

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 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## SENATE ENROLLED ACT No. 465

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AN ACT to amend the Indiana Code concerning human services.

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

SECTION 1. IC 4-13-2-20, AS AMENDED BY P.L.234-2007, SECTION 72, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 20. (a) Except as otherwise provided in this section ~~IC 12-17-19-19~~, or IC 12-8-10-7, payment for any services, supplies, materials, or equipment shall not be paid from any fund or state money in advance of receipt of such services, supplies, materials, or equipment by the state.

(b) With the prior approval of the budget agency, payment may be made in advance for any of the following:

- (1) War surplus property.
- (2) Property purchased or leased from the United States government or its agencies.
- (3) Dues and subscriptions.
- (4) License fees.
- (5) Insurance premiums.
- (6) Utility connection charges.
- (7) Federal grant programs where advance funding is not prohibited and, except as provided in subsection (i), the contracting party posts sufficient security to cover the amount advanced.
- (8) Grants of state funds authorized by statute.
- (9) Employee expense vouchers.



(10) Beneficiary payments to the administrator of a program of self-insurance.

(11) Services, supplies, materials, or equipment to be received from an agency or from a body corporate and politic.

(12) Expenses for the operation of offices that represent the state under contracts with the Indiana economic development corporation and that are located outside Indiana.

(13) Services, supplies, materials, or equipment to be used for more than one (1) year under a discounted contractual arrangement funded through a designated leasing entity.

(14) Maintenance of equipment and maintenance of software if there are appropriate contractual safeguards for refunds as determined by the budget agency.

(15) Exhibits, artifacts, specimens, or other unique items of cultural or historical value or interest purchased by the state museum.

(c) Any agency and any state educational institution may make advance payments to its employees for duly accountable expenses exceeding ten dollars (\$10) incurred through travel approved by:

(1) the employee's respective agency director, in the case of an agency; and

(2) a duly authorized person, in the case of any state educational institution.

(d) The auditor of state may, with the approval of the budget agency and of the commissioner of the Indiana department of administration:

(1) appoint a special disbursing officer for any agency or group of agencies whenever it is necessary or expedient that a special record be kept of a particular class of disbursements or when disbursements are made from a special fund; and

(2) approve advances to the special disbursing officer or officers from any available appropriation for the purpose.

(e) The auditor of state shall issue the auditor's warrant to the special disbursing officer to be disbursed by the disbursing officer as provided in this section. Special disbursing officers shall in no event make disbursements or payments for supplies or current operating expenses of any agency or for contractual services or equipment not purchased or contracted for in accordance with this chapter and IC 5-22. No special disbursing officer shall be appointed and no money shall be advanced until procedures covering the operations of special disbursing officers have been adopted by the Indiana department of administration and approved by the budget agency. These procedures must include the following provisions:



(1) Provisions establishing the authorized levels of special disbursing officer accounts and establishing the maximum amount which may be expended on a single purchase from special disbursing officer funds without prior approval.

(2) Provisions requiring that each time a special disbursing officer makes an accounting to the auditor of state of the expenditure of the advanced funds, the auditor of state shall request that the Indiana department of administration review the accounting for compliance with IC 5-22.

(3) A provision that, unless otherwise approved by the commissioner of the Indiana department of administration, the special disbursing officer must be the same individual as the procurements agent under IC 4-13-1.3-5.

(4) A provision that each disbursing officer be trained by the Indiana department of administration in the proper handling of money advanced to the officer under this section.

(f) The commissioner of the Indiana department of administration shall cite in a letter to the special disbursing officer the exact purpose or purposes for which the money advanced may be expended.

(g) A special disbursing officer may issue a check to a person without requiring a certification under IC 5-11-10-1 if the officer:

- (1) is authorized to make the disbursement; and
- (2) complies with procedures adopted by the state board of accounts to govern the issuance of checks under this subsection.

(h) A special disbursing officer is not personally liable for a check issued under subsection (g) if:

- (1) the officer complies with the procedures described in subsection (g); and
- (2) funds are appropriated and available to pay the warrant.

(i) For contracts entered into between the department of workforce development or the Indiana commission for career and technical education and:

- (1) a school corporation (as defined in IC 20-18-2-16); or
- (2) a state educational institution;

the contracting parties are not required to post security to cover the amount advanced.

SECTION 2. IC 12-7-2-6 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 6: "AFDC" refers to the Aid to Families with Dependent Children program.

SECTION 3. IC 12-7-2-19, AS AMENDED BY P.L.188-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 19. (a) "Autism", for purposes of IC 12-11-8, has



the meaning set forth in IC 12-11-8-1.

(b) "Autism", for purposes of IC 12-11-1.1-6 and IC 12-28-4-13, refers to ~~the characteristics of a neurological disorder,~~ **an autism spectrum disorder** that is described in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders of the American Psychiatric Association.

SECTION 4. IC 12-7-2-77.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2015]: **Sec. 77.1. "Endangered adult medical alert" means an alert indicating that law enforcement officials are searching for a missing endangered adult.**

SECTION 5. IC 12-7-2-87.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 87.8. "Food retailer", for purposes of IC 12-13-14, has the meaning set forth in ~~IC 12-13-14-1.~~ **IC 12-13-14-1(f).**

SECTION 6. IC 12-7-2-119 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 119: "Institution for the mentally diseased", for purposes of IC 12-15-2-9, has the meaning set forth in IC 12-15-2-9.~~

SECTION 7. IC 12-7-2-127.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 127.5. "Medicaid inpatient utilization rate", for purposes of ~~IC 12-15-16-6,~~ **IC 12-15-16 and IC 12-15-17-1**, has the meaning set forth in ~~IC 12-15-16-6(b).~~ **IC 12-15-16-2(a).**

SECTION 8. IC 12-7-2-174.8 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 174.8: "Endangered adult medical alert" means an alert indicating that law enforcement officials are searching for a missing endangered adult.~~

SECTION 9. IC 12-7-2-178.9 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2015]: **Sec. 178.9. "SNAP" refers to the federal Supplemental Nutrition Assistance Program under 7 U.S.C. 2011 et seq.**

SECTION 10. IC 12-7-2-186, AS AMENDED BY P.L.160-2012, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 186. "State plan", for purposes of:

(1) IC 12-8-6.5, refers to the state Medicaid plan for the Medicaid program; **and**

(2) **IC 12-12-8, has the meaning set forth in IC 12-12-8-3.8.**

SECTION 11. IC 12-8-1.5-16 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2015]: **Sec. 16. The office of the secretary may, through agreement with the federal government, operate a**



**disability determination bureau that adjudicates claims for Social Security Disability Insurance and Supplemental Security Income.**

SECTION 12. IC 12-8-1.5-17 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 17. The office of the secretary may, through agreement with the federal government, operate a disability determination bureau that enters into an interim assistance agreement with the Social Security Administration under 42 U.S.C. 1302 and 42 U.S.C. 1383.**

SECTION 13. IC 12-8-10-7, AS AMENDED BY P.L.1-2005, SECTION 127, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7. (a)** When a state agency selects a grantee agency under section 6 of this chapter, the state agency shall determine whether the purchase of service format can be used as the procedure for reimbursing the grantee agency. The state agency has exclusive authority to make this determination, but the state agency shall seek to use the purchase of service format whenever possible.

(b) If a state agency determines that the purchase of service format can be used with a particular grantee agency, the state agency shall notify the group of the state agency's decision. The group shall then follow the procedure described in section 8 of this chapter.

(c) If a state agency determines that the purchase of service format cannot be used with a particular grantee agency, the state agency shall select the contract format that is to be used. If a state agency selects a contract format under this subsection, the state agency shall notify the group of the state agency's decision. The group shall then follow the procedure described in section 8 of this chapter.

