

PREVAILED	Roll Call No. _____
FAILED	Ayes _____
WITHDRAWN	Noes _____
RULED OUT OF ORDER	

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1008 be amended to read as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 5-10-8-6.8 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 4 1, 2007]: **Sec. 6.8. (a) As used in this section, "small employer"**
- 5 **means a private employer that employs at least two (2) but not**
- 6 **more than fifty (50) full-time employees.**
- 7 **(b) As used in this section, "state employee health plan" means:**
- 8 **(1) a self-insurance program established under section 7(b) of**
- 9 **this chapter to provide group health coverage; or**
- 10 **(2) a contract with a prepaid health care delivery plan entered**
- 11 **into by the state personnel department under section 7(c) of**
- 12 **this chapter.**
- 13 **(c) The state personnel department shall allow a small employer**
- 14 **to provide coverage of health care services for employees of the**
- 15 **small employer under any state employee health plan available to**
- 16 **state employees.**
- 17 **(d) IC 27-8-15 does not apply to coverage provided to employees**
- 18 **of a small employer under this section.**
- 19 **(e) A small employer's employee who receives coverage of**
- 20 **health care services under a state employee health plan under**
- 21 **subsection (c) must:**
- 22 **(1) receive coverage equal to the coverage provided to state**
- 23 **employees under the state employee health plan; and**
- 24 **(2) be allowed to choose the state employee health plan under**

1 which the employee will be covered.

2 (f) The total premium rate that is charged to a small employer
3 for the small employer's employee who is covered under a state
4 employee health plan under this section must be the same total
5 premium rate that is charged to the state for a state employee with
6 the same coverage.

7 SECTION 2. IC 6-3.1-31 IS ADDED TO THE INDIANA CODE
8 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2007]:

10 **Chapter 31. Employee Wellness Program Tax Credit**

11 **Sec. 1. As used in this chapter, "pass through entity" means:**

- 12 (1) a corporation that is exempt from the adjusted gross
13 income tax under IC 6-3-2-2.8(2);
14 (2) a partnership;
15 (3) a limited liability company; or
16 (4) a limited liability partnership.

17 **Sec. 2. As used in this chapter, "state tax liability" means a**
18 **taxpayer's total tax liability that is incurred under:**

- 19 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
20 (2) IC 6-5.5 (the financial institutions tax); and
21 (3) IC 27-1-18-2 (the insurance premiums tax);

22 as computed after the application of the credits that under
23 IC 6-3.1-1-2 are to be applied before the credit provided by this
24 chapter.

25 **Sec. 3. As used in this chapter, "taxpayer" means an individual**
26 **or entity that has any state tax liability.**

27 **Sec. 4. As used in this chapter, "wellness program" means a**
28 **program that rewards:**

- 29 (1) overweight employees for losing weight and all employees
30 for maintaining a healthy weight; or
31 (2) employees for not using tobacco.

32 **Sec. 5. A taxpayer is entitled to a credit against the taxpayer's**
33 **state tax liability for a taxable year in an amount equal to fifty**
34 **percent (50%) of the costs incurred by the taxpayer during the**
35 **taxable year for providing a wellness program for the taxpayer's**
36 **employees during the taxable year.**

37 **Sec. 6. If a pass through entity is entitled to a credit under**
38 **section 5 of this chapter but does not have state tax liability against**
39 **which the tax credit may be applied, a shareholder, partner, or**
40 **member of the pass through entity is entitled to a tax credit equal**
41 **to:**

- 42 (1) the tax credit determined for the pass through entity for
43 the taxable year; multiplied by
44 (2) the percentage of the pass through entity's distributive
45 income to which the shareholder, partner, or member is
46 entitled.

47 **Sec. 7. (a) If the credit provided by this chapter exceeds the**

1 taxpayer's state tax liability for the taxable year for which the
 2 credit is first claimed, the excess may be carried forward to
 3 succeeding taxable years and used as a credit against the
 4 taxpayer's state tax liability during those taxable years. Each time
 5 that the credit is carried forward to a succeeding taxable year, the
 6 credit is to be reduced by the amount that was used as a credit
 7 during the immediately preceding taxable year.

8 (b) A taxpayer is not entitled to any carryback or refund of any
 9 unused credit.

10 **Sec. 8. To receive the credit provided by this chapter, a taxpayer**
 11 **must claim the credit on the taxpayer's state tax return or returns**
 12 **in the manner prescribed by the department. The taxpayer shall**
 13 **submit to the department all information that the department**
 14 **determines is necessary for the calculation of the credit provided**
 15 **by this chapter.**

16 SECTION 3. IC 6-7-1-12 IS AMENDED TO READ AS FOLLOWS
 17 [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) The following taxes are
 18 imposed, and shall be collected and paid as provided in this chapter,
 19 upon the sale, exchange, bartering, furnishing, giving away, or
 20 otherwise disposing of cigarettes within the state of Indiana:

21 (1) On cigarettes weighing not more than three (3) pounds per
 22 thousand (1,000), a tax at the rate of ~~two and seven hundred~~
 23 ~~seventy-five thousandths of a cent (\$0.02775)~~ **seven and seven**
 24 **hundred seventy-five thousandths cents (\$0.07775)** per
 25 individual cigarette.

26 (2) On cigarettes weighing more than three (3) pounds per
 27 thousand (1,000), a tax at the rate of ~~three ten and six thousand~~
 28 ~~eight hundred eighty-one ten-thousandths of a cent (\$0.036881)~~
 29 **three hundred thirty-three thousandths cents (\$0.10333)** per
 30 individual cigarette, except that if any cigarettes weighing more
 31 than three (3) pounds per thousand (1,000) shall be more than six
 32 and one-half (6 1/2) inches in length, they shall be taxable at the
 33 rate provided in subdivision (1), counting each two and
 34 three-fourths (2 3/4) inches (or fraction thereof) as a separate
 35 cigarette.

36 (b) Upon all cigarette papers, wrappers, or tubes, made or prepared
 37 for the purpose of making cigarettes, which are sold, exchanged,
 38 bartered, given away, or otherwise disposed of within the state of
 39 Indiana (other than to a manufacturer of cigarettes for use by him in the
 40 manufacture of cigarettes), the following taxes are imposed, and shall
 41 be collected and paid as provided in this chapter:

42 (1) On fifty (50) papers or less, a tax of one-half cent (\$0.005).

43 (2) On more than fifty (50) papers but not more than one hundred
 44 (100) papers, a tax of one cent (\$0.01).

45 (3) On more than one hundred (100) papers, one-half cent
 46 (\$0.005) for each fifty (50) papers or fractional part thereof.

1 (4) On tubes, one cent (\$0.01) for each fifty (50) tubes or
2 fractional part thereof.

