

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR EHB 1360**

**Citations Affected:** IC 12-11-1.1-1; IC 16-19-3-26; IC 25-22.5-2-8; IC 36-1-11-1.

**Synopsis:** Health matters. Conference committee report for EHB 1360. Provides a process for approval of an entity that is approved by a national accrediting body to provide certain services under home and community based services waivers. Requires the Indiana Donation Alliance Foundation and Donate Life Indiana to submit an annual audited report concerning the anatomical gift promotion fund (fund) to the: (1) speaker of the house of representatives; (2) president pro tempore of the senate; (3) senate health and provider services committee; and (4) house of representatives public health committee; before February 1. Provides that money in the fund may not be distributed for any quarter of a year until the report for the previous year has been submitted. Requires that any annual reports that were not submitted before March 15, 2011, must be submitted by August 1, 2012. Extends the expiration date of the fund from July 1, 2012, to July 1, 2014. Exempts the health and hospital corporation from following certain procedures in the sale, lease, or disposal of property. (Current law exempts the health and hospital corporation from following these procedures in the disposal of surplus property.) Adds the violations of failing to disclose, or negligently omitting, documentation requested for license renewal to the list of violations for which the medical licensing board of Indiana may investigate and assess a civil penalty against a physician. **(This conference committee report does the following: (1) adds the approval process for certain entities under home and community based services waivers; (2) exempts the health and hospital corporation from following certain procedures in the sale, lease, or disposal of property; and (3) adds the violation of failing to disclose, or negligently omitting, documentation requested for license renewal to the physician licensure law. Makes a technical change.)**

**Effective:** June 30, 2012; July 1, 2012.

# CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1360 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 12-11-1.1-1, AS AMENDED BY P.L.153-2011,
- 3 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2012]: Sec. 1. (a) The bureau of developmental disabilities
- 5 services is established within the division.
- 6 (b) The bureau shall plan, coordinate, and administer the provision
- 7 of individualized, integrated community based services for individuals
- 8 with a developmental disability and their families, within the limits of
- 9 available resources. The planning and delivery of services must be
- 10 based on future plans of the individual with a developmental disability
- 11 rather than on traditional determinations of eligibility for discrete
- 12 services, with an emphasis on the preferences of the individual with a
- 13 developmental disability and that individual's family.
- 14 (c) Services for individuals with a developmental disability must be
- 15 services that meet the following conditions:
- 16 (1) Are provided under public supervision.
- 17 (2) Are designed to meet the developmental needs of individuals
- 18 with a developmental disability.
- 19 (3) Meet all required state and federal standards.
- 20 (4) Are provided by qualified personnel.
- 21 (5) To the extent appropriate, are provided in home and

1 community based settings in which individuals without  
2 disabilities participate.

3 (6) Are provided in conformity with a service plan developed  
4 under IC 12-11-2.1-2.

5 (d) The bureau shall approve entities to provide community based  
6 services and supports **as follows:**

7 (1) Beginning July 1, 2011, the bureau shall ensure that an entity  
8 approved to provide day services, identified day habilitation,  
9 including facility based or community based habilitation,  
10 prevocational services, or ~~vocational~~ **employment** services under  
11 home and community based services waivers is accredited by at  
12 least one ~~(1)~~ of the following organizations:

13 ~~(1) The Commission on Accreditation of Rehabilitation Facilities~~  
14 ~~(CARF), or its successor.~~

15 ~~(2) The Council on Quality and Leadership In Supports for People~~  
16 ~~with Disabilities, or its successor.~~

17 ~~(3) The Joint Commission on Accreditation of Healthcare~~  
18 ~~Organizations (JCAHO), or its successor.~~

19 ~~(4) The National Committee for Quality Assurance, or its~~  
20 ~~successor.~~

21 ~~(5) The ISO-9001 human services QA system.~~

22 ~~(6) An independent national accreditation organization approved~~  
23 ~~by the secretary.~~ **an approved national accrediting body**  
24 **described in subsection (j).**

25 (2) Beginning July 1, 2012, the bureau shall ensure that an  
26 entity approved to provide residential habilitation and  
27 support services under home and community based services  
28 waivers is accredited by an approved national accrediting  
29 body. However, if an entity is accredited to provide home and  
30 community based services under subdivision (1) other than  
31 residential habilitation and support services, the bureau may  
32 extend the time that the entity has to comply with this  
33 subdivision until the earlier of the following:

34 (A) The completion of the entity's next scheduled  
35 accreditation survey.