(d) Notwithstanding IC 4-13-2-20 ~~IC 12-17-19-19~~, or any other law, a contract format selected under subsection (b) or (c) may include provisions for advance funding as follows:

- (1) For not more than one-sixth (1/6) of the contract amount if the annual contract amount is at least fifty thousand dollars (\$50,000).
- (2) For not more than one-half (1/2) of the contract amount if the annual contract amount is less than fifty thousand dollars (\$50,000).
- (3) For interim payments, with subsequent reconciliation of the amounts paid under the contract and the cost of the services actually provided.

SECTION 14. IC 12-9-1-3, AS AMENDED BY P.L.1-2007, SECTION 114, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 3.** The division consists of the



following bureaus:

- ~~(1) Disability determination bureaus required or permitted under IC 12-9-6.~~
- ~~(2) (1) The rehabilitation services bureau established by IC 12-12-1-1.~~
- ~~(3) (2) The bureau of developmental disabilities services established by IC 12-11-1.1-1.~~
- ~~(4) (3) The bureau of quality improvement services established by IC 12-12.5-1-1.~~
- ~~(5) (4) The bureau of child development services established by IC 12-12.7-1-1.~~

SECTION 15. IC 12-9-5-1, AS AMENDED BY P.L.1-2007, SECTION 115, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. The division shall administer money appropriated or allocated to the division by the state, including money appropriated or allocated from the following:

- (1) The federal Vocational Rehabilitation Act (29 U.S.C. 701).
- (2) The federal Social Services Block Grant in-home services for the elderly and disabled (42 U.S.C. 1397 et seq.).
- (3) The federal Randolph Sheppard Act (20 U.S.C. 107 et seq.).
- (4) Medicaid waiver in-home services for the elderly and disabled (42 U.S.C. 1396 et seq.) for treatment of developmental disabilities.
- ~~(5) Office of Disability Determination (42 U.S.C. 1302 and 42 U.S.C. 1383).~~
- ~~(6) (5) Improving Access to Assistive Technology for Individuals with Disabilities Act (29 U.S.C. 3001 et seq.).~~
- ~~(7) (6) The federal Social Security Act Payments for Vocational Rehabilitation Services (42 U.S.C. 422).~~
- ~~(8) (7) Part C of the federal Individuals with Disabilities Education Act, Subchapter III (20 U.S.C. 1431 et seq.).~~
- ~~(9) (8) Money appropriated or allocated to the division to administer a program under this title.~~
- ~~(10) (9) Other funding sources that are designated by the general assembly or that are available from the federal government under grants that are consistent with the duties of the division.~~

SECTION 16. IC 12-9-6 IS REPEALED [EFFECTIVE JULY 1, 2015]. (Disability Determination Bureaus).

SECTION 17. IC 12-10-11-2, AS AMENDED BY P.L.145-2006, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) The board consists of the following fifteen (15) members:



- (1) The director of the division of ~~family resources~~ **aging** or the director's designee.
- (2) The chairman of the Indiana state commission on aging or the chairman's designee.
- (3) Three (3) citizens ~~at least sixty (60) years of age~~, nominated by two (2) or more organizations that:
  - (A) represent senior citizens; and
  - (B) have statewide membership.
- (4) One (1) citizen ~~less than sixty (60) years of age~~ nominated by one (1) or more organizations that:
  - (A) represent individuals with disabilities, **including individuals who are less than eighteen (18) years of age**; and
  - (B) have statewide membership.
- (5) One (1) citizen ~~less than sixty (60) years of age~~ nominated by one (1) or more organizations that:
  - (A) represent individuals with mental illness, **including dementia**; and
  - (B) have statewide membership.
- (6) One (1) provider who provides services under IC 12-10-10.
- (7) One (1) licensed physician, **physician assistant, or registered nurse or nurse practitioner** who specializes either in the field of gerontology or in the field of disabilities.
- (8) Two (2) home care services advocates or policy specialists nominated by two (2) or more:
  - (A) organizations;
  - (B) associations; or
  - (C) nongovernmental agencies;
 that advocate on behalf of home care consumers, including an organization listed in subdivision (3) that represents senior citizens or persons with disabilities.
- (9) Two (2) members of the senate, who may not be members of the same political party, appointed by the president pro tempore of the senate with the advice of the minority leader of the senate.
- (10) Two (2) members of the house of representatives, who may not be members of the same political party, appointed by the speaker of the house of representatives with the advice of the minority leader of the house of representatives.

The members of the board listed in subdivisions (9) and (10) are nonvoting members.

(b) The members of the board designated by subsection (a)(3) through (a)(8) shall be appointed by the governor for terms of ~~two (2)~~



**four (4) years. The term of a member of the board expires July 1, however a member may continue to serve until a successor is appointed.** In case of a vacancy, the governor shall appoint an individual to serve for the remainder of the unexpired term.

(c) The division shall establish notice and selection procedures to notify the public of the board's nomination process described in this chapter. Information must be distributed through:

- (1) the area agencies on aging; and
- (2) all organizations, associations, and nongovernmental agencies that work with the division on home care issues and programs.

**(d) Notwithstanding subsection (b):**

**(1) the terms of all the board members designated by subsection (a)(3) through (a)(8) expire July 1, 2015;**

**(2) the governor shall reappoint each board member who on June 30, 2015, had at least one (1) full year remaining on the member's term as a member of the board; and**

**(3) the initial appointments beginning July 1, 2015, must be staggered as follows:**

**(A) One (1) year for one (1) member appointed under subsection (a)(3) and (a)(5).**

**(B) Two (2) years for one (1) member appointed under subsection (a)(3), (a)(6), and (a)(8).**

**(C) Three (3) years for one (1) member appointed under subsection (a)(3) and (a)(7).**

**(D) Four (4) years for one (1) member appointed under subsection (a)(4) and (a)(8).**

**This subsection expires July 1, 2019.**

SECTION 18. IC 12-10-11.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The state shall provide access to the following long term care services that are appropriate and needed for an individual who is eligible for these services under this chapter:

(1) Any home and community based service that is available through:

(A) the community and home options to institutional care for the elderly and disabled program; or

(B) any state Medicaid waiver.

(2) Personal care services.

(3) Self-directed care.

(4) Assisted living.

(5) Adult ~~fo~~ster family care.

(6) Adult day care services.



- (7) The provision of durable medical equipment or devices.
- (8) Housing modifications.
- (9) Adaptive medical equipment and devices.
- (10) Adaptive nonmedical equipment and devices.
- (11) Any other service that is necessary to maintain an individual in a home and community based setting.

SECTION 19. IC 12-10-12-35 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 35. (a) Before September 1, 2015, the division shall meet with stakeholders, including representatives of:**

- (1) the area agencies on aging;**
- (2) hospitals licensed under IC 16-21;**
- (3) health facilities licensed under IC 16-28; and**
- (4) other advocacy groups for the elderly;**

**to collaborate on the implementation of changes in the health facility preadmission screening assessment process for individuals.**

**(b) Before November 1, 2015, the division shall submit a written report to the general assembly in an electronic format under IC 5-14-6 on any recommendations for statutory changes to the health facility preadmission screening assessment process that were determined in any meetings held under subsection (a).**

SECTION 20. IC 12-10-12-36 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 36. This chapter expires June 30, 2016.**

SECTION 21. IC 12-11-1.1-1, AS AMENDED BY P.L.130-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1. (a) The bureau of developmental disabilities services is established within the division.**

**(b) The bureau shall plan, coordinate, and administer the provision of individualized, integrated community based services for individuals with a developmental disability and their families, within the limits of available resources. The planning and delivery of services must be based on future plans of the individual with a developmental disability rather than on traditional determinations of eligibility for discrete services, with an emphasis on the preferences of the individual with a developmental disability and that individual's family.**

**(c) Services for individuals with a developmental disability must be services that meet the following conditions:**

- (1) Are provided under public supervision.**
- (2) Are designed to meet the developmental needs of individuals**



with a developmental disability.