3 SECTION 4. IC 6-7-1-17 IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) Distributors who hold
5 certificates and retailers shall be agents of the state in the collection of
6 the taxes imposed by this chapter and the amount of the tax levied,
7 assessed, and imposed by this chapter on cigarettes sold, exchanged,
8 bartered, furnished, given away, or otherwise disposed of by
9 distributors or to retailers. Distributors who hold certificates shall be
10 agents of the department to affix the required stamps and shall be
11 entitled to purchase the stamps from the department at a discount of
12 ~~one and two-tenths~~ **fifty-four hundredths** percent (~~1.2%~~) (**0.54%**) of
13 the amount of the tax stamps purchased, as compensation for their
14 labor and expense.

15 (b) The department may permit distributors who hold certificates
16 and who are admitted to do business in Indiana to pay for revenue
17 stamps within thirty (30) days after the date of purchase. However, the
18 privilege is extended upon the express condition that:

19 (1) except as provided in subsection (c), a bond or letter of credit
20 satisfactory to the department, in an amount not less than the sales
21 price of the stamps, is filed with the department; and

22 (2) proof of payment is made of all local property, state income,
23 and excise taxes for which any such distributor may be liable. The
24 bond or letter of credit, conditioned to secure payment for the
25 stamps, shall be executed by the distributor as principal and by a
26 corporation duly authorized to engage in business as a surety
27 company or financial institution in Indiana.

28 (c) If a distributor has at least five (5) consecutive years of good
29 credit standing with the state, the distributor shall not be required to
30 post a bond or letter of credit under subsection (b).

31 SECTION 5. IC 6-7-1-28.1 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.1. The taxes,
33 registration fees, fines, or penalties collected under this chapter shall
34 be deposited in the following manner:

35 (1) ~~Six Three and six-tenths~~ percent (~~6.6%~~) (**3.00%**) of the
36 money shall be deposited in a fund to be known as the cigarette
37 tax fund.

38 (2) ~~Ninety-four~~ **Forty-three** hundredths percent (~~0.94%~~) (**0.43%**)
39 of the money shall be deposited in a fund to be known as the
40 mental health centers fund.

41 (3) ~~Eighty-three~~ **Thirty-eight** and ~~ninety-seven~~ **thirteen**
42 hundredths percent (~~83.97%~~) (**38.13%**) of the money shall be
43 deposited in the state general fund.

44 (4) ~~Eight Three and forty-nine~~ **eighty-six** hundredths percent
45 (~~8.49%~~) (**3.86%**) of the money shall be deposited into the pension
46 relief fund established in IC 5-10.3-11.

- 1 **(5) Fifty-four and fifty-eight hundredths percent (54.58%) of**
 2 **the money shall be deposited into the health coverage for**
 3 **children and adults fund established by IC 12-17.9-14-1.**
 4 The money in the cigarette tax fund, the mental health centers fund, **the**
 5 **health coverage for children and adults fund**, or the pension relief
 6 fund at the end of a fiscal year does not revert to the state general fund.
 7 However, if in any fiscal year, the amount allocated to a fund under
 8 subdivision (1) or (2) is less than the amount received in fiscal year
 9 1977, then that fund shall be credited with the difference between the
 10 amount allocated and the amount received in fiscal year 1977, and the
 11 allocation for the fiscal year to the fund under subdivision (3) shall be
 12 reduced by the amount of that difference.
- 13 SECTION 6. IC 12-7-2-15.3 IS ADDED TO THE INDIANA CODE
 14 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 15 **1, 2007]: Sec. 15.3. "Application agent", for purposes of IC 12-17.9,**
 16 **has the meaning set forth in IC 12-17.9-1-2.**
- 17 SECTION 7. IC 12-7-2-28, AS AMENDED BY P.L.145-2006,
 18 SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 19 JULY 1, 2007]: Sec. 28. "Child" means the following:
- 20 (1) For purposes of IC 12-17.2, an individual who is less than
 21 eighteen (18) years of age.
- 22 **(2) For purposes of IC 12-17.9, the meaning set forth in**
 23 **IC 12-17.9-1-3.**
- 24 ~~(2)~~ **(3)** For purposes of IC 12-26, the meaning set forth in
 25 IC 31-9-2-13(d).
- 26 SECTION 8. IC 12-7-2-76.4 IS ADDED TO THE INDIANA CODE
 27 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**
 28 **1, 2007]: Sec. 76.4. "Employer sponsored health coverage" has the**
 29 **meaning set forth in IC 12-17.9-1-4.**
- 30 SECTION 9. IC 12-7-2-91 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 91. "Fund" means the
 32 following:
- 33 (1) For purposes of IC 12-12-1-9, the fund described in
 34 IC 12-12-1-9.
- 35 (2) For purposes of IC 12-13-8, the meaning set forth in
 36 IC 12-13-8-1.
- 37 (3) For purposes of IC 12-15-20, the meaning set forth in
 38 IC 12-15-20-1.
- 39 (4) For purposes of IC 12-17-12, the meaning set forth in
 40 IC 12-17-12-4.
- 41 (5) For purposes of IC 12-17.6, the meaning set forth in
 42 IC 12-17.6-1-3.
- 43 **(6) For purposes of IC 12-17.9, the meaning set forth in**
 44 **IC 12-17.9-1-5.**
- 45 ~~(6)~~ **(7)** For purposes of IC 12-18-4, the meaning set forth in
 46 IC 12-18-4-1.

- 1 ~~(7)~~ **(8)** For purposes of IC 12-18-5, the meaning set forth in
 2 IC 12-18-5-1.
 3 ~~(8)~~ **(9)** For purposes of IC 12-19-7, the meaning set forth in
 4 IC 12-19-7-2.
 5 ~~(9)~~ **(10)** For purposes of IC 12-23-2, the meaning set forth in
 6 IC 12-23-2-1.
 7 ~~(10)~~ **(11)** For purposes of IC 12-23-18, the meaning set forth in
 8 IC 12-23-18-4.
 9 ~~(11)~~ **(12)** For purposes of IC 12-24-6, the meaning set forth in
 10 IC 12-24-6-1.
 11 ~~(12)~~ **(13)** For purposes of IC 12-24-14, the meaning set forth in
 12 IC 12-24-14-1.
 13 ~~(13)~~ **(14)** For purposes of IC 12-30-7, the meaning set forth in
 14 IC 12-30-7-3.

