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# SENATE BILL No. 189

Proposed Changes to January 23, 2026 printing by AM018908

## DIGEST OF PROPOSED AMENDMENT

Rate reductions. Prohibits a health carrier from reducing a contracted or negotiated rate or fee schedule of a health provider facility or provider for conducting other services on the same day as a wellness visit. Provides that a health carrier commits an unfair and deceptive act or practice in the business of insurance if the health carrier reduces a contracted or negotiated rate or fee schedule in violation of this provision.

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 UPON PASSAGE]: 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**
- 16 **under subsection (b), the health carrier commits an unfair and**
- 17 **deceptive act or practice in the business of insurance under**

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1 IC 27-4-1-4 and is subject to the penalties and procedures set forth  
2 in IC 27-4-1.

3 [ SECTION 2. IC 27-1-37-11.5 IS ADDED TO THE INDIANA  
4 CODE AS A NEW SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE UPON PASSAGE]: Sec. 11.5. (a) A health carrier may  
6 not reduce a contracted or negotiated rate or fee schedule of a  
7 health provider facility or provider for conducting other services  
8 on the same day as a wellness visit.

9 (b) If a health carrier reduces a contracted or negotiated rate  
10 or fee schedule under subsection (a), the health carrier commits an  
11 unfair and deceptive act or practice in the business of insurance  
12 under IC 27-4-1-4 and is subject to the penalties and procedures set  
13 forth in IC 27-4-1.

14 ] SECTION ~~2~~[3]. IC 27-4-1-4, AS AMENDED BY  
15 P.L.158-2024, SECTION 19, IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) The  
17 following are hereby defined as unfair methods of competition and  
18 unfair and deceptive acts and practices in the business of insurance:

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

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

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

27 (C) making any misleading representation or any  
28 misrepresentation as to the financial condition of any  
29 insurer, or as to the legal reserve system upon which any  
30 life insurer operates;

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

33 (E) making any misrepresentation to any policyholder  
34 insured in any company for the purpose of inducing or  
35 tending to induce such policyholder to lapse, forfeit, or  
36 surrender the policyholder's insurance.

37 (2) Making, publishing, disseminating, circulating, or placing  
38 before the public, or causing, directly or indirectly, to be made,  
39 published, disseminated, circulated, or placed before the public,  
40 in a newspaper, magazine, or other publication, or in the form of  
41 a notice, circular, pamphlet, letter, or poster, or over any radio or  
42 television station, or in any other way, an advertisement,

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1 announcement, or statement containing any assertion,  
 2 representation, or statement with respect to any person in the  
 3 conduct of the person's insurance business, which is untrue,  
 4 deceptive, or misleading.  
 5 (3) Making, publishing, disseminating, or circulating, directly or  
 6 indirectly, or aiding, abetting, or encouraging the making,  
 7 publishing, disseminating, or circulating of any oral or written  
 8 statement or any pamphlet, circular, article, or literature which  
 9 is false, or maliciously critical of or derogatory to the financial  
 10 condition of an insurer, and which is calculated to injure any  
 11 person engaged in the business of insurance.  
 12 (4) Entering into any agreement to commit, or individually or by  
 13 a concerted action committing any act of boycott, coercion, or  
 14 intimidation resulting or tending to result in unreasonable  
 15 restraint of, or a monopoly in, the business of insurance.  
 16 (5) Filing with any supervisory or other public official, or  
 17 making, publishing, disseminating, circulating, or delivering to  
 18 any person, or placing before the public, or causing directly or  
 19 indirectly, to be made, published, disseminated, circulated,  
 20 delivered to any person, or placed before the public, any false  
 21 statement of financial condition of an insurer with intent to  
 22 deceive. Making any false entry in any book, report, or statement  
 23 of any insurer with intent to deceive any agent or examiner  
 24 lawfully appointed to examine into its condition or into any of its  
 25 affairs, or any public official to which such insurer is required by  
 26 law to report, or which has authority by law to examine into its  
 27 condition or into any of its affairs, or, with like intent, willfully  
 28 omitting to make a true entry of any material fact pertaining to  
 29 the business of such insurer in any book, report, or statement of  
 30 such insurer.  
 31 (6) Issuing or delivering or permitting agents, officers, or  
 32 employees to issue or deliver, agency company stock or other  
 33 capital stock, or benefit certificates or shares in any common law  
 34 corporation, or securities or any special or advisory board  
 35 contracts or other contracts of any kind promising returns and  
 36 profits as an inducement to insurance.  
 37 (7) Making or permitting any of the following:  
 38 (A) Unfair discrimination between individuals of the same  
 39 class and equal expectation of life in the rates or  
 40 assessments charged for any contract of life insurance or of  
 41 life annuity or in the dividends or other benefits payable  
 42 thereon, or in any other of the terms and conditions of such

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contract. However, in determining the class, consideration may be given to the nature of the risk, plan of insurance, the actual or expected expense of conducting the business, or any other relevant factor.

