



February 22, 2002

**ENGROSSED
HOUSE BILL No. 1111**

DIGEST OF HB 1111 (Updated February 20, 2002 2:20 PM - DI 97)

Citations Affected: IC 27-8; IC 27-13; noncode.

Synopsis: Coverage for post-mastectomy services. Adds requirements to a certain group accident and sickness insurance policies issued or delivered in another state if a certificate of coverage under the policy is issued to an Indiana resident. Specifies that an accident and sickness insurance policy or a health maintenance organization contract that covers a mastectomy must provide coverage for certain post-mastectomy services regardless of whether the individual was covered under the policy or contract at the time of the mastectomy. Requires the department of insurance to study the application of certain requirements to additional group accident and sickness insurance policies and report results of the study to the legislative council.

Effective: July 1, 2002.

Leuck, Dillon

(SENATE SPONSORS — GARD, ROGERS, ANTICH)

January 8, 2002, read first time and referred to Committee on Insurance, Corporations and Small Business.

January 23, 2002, reported — Do Pass.

January 29, 2002, read second time, ordered engrossed. Engrossed.

January 30, 2002, read third time, passed. Yeas 92, nays 0.

SENATE ACTION

February 1, 2002, read first time and referred to Committee on Health and Provider Services.

February 21, 2002, amended, reported favorably — Do Pass.

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February 22, 2002

Second Regular Session 112th General Assembly (2002)

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 2001 General Assembly.

ENGROSSED HOUSE BILL No. 1111

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

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

- 1 SECTION 1. IC 27-8-5-16.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16.5. (a) As used in this
3 section, "delivery state" means any state other than Indiana in which a
4 policy is delivered or issued for delivery.
5 (b) Except as provided in subsection (c), ~~or~~ (d), **or (e)**, a certificate
6 may not be issued to a resident of Indiana pursuant to a group policy
7 that is delivered or issued for delivery in a state other than Indiana.
8 (c) A certificate may be issued to a resident of Indiana pursuant to
9 a group policy **not described in subsection (d)** that is delivered or
10 issued for delivery in a state other than Indiana if:
11 (1) the delivery state has a law substantially similar to section 16
12 of this chapter;
13 (2) the delivery state has approved the group policy; and
14 (3) the policy or the certificate contains provisions that are:
15 (A) substantially similar to the provisions required by:
16 (i) section 19 of this chapter;
17 (ii) section 21 of this chapter; and

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- 1 (iii) IC 27-8-5.6; and
 2 (B) consistent with the requirements set forth in:
 3 (i) section 24 of this chapter;
 4 (ii) IC 27-8-6;
 5 (iii) IC 27-8-14;
 6 (iv) IC 27-8-23;
 7 (v) 760 IAC 1-38.1; and
 8 (vi) 760 IAC 1-39.
- 9 **(d) A certificate may be issued to a resident of Indiana under an**
 10 **association group policy, a discretionary group policy, or a trust**
 11 **group policy that is delivered or issued for delivery in a state other**
 12 **than Indiana if:**
- 13 **(1) the delivery state has a law substantially similar to section**
 14 **16 of this chapter;**
 15 **(2) the delivery state has approved the group policy; and**
 16 **(3) the policy or the certificate contains provisions that are:**
- 17 **(A) substantially similar to the provisions required by:**
 18 **(i) section 19 of this chapter;**
 19 **(ii) section 21 of this chapter; and**
 20 **(iii) IC 27-8-5.6; and**
- 21 **(B) consistent with the requirements set forth in:**
 22 **(i) section 15.6 of this chapter;**
 23 **(ii) section 24 of this chapter;**
 24 **(iii) section 26 of this chapter;**
 25 **(iv) IC 27-8-6;**
 26 **(v) IC 27-8-14;**
 27 **(vi) IC 27-8-14.1;**
 28 **(vii) IC 27-8-14.5;**
 29 **(viii) IC 27-8-14.7;**
 30 **(ix) IC 27-8-14.8;**
 31 **(x) IC 27-8-20;**
 32 **(xi) IC 27-8-23;**
 33 **(xii) IC 27-8-24.3;**
 34 **(xiii) IC 27-8-26;**
 35 **(xiv) IC 27-8-28;**
 36 **(xv) IC 27-8-29;**
 37 **(xvi) 760 IAC 1-38.1; and**
 38 **(xvii) 760 IAC 1-39.**
- 39 **(d) (e) A certificate may be issued to a resident of Indiana pursuant**
 40 **to a group policy that is delivered or issued for delivery in a state other**
 41 **than Indiana if the commissioner determines that the policy pursuant**
 42 **to which the certificate is issued meets the requirements set forth in**

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1 section 17(a) of this chapter.

