

First Regular Session 112th General Assembly (2001)

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 2000 General Assembly.

HOUSE ENROLLED ACT No. 1461

AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-1-37 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2001]:

Chapter 37. Health Provider Contracts

Sec. 1. As used in this chapter, "emergency" means a medical condition that arises suddenly and unexpectedly and manifests itself by acute symptoms of such severity, including severe pain, that the absence of immediate medical attention could reasonably be expected by a prudent lay person who possesses an average knowledge of health and medicine to:

- (1) place an individual's health in serious jeopardy;**
- (2) result in serious impairment to the individual's bodily functions; or**
- (3) result in serious dysfunction of a bodily organ or part of the individual.**

Sec. 2. As used in this chapter, "health maintenance organization" means a person that undertakes to provide or arrange for the delivery of health care services to individuals on a prepaid basis, except for the individual's responsibility for copayments or deductibles. The term includes a limited service health maintenance organization. The term does not include a staff-model health maintenance organization that employs a group

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of providers and that requires the providers to provide health care services solely to individuals who are entitled to coverage under a contract with the staff-model health maintenance organization or an affiliate of the staff-model health maintenance organization.

Sec. 3. As used in this chapter, "health provider contract" means an agreement with a provider relating to terms and conditions of reimbursement for health care services provided to an individual under:

- (1) an employee welfare benefit plan (as defined in 29 U.S.C. 1002 et seq.);
- (2) a policy of accident and sickness insurance (as defined in IC 27-8-5-1);
- (3) a contract with a health maintenance organization;
- (4) a self-insurance program established under IC 5-10-8-7(b); or
- (5) a prepaid health care delivery plan entered into under IC 5-10-8-7(c).

Sec. 4. (a) As used in this chapter, "person" means an individual, an agency, a political subdivision, a partnership, a corporation, an association, or any other entity.

(b) The term does not include a health care provider described in IC 16-18-2-163(a)(1), IC 16-18-2-163(a)(2), IC 16-18-2-163(a)(3), or IC 16-18-2-163(a)(4).

Sec. 5. As used in this chapter, "provider" means an individual or entity licensed or legally authorized to provide health care services.

Sec. 6. (a) Except as provided in subsection (b), a person may not require a provider, as a condition of entering into a health provider contract for the provision of health care services other than health care services to enrollees of a health maintenance organization, to provide health care services to enrollees of a health maintenance organization.

(b) A person may require a provider, as a condition of entering into a health provider contract for the provision of health care services other than health care services to enrollees of a health maintenance organization, to provide health care services to enrollees of a health maintenance organization:

- (1) in an emergency; or
- (2) upon referral.

(c) If a person requires a provider to provide health care services to enrollees of a health maintenance organization under subsection (b), the person:

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(1) shall reimburse the provider at rates established under the health provider contract; and

(2) may not require the provider to comply with the terms and conditions of the health maintenance organization.

SECTION 2. [EFFECTIVE JULY 1, 2001] (a) IC 27-1-37, as added by this act, applies to a health provider contract that is entered into or renewed after June 30, 2001.

(b) This SECTION expires June 30, 2005.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Approved: _____

Governor of the State of Indiana

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