



March 27, 2015

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**ENGROSSED  
SENATE BILL No. 464**

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DIGEST OF SB 464 (Updated March 26, 2015 9:40 am - DI 77)

**Citations Affected:** IC 5-10; IC 11-10; IC 11-12; IC 11-13; IC 12-15; IC 12-23; IC 21-44; IC 25-22.5; IC 27-8; IC 27-13; IC 33-23; IC 33-39; IC 35-38.

**Synopsis:** Mental health issues. Specifies limitations for reimbursement for methadone by: (1) the state employee health plan; (2) Medicaid; (3) certain policies of accident and sickness; and (4) certain health maintenance organization contracts; if the drug is prescribed for the treatment of pain. Provides that addictions counseling, inpatient detoxification, addiction counseling, inpatient detoxification, and long acting, nonaddictive medication may be required to treat opioid or alcohol addiction as a condition of parole, (Continued next page)

**Effective:** January 1, 2015 (retroactive); July 1, 2015.

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**Miller Patricia, Becker,  
Charbonneau, Stoops, Crider, Mrvan,  
Breaux, Randolph, Raatz**

(HOUSE SPONSORS — CLERE, DAVISSON, BROWN C, MCMILLIN)

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January 14, 2015, read first time and referred to Committee on Health & Provider Services.  
February 5, 2015, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.  
February 19, 2015, amended, reported favorably — Do Pass.  
February 23, 2015, read second time, amended, ordered engrossed.  
February 24, 2015, engrossed. Read third time, passed. Yeas 50, nays 0.  
HOUSE ACTION  
March 5, 2015, read first time and referred to Committee on Public Health.  
March 26, 2015, amended, reported — Do Pass.

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probation, community corrections, pretrial diversion, or participation in a problem solving court. Requires the department of correction to estimate the amount of operational cost savings as a result attributable to sentencing changes made in HEA 1006-2014. Includes inpatient substance abuse detoxification services as a Medicaid service. Requires the office of Medicaid policy and planning to: (1) provide Medicaid coverage for the treatment of opioid or alcohol dependence that includes certain services and treatment; (2) develop quality measures and reporting to ensure a managed care organization's compliance with the coverage; and (3) report the clinical use of certain medications to the mental health Medicaid quality advisory committee. Requires coverage under the Indiana check-up plan of nonaddictive medication assistance treatment drugs prescribed for the treatment of substance abuse. Authorizes the division of mental health and addiction (division) to approve before June 30, 2018, not more than five new opioid treatment programs if: (1) the programs are run by a hospital or a certified community mental health center; and (2) the division determines that there is a need for a new opioid treatment program in the proposed location. Requires the division to report to the general assembly before July 1, 2018, specified information concerning any new facilities. Requires a prescriber who is prescribing methadone for the treatment of pain or pain management to indicate this treatment on the prescription or order. Establishes the mental health and addiction forensic treatment services account within the statutes governing the division, rather than the statutes governing corrections (under current law). Provides that the division may use money in the account to fund grants and vouchers that are provided to the following for mental health and addiction forensic treatment services: (1) Community corrections programs. (2) Court administered programs. (3) Probation programs. (4) Community mental health centers. (5) Certified mental health or addiction providers. Allows the division to use money in the account as a state match under the Medicaid rehabilitation program and the Primary Health Coordination Program. Requires the division to provide an education and training program concerning involuntary commitment and medication assisted treatment. Specifies that an individual is eligible for such mental health and addiction forensic treatment services if the individual meets certain criteria and if reimbursement for the service is not available to the individual under a health insurance policy, a health maintenance organization contract, the Medicaid program, or the Medicare program or any other federal assistance program. Requires the division to survey and develop demographic research on individuals receiving services. Makes addiction psychiatrists eligible for the loan forgiveness program. Places restrictions on coverage under a health insurance policy and a health maintenance organization contract for methadone used in pain management. Requires the division to work jointly with the department of workforce development to coordinate employment and training services for individuals receiving services.



March 27, 2015

First Regular Session 119th General Assembly (2015)

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.

## ENGROSSED SENATE BILL No. 464

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A BILL FOR AN ACT to amend the Indiana Code concerning human services.

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

1 SECTION 1. IC 5-10-8-14.8 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2015]: **Sec. 14.8. (a) This section applies to an employee health  
4 plan that is established, entered into, amended, or renewed after  
5 June 30, 2015.**

6 **(b) As used in this section, "covered individual" means an  
7 individual who is entitled to coverage under a state employee  
8 health plan.**

9 **(c) As used in this section, "state employee health plan" means  
10 one (1) of the following:**

11 **(1) A self-insurance program established under section 7(b) of  
12 this chapter to provide group health coverage.**

13 **(2) A contract with a prepaid health care delivery plan that is  
14 entered into or renewed under section 7(c) of this chapter.**

15 **(d) A state employee health plan may provide coverage for  
16 methadone if the drug is prescribed for the treatment of pain or**

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1 **pain management as follows:**

2 **(1) If the daily dosage is not more than sixty (60) milligrams.**

3 **(2) If the daily dosage is more than sixty (60) milligrams, only**  
4 **if:**

5 **(A) prior authorization is obtained; and**

6 **(B) a determination of medical necessity has been shown**  
7 **by the provider.**

8 SECTION 2. IC 11-10-4-6 IS AMENDED TO READ AS  
9 FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. The administration  
10 of a drug by the department for the purpose of controlling a mental or  
11 emotional disorder is subject to the following requirements:

12 (1) The particular drug must be prescribed by a physician who has  
13 examined the offender.

14 (2) The drug must be administered by either a physician or  
15 qualified medical personnel under the direct supervision of a  
16 physician.

17 (3) The offender must be periodically observed, during the  
18 duration of the drug's effect, by qualified medical personnel.

19 (4) A drug may be administered for a period longer than  
20 seventy-two (72) hours only if the administration is part of a  
21 psychotherapeutic program of treatment prescribed and detailed  
22 in writing by a physician.

23 **(5) A drug may be administered for the purpose of controlling**  
24 **substance abuse, including a federal Food and Drug**  
25 **Administration approved long acting, nonaddictive**  
26 **medication for the treatment of opioid or alcohol dependence.**

27 SECTION 3. IC 11-10-11.5-11, AS AMENDED BY P.L.247-2013,  
28 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
29 JULY 1, 2015]: Sec. 11. (a) While assigned to a community transition  
30 program, a person must comply with:

31 (1) the rules concerning the conduct of persons in the community  
32 transition program, including rules related to payments described  
33 in section 12 of this chapter, that are adopted by the community  
34 corrections advisory board establishing the program or, in  
35 counties that are not served by a community corrections program,  
36 that are jointly adopted by the courts in the county with felony  
37 jurisdiction; and

38 (2) any conditions established by the sentencing court for the  
39 person.

40 (b) As a rule of the community transition program, a person  
41 convicted of a sex offense (as defined in IC 11-8-8-5.2) may not use a  
42 social networking web site (as defined in IC 35-31.5-2-307) or an



1 instant messaging or chat room program (as defined in  
 2 IC 35-31.5-2-173) to communicate, directly or through an intermediary,  
 3 with a child less than sixteen (16) years of age. However, the rules of  
 4 the community transition program may permit the offender to  
 5 communicate using a social networking web site or an instant  
 6 messaging or chat room program with:

- 7 (1) the offender's own child, stepchild, or sibling; or
- 8 (2) another relative of the offender specifically named in the rules  
 9 applicable to that person.

10 **(c) As a rule of the community transition program, an individual**  
 11 **may be required to receive:**

- 12 **(1) addiction counseling;**
- 13 **(2) inpatient detoxification;**
- 14 **(3) case management;**
- 15 **(4) daily living skills; and**
- 16 **(5) medication assisted treatment, including a federal Food**  
 17 **and Drug Administration approved long acting, nonaddictive**  
 18 **medication for the treatment of opioid or alcohol dependence.**

19 SECTION 4. IC 11-12-1-2.5, AS AMENDED BY P.L.184-2014,  
 20 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2015]: Sec. 2.5. (a) The community corrections programs  
 22 described in section 2 of this chapter shall use evidence based services,  
 23 programs, and practices that reduce the risk for recidivism among  
 24 persons who participate in the community corrections programs.

25 (b) The community corrections board may also coordinate or  
 26 operate:

- 27 (1) educational;
- 28 (2) mental health;
- 29 (3) drug or alcohol abuse counseling; and
- 30 (4) housing;

31 programs. In addition, the board may provide supervision services for  
 32 persons described in section 2 of this chapter.

33 **(c) Drug or alcohol abuse counseling programs under subsection**  
 34 **(b) may include:**

- 35 **(1) addiction counseling;**
- 36 **(2) inpatient detoxification; and**
- 37 **(3) medication assisted treatment, including a federal Food**  
 38 **and Drug Administration approved long acting, nonaddictive**  
 39 **medication for the treatment of opioid or alcohol dependence.**

40 SECTION 5. IC 11-12-2-1, AS AMENDED BY P.L.168-2014,  
 41 SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 42 JULY 1, 2015]: Sec. 1. (a) For the purpose of encouraging counties to



1 develop a coordinated local corrections-criminal justice system and  
 2 providing effective alternatives to imprisonment at the state level, the  
 3 commissioner shall, out of funds appropriated for such purposes, make  
 4 grants to counties for the establishment and operation of community  
 5 corrections programs. Appropriations intended for this purpose may not  
 6 be used by the department for any other purpose. Money appropriated  
 7 to the department of correction for the purpose of making grants under  
 8 this chapter and any financial aid payments suspended under section 6  
 9 of this chapter do not revert to the state general fund at the close of any  
 10 fiscal year, but remain available to the department of correction for its  
 11 use in making grants under this chapter.

12 (b) Before ~~March~~ **September 1, 2015, 2016, and each year**  
 13 **thereafter**, the department shall estimate the amount of any operational  
 14 cost savings that will be realized in the state fiscal year ending June 30,  
 15 ~~2015, 2016, and each year thereafter~~, from a reduction in the number  
 16 of individuals who are in the custody or made a ward of the department  
 17 of correction (as described in IC 11-8-1-5) that is attributable to the  
 18 sentencing changes made in HEA 1006-2014 as enacted in the 2014  
 19 session of the general assembly. The department shall make the  
 20 estimate under this subsection based on the best available information.  
 21 If the department estimates that operational cost savings described in  
 22 this subsection will be realized in the state fiscal year ending June 30,  
 23 ~~2015, 2016, and each year thereafter~~, the following apply to the  
 24 department:

25 (1) The department shall certify the estimated amount of  
 26 operational cost savings that will be realized to the budget agency  
 27 and to the auditor of state.