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

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

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

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

(8) Except as otherwise expressly provided by IC 27-1-47 or another law, knowingly permitting or offering to make or making any contract or policy of insurance of any kind or kinds

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1 whatsoever, including but not in limitation, life annuities, or  
 2 agreement as to such contract or policy other than as plainly  
 3 expressed in such contract or policy issued thereon, or paying or  
 4 allowing, or giving or offering to pay, allow, or give, directly or  
 5 indirectly, as inducement to such insurance, or annuity, any  
 6 rebate of premiums payable on the contract, or any special favor  
 7 or advantage in the dividends, savings, or other benefits thereon,  
 8 or any valuable consideration or inducement whatever not  
 9 specified in the contract or policy; or giving, or selling, or  
 10 purchasing or offering to give, sell, or purchase as inducement  
 11 to such insurance or annuity or in connection therewith, any  
 12 stocks, bonds, or other securities of any insurance company or  
 13 other corporation, association, limited liability company, or  
 14 partnership, or any dividends, savings, or profits accrued  
 15 thereon, or anything of value whatsoever not specified in the  
 16 contract. Nothing in this subdivision and subdivision (7) shall be  
 17 construed as including within the definition of discrimination or  
 18 rebates any of the following practices:

19 (A) Paying bonuses to policyholders or otherwise abating  
 20 their premiums in whole or in part out of surplus  
 21 accumulated from nonparticipating insurance, so long as  
 22 any such bonuses or abatement of premiums are fair and  
 23 equitable to policyholders and for the best interests of the  
 24 company and its policyholders.

25 (B) In the case of life insurance policies issued on the  
 26 industrial debit plan, making allowance to policyholders  
 27 who have continuously for a specified period made  
 28 premium payments directly to an office of the insurer in an  
 29 amount which fairly represents the saving in collection  
 30 expense.

31 (C) Readjustment of the rate of premium for a group  
 32 insurance policy based on the loss or expense experience  
 33 thereunder, at the end of the first year or of any subsequent  
 34 year of insurance thereunder, which may be made  
 35 retroactive only for such policy year.

36 (D) Paying by an insurer or insurance producer thereof duly  
 37 licensed as such under the laws of this state of money,  
 38 commission, or brokerage, or giving or allowing by an  
 39 insurer or such licensed insurance producer thereof  
 40 anything of value, for or on account of the solicitation or  
 41 negotiation of policies or other contracts of any kind or  
 42 kinds, to a broker, an insurance producer, or a solicitor duly

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1 licensed under the laws of this state, but such broker,  
 2 insurance producer, or solicitor receiving such  
 3 consideration shall not pay, give, or allow credit for such  
 4 consideration as received in whole or in part, directly or  
 5 indirectly, to the insured by way of rebate.

6 (9) Requiring, as a condition precedent to loaning money upon  
 7 the security of a mortgage upon real property, that the owner of  
 8 the property to whom the money is to be loaned negotiate any  
 9 policy of insurance covering such real property through a  
 10 particular insurance producer or broker or brokers. However, this  
 11 subdivision shall not prevent the exercise by any lender of the  
 12 lender's right to approve or disapprove of the insurance company  
 13 selected by the borrower to underwrite the insurance.

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

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

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

41 (13) Issuing, offering, or participating in a plan to issue or offer,  
 42 any policy or certificate of insurance of any kind or character as

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1 an inducement to the purchase of any property, real, personal, or  
 2 mixed, or services of any kind, where a charge to the insured is  
 3 not made for and on account of such policy or certificate of  
 4 insurance. However, this subdivision shall not apply to any of  
 5 the following:

6 (A) Insurance issued to credit unions or members of credit  
 7 unions in connection with the purchase of shares in such  
 8 credit unions.

9 (B) Insurance employed as a means of guaranteeing the  
 10 performance of goods and designed to benefit the  
 11 purchasers or users of such goods.

12 (C) Title insurance.

13 (D) Insurance written in connection with an indebtedness  
 14 and intended as a means of repaying such indebtedness in  
 15 the event of the death or disability of the insured.

16 (E) Insurance provided by or through motorists service  
 17 clubs or associations.

18 (F) Insurance that is provided to the purchaser or holder of  
 19 an air transportation ticket and that:

20 (i) insures against death or nonfatal injury that occurs  
 21 during the flight to which the ticket relates;

22 (ii) insures against personal injury or property damage  
 23 that occurs during travel to or from the airport in a  
 24 common carrier immediately before or after the flight;

25 (iii) insures against baggage loss during the flight to  
 26 which the ticket relates; or

27 (iv) insures against a flight cancellation to which the  
 28 ticket relates.

