
SENATE BILL No. 225

AM022501 has been incorporated into introduced printing.

Synopsis: Hospital matters.

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2026

IN 225—LS 6563/DI 104



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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. 225

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-6-2-13 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2026]: **Sec. 13. (a) The attorney general may:**

4 **(1) suspend the authority of a hospital, or a debt collector or
5 other third party on behalf of a hospital, to pursue medical
6 debt collection as described in IC 16-21-16-3; and
7 (2) terminate the suspension upon the hospital's compliance
8 with IC 16-21-16, as determined by the Indiana department
9 of health.**

10 **(b) The attorney general shall enforce IC 16-21-16.**

11 SECTION 2. IC 16-18-2-14, AS AMENDED BY P.L.213-2025,
12 SECTION 146, IS AMENDED TO READ AS FOLLOWS
13 [EFFECTIVE JULY 1, 2026]: **Sec. 14. (a) "Ambulatory outpatient
14 surgical center", for purposes of IC 16-19, IC 16-21, IC 16-32-5, and
15 IC 16-38-2, means a public or private institution that meets the**

2026

IN 225—LS 6563/DI 104



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1 following conditions:

2 (1) Is established, equipped, and operated primarily for the
3 purpose of performing surgical procedures and services.

4 (2) Is operated under the supervision of at least one (1) licensed
5 physician or under the supervision of the governing board of the
6 hospital if the center is affiliated with a hospital.

7 (3) Permits a surgical procedure to be performed only by a
8 physician, dentist, or podiatrist who meets the following
9 conditions:

10 (A) Is qualified by education and training to perform the
11 surgical procedure.

12 (B) Is legally authorized to perform the procedure.

13 (C) Is privileged to perform surgical procedures in at least
14 one (1) hospital within the county or an Indiana county
15 adjacent to the county in which the ambulatory outpatient
16 surgical center is located.

17 (D) (C) Is admitted to the open staff of the ambulatory
18 outpatient surgical center.

19 (4) Requires that a licensed physician with specialized training
20 or experience in the administration of anesthetic supervise the
21 administration of the anesthetic to a patient and remain present
22 in the facility during the surgical procedure, except when only a
23 local infiltration anesthetic is administered.

24 (5) Provides at least one (1) operating room and, if anesthetics
25 other than local infiltration anesthetics are administered, at least
26 one (1) postanesthesia recovery room.

27 (6) Is equipped to perform diagnostic x-ray and laboratory
28 examinations required in connection with any surgery
29 performed.

30 (7) Does not provide accommodations for patient stays of longer
31 than twenty-four (24) hours.

32 (8) Provides full-time services of registered and licensed nurses
33 for the professional care of the patients in the postanesthesia
34 recovery room.

35 (9) Has available the necessary equipment and trained personnel
36 to handle foreseeable emergencies such as a defibrillator for
37 cardiac arrest, a tracheotomy set for airway obstructions, and a
38 blood bank or other blood supply.

39 (10) Maintains a written agreement with at least one (1) hospital
40 for immediate acceptance of patients who develop complications
41 or require postoperative confinement.



4 (12) Maintains adequate medical records for each patient.

5 (13) Meets all additional minimum requirements as established
6 by the state department for building and equipment
7 requirements.

8 (14) Meets the rules and other requirements established by the
9 state department for the health, safety, and welfare of the
10 patients

10 patients.
11 (b) The term does not include a birthing center

(c) "Ambulatory outpatient surgical center", for purposes of IC 16-34, refers to an institution described in subsection (a) and that has a majority ownership by a hospital licensed under IC 16-21

14 has a majority ownership by a hospital licensed under IC 16-21-16-21.
15 SECTION 3. IC 16-18-2-223.2 IS ADDED TO THE INDIANA
16 CODE AS A NEW SECTION TO READ AS FOLLOWS
17 [EFFECTIVE JULY 1, 2026]: Sec. 223.2. "**Medical debt**", for
18 purposes of IC 16-21-16, has the meaning set forth in
19 IC 16-21-16-2.

19 **IC 16-21-16-2.**
20 SECTION 4. IC 16-18-2-328.8 IS ADDED TO THE INDIANA
21 CODE AS A NEW SECTION TO READ AS FOLLOWS
22 [EFFECTIVE JULY 1, 2026]: **Sec. 328.8. "Service line", for**
23 **purposes of IC 16-21-17.1, has the meaning set forth in**
24 **IC 16-21-17.1-1.**

24 IC 16-21-16.1.
25 SECTION 5. IC 16-21-16 IS ADDED TO THE INDIANA CODE
26 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
27 JULY 1, 2026]:

Chapter 16. Medical Debt Collection Restrictions

28 Chapter 16: Medical Debt Collection Restrictions
29 Sec. 1. This chapter applies to medical debt incurred after
30 June 30, 2026.

31 Sec. 2. As used in this chapter, "medical debt" means any
32 amount owed for health care services, products, or devices
33 provided to an individual by or in a hospital.

- (1) IC 16-21-6.
- (2) IC 16-21-9.
- (3) IC 16-21-17.1.
- (4) IC 16-21-18.
- (5) IC 16-21-19.

2026

IN 225—LS 6563/DI 104



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19 Upon receiving a notice under subdivision (2), the office of the
20 attorney general shall terminate a suspension described in
21 subsection (d).

(g) A hospital may pursue collection of a medical debt previously incurred by an individual when the hospital was noncompliant under subsection (a) if the state department subsequently makes a determination, in writing, that the noncompliance has been remedied and the hospital is designated by the state department as compliant under this chapter.

31 Sec. 4. (a) The state department shall post and update a list of
32 the noncompliant hospitals on the state department's website.

35 (1) The state department's review of a hospital's compliance
36 under this chapter, including a schedule for reviewing and
37 issuing determinations concerning compliance.

40 Sec. 5. (a) The attorney general shall
41 may do any of the following:
42 (1) Investigate alleged violations.

2026

IN 225—LS 6563/DI 104



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1 **than ten (10) days after the notice is issued under section 2 of this**
2 **chapter, the following must occur:**

3 **(1) The state department shall post a summary of the**
4 **proposed closure, elimination, or reduction on the state**
5 **department's website.**

6 **(2) The state department shall notify the office of the**
7 **secretary of family and social services and any other affected**
8 **state agency of the closure, elimination, or reduction.**

9 **(3) The hospital shall provide the notice described in section**
10 **2 of this chapter to the following:**

11 **(A) The local health department.**

12 **(B) The chief elected official of the local unit in which**
13 **the hospital is located.**

14 **Sec. 4. (a) The state department may waive the requirements**
15 **in sections 2 and 3 of this chapter upon written request by the**
16 **hospital only if:**

17 **(1) the closure, elimination, or reduction described in section**
18 **2 of this chapter is necessary due to a natural disaster,**
19 **catastrophic facility failure, or other emergency event**
20 **beyond the hospital's control; and**

21 **(2) the state department determines that the waiver is**
22 **necessary to protect the public's health and safety.**

23 **(b) The state department shall in a reasonable time period post**
24 **on the state department's website any waiver granted under this**
25 **section and the justification for the waiver.**

26 **Sec. 5. A hospital that violates this chapter may be subject to**
27 **any of the following:**

28 **(1) A civil penalty not to exceed ten thousand dollars**
29 **(\$10,000) per violation.**

30 **(2) Any other reasonable administrative action determined**
31 **by the state department.**