28 (2) The department may, after review by the budget committee  
 29 and approval by the budget agency, make additional grants as  
 30 provided in this chapter to ~~counties for the establishment and~~  
 31 ~~operation of community corrections programs from funds~~  
 32 ~~appropriated to the department for the department's operating~~  
 33 ~~expenses for the state fiscal year: the mental health and~~  
 34 ~~addiction forensic treatment services account established by~~  
 35 ~~IC 12-23-19-4.~~

36 (3) The department may, after review by the budget committee  
 37 and approval by the budget agency, transfer funds appropriated to  
 38 the department for the department's operating expenses for the  
 39 state fiscal year to the ~~judicial conference of Indiana to be used by~~  
 40 ~~the judicial conference of Indiana to provide additional financial~~  
 41 ~~aid for the support of court probation services under the program~~  
 42 ~~established under IC 11-13-2: mental health and addiction~~



1           **forensic treatment services account established by**  
 2           **IC 12-23-19-4.**

3           (4) The maximum aggregate amount of additional grants and  
 4           transfers that may be made by the department under subdivisions  
 5           (2) and (3) for the state fiscal year may not exceed the lesser of:

6           (A) the amount of operational cost savings certified under  
 7           subdivision (1). or

8           (B) eleven million dollars (\$11,000,000).

9           Notwithstanding P.L.205-2013 (HEA 1001-2013), the amount of funds  
 10          necessary to make any additional grants authorized and approved under  
 11          this subsection and for any transfers authorized and approved under  
 12          this subsection, and for providing the additional financial aid to courts  
 13          from transfers authorized and approved under this subsection, is  
 14          appropriated for those purposes for the state fiscal year ending June 30,  
 15          2015; and the amount of the department's appropriation for operating  
 16          expenses for the state fiscal year ending June 30, 2015, is reduced by  
 17          a corresponding amount. This subsection expires June 30, 2015.

18          (c) The commissioner shall give priority in issuing community  
 19          corrections grants to programs that provide alternative sentencing  
 20          projects for persons with mental illness, addictive disorders, mental  
 21          retardation, and developmental disabilities. **Programs for addictive**  
 22          **disorders may include:**

23               (1) **addiction counseling;**

24               (2) **inpatient detoxification; and**

25               (3) **medication assisted treatment, including a federal Food**  
 26               **and Drug Administration approved long acting, nonaddictive**  
 27               **medication for the treatment of opioid or alcohol dependence.**

28          SECTION 6. IC 11-12-3.7-11, AS AMENDED BY P.L.168-2014,  
 29          SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 30          JULY 1, 2015]: Sec. 11. (a) A person is eligible to participate in a  
 31          pre-conviction forensic diversion program only if the person meets the  
 32          following criteria:

33               (1) The person has a mental illness, an addictive disorder, or both  
 34               a mental illness and an addictive disorder.

35               (2) The person has been charged with an offense that is:

36                       (A) not a violent offense; and

37                       (B) a Class A, B, or C misdemeanor, or a Level 6 felony that  
 38                       may be reduced to a Class A misdemeanor in accordance with  
 39                       IC 35-50-2-7.

40               (3) The person does not have a conviction for a violent offense in  
 41               the previous ten (10) years.

42               (4) The court has determined that the person is an appropriate



- 1 candidate to participate in a pre-conviction forensic diversion  
2 program.
- 3 (5) The person has been accepted into a pre-conviction forensic  
4 diversion program.
- 5 (b) Before an eligible person is permitted to participate in a  
6 pre-conviction forensic diversion program, the court shall advise the  
7 person of the following:
- 8 (1) Before the individual is permitted to participate in the  
9 program, the individual will be required to enter a guilty plea to  
10 the offense with which the individual has been charged.
- 11 (2) The court will stay entry of the judgment of conviction during  
12 the time in which the individual is successfully participating in  
13 the program. If the individual stops successfully participating in  
14 the program, or does not successfully complete the program, the  
15 court will lift its stay, enter a judgment of conviction, and  
16 sentence the individual accordingly.
- 17 (3) If the individual participates in the program, the individual  
18 may be required to remain in the program for a period not to  
19 exceed three (3) years.
- 20 (4) During treatment the individual may be confined in an  
21 institution, be released for treatment in the community, receive  
22 supervised aftercare in the community, or may be required to  
23 receive a combination of these alternatives. **Programs for**  
24 **addictive disorders may include:**
- 25 (A) **addiction counseling;**  
26 (B) **inpatient detoxification;**  
27 (C) **case management;**  
28 (D) **daily living skills; and**  
29 (E) **medication assisted treatment, including a federal Food**  
30 **and Drug Administration approved long acting,**  
31 **nonaddictive medication for the treatment of opioid or**  
32 **alcohol dependence.**
- 33 (5) If the individual successfully completes the forensic diversion  
34 program, the court will waive entry of the judgment of conviction  
35 and dismiss the charges.
- 36 (6) The court shall determine, after considering a report from the  
37 forensic diversion program, whether the individual is successfully  
38 participating in or has successfully completed the program.
- 39 (c) Before an eligible person may participate in a pre-conviction  
40 forensic diversion program, the person must plead guilty to the offense  
41 with which the person is charged.
- 42 (d) Before an eligible person may be admitted to a facility under the



1 control of the division of mental health and addiction, the individual  
2 must be committed to the facility under IC 12-26.

3 (e) After the person has pleaded guilty, the court shall stay entry of  
4 judgment of conviction and place the person in the pre-conviction  
5 forensic diversion program for not more than:

6 (1) two (2) years, if the person has been charged with a  
7 misdemeanor; or

8 (2) three (3) years, if the person has been charged with a felony.

9 (f) If, after considering the report of the forensic diversion program,  
10 the court determines that the person has:

11 (1) failed to successfully participate in the forensic diversion  
12 program, or failed to successfully complete the program, the court  
13 shall lift its stay, enter judgment of conviction, and sentence the  
14 person accordingly; or

15 (2) successfully completed the forensic diversion program, the  
16 court shall waive entry of the judgment of conviction and dismiss  
17 the charges.

18 SECTION 7. IC 11-12-3.8-1.5 IS ADDED TO THE INDIANA  
19 CODE AS A NEW SECTION TO READ AS FOLLOWS  
20 [EFFECTIVE JULY 1, 2015]: **Sec. 1.5. For purposes of this chapter,**  
21 **"substance abuse treatment" may include:**

22 **(1) addiction counseling;**

23 **(2) inpatient detoxification; and**

24 **(3) medication assisted treatment, including a federal Food**  
25 **and Drug Administration approved long acting, nonaddictive**  
26 **medication for the treatment of opioid or alcohol dependence.**

27 SECTION 8. IC 11-12-3.8-4 IS REPEALED [EFFECTIVE JULY  
28 1, 2015]. **Sec. 4. (a) As used in this section, "account" refers to the**  
29 **mental health and addiction forensic treatment services account**  
30 **established in subsection (b):**

31 (b) The mental health and addiction forensic treatment services  
32 account is established for the purpose of providing grants or vouchers  
33 for the provision of mental health and addiction forensic treatment  
34 services. The account shall be administered by the division of mental  
35 health and addiction. Money in the account shall be used to fund grants  
36 and vouchers under this chapter.

37 (c) The account consists of:

38 (1) appropriations made by the general assembly;

39 (2) grants; and

40 (3) gifts and bequests.

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

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1 (e) The treasurer of state shall invest the money in the account not  
 2 currently needed to meet the obligations of the account in the same  
 3 manner as other public money may be invested. Interest that accrues  
 4 from these investments shall be deposited in the account.

5 (f) Money in the account at the end of a state fiscal year does not  
 6 revert to the state general fund.

7 SECTION 9. IC 11-13-2-3, AS AMENDED BY P.L.184-2014,  
 8 SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 JULY 1, 2015]: Sec. 3. (a) Any court having probation jurisdiction may  
 10 apply for financial assistance under this chapter by submitting an  
 11 application to the judicial conference of Indiana for review. The  
 12 application shall be accompanied by detailed plans regarding the use  
 13 of the financial aid.

14 (b) The judicial conference of Indiana shall develop a plan for the  
 15 application process and the funding requirements for courts seeking  
 16 financial aid. The judicial conference and the state budget committee  
 17 must approve all financial aid granted under this chapter.

18 (c) Two (2) or more courts may jointly apply for financial assistance  
 19 under this chapter.

20 (d) The judicial conference of Indiana shall award financial  
 21 assistance based on the proposed implementation of evidence based  
 22 practices or the proposed coordination of services with other  
 23 community supervision agencies operating in the same county.

24 (e) Before providing financial assistance under this chapter, the  
 25 judicial conference of Indiana shall consult with the department of  
 26 correction and the division of mental health and addiction:

27 (1) for the purpose of more effectively addressing the need for:

28 (A) substance abuse treatment;

29 (B) mental health services; and

30 (C) other services for offenders placed on community  
 31 supervision; and

32 (2) to avoid duplication of services.

33 **(f) Substance abuse treatment under subsection (e) may include:**

34 **(1) addiction counseling;**

35 **(2) inpatient detoxification; and**

36 **(3) medication assisted treatment, including a federal Food  
 37 and Drug Administration approved long acting, nonaddictive  
 38 medication for the treatment of opioid or alcohol dependence.**

39 **(f) (g)** Mental health and substance abuse treatment services  
 40 provided by financial assistance under this section shall be provided by  
 41 a provider certified by the division of mental health and addiction to  
 42 provide mental health or substance abuse treatment.



1 SECTION 10. IC 11-13-3-4, AS AMENDED BY P.L.114-2012,  
 2 SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 3 JULY 1, 2015]: Sec. 4. (a) A condition to remaining on parole is that  
 4 the parolee not commit a crime during the period of parole.

5 (b) The parole board may also adopt, under IC 4-22-2, additional  
 6 conditions to remaining on parole and require a parolee to satisfy one  
 7 (1) or more of these conditions. These conditions must be reasonably  
 8 related to the parolee's successful reintegration into the community and  
 9 not unduly restrictive of a fundamental right.

10 (c) If a person is released on parole, the parolee shall be given a  
 11 written statement of the conditions of parole. Signed copies of this  
 12 statement shall be:

- 13 (1) retained by the parolee;
- 14 (2) forwarded to any person charged with the parolee's  
 15 supervision; and
- 16 (3) placed in the parolee's master file.

17 (d) The parole board may modify parole conditions if the parolee  
 18 receives notice of that action and had ten (10) days after receipt of the  
 19 notice to express the parolee's views on the proposed modification.  
 20 This subsection does not apply to modification of parole conditions  
 21 after a revocation proceeding under section 10 of this chapter.