15 SECTION 10. IC 12-7-2-134 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 134. "Office" means
 17 the following:

- 18 (1) Except as provided in subdivisions (2) and (3), the office of
 19 Medicaid policy and planning established by IC 12-8-6-1.
 20 (2) For purposes of IC 12-10-13, the meaning set forth in
 21 IC 12-10-13-4.
 22 (3) For purposes of IC 12-17.6, the meaning set forth in
 23 IC 12-17.6-1-4.
 24 **(4) For purposes of IC 12-17.9, the meaning set forth in**
 25 **IC 12-17.9-1-6.**

26 SECTION 11. IC 12-7-2-146 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 146. "Program" refers
 28 to the following:

- 29 (1) For purposes of IC 12-10-7, the adult guardianship services
 30 program established by IC 12-10-7-5.
 31 (2) For purposes of IC 12-10-10, the meaning set forth in
 32 IC 12-10-10-5.
 33 (3) For purposes of IC 12-17.6, the meaning set forth in
 34 IC 12-17.6-1-5.
 35 **(4) For purposes of IC 12-17.9, the meaning set forth in**
 36 **IC 12-17.9-1-7.**

37 SECTION 12. IC 12-7-2-164 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 164. "Resident" has the
 39 following meaning:

- 40 (1) For purposes of IC 12-10-15, the meaning set forth in
 41 IC 12-10-15-5.
 42 (2) For purposes of IC 12-16, except IC 12-16-1, an individual
 43 who has actually resided in Indiana for at least ninety (90) days.
 44 **(3) For purposes of IC 12-17.9, the meaning set forth in**
 45 **IC 12-17.9-1-8.**
 46 ~~(3)~~ **(4)** For purposes of IC 12-20-8, the meaning set forth in

1 IC 12-20-8-1.
 2 ~~(4)~~ **(5)** For purposes of IC 12-24-5, the meaning set forth in
 3 IC 12-24-5-1.

4 SECTION 13. IC 12-7-2-196.7 IS ADDED TO THE INDIANA
 5 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 6 [EFFECTIVE JULY 1, 2007]: **Sec. 196.7. "Usual and customary or**
 7 **reasonable charge", for purposes of IC 12-17.9, has the meaning**
 8 **set forth in IC 12-17.9-1-9.**

9 SECTION 14. IC 12-15-2-15.8 IS ADDED TO THE INDIANA
 10 CODE AS A **NEW SECTION TO READ AS FOLLOWS**
 11 [EFFECTIVE JULY 1, 2007]: **Sec. 15.8. An individual who is less**
 12 **than nineteen (19) years of age and who is eligible for Medicaid**
 13 **under section 14 of this chapter is eligible to receive Medicaid until**
 14 **the earlier of the following:**

15 **(1) The end of a period of twelve (12) consecutive months**
 16 **following a determination of the individual's eligibility for**
 17 **Medicaid.**

18 **(2) The individual becomes nineteen (19) years of age.**

19 SECTION 15. IC 12-15-12-12 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. **(a)** For a managed
 21 care program or demonstration project established or authorized by the
 22 office, or established or authorized by another entity or agency working
 23 in conjunction with or under agreement with the office, the office must
 24 provide for payment to providers in the managed care program that the
 25 office finds is reasonable and adequate to meet the costs that must be
 26 incurred by efficiently and economically operated providers in order to:

27 (1) provide care and services in conformity with applicable state
 28 and federal laws, regulations, and quality and safety standards;
 29 and

30 (2) ensure that individuals eligible for medical assistance under
 31 the managed care program or demonstration project have
 32 reasonable access (taking into account geographic location and
 33 reasonable travel time) to the services provided by the managed
 34 care program.

35 **(b) In addition to the requirements under subsection (a), the**
 36 **office shall establish payments to a physician who:**

37 **(1) is licensed under IC 25-22.5;**

38 **(2) is a primary care provider; and**

39 **(3) provides physician services under a managed care**
 40 **program or demonstration project established or authorized**
 41 **by the office;**

42 **that represent a one hundred percent (100%) increase of the**
 43 **Medicaid reimbursement rates used January 1, 2007.**

44 SECTION 16. IC 12-15-13-2 IS AMENDED TO READ AS
 45 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) Except as
 46 provided in IC 12-15-14 and IC 12-15-15, payments to Medicaid

1 providers must be:

2 (1) consistent with efficiency, economy, and quality of care; and
 3 (2) sufficient to enlist enough providers so that care and services
 4 are available under Medicaid, at least to the extent that such care
 5 and services are available to the general population in the
 6 geographic area.

7 (b) If federal law or regulations specify reimbursement criteria,
 8 payment shall be made in compliance with those criteria.

9 **(c) In addition to the requirements under subsection (a), the**
 10 **office shall establish payments to a physician who:**

11 **(1) is licensed under IC 25-22.5;**

12 **(2) is a primary care provider; and**

13 **(3) provides physician services under a fee for service**
 14 **program or the Medicaid primary care case management**
 15 **program;**

16 **that represent a one hundred percent (100%) increase of the**
 17 **Medicaid reimbursement rates used January 1, 2007.**

18 SECTION 17. IC 12-17.6-2-3 IS AMENDED TO READ AS
 19 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) To the greatest
 20 extent possible, the office shall use the same:

21 (1) eligibility determination;

22 (2) enrollment;

23 (3) provider networks; and

24 (4) claims payment systems;

25 as are used by the Medicaid managed care program for children.

26 **(b) The office shall establish payments to a physician who:**

27 **(1) is licensed under IC 25-22.5;**

28 **(2) is a primary care provider; and**

29 **(3) provides physician services under the program;**

30 **that are equal to payments under the Medicaid program under**
 31 **IC 12-15.**

32 SECTION 18. IC 12-17.6-3-2 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) To be eligible to
 34 enroll in the program, a child must meet the following requirements:

35 (1) The child is less than nineteen (19) years of age.

36 (2) The child is a member of a family with an annual income of:

37 (A) more than one hundred fifty percent (150%); and

38 (B) not more than ~~two~~ **three** hundred percent (~~200%~~);

39 **(300%);**

40 of the federal income poverty level.

41 (3) The child is a resident of Indiana.

42 (4) The child meets all eligibility requirements under Title XXI
 43 of the federal Social Security Act.

44 (5) The child's family agrees to pay any cost sharing amounts
 45 required by the office.

46 (b) The office may adjust eligibility requirements based on available

1 program resources under rules adopted under IC 4-22-2.

2 SECTION 19. IC 12-17.6-3-3 IS AMENDED TO READ AS
3 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Subject to
4 subsection (b), a child who is eligible for the program shall receive
5 services from the program until the earlier of the following:

6 (1) ~~The child becomes financially ineligible:~~ **end of a period of**
7 **twelve (12) consecutive months following the determination of**
8 **the child's eligibility for the program.**

9 (2) The child becomes nineteen (19) years of age.

10 (b) Subsection (a) applies only if the child and the child's family
11 comply with enrollment requirements.