(3) Meet all required state and federal standards.

(4) Are provided by qualified personnel.

(5) To the extent appropriate, are provided in home and community based settings in which individuals without disabilities participate.

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

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

(1) Beginning July 1, 2011, the bureau shall ensure that an entity approved to provide day services, identified day habilitation, including facility based or community based habilitation, prevocational services, or employment services under home and community based services waivers is accredited by an approved national accrediting body described in subsection (j).

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

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

(B) July 1, 2015.

(e) Subject to subsection (k), the bureau shall initially approve, reapprove, and monitor community based residential, habilitation, and employment service providers that provide alternatives to placement of individuals with a developmental disability in state institutions and health facilities licensed under IC 16-28 for individuals with a developmental disability. The services must simulate, to the extent feasible, patterns and conditions of everyday life that are as close as possible to ~~normal~~: **the conditions in which individuals without disabilities participate**. The community based service categories include the following:

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



(2) Supported living service arrangements to meet the unique needs of individuals in integrated settings. Supported living service arrangements providing residential services may not serve more than four (4) unrelated individuals in any one (1) setting. However, a program that:

(A) is in existence on January 1, 2013, as a supervised group living program described in subdivision (1); and

(B) has more than four (4) individuals residing as part of the program;

may convert to a supported living service arrangement under this subdivision and continue to provide services to up to the same number of individuals in the supported living setting.

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

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

(1) individuals with a developmental disability; and

(2) families of individuals with a developmental disability.

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

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

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

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

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

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

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

~~(5) (4) The ISO-9001 human services QA system.~~

~~(6) (5) The Council on Accreditation, or its successor.~~

~~(7) (6) An independent national accreditation organization approved by the secretary.~~

(k) An entity that is accredited by an approved national accrediting body is not subject to reapproval surveys or routine monitoring surveys by the division, bureau, or bureau of quality improvement services,



including any reapproval survey under a home and community based services waiver. However, the bureau may perform validation surveys and complaint investigations of an entity accredited by an approved national accrediting body.

SECTION 22. IC 12-11-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in this chapter, "autism" means ~~a neurological disorder~~, **an autism spectrum disorder** that is described in the **most recent edition of the** Diagnostic and Statistical Manual of Mental Disorders ~~Fourth Edition~~, ~~Washington, D.C., of the American Psychiatric Association. 1994,~~ **pages 70 and 71.**

SECTION 23. IC 12-11-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The Developmental Training Center at Indiana University in Bloomington shall operate an autism resource center to be known as the ~~institute~~ **Indiana resource center** for autism.

SECTION 24. IC 12-11-8-3, AS AMENDED BY P.L.99-2007, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The ~~institute~~ **Indiana resource center** for autism in cooperation with the appropriate state agencies shall do the following:

- (1) Provide informational services about autism.
- (2) Provide an information system for services provided to individuals with autism and their families by federal, state, local, and private agencies.
- (3) Develop a data base from information received by the division, the division of mental health and addiction, the department of education, and the state department of health relative to the services provided to individuals with autism and their families.
- (4) Offer training and technical assistance to providers of services and families of individuals with autism.
- (5) Research methods for assessing, planning, implementing, and evaluating programs for individuals with autism and their families.
- (6) Develop model curricula and resource materials for providers of services and families of individuals with autism.
- (7) Conduct one (1) time every three (3) years a statewide needs assessment study designed to determine the following:
  - (A) The status of services provided to individuals with autism and their families.
  - (B) The need for additional or alternative services for



individuals with autism and their families.

(b) The ~~institute~~ **Indiana resource center** for autism shall deliver to the general assembly in an electronic format under IC 5-14-6 the results of the needs assessment study required by subsection (a)(7) before December 1 of each year in which the study is conducted.

SECTION 25. IC 12-12-1-4.1, AS AMENDED BY P.L.160-2012, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4.1. (a) The bureau may do the following:

- (1) Establish vocational rehabilitation centers separately or in conjunction with community rehabilitation centers.
- (2) Contract with governmental units and other public or private organizations to provide any of the vocational rehabilitation services permitted or required by this article, IC 12-8-1.5-10, ~~IC 12-9-6~~, and IC 12-11-6.
- (3) Provide or contract for the provision of other services that are consistent with the purposes of this article, IC 12-8-1.5-10, ~~IC 12-9-6~~, and IC 12-11-6.

(b) When entering into contracts for job development, placement, or retention services, the bureau shall contract with governmental units and other public or private organizations or individuals that are accredited by one (1) of the following organizations:

- (1) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.
- (2) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.
- (3) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.
- (4) The National Commission on Quality Assurance, or its successor.
- (5) An independent national accreditation organization approved by the secretary.

(c) To the extent that the accreditation requirements of an accrediting organization listed in subsection (b) do not cover a specific requirement determined by the bureau to be necessary for a contracted service under subsection (a), the bureau shall include these specific requirements as part of the bureau's contract for job development, placement, or retention services.

SECTION 26. IC 12-12.7-2-3, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) As used in this chapter, "early intervention services" means developmental services that meet the following conditions:



- (1) Are provided under public supervision.
  - (2) Are designed to meet the developmental needs of infants and toddlers with disabilities in at least one (1) of the areas specified in section 4(a)(1) of this chapter.
  - (3) Meet all required state and federal standards.
  - (4) Are provided by qualified personnel, including the following:
    - (A) Early childhood special educators, early childhood educators, and special educators.
    - (B) Speech and language pathologists and audiologists.
    - (C) Occupational therapists.
    - (D) Physical therapists.
    - (E) Psychologists.
    - (F) Social workers.
    - (G) Nurses.
    - (H) Nutritionists.
    - (I) Family therapists.
    - (J) Orientation and mobility specialists.
    - (K) Pediatricians and other physicians.
  - (5) To the maximum extent appropriate, are provided in natural environments, including the home and community settings in which children without disabilities participate.
  - (6) Are provided in conformity with an individualized family service plan adopted in accordance with ~~20 U.S.C. 1435~~ **20 U.S.C. 1436**.
- (b) The term includes the following services:
- (1) Family training, counseling, and home visits.
  - (2) Special instruction.
  - (3) Speech and language pathology, audiology, and sign language and cued language services.
  - (4) Occupational therapy.
  - (5) Physical therapy.
  - (6) Psychological services.
  - (7) Service coordination services.
  - (8) Medical services only for diagnostic, evaluation, or consultation purposes.
  - (9) Early identification, screening, and assessment services.
  - (10) Other health services necessary for an infant or a toddler to benefit from the services.
  - (11) Vision services.
  - (12) Supportive technology services.
  - (13) Transportation and related costs that are necessary to enable an infant or a toddler and the infant's or toddler's family to receive



early intervention services.

SECTION 27. IC 12-12.7-2-5, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The purposes of this chapter are as follows:

- (1) To enhance the development and minimize the potential for developmental delay of infants and toddlers with disabilities.
- (2) To reduce educational costs to the state by minimizing the need for special education and related services after infants and toddlers with disabilities reach school age.
- (3) To minimize the likelihood of institutionalization and maximize the potential for independent living of individuals with disabilities.
- (4) To enhance the capacity of families to meet the special needs of infants and toddlers with disabilities.
- (5) To comply with 20 U.S.C. 1431 through ~~1445~~ **1444**.