22 (e) As a condition of parole, the parole board may require the  
 23 parolee to reside in a particular parole area. In determining a parolee's  
 24 residence requirement, the parole board shall:

- 25 (1) consider:
  - 26 (A) the residence of the parolee prior to the parolee's  
 27 incarceration; and
  - 28 (B) the parolee's place of employment; and
- 29 (2) assign the parolee to reside in the county where the parolee  
 30 resided prior to the parolee's incarceration unless assignment on  
 31 this basis would be detrimental to the parolee's successful  
 32 reintegration into the community.

33 (f) As a condition of parole, the parole board may require the  
 34 parolee to:

- 35 (1) periodically undergo a laboratory chemical test (as defined in  
 36 IC 9-13-2-22) or series of tests to detect and confirm the presence  
 37 of a controlled substance (as defined in IC 35-48-1-9); and
- 38 (2) have the results of any test under this subsection reported to  
 39 the parole board by the laboratory.

40 The parolee is responsible for any charges resulting from a test  
 41 required under this subsection. However, a person's parole may not be  
 42 revoked on the basis of the person's inability to pay for a test under this



- 1 subsection.
- 2 (g) As a condition of parole, the parole board:
- 3 (1) may require a parolee who is a sex offender (as defined in
- 4 IC 11-8-8-4.5) to:
- 5 (A) participate in a treatment program for sex offenders
- 6 approved by the parole board; and
- 7 (B) avoid contact with any person who is less than sixteen (16)
- 8 years of age unless the parolee:
- 9 (i) receives the parole board's approval; or
- 10 (ii) successfully completes the treatment program referred to
- 11 in clause (A); and
- 12 (2) shall:
- 13 (A) require a parolee who is a sex or violent offender (as
- 14 defined in IC 11-8-8-5) to register with a local law
- 15 enforcement authority under IC 11-8-8;
- 16 (B) prohibit a parolee who is a sex offender from residing
- 17 within one thousand (1,000) feet of school property (as defined
- 18 in IC 35-31.5-2-285) for the period of parole, unless the sex
- 19 offender obtains written approval from the parole board;
- 20 (C) prohibit a parolee who is a sex offender convicted of a sex
- 21 offense (as defined in IC 35-38-2-2.5) from residing within
- 22 one (1) mile of the victim of the sex offender's sex offense
- 23 unless the sex offender obtains a waiver under IC 35-38-2-2.5;
- 24 (D) prohibit a parolee who is a sex offender from owning,
- 25 operating, managing, being employed by, or volunteering at
- 26 any attraction designed to be primarily enjoyed by children
- 27 less than sixteen (16) years of age;
- 28 (E) require a parolee who is a sex offender to consent:
- 29 (i) to the search of the sex offender's personal computer at
- 30 any time; and
- 31 (ii) to the installation on the sex offender's personal
- 32 computer or device with Internet capability, at the sex
- 33 offender's expense, of one (1) or more hardware or software
- 34 systems to monitor Internet usage; and
- 35 (F) prohibit the sex offender from:
- 36 (i) accessing or using certain web sites, chat rooms, or
- 37 instant messaging programs frequented by children; and
- 38 (ii) deleting, erasing, or tampering with information on the
- 39 sex offender's personal computer with intent to conceal an
- 40 activity prohibited by item (i).
- 41 The parole board may not grant a sexually violent predator (as defined
- 42 in IC 35-38-1-7.5) or a sex offender who is an offender against children



1 under IC 35-42-4-11 a waiver under subdivision (2)(B) or (2)(C). If the  
 2 parole board allows the sex offender to reside within one thousand  
 3 (1,000) feet of school property under subdivision (2)(B), the parole  
 4 board shall notify each school within one thousand (1,000) feet of the  
 5 sex offender's residence of the order.

6 (h) The address of the victim of a parolee who is a sex offender  
 7 convicted of a sex offense (as defined in IC 35-38-2-2.5) is  
 8 confidential, even if the sex offender obtains a waiver under  
 9 IC 35-38-2-2.5.

10 (i) As a condition of parole, the parole board may require a parolee  
 11 to participate in a reentry court program.

12 (j) As a condition of parole, the parole board:

13 (1) shall require a parolee who is a sexually violent predator  
 14 under IC 35-38-1-7.5; and

15 (2) may require a parolee who is a sex or violent offender (as  
 16 defined in IC 11-8-8-5);

17 to wear a monitoring device (as described in IC 35-38-2.5-3) that can  
 18 transmit information twenty-four (24) hours each day regarding a  
 19 person's precise location, subject to the amount appropriated to the  
 20 department for a monitoring program as a condition of parole.

21 (k) As a condition of parole, the parole board may prohibit, in  
 22 accordance with IC 35-38-2-2.6, a parolee who has been convicted of  
 23 stalking from residing within one thousand (1,000) feet of the residence  
 24 of the victim of the stalking for a period that does not exceed five (5)  
 25 years.

26 (l) As a condition of parole, the parole board may prohibit a parolee  
 27 convicted of an offense under IC 35-46-3 from owning, harboring, or  
 28 training an animal, and, if the parole board prohibits a parolee  
 29 convicted of an offense under IC 35-46-3 from having direct or indirect  
 30 contact with an individual, the parole board may also prohibit the  
 31 parolee from having direct or indirect contact with any animal  
 32 belonging to the individual.

33 **(m) As a condition of parole, the parole board may require a**  
 34 **parolee to receive:**

35 **(1) addiction counseling;**

36 **(2) inpatient detoxification;**

37 **(3) case management;**

38 **(4) daily living skills; and**

39 **(5) medication assisted treatment, including a federal Food**  
 40 **and Drug Administration approved long acting, nonaddictive**  
 41 **medication for the treatment of opioid or alcohol dependence.**

42 ~~(m)~~ (n) A parolee may be responsible for the reasonable expenses,



1 as determined by the department, of the parolee's participation in a  
 2 treatment or other program required as a condition of parole under this  
 3 section. However, a person's parole may not be revoked solely on the  
 4 basis of the person's inability to pay for a program required as a  
 5 condition of parole under this section.

6 SECTION 11. IC 12-15-5-1, AS AMENDED BY P.L.274-2013,  
 7 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2015]: Sec. 1. Except as provided in IC 12-15-2-12,  
 9 IC 12-15-6, and IC 12-15-21, the following services and supplies are  
 10 provided under Medicaid:

- 11 (1) Inpatient hospital services.
- 12 (2) Nursing facility services.
- 13 (3) Physician's services, including services provided under  
 14 IC 25-10-1 and IC 25-22.5-1.
- 15 (4) Outpatient hospital or clinic services.
- 16 (5) Home health care services.
- 17 (6) Private duty nursing services.
- 18 (7) Physical therapy and related services.
- 19 (8) Dental services.
- 20 (9) Prescribed laboratory and x-ray services.
- 21 (10) Prescribed drugs and pharmacist services.
- 22 (11) Eyeglasses and prosthetic devices.
- 23 (12) Optometric services.
- 24 (13) Diagnostic, screening, preventive, and rehabilitative services.
- 25 (14) Podiatric medicine services.
- 26 (15) Hospice services.
- 27 (16) Services or supplies recognized under Indiana law and  
 28 specified under rules adopted by the office.
- 29 (17) Family planning services except the performance of  
 30 abortions.
- 31 (18) Nonmedical nursing care given in accordance with the tenets  
 32 and practices of a recognized church or religious denomination to  
 33 an individual qualified for Medicaid who depends upon healing  
 34 by prayer and spiritual means alone in accordance with the tenets  
 35 and practices of the individual's church or religious denomination.
- 36 (19) Services provided to individuals described in IC 12-15-2-8  
 37 and IC 12-15-2-9.
- 38 (20) Services provided under IC 12-15-34 and IC 12-15-32.
- 39 (21) Case management services provided to individuals described  
 40 in IC 12-15-2-11 and IC 12-15-2-13.
- 41 (22) Any other type of remedial care recognized under Indiana  
 42 law and specified by the United States Secretary of Health and



1 Human Services.

2 (23) Examinations required under IC 16-41-17-2(a)(10).

3 **(24) Inpatient substance abuse detoxification services.**

4 SECTION 12. IC 12-15-5-13 IS ADDED TO THE INDIANA  
5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
6 [EFFECTIVE JULY 1, 2015]: **Sec. 13. (a) The office shall provide  
7 coverage for treatment of opioid or alcohol dependence that  
8 includes the following:**

9 **(1) Counseling services that address the psychological and  
10 behavioral aspects of addiction.**

11 **(2) When medically indicated, drug treatment involving  
12 agents approved by the federal Food and Drug  
13 Administration for the:**

14 **(A) treatment of opioid or alcohol dependence; or**

15 **(B) prevention of relapse to opioids or alcohol after  
16 detoxification.**

17 **(b) The office shall:**

18 **(1) develop quality measures to ensure; and**

19 **(2) require a Medicaid managed care organization to report;  
20 compliance with the coverage required under subsection (a).**

21 **(c) The office may implement quality capitation withholding of  
22 reimbursement to ensure that a Medicaid managed care  
23 organization has provided the coverage required under subsection  
24 (a).**

25 **(d) The office shall report the clinical use of the medications  
26 covered under this section to the mental health Medicaid quality  
27 advisory committee established by IC 12-15-35-51. The mental  
28 health Medicaid quality advisory committee may make  
29 recommendations to the office concerning this section.**

30 SECTION 13. IC 12-15-35.5-7.5 IS ADDED TO THE INDIANA  
31 CODE AS A NEW SECTION TO READ AS FOLLOWS  
32 [EFFECTIVE JULY 1, 2015]: **Sec. 7.5. (a) The office may reimburse  
33 under Medicaid for methadone if the drug was prescribed for the  
34 treatment of pain or pain management only as follows:**

35 **(1) If the daily dosage is not more than sixty (60) milligrams.**

36 **(2) If the daily dosage is more than sixty (60) milligrams, only  
37 if:**

38 **(A) prior authorization is obtained; and**

39 **(B) a determination of medical necessity has been shown  
40 by the provider.**

41 **(b) A managed care organization may reimburse under  
42 Medicaid for methadone if the drug is prescribed for the treatment**



1 **of pain or pain management only as follows:**

2 **(1) If the daily dosage is not more than sixty (60) milligrams.**

3 **(2) If the daily dosage is more than sixty (60) milligrams, only**  
4 **if:**

5 **(A) prior authorization is obtained; and**

6 **(B) a determination of medical necessity has been shown.**

7 SECTION 14. IC 12-15-44.2-4, AS AMENDED BY P.L.160-2011,  
8 SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
9 JULY 1, 2015]: Sec. 4. (a) The plan must include the following in a  
10 manner and to the extent determined by the office:

11 (1) Mental health care services.