12 SECTION 20. IC 12-17.9 IS ADDED TO THE INDIANA CODE
13 AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY
14 1, 2007]:

15 **ARTICLE 17.9. HEALTH COVERAGE FOR CHILDREN**
16 **AND ADULTS**

17 **Chapter 1. Definitions**

18 **Sec. 1. The definitions in this chapter apply throughout this**
19 **article.**

20 **Sec. 2. "Application agent" means an organization or**
21 **individual, including a licensed health care provider, a school, a**
22 **youth service agency, an employer, a labor union, a local chamber**
23 **of commerce, a community organization, or another organization,**
24 **that is approved by the office to assist in enrolling children in the**
25 **program.**

26 **Sec. 3. "Child" means an individual who is less than nineteen**
27 **(19) years of age.**

28 **Sec. 4. "Employer sponsored health coverage" means coverage**
29 **that is available through an employer.**

30 **Sec. 5. "Fund" refers to the health coverage for children and**
31 **adults fund established by IC 12-17.9-14-1.**

32 **Sec. 6. "Office" refers to the office of the children's health**
33 **insurance program established by IC 12-17.6-2-1.**

34 **Sec. 7. "Program" refers to the health coverage for children**
35 **program created by IC 12-17.9-2-1.**

36 **Sec. 8. "Resident" means an individual who is:**

37 **(1) in Indiana for a purpose other than a temporary or**
38 **transitory purpose during the taxable year; or**

39 **(2) domiciled in Indiana, but is absent from Indiana for a**
40 **temporary or transitory purpose during the taxable year.**

41 **Sec. 9. "Usual and customary or reasonable charge" means a**
42 **charge for health care services consistent with the average charge**
43 **for similar health care services furnished by similar health care**
44 **providers in a particular geographic area.**

45 **Chapter 2. Health Coverage for Children Program**

46 **Sec. 1. The health coverage for children program is created.**

47 **Sec. 2. The office shall administer the program.**

1 **Sec. 3. The office has the same powers and authority to**
2 **administer the program as the powers and duties available to the**
3 **office under IC 12-17.6.**

4 **Sec. 4. The office shall coordinate the program with existing**
5 **children's health programs operated by state agencies.**

6 **Chapter 3. Eligibility**

7 **Sec. 1. To be eligible for the program, an individual must be a**
8 **child:**

9 **(1) who is a resident;**

10 **(2) who is ineligible for coverage under the:**

11 **(A) children's health insurance program under IC 12-17.6;**
12 **or**

13 **(B) Medicaid program under IC 12-15; and**

14 **(3) to whom one (1) of the following applies:**

15 **(A) The child has been without health coverage for a**
16 **period of at least six (6) months.**

17 **(B) The child previously was covered by affordable**
18 **dependent health coverage through a parent's employment**
19 **and is no longer covered due to the parent's loss of**
20 **employment.**

21 **(C) The child is a newborn for whom affordable private**
22 **health coverage or employer sponsored health coverage is**
23 **not available.**

24 **(D) The child, less than six (6) months before applying for**
25 **coverage under the program, lost coverage under the**
26 **children's health insurance program under IC 12-17.6 or**
27 **the Medicaid program under IC 12-15.**

28 **Sec. 2. (a) An administrator licensed under IC 27-1-25, an**
29 **insurer that holds a certificate of authority under IC 27 to issue or**
30 **deliver a policy of accident and sickness insurance (as defined in**
31 **IC 27-8-5-1), and a health maintenance organization that holds a**
32 **certificate of authority under IC 27-13 shall provide health**
33 **coverage data match information to the office for the use of the**
34 **office in determining an individual's eligibility for the program.**

35 **(b) Personal information contained in the data provided to the**
36 **office under subsection (a) is confidential and may not be disclosed**
37 **or used for any other purpose.**

38 **(c) The office, in collaboration with the department of**
39 **insurance, shall adopt rules under IC 4-22-2:**

40 **(1) to govern the exchange of information under this section;**
41 **and**

42 **(2) that are consistent with laws relating to the confidentiality**
43 **and privacy of personal information, including the federal**
44 **Health Insurance Portability and Accountability Act.**

45 **Sec. 3. The office shall:**

46 **(1) monitor the availability and retention of employer**
47 **sponsored health coverage; and**

1 (2) modify a period specified in section 1(3) of this chapter as
2 necessary to promote retention of private health coverage or
3 employer sponsored health coverage and timely access to
4 health care services. However, the period described in section
5 1(3)(A) of this chapter may not be less than six (6) months.

6 Sec. 4. The office may consider the affordability of dependent
7 health coverage in making a determination concerning whether
8 employer sponsored health coverage is available upon
9 reemployment of a child's parent described in section 1(3)(B) of
10 this chapter.

11 Sec. 5. A child who is eligible for the program under this
12 chapter remains eligible for twelve (12) months if the child:

- 13 (1) remains a resident;
- 14 (2) is less than nineteen (19) years of age; and
- 15 (3) is not excluded under section 6 of this chapter.

16 Sec. 6. (a) A child is not eligible for coverage under the program
17 if:

- 18 (1) the premium required under IC 12-17.9-8 has not been
19 timely paid; or
- 20 (2) the child is an inpatient in a public institution or an
21 institution for mental illness.

22 (b) If a premium described in subsection (a)(1) is not paid:

- 23 (1) the liability of the program is limited to benefits received
24 under the program for the period for which premiums have
25 been paid;
- 26 (2) the child is ineligible for reenrollment in the program for
27 at least three (3) months;
- 28 (3) reenrollment in the program must be completed before the
29 next covered medical visit; and
- 30 (4) the first month's premium after reenrollment must be paid
31 before the next covered medical visit.

32 **Chapter 4. Enrollment in Program**

33 Sec. 1. The office shall develop procedures to allow application
34 agents to assist in enrolling children in the program or other
35 children's health programs.

36 Sec. 2. At the office's discretion, technical assistance payments
37 may be made for approved applications facilitated by an
38 application agent.

39 **Chapter 5. Program Outreach and Marketing**

40 Sec. 1. The office may provide grants to application agents and
41 other community based organizations to educate the public about
42 the availability of the program.

43 Sec. 2. The office shall adopt rules under IC 4-22-2 regarding
44 performance standards and outcome measures expected of
45 organizations that are awarded grants under this chapter,
46 including penalties for nonperformance of contract standards.

