

PROPOSED AMENDMENT

HB 1385 # 8

DIGEST

State employee health plans, health systems, and payment for ambulance services. Changes the effective date for the provisions in the bill. Provides that most of the provisions in the chapter of the Indiana Code on payments for ambulance services do not apply to state employee health plans. Provides that the provisions in the chapter of the Indiana Code on payments for ambulance services do not apply to ambulance services owned or operated by a health system. Clarifies the rate at which a health plan operator shall provide payment to a nonparticipating ambulance service provider for ambulance service provided to a covered individual. Alters the rate that a health plan operator must pay to a nonparticipating ambulance service provider for ambulance services provided to a covered individual in certain situations.

1 Replace the effective date in SECTION 1 with "[EFFECTIVE
2 JANUARY 1, 2025]".

3 Replace the effective dates in SECTIONS 4 through 5 with
4 "[EFFECTIVE JANUARY 1, 2025]".

5 Page 1, between the enacting clause and line 1, begin a new
6 paragraph and insert:

7 "SECTION 1. IC 27-1-2.3-0.5 IS ADDED TO THE INDIANA
8 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2025]: **Sec. 0.5. This chapter does not**
10 **apply to ambulance services owned or operated by a health system**
11 **(as defined in IC 16-18-2-168.5)."**

12 Page 1, delete lines 10 through 17, begin a new paragraph and
13 insert:

14 "SECTION 3. IC 27-1-2.3-4, AS ADDED BY P.L.170-2022,
15 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JANUARY 1, 2025]: Sec. 4. **(a)** As used in this chapter, "health plan"
17 means **any either** of the following:

18 ~~(1) A self-insurance program established under IC 5-10-8-7(b) to~~
19 ~~provide group coverage.~~

20 ~~(2) A prepaid health care delivery plan through which health~~
21 ~~services are provided under IC 5-10-8-7(c).~~

22 ~~(3) (1) A policy of accident and sickness insurance as defined in~~

1 IC 27-8-5-1, but not including any insurance, plan, or policy set
2 forth in IC 27-8-5-2.5(a).

3 ~~(4)~~ **(2)** An individual contract (as defined in IC 27-13-1-21) or a
4 group contract (as defined in IC 27-13-1-16) with a health
5 maintenance organization that provides coverage for basic health
6 care services (as defined in IC 27-13-1-4).

7 **(b) The term does not include the state employee health plan.**

8 SECTION 4. IC 27-1-2.3-5, AS ADDED BY P.L.170-2022,
9 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JANUARY 1, 2025]: Sec. 5. As used in this chapter, "health plan
11 operator" means the following:

12 ~~(1) In the case of a health plan described in section 4(1) or 4(2) of~~
13 ~~this chapter, the state of Indiana.~~

14 ~~(2)~~ **(1)** In the case of a health plan described in section ~~4(3)~~
15 **4(a)(1)** of this chapter, the insurer that issued the policy.

16 ~~(3)~~ **(2)** In the case of a health plan described in section ~~4(4)~~
17 **4(a)(2)** of this chapter, the health maintenance organization that
18 entered into the contract.

19 SECTION 5. IC 27-1-2.3-7.5 IS ADDED TO THE INDIANA
20 CODE AS A NEW SECTION TO READ AS FOLLOWS
21 [EFFECTIVE JANUARY 1, 2025]: **Sec. 7.5. As used in this chapter,**
22 **"state employee health plan" means either of the following:**

23 **(1) A self-insurance program established under IC 5-10-8-7(b)**
24 **to provide group coverage.**

25 **(2) A prepaid health care delivery plan through which health**
26 **services are provided under IC 5-10-8-7(c).**

27 SECTION 6. IC 27-1-2.3-8, AS AMENDED BY P.L.92-2023,
28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
29 JANUARY 1, 2025]: Sec. 8. (a) ~~A health plan operator~~ **The state** shall
30 fairly negotiate rates and terms with any ambulance service provider
31 willing to become a participating provider with respect to the **state**
32 **employee** health plan.

33 (b) In negotiations under subsection (a), ~~a~~ **the state employee**
34 **health plan** must consider all of the following:

35 (1) The ambulance service provider's usual and customary rates.

36 (2) The ambulance service provider's resources, and whether the
37 ambulance service provider's staff is available twenty-four (24)
38 hours per day every day.

39 (3) The average wages and fuel costs in the geographical area in
40 which the ambulance service provider operates.

- 1 (4) The number of times in which individuals covered by the **state**
 2 **employee** health plan have sought ambulance service from the
 3 ambulance service provider but the ambulance service provider's
 4 response was canceled or did not result in a transport.
- 5 (5) The local ordinances and state rules concerning staffing,
 6 response times, and equipment under which the ambulance
 7 service provider must operate.
- 8 (6) The types of requests for ambulance service for individuals
 9 covered by the **state employee** health plan that the ambulance
 10 service provider generally receives, and the requesting party or
 11 agency by which those requests are generally made.
- 12 (7) The average reimbursement rate per level of service that the
 13 ambulance service provider generally receives as a
 14 nonparticipating provider.
- 15 (8) The specific:
 16 (A) clinical and staff capabilities; and
 17 (B) equipment resources;
 18 that an ambulance service provider must have to adequately meet
 19 the needs of individuals covered by the **state employee** health
 20 plan, such as for the transportation of ~~covered~~ individuals
 21 **covered by the state employee health plan** from one (1) hospital
 22 to another after traumatic injury.
- 23 (9) The average transport cost data reported to the office of the
 24 secretary of family and social services by governmental
 25 ambulance service providers located within the counties, and
 26 contiguous counties, that the nonparticipating ambulance service
 27 provider serves.
- 28 (c) If negotiations between an ambulance service provider and a
 29 health plan operator under this section that occur after June 30, 2022,
 30 do not result in the ambulance service provider becoming a
 31 participating provider with respect to the health plan, each party shall
 32 provide to the department a written notice:
 33 (1) reporting that negotiations between the ambulance service
 34 provider and the health plan operator did not result in the
 35 ambulance service provider becoming a participating provider
 36 with respect to the health plan; and
 37 (2) stating the points on which agreement between the ambulance
 38 service provider and the health plan operator was necessary for
 39 the ambulance service provider to become a participating
 40 provider with respect to the health plan:

1 (A) that were discussed in the negotiations between the
2 ambulance service provider and the health plan operator; but
3 (B) on which the ambulance service provider and the health
4 plan operator did not reach agreement."

5 Delete page 2.

6 Page 3, delete lines 1 through 26, begin a new paragraph and insert:

7 "SECTION 7. IC 27-1-2.3-8.1 IS ADDED TO THE INDIANA
8 CODE AS A NEW SECTION TO READ AS FOLLOWS
9 [EFFECTIVE JANUARY 1, 2025]: **Sec. 8.1. A health plan operator
10 shall provide payment to a nonparticipating ambulance service
11 provider for ambulance service provided to a covered individual:
12 (1) at a rate set or approved, by contract or ordinance, by the
13 county or municipality in which the ambulance service
14 originated;
15 (2) at the rate of four hundred percent (400%) of the current
16 published rate for ambulance service as established by the
17 Centers for Medicare and Medicaid Services under Title
18 XVIII of the federal Social Security Act (42 U.S.C. 1395 et
19 seq.) for the same ambulance service provided in the same
20 geographic area; or
21 (3) according to the nonparticipating ambulance service
22 provider's billed charges;
23 whichever is less."**

24 Page 4, delete lines 35 through 42.

25 Delete page 5.

26 Renumber all SECTIONS consecutively.

(Reference is to HB 1385 as printed January 25, 2024.)