
SENATE BILL No. 275

AM027502 has been incorporated into introduced printing.

Synopsis: FSSA fiscal matters.

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2026

IN 275—LS 7045/DI 129



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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. 275

A BILL FOR AN ACT to amend the Indiana Code concerning human services and to make an appropriation.

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 12-14-31-6 IS ADDED TO THE INDIANA

2026

IN 275—LS 7045/DI 129



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1 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 2 [EFFECTIVE UPON PASSAGE]: **Sec. 6. Not later than April 1,**
 3 **2026, the office of the secretary shall apply to the United States**
 4 **Department of Health and Human Services to amend the state plan**
 5 **for the federal Child Care and Development Fund voucher**
 6 **program to increase the maximum initial eligibility limit for**
 7 **purposes of initial eligibility to one hundred fifty percent (150%)**
 8 **of the federal poverty level.**

9 SECTION 3. IC 12-14-31-7 IS ADDED TO THE INDIANA
 10 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 11 [EFFECTIVE UPON PASSAGE]: **Sec. 7. (a) Beginning April 1, 2026,**
 12 **the office of the secretary shall fully fund:**

13 **(1) each applicant eligible for a CCDF voucher payment; and**
 14 **(2) eligible CCDF provider reimbursement rates in an**
 15 **amount equal to or greater than the reimbursement rates**
 16 **established by the office of the secretary for CCDF providers**
 17 **that were in effect on January 1, 2025.**

18 **(b) The office of the secretary may not place an applicant**
 19 **eligible for a CCDF voucher payment on a waiting list.**

20 SECTION 4. IC 12-15-2-3.5, AS AMENDED BY P.L.210-2015,
 21 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2027]: **Sec. 3.5. An individual:**

23 **(1) who is:**

24 **(A) at least sixty-five (65) years of age; or**
 25 **(B) disabled, as determined by the Supplemental Security**
 26 **Income program; and**

27 **(2) whose income and resources do not exceed those levels**
 28 **established by the Supplemental Security Income program;**

29 **is eligible to receive Medicaid assistance. if the individual's family**
 30 **income does not exceed one hundred percent (100%) of the federal**
 31 **income poverty level for the same size family, using income counting**
 32 **standards and criteria established by the federal Social Security**
 33 **Administration.**

34 SECTION 5. IC 12-15-2-26, AS ADDED BY P.L.278-2013,
 35 SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 JULY 1, 2027]: **Sec. 26. (a) This section applies beginning the later of**
 37 **the following:**

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

42 **(2) January 1, 2014.**



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

5 (d) As used in this section, "specified low-income Medicare
6 beneficiary" refers to an individual described in 42 U.S.C.
7 1396a(a)(10)(E)(iii).

10 (1) A qualified Medicare beneficiary whose:

11 (A) income does not exceed one hundred fifty percent
12 (~~+150%~~) **(100%)** of the federal income poverty level; and
13 (B) resources do not exceed the resource limits established
14 by the office;

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

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

18 (A) income does not exceed one hundred ~~seventy~~ **twenty**
19 percent (~~+70%~~) **(120%)** of the federal income poverty level;
20 and

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

23 is eligible for coverage of Medicare Part B premiums.

24 (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

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

30 is eligible for coverage of Medicare Part B premiums.

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

SECTION 6. 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.

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



5 SECTION 7. IC 12-15-34-14.5 IS REPEALED [EFFECTIVE
6 UPON PASSAGE]. Sec. 14.5. (a) This section is effective beginning
7 July 1, 2017.

13 SECTION 8. IC 12-17.2-7.2-1, AS AMENDED BY P.L.213-2025,
14 SECTION 121, IS AMENDED TO READ AS FOLLOWS
15 [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter,
16 "eligible child" refers to an individual who:

19 **(A) (1)** is at least four (4) years of age and less than five (5)
20 years of age on August 1 of the state fiscal year for which a
21 grant is sought under the prekindergarten program;

grant is sought under the prekindergarten program, (B) (2) is a resident of Indiana or otherwise has legal settlement in Indiana, as determined under IC 20-26-11;

23 settlement in Indiana, as determined under IC 26-26-11,
24 (E) (3) is a member of a household with an annual income
25 that does not exceed one hundred fifty percent (150%) of

23 that does not exceed one hundred fifty percent (150%) of
24 the federal poverty level;
25 (D) receive qualified early education services from an

27 (4) receives qualified early education services from an
28 eligible provider, as determined by the office;
29

29 (4) (5) has a parent or guardian who participates in a
30 parental engagement and involvement component provided

31 by the eligible provider;
32 (F) (6) has a parent or guardian who agrees to ensure that

33 the child meets the attendance requirements determined by
34 the office; and
35 (G) (7) meets the requirements under section 7.2(a) and

36 7.2(c) of this chapter, and
37 (2) in the case of an individual who is enrolled on or after May



- (B) is a resident of Indiana or otherwise has legal settlement in Indiana; as determined under IC 20-26-11;
- (C) is a member of a household with an annual income that does not exceed one hundred thirty-five percent (135%) of the federal poverty level;
- (D) receives qualified early education services from an eligible provider, as determined by the office;
- (E) has a parent or guardian who participates in a parental engagement and involvement component provided by the eligible provider;
- (F) has a parent or guardian who agrees to ensure that the child meets the attendance requirements determined by the office; and
- (G) meets the requirements under section 7.2(a) and 7.2(c) of this chapter.