2 ~~(e)~~ (f) This section does not affect any other provision of Indiana
3 law governing the terms or benefits of coverage provided to a resident
4 of Indiana under any certificate or policy of insurance.

5 SECTION 2. IC 27-8-5-26 IS AMENDED TO READ AS
6 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 26. (a) This section
7 applies to a policy of accident and sickness insurance issued after June
8 30, 1997.

9 (b) This section applies to a mastectomy performed after June 30,
10 1997. ~~that is covered by a policy of accident or sickness insurance~~
11 ~~issued under this chapter.~~

12 (c) As used in this section, "mastectomy" means the removal of all
13 or part of the breast for reasons that are determined by a licensed
14 physician to be medically necessary.

15 (d) A policy of accident and sickness insurance that provides
16 coverage for a mastectomy may not be issued, amended, delivered, or
17 renewed in Indiana unless the policy provides coverage for:

18 (1) prosthetic devices; and

19 (2) reconstructive surgery incident to ~~the a~~ mastectomy including:

20 (A) all stages of reconstruction of the breast on which the
21 mastectomy has been performed; and

22 (B) surgery and reconstruction of the other breast to produce
23 symmetry;

24 in the manner determined by the attending physician and the
25 patient to be appropriate.

26 (e) Coverage for prosthetic devices or reconstructive surgery under
27 this section is subject to:

28 (1) the deductible and coinsurance provisions applicable to ~~the a~~
29 mastectomy; and

30 (2) all other terms and conditions applicable to other benefits.

31 (f) Notwithstanding the provisions of this section, if a mastectomy
32 ~~covered under this section~~ is performed and there is no evidence of
33 malignancy, coverage **required under this section** may be limited to
34 the provision of prosthetic devices and reconstructive surgery for two
35 (2) years following the surgery.

36 **(g) The coverage required under this section applies to a policy**
37 **of accident and sickness insurance that provides coverage for a**
38 **mastectomy, regardless of whether an individual who:**

39 **(1) underwent a mastectomy; and**

40 **(2) is covered under the policy;**

41 **was covered under the policy at the time of the mastectomy.**

42 SECTION 3. IC 27-13-7-14 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section
 2 applies to a contract with a health maintenance organization (as defined
 3 in IC 27-13-1-19) issued after June 30, 1997.

4 (b) This section applies to a mastectomy performed after June 30,
 5 1997. ~~that is covered by a contract with a health maintenance~~
 6 ~~organization under this chapter.~~

7 (c) As used in this section, "mastectomy" means the removal of all
 8 or part of the breast for reasons that are determined by a licensed
 9 physician to be medically necessary.

10 (d) A contract with a health maintenance organization ~~under this~~
 11 ~~chapter~~ that provides coverage for a mastectomy must provide
 12 coverage for:

13 (1) prosthetic devices; and

14 (2) reconstructive surgery incident to ~~the a~~ mastectomy including:

15 (A) all stages of reconstruction of the breast on which the
 16 mastectomy has been performed; and

17 (B) surgery and reconstruction of the other breast to produce
 18 symmetry;

19 in the manner determined by the attending physician and the
 20 patient to be appropriate.

21 (e) Coverage for prosthetic devices and reconstructive surgery under
 22 this section is subject to:

23 (1) the deductible and coinsurance provisions applicable to ~~the a~~
 24 mastectomy; and

25 (2) all other terms and conditions applicable to other services
 26 under the contract.

27 (f) Notwithstanding the provisions of this section, if a mastectomy
 28 ~~covered under this section~~ is performed and there is no evidence of
 29 malignancy, coverage **required under this section** may be limited to
 30 the provision of prosthetic devices and reconstructive surgery for two
 31 (2) years following the surgery.

