
SENATE BILL No. 454

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-8-13.5; IC 27-13.

Synopsis: Health benefit mandate moratorium. Provides for a four year period during which an accident and sickness insurer or a health maintenance organization may provide a policy or contract without complying with certain health benefit mandates.

Effective: July 1, 2005.

Hershman

January 18, 2005, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 114th General Assembly (2005)

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 2004 Regular Session of the General Assembly.

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SENATE BILL No. 454



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 27-8-13.5 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2005]:
4 **Chapter 13.5. Health Benefit Mandate Moratorium**
5 **Sec. 1. (a) As used in this chapter, "health benefit mandate"**
6 **means a requirement under this title, except as provided in this**
7 **chapter, for:**
8 (1) **inclusion of coverage for a particular condition or**
9 **treatment in; or**
10 (2) **an offering of coverage for a particular condition or**
11 **treatment that must be made in connection with the purchase**
12 **of;**
13 **a policy of accident and sickness insurance.**
14 **(b) The term does not include a requirement under federal law**
15 **for inclusion of coverage in a policy of accident and sickness**
16 **insurance.**
17 **Sec. 2. As used in this chapter, "insurer" refers to an insurer (as**



1 defined in IC 27-1-2-3) that issues or delivers a policy of accident
2 and sickness insurance.

3 Sec. 3. As used in this chapter, "policy of accident and sickness
4 insurance" has the meaning set forth in IC 27-8-5-1.

5 Sec. 4. As used in this chapter, "prospective purchaser" means:
6 (1) an individual who requests coverage under a policy of
7 accident and sickness insurance issued on an individual basis;
8 or
9 (2) a person that requests coverage for members of a group
10 under a policy of accident and sickness insurance issued on a
11 group basis.

12 Sec. 5. Notwithstanding any other law, an insurer is not
13 required to comply with any health benefit mandate in connection
14 with a policy of accident and sickness insurance that is issued,
15 delivered, or renewed after December 31, 2005, and before
16 January 1, 2010, unless the health benefit mandate is in effect on
17 July 1, 2005.

18 Sec. 6. This chapter does not prohibit:
19 (1) a prospective purchaser from electing to purchase
20 coverage that is the subject of; or
21 (2) an insurer from electing to:
22 (A) comply with; or
23 (B) provide coverage that is the subject of;
24 any health benefit mandate in connection with the issuance,
25 delivery, or renewal of a policy of accident and sickness insurance.

26 Sec. 7. This chapter expires July 1, 2011.
27 SECTION 2. IC 27-13-1-17.6 IS ADDED TO THE INDIANA
28 CODE AS A NEW SECTION TO READ AS FOLLOWS
29 [EFFECTIVE JULY 1, 2005]: Sec. 17.6. (a) "Health benefit
30 mandate" means a requirement under this title, except as provided
31 in IC 27-13-7.5, for:

32 (1) inclusion of coverage for a particular condition or
33 treatment in; or
34 (2) an offering of coverage for a particular condition or
35 treatment that must be made in connection with the purchase
36 of;
37 an individual contract or a group contract.
38 (b) This section expires July 1, 2011.

39 SECTION 3. IC 27-13-1-27.8 IS ADDED TO THE INDIANA
40 CODE AS A NEW SECTION TO READ AS FOLLOWS
41 [EFFECTIVE JULY 1, 2005]: Sec. 27.8. (a) "Prospective purchaser"
42 means:

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1 **(1) an individual who requests coverage under an individual**
 2 **contract; or**
 3 **(2) a person that requests coverage for members of a group**
 4 **under a group contract.**
 5 **(b) This section expires July 1, 2011.**
 6 SECTION 4. IC 27-13-7.5 IS ADDED TO THE INDIANA CODE
 7 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2005]:
 9 **Chapter 7.5. Health Benefit Mandate Moratorium**
 10 **Sec. 1. Notwithstanding any other law, a health maintenance**
 11 **organization is not required to comply with any health benefit**
 12 **mandate in connection with an individual contract or a group**
 13 **contract that is entered into, delivered, or renewed after December**
 14 **31, 2005, and before January 1, 2010, unless the health benefit**
 15 **mandate is in effect on July 1, 2005.**
 16 **Sec. 2. This chapter does not prohibit:**
 17 **(1) a prospective purchaser from electing to purchase**
 18 **coverage that is the subject of; or**
 19 **(2) a health maintenance organization from electing to:**
 20 **(A) comply with; or**
 21 **(B) provide coverage that is the subject of;**
 22 **any health benefit mandate in connection with the execution,**
 23 **delivery, or renewal of an individual contract or a group contract.**
 24 **Sec. 3. This chapter expires July 1, 2011.**

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