36 (B) July 1, 2015.

37 (e) **Subject to subsection (k)**, the bureau shall **initially** approve,  
38 **reapprove**, and monitor community based residential, habilitation, and  
39 ~~vocational~~ **employment** service providers that provide alternatives to  
40 placement of individuals with a developmental disability in state  
41 institutions and health facilities licensed under IC 16-28 for individuals  
42 with a developmental disability. The services must simulate, to the  
43 extent feasible, patterns and conditions of everyday life that are as  
44 close as possible to normal. The community based service categories  
45 include the following:

46 (1) Supervised group living programs, which serve at least four  
47 (4) individuals and not more than eight (8) individuals, are funded  
48 by Medicaid, and are licensed by the community residential  
49 facilities council.

50 (2) Supported living service arrangements to meet the unique  
51 needs of individuals in integrated settings. Supported living

1 service arrangements providing residential services may not serve  
 2 more than four (4) unrelated individuals in any one (1) setting.  
 3 However, the head of the bureau shall waive this limitation for a  
 4 setting providing residential services to more than four (4)  
 5 unrelated individuals in any one (1) setting if the setting was in  
 6 existence on June 30, 1999.

7 (f) To the extent that services described in subsection (e) are  
 8 available and meet the individual's needs, an individual is entitled to  
 9 receive services in the least restrictive environment possible.

10 (g) Community based services under subsection (e)(1) or (e)(2)  
 11 must consider the needs of and provide choices and options for:

- 12 (1) individuals with a developmental disability; and
- 13 (2) families of individuals with a developmental disability.

14 (h) The bureau shall administer a system of service coordination to  
 15 carry out this chapter.

16 (i) The bureau may issue orders under IC 4-21.5-3-6 against a  
 17 provider that violates rules issued by the bureau for programs in which  
 18 the provider is providing services in accordance with section 11 of this  
 19 chapter.

20 **(j) For purposes of subsections (d) and (k), "approved national**  
 21 **accrediting body" means any of the following:**

- 22 **(1) The Commission on Accreditation of Rehabilitation**
- 23 **Facilities (CARF), or its successor.**
- 24 **(2) The Council on Quality and Leadership In Supports for**
- 25 **People with Disabilities, or its successor.**
- 26 **(3) The Joint Commission on Accreditation of Healthcare**
- 27 **Organizations (JCAHO), or its successor.**
- 28 **(4) The National Committee for Quality Assurance, or its**
- 29 **successor.**
- 30 **(5) The ISO-9001 human services QA system.**
- 31 **(6) The Council on Accreditation, or its successor.**
- 32 **(7) An independent national accreditation organization**
- 33 **approved by the secretary.**

34 **(k) An entity that is accredited by an approved national**  
 35 **accrediting body is not subject to reapproval surveys or routine**  
 36 **monitoring surveys by the division, bureau, or bureau of quality**  
 37 **improvement services, including any reapproval survey under a**  
 38 **home and community based services waiver. However, the bureau**  
 39 **may perform validation surveys and complaint investigations of an**  
 40 **entity accredited by an approved national accrediting body.**

41 SECTION 2. IC 16-19-3-26, AS AMENDED BY P.L.147-2007,  
 42 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 43 JUNE 30, 2012]: Sec. 26. (a) The anatomical gift promotion fund is  
 44 established. The fund consists of amounts distributed to the fund by the  
 45 auditor of state under IC 9-18-2-16.

46 (b) The treasurer of state shall invest the money in the fund not  
 47 currently needed to meet the obligations of the fund in the same  
 48 manner as other public funds are invested. Interest that accrues from  
 49 these investments shall be deposited in the fund.

50 (c) The state department shall administer the fund. Any expenses  
 51 incurred in administering the fund shall be paid from the fund.

1 (d) The money in the fund shall be distributed quarterly to the  
 2 Indiana Donation Alliance Foundation and Donate Life Indiana for the  
 3 purpose of implementing an organ, tissue, and marrow registry and to  
 4 promote organ, tissue, and marrow donation. **However, money in the**  
 5 **fund may not be distributed under this subsection for any quarter**  
 6 **of a year until the annual report for the previous year has been**  
 7 **submitted under subsection (f).**

8 (e) The Indiana Donation Alliance Foundation and Donate Life  
 9 Indiana shall keep information regarding the identity of an individual  
 10 who has indicated a desire to make an organ or tissue donation  
 11 confidential.

