



2020

2nd Annual

National Hospital Price Transparency Conference:
Path to Affordability

2020 Indiana Healthcare Policy Update

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State Representative, Indiana

September 18, 2020

2020 Indiana Healthcare Policy Update

Today's Focus

House Enrolled Act 1004
Representative Ben Smaltz

Senate Enrolled Act 5
Senator Ed Charbonneau

13
ACTUALLY
PASSED

19 Related
Healthcare
bills in the
beginning of
session

Second Regular Session of the 121st General Assembly (2020)

INFC CODE. Amendments. Whenever an existing statute (or a section of the Indiana Code) is being amended, the text of the existing provision will appear in this style type. 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. SEN will appear in that style type in the introductory clause of each SECTION that is a provision in the Indiana Code of the Indiana Constitution.

HOUSE ENROLLED ACT No. 1004

AN ACT to amend the Indiana Code concerning health.

enacted by the General Assembly of the State of Indiana

Second Regular Session of the 121st General Assembly (2020)

INFC CODE. Amendments. Whenever an existing statute (or a section of the Indiana Code) is being amended, the text of the existing provision will appear in this style type. 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. SEN will appear in that style type in the introductory clause of each SECTION that is a provision in the Indiana Code of the Indiana Constitution.

SENATE ENROLLED ACT No. 5

AN ACT to amend the Indiana Code concerning insurance.

enacted by the General Assembly of the State of Indiana

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House Enrolled Act 1004: Good Faith Estimates

■ Practitioners, Providers and Insurers

- For non-emergency ordered or scheduled medical services.
 - If an individual requests the price of an ordered service from a provider, practitioner or insurer, the individual must be given a comprehensive good faith estimate of the price they will be charged for the episode of care.
 - The estimate must be comprehensive- including all services, medication, supplies, equipment, fees, and material items associated with the care provided.
 - If insured, the estimate must reflect the negotiated rate based on the individual's health plan.
 - An insurer must give estimate that includes consideration of deductibles and co-pays.
 - These estimates must be given within 5 business days of request and are valid for 30 days, are non-binding and must be given in writing, email or electronic application.
- Effective July 1, 2020.

[HEA 1004 Latest Version](#)

House Enrolled Act 1004: Out-of-Network Charges

- **Patient not responsible for charges above network rates**
 - If a covered individual goes to an in-network healthcare facility and is treated by an out-of-network practitioner or provider, the patient is held harmless for costs that go above in-network levels for these services.
- **Informed Consent**
 - An out-of-network practitioner at an in-network facility may not be reimbursed more than allowed under the individual's network plan unless the individual signs a statement 5 days prior to service, which clearly states the patient agrees to be charged more than the allowed rate under the individual's plan and the specific amount.
 - If the covered individual has not agreed to pay out-of-network prices, the out-of-network practitioner must include in any bill to the individual, a statement that the individual is not responsible to compensate the practitioner more than the allowed rate of the covered individual's network plan.
- Does not cover emergency services including emergency transport and effective July 1, 2020.

House Enrolled Act 1004: Out of Network Charges

- **Transparency**
 - Practitioners, Hospitals, Ambulatory Outpatient Surgery Centers must provide individuals a Good Faith Estimate(GFE) (non-binding) of the price they will be charged 5 days prior to scheduled service.
- Effective July 1, 2021.

Senate Enrolled Act 5: Posting Average Negotiated Rate

Effective March 31, 2021

Hospital and Ambulatory Surgery Centers

- Must post on their website the weighted average negotiated charge for 70 shoppable services as well as the 30 most common services provided by the facility for 5 different payers.

Urgent Care Facilities

- Must post on their website the weighted average negotiated charge for 15 of the most common services they provide for 5 different payers.



[SEA 5 Latest Version](#)

Senate Enrolled Act 5: All Payer Claims Database

- **All Payer Claims Database (APCD)**

- Purpose of APCD is to gather data on health claims (HIPAA Compliant)
 - Use that data to inform policy, and identify health care needs
 - Compare price and quality between various treatment settings
 - Provide information to consumers and purchasers of health care
 - Improve quality and affordability of health care
- Outlines the Request for Information (RFI) and Request for Proposal (RFP) process.
- Must be run by private, nongovernmental entity.
- Department of Insurance will finalize decision by November 30, 2021.

Senate Enrolled Act 5: Gag Clauses

- **Banning Gag Clauses in Provider-Insurer Contracts**

- A health provider contract, including contracts with pharmacy benefit managers or health facilities, may not prohibit disclosure of health care service claims data to employers providing the coverage.
- Must comply with HIPAA regulations.
- Applies to contracts entered into or renewed after June 30, 2020.

Thank you

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