12 (2) Inpatient hospital services.

13 (3) Prescription drug coverage, **including coverage of a long**  
14 **acting nonaddictive medication assistance treatment drug if**  
15 **the drug is being prescribed for the treatment of substance**  
16 **abuse.**

17 (4) Emergency room services.

18 (5) Physician office services.

19 (6) Diagnostic services.

20 (7) Outpatient services, including therapy services.

21 (8) Comprehensive disease management.

22 (9) Home health services, including case management.

23 (10) Urgent care center services.

24 (11) Preventative care services.

25 (12) Family planning services:

26 (A) including contraceptives and sexually transmitted disease  
27 testing, as described in federal Medicaid law (42 U.S.C. 1396  
28 et seq.); and

29 (B) not including abortion or abortifacients.

30 (13) Hospice services.

31 (14) Substance abuse services.

32 (15) A service determined by the secretary to be required by  
33 federal law as a benchmark service under the federal Patient  
34 Protection and Affordable Care Act.

35 (b) The plan may do the following:

36 (1) Offer coverage for dental and vision services to an individual  
37 who participates in the plan.

38 (2) Pay at least fifty percent (50%) of the premium cost of dental  
39 and vision services coverage described in subdivision (1).

40 (c) An individual who receives the dental or vision coverage offered  
41 under subsection (b) shall pay an amount determined by the office for  
42 the coverage. The office shall limit the payment to not more than five



1 percent (5%) of the individual's annual household income. The  
 2 payment required under this subsection is in addition to the payment  
 3 required under section 11(b)(2) of this chapter for coverage under the  
 4 plan.

5 (d) Vision services offered by the plan must include services  
 6 provided by an optometrist.

7 (e) The plan must comply with any coverage requirements that  
 8 apply to an accident and sickness insurance policy issued in Indiana.

9 (f) The plan may not permit treatment limitations or financial  
 10 requirements on the coverage of mental health care services or  
 11 substance abuse services if similar limitations or requirements are not  
 12 imposed on the coverage of services for other medical or surgical  
 13 conditions.

14 SECTION 15. IC 12-23-18-5.5, AS AMENDED BY P.L. 116-2008,  
 15 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 16 JULY 1, 2015]: Sec. 5.5. (a) The division may not grant specific  
 17 approval to be a new opioid treatment program. This section does not  
 18 apply to applications for new opioid treatment programs:

19 (1) pending prior to March 1, 2007; or

20 (2) that are operated by a hospital licensed under IC 16-21 or  
 21 a certified community mental health center:

22 (A) within the licensed hospital or the center; or

23 (B) in a separate office that meets federal opioid treatment  
 24 program requirements;

25 and that meets the requirements of this section.

26 (b) A hospital licensed under IC 16-21 or a certified community  
 27 mental health center may apply to the division to operate an opioid  
 28 treatment program. Upon approval, the hospital or community  
 29 mental health center may operate an opioid treatment program in  
 30 compliance with this chapter and federal law.

31 (c) Before June 30, 2018, the division may approve the operation  
 32 of not more than five (5) additional opioid treatment programs  
 33 described in subsection (a)(2) only if the division determines as  
 34 described in subsection (e) that there is a need for a new opioid  
 35 treatment program in the proposed location and the requirements  
 36 of this chapter are met.

37 (d) Not later than June 30, 2018, the division shall report to the  
 38 general assembly in an electronic format under IC 5-14-6  
 39 concerning whether any new opioid treatment programs have been  
 40 approved under subsection (c). The report must include the  
 41 following:

42 (1) The impact on access to opioid treatment programs.



- 1           **(2) The number of individuals served in the opioid treatment**
- 2           **programs approved under subsection (c).**
- 3           **(3) Treatment outcomes for individuals receiving services in**
- 4           **the opioid treatment programs approved under subsection (c).**
- 5           **(4) Any recommendations the division has concerning future**
- 6           **treatment programs.**
- 7           **(e) The division shall adopt rules under IC 4-22-2 setting forth**
- 8           **the manner in which the division will determine whether there is**
- 9           **a need for a new opioid treatment program in a proposed program**
- 10           **location's geographic area.**
- 11           SECTION 16. IC 12-23-18-7, AS ADDED BY P.L.131-2014,
- 12           SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 13           JULY 1, 2015]: Sec. 7. (a) The division shall adopt rules under
- 14           IC 4-22-2 to establish standards and protocols for opioid treatment
- 15           programs to do the following:
- 16           (1) Assess new opioid treatment program patients to determine
- 17           the most effective opioid treatment medications to start the
- 18           patient's opioid treatment.
- 19           (2) Ensure that each patient voluntarily chooses maintenance
- 20           treatment and that relevant facts concerning the use of opioid
- 21           treatment medications are clearly and adequately explained to the
- 22           patient.
- 23           (3) Have appropriate opioid treatment program patients who are
- 24           receiving methadone for opioid treatment move to receiving other
- 25           approved opioid treatment medications.
- 26           (b) An opioid treatment program shall follow the standards and
- 27           protocols adopted under subsection (a) for each opioid treatment
- 28           program patient.
- 29           (c) Subject to subsection (a), an opioid treatment program may use
- 30           any of the following medications as an alternative for methadone for
- 31           opioid treatment:
- 32           (1) Buprenorphine.
- 33           (2) Buprenorphine combination products containing naloxone.
- 34           **(3) Naltrexone injectable and extended release.**
- 35           ~~(3)~~ **(4)** Any other medication that has been approved by:
- 36           (A) the federal Food and Drug Administration for use in the
- 37           treatment of opioid addiction; and
- 38           (B) the division under subsection (e).
- 39           (d) Before starting a patient on a new opioid treatment medication,
- 40           the opioid treatment program shall explain to the patient the potential
- 41           side effects of the new medication.
- 42           (e) The division may adopt rules under IC 4-22-2 to provide for



1 other medications, **including a federal Food and Drug**  
 2 **Administration approved long acting, nonaddictive medication for**  
 3 **the treatment of opioid or alcohol dependence**, as alternatives to  
 4 methadone that may be used under subsection (a).

5 SECTION 17. IC 12-23-19 IS ADDED TO THE INDIANA CODE  
 6 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 7 JULY 1, 2015]:

8 **Chapter 19. Mental Health and Addiction Forensic Treatment**  
 9 **Services Grants**

10 **Sec. 1. As used in this chapter, "mental health and addiction**  
 11 **forensic treatment services" means evidence based treatment and**  
 12 **recovery wraparound support services provided to individuals who**  
 13 **have entered the criminal justice system as a felon or with a prior**  
 14 **felony conviction or who have been placed or are eligible to be**  
 15 **placed in a community corrections program as an alternative to**  
 16 **commitment to the department of correction. The term includes:**

- 17 (1) **mental health and substance abuse treatment, including:**  
 18 (A) **addiction counseling;**  
 19 (B) **inpatient detoxification;**  
 20 (C) **case management;**  
 21 (D) **daily living skills; and**  
 22 (E) **medication assisted treatment, including a federal Food**  
 23 **and Drug Administration approved long acting,**  
 24 **nonaddictive medication for the treatment of opioid or**  
 25 **alcohol dependence;**  
 26 (2) **vocational services;**  
 27 (3) **housing assistance;**  
 28 (4) **community support services;**  
 29 (5) **care coordination;**  
 30 (6) **transportation assistance; and**  
 31 (7) **mental health and substance abuse assessments.**

32 **Sec. 2. (a) An individual is eligible for mental health and**  
 33 **addiction forensic treatment services if:**

- 34 (1) **the individual:**  
 35 (A) **is a member of a household with an annual income that**  
 36 **does not exceed three hundred percent (300%) of the**  
 37 **federal income poverty level;**  
 38 (B) **is a resident of Indiana;**  
 39 (C) **is at least eighteen (18) years of age; and**  
 40 (D) **has entered the criminal justice system as a felon or**  
 41 **with a prior felony conviction; and**  
 42 (2) **subject to subsection (b), reimbursement for the service is**



1 not available to the individual through any of the following:

2 (A) A policy of accident and sickness insurance (IC 27-8-5).

3 (B) A health maintenance organization contract (IC 27-13).

4 (C) The Medicaid program (IC 12-15), excluding the  
5 Medicaid rehabilitation program and the Behavioral and  
6 Primary Health Coordination Program under Section  
7 1915(i) of the Social Security Act.

8 (D) The federal Medicare program or any other federal  
9 assistance program.

10 (b) If an individual is not entitled to reimbursement from the  
11 sources described in subsection (a)(2) of the full amount of the cost  
12 of the mental health forensic treatment services, grants and  
13 vouchers under this chapter may be used to provide those services  
14 to the extent that the costs of those services exceed the  
15 reimbursement the individual is entitled to receive from the  
16 sources described in subsection (a)(2), excluding any copayment or  
17 deductible that the individual is required to pay.

18 (c) The division shall determine the extent to which an  
19 individual who is provided mental health forensic treatment  
20 services under this chapter is entitled to receive reimbursement  
21 from the sources described in subsection (a)(2).

22 **Sec. 3. Mental health and addiction forensic treatment services**  
23 **may be administered or coordinated only by a provider certified or**  
24 **licensed by the division of mental health and addiction.**

25 **Sec. 4. (a) As used in this section, "account" refers to the mental**  
26 **health and addiction forensic treatment services account**  
27 **established by subsection (b).**

28 (b) The mental health and addiction forensic treatment services  
29 account is established for the purpose of providing grants,  
30 vouchers, and for leveraging federal funds for the provision of  
31 mental health and addiction forensic treatment services. The  
32 account shall be administered by the division. The division may use  
33 money in the account only to fund grants and vouchers under this  
34 chapter that are provided to the following:

35 (1) Community corrections programs.

36 (2) Court administered programs.

37 (3) Probation programs.

38 (4) Community mental health centers.

39 (5) Certified mental health or addiction providers.