47 **Chapter 6. Health Coverage for Children**

1 **Sec. 1. The office shall purchase or provide for eligible children**
 2 **health coverage, except for nonemergency transportation, that is**
 3 **identical to the coverage provided for children under the children's**
 4 **health insurance program under IC 12-17.6.**

5 **Sec. 2. If cost effective, the office may, as an alternative to the**
 6 **coverage required under section 1 of this chapter, offer subsidies**
 7 **toward the cost of private health coverage or employer sponsored**
 8 **health coverage.**

9 **Sec. 3. The office may offer to a child who would be eligible for**
 10 **the program, but does not meet at least one (1) of the requirements**
 11 **of IC 12-17.9-3-1(3), the following:**

12 **(1) Partial coverage if the child is covered under a private,**
 13 **high deductible health coverage plan.**

14 **(2) A limited package of benefits if the child is covered under**
 15 **private health coverage or employer sponsored health**
 16 **coverage that does not provide dental, vision, or other**
 17 **particular benefits.**

18 **Sec. 4. (a) Subject to subsection (b), the office has sole discretion**
 19 **to determine the:**

20 **(1) content and availability of;**

21 **(2) terms of eligibility for; and**

22 **(3) efficacy and cost effectiveness of providing;**

23 **benefits described in sections 2 and 3 of this chapter.**

24 **(b) In making the determination under subsection (a), the office**
 25 **shall consider the need to promote retention of private health**
 26 **coverage and employer sponsored health coverage.**

27 **Sec. 5. The office shall ensure that reimbursement under the**
 28 **program to a physician who is licensed under IC 25-22.5 and is a**
 29 **primary care provider is not less than the reimbursement rate on**
 30 **January 1, 2007, under the Medicaid program under IC 12-15 plus**
 31 **one hundred percent (100%).**

32 **Sec. 6. The parent or other individual who is responsible for a**
 33 **child who participates in the program shall make an annual**
 34 **contribution to the health incentives account established under**
 35 **IC 12-17.9-14-7 of not more than two percent (2%) of the**
 36 **individual's annual income, according to a contribution schedule**
 37 **adopted by the office in rules under IC 4-22-2.**

38 **Chapter 7. Health Coverage for Adults Plan**

39 **Sec. 1. The office shall establish a plan through which the office**
 40 **purchases or provides health coverage to individuals who:**

41 **(1) are residents;**

42 **(2) are at least nineteen (19) years of age; and**

43 **(3) do not have coverage for health care services.**

44 **Sec. 2. The office shall design the plan established under section**
 45 **1 of this chapter to make health coverage available as follows:**

46 **(1) To an individual described in section 1 of this chapter who**
 47 **has a family income equal to not more than one hundred**

1 percent (100%) of the federal income poverty level, health
2 coverage with no premium or cost sharing amounts to be paid
3 by the individual.

4 (2) To an individual described in section 1 of this chapter who
5 has a family income equal to more than one hundred percent
6 (100%) but not more than three hundred percent (300%) of
7 the federal income poverty level, health coverage with
8 premium and cost sharing amounts to be paid by the
9 individual according to a sliding scale based on family income
10 and established by the office in rules adopted under IC 4-22-2.

11 (3) To an individual described in section 1 of this chapter who
12 has a family income equal to more than three hundred
13 percent (300%) of the federal income poverty level, health
14 coverage with all premium and cost sharing amounts to be
15 paid by the individual.

16 Sec. 3. (a) The health coverage made available under this
17 chapter shall include benefits determined by the office.

18 (b) The office may not allow the imposition of treatment
19 limitations or financial requirements on the coverage of services
20 for a mental illness under the plan if similar treatment limitations
21 or financial requirements are not imposed on coverage for services
22 for other illnesses under the plan.

23 Sec. 4. If cost effective, the office may provide subsidies toward
24 the cost of private health coverage or employer sponsored health
25 coverage.

26 Sec. 5. The office shall ensure that reimbursement under the
27 plan to a physician who is licensed under IC 25-22.5 and is a
28 primary care provider is not less than the reimbursement rate on
29 January 1, 2007, under the Medicaid program under IC 12-15 plus
30 one hundred percent (100%).

31 Sec. 6. An individual who participates in coverage under section
32 2(2) or 2(3) of this chapter shall make an annual contribution to the
33 health incentives account established under IC 12-17.9-14-7 of not
34 more than two percent (2%) of the individual's annual income,
35 according to a contribution schedule adopted by the office in rules
36 under IC 4-22-2.

37 Chapter 8. Cost Sharing

38 Sec. 1. (a) The office shall adopt rules under IC 4-22-2 to
39 establish cost sharing requirements, including:

40 (1) copayments and coinsurance for health care services
41 (other than well baby or well child health care services and
42 age appropriate immunizations required by law); and

43 (2) monthly premiums for coverage under the program;
44 for children receiving coverage described in IC 12-17.9-6-1.

45 (b) Cost sharing requirements established under subsection (a)
46 must be determined under a sliding scale based on family income.

47 (c) The office may periodically modify the cost sharing

1 requirements established under this section.

2 **Sec. 2. Children and adults who are enrolled in private health**
 3 **coverage or employer sponsored health coverage for which a**
 4 **subsidy is provided as described in IC 12-17.9-6-2 or IC 12-17.9-7-4**
 5 **are subject to the cost sharing provisions stated in the private**
 6 **health coverage or employer sponsored health coverage plan.**

7 **Sec. 3. Notwithstanding any other law, rates paid by the office**
 8 **for coverage under the program or under the plan established**
 9 **under IC 12-17.9-7-1 may not be considered in determining a usual**
 10 **and customary or reasonable charge.**

11 **Chapter 9. Study**

12 **Sec. 1. The office shall conduct a study that does the following:**

13 **(1) Establishes estimates of the following that are calculated**
 14 **using data compiled from particular regions of Indiana:**

15 **(A) Number of children who have health coverage.**

16 **(B) Number of children who do not have health coverage.**

17 **(C) Number of children who are eligible for Medicaid**
 18 **under IC 12-15 or the children's health insurance program**
 19 **under IC 12-17.6.**

20 **(D) Number of children who are enrolled in Medicaid**
 21 **under IC 12-15 or the children's health insurance program**
 22 **under IC 12-17.6.**

23 **(E) Number of children who have access to employer**
 24 **sponsored health coverage.**

25 **(F) Number of children who are enrolled in employer**
 26 **sponsored health coverage.**

27 **(2) Surveys families:**

28 **(A) whose children have access to employer sponsored**
 29 **health coverage; and**

30 **(B) who decline the coverage described in clause (A);**
 31 **concerning the reason for declining the coverage.**

32 **(3) Ascertain, for the population of children accessing**
 33 **employer sponsored health coverage or who have access to the**
 34 **coverage, the:**

35 **(A) comprehensiveness of coverage available;**

36 **(B) cost sharing associated with the coverage; and**

37 **(C) amount of cost sharing currently required of**
 38 **employees.**

39 **(4) Measures health outcomes or other benefits for children**
 40 **using the program.**

41 **(5) Analyzes the effects of enrollment in the program on use**
 42 **of health care services by children after enrollment compared**
 43 **to use of health care services before enrollment.**

44 **Sec. 2. The study described in section 1 of this chapter must be**
 45 **conducted annually and must compare the data for each year with**
 46 **the data for the immediately preceding year.**

47 **Sec. 3. The office shall submit the results of the study conducted**

1 under this chapter to the governor and, in an electronic format
2 under IC 5-14-6, to the legislative council as follows:

3 (1) Preliminary results, not later than July 1, 2009.

4 (2) Final results, not later than July 1, 2011.

5 **Chapter 10. Consultation With Interested Parties**

6 **Sec. 1.** The office shall present details regarding implementation
7 of the program to the select joint commission on Medicaid
8 oversight established by IC 2-5-26-3.

