

SENATE BILL No. 275

DIGEST OF INTRODUCED BILL

Citations Affected: IC 12-11-2.1-3; IC 12-15; IC 29-1-14-1.

Synopsis: FSSA fiscal matters. Establishes a time frame in which the bureau of disabilities services must review and approve or deny requests for an increase in service units provided to certain individuals with a disability. Reduces the income levels as a percentage of the federal poverty level for purposes of the Medicaid eligibility of certain Medicare beneficiaries. Repeals a provision prohibiting the office of the secretary of family and social services from reducing reimbursement for home health services. Specifies that public notice of at least six months (rather than one year) must be provided before a health facility service reimbursement that results in a reduction in reimbursement may be changed. Removes language providing that a claim by the estate recovery unit of the office of Medicaid policy and planning (estate recovery unit) is forever barred unless the estate recovery unit takes certain action against the decedent's estate not later than 120 days after the date of death of the decedent.

Effective: Upon passage; July 1, 2026; July 1, 2027.

Mishler, Garten

January 8, 2026, read first time and referred to Committee on Appropriations.



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. 275

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

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

1 SECTION 1. IC 12-11-2.1-3, AS AMENDED BY P.L.99-2007,
2 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 3. (a) All services provided to an individual must
4 be provided under the individual service plan of the individual with a
5 disability. To the extent that services described in IC 12-11-1.1-1(e) are
6 available and meet the individual's needs, services provided to an
7 individual shall be provided in the least restrictive environment
8 possible.

9 (b) Pursuant to the applicable home and community based
10 services waiver, a request to increase service units on an
11 individual's approved service plan must be submitted to the bureau
12 for review and approval or denial not later than forty-five (45)
13 calendar days from the first day of the qualifying event, as
14 prescribed by the bureau.

15 SECTION 2. IC 12-15-2-3.5, AS AMENDED BY P.L.210-2015,
16 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2027]: Sec. 3.5. An individual:



(1) who is:

(A) at least sixty-five (65) years of age; or

(B) disabled, as determined by the Supplemental Security Income program; and

(2) whose income and resources do not exceed those levels established by the Supplemental Security Income program; is eligible to receive Medicaid assistance. ~~if the individual's family income does not exceed one hundred percent (100%) of the federal income poverty level for the same size family, using income counting standards and criteria established by the federal Social Security Administration.~~

SECTION 3. IC 12-15-2-26, AS ADDED BY P.L.278-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2027]: Sec. 26. (a) This section applies beginning the later of the following:

(1) The date that the office is informed that the United States Department of Health and Human Services has approved Indiana's conversion to 1634 status within the Medicaid program.

(2) January 1, 2014.

(b) As used in this section, "qualified Medicare beneficiary" means an individual defined in 42 U.S.C. 1396d(p)(1).

(c) As used in this section, "qualifying individual" refers to an individual described in 42 U.S.C. 1396a(a)(10)(E)(iv).

(d) As used in this section, "specified low-income Medicare beneficiary" refers to an individual described in 42 U.S.C. 1396a(a)(10)(E)(iii).

(e) The following individuals are eligible for the specified coverage under this section:

(1) A qualified Medicare beneficiary whose:

(A) income does not exceed one hundred ~~forty~~ percent ~~(140%)~~ **(100%)** of the federal income poverty level; and

(B) resources do not exceed the resource limits established by the office;

is eligible for Medicare Part A and Medicare Part B premiums, coinsurance, and deductibles.

(2) A specified low-income Medicare beneficiary whose:

(A) income does not exceed one hundred ~~seventy~~ **twenty** percent ~~(170%)~~ **(120%)** of the federal income poverty level; and

(B) resources do not exceed the resource limits set by the office;

is eligible for coverage of Medicare Part B premiums.



(3) A qualifying individual whose:

(A) income does not exceed one hundred ~~eighty-five~~
thirty-five percent ~~(185%)~~ **(135%)** of the federal income
poverty level; and

(B) resources do not exceed the resource limits set by the
office;

is eligible for coverage of Medicare Part B premiums.

(f) The office may adopt rules under IC 4-22-2 to implement this
section.

SECTION 4. IC 12-15-14-8, AS AMENDED BY P.L.241-2023,
SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
UPON PASSAGE]: Sec. 8. (a) The office may implement an end of
therapy reclassification methodology in the RUG-IV, 48-Group model
or its successor for payment of nursing facility services.

(b) Before the office changes a health facility service reimbursement
that results in a reduction in reimbursement, the office shall provide
public notice of at least ~~one (1) year~~: **six (6) months**. The public notice
under this subsection:

(1) is not a rulemaking action or part of the administrative
rulemaking process under IC 4-22; and

(2) must include the fiscal impact of the proposed reimbursement
change.

SECTION 5. IC 12-15-34-14.5 IS REPEALED [EFFECTIVE
UPON PASSAGE]. ~~Sec. 14-5: (a) This section is effective beginning~~
~~July 1, 2017.~~

~~(b) The office of the secretary may not reduce reimbursement for~~
~~home health services.~~

~~(c) 405 IAC 1-4.2-4(f) and any successor rule concerning reducing~~
~~home health services reimbursement are void and may not be renewed~~
~~or otherwise implemented.~~

SECTION 6. IC 29-1-14-1, AS AMENDED BY P.L.99-2024,
SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
JULY 1, 2026]: Sec. 1. (a) Except as provided in IC 29-1-7-7, all
claims against a decedent's estate, other than expenses of
administration and claims of the United States, the state, or a
subdivision of the state, whether due or to become due, absolute or
contingent, liquidated or unliquidated, founded on contract or
otherwise, shall be forever barred against the estate, the personal
representative, the heirs, devisees, and legatees of the decedent, unless
filed with the court in which such estate is being administered within:

(1) three (3) months after the date of the first published notice to
creditors; or



(2) three (3) months after the court has revoked probate of a will, in accordance with IC 29-1-7-21, if the claimant was named as a beneficiary in that revoked will; whichever is later.

(b) No claim shall be allowed which was barred by any statute of limitations at the time of decedent's death.

(c) No claim shall be barred by the statute of limitations which was not barred at the time of the decedent's death, if the claim shall be filed within:

(1) three (3) months after the date of the first published notice to creditors; or

(2) three (3) months after the court has revoked probate of a will, in accordance with IC 29-1-7-21, if the claimant was named as a beneficiary in that revoked will; whichever is later.

(d) All claims barrable under subsection (a) shall be barred if not filed within nine (9) months after the death of the decedent.

(e) Nothing in this section shall affect or prevent any action or proceeding to enforce any mortgage, pledge, or other lien upon property of the estate.

(f) Nothing in this section shall affect or prevent the enforcement of a claim for injury to person or damage to property arising out of negligence against the estate of a deceased tortfeasor within the period of the statute of limitations provided for the tort action. A tort claim against the estate of the tortfeasor may be opened or reopened and suit filed against the special representative of the estate within the period of the statute of limitations of the tort. Any recovery against the tortfeasor's estate shall not affect any interest in the assets of the estate unless the suit was filed within the time allowed for filing claims against the estate. The rules of pleading and procedure in such cases shall be the same as apply in ordinary civil actions.

~~(g) A claim by the unit against a decedent's estate is forever barred unless:~~

~~(1) the unit files a claim in the court in which the decedent's estate is being administered; or~~

~~(2) the unit opens an estate for the decedent and files a claim against the decedent in the estate;~~

~~not later than one hundred twenty (120) days after the date of death of the decedent.~~

SECTION 7. An emergency is declared for this act.

