrier commits an unfair and deceptive act or practice in the business of insurance.

**Effective Date:** (Amended) Upon passage.

**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:** (Revised) A health carrier that violates the bill's provisions regarding administrative fees and penalties commits an unfair and deceptive act. If this bill increases the number of unfair and deceptive acts discovered by the DOI, revenue to the state General Fund will increase from civil penalties paid by violators. The penalty for engaging in an unfair and deceptive act is one or more of the following: (1) a civil penalty between \$25,000 and \$50,000 for each act or violation and (2) revocation of a person's license or certificate of authority if they knowingly engaged in an unfair or deceptive act.

**Explanation of Local Expenditures:** (Revised) The bill prohibits health carriers from assessing health provider facilities with an administrative fee or penalty 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:**

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