12 (f) The Indiana Donation Alliance Foundation and Donate Life  
 13 Indiana shall submit an annual **audited** report, including a list of all  
 14 expenditures, to ~~the chairperson~~ of the:

- 15 (1) ~~legislative council; speaker of the house of representatives;~~  
 16 **(2) president pro tempore of the senate;**  
 17 ~~(2) (3) senate health and provider services committee; and~~  
 18 ~~(3) (4) house public health committee;~~

19 before ~~March 15~~: **February 1**. The report must be in an electronic  
 20 format under IC 5-14-6.

21 (g) Money in the fund at the end of a state fiscal year does not revert  
 22 to the state general fund.

23 (h) This subsection applies if the Indiana Donation Alliance  
 24 Foundation or Donate Life Indiana loses its status as an organization  
 25 exempt from federal income taxation under Section 501(c)(3) of the  
 26 Internal Revenue Code. The Indiana Donation Alliance Foundation and  
 27 Donate Life Indiana shall report in an electronic format under  
 28 IC 5-14-6 to the chairpersons of the senate standing committee, as  
 29 determined by the president pro tempore of the senate, and the house  
 30 standing committee, as determined by the speaker of the house of  
 31 representatives, that have subject matter jurisdiction over health issues.  
 32 The chairpersons shall review the report and recommend to the state  
 33 department whether to continue distributions under subsection (d).

34 **(i) Any annual reports that were not submitted by the Indiana**  
 35 **Donation Alliance Foundation or Donate Life Indiana before**  
 36 **March 15, 2011, under subsection (f) must be submitted before**  
 37 **August 1, 2012.**

38 ~~(j)~~ **(j)** This section expires July 1, ~~2012~~: **2014**.

39 SECTION 3. IC 25-22.5-2-8, AS ADDED BY P.L.149-2011,  
 40 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 41 JULY 1, 2012]: Sec. 8. (a) The board shall implement a program to  
 42 investigate and assess a civil penalty of not more than one thousand  
 43 dollars (\$1,000) against a physician licensed under this article for the  
 44 following violations:

- 45 (1) Licensure renewal fraud.  
 46 (2) Improper termination of a physician and patient relationship.  
 47 (3) Practicing with an expired medical license.  
 48 (4) Providing office based anesthesia without the proper  
 49 accreditation.  
 50 (5) Failure to perform duties required for issuing birth or death

1 certificates.

2 **(6) Failure to disclose, or negligent omission of,**  
 3 **documentation requested for licensure renewal.**

4 (b) An individual who is investigated by the board and found by the  
 5 board to have committed a violation specified in subsection (a) may  
 6 appeal the determination made by the board in accordance with  
 7 IC 4-21.5.

8 (c) In accordance with the federal Health Care Quality Improvement  
 9 Act (42 U.S.C. 11132), the board shall report a disciplinary board  
 10 action that is subject to reporting to the National Practitioner Data  
 11 Bank. However, the board may not report board action against a  
 12 physician for only an administrative penalty described in subsection  
 13 (a). The board's action concerning disciplinary action or an  
 14 administrative penalty described in subsection (a) shall be conducted  
 15 at a hearing that is open to the public.

16 (d) The physician compliance fund is established to provide funds  
 17 for administering and enforcing the investigation of violations specified  
 18 in subsection (a). The fund shall be administered by the Indiana  
 19 professional licensing agency.

20 (e) The expenses of administering the physician compliance fund  
 21 shall be paid from the money in the fund. The fund consists of penalties  
 22 collected through investigations and assessments by the board  
 23 concerning violations specified in subsection (a). Money in the fund at  
 24 the end of a state fiscal year does not revert to the state general fund.

25 SECTION 4. IC 36-1-11-1, AS AMENDED BY P.L.2-2006,  
 26 SECTION 188, IS AMENDED TO READ AS FOLLOWS  
 27 [EFFECTIVE JULY 1, 2012]: Sec. 1. (a) Except as provided in  
 28 subsection (b), this chapter applies to the disposal of property by:

- 29 (1) political subdivisions; and  
 30 (2) their agencies.

