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# SENATE BILL No. 189

AM018901 has been incorporated into introduced printing.

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**Synopsis:** Nonparticipating providers.

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2026

IN 189—LS 6811/DI 154



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Introduced

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. 189

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 27-1-37-11, AS ADDED BY P.L.215-2025,  
2        SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3        JULY 1, 2026]: Sec. 11. **(a)** The department shall do the following:  
4            (1) Require health carriers to meet network adequacy standards  
5            that are no less stringent than the network adequacy standards  
6            established by the Centers for Medicare and Medicaid Services.  
7            (2) When assessing whether a health carrier has met the network  
8            adequacy standards, consider the availability and variety of  
9            independent specialty providers that provide services within in  
10            network provider facilities in the health carrier's network.  
11            **(b) A health carrier may not assess a health provider facility**  
12            **or a provider an administrative fee or penalty related to the**  
13            **provision of care to an individual that involves an out of network**  
14            **provider.**  
15            **(c) If a health carrier assesses an administrative fee or penalty**

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1       **under subsection (b), the health carrier commits an unfair and**  
2       **deceptive act or practice in the business of insurance under**  
3       **IC 27-4-1-4 and is subject to the penalties and procedures set forth**  
4       **in IC 27-4-1.**

5           SECTION 2. IC 27-4-1-4, AS AMENDED BY P.L.158-2024,  
6           SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
7           JULY 1, 2026]: Sec. 4. (a) The following are hereby defined as unfair  
8           methods of competition and unfair and deceptive acts and practices in  
9           the business of insurance:

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

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

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

18               (C) making any misleading representation or any  
19               misrepresentation as to the financial condition of any  
20               insurer, or as to the legal reserve system upon which any  
21               life insurer operates;

22               (D) using any name or title of any policy or class of policies  
23               misrepresenting the true nature thereof; or

24               (E) making any misrepresentation to any policyholder  
25               insured in any company for the purpose of inducing or  
26               tending to induce such policyholder to lapse, forfeit, or  
27               surrender the policyholder's insurance.

28           (2) Making, publishing, disseminating, circulating, or placing  
29           before the public, or causing, directly or indirectly, to be made,  
30           published, disseminated, circulated, or placed before the public,  
31           in a newspaper, magazine, or other publication, or in the form of  
32           a notice, circular, pamphlet, letter, or poster, or over any radio or  
33           television station, or in any other way, an advertisement,  
34           announcement, or statement containing any assertion,  
35           representation, or statement with respect to any person in the  
36           conduct of the person's insurance business, which is untrue,  
37           deceptive, or misleading.

38           (3) Making, publishing, disseminating, or circulating, directly or  
39           indirectly, or aiding, abetting, or encouraging the making,  
40           publishing, disseminating, or circulating of any oral or written  
41           statement or any pamphlet, circular, article, or literature which  
42           is false, or maliciously critical of or derogatory to the financial



1 condition of an insurer, and which is calculated to injure any  
2 person engaged in the business of insurance.

3 (4) Entering into any agreement to commit, or individually or by  
4 a concerted action committing any act of boycott, coercion, or  
5 intimidation resulting or tending to result in unreasonable  
6 restraint of, or a monopoly in, the business of insurance.

7 (5) Filing with any supervisory or other public official, or  
8 making, publishing, disseminating, circulating, or delivering to  
9 any person, or placing before the public, or causing directly or  
10 indirectly, to be made, published, disseminated, circulated,  
11 delivered to any person, or placed before the public, any false  
12 statement of financial condition of an insurer with intent to  
13 deceive. Making any false entry in any book, report, or statement  
14 of any insurer with intent to deceive any agent or examiner  
15 lawfully appointed to examine into its condition or into any of its  
16 affairs, or any public official to which such insurer is required by  
17 law to report, or which has authority by law to examine into its  
18 condition or into any of its affairs, or, with like intent, willfully  
19 omitting to make a true entry of any material fact pertaining to  
20 the business of such insurer in any book, report, or statement of  
21 such insurer.

22 (6) Issuing or delivering or permitting agents, officers, or  
23 employees to issue or deliver, agency company stock or other  
24 capital stock, or benefit certificates or shares in any common law  
25 corporation, or securities or any special or advisory board  
26 contracts or other contracts of any kind promising returns and  
27 profits as an inducement to insurance.

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

29 (A) Unfair discrimination between individuals of the same  
30 class and equal expectation of life in the rates or  
31 assessments charged for any contract of life insurance or of  
32 life annuity or in the dividends or other benefits payable  
33 thereon, or in any other of the terms and conditions of such  
34 contract. However, in determining the class, consideration  
35 may be given to the nature of the risk, plan of insurance, the  
36 actual or expected expense of conducting the business, or  
37 any other relevant factor.