40 (c) The account consists of:

41 (1) appropriations made by the general assembly;

42 (2) grants; and



- 1           **(3) gifts and bequests.**  
 2           **(d) The expenses of administering the account shall be paid from**  
 3 **money in the account.**  
 4           **(e) The treasurer of state shall invest the money in the account**  
 5 **not currently needed to meet the obligations of the account in the**  
 6 **same manner as other public money may be invested. Interest that**  
 7 **accrues from these investments shall be deposited in the account.**  
 8           **(f) Money in the account at the end of a state fiscal year does not**  
 9 **revert to the state general fund.**  
 10           **(g) Money deposited in the account may be used as the required**  
 11 **state match under the Medicaid rehabilitation program and the**  
 12 **Behavioral and Primary Healthcare Coordination program under**  
 13 **Section 1915(i) of the Social Security Act.**  
 14           **Sec. 5. In the case of an individual who is provided mental**  
 15 **health forensic treatment services under this chapter, the division**  
 16 **is subrogated to the rights of the individual under any policy,**  
 17 **contract, or program described in section 2(a)(2) of this chapter**  
 18 **with respect to reimbursement under the policy, contract, or**  
 19 **program for mental health forensic treatment services, excluding**  
 20 **services provided through the Medicaid rehabilitation program**  
 21 **and the Behavioral and Primary Health Coordination Program**  
 22 **under Section 1915(i) of the Social Security Act.**  
 23           **Sec. 6. (a) The division shall provide or cause to be provided**  
 24 **education and training on the use of:**  
 25           **(1) involuntary commitment; and**  
 26           **(2) medication assisted treatment, including federal Food and**  
 27 **Drug Administration approved long acting, nonaddictive**  
 28 **medications for the treatment of opioid or alcohol dependence**  
 29 **for individuals with an addictive disorder.**  
 30           **(b) The division shall provide or cause to be provided education**  
 31 **and training required in subsection (a) to the following:**  
 32           **(1) Circuit and superior court judges.**  
 33           **(2) Prosecuting attorneys and deputy prosecuting attorneys.**  
 34           **(3) Public defenders.**  
 35           **(4) Programs and providers identified in section 4(b) of this**  
 36 **chapter.**  
 37           **Sec. 7. The division shall survey individuals receiving mental**  
 38 **health forensic treatment services under this chapter. The division**  
 39 **shall survey and develop demographic research on such an**  
 40 **individual one (1) year after the individual begins receiving the**  
 41 **services. The survey must request information concerning:**  
 42           **(1) the employment status of the individual since the**



1 individual began receiving the services; and  
 2 (2) whether the individual has been arrested, convicted of a  
 3 crime, alleged to have violated probation, or placed in a  
 4 community corrections program as an alternative to  
 5 commitment to the department of correction since the  
 6 individual began receiving the services.

7 **Sec. 8. During the year after an individual begins receiving**  
 8 **mental health forensic treatment services under this chapter, the**  
 9 **division shall work jointly with the department of workforce**  
 10 **development to coordinate employment and training services for**  
 11 **the individual.**

12 SECTION 18. IC 21-44-6-5, AS AMENDED BY P.L.142-2014,  
 13 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 14 JANUARY 1, 2015 (RETROACTIVE)]: Sec. 5. The purpose of the  
 15 board is to do the following:

16 (1) To establish and oversee a loan forgiveness program designed  
 17 to attract:

18 (A) psychiatrists;

19 **(B) addiction psychiatrists**, including psychiatrists pursuing  
 20 fellowship training and certification in addiction psychiatry;

21 ~~(B)~~ (C) psychologists;

22 ~~(C)~~ (D) psychiatric nurses;

23 ~~(D)~~ (E) addiction counselors; and

24 ~~(E)~~ (F) mental health professionals;

25 to provide services to individuals with mental illness and  
 26 addictive disorders in behavioral health and addiction treatment  
 27 settings in Indiana by assisting the individuals listed in this  
 28 section to pay off loans incurred in the training needed to practice  
 29 psychiatry and psychology and as a psychiatric nurse, an  
 30 addiction counselor, or a mental health professional in Indiana.

31 (2) To establish and oversee an integrated behavioral health and  
 32 addiction treatment development program to attract and train  
 33 psychiatrists, psychologists, psychiatric nurses, addiction  
 34 counselors, or mental health professionals who will engage in the  
 35 practice of integrated behavioral health and addiction treatment  
 36 in:

37 (A) state mental health institutions;

38 (B) community mental health centers;

39 (C) state funded addiction treatment centers; or

40 (D) other behavioral health and addiction treatment settings  
 41 determined by the board to be mental health and addiction  
 42 dual diagnoses treatment settings.



1 (3) To develop and oversee an integrated behavioral health and  
 2 addiction treatment training track program through the Indiana  
 3 University School of Medicine, Department of Psychiatry  
 4 residency training program. The training track program must  
 5 provide an opportunity for residents to work in mental health and  
 6 addiction dual diagnoses treatment settings, including:

7 (A) state psychiatric hospitals;

8 (B) community mental health centers;

9 (C) state funded addiction treatment centers; or

10 (D) other behavioral health and addiction treatment settings  
 11 determined by the board to be mental health and addiction  
 12 dual diagnoses treatment settings.

13 (4) To develop standards for participation in the training track  
 14 program that include:

15 (A) guidelines for the amounts of grants and other assistance  
 16 a participant receives;

17 (B) guidelines for the type of training in integrated behavioral  
 18 health and addiction treatment the participant receives;

19 (C) guidelines for agreements with mental health hospitals,  
 20 community mental health centers, and other entities  
 21 participating in the training track program; and

22 (D) other guidelines and standards necessary for governing the  
 23 training track program.

24 SECTION 19. IC 25-22.5-13-6 IS ADDED TO THE INDIANA  
 25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 26 [EFFECTIVE JULY 1, 2015]: **Sec. 6. If a prescriber is prescribing**  
 27 **methadone for a patient for the treatment of pain or pain**  
 28 **management, the prescriber shall include on the prescription or**  
 29 **order that the prescription is for the treatment of pain.**

30 SECTION 20. IC 27-8-32.1 IS ADDED TO THE INDIANA CODE  
 31 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 32 JULY 1, 2015]:

33 **Chapter 32.1. Coverage for Methadone**

34 **Sec. 1. This chapter applies to a policy of accident and sickness**  
 35 **insurance that is issued, amended, or renewed after June 30, 2015.**

36 **Sec. 2. As used in this chapter, "insured" means an individual**  
 37 **who is entitled to coverage under a policy of accident and sickness**  
 38 **insurance.**

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

41 **Sec. 4. A policy of accident and sickness insurance may provide**  
 42 **coverage for methadone if the drug is prescribed for the treatment**



1 of pain or pain management only as follows:

2 (1) If the daily dosage is not more than sixty (60) milligrams.

3 (2) If the daily dosage is more than sixty (60) milligrams, only  
4 if:

5 (A) prior authorization is obtained; and

6 (B) a determination of medical necessity has been shown  
7 by the provider.

8 SECTION 21. IC 27-13-7-20.1 IS ADDED TO THE INDIANA  
9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
10 [EFFECTIVE JULY 1, 2015]: **Sec. 20.1. (a) This section applies to an  
11 individual contract or a group contract that is entered into,  
12 amended, or renewed after June 30, 2015.**

13 (b) An individual contract or a group contract may provide  
14 coverage for methadone if the drug is prescribed for the treatment  
15 of pain or pain management only as follows:

16 (1) If the daily dosage is not more than sixty (60) milligrams.

17 (2) If the daily dosage is more than sixty (60) milligrams, only  
18 if:

19 (A) prior authorization is obtained; and

20 (B) a determination of medical necessity has been shown  
21 by the provider.

22 SECTION 22. IC 33-23-16-24.5 IS ADDED TO THE INDIANA  
23 CODE AS A NEW SECTION TO READ AS FOLLOWS  
24 [EFFECTIVE JULY 1, 2015]: **Sec. 24.5. A problem solving court  
25 may require an individual participating in a problem solving court  
26 to receive:**

27 (1) addiction counseling;

28 (2) inpatient detoxification;

29 (3) case management;

30 (4) daily living skills; and

31 (5) medication assisted treatment, including a federal Food  
32 and Drug Administration approved long acting, nonaddictive  
33 medication for the treatment of opioid or alcohol dependence.

34 SECTION 23. IC 33-39-1-8, AS AMENDED BY P.L.168-2014,  
35 SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
36 JULY 1, 2015]: **Sec. 8. (a) After June 30, 2005, this section does not  
37 apply to a person who:**

38 (1) holds a commercial driver's license; and

39 (2) has been charged with an offense involving the operation of  
40 a motor vehicle in accordance with the federal Motor Carrier  
41 Safety Improvement Act of 1999 (MCSIA) (Public Law  
42 106-159.113 Stat. 1748).



- 1 (b) This section does not apply to a person arrested for or charged  
 2 with:  
 3 (1) an offense under IC 9-30-5-1 through IC 9-30-5-5; or  
 4 (2) if a person was arrested or charged with an offense under  
 5 IC 9-30-5-1 through IC 9-30-5-5, an offense involving:  
 6 (A) intoxication; or  
 7 (B) the operation of a vehicle;  
 8 if the offense involving intoxication or the operation of a vehicle was  
 9 part of the same episode of criminal conduct as the offense under  
 10 IC 9-30-5-1 through IC 9-30-5-5.
- 11 (c) This section does not apply to a person:  
 12 (1) who is arrested for or charged with an offense under:  
 13 (A) IC 7.1-5-7-7, if the alleged offense occurred while the  
 14 person was operating a motor vehicle;  
 15 (B) IC 9-30-4-8(a), if the alleged offense occurred while the  
 16 person was operating a motor vehicle;  
 17 (C) IC 35-44.1-2-13(b)(1); or  
 18 (D) IC 35-43-1-2(a), if the alleged offense occurred while the  
 19 person was operating a motor vehicle; and  
 20 (2) who held a probationary license (as defined in  
 21 IC 9-24-11-3.3(b)) and was less than eighteen (18) years of age at  
 22 the time of the alleged offense.
- 23 (d) A prosecuting attorney may withhold prosecution against an  
 24 accused person if:  
 25 (1) the person is charged with a misdemeanor, a Level 6 felony,  
 26 or a Level 5 felony;  
 27 (2) the person agrees to conditions of a pretrial diversion program  
 28 offered by the prosecuting attorney;  
 29 (3) the terms of the agreement are recorded in an instrument  
 30 signed by the person and the prosecuting attorney and filed in the  
 31 court in which the charge is pending; and  
 32 (4) the prosecuting attorney electronically transmits information  
 33 required by the prosecuting attorneys council concerning the  
 34 withheld prosecution to the prosecuting attorneys council, in a  
 35 manner and format designated by the prosecuting attorneys  
 36 council.
- 37 (e) An agreement under subsection (d) may include conditions that  
 38 the person:  
 39 (1) pay to the clerk of the court an initial user's fee and monthly  
 40 user's fees in the amounts specified in IC 33-37-4-1;  
 41 (2) work faithfully at a suitable employment or faithfully pursue  
 42 a course of study or career and technical education that will equip



1 the person for suitable employment;  
 2 (3) undergo available medical treatment or **mental health**  
 3 counseling and remain in a specified facility required for that  
 4 purpose, **including:**

5 (A) **addiction counseling;**

6 (B) **inpatient detoxification; and**

7 (C) **medication assisted treatment, including a federal Food**  
 8 **and Drug Administration approved long acting,**  
 9 **nonaddictive medication for the treatment of opioid or**  
 10 **alcohol dependence.**

11 (4) support the person's dependents and meet other family  
 12 responsibilities;

13 (5) make restitution or reparation to the victim of the crime for the  
 14 damage or injury that was sustained;

15 (6) refrain from harassing, intimidating, threatening, or having  
 16 any direct or indirect contact with the victim or a witness;

17 (7) report to the prosecuting attorney at reasonable times;

18 (8) answer all reasonable inquiries by the prosecuting attorney  
 19 and promptly notify the prosecuting attorney of any change in  
 20 address or employment; and

21 (9) participate in dispute resolution either under IC 34-57-3 or a  
 22 program established by the prosecuting attorney.