29 (14) Refusing, because of the for-profit status of a hospital or  
 30 medical facility, to make payments otherwise required to be  
 31 made under a contract or policy of insurance for charges  
 32 incurred by an insured in such a for-profit hospital or other  
 33 for-profit medical facility licensed by the Indiana department of  
 34 health.

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

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- 1 (16) Committing or performing, with such frequency as to  
 2 indicate a general practice, unfair claim settlement practices (as  
 3 defined in section 4.5 of this chapter).  
 4 (17) Between policy renewal dates, unilaterally canceling an  
 5 individual's coverage under an individual or group health  
 6 insurance policy solely because of the individual's medical or  
 7 physical condition.  
 8 (18) Using a policy form or rider that would permit a  
 9 cancellation of coverage as described in subdivision (17).  
 10 (19) Violating IC 27-1-22-25, IC 27-1-22-26, or IC 27-1-22-26.1  
 11 concerning motor vehicle insurance rates.  
 12 (20) Violating IC 27-8-21-2 concerning advertisements referring  
 13 to interest rate guarantees.  
 14 (21) Violating IC 27-8-24.3 concerning insurance and health  
 15 plan coverage for victims of abuse.  
 16 (22) Violating IC 27-8-26 concerning genetic screening or  
 17 testing.  
 18 (23) Violating IC 27-1-15.6-3(b) concerning licensure of  
 19 insurance producers.  
 20 (24) Violating IC 27-1-38 concerning depository institutions.  
 21 (25) Violating IC 27-8-28-17(c) or IC 27-13-10-8(c) concerning  
 22 the resolution of an appealed grievance decision.  
 23 (26) Violating IC 27-8-5-2.5(e) through IC 27-8-5-2.5(j) (expired  
 24 July 1, 2007, and removed) or IC 27-8-5-19.2 (expired July 1,  
 25 2007, and repealed).  
 26 (27) Violating IC 27-2-21 concerning use of credit information.  
 27 (28) Violating IC 27-4-9-3 concerning recommendations to  
 28 consumers.  
 29 (29) Engaging in dishonest or predatory insurance practices in  
 30 marketing or sales of insurance to members of the United States  
 31 Armed Forces as:  
 32 (A) described in the federal Military Personnel Financial  
 33 Services Protection Act, P.L. 109-290; or  
 34 (B) defined in rules adopted under subsection (b).  
 35 (30) Violating IC 27-8-19.8-20.1 concerning stranger originated  
 36 life insurance.  
 37 (31) Violating IC 27-2-22 concerning retained asset accounts.  
 38 (32) Violating IC 27-8-5-29 concerning health plans offered  
 39 through a health benefit exchange (as defined in IC 27-19-2-8).  
 40 (33) Violating a requirement of the federal Patient Protection  
 41 and Affordable Care Act (P.L. 111-148), as amended by the  
 42 federal Health Care and Education Reconciliation Act of 2010

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- 1 (P.L. 111-152), that is enforceable by the state.  
 2 (34) After June 30, 2015, violating IC 27-2-23 concerning  
 3 unclaimed life insurance, annuity, or retained asset account  
 4 benefits.  
 5 (35) Willfully violating IC 27-1-12-46 concerning a life  
 6 insurance policy or certificate described in IC 27-1-12-46(a).  
 7 (36) Violating IC 27-1-37-7 concerning prohibiting the  
 8 disclosure of health care service claims data.  
 9 (37) Violating IC 27-4-10-10 concerning virtual claims  
 10 payments.  
 11 (38) Violating IC 27-1-24.5 concerning pharmacy benefit  
 12 managers.  
 13 (39) Violating IC 27-7-17-16 or IC 27-7-17-17 concerning the  
 14 marketing of travel insurance policies.  
 15 (40) Violating IC 27-1-49 concerning individual prescription  
 16 drug rebates.  
 17 (41) Violating IC 27-1-50 concerning group prescription drug  
 18 rebates.  
 19 **(42) Violating IC 27-1-37-11 concerning an administrative**  
 20 **fee or penalty imposed on a health provider facility or a**  
 21 **provider by a health carrier related to the provision of care**  
 22 **to an individual that involves an out of network provider.**  
 23 [ **(43) Violating IC 27-1-37-11.5 concerning the reduction of a**  
 24 **contracted or negotiated rate or fee schedule of a health**  
 25 **provider facility or provider.**  
 26 ] (b) Except with respect to federal insurance programs under  
 27 Subchapter III of Chapter 19 of Title 38 of the United States Code, the  
 28 commissioner may, consistent with the federal Military Personnel  
 29 Financial Services Protection Act (10 U.S.C. 992 note), adopt rules  
 30 under IC 4-22-2 to:  
 31 (1) define; and  
 32 (2) while the members are on a United States military  
 33 installation or elsewhere in Indiana, protect members of the  
 34 United States Armed Forces from;  
 35 dishonest or predatory insurance practices.  
 36 SECTION ↔ [4]. **An emergency is declared for this act.**

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