9 **Sec. 2.** The select joint commission on Medicaid oversight serves
10 as the forum for health care providers, advocates, consumers, and
11 other interested parties to advise the office with respect to the
12 program.

13 **Chapter 11. Federal Financial Participation**

14 **Sec. 1.** The office, in cooperation with the office of Medicaid
15 policy and planning established by IC 12-8-6-1, shall request
16 necessary state plan amendments or waivers of federal
17 requirements to allow receipt of federal funds to implement the
18 program.

19 **Sec. 2.** The failure of a responsible federal agency to approve a
20 state plan amendment or waiver requested under section 1 of this
21 chapter does not prevent the implementation of this article.

22 **Chapter 12. Rulemaking**

23 **Sec. 1. (a)** The office shall adopt under IC 4-22-2 rules necessary
24 to implement this article, including rules:

25 (1) regarding annual eligibility renewals;

26 (2) providing for reenrollment, grace periods, notice
27 requirements, and hearing procedures related to a
28 determination of ineligibility under IC 12-17.9-3-6(a)(1) or
29 IC 12-17.9-3-6(b); and

30 (3) used to determine availability and affordability of private
31 health coverage or employer sponsored health coverage,
32 including consideration of:

33 (A) the percentage of income needed to purchase child or
34 family health coverage;

35 (B) the availability of employer subsidies; and

36 (C) other relevant factors.

37 (b) The office may adopt emergency rules under IC 4-22-2-37.1
38 to implement this article.

39 **Chapter 13. Subrogation**

40 **Sec. 1.** The program is subrogated to all claims, demands, and
41 causes of action for injuries to an individual covered under the
42 program for all amounts paid by the program from the time of
43 injury of the individual to the date of recovery on the claim,
44 demand, or cause of action.

45 **Chapter 14. Health Coverage for Children and Adults Fund**

46 **Sec. 1.** The health coverage for children and adults fund is
47 established to provide funding for:

- 1 (1) the health coverage for children program created by
2 IC 12-17.9-2-1;
3 (2) a health coverage for adults plan established under
4 IC 12-17.9-7-1; and
5 (3) the annual deposit to the health incentives account under
6 section 7(c)(2) of this chapter.

7 **The fund shall be administered by the office.**

8 **Sec. 2. The fund consists of the following:**

- 9 (1) Money deposited in the fund under IC 6-7-1-28.1.
10 (2) Donations to the fund.
11 (3) Contributions to the health incentives account as described
12 in section 7(c) of this chapter.
13 (4) Appropriations made by the general assembly.

14 **Sec. 3. The expenses of administering the fund shall be paid
15 from money in the fund.**

16 **Sec. 4. The treasurer of state shall invest the money in the fund
17 not currently needed to meet the obligations of the fund in the same
18 manner as other public money may be invested. (Interest that
19 accrues from these investments shall be deposited in the fund.)**

20 **Sec. 5. Money in the fund at the end of a state fiscal year does
21 not revert to the state general fund.**

22 **Sec. 6. There is annually appropriated to the office the money
23 in the fund for the use of the office in carrying out the purposes
24 described in section 1 of this chapter.**

25 **Sec. 7. (a) The health incentives account is established within the
26 fund to provide funding only for the payment of the following for
27 individuals who participate in the program established by
28 IC 12-17.9-2-1 or the plan established under IC 12-17.9-7-1:**

- 29 (1) Copayments.
30 (2) Cost sharing requirements.
31 (3) Wellness programs.
32 (4) Other preventive measures as determined by the office.

33 **(b) The account shall be administered by the office.**

34 **(c) The account consists of the following:**

35 (1) Annual contributions to the account as described in
36 IC 12-17.9-6-6 and IC 12-17.9-7-6.

37 (2) An amount that is:

- 38 (A) annually deposited in the account from the fund; and
39 (B) equal to one hundred percent (100%) of the amount of
40 the contributions to the account during the previous year.

41 **(d) The expenses of administering the account shall be paid from
42 money in the account.**

43 **(e) The treasurer of state shall invest the money in the account
44 not currently needed to meet the obligations of the account in the
45 same manner as other public money may be invested. (Interest that
46 accrues from these investments shall be deposited in the account.)**

47 **(f) Money in the account at the end of a state fiscal year does not**

1 **revert to the state general fund.**

2 **(g) There is annually appropriated to the office the money in the**
 3 **account for the use of the office in carrying out the purposes**
 4 **described in subsection (a).**

5 SECTION 21. IC 16-47-1-4 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) The department,
 7 with the approval of the budget agency, shall establish, implement, and
 8 maintain an aggregate prescription drug purchasing program through
 9 which terms are negotiated related to the purchase of prescription drugs
 10 by:

- 11 (1) an entity described in section 5(a) ~~or 5(b)~~ of this chapter; or
 12 (2) an individual who is covered under a health benefit plan that
 13 includes a prescription drug benefit.

14 (b) The budget agency may contract with a pharmacy benefit
 15 manager or other person to conduct the negotiations of the program
 16 established under subsection (a).

17 (c) The terms and conditions of the program are subject to the
 18 approval of the budget agency.

19 SECTION 22. IC 16-47-1-5 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The following
 21 shall participate in the program:

- 22 (1) The department, for a health benefit plan:
 23 (A) described in section 2(1) ~~or 2(2) or 2(3)~~ of this chapter;
 24 and
 25 (B) that provides coverage for prescription drugs.
 26 (2) A state educational institution, for a health benefit plan:
 27 (A) described in ~~section 2(4)~~ **section 2(3)** of this chapter; and
 28 (B) that provides coverage for prescription drugs.

29 ~~unless the budget agency determines that the state educational~~
 30 ~~institution's participation in the program would not result in an~~
 31 ~~overall financial benefit to the state educational institution.~~

32 ~~(b) The following may participate in the program:~~

- 33 ~~(1)~~ **(3)** A state agency other than the department that:
 34 (A) purchases prescription drugs; or
 35 (B) arranges for the payment of the cost of prescription drugs.
 36 ~~(2)~~ **(4)** A local unit (as defined in IC 5-10-8-1).
 37 ~~(3)~~ **(5)** The Indiana comprehensive health insurance association
 38 established under IC 27-8-10.

39 ~~(c)~~ **(b)** The state Medicaid program may not participate in the
 40 program under this chapter.