23 (f) An agreement under subsection (d)(2) may include other  
 24 provisions reasonably related to the defendant's rehabilitation, if  
 25 approved by the court.

26 (g) The prosecuting attorney shall notify the victim when  
 27 prosecution is withheld under this section.

28 (h) All money collected by the clerk as user's fees under this section  
 29 shall be deposited in the appropriate user fee fund under IC 33-37-8.

30 (i) If a court withholds prosecution under this section and the terms  
 31 of the agreement contain conditions described in subsection (e)(6):

32 (1) the clerk of the court shall comply with IC 5-2-9; and

33 (2) the prosecuting attorney shall file a confidential form  
 34 prescribed or approved by the division of state court  
 35 administration with the clerk.

36 SECTION 24. IC 35-38-2-2.3, AS AMENDED BY P.L.13-2013,  
 37 SECTION 138, IS AMENDED TO READ AS FOLLOWS  
 38 [EFFECTIVE JULY 1, 2015]: Sec. 2.3. (a) As a condition of probation,  
 39 the court may require a person to do a combination of the following:

40 (1) Work faithfully at suitable employment or faithfully pursue a  
 41 course of study or career and technical education that will equip  
 42 the person for suitable employment.



- 1 (2) Undergo available medical or psychiatric treatment and  
2 remain in a specified institution if required for that purpose.
- 3 (3) Attend or reside in a facility established for the instruction,  
4 recreation, or residence of persons on probation.
- 5 (4) Participate in a treatment program, educational class, or  
6 rehabilitative service provided by a probation department or by  
7 referral to an agency.
- 8 (5) Support the person's dependents and meet other family  
9 responsibilities.
- 10 (6) Make restitution or reparation to the victim of the crime for  
11 damage or injury that was sustained by the victim. When  
12 restitution or reparation is a condition of probation, the court shall  
13 fix the amount, which may not exceed an amount the person can  
14 or will be able to pay, and shall fix the manner of performance.
- 15 (7) Execute a repayment agreement with the appropriate  
16 governmental entity to repay the full amount of public relief or  
17 assistance wrongfully received, and make repayments according  
18 to a repayment schedule set out in the agreement.
- 19 (8) Pay a fine authorized by IC 35-50.
- 20 (9) Refrain from possessing a firearm or other deadly weapon  
21 unless granted written permission by the court or the person's  
22 probation officer.
- 23 (10) Report to a probation officer at reasonable times as directed  
24 by the court or the probation officer.
- 25 (11) Permit the person's probation officer to visit the person at  
26 reasonable times at the person's home or elsewhere.
- 27 (12) Remain within the jurisdiction of the court, unless granted  
28 permission to leave by the court or by the person's probation  
29 officer.
- 30 (13) Answer all reasonable inquiries by the court or the person's  
31 probation officer and promptly notify the court or probation  
32 officer of any change in address or employment.
- 33 (14) Perform uncompensated work that benefits the community.
- 34 (15) Satisfy other conditions reasonably related to the person's  
35 rehabilitation.
- 36 (16) Undergo home detention under IC 35-38-2.5.
- 37 (17) Undergo a laboratory test or series of tests approved by the  
38 state department of health to detect and confirm the presence of  
39 the human immunodeficiency virus (HIV) antigen or antibodies  
40 to the human immunodeficiency virus (HIV), if:  
41 (A) the person had been convicted of an offense relating to a  
42 criminal sexual act and the offense created an



- 1 epidemiologically demonstrated risk of transmission of the  
 2 human immunodeficiency virus (HIV); or  
 3 (B) the person had been convicted of an offense relating to a  
 4 controlled substance and the offense involved:  
 5 (i) the delivery by any person to another person; or  
 6 (ii) the use by any person on another person;  
 7 of a contaminated sharp (as defined in IC 16-41-16-2) or other  
 8 paraphernalia that creates an epidemiologically demonstrated  
 9 risk of transmission of HIV by involving percutaneous contact.  
 10 (18) Refrain from any direct or indirect contact with an individual  
 11 and, if convicted of an offense under IC 35-46-3, any animal  
 12 belonging to the individual.  
 13 (19) Execute a repayment agreement with the appropriate  
 14 governmental entity or with a person for reasonable costs incurred  
 15 because of the taking, detention, or return of a missing child (as  
 16 defined in IC 10-13-5-4).  
 17 (20) Periodically undergo a laboratory chemical test (as defined  
 18 in IC 9-13-2-22) or series of chemical tests as specified by the  
 19 court to detect and confirm the presence of a controlled substance  
 20 (as defined in IC 35-48-1-9). The person on probation is  
 21 responsible for any charges resulting from a test and shall have  
 22 the results of any test under this subdivision reported to the  
 23 person's probation officer by the laboratory.  
 24 (21) If the person was confined in a penal facility, execute a  
 25 reimbursement plan as directed by the court and make repayments  
 26 under the plan to the authority that operates the penal facility for  
 27 all or part of the costs of the person's confinement in the penal  
 28 facility. The court shall fix an amount that:  
 29 (A) may not exceed an amount the person can or will be able  
 30 to pay;  
 31 (B) does not harm the person's ability to reasonably be self  
 32 supporting or to reasonably support any dependent of the  
 33 person; and  
 34 (C) takes into consideration and gives priority to any other  
 35 restitution, reparation, repayment, or fine the person is  
 36 required to pay under this section.  
 37 (22) Refrain from owning, harboring, or training an animal.  
 38 (23) Participate in a reentry court program.  
 39 **(24) Receive:**  
 40 **(A) addiction counseling;**  
 41 **(B) mental health counseling;**  
 42 **(C) inpatient detoxification; and**



- 1                   **(D) medication assisted treatment, including a federal Food**  
 2                   **and Drug Administration approved long acting,**  
 3                   **nonaddictive medication for the treatment of opioid or**  
 4                   **alcohol dependence.**
- 5           (b) When a person is placed on probation, the person shall be given  
 6 a written statement specifying:
- 7           (1) the conditions of probation; and  
 8           (2) that if the person violates a condition of probation during the  
 9 probationary period, a petition to revoke probation may be filed  
 10 before the earlier of the following:
- 11           (A) One (1) year after the termination of probation.  
 12           (B) Forty-five (45) days after the state receives notice of the  
 13 violation.
- 14           (c) As a condition of probation, the court may require that the  
 15 person serve a term of imprisonment in an appropriate facility at the  
 16 time or intervals (consecutive or intermittent) within the period of  
 17 probation the court determines.
- 18           (d) Intermittent service may be required only for a term of not more  
 19 than sixty (60) days and must be served in the county or local penal  
 20 facility. The intermittent term is computed on the basis of the actual  
 21 days spent in confinement and shall be completed within one (1) year.  
 22 A person does not earn credit time while serving an intermittent term  
 23 of imprisonment under this subsection. When the court orders  
 24 intermittent service, the court shall state:
- 25           (1) the term of imprisonment;  
 26           (2) the days or parts of days during which a person is to be  
 27 confined; and  
 28           (3) the conditions.
- 29           (e) Supervision of a person may be transferred from the court that  
 30 placed the person on probation to a court of another jurisdiction, with  
 31 the concurrence of both courts. Retransfers of supervision may occur  
 32 in the same manner. This subsection does not apply to transfers made  
 33 under IC 11-13-4 or IC 11-13-5.
- 34           (f) When a court imposes a condition of probation described in  
 35 subsection (a)(18):
- 36           (1) the clerk of the court shall comply with IC 5-2-9; and  
 37           (2) the prosecuting attorney shall file a confidential form  
 38 prescribed or approved by the division of state court  
 39 administration with the clerk.
- 40           (g) As a condition of probation, a court shall require a person:
- 41           (1) convicted of an offense described in IC 10-13-6-10;



1           (2) who has not previously provided a DNA sample in accordance  
2           with IC 10-13-6; and  
3           (3) whose sentence does not involve a commitment to the  
4           department of correction;  
5           to provide a DNA sample as a condition of probation.  
6           (h) If a court imposes a condition of probation described in  
7           subsection (a)(4), the person on probation is responsible for any costs  
8           resulting from the participation in a program, class, or service. Any  
9           costs collected for services provided by the probation department shall  
10          be deposited in the county or local supplemental adult services fund.  
11          **SECTION 25. An emergency is declared for this act.**



## COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred Senate Bill No. 464, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-10-8-14.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 14.8. (a) This section applies to an employee health plan that is established, entered into, amended, or renewed after June 30, 2015.**

**(b) As used in this section, "covered individual" means an individual who is entitled to coverage under a state employee health plan.**

**(c) As used in this section, "state employee health plan" means one (1) of the following:**

**(1) A self-insurance program established under section 7(b) of this chapter to provide group health coverage.**

**(2) A contract with a prepaid health care delivery plan that is entered into or renewed under section 7(c) of this chapter.**

**(d) A state employee health plan may not provide coverage for methadone if the drug is prescribed for the treatment of pain or pain management."**

Page 11, between lines 30 and 31, begin a new paragraph and insert:

"SECTION 10. 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) 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) 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) 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) The development, selection, application, and assessment of interventions for physicians, pharmacists, and patients that are educational and not punitive in nature.
- (5) 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) 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) The establishment of a grievance and appeals process for physicians or pharmacists under this chapter.
- (8) 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) 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) 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) 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) The approval of the review and maintenance of the preferred drug list at least two (2) times per year.

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

(15) 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.