SECTION 28. IC 12-12.7-2-6, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The division shall do the following:

- (1) Carry out the general administration and supervision of programs and activities receiving assistance under this chapter, monitor programs and activities implemented by the state, regardless of whether the programs and activities are receiving assistance under this chapter, and ensure that the state complies with 20 U.S.C. 1431 through ~~1445~~ **1444** in implementing this chapter.
  - (2) Identify and coordinate all available resources from federal, state, local, and private sources, ~~including public and private insurance coverage and using~~ **use** all ~~existing~~ applicable resources to the full extent of the resources.
  - (3) Develop procedures to ensure that early intervention services are provided to infants and toddlers with disabilities and their families in a timely manner pending the resolution of disputes among public agencies and providers.
  - (4) Resolve disputes within an agency or between agencies.
  - (5) Enter into formal interagency agreements that define the financial responsibility of each agency for paying for early intervention services consistent with Indiana law and procedures for resolving disputes, including all additional components necessary to ensure meaningful cooperation and coordination.
  - (6) Develop and implement utilization review procedures for services provided under this chapter.
- (b) The state shall designate an individual or entity responsible for



assigning financial responsibility among appropriate agencies under this chapter.

SECTION 29. IC 12-12.7-2-15, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. The council shall do the following:

(1) Advise and assist the division in the performance of the responsibilities set forth in section 6 of this chapter, particularly the following:

(A) Identification of sources of fiscal and other support for services for early intervention programs.

(B) Use of existing resources to the full extent in implementing early intervention programs.

(C) Assignment of financial responsibility to the appropriate agency.

(D) Promotion of interagency agreements.

(E) Development and implementation of utilization review procedures.

(2) Advise and assist the division in the preparation of applications required under 20 U.S.C. 1431 through ~~1445~~ **1444**.

(3) Prepare and submit an annual report to the governor, the general assembly, and the United States Secretary of Education by November 1 of each year concerning the status of early intervention programs for infants and toddlers with disabilities and their families. A report submitted under this subdivision to the general assembly must be in an electronic format under IC 5-14-6.

(4) Periodically request from the agencies responsible for providing early childhood intervention services for infants and toddlers with disabilities and preschool special education programs written reports concerning the implementation of each agency's respective programs.

(5) Make recommendations to the various agencies concerning improvements to each agency's delivery of services.

(6) Otherwise comply with 20 U.S.C. 1441.

SECTION 30. IC 12-12.7-2-18, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. Upon the recommendations of the council, the division shall adopt rules under IC 4-22-2 providing for a statewide system of coordinated, comprehensive, multidisciplinary, interagency programs that provide appropriate early intervention services to all infants and toddlers with disabilities and their families to the extent required under 20 U.S.C. 1431 through ~~1445~~ **1444**.



SECTION 31. IC 12-12.7-2-20, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 20. To the extent required in 20 U.S.C. 1431 through ~~1445~~, **1444**, the statewide system must include the following:

(1) A definition of the term "developmentally delayed" to be used in carrying out the programs under this chapter.

(2) The timetables necessary for ensuring that the appropriate early intervention services are available to all infants and toddlers with disabilities before the beginning of the fifth year of the state's participation under 20 U.S.C. 1431 through ~~1445~~. **1444**.

(3) A timely, comprehensive, multidisciplinary evaluation of the functioning of each infant and toddler with disabilities in Indiana and the needs of the families, to appropriately assist in the development of the infant and toddler with disabilities program.

(4) For each infant and toddler with disabilities in Indiana, an individualized family service plan in accordance with 20 U.S.C. 1436, including case management services consistent with the individualized family service plan.

(5) A comprehensive system for identifying infants and toddlers with disabilities, including a system for making referrals to service providers that:

(A) includes time lines; and

(B) provides for the participation by primary referral sources.

(6) A public awareness program.

(7) A central directory that includes early intervention services, resources, experts, and research and demonstration projects being conducted.

(8) A comprehensive system of personnel development.

(9) A policy pertaining to contracting or making other arrangements with service providers to provide early intervention services in Indiana, consistent with 20 U.S.C. 1431 through ~~1445~~ **1444** and including the contents of the application used and the conditions of the contract or other arrangements.

(10) A procedure for securing timely reimbursement of funds used under this chapter in accordance with 20 U.S.C. 1440(a).

(11) Procedural safeguards with respect to programs under this chapter as required under 20 U.S.C. 1439.

(12) Policies and procedures relating to the establishment and maintenance of standards to ensure that personnel necessary to carry out this chapter are appropriately and adequately prepared and trained, including the following:

(A) The establishment and maintenance of standards that are



consistent with any state approved or recognized certification, licensing, registration, or other comparable requirements that apply to the area in which the personnel are providing early intervention services.

(B) To the extent the standards are not based on the highest requirements in Indiana applicable to the specific profession or discipline, the steps the state is taking to require the retraining or hiring of personnel that meet appropriate professional requirements in Indiana.

(13) A system for compiling data on the following:

(A) The number of infants and toddlers with disabilities and their families in Indiana in need of appropriate early intervention services, which may be based on a sampling of data.

(B) The number of infants, toddlers, and families of infants and toddlers served.

(C) The types of services provided, which may be based on a sampling of data.

(D) Other information required under 20 U.S.C. 1431 through ~~1445~~: **1444**.

SECTION 32. IC 12-13-5-1, AS AMENDED BY HEA 1601-2015, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) The division shall administer or supervise the public welfare activities of the state. The division has the following powers and duties:

(1) The administration of old age assistance, ~~aid to dependent children~~, TANF, and assistance to the needy blind and persons with disabilities, excluding assistance to children with special health care needs.

(2) The administration of the licensing and inspection under IC 12-17.2.

(3) The provision of services to county governments, including the following:

(A) Organizing and supervising county offices for the effective administration of public welfare functions.

(B) Compiling statistics and necessary information concerning public welfare problems throughout Indiana.

(C) Researching and encouraging research into crime, delinquency, physical and mental disability, and the cause of dependency.

(4) Prescribing the form of, printing, and supplying to the county offices blanks for applications, reports, affidavits, and other forms



the division considers necessary and advisable.

(5) Cooperating with the federal Social Security Administration and with any other agency of the federal government in any reasonable manner necessary and in conformity with IC 12-13 through IC 12-19 to qualify for federal aid for assistance to persons who are entitled to assistance under the federal Social Security Act. The responsibilities include the following:

(A) Making reports in the form and containing the information that the federal Social Security Administration Board or any other agency of the federal government requires.

(B) Complying with the requirements that a board or agency finds necessary to assure the correctness and verification of reports.

(6) Appointing from eligible lists established by the state personnel board employees of the division necessary to effectively carry out IC 12-13 through IC 12-19. The division may not appoint a person who is not a citizen of the United States and who has not been a resident of Indiana for at least one (1) year immediately preceding the person's appointment unless a qualified person cannot be found in Indiana for a position as a result of holding an open competitive examination.

(7) Assisting the office of Medicaid policy and planning in fixing fees to be paid to ophthalmologists and optometrists for the examination of applicants for and recipients of assistance as needy blind persons.

(8) When requested, assisting other departments, agencies, divisions, and institutions of the state and federal government in performing services consistent with this article.

(9) Acting as the agent of the federal government for the following:

(A) In welfare matters of mutual concern under IC 12-13 through IC 12-19, except for responsibilities of the department of child services under IC 31-25-2.

(B) In the administration of federal money granted to Indiana in aiding welfare functions of the state government.

(10) Administering additional public welfare functions vested in the division by law and providing for the progressive codification of the laws the division is required to administer.

(11) Supervising day care centers.

(12) Compiling information and statistics concerning the ethnicity and gender of a program or service recipient.

(b) In the administration of the public welfare programs, the



division and the department of workforce development may enter into a written memorandum of understanding concerning administering and implementing federal work requirements for public welfare programs.