32 **(g) The coverage required under this section applies to a**
 33 **contract with a health maintenance organization that provides**
 34 **coverage for a mastectomy, regardless of whether an individual**
 35 **who:**

36 **(1) underwent a mastectomy; and**

37 **(2) is covered under the contract;**

38 **was covered under the contract at the time of the mastectomy.**

39 SECTION 4. [EFFECTIVE JULY 1, 2002] (a) **IC 27-8-5-26, as**
 40 **amended by this act, applies to a policy of accident and sickness**
 41 **insurance that is issued, delivered, amended, or renewed after June**
 42 **30, 2002.**

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- 1 **(b) IC 27-13-7-14, as amended by this act, applies to a contract**
- 2 **with a health maintenance organization that is entered into,**
- 3 **delivered, amended, or renewed after June 30, 2002.**
- 4 **(c) This SECTION expires June 30, 2006.**
- 5 **SECTION 5. [EFFECTIVE JULY 1, 2002] (a) The department of**
- 6 **insurance shall:**
- 7 **(1) study the application of the requirements that apply to**
- 8 **group policies specified under IC 27-8-5-16.5(d), as amended**
- 9 **by this act, to additional group policies; and**
- 10 **(2) report the results of the study under subdivision (1) to the**
- 11 **legislative council not later than December 31, 2002.**
- 12 **(b) This SECTION expires June 30, 2003.**

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred House Bill 1111, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

CROOKS, Chair

Committee Vote: yeas 10, nays 0.

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SENATE MOTION

Mr. President: I move that Senator Antich be added as cosponsor of Engrossed House Bill 1111.

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COMMITTEE REPORT

Mr. President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1111, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 5, after "(c)" insert ",".

Page 1, line 5, strike "or".

Page 1, line 5, after "(d)," insert "**or (e),**".

Page 1, line 9, after "policy" insert "**not described in subsection (d)**".

Page 2, delete lines 3 through 19, begin a new line triple block indented and insert:

"(i) section 24 of this chapter;

(ii) IC 27-8-6;

(iii) IC 27-8-14;

(iv) IC 27-8-23;

(v) 760 IAC 1-38.1; and

(vi) 760 IAC 1-39.

(d) A certificate may be issued to a resident of Indiana under an association group policy, a discretionary group policy, or a trust group policy that is delivered or issued for delivery in a state other than Indiana if:

(1) the delivery state has a law substantially similar to section 16 of this chapter;

(2) the delivery state has approved the group policy; and

(3) the policy or the certificate contains provisions that are:

(A) substantially similar to the provisions required by:

(i) section 19 of this chapter;

(ii) section 21 of this chapter; and

(iii) IC 27-8-5.6; and

(B) consistent with the requirements set forth in:

(i) section 15.6 of this chapter;

(ii) section 24 of this chapter;

(iii) section 26 of this chapter;

(iv) IC 27-8-6;

(v) IC 27-8-14;

(vi) IC 27-8-14.1;

(vii) IC 27-8-14.5;

(viii) IC 27-8-14.7;

(ix) IC 27-8-14.8;

(x) IC 27-8-20;

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- (xi) IC 27-8-23;
- (xii) IC 27-8-24.3;
- (xiii) IC 27-8-26;
- (xiv) IC 27-8-28;
- (xv) IC 27-8-29;
- (xvi) 760 IAC 1-38.1; and
- (xvii) 760 IAC 1-39."

Page 2, line 20, strike "(d)" and insert "(e)".

Page 2, line 25, strike "(e)" and insert "(f)".

Page 4, after line 27, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2002] **(a) The department of insurance shall:**

- (1) study the application of the requirements that apply to group policies specified under IC 27-8-5-16.5(d), as amended by this act, to additional group policies; and**
- (2) report the results of the study under subdivision (1) to the legislative council not later than December 31, 2002.**

(b) This SECTION expires June 30, 2003."

and when so amended that said bill do pass.

(Reference is to HB 1111 as printed January 24, 2002.)

MILLER, Chairperson

Committee Vote: Yeas 8, Nays 0.

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