38 (B) Unfair discrimination between individuals of the same  
39 class involving essentially the same hazards in the amount  
40 of premium, policy fees, assessments, or rates charged or  
41 made for any policy or contract of accident or health

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1 insurance or in the benefits payable thereunder, or in any of  
2 the terms or conditions of such contract, or in any other  
3 manner whatever. However, in determining the class,  
4 consideration may be given to the nature of the risk, the  
5 plan of insurance, the actual or expected expense of  
6 conducting the business, or any other relevant factor.

7 (C) Excessive or inadequate charges for premiums, policy  
8 fees, assessments, or rates, or making or permitting any  
9 unfair discrimination between persons of the same class  
10 involving essentially the same hazards, in the amount of  
11 premiums, policy fees, assessments, or rates charged or  
12 made for:

- 13 (i) policies or contracts of reinsurance or joint  
14 reinsurance, or abstract and title insurance;
- 15 (ii) policies or contracts of insurance against loss or  
16 damage to aircraft, or against liability arising out of the  
17 ownership, maintenance, or use of any aircraft, or of  
18 vessels or craft, their cargoes, marine builders' risks,  
19 marine protection and indemnity, or other risks  
20 commonly insured under marine, as distinguished from  
21 inland marine, insurance; or
- 22 (iii) policies or contracts of any other kind or kinds of  
23 insurance whatsoever.

24 However, nothing contained in clause (C) shall be construed to  
25 apply to any of the kinds of insurance referred to in clauses (A)  
26 and (B) nor to reinsurance in relation to such kinds of insurance.  
27 Nothing in clause (A), (B), or (C) shall be construed as making  
28 or permitting any excessive, inadequate, or unfairly  
29 discriminatory charge or rate or any charge or rate determined by  
30 the department or commissioner to meet the requirements of any  
31 other insurance rate regulatory law of this state.

32 (8) Except as otherwise expressly provided by IC 27-1-47 or  
33 another law, knowingly permitting or offering to make or making  
34 any contract or policy of insurance of any kind or kinds  
35 whatsoever, including but not in limitation, life annuities, or  
36 agreement as to such contract or policy other than as plainly  
37 expressed in such contract or policy issued thereon, or paying or  
38 allowing, or giving or offering to pay, allow, or give, directly or  
39 indirectly, as inducement to such insurance, or annuity, any  
40 rebate of premiums payable on the contract, or any special favor  
41 or advantage in the dividends, savings, or other benefits thereon,

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1                   or any valuable consideration or inducement whatever not  
 2                   specified in the contract or policy; or giving, or selling, or  
 3                   purchasing or offering to give, sell, or purchase as inducement  
 4                   to such insurance or annuity or in connection therewith, any  
 5                   stocks, bonds, or other securities of any insurance company or  
 6                   other corporation, association, limited liability company, or  
 7                   partnership, or any dividends, savings, or profits accrued  
 8                   thereon, or anything of value whatsoever not specified in the  
 9                   contract. Nothing in this subdivision and subdivision (7) shall be  
 10                  construed as including within the definition of discrimination or  
 11                  rebates any of the following practices:

12                  (A) Paying bonuses to policyholders or otherwise abating  
 13                  their premiums in whole or in part out of surplus  
 14                  accumulated from nonparticipating insurance, so long as  
 15                  any such bonuses or abatement of premiums are fair and  
 16                  equitable to policyholders and for the best interests of the  
 17                  company and its policyholders.  
 18                  (B) In the case of life insurance policies issued on the  
 19                  industrial debit plan, making allowance to policyholders  
 20                  who have continuously for a specified period made  
 21                  premium payments directly to an office of the insurer in an  
 22                  amount which fairly represents the saving in collection  
 23                  expense.  
 24                  (C) Readjustment of the rate of premium for a group  
 25                  insurance policy based on the loss or expense experience  
 26                  thereunder, at the end of the first year or of any subsequent  
 27                  year of insurance thereunder, which may be made  
 28                  retroactive only for such policy year.  
 29                  (D) Paying by an insurer or insurance producer thereof duly  
 30                  licensed as such under the laws of this state of money,  
 31                  commission, or brokerage, or giving or allowing by an  
 32                  insurer or such licensed insurance producer thereof  
 33                  anything of value, for or on account of the solicitation or  
 34                  negotiation of policies or other contracts of any kind or  
 35                  kinds, to a broker, an insurance producer, or a solicitor duly  
 36                  licensed under the laws of this state, but such broker,  
 37                  insurance producer, or solicitor receiving such  
 38                  consideration shall not pay, give, or allow credit for such  
 39                  consideration as received in whole or in part, directly or  
 40                  indirectly, to the insured by way of rebate.  
 41                  (9) Requiring, as a condition precedent to loaning money upon



1 the security of a mortgage upon real property, that the owner of  
2 the property to whom the money is to be loaned negotiate any  
3 policy of insurance covering such real property through a  
4 particular insurance producer or broker or brokers. However, this  
5 subdivision shall not prevent the exercise by any lender of the  
6 lender's right to approve or disapprove of the insurance company  
7 selected by the borrower to underwrite the insurance.