SECTION 33. IC 12-13-6-1, AS AMENDED BY P.L.234-2005, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. The following bureaus are established within the division:

- (1) A bureau of child ~~development~~ **care**.
- (2) A bureau of economic independence.

SECTION 34. IC 12-13-7-2, AS AMENDED BY HEA 1613-2015, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The office of the secretary is the single state agency responsible for administering the following:

- (1) The Child Care and Development Block Grant under 42 U.S.C. 9858 et seq. The office of the secretary shall apply to the United States Department of Health and Human Services for a grant under the Child Care Development Block Grant.
- (2) ~~The federal Food Stamp Program under 7 U.S.C. 2011 et seq.~~ **SNAP.**

SECTION 35. IC 12-13-7-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) ~~The food stamp bureau shall provide an incentive payment to the offices of prosecuting attorneys for the investigation or prosecution of food stamp fraud under the federal Food Stamp Program (7 U.S.C. 2011 et seq.); as provided by 7 CFR 277.15.~~

(b) ~~The incentive payments shall be made by the auditor of state upon request of the food stamp bureau. Payments must be deposited in the county treasury for distribution on a quarterly basis and in equal shares to the following:~~

- (1) ~~The county general fund.~~
- (2) ~~The operating budget of the offices of prosecuting attorneys.~~

(c) ~~Notwithstanding IC 36-2-5-2 and IC 36-3-6, distribution of the money from the county treasury shall be made without first obtaining an appropriation from the county fiscal body. The amount that a county receives and the terms under which the incentive payments are made must be consistent with the federal law and regulations governing the federal Food Stamp Program (7 U.S.C. 2011 et seq.).~~

(d) ~~The director of the division shall adopt rules under IC 4-22-2 necessary to administer and supervise the federal Food Stamp Program in Indiana.~~ **SNAP.**

SECTION 36. IC 12-13-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) As used in this



chapter, "automated teller machine" means an electronic hardware device owned or operated by or on behalf of a financial institution or retailer that is capable of dispensing currency and responding to balance inquiries through the use of a magnetic stripe card issued by or on behalf of the division for distribution of assistance through an EBT system as described in this chapter.

(b) As used in this chapter, "commission" refers to the electronic benefits transfer commission established by this chapter.

(c) As used in this chapter, "Department" refers to the United States Department of Health and Human Services.

(d) As used in this chapter, "EBT program" means an electronic benefits transfer program.

(e) As used in this chapter, "financial institution" means a bank, trust company, savings institution, credit union, or any other organization:

- (1) whose principal business activity is providing banking or financial services to the public; and
- (2) that is organized, supervised, and authorized to do business in Indiana under IC 28 or Title 12 of the United States Code.

(f) As used in this chapter, "food retailer" means a retailer that:

- (1) sells food items to consumers; and
- (2) has been authorized under 7 CFR 278 to participate in ~~the food stamp program~~. **SNAP.**

(g) As used in this chapter, "person" includes any individual or entity described in IC 6-2.5-1-3.

(h) As used in this chapter, "point of sale terminal" means an electronic hardware device that is:

- (1) used at a retailer's place of business where consumers pay for goods or services; and
- (2) capable of:
  - (A) initiating a request for authorization of a purchase of tangible personal property;
  - (B) disbursing currency from an account;
  - (C) initiating a balance inquiry for an account; or
  - (D) distributing assistance through an EBT system as described in this chapter.

(i) As used in this chapter, "primary business" means more than fifty percent (50%) of the gross retail income (as defined in IC 6-2.5-1-5) attributable to the location or premises where the business is located.

(j) As used in this chapter, "retailer" means a person that, in the ordinary course of business:

- (1) sells or transfers tangible personal property; or



(2) provides or performs services for compensation;  
to consumers.

(k) As used in this chapter, "Secretary" refers to the Secretary of the United States Department of Agriculture.

SECTION 37. IC 12-13-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. The division may do the following:

(1) Under:

(A) 7 U.S.C. 2016(I); and

(B) 7 CFR 272, 274, 276, 277, and 278;

make an application for approval from the Secretary for implementation by the division of an EBT program in Indiana for ~~food stamp~~ **SNAP** assistance.

(2) If required at any time by federal law or regulation, make an application for approval from the Department for implementation by the division of an EBT program in Indiana for assistance under the Title IV-A assistance program as provided in 42 U.S.C. 601 et seq.

(3) After receiving approval from the Secretary and, if required, the Department, implement a fully functional and operating EBT program under this chapter to provide an alternative method of delivering:

(A) ~~food stamp~~ **SNAP** assistance; and

(B) assistance under the Title IV-A assistance program in Indiana.

(4) Contract with vendors for supplies and services to implement an EBT program according to IC 5-22-17.

(5) Adopt rules under IC 4-22-2 to implement the EBT program.

SECTION 38. IC 12-13-14-3, AS AMENDED BY P.L.1-2009, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The electronic benefits transfer commission is established.

(b) The commission consists of eight (8) members appointed by the secretary of family and social services as follows:

(1) Two (2) employees of the office of the secretary of family and social services.

(2) Two (2) members of the Indiana Grocers and Convenience Store Association, nominated by the chief executive officer of the Indiana Grocers and Convenience Store Association for consideration by the secretary of family and social services.

(3) Two (2) members of the Indiana Bankers Association, nominated by the chief executive officer of the Indiana Bankers



Association for consideration by the office of the secretary of family and social services.

(4) Two (2) persons representing recipients of ~~food stamp~~ SNAP benefits or ~~Aid to Families with Dependent Children (AFDC)~~ TANF benefits. One (1) person shall be nominated by the Indiana Food and Nutrition Network, and one (1) person shall be nominated by the Indiana Coalition for Human Services for consideration by the secretary of family and social services.

(c) The terms of office shall be for three (3) years. The members serve at the will of the secretary of family and social services. A vacancy on the commission shall be filled by the secretary of family and social services in the same manner the original appointment was made.

(d) The secretary of family and social services shall appoint the initial chairperson from among the members of the commission. The commission shall meet on the call of the chairperson. When the chairperson's term expires, the commission shall elect a new chairperson from among the membership of the commission.

(e) The division shall provide staff needed for the commission to operate under this chapter.

(f) The commission members are not eligible for per diem reimbursement or reimbursement for expenses incurred for travel to and from commission meetings.

SECTION 39. IC 12-14-1.5-6, AS AMENDED BY P.L.258-2013, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. A county director or designated employee may use any of the following methods to transmit voter registration applications or declinations under section 4 of this chapter:

- (1) Hand delivery to the circuit court clerk or board of registration.
- (2) Delivery by the United States Postal Service, using first class mail.
- (3) Electronic transfer, after approval by the co-directors of the election division.**

SECTION 40. IC 12-14-25-5, AS AMENDED BY HEA 1139-2015, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. A designated employee may use any of the following methods to transmit voter registration applications or declinations under section 3 or 4 of this chapter:

- (1) Hand delivery to the county voter registration office.
- (2) Delivery by the United States Postal Service, using first class mail.



**(3) Electronic transfer, after approval by the co-directors of the election division.**

SECTION 41. IC 12-14-29-6, AS AMENDED BY P.L.184-2014, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. A court may modify or revoke an order issued under this chapter concerning a ~~federal Supplemental Nutrition Assistance Program~~ **SNAP** eligible individual or a TANF eligible individual at any time.