SECTION 9. IC 12-17.2-7.2-7.2, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2026 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7.2. (a) For an eligible child to qualify for a prekindergarten voucher under this chapter, the eligible child must reside with a parent or guardian who is:

(1) working or attending a job training or an educational program; or
(2) actively seeking employment, subject to the approval by

(2) actively seeking employment, subject to the approval by the United States Department of Health and Human Services as provided in 45 CFR 98.21.

(b) For a limited eligibility child to qualify for a prekindergarten voucher under this chapter, the limited eligibility child must reside with a parent or guardian who:

(1) is working or attending a job training or an educational program; **or**

or
(2) receives Social Security Disability Insurance, Supplemental Security Income benefits, or disability benefits from the United States Department of Veterans Affairs; or

(3) is actively seeking employment, subject to the approval by the United States Department of Health and Human Services as provided in 45 CFR 98.21.

(c) Before the office may provide a prekindergarten voucher to an eligible child, a limited eligibility child, or a child of a child care employee under this chapter, the office shall require that a parent or

2026

IN 275—LS 7045/DI 129



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1 guardian of the child agree to the following:

2 (1) The child will attend the prekindergarten program of an
 3 eligible provider selected by the parent or guardian for the full
 4 duration of the prekindergarten program year.

5 (2) The parent or guardian will not transfer to another
 6 prekindergarten program during the prekindergarten program
 7 year.

8 (3) The child will attend the prekindergarten program at least
 9 eighty-five percent (85%) of the days that the prekindergarten
 10 program is provided.

11 (4) The parent or guardian will allow the child to participate in
 12 an external evaluation conducted by researchers, including the
 13 kindergarten readiness assessment and measuring of
 14 developmental and academic progress.

15 (5) The parent or guardian will participate in family engagement
 16 and involvement activities offered by the selected
 17 prekindergarten program, including meetings with the child's
 18 teacher to discuss the child's progress or any other conference
 19 concerning the child that is requested by the eligible provider.

20 (6) The parent or guardian will complete the necessary forms for
 21 the child to receive a student test number from the department of
 22 education.

23 (7) The parent or guardian will send the child to kindergarten.

24 (8) The parent or guardian will read to the child each week.

25 (9) Any other condition the office determines is appropriate.

26 (d) Priority shall be given to a child of a child care employee under
 27 this section.

28 (e) Priority may be given to an eligible or limited eligibility child
 29 under this section if a parent or guardian of the eligible or limited
 30 eligibility child is:

31 (1) involved in activities that improve the parent's or guardian's
 32 education; or
 33 (2) involved in job training.

34 SECTION 10. IC 12-17.2-7.2-8, AS AMENDED BY P.L.92-2024,
 35 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 36 UPON PASSAGE]: Sec. 8. (a) The office shall determine:

37 (1) which applicants shall be provided a:
 38 (A) prekindergarten voucher under this chapter; or
 39 (B) grant under section 7.4 of this chapter; and
 40 (2) subject to subsection (b) and to the availability of funding,
 41 the amount of each prekindergarten voucher or grant.



(1) who attends a prekindergarten program full time must equal at least two thousand five hundred dollars (\$2,500) during the state fiscal year; and

(2) may not exceed six thousand eight hundred dollars (\$6,800) from state money provided under this chapter during the state fiscal year.

23 SECTION 11. IC 12-17.2-7.2-8.3 IS ADDED TO THE INDIANA
24 CODE AS A NEW SECTION TO READ AS FOLLOWS
25 [EFFECTIVE UPON PASSAGE]: **Sec. 8.3. The office may not set a**
26 **cap on the number of prekindergarten vouchers available to**
27 **eligible children or limited eligibility children of less than seven**
28 **thousand five-hundred (7,500) per state fiscal year.**

29 SECTION 12. IC 12-17.2-7.2-15 IS ADDED TO THE INDIANA
30 CODE AS A NEW SECTION TO READ AS FOLLOWS
31 [EFFECTIVE UPON PASSAGE]: **Sec. 15. The office shall establish**
32 **reimbursement rates for prekindergarten program providers in an**
33 **amount equal to or greater than the reimbursement rates**
34 **established by the office for prekindergarten providers that were**
35 **in effect on January 1, 2025.**

36 SECTION 13. IC 29-1-14-1, AS AMENDED BY P.L.99-2024,
37 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2026]: Sec. 1. (a) Except as provided in IC 29-1-7-7, all
39 claims against a decedent's estate, other than expenses of
40 administration and claims of the United States, the state, or a
41 subdivision of the state, whether due or to become due, absolute or

2026

IN 275—LS 7045/DI 129



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1 contingent, liquidated or unliquidated, founded on contract or
 2 otherwise, shall be forever barred against the estate, the personal
 3 representative, the heirs, devisees, and legatees of the decedent, unless
 4 filed with the court in which such estate is being administered within:

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

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

10 whichever is later.

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

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

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

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

21 whichever is later.

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

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

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

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

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



5 SECTION 14. [EFFECTIVE UPON PASSAGE] (a) There is
6 continuously appropriated to the prekindergarten program fund
7 established by IC 12-17.2-7.2-13.5 from the state general fund for
8 the state fiscal year beginning after:

11 an amount sufficient to carry out the purposes of the
12 prekindergarten program fund.

14 SECTION 15. [EFFECTIVE UPON PASSAGE] (a) There is
15 continuously appropriated to the office of the secretary of family
16 and social services from the state general fund for the state fiscal
17 year beginning after:

20 an amount sufficient to carry out the requirements under
21 IC 12-14-31-6 and IC 12-14-31-7.

23 SECTION 16. An emergency is declared for this act.

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