**(16) The review of the prescribing and reimbursement for long acting addictive medication assistance treatment drugs for the treatment of pain and for the treatment of substance abuse. The board shall provide its findings under this subdivision to the general assembly in an electronic format under IC 5-14-6 not later than December 1, 2015.**

(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), 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) 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):

(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."

Page 12, delete lines 27 through 34, begin a new paragraph and insert:

"SECTION 12. IC 12-15-35.5-7.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 7.5. (a) The office may not reimburse under Medicaid for methadone if the drug was prescribed for the treatment of pain or pain management.**

**(b) A managed care organization may not reimburse under Medicaid for methadone if the drug is prescribed for the treatment of pain or pain management."**

Page 12, line 41, after "including" insert ", **without prior authorization,**".



Page 12, line 41, delete "the" and insert **"a long acting nonaddictive medication assistance treatment drug if the drug is being prescribed for the treatment of substance abuse."**

Page 12, delete line 42.

Page 13, delete lines 1 through 5.

Page 14, line 9, after "by" insert **"a hospital licensed under IC 16-21 or"**.

Page 14, line 11, after "within" insert **"the licensed hospital or"**.

Page 14, line 14, after "A" insert **"hospital licensed under IC 16-21 or a"**.

Page 14, line 16, after "the" insert **"hospital or"**.

Page 14, between lines 18 and 19, begin a new paragraph and insert:

**"(c) Before June 30, 2018, the division may approve the operation of not more than five (5) additional opioid treatment programs described in subsection (a)(2) only if the requirements of this chapter are met. The division may not approve the operation of a new opioid treatment program described in subsection (a)(2) after June 30, 2018.**

**(d) Not later than June 30, 2018, the division shall report to the general assembly in an electronic format under IC 5-14-6 concerning whether any new opioid treatment programs have been approved under subsection (c). The report must include the following:**

- (1) The impact on access to opioid treatment programs.**
- (2) The number of individuals served in the opioid treatment programs approved under subsection (c).**
- (3) Treatment outcomes for individuals receiving services in the opioid treatment programs approved under subsection (c).**
- (4) Any recommendations the division has concerning future treatment programs."**

Page 15, between lines 12 and 13, begin a new paragraph and insert:

**"SECTION 16. IC 25-22.5-13-6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. If a prescriber is prescribing methadone for a patient for the treatment of pain or pain management, the prescriber shall include on the prescription or order that the prescription is for the treatment of pain.**

**SECTION 17. IC 27-8-32.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:**

**Chapter 32.1. Coverage for Methadone**



**Sec. 1. This chapter applies to a policy of accident and sickness insurance that is issued, amended, or renewed after June 30, 2015.**

**Sec. 2. As used in this chapter, "insured" means an individual who is entitled to coverage under a policy of accident and sickness insurance.**

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

**Sec. 4. A policy of accident and sickness insurance may not provide coverage for methadone if the drug is prescribed for the treatment of pain or pain management.**

SECTION 18. IC 27-13-7-20.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 20.1. (a) This section applies to an individual contract or a group contract that is entered into, amended, or renewed after June 30, 2015.**

**(b) An individual contract or a group contract may not provide coverage for methadone if the drug is prescribed for the treatment of pain or pain management."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 464 as introduced.)

MILLER PATRICIA, Chairperson

Committee Vote: Yeas 11, Nays 0.

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#### COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred Senate Bill No. 464, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 15, delete "not".

Page 2, line 1, delete "." and insert "**as follows:**

**(1) If the daily dosage is not more than sixty (60) milligrams.**

**(2) If the daily dosage is more than sixty (60) milligrams, only if:**

**(A) prior authorization is obtained; and**

**(B) a determination of medical necessity has been shown by the provider."**

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Page 7, line 5, delete "chapter,"substance" and insert "**chapter, "substance"**".

Page 7, between lines 10 and 11, begin a new paragraph and insert:  
 "SECTION 8. IC 11-12-3.8-4 IS REPEALED [EFFECTIVE JULY 1, 2015]. Sec. 4. (a) As used in this section, "account" refers to the mental health and addiction forensic treatment services account established in subsection (b):

(b) The mental health and addiction forensic treatment services account is established for the purpose of providing grants or vouchers for the provision of mental health and addiction forensic treatment services. The account shall be administered by the division of mental health and addiction. Money in the account shall be used to fund grants and vouchers under this chapter.

(c) The account consists of:

- (1) appropriations made by the general assembly;
- (2) grants; and
- (3) gifts and bequests.

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

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

(f) Money in the account at the end of a state fiscal year does not revert to the state general fund."

Page 12, delete lines 6 through 42, begin a new paragraph and insert:

"SECTION 12. IC 12-15-5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 13. (a) **The office shall provide coverage for treatment of opioid or alcohol dependence that includes the following:**

(1) **Counseling services that address the psychological and behavioral aspects of addiction.**

(2) **When medically indicated, drug treatment involving agents approved by the federal Food and Drug Administration for the:**

(A) **treatment of opioid or alcohol dependence; or**

(B) **prevention of relapse to opioids or alcohol after detoxification.**

(b) **The office shall:**

- (1) **develop quality measures to ensure; and**



**(2) require a Medicaid managed care organization to report; compliance with the coverage required under subsection (a).**

**(c) The office may implement quality capitation withholding of reimbursement to ensure that a Medicaid managed care organization has provided the coverage required under subsection (a).**

**(d) The office shall report the clinical use of the medications covered under this section to the mental health Medicaid quality advisory committee established by IC 12-15-35-51. The mental health Medicaid quality advisory committee may make recommendations to the office concerning this section."**

Delete pages 13 through 16.

Page 17, delete lines 1 through 3.

Page 17, line 6, delete "not".

Page 17, line 8, delete "." and insert "**only as follows:**

**(1) If the daily dosage is not more than sixty (60) milligrams.**

**(2) If the daily dosage is more than sixty (60) milligrams, only if:**

**(A) prior authorization is obtained; and**

**(B) a determination of medical necessity has been shown by the provider."**

Page 17, line 9, delete "not".

Page 17, line 11, delete "." and insert "**only as follows:**

**(1) If the daily dosage is not more than sixty (60) milligrams.**

**(2) If the daily dosage is more than sixty (60) milligrams, only if:**

**(A) prior authorization is obtained; and**

**(B) a determination of medical necessity has been shown."**

Page 18, line 29, delete "." and insert ";

**and that meets the requirements of this section."**

Page 18, line 37, after "if" insert "**the division determines as described in subsection (e) that there is a need for a new opioid treatment program in the proposed location and"**.

Page 19, between lines 10 and 11, begin a new paragraph and insert:

**"(e) The division shall adopt rules under IC 4-22-2 setting forth the manner in which the division will determine whether there is a need for a new opioid treatment program in a proposed program location's geographic area."**

Page 20, between lines 4 and 5, begin a new paragraph and insert:

**"SECTION 18. IC 12-23-19 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:**



**Chapter 19. Mental Health and Addiction Forensic Treatment Services Grants**

**Sec. 1. As used in this chapter, "mental health and addiction forensic treatment services" means evidence based treatment and recovery wraparound support services provided to individuals who have entered the criminal justice system as a felon or with a prior felony conviction or who have been placed or are eligible to be placed in a community corrections program as an alternative to commitment to the department of correction. The term includes:**

- (1) mental health and substance abuse treatment, including:**
  - (A) addiction counseling;**
  - (B) inpatient detoxification; and**
  - (C) medication assisted treatment, including a federal Food and Drug Administration approved long acting, nonaddictive medication for the treatment of opioid or alcohol dependence;**
- (2) vocational services;**
- (3) housing assistance;**
- (4) community support services;**
- (5) care coordination; and**
- (6) transportation assistance.**

**Sec. 2. (a) An individual is eligible for mental health and addiction forensic treatment services if:**

- (1) the individual:**
  - (A) is a member of a household with an annual income that does not exceed two hundred percent (200%) of the federal income poverty level;**
  - (B) is a resident of Indiana;**
  - (C) is at least eighteen (18) years of age; and**
  - (D) has entered the criminal justice system as a felon or with a prior felony conviction; and**
- (2) subject to subsection (b), reimbursement for the service is not available to the individual through any of the following:**
  - (A) A policy of accident and sickness insurance (IC 27-8-5).**
  - (B) A health maintenance organization contract (IC 27-13).**
  - (C) The Medicaid program (IC 12-15).**
  - (D) The federal Medicare program or any other federal assistance program.**

**(b) If an individual is not entitled to reimbursement from the sources described in subsection (a)(2) of the full amount of the cost of the mental health forensic treatment services, grants and vouchers under this chapter may be used to provide those services**



to the extent that the costs of those services exceed the reimbursement the individual is entitled to receive from the sources described in subsection (a)(2), excluding any copayment or deductible that the individual is required to pay.

(c) The division shall determine the extent to which an individual who is provided mental health forensic treatment services under this chapter is entitled to receive reimbursement from the sources described in subsection (a)(2).

**Sec. 3. Mental health and addiction forensic treatment services may be administered or coordinated only by a provider certified by the division of mental health and addiction.**

**Sec. 4. (a) As used in this section, "account" refers to the mental health and addiction forensic treatment services account established by subsection (b).**

(b) The mental health and addiction forensic treatment services account is established for the purpose of providing grants or vouchers for the provision of mental health and addiction forensic treatment services. The account shall be administered by the division. The division may use money in the account only to fund grants and vouchers under this chapter that are provided to the following:

- (1) Community corrections programs.
- (2) Court administered programs.
- (3) Probation programs.
- (4) Community mental health centers.
- (5) Certified mental health or addiction providers.

(c) The account consists of:

- (1) appropriations made by the general assembly;
- (2) grants; and
- (3) gifts and bequests.

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

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

(f) Money in the account at the end of a state fiscal year does not revert to the state general fund.

**Sec. 5. In the case of an individual who is provided mental health forensic treatment services under this chapter, the division is subrogated to the rights of the individual under any policy, contract, or program described in section 2(a)(2) of this chapter**



with respect to reimbursement under the policy, contract, or program for mental health forensic treatment services.

**Sec. 6. The division shall survey individuals receiving mental health forensic treatment services under this chapter. The division shall survey such an individual one (1) year after the individual begins receiving the services. The survey must request information concerning:**

- (1) the employment status of the individual since the individual began receiving the services; and**
- (2) whether the individual has been arrested, convicted of a crime, alleged to have violated probation, or placed in a community corrections program as an alternative to commitment to the department of correction since the individual began receiving the services.**

**Sec. 7. During the year after an individual begins receiving mental health forensic treatment services under this chapter, the division shall work jointly with the department of workforce development to coordinate employment and training services for the individual."**

Page 20, line 22, delete "not".

