



Indiana Behavioral Health Legislative Update

January 24, 2025

As Indiana's 2025 legislative session progresses, Mental Health America of Indiana (MHAi) remains focused on tracking impactful legislation. This week, **HB 1385 (Rep Bascom)** takes the spotlight for its potential to strengthen Indiana's healthcare and recovery workforce.

HB 1385 provides exceptions to employment disqualifications for certain healthcare facility employees, including certified peer recovery coaches. This critical change recognizes the unique value of lived experience in addition to recovery and mental health support, allowing more individuals with recovery expertise to contribute to Indiana's mental health services.

MHAi continues to advocate for policies that promote access to care and support recovery efforts. Stay tuned for updates as we monitor legislation shaping the future of mental health and recovery in Indiana.

Bills Heard in the House

[HB 1024 - Medicaid Reimbursement for Children's Hospitals \(Slager\)](#)

Synopsis: Medicaid reimbursement for children's hospitals. Removes the expiration date of language specifying Medicaid reimbursement for certain out-of-state children's hospitals.

[HB 1586 - Medicaid Funding \(Barrett\)](#)

Synopsis: Medicaid funding. Makes changes in Medicaid payment formulas and assessment of the hospital assessment fee. Extends the law governing the hospital assessment fee to June 30, 2027. Authorizes a managed care organization assessment fee.

[HB 1137 Expungement of Red Flag Law Records \(Smaltz\)](#)

Synopsis: Expungement of red flag law records. Requires a court to expunge certain records related to the red flag law if the court finds that an individual is not dangerous or is no longer dangerous.

[HB 1385 - Health Care Facility Employees \(Bascom\)](#)

Synopsis: Health care facility employees. Provides an exception to one of the disqualifying conditions for a nurse aide or other unlicensed employee.

Bills Heard in the Senate

[SB 462 - Behavior Analysts \(Charbonneau\)](#)

Synopsis: Behavior analysts. Reenacts an expired provision in the definition of "practitioner" as it relates to behavior analysts.

[SB 140 - Pharmacy Benefits \(Charbonneau\)](#)

Synopsis: Pharmacy benefits. Requires an ambulatory pharmacy to provide, before March 1, 2027, and March 1 of every other year thereafter, data to the Indiana Board of Pharmacy relating to the pharmacy's dispensing costs for the previous calendar year. Requires the board to share the dispensing data with the commissioner of the Department of Insurance. Sets forth additional pharmacy benefit requirements and repeals a superseded provision.

[SB 480 - Prior Authorization \(Johnson, T\)](#)

Synopsis: Prior authorization. Provides that a utilization review entity may only impose prior authorization requirements on less than 1% of unique health care services covered under the health plan overall and 1% of participating health care providers overall in a calendar year. Prohibits a utilization review entity from requiring prior authorization for certain health care services. Sets forth requirements for a utilization review entity that requires prior authorization of a health care service. Prohibits a health plan from imposing or enforcing a step therapy protocol requirement for a prescription drug that is approved by the federal Food and Drug Administration, prescribed for the approved purpose, and has an annualized net price of \$100 or less. Provides that a claim for reimbursement for a covered service or item provided to a certain individual may not be denied on the sole basis that the referring provider is an out-of-network provider. Repeals superseded provisions regarding prior authorization. Makes corresponding changes.

[SB 218 - Electronic Monitoring \(Clark\)](#)

Synopsis: Electronic monitoring. Amends the information that must be provided by a supervising agency in quarterly reports to the local justice reinvestment advisory council. Requires the statewide justice reinvestment advisory council to compile the quarterly reports and electronically transmit an annual report to the legislative council and to the judicial conference of Indiana not later than May 1 (instead of March 15) of each year.

[SB 312 - Exceptions to Paraphernalia Statutes \(Clark\)](#)

Synopsis: Exceptions to paraphernalia statutes. Provides that the controlled substance paraphernalia statutes do not apply to items marketed to detect the presence of a drug or controlled substance.

[SB 324 - Criminal Penalties \(Freeman\)](#)

Synopsis: Criminal penalties. Increases the penalty levels of crimes related to fentanyl and methamphetamine. Increases the penalty levels of battery against a public safety official, battery resulting in moderate bodily injury, battery resulting in serious bodily injury, battery against a public safety official that results in bodily injury, battery against an endangered adult resulting in serious bodily injury, battery against a child that results in serious bodily injury, battery that results in death, and aggravated battery. Provides that a court may not admit a person charged with a crime of violence to bail until the court has conducted a bail hearing in open court. Makes conforming changes.

For the full list of priority bills we are tracking, please visit this [link](#).