SECTION 42. IC 12-14-29-7, AS AMENDED BY P.L.158-2014, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. A court shall immediately notify the division of family resources local office:

(1) upon the court's finding of probable cause that an individual has committed a felony offense during the period in which the individual is eligible for TANF or ~~the federal Supplemental Nutrition Assistance Program;~~ **SNAP;** or

(2) when an individual has been terminated from:

(A) a reentry court program;

(B) an evidence-based mental health and addiction forensic treatment services program administered or coordinated by a provider certified by the division of mental health and addiction to provide mental health or addiction treatment as part of the person's probation or community corrections; or

(C) the Marion County superior court pilot project described in IC 11-12-3.8-6;

during the period in which the individual is eligible for TANF or ~~the federal Supplemental Nutrition Assistance Program.~~ **SNAP.**

SECTION 43. IC 12-15-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 15. (a) The office shall administer the program of assignment, enforcement, and collection of rights of payments for medical care that is provided for under 42 U.S.C. 1396k.

(b) The office may enter into contracts to administer the program described in subsection (a).

(c) The ~~administrator of the office of the secretary~~ shall adopt rules under IC 4-22-2 to implement this section.

SECTION 44. IC 12-15-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in this chapter, "federal income poverty level" means the ~~nonfarm income official poverty line as determined annually by the federal Office of Management and Budget.~~ **poverty guidelines updated periodically in the Federal Register by the United States Department of Health**



**and Human Services under 42 U.S.C. 9902(2).**

SECTION 45. IC 12-15-2-3.5, AS ADDED BY P.L.278-2013, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3.5. An individual:

- (1) who is:
  - (A) at least sixty-five (65) years of age; or
  - (B) disabled, as determined by the Supplemental Security Income program; and
- (2) whose income and resources do not exceed those levels established by the Supplemental Security Income program;

is eligible to receive Medicaid assistance if the individual's family income does not exceed one hundred percent (100%) of the federal income poverty level for the same size family, **using income counting standards and criteria established by the federal Social Security Administration.**

SECTION 46. IC 12-15-2-9 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 9: (a) ~~As used in this section, "institution for the mentally diseased" includes a facility that meets the requirements and regulations under 42 U.S.C. 1396 et seq.~~

- (b) ~~Except as provided in subsections (c) and (d), an individual who:~~
  - (1) ~~is less than twenty-one (21) years of age or at least sixty-five (65) years of age who has been found to be eligible for Medicaid under section 2, 3, 4, 5, or 6 of this chapter; and~~
  - (2) ~~is a patient in an institution for the mentally diseased;~~

~~is eligible to receive Medicaid:~~

~~(c) Psychiatric services may extend until twenty-two (22) years of age or until treatment has ended; whichever occurs first.~~

~~(d) Intermediate care facility services may be provided in a mental health institution.~~

SECTION 47. IC 12-15-5-1, AS AMENDED BY HEA 1448-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. Except as provided in IC 12-15-2-12, IC 12-15-6, and IC 12-15-21, the following services and supplies are provided under Medicaid:

- (1) Inpatient hospital services.
- (2) Nursing facility services.
- (3) Physician's services, including services provided under IC 25-10-1 and IC 25-22.5-1.
- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.



- (8) Dental services.
- (9) Prescribed laboratory and x-ray services.
- (10) Prescribed drugs and pharmacist services.
- (11) Eyeglasses and prosthetic devices.
- (12) Optometric services.
- (13) Diagnostic, screening, preventive, and rehabilitative services.
- (14) Podiatric medicine services.
- (15) Hospice services.
- (16) Services or supplies recognized under Indiana law and specified under rules adopted by the office.
- (17) Family planning services except the performance of abortions.
- (18) Nonmedical nursing care given in accordance with the tenets and practices of a recognized church or religious denomination to an individual qualified for Medicaid who depends upon healing by prayer and spiritual means alone in accordance with the tenets and practices of the individual's church or religious denomination.
- (19) Services provided to individuals described in IC 12-15-2-8. ~~and IC 12-15-2-9.~~
- (20) Services provided under IC 12-15-34 and IC 12-15-32.
- (21) Case management services provided to individuals described in IC 12-15-2-11 and IC 12-15-2-13.
- (22) Any other type of remedial care recognized under Indiana law and specified by the United States Secretary of Health and Human Services.
- (23) Examinations required under IC 16-41-17-2(a)(10).
- (24) Inpatient substance abuse detoxification services.

SECTION 48. IC 12-15-6-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. A copayment applies to all services except the following:

- (1) Services furnished to individuals less than eighteen (18) years of age.
- (2) Services furnished to pregnant women if the services relate to the pregnancy or to any other medical condition that might complicate the pregnancy.
- ~~(3) Services furnished to individuals who are inpatients in hospitals, nursing facilities, including intermediate care facilities for the mentally retarded, and other medical institutions.~~
- ~~(4)~~ (3) Emergency services as defined by regulations adopted by the Secretary of the United States Department of Health and Human Services.
- ~~(5) Services furnished to individuals by health maintenance~~



organizations in which the individuals are enrolled.

~~(6)~~ (4) Family planning services and supplies described in 42 U.S.C. 1396d(a)(4)(C).

~~(7)~~ (5) Physical examinations to determine the need for medical services.

SECTION 49. IC 12-15-27-4 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 4. (a) The office shall keep a file that contains a report showing the name and identification number of each recipient and the amount of medical assistance received each month under the Medicaid program.

(b) The report under subsection (a) is a public record open to public inspection at all times during the regular office hours of the office.

(c) A person who desires to examine a record, other than in pursuance of official duties as provided under Medicaid, must sign a written request to examine the record. The request must contain an agreement on the part of the signer that the signer will not utilize information gained from the information for religious, commercial, or political purposes.

SECTION 50. IC 12-15-35-28, AS AMENDED BY P.L.53-2014, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 28. (a) The board has the following duties:

~~(1)~~ (1) The adoption of rules to carry out this chapter, in accordance with the provisions of IC 4-22-2 and subject to any office approval that is required by the federal Omnibus Budget Reconciliation Act of 1990 under Public Law 101-508 and its implementing regulations.

~~(2)~~ (1) The implementation of a Medicaid retrospective and prospective DUR program as outlined in this chapter, including the approval of software programs to be used by the pharmacist for prospective DUR and recommendations concerning the provisions of the contractual agreement between the state and any other entity that will be processing and reviewing Medicaid drug claims and profiles for the DUR program under this chapter.

~~(3)~~ (2) The development and application of the predetermined criteria and standards for appropriate prescribing to be used in retrospective and prospective DUR to ensure that such criteria and standards for appropriate prescribing are based on the compendia and developed with professional input with provisions for timely revisions and assessments as necessary.

~~(4)~~ (3) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are



educational and not punitive in nature.

~~(5)~~ **(4)** The publication of an annual report that must be subject to public comment before issuance to the federal Department of Health and Human Services and to the Indiana legislative council by December 1 of each year. The report issued to the legislative council must be in an electronic format under IC 5-14-6.

~~(6)~~ **(5)** The development of a working agreement for the board to clarify the areas of responsibility with related boards or agencies, including the following:

- (A) The Indiana board of pharmacy.
- (B) The medical licensing board of Indiana.
- (C) The SURS staff.

~~(7)~~ **(6)** The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.

~~(8)~~ **(7)** The publication and dissemination of educational information to physicians and pharmacists regarding the board and the DUR program, including information on the following:

- (A) Identifying and reducing the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care among physicians, pharmacists, and recipients.
- (B) Potential or actual severe or adverse reactions to drugs.
- (C) Therapeutic appropriateness.
- (D) Overutilization or underutilization.
- (E) Appropriate use of generic drugs.
- (F) Therapeutic duplication.
- (G) Drug-disease contraindications.
- (H) Drug-drug interactions.
- (I) Incorrect drug dosage and duration of drug treatment.
- (J) Drug allergy interactions.
- (K) Clinical abuse and misuse.

~~(9)~~ **(8)** The adoption and implementation of procedures designed to ensure the confidentiality of any information collected, stored, retrieved, assessed, or analyzed by the board, staff to the board, or contractors to the DUR program that identifies individual physicians, pharmacists, or recipients.