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

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

25 (12) Requiring as a condition precedent to the sale of real or  
26 personal property under any contract of sale, conditional sales  
27 contract, or other similar instrument or upon the security of a  
28 chattel mortgage, that the buyer of such property negotiate any  
29 policy of insurance covering such property through a particular  
30 insurance company, insurance producer, or broker or brokers.  
31 However, this subdivision shall not prevent the exercise by any  
32 seller of such property or the one making a loan thereon of the  
33 right to approve or disapprove of the insurance company selected  
34 by the buyer to underwrite the insurance.

35 (13) Issuing, offering, or participating in a plan to issue or offer,  
36 any policy or certificate of insurance of any kind or character as  
37 an inducement to the purchase of any property, real, personal, or  
38 mixed, or services of any kind, where a charge to the insured is  
39 not made for and on account of such policy or certificate of  
40 insurance. However, this subdivision shall not apply to any of  
41 the following:



- (A) Insurance issued to credit unions or members of credit unions in connection with the purchase of shares in such credit unions.
- (B) Insurance employed as a means of guaranteeing the performance of goods and designed to benefit the purchasers or users of such goods.
- (C) Title insurance.
- (D) Insurance written in connection with an indebtedness and intended as a means of repaying such indebtedness in the event of the death or disability of the insured.
- (E) Insurance provided by or through motorists service clubs or associations.
- (F) Insurance that is provided to the purchaser or holder of an air transportation ticket and that:
  - (i) insures against death or nonfatal injury that occurs during the flight to which the ticket relates;
  - (ii) insures against personal injury or property damage that occurs during travel to or from the airport in a common carrier immediately before or after the flight;
  - (iii) insures against baggage loss during the flight to which the ticket relates; or
  - (iv) insures against a flight cancellation to which the ticket relates.
- (14) Refusing, because of the for-profit status of a hospital or medical facility, to make payments otherwise required to be made under a contract or policy of insurance for charges incurred by an insured in such a for-profit hospital or other for-profit medical facility licensed by the Indiana department of 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.
- (16) Committing or performing, with such frequency as to indicate a general practice, unfair claim settlement practices (as defined in section 4.5 of this chapter).
- (17) Between policy renewal dates, unilaterally canceling an

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1 individual's coverage under an individual or group health  
2 insurance policy solely because of the individual's medical or  
3 physical condition.

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

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

8 (20) Violating IC 27-8-21-2 concerning advertisements referring  
9 to interest rate guarantees.

10 (21) Violating IC 27-8-24.3 concerning insurance and health  
11 plan coverage for victims of abuse.

12 (22) Violating IC 27-8-26 concerning genetic screening or  
13 testing.

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

16 (24) Violating IC 27-1-38 concerning depository institutions.

17 (25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning  
18 the resolution of an appealed grievance decision.

19 (26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(j) (expired  
20 July 1, 2007, and removed) or IC 27-8-5-19.2 (expired July 1,  
21 2007, and repealed).

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

23 (28) Violating IC 27-4-9-3 concerning recommendations to  
24 consumers.

25 (29) Engaging in dishonest or predatory insurance practices in  
26 marketing or sales of insurance to members of the United States  
27 Armed Forces as:

28 (A) described in the federal Military Personnel Financial  
29 Services Protection Act, P.L.109-290; or

30 (B) defined in rules adopted under subsection (b).

31 (30) Violating IC 27-8-19.8-20.1 concerning stranger originated  
32 life insurance.

33 (31) Violating IC 27-2-22 concerning retained asset accounts.

34 (32) Violating IC 27-8-5-29 concerning health plans offered  
35 through a health benefit exchange (as defined in IC 27-19-2-8).

36 (33) Violating a requirement of the federal Patient Protection  
37 and Affordable Care Act (P.L. 111-148), as amended by the  
38 federal Health Care and Education Reconciliation Act of 2010  
39 (P.L. 111-152), that is enforceable by the state.

40 (34) After June 30, 2015, violating IC 27-2-23 concerning  
41 unclaimed life insurance, annuity, or retained asset account

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