Page 20, line 24, delete "." and insert "**only as follows:**

- (1) If the daily dosage is not more than sixty (60) milligrams.**
- (2) If the daily dosage is more than sixty (60) milligrams, only if:**
  - (A) prior authorization is obtained; and**
  - (B) a determination of medical necessity has been shown by the provider."**

Page 20, line 30, delete "not".

Page 20, line 32, delete "." and insert "**only as follows:**

- (1) If the daily dosage is not more than sixty (60) milligrams.**
- (2) If the daily dosage is more than sixty (60) milligrams, only if:**
  - (A) prior authorization is obtained; and**
  - (B) a determination of medical necessity has been shown by the provider."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 464 as printed February 6, 2015.)

KENLEY, Chairperson

Committee Vote: Yeas 13, Nays 0.

ES 464—LS 7351/DI 104



## SENATE MOTION

Madam President: I move that Senate Bill 464 be amended to read as follows:

Page 14, line 1, delete "including, without prior" and insert "**including**".

Page 14, line 2, delete "authorization,".

(Reference is to SB 464 as printed February 20, 2015.)

MILLER PATRICIA

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 COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Senate Bill 464, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 13, delete "and".

Page 3, between lines 13 and 14, begin a new line block indented and insert:

**"(3) case management;**

**(4) daily living skills; and"**.

Page 3, line 14, delete "(3)" and insert "**(5)**".

Page 3, delete lines 38 through 42, begin a new paragraph and insert:

"SECTION 5. IC 11-12-2-1, AS AMENDED BY P.L.168-2014, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) For the purpose of encouraging counties to develop a coordinated local corrections-criminal justice system and providing effective alternatives to imprisonment at the state level, the commissioner shall, out of funds appropriated for such purposes, make grants to counties for the establishment and operation of community corrections programs. Appropriations intended for this purpose may not be used by the department for any other purpose. Money appropriated to the department of correction for the purpose of making grants under this chapter and any financial aid payments suspended under section 6 of this chapter do not revert to the state general fund at the close of any fiscal year, but remain available to the department of correction for its use in making grants under this chapter.

(b) Before ~~March~~ **September 1, 2015; 2016, and each year thereafter**, the department shall estimate the amount of any operational



cost savings that will be realized in the state fiscal year ending June 30, ~~2015, 2016, and each year thereafter~~, from a reduction in the number of individuals who are in the custody or made a ward of the department of correction (as described in IC 11-8-1-5) that is attributable to the sentencing changes made in HEA 1006-2014 as enacted in the 2014 session of the general assembly. The department shall make the estimate under this subsection based on the best available information. If the department estimates that operational cost savings described in this subsection will be realized in the state fiscal year ending June 30, ~~2015, 2016, and each year thereafter~~, the following apply to the department:

(1) The department shall certify the estimated amount of operational cost savings that will be realized to the budget agency and to the auditor of state.

(2) The department may, after review by the budget committee and approval by the budget agency, make additional grants as provided in this chapter to ~~counties for the establishment and operation of community corrections programs from funds appropriated to the department for the department's operating expenses for the state fiscal year.~~ **the mental health and addiction forensic treatment services account established by IC 12-23-19-4.**

(3) The department may, after review by the budget committee and approval by the budget agency, transfer funds appropriated to the department for the department's operating expenses for the state fiscal year to the ~~judicial conference of Indiana to be used by the judicial conference of Indiana to provide additional financial aid for the support of court probation services under the program established under IC 11-13-2.~~ **mental health and addiction forensic treatment services account established by IC 12-23-19-4.**

(4) The maximum aggregate amount of additional grants and transfers that may be made by the department under subdivisions (2) and (3) for the state fiscal year may not exceed ~~the lesser of:~~  
 (A) the amount of operational cost savings certified under subdivision (1). ~~or~~  
 (B) eleven million dollars (\$11,000,000).

~~Notwithstanding P.L.205-2013 (HEA 1001-2013), the amount of funds necessary to make any additional grants authorized and approved under this subsection and for any transfers authorized and approved under this subsection, and for providing the additional financial aid to courts from transfers authorized and approved under this subsection, is~~



appropriated for those purposes for the state fiscal year ending June 30, 2015; and the amount of the department's appropriation for operating expenses for the state fiscal year ending June 30, 2015, is reduced by a corresponding amount. This subsection expires June 30, 2015.

(c) The commissioner shall give priority in issuing community corrections grants to programs that provide alternative sentencing projects for persons with mental illness, addictive disorders, mental retardation, and developmental disabilities. **Programs for addictive disorders may include:**

- (1) addiction counseling;**
- (2) inpatient detoxification; and**
- (3) medication assisted treatment, including a federal Food and Drug Administration approved long acting, nonaddictive medication for the treatment of opioid or alcohol dependence."**

Delete page 4.

Page 5, delete lines 1 through 19.

Page 6, line 18, delete "and".

Page 6, between lines 18 and 19, begin a new line double block indented and insert:

- "(C) case management;**
- (D) daily living skills; and"**.

Page 6, line 19, delete "(C)" and insert "(E)".

Page 11, line 26, delete "and".

Page 11, between lines 26 and 27, begin a new line block indented and insert:

- "(3) case management;**
- (4) daily living skills; and"**.

Page 11, line 27, delete "(3)" and insert "(5)".

Page 15, line 24, delete "The division may not approve the".

Page 15, delete lines 25 through 26.

Page 17, line 9, delete "and".

Page 17, between lines 9 and 10, begin a new line double block indented and insert:

- "(C) case management;**
- (D) daily living skills; and"**.

Page 17, line 10, delete "(C)" and insert "(E)".

Page 17, line 17, delete "and".

Page 17, line 18, delete "." and insert "; and".

Page 17, between lines 18 and 19, begin a new line block indented and insert:

- "(7) mental health and substance abuse assessments."**



Page 17, line 23, delete "two" and insert "**three**".

Page 17, line 23, delete "(200%)" and insert "**(300%)**".

Page 17, line 33, delete "." and insert ", **excluding the Medicaid rehabilitation program and the Behavioral and Primary Health Coordination Program under Section 1915(i) of the Social Security Act.**".

Page 18, line 7, after "certified" insert "**or licensed**".

Page 18, line 13, delete "or" and insert ",".

Page 18, line 14, after "vouchers" insert ", **and for leveraging federal funds**".

Page 18, between lines 35 and 36, begin a new paragraph and insert:

**"(g) Money deposited in the account may be used as the required state match under the Medicaid rehabilitation program and the Behavioral and Primary Healthcare Coordination program under Section 1915(i) of the Social Security Act."**

Page 18, line 41, delete "." and insert ", **excluding services provided through the Medicaid rehabilitation program and the Behavioral and Primary Health Coordination Program under Section 1915(i) of the Social Security Act.**".

Page 18, between lines 41 and 42, begin a new paragraph and insert:

**"Sec. 6. (a) The division shall provide or cause to be provided education and training on the use of:**

**(1) involuntary commitment; and**

**(2) medication assisted treatment, including federal Food and Drug Administration approved long acting, nonaddictive medications for the treatment of opioid or alcohol dependence for individuals with an addictive disorder.**

**(b) The division shall provide or cause to be provided education and training required in subsection (a) to the following:**

**(1) Circuit and superior court judges.**

**(2) Prosecuting attorneys and deputy prosecuting attorneys.**

**(3) Public defenders.**

**(4) Programs and providers identified in section 4(b) of this chapter."**

Page 18, line 42, delete "6." and insert "7."

Page 19, line 2, after "survey" insert "**and develop demographic research on**".

Page 19, line 12, delete "7." and insert "8."

Page 19, between lines 16 and 17, begin a new paragraph and insert:

**"SECTION 19. IC 21-44-6-5, AS AMENDED BY P.L.142-2014, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**



JANUARY 1, 2015 (RETROACTIVE)]: Sec. 5. The purpose of the board is to do the following:

(1) To establish and oversee a loan forgiveness program designed to attract:

(A) psychiatrists;

**(B) addiction psychiatrists**, including psychiatrists pursuing fellowship training and certification in addiction psychiatry;

~~(B)~~ (C) psychologists;

~~(C)~~ (D) psychiatric nurses;

~~(D)~~ (E) addiction counselors; and

~~(E)~~ (F) mental health professionals;

to provide services to individuals with mental illness and addictive disorders in behavioral health and addiction treatment settings in Indiana by assisting the individuals listed in this section to pay off loans incurred in the training needed to practice psychiatry and psychology and as a psychiatric nurse, an addiction counselor, or a mental health professional in Indiana.

(2) To establish and oversee an integrated behavioral health and addiction treatment development program to attract and train psychiatrists, psychologists, psychiatric nurses, addiction counselors, or mental health professionals who will engage in the practice of integrated behavioral health and addiction treatment in:

(A) state mental health institutions;

(B) community mental health centers;

(C) state funded addiction treatment centers; or

(D) other behavioral health and addiction treatment settings determined by the board to be mental health and addiction dual diagnoses treatment settings.

(3) To develop and oversee an integrated behavioral health and addiction treatment training track program through the Indiana University School of Medicine, Department of Psychiatry residency training program. The training track program must provide an opportunity for residents to work in mental health and addiction dual diagnoses treatment settings, including:

(A) state psychiatric hospitals;

(B) community mental health centers;

(C) state funded addiction treatment centers; or

(D) other behavioral health and addiction treatment settings determined by the board to be mental health and addiction dual diagnoses treatment settings.



(4) To develop standards for participation in the training track program that include:

(A) guidelines for the amounts of grants and other assistance a participant receives;

(B) guidelines for the type of training in integrated behavioral health and addiction treatment the participant receives;

(C) guidelines for agreements with mental health hospitals, community mental health centers, and other entities participating in the training track program; and

(D) other guidelines and standards necessary for governing the training track program."

Page 20, line 21, delete "and".

Page 20, between lines 21 and 22, begin a new line block indented and insert:

**"(3) case management;**

**(4) daily living skills; and"**.

Page 20, line 22, delete "(3)" and insert "**(5)**".

Page 21, line 35, after "or" insert "**mental health**".

Page 24, between lines 31 and 32, begin a new line double block indented and insert:

**"(B) mental health counseling;"**.

Page 24, line 32, delete "(B)" and insert "**(C)**".

Page 24, line 33, delete "(C)" and insert "**(D)**".

Page 25, after line 41, begin a new paragraph and insert:

**"SECTION 26. An emergency is declared for this act."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 464 as reprinted February 24, 2015.)

CLERE

Committee Vote: yeas 10, nays 0.