~~(10)~~ **(9)** The implementation of additional drug utilization review with respect to drugs dispensed to residents of nursing facilities shall not be required if the nursing facility is in compliance with the drug regimen procedures under 410 IAC 16.2-3.1 and 42 CFR 483.60.

~~(11)~~ **(10)** The research, development, and approval of a preferred



drug list for:

- (A) Medicaid's fee for service program;
- (B) Medicaid's primary care case management program;
- (C) Medicaid's risk based managed care program, if the office provides a prescription drug benefit and subject to IC 12-15-5; and

(D) the children's health insurance program under IC 12-17.6; in consultation with the therapeutics committee.

~~(12)~~ **(11)** The approval of the review and maintenance of the preferred drug list at least two (2) times per year.

~~(13)~~ **(12)** The preparation and submission of a report concerning the preferred drug list at least one (1) time per year to the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.

~~(14)~~ **(13)** The collection of data reflecting prescribing patterns related to treatment of children diagnosed with attention deficit disorder or attention deficit hyperactivity disorder.

~~(15)~~ **(14)** Advising the Indiana comprehensive health insurance association established by IC 27-8-10-2.1 concerning implementation of chronic disease management and pharmaceutical management programs under IC 27-8-10-3.5.

(b) The board shall use the clinical expertise of the therapeutics committee in developing a preferred drug list. The board shall also consider expert testimony in the development of a preferred drug list.

(c) In researching and developing a preferred drug list under subsection ~~(a)(11)~~, **(a)(10)**, the board shall do the following:

- (1) Use literature abstracting technology.
- (2) Use commonly accepted guidance principles of disease management.
- (3) Develop therapeutic classifications for the preferred drug list.
- (4) Give primary consideration to the clinical efficacy or appropriateness of a particular drug in treating a specific medical condition.
- (5) Include in any cost effectiveness considerations the cost implications of other components of the state's Medicaid program and other state funded programs.

(d) Prior authorization is required for coverage under a program described in subsection ~~(a)(11)~~ **(a)(10)** of a drug that is not included on the preferred drug list.

(e) The board shall determine whether to include a single source covered outpatient drug that is newly approved by the federal Food and



Drug Administration on the preferred drug list not later than sixty (60) days after the date on which the manufacturer notifies the board in writing of the drug's approval. However, if the board determines that there is inadequate information about the drug available to the board to make a determination, the board may have an additional sixty (60) days to make a determination from the date that the board receives adequate information to perform the board's review. Prior authorization may not be automatically required for a single source drug that is newly approved by the federal Food and Drug Administration, and that is:

(1) in a therapeutic classification:

(A) that has not been reviewed by the board; and

(B) for which prior authorization is not required; or

(2) the sole drug in a new therapeutic classification that has not been reviewed by the board.

(f) The board may not exclude a drug from the preferred drug list based solely on price.

(g) The following requirements apply to a preferred drug list developed under subsection ~~(a)(11)~~: **(a)(10)**:

(1) Except as provided by IC 12-15-35.5-3(b) and IC 12-15-35.5-3(c), the office or the board may require prior authorization for a drug that is included on the preferred drug list under the following circumstances:

(A) To override a prospective drug utilization review alert.

(B) To permit reimbursement for a medically necessary brand name drug that is subject to generic substitution under IC 16-42-22-10.

(C) To prevent fraud, abuse, waste, overutilization, or inappropriate utilization.

(D) To permit implementation of a disease management program.

(E) To implement other initiatives permitted by state or federal law.

(2) All drugs described in IC 12-15-35.5-3(b) must be included on the preferred drug list.

(3) The office may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list without prior approval from the board.

(4) The board may add a drug that has been approved by the federal Food and Drug Administration to the preferred drug list.

(h) At least one (1) time each year, the board shall provide a report to the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4 in an electronic format



under IC 5-14-6. The report must contain the following information:

- (1) The cost of administering the preferred drug list.
- (2) Any increase in Medicaid physician, laboratory, or hospital costs or in other state funded programs as a result of the preferred drug list.
- (3) The impact of the preferred drug list on the ability of a Medicaid recipient to obtain prescription drugs.
- (4) The number of times prior authorization was requested, and the number of times prior authorization was:
  - (A) approved; and
  - (B) disapproved.

(i) The board shall provide the first report required under subsection (h) not later than six (6) months after the board submits an initial preferred drug list to the office.

SECTION 51. IC 12-15-35.5-7, AS AMENDED BY SEA 171-2015, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) Subject to subsections (b) and (c), the office may place limits on quantities dispensed or the frequency of refills for any covered drug as required by law or for the purpose of:

- (1) preventing fraud, abuse, or waste;
- (2) preventing overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to:
  - (A) clinical quality and patient safety; and
  - (B) accepted clinical practice for the diagnosis and treatment of mental illness and the considerations specified in subsection (h); or
- (3) implementing a disease management program.

(b) Before implementing a limit described in subsection (a), the office shall:

- (1) consider quality of care and the best interests of Medicaid recipients;
- (2) seek the advice of the drug utilization review board, established by IC 12-15-35-19, at a public meeting of the board; and
- (3) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(c) Subject to subsection (d), the board may establish and the office may implement a restriction on a drug described in section 3(b) of this chapter if:

- (1) the board determines that data provided by the office indicates that a situation described in ~~IC 12-15-35-28(a)(8)(A)~~ **IC 12-15-35-28(a)(7)(A)** through ~~IC 12-15-35-28(a)(8)(K)~~



**IC 12-15-35-28(a)(7)(K)** requires an intervention to:

- (A) prevent fraud, abuse, or waste;
- (B) prevent overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to:
  - (i) clinical quality and patient safety; and
  - (ii) accepted clinical practice for the diagnosis and treatment of mental illness; or
- (C) implement a disease management program; and

(2) the board approves and the office implements an educational intervention program for providers to address the situation.

(d) A restriction established under subsection (c) for any drug described in section 3(b) of this chapter:

- (1) must comply with the procedures described in IC 12-15-35-35;
- (2) may include requiring a recipient to be assigned to one (1) practitioner and one (1) pharmacy provider for purposes of receiving mental health medications;
- (3) may not lessen the quality of care; and
- (4) must be in the best interest of Medicaid recipients.

(e) Implementation of a restriction established under subsection (c) must provide for the dispensing of a temporary supply of the drug for a prescription not to exceed seven (7) business days, if additional time is required to review the request for override of the restriction. This subsection does not apply if the federal Food and Drug Administration has issued a boxed warning under 21 CFR 201.57(c)(1) that applies to the drug and is applicable to the patient.

(f) Before implementing a restriction established under subsection (c), the office shall:

- (1) seek the advice of the mental health Medicaid quality advisory committee established by IC 12-15-35-51; and
- (2) publish a provider bulletin that complies with the requirements of IC 12-15-13-6.

(g) Subsections (c) through (f):

- (1) apply only to drugs described in section 3(b) of this chapter; and
- (2) do not apply to a restriction on a drug described in section 3(b) of this chapter that was approved by the board and implemented by the office before April 1, 2003.

(h) Restrictions referred to in subsection (c) to prevent overutilization, inappropriate utilization, or inappropriate prescription practices that are contrary to accepted clinical practices may include the implementation of the following:



(1) Encouraging dosages that enhance recipient adherence to a drug regimen.

(2) Encouraging monotherapy with limitations on the number of drugs from a specific drug class that a recipient may be taking at any one (1) time when there is no documentation of the severity and intensity of the target symptoms.

(3) Limiting the total number of scheduled psychiatric medications that a recipient may be taking at any one (1) time, when such limit is based on:

(A) established best practices; or

(B) guidelines implemented by the division of mental health and addiction for mental health state operated facilities.