41 SECTION 23. IC 27-8-5-2, AS AMENDED BY P.L.125-2005,
 42 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 43 JULY 1, 2007]: Sec. 2. (a) No individual policy of accident and
 44 sickness insurance shall be delivered or issued for delivery to any
 45 person in this state unless it complies with each of the following:

- 46 (1) The entire money and other considerations for the policy are

- 1 expressed in the policy.
- 2 (2) The time at which the insurance takes effect and terminates is
- 3 expressed in the policy.
- 4 (3) The policy purports to insure only one (1) person, except that
- 5 a policy ~~may~~ **must** insure, originally or by subsequent
- 6 amendment, upon the application of any member of a family who
- 7 shall be deemed the policyholder and who is at least eighteen (18)
- 8 years of age, any two (2) or more eligible members of that family,
- 9 including husband, wife, dependent children, or any children
- 10 ~~under a specified age, which shall not exceed nineteen (19)~~ **who**
- 11 **are less than twenty-four (24) years of age**, and any other person
- 12 dependent upon the policyholder.
- 13 (4) The style, arrangement, and overall appearance of the policy
- 14 give no undue prominence to any portion of the text, and unless
- 15 every printed portion of the text of the policy and of any
- 16 endorsements or attached papers is plainly printed in lightface
- 17 type of a style in general use, the size of which shall be uniform
- 18 and not less than ten point with a lower-case unspaced alphabet
- 19 length not less than one hundred and twenty point (the "text" shall
- 20 include all printed matter except the name and address of the
- 21 insurer, name or title of the policy, the brief description if any,
- 22 and captions and subcaptions).
- 23 (5) The exceptions and reductions of indemnity are set forth in the
- 24 policy and, except those which are set forth in section 3 of this
- 25 chapter, are printed, at the insurer's option, either included with
- 26 the benefit provision to which they apply, or under an appropriate
- 27 caption such as "EXCEPTIONS", or "EXCEPTIONS AND
- 28 REDUCTIONS", provided that if an exception or reduction
- 29 specifically applies only to a particular benefit of the policy, a
- 30 statement of such exception or reduction shall be included with
- 31 the benefit provision to which it applies.
- 32 (6) Each such form of the policy, including riders and
- 33 endorsements, shall be identified by a form number in the lower
- 34 left-hand corner of the first page of the policy.
- 35 (7) The policy contains no provision purporting to make any
- 36 portion of the charter, rules, constitution, or bylaws of the insurer
- 37 a part of the policy unless such portion is set forth in full in the
- 38 policy, except in the case of the incorporation of or reference to
- 39 a statement of rates or classification of risks, or short-rate table
- 40 filed with the commissioner.
- 41 (8) If an individual accident and sickness insurance policy or
- 42 hospital service plan contract or medical service plan contract
- 43 provides that hospital or medical expense coverage of a
- 44 dependent child terminates upon attainment of the limiting age for
- 45 dependent children specified in such policy or contract, the policy
- 46 or contract must also provide that attainment of such limiting age

1 does not operate to terminate the hospital and medical coverage
2 of such child while the child is and continues to be both:

- 3 (A) incapable of self-sustaining employment by reason of
4 mental retardation or mental or physical disability; and
5 (B) chiefly dependent upon the policyholder for support and
6 maintenance.

7 Proof of such incapacity and dependency must be furnished to the
8 insurer by the policyholder within thirty-one (31) days of the
9 child's attainment of the limiting age. The insurer may require at
10 reasonable intervals during the two (2) years following the child's
11 attainment of the limiting age subsequent proof of the child's
12 disability and dependency. After such two (2) year period, the
13 insurer may require subsequent proof not more than once each
14 year. The foregoing provision shall not require an insurer to
15 insure a dependent who is a mentally retarded or mentally or
16 physically disabled child where such dependent does not satisfy
17 the conditions of the policy provisions as may be stated in the
18 policy or contract required for coverage thereunder to take effect.
19 In any such case the terms of the policy or contract shall apply
20 with regard to the coverage or exclusion from coverage of such
21 dependent. This subsection applies only to policies or contracts
22 delivered or issued for delivery in this state more than one
23 hundred twenty (120) days after August 18, 1969.

24 (b) If any policy is issued by an insurer domiciled in this state for
25 delivery to a person residing in another state, and if the official having
26 responsibility for the administration of the insurance laws of such other
27 state shall have advised the commissioner that any such policy is not
28 subject to approval or disapproval by such official, the commissioner
29 may by ruling require that such policy meet the standards set forth in
30 subsection (a) and in section 3 of this chapter.

31 (c) An insurer may issue a policy described in this section in
32 electronic or paper form. However, the insurer shall:

- 33 (1) inform the insured that the insured may request the policy in
34 paper form; and
35 (2) issue the policy in paper form upon the request of the insured.

36 SECTION 24. IC 27-8-5-28 IS ADDED TO THE INDIANA CODE
37 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
38 1, 2007]: **Sec. 28. A policy of accident and sickness insurance may
39 not be issued, delivered, amended, or renewed, unless the policy
40 provides for coverage of a child of the policyholder or certificate
41 holder, upon request of the policyholder or certificate holder, until
42 the date that the child becomes twenty-four (24) years of age.**

43 SECTION 25. IC 27-13-7-3 IS AMENDED TO READ AS
44 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) A contract
45 referred to in section 1 of this chapter must clearly state the following:

- 46 (1) The name and address of the health maintenance organization.

- 1 (2) Eligibility requirements.
 2 (3) Benefits and services within the service area.
 3 (4) Emergency care benefits and services.
 4 (5) Any out-of-area benefits and services.
 5 (6) Copayments, deductibles, and other out-of-pocket costs.
 6 (7) Limitations and exclusions.
 7 (8) Enrollee termination provisions.
 8 (9) Any enrollee reinstatement provisions.
 9 (10) Claims procedures.
 10 (11) Enrollee grievance procedures.
 11 (12) Continuation of coverage provisions.
 12 (13) Conversion provisions.
 13 (14) Extension of benefit provisions.
 14 (15) Coordination of benefit provisions.
 15 (16) Any subrogation provisions.
 16 (17) A description of the service area.
 17 (18) The entire contract provisions.
 18 (19) The term of the coverage provided by the contract.
 19 (20) Any right of cancellation of the group or individual contract
 20 holder.
 21 (21) Right of renewal provisions.
 22 (22) Provisions regarding reinstatement of a group or an
 23 individual contract holder.
 24 (23) Grace period provisions.
 25 (24) A provision on conformity with state law.
 26 (25) A provision or provisions that comply with the:
 27 (A) guaranteed renewability; and
 28 (B) group portability;
 29 requirements of the federal Health Insurance Portability and
 30 Accountability Act of 1996 (26 U.S.C. 9801(c)(1)).
 31 **(26) That the contract provides, upon request of the**
 32 **subscriber, coverage for a child of the subscriber until the**
 33 **date the child becomes twenty-four (24) years of age.**
 34 (b) For purposes of subsection (a), an evidence of coverage which
 35 is filed with a contract may be considered part of the contract.
 36 SECTION 26. [EFFECTIVE JULY 1, 2007] (a) As used in this
 37 SECTION, "task force" refers to the healthy Indiana task force
 38 established by subsection (b).
 39 (b) The healthy Indiana task force is established to:
 40 (1) study and provide guidance to the state concerning
 41 expanding coverage for health care services for all children in
 42 Indiana;
 43 (2) develop methods to increase availability of affordable
 44 coverage for health care services for all Indiana residents;
 45 and
 46 (3) make recommendations to the legislative council.

