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# SENATE BILL No. 275

Proposed Changes to January 29, 2026 printing by AM027512

## DIGEST OF PROPOSED AMENDMENT

Medicaid estate recovery unit. Restores a provision barring a claim by the estate recovery unit of the office of Medicaid policy and planning (estate recovery unit) unless the estate recovery unit files a claim in the court in which the decedent's estate is being administered not later than 120 days after the date of death of the decedent.

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:

18 (1) who is:

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

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

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

19 (2) January 1, 2014.

20 (b) As used in this section, "qualified Medicare beneficiary"  
 21 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  
 28 coverage under this section:

29 (1) A qualified Medicare beneficiary whose:

30 (A) income does not exceed one hundred ~~fty~~ percent  
 31 ~~(150%)~~ **(100%)** of the federal income poverty level; and

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

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

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

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

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- 1 (3) A qualifying individual whose:
- 2 (A) income does not exceed one hundred ~~eighty-five~~
- 3 **thirty-five** percent (~~185%~~) (**135%**) of the federal income
- 4 poverty level; and
- 5 (B) resources do not exceed the resource limits set by the
- 6 office;
- 7 is eligible for coverage of Medicare Part B premiums.
- 8 (f) The office may adopt rules under IC 4-22-2 to implement this
- 9 section.

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

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

- 19 (1) is not a rulemaking action or part of the administrative
- 20 rulemaking process under IC 4-22; and
- 21 (2) must include the fiscal impact of the proposed
- 22 reimbursement change.

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

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

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

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

- 41 ~~— (1) three (3) months after the date of the first published notice to~~
- 42 ~~creditors; or~~

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- 1 ~~— (2) three (3) months after the court has revoked probate of a will;~~  
 2 ~~in accordance with IC 29-1-7-21, if the claimant was named as~~  
 3 ~~a beneficiary in that revoked will;~~  
 4 ~~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.~~  
 7 ~~— (c) No claim shall be barred by the statute of limitations which was~~  
 8 ~~not barred at the time of the decedent's death, if the claim shall be filed~~  
 9 ~~within:~~  
 10 ~~— (1) three (3) months after the date of the first published notice to~~  
 11 ~~creditors; or~~  
 12 ~~— (2) three (3) months after the court has revoked probate of a will;~~  
 13 ~~in accordance with IC 29-1-7-21, if the claimant was named as~~  
 14 ~~a beneficiary in that revoked will;~~  
 15 ~~whichever is later.~~  
 16 ~~— (d) All claims barrable 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~~  
 22 ~~of 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:~~  
 34 ~~— (1) the unit files a claim in the court in which the decedent's~~  
 35 ~~estate is being administered; or~~  
 36 ~~— (2) the unit opens an estate for the decedent and files a claim~~  
 37 ~~against the decedent in the estate;~~  
 38 ~~not later than one hundred twenty (120) **three hundred sixty-five**~~  
 39 ~~**(365)** days after the date of death of the decedent.~~  
 40 ~~> SECTION <7>[6]. An emergency is declared for this act.~~

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