31 (b) This chapter does not apply to the following:

- 32 (1) The disposal of property under an urban homesteading  
 33 program under IC 36-7-17.  
 34 (2) The lease of school buildings under IC 20-47.  
 35 (3) The sale of land to a lessor in a lease-purchase contract under  
 36 IC 36-1-10.  
 37 (4) The disposal of property by a redevelopment commission  
 38 established under IC 36-7.  
 39 (5) The leasing of property by a board of aviation commissioners  
 40 established under IC 8-22-2 or an airport authority established  
 41 under IC 8-22-3.  
 42 (6) The disposal of a municipally owned utility under IC 8-1.5.  
 43 (7) The sale or lease of property by a unit to an Indiana nonprofit  
 44 corporation organized for educational, literary, scientific,  
 45 religious, or charitable purposes that is exempt from federal  
 46 income taxation under Section 501 of the Internal Revenue Code  
 47 or the sale or reletting of that property by the nonprofit  
 48 corporation.  
 49 (8) The disposal of surplus property by a hospital established and  
 50 operated under IC 16-22-1 through IC 16-22-5, IC 16-22-8,

- 1 IC 16-23-1, or IC 16-24-1.
- 2 (9) The sale or lease of property acquired under IC 36-7-13 for
- 3 industrial development.
- 4 (10) The sale, lease, or disposal of property by a local hospital
- 5 authority under IC 5-1-4.
- 6 (11) The sale or other disposition of property by a county or
- 7 municipality to finance housing under IC 5-20-2.
- 8 (12) The disposition of property by a soil and water conservation
- 9 district under IC 14-32.
- 10 (13) The **sale, lease, or** disposal of ~~surplus~~ property by the health
- 11 and hospital corporation established and operated under
- 12 IC 16-22-8.
- 13 (14) The disposal of personal property by a library board under
- 14 IC 36-12-3-5(c).
- 15 (15) The sale or disposal of property by the historic preservation
- 16 commission under IC 36-7-11.1.
- 17 (16) The disposal of an interest in property by a housing authority
- 18 under IC 36-7-18.
- 19 (17) The disposal of property under IC 36-9-37-26.
- 20 (18) The disposal of property used for park purposes under
- 21 IC 36-10-7-8.
- 22 (19) The disposal of textbooks that will no longer be used by
- 23 school corporations under IC 20-26-12.
- 24 (20) The disposal of residential structures or improvements by a
- 25 municipal corporation without consideration to:
- 26 (A) a governmental entity; or
- 27 (B) a nonprofit corporation that is organized to expand the
- 28 supply or sustain the existing supply of good quality,
- 29 affordable housing for residents of Indiana having low or
- 30 moderate incomes.
- 31 (21) The disposal of historic property without consideration to a
- 32 nonprofit corporation whose charter or articles of incorporation
- 33 allows the corporation to take action for the preservation of
- 34 historic property. As used in this subdivision, "historic property"
- 35 means property that is:
- 36 (A) listed on the National Register of Historic Places; or
- 37 (B) eligible for listing on the National Register of Historic
- 38 Places, as determined by the division of historic preservation
- 39 and archeology of the department of natural resources.
- 40 (22) The disposal of real property without consideration to:
- 41 (A) a governmental agency; or
- 42 (B) a nonprofit corporation that exists for the primary purpose
- 43 of enhancing the environment;
- 44 when the property is to be used for compliance with a permit or
- 45 an order issued by a federal or state regulatory agency to mitigate
- 46 an adverse environmental impact.
- 47 (23) The disposal of property to a person under an agreement
- 48 between the person and a political subdivision or an agency of a
- 49 political subdivision under IC 5-23.
- 50 (24) The disposal of residential real property pursuant to a federal

1 aviation regulation (14 CFR 150) Airport Noise Compatibility  
2 Planning Program as approved by the Federal Aviation  
3 Administration.

(Reference is to EHB 1360 as printed February 10, 2012.).



**Conference Committee Report**  
**on**  
**Engrossed House Bill 1360**

**S**igned by:

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Representative Bacon  
Chairperson

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Senator Miller

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Representative Welch

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Senator Breaux

**House Conferees**

**Senate Conferees**