- 1 **(c) The task force:**
2 **(1) shall operate under the policies governing study**
3 **committees adopted by the legislative council; and**
4 **(2) may request funding from the legislative council to hire**
5 **consultants.**
6 **(d) The affirmative votes of a majority of the voting members**
7 **appointed to the task force are required for the task force to take**
8 **action on any measure, including final reports.**
9 **(e) The task force consists of the following voting members:**
10 **(1) Eight (8) members appointed by the speaker of the house**
11 **of representatives, three (3) of whom are appointed based on**
12 **the recommendation of the minority leader of the house of**
13 **representatives and none of whom are legislators.**
14 **(2) Eight (8) members appointed by the president pro tempore**
15 **of the senate, three (3) of whom are appointed based on the**
16 **recommendation of the minority leader of the senate and none**
17 **of whom are legislators.**
18 **(f) In making appointments under subsection (e), the speaker of**
19 **the house of representatives and the president pro tempore of the**
20 **senate shall each appoint one (1) member representing each of the**
21 **following:**
22 **(1) Hospitals.**
23 **(2) Insurance companies.**
24 **(3) Primary care providers.**
25 **(4) Health professionals who are not primary care providers.**
26 **(5) Minority health concern experts.**
27 **(6) Business.**
28 **(7) Organized labor.**
29 **(8) Consumers.**
30 **(g) The chairperson of the legislative council shall appoint the**
31 **chairperson of the task force.**
32 **(h) The task force shall report findings and make**
33 **recommendations in a final report to the legislative council in an**
34 **electronic format under IC 5-14-6 before November 1, 2008.**
35 **(i) The task force expires November 1, 2008, unless the**
36 **legislative council extends the work of the task force until**
37 **November 1, 2009.**
38 **(j) If the legislative council extends the work of the task force**
39 **until November 1, 2009, the task force shall submit additional**
40 **findings and recommendations in a final report before November**
41 **1, 2009.**
42 **(k) This SECTION expires January 1, 2010.**
43 **SECTION 27. [EFFECTIVE JULY 1, 2007] The state personnel**
44 **department shall implement the requirements of IC 5-10-8-6.8, as**
45 **added by this act, not later than July 1, 2008.**
46 **SECTION 28. [EFFECTIVE JULY 1, 2007] IC 6-3.1-31, as added**
47 **by this act, applies to taxable years beginning after December 31,**

1 **2007.**

2 SECTION 29. [EFFECTIVE JULY 1, 2007] Notwithstanding
3 **IC 6-7-1-14**, revenue stamps paid for before July 1, 2007, and in the
4 possession of a distributor may be used after June 30, 2007, only if
5 the full amount of the tax imposed by IC 6-7-1-12, as effective after
6 June 30, 2007, and as amended by this act, is remitted to the
7 department of state revenue under the procedures prescribed by
8 the department.

9 SECTION 30. [EFFECTIVE UPON PASSAGE] (a) As used in this
10 SECTION, "office" refers to the office of Medicaid policy and
11 planning established by IC 12-8-6-1.

12 (b) Before July 1, 2007, the office shall apply to the United
13 States Department of Health and Human Services for approval to
14 amend the state Medicaid plan to include services for an individual
15 who:

16 (1) is:

17 (A) at least eighteen (18) years of age; and

18 (B) less than twenty-two (22) years of age; and

19 (2) was receiving foster care when the individual became:

20 (A) eighteen (18) years of age; or

21 (B) emancipated.

22 (c) If the office determines a Medicaid waiver is necessary,
23 before July 1, 2007, the office shall apply to the United States
24 Department of Health and Human Services for approval of a
25 Medicaid waiver to fund services for an individual described in
26 subsection (b).

27 (d) The office may not implement the amendment to the state
28 Medicaid plan until the office files an affidavit with the governor
29 attesting that the amendment applied for under this SECTION is
30 in effect. The office shall file the affidavit under this subsection not
31 more than five (5) days after the office is notified that the
32 amendment is approved.

33 (e) The office may not implement the Medicaid waiver until the
34 office files an affidavit with the governor attesting that the waiver
35 applied for under this SECTION is in effect. The office shall file the
36 affidavit under this subsection not more than five (5) days after the
37 office is notified that the waiver is approved.

38 (f) If the office receives approval to amend the state Medicaid
39 plan under this SECTION from the United States Department of
40 Health and Human Services and the governor receives the affidavit
41 filed under subsection (d), the office shall implement the
42 amendment not more than five (5) days after the governor receives
43 the affidavit.

44 (g) If the office receives approval for the Medicaid waiver under
45 this SECTION from the United States Department of Health and
46 Human Services and the governor receives the affidavit filed under
47 subsection (e), the office shall implement the waiver not more than

- 1 **five (5) days after the governor receives the affidavit.**
 2 SECTION 31. [EFFECTIVE UPON PASSAGE] (a) As used in this
 3 SECTION, "office" refers to the office of Medicaid policy and
 4 planning established by IC 12-8-6-1.
 5 (b) The office shall apply to the United States Department of
 6 Health and Human Services for any amendment to the state
 7 Medicaid plan or demonstration waiver that is needed to
 8 implement IC 12-17.6-3-2, as amended by this act, or IC 12-17.9,
 9 as added by this act.
 10 (c) The office may not implement the amendment or waiver
 11 until the office files an affidavit with the governor attesting that the
 12 amendment or waiver applied for under this SECTION is in effect.
 13 The office shall file the affidavit under this subsection not more
 14 than five (5) days after the office is notified that the amendment or
 15 waiver is approved.
 16 (d) If the office receives approval for the amendment or waiver
 17 under this SECTION from the United States Department of Health
 18 and Human Services and the governor receives the affidavit filed
 19 under subsection (c), the office shall implement the amendment or
 20 waiver not more than sixty (60) days after the governor receives
 21 the affidavit.
 22 (e) The office may adopt rules under IC 4-22-2 to implement this
 23 SECTION.
 24 SECTION 32. [EFFECTIVE JULY 1, 2007] (a) IC 27-8-5-2, as
 25 amended by this act, and IC 27-8-5-28, as added by this act, apply
 26 to a policy of accident and sickness insurance that is issued,
 27 delivered, amended, or renewed after June 30, 2007.
 28 (b) IC 27-13-7-3, as amended by this act, applies to a health
 29 maintenance organization contract that is entered into, delivered,
 30 amended, or renewed after June 30, 2007.
 31 SECTION 33. An emergency is declared for this act.
 (Reference is to HB 1008 as printed February 20, 2007.)

Representative Brown C