
SENATE BILL No. 275

AM027514 has been incorporated into January 29, 2026 printing.

Synopsis: FSSA fiscal matters.

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SB 275—LS 7045/DI 129



Reprinted
January 29, 2026

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.

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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:

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- 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
 19 program.
 20 (2) January 1, 2014.
 21 (b) As used in this section, "qualified Medicare beneficiary"
 22 means an individual defined in 42 U.S.C. 1396d(p)(1).
 23 (c) As used in this section, "qualifying individual" refers to an
 24 individual described in 42 U.S.C. 1396a(a)(10)(E)(iv).
 25 (d) As used in this section, "specified low-income Medicare
 26 beneficiary" refers to an individual described in 42 U.S.C.
 27 1396a(a)(10)(E)(iii).
 28 (e) The following individuals are eligible for the specified
 29 coverage under this section:
 30 (1) A qualified Medicare beneficiary whose:
 31 (A) income does not exceed one hundred ~~fty~~ percent
 32 ~~(150%) (100%)~~ of the federal income poverty level; and
 33 (B) resources do not exceed the resource limits established
 34 by the office;
 35 is eligible for Medicare Part A and Medicare Part B premiums,
 36 coinsurance, and deductibles.
 37 (2) A specified low-income Medicare beneficiary whose:
 38 (A) income does not exceed one hundred ~~seventy twenty~~
 39 ~~percent (170%) (120%)~~ of the federal income poverty level;
 40 and
 41 (B) resources do not exceed the resource limits set by the
 42 office;

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1 is eligible for coverage of Medicare Part B premiums.
 2 (3) A qualifying individual whose:
 3 (A) income does not exceed one hundred ~~eighty-five~~
 4 **thirty-five** percent (~~+85%~~) (**135%**) of the federal income
 5 poverty level; and
 6 (B) resources do not exceed the resource limits set by the
 7 office;
 8 is eligible for coverage of Medicare Part B premiums.
 9 (f) The office may adopt rules under IC 4-22-2 to implement this
 10 section.
 11 SECTION 4. IC 12-15-12.7-2, AS ADDED BY P.L.174-2025,
 12 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 2026]: Sec. 2. (a) The office of the secretary shall determine
 14 the base reimbursement rate structure, methodology, and
 15 reimbursement rates that may be paid to a provider for the services
 16 rendered under the program.
 17 (b) **This subsection does not apply to a value based health care**
 18 **reimbursement agreement (as defined in IC 27-1-37.6-15) entered**
 19 **into between a managed care organization and a provider.** A
 20 managed care organization may not pay a provider less than the
 21 reimbursement rates established by the office of the secretary under
 22 this section.
 23 SECTION 5. IC 12-15-14-8, AS AMENDED BY P.L.241-2023,
 24 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 UPON PASSAGE]: Sec. 8. (a) The office may implement an end of
 26 therapy reclassification methodology in the RUG-IV, 48-Group model
 27 or its successor for payment of nursing facility services.
 28 (b) Before the office changes a health facility service
 29 reimbursement that results in a reduction in reimbursement, the office
 30 shall provide public notice of at least ~~one (1) year:~~ **six (6) months.** The
 31 public notice under this subsection:
 32 (1) is not a rulemaking action or part of the administrative
 33 rulemaking process under IC 4-22; and
 34 (2) must include the fiscal impact of the proposed
 35 reimbursement change.
 36 SECTION 6. IC 12-15-34-14.5 IS REPEALED [EFFECTIVE
 37 UPON PASSAGE]. Sec. ~~14.5:~~ (a) ~~This section is effective beginning~~
 38 ~~July 1, 2017.~~
 39 (b) ~~The office of the secretary may not reduce reimbursement for~~
 40 ~~home health services.~~
 41 (c) ~~405 IAC 1-4.2-4(1) and any successor rule concerning reducing~~
 42 ~~home health services reimbursement are void and may not be renewed~~

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1 or otherwise implemented:

2 SECTION 7. IC 12-15-44.5-5, AS AMENDED BY P.L.201-2023,
3 SECTION 136, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2026]: Sec. 5. (a) A managed care organization
5 that contracts with the office to provide health coverage, dental
6 coverage, or vision coverage to an individual who participates in the
7 plan:

8 (1) is responsible for the claim processing for the coverage;
9 (2) shall, **except in the case of a value based health care
10 reimbursement agreement (as defined in IC 27-1-37.6-15)
11 entered into between the managed care organization and a
12 provider**, reimburse providers at a rate that is not less than the
13 rate established by the secretary; and

14 (3) may not deny coverage to an eligible individual who has been
15 approved by the office to participate in the plan.

16 (b) A managed care organization that contracts with the office to
17 provide health coverage under the plan must incorporate cultural
18 competency standards established by the office. The standards must
19 include standards for non-English speaking, minority, and disabled
20 populations.

21 SECTION 8. IC 29-1-14-1, AS AMENDED BY P.L.99-2024,
22 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
23 JULY 1, 2026]: Sec. 1. (a) Except as provided in IC 29-1-7-7, all
24 claims against a decedent's estate, other than expenses of
25 administration and claims of the United States, the state, or a
26 subdivision of the state, whether due or to become due, absolute or
27 contingent, liquidated or unliquidated, founded on contract or
28 otherwise, shall be forever barred against the estate, the personal
29 representative, the heirs, devisees, and legatees of the decedent, unless
30 filed with the court in which such estate is being administered within:

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

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

36 whichever is later.

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

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

42 (1) three (3) months after the date of the first published notice to

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

5 whichever is later.

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

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

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

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

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

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

28 not later than ~~one hundred twenty (120)~~ **three hundred sixty-five**
29 **(365)** days after the date of death of the decedent.

30 **SECTION 9. An emergency is declared for this act.**

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