

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.



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. 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 (1) who is:
2 (A) at least sixty-five (65) years of age; or
3 (B) disabled, as determined by the Supplemental Security
4 Income program; and
5 (2) whose income and resources do not exceed those levels
6 established by the Supplemental Security Income program;
7 is eligible to receive Medicaid assistance. if the individual's family
8 income does not exceed one hundred percent (100%) of the federal
9 income poverty level for the same size family, using income counting
10 standards and criteria established by the federal Social Security
11 Administration;

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

16 (1) The date that the office is informed that the United States
17 Department of Health and Human Services has approved
18 Indiana's conversion to 1634 status within the Medicaid program.
19 (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).

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

24 (d) As used in this section, "specified low-income Medicare
25 beneficiary" refers to an individual described in 42 U.S.C.
26 1396a(a)(10)(E)(iii).

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

29 (1) A qualified Medicare beneficiary whose:
30 (A) income does not exceed one hundred fifty percent (150%)
31 (100%) of the federal income poverty level; and
32 (B) resources do not exceed the resource limits established by
33 the office;
34 is eligible for Medicare Part A and Medicare Part B premiums,
35 coinsurance, and deductibles.

37 (A) income does not exceed one hundred seventy twenty
38 percent (~~170%~~) **(120%)** of the federal income poverty level;
39 and
40 (B) resources do not exceed the resource limits set by the
41 office:

42 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 (+85%) (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. The fee schedule for the IC 4.22.3 is included in this

SECTION 4. IC 12-15-14-8, AS AMENDED BY P.L.241-2023, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE ON PASSAGE]: Sec. 8. (a) The office may implement an end-of-
day reclassification methodology in the RUG-IV, 48-Group model as 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.

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

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.

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

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

15 whichever is later.

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

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

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

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

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

40 SECTION 7. An emergency is declared for this act.