(4) Encouraging, in accordance with IC 16-42-22-10, generic substitution when such a substitution would result in a net cost savings to the Medicaid program.

(i) Restrictions under subsection (h) may be overridden through the prior authorization review process in cases in which the prescriber demonstrates medical necessity for the prescribed medication.

SECTION 52. IC 12-17-12-21 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 21. During 1992 a committee of the general assembly shall review the need to continue the school age child care program. The committee shall submit the committee's recommendations to the general assembly before October 15, 1992.~~

SECTION 53. IC 12-17-19 IS REPEALED [EFFECTIVE JULY 1, 2015]. (Step Ahead Comprehensive Early Childhood Grant Program).

SECTION 54. IC 12-17.2-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The division shall adopt rules under IC 4-22-2 concerning the licensing and inspection of child care centers and child care homes after consultation with the following:

(1) State department of health.

(2) Fire prevention and building safety commission.

~~(3) The board.~~

(b) The rules adopted under subsection (a) shall be applied by the division and state fire marshal in the licensing and inspection of applicants for a license and licensees under this article.

SECTION 55. IC 12-17.6-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. A child may, **in any manner determined by the office**, apply at an enrollment center as provided in ~~IC 12-15-4-1~~ to receive health care services from the program if the child meets the eligibility requirements of section 2 of this chapter.



SECTION 56. IC 12-19-1-2 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 2. (a) The director of the division shall appoint a county director for each county office:

(b) A county director must be a citizen of the United States.

SECTION 57. IC 12-19-1-7, AS AMENDED BY P.L.100-2012, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The ~~county~~ director **of the division or the director's designee** shall appoint the number of assistants necessary to administer the welfare activities within the county that are administered by the division under IC 12-13 through IC 12-19 or by an administrative rule. ~~with the approval of the director of the division.~~

(b) The division, for personnel performing activities described in subsection (a), shall determine the compensation of the assistants within the salary ranges of the pay plan adopted by the state personnel department and approved by the budget agency, with the advice of the budget committee, and within lawfully established appropriations.

SECTION 58. IC 12-19-1-18, AS AMENDED BY P.L.44-2009, SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. (a) After petition to and with the approval of the judge of a circuit court of the county where an applicant for or recipient of public assistance resides (or, if a superior court has probate jurisdiction in the county, the superior court that has probate jurisdiction where the recipient of public assistance resides), a county office may take the actions described in subsection (b) if:

- (1) an applicant for public assistance is physically or mentally incapable of completing an application for assistance; or
- (2) a recipient of public assistance:
  - (A) is incapable of managing the recipient's affairs; or
  - (B) refuses to:
    - (i) take care of the recipient's money properly; or
    - (ii) comply with the director of the division's rules and policies.

(b) If the conditions of subsection (a) are satisfied, the county office may designate a responsible person to do the following:

- (1) Act for the applicant or recipient.
- (2) Receive on behalf of the recipient the assistance the recipient is eligible to receive under any of the following:
  - (A) This chapter.
  - (B) IC 12-10-6.
  - (C) IC 12-14-1 through ~~IC 12-14-9.5~~ **IC 12-14-3.**
  - (D) IC 12-14-5 through IC 12-14-8.**
  - ~~(E)~~ **(E)** IC 12-14-13 through IC 12-14-19.



~~(E)~~ (F) IC 12-15.

~~(F)~~ (G) IC 16-35-2.

(c) A fee for services provided under this section may be paid to the responsible person in an amount not to exceed ten dollars (\$10) each month. The fee may be allowed:

- (1) in the monthly assistance award; or
- (2) by vendor payment if the fee would cause the amount of assistance to be increased beyond the maximum amount permitted by statute.

SECTION 59. IC 12-23-9-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) The administrator in charge of a certified treatment facility may determine who shall be admitted for treatment.

(b) If an individual is refused admission, the administrator shall refer the individual to another approved public treatment facility for treatment if possible and appropriate.

(c) The administrator's determinations under this section are subject to rules adopted under ~~IC 12-23-1-6(6)~~. **IC 12-23-1-6(7)**.

SECTION 60. IC 12-23-9-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. If a patient receiving inpatient care leaves a certified treatment facility, the patient shall be encouraged to consent to appropriate outpatient or intermediate treatment. If the administrator in charge of the treatment facility believes that the patient is an alcoholic who requires help, the bureau may assist the patient in obtaining supportive services and residential facilities. ~~(as defined in IC 12-7-2-165)~~.

SECTION 61. IC 12-25-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. A private institution for the treatment and care of individuals with psychiatric disorders, developmental disabilities, ~~or convulsive disturbances or other abnormal mental conditions~~ must meet the following conditions:

- (1) Employ physicians holding an unlimited license to practice medicine available for medical care that individuals may reasonably be expected to need.
- (2) Have the facilities and accommodations that the individuals may reasonably be expected to need.

SECTION 62. IC 12-28-5-10, AS AMENDED BY P.L.6-2012, SECTION 99, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. The division of **disability and rehabilitative services** shall do the following:

- (1) Determine the current and projected needs of each geographic area of Indiana for residential services for individuals with a



developmental disability and, beginning July 1, 2012, annually report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.

(2) Determine how the provision of developmental or vocational services for residents in these geographic areas affects the availability of developmental or vocational services to individuals with a developmental disability living in their own homes and, beginning July 1, 2012, report the findings to the division of disability and rehabilitative services advisory council established by IC 12-9-4-2.

(3) Develop standards for licensure of supervised group living facilities regarding the following:

(A) A sanitary and safe environment for residents and employees.

(B) Classification of supervised group living facilities.

(C) Any other matters that will ensure that the residents will receive a residential environment.

(4) Develop standards for the approval of entities providing supported living services.

SECTION 63. IC 12-28-5-12, AS AMENDED BY P.L.229-2011, SECTION 151, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 12. (a) The division may license only those supervised group living facilities that:

(1) meet the standards established under section 10 of this chapter; and

(2) are necessary to provide adequate services to individuals with a developmental disability in that geographic area.

(b) Notwithstanding ~~431 IAC 1.1-3-7(c) and 431 IAC 1.1-3-7(d)~~, **460 IAC 9-3-7(c) and 460 IAC 9-3-7(d)**, the division shall license one (1) supervised group living facility that is located less than one thousand (1,000) feet from another supervised group living facility or a sheltered workshop under the following conditions:

(1) Both of the supervised group living facilities meet all standards for licensure as provided in section 10(3) of this chapter.

(2) Both of the supervised group living facilities are built on land that is owned by one (1) private entity.

(3) The supervised group living facilities provides job opportunities for residents of the supervised group living facilities, as appropriate.

(c) The division may approve an entity to provide supported living services only if the entity meets the standards established under section



10 of this chapter.

**SECTION 64. [EFFECTIVE UPON PASSAGE] (a) The general assembly urges the legislative council to assign to the public health, behavioral health, and human services study committee or another appropriate committee during the 2015 legislative interim the topic of drug testing of individuals receiving public assistance. The study must include the following:**

- (1) Possible procedures in administering drug testing for individuals receiving public assistance.**
- (2) The types of public assistance to include in a drug testing requirement.**
- (3) The costs of implementing a drug testing program.**
- (4) The possible consequence to an individual receiving public assistance who tests positive from a drug test.**
- (5) The impact on children whose parents test positive from a drug test if public assistance is terminated.**

**(b) If the topic described in subsection (a) is assigned, the committee assigned the topic shall issue to the legislative council a final report containing the committee's findings and recommendations, including any recommended legislation concerning the topic, in an electronic format under IC 5-14-6 not later than November 1, 2015.**

**SECTION 65. An emergency is declared for this act.**



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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

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Governor of the State of Indiana

Date: \_\_\_\_\_ Time: \_\_\_\_\_

