

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.

HOUSE ENROLLED ACT No. 1111

AN ACT to amend the Indiana Code concerning insurance.

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

SECTION 1. IC 27-8-5-16.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 16.5. (a) As used in this section, "delivery state" means any state other than Indiana in which a policy is delivered or issued for delivery.

(b) Except as provided in subsection (c), ~~or~~ (d), ~~or~~ (e), a certificate may not be issued to a resident of Indiana pursuant to a group policy that is delivered or issued for delivery in a state other than Indiana.

(c) A certificate may be issued to a resident of Indiana pursuant to a group policy **not described in subsection (d)** 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 24 of this chapter;
 - (ii) IC 27-8-6;
 - (iii) IC 27-8-14;

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- (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;**
 - (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.**

(d) (e) A certificate may be issued to a resident of Indiana pursuant to a group policy that is delivered or issued for delivery in a state other than Indiana if the commissioner determines that the policy pursuant to which the certificate is issued meets the requirements set forth in section 17(a) of this chapter.

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

SECTION 2. IC 27-8-5-26 IS AMENDED TO READ AS

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FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 26. (a) This section applies to a policy of accident and sickness insurance issued after June 30, 1997.

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

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

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

- (1) prosthetic devices; and
- (2) reconstructive surgery incident to ~~the a~~ mastectomy including:
 - (A) all stages of reconstruction of the breast on which the mastectomy has been performed; and
 - (B) surgery and reconstruction of the other breast to produce symmetry;

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

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

- (1) the deductible and coinsurance provisions applicable to ~~the a~~ mastectomy; and
- (2) all other terms and conditions applicable to other benefits.

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

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

- (1) underwent a mastectomy; and**
- (2) is covered under the policy;**

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

SECTION 3. IC 27-13-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 14. (a) This section applies to a contract with a health maintenance organization (as defined in IC 27-13-1-19) issued after June 30, 1997.

(b) This section applies to a mastectomy performed after June 30, 1997. ~~that is covered by a contract with a health maintenance~~

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~~organization under this chapter.~~

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

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

- (1) prosthetic devices; and
- (2) reconstructive surgery incident to ~~the a~~ mastectomy including:
 - (A) all stages of reconstruction of the breast on which the mastectomy has been performed; and
 - (B) surgery and reconstruction of the other breast to produce symmetry;

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

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

- (1) the deductible and coinsurance provisions applicable to ~~the a~~ mastectomy; and
- (2) all other terms and conditions applicable to other services under the contract.

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

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

- (1) underwent a mastectomy; and**
- (2) is covered under the contract;**

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

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

(b) **IC 27-13-7-14, as amended by this act, applies to a contract with a health maintenance organization that is entered into, delivered, amended, or renewed after June 30, 2002.**

(c) **This SECTION expires June 30, 2006.**

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

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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.**

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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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