2025 Health Care Affordability State Policy Snapshot

INDIANA

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HEALTHCARE VALUE HUB

State Has Active Legislation

State Does Not Have Active Legislation

The Health Care Value Hub ("the Hub") is proud to launch the 2025 Health Care Affordability Policy Snapshot ("Affordability Snapshot"). The Affordability Snapshot provides legislators, consumer advocates, regulators and other interested parties a tool to compare their state's health policies across other states.

The categories examined in this resource explore a variety of policy options that impact health care affordability. Policies were examined for whether they were active, implemented to a limited degree, or not active as of June 1, 2025. Sources for this information can be found in the downloadable **Data and Source Document available on the Dashboard page. Definitions and descriptions for each policy category can be found in the Glossary.**

The Hub offers online and hands-on support with staff dedicated to understanding health care policy and connecting advocates and other interested parties together to help build a patient-centered, high-value healthcare system. As a research-based organization, the Hub takes a comprehensive approach to improving affordability through policy analysis, translation, visualization, and collaborative engagement. We encourage advocates, legislators, and other stakeholders to share our findings to improve consumer health care affordability across the states.

Address Consolidation and Promote Competition

Consolidation Oversight

Policy	Status as of June 2025	Summary
Transaction Notification Required	Requires health systems or providers to notify the state of consolidation transactions	Indiana requires notice of general nonprofit transactions related to certain public benefit and religious corporations. Effective July 2024, health care entities (including private equity partnerships) with assets of at least $10 million are required to notify the Attorney General of mergers and acquisitions at least 90 days prior to the date of the merger or acquisition.
Authority to Modify or Reject Consolidation Transactions	Does not have authority to approve, set conditions, or disapprove consolidation transactions	The Attorney General does not have approval authority, and instead reviews information submitted and analyzes any antitrust concerns with the transaction and may may issue a civil investigative demand.
Affordability Criteria included in Transaction Review	Does not include consumer affordability or price growth in review criteria, approval conditions, or both	

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Address Consolidation and Promote Competition

Facility Fees

Policy	Status as of June 2025	Summary
Prohibits Facility Fees	State prohibits provider from charging a facility fee for specified procedures, care settings, or both	Indiana prohibits facility fees for care provided in an off-campus setting owned in whole or part by a nonprofit hospital system with annual patient service revenue of at least two billion dollars.
Facility Fee Transparency Laws	State requires providers to disclose facility fees to consumers, requires off-campus outpatient departments to identify the physical location where care was provided on claims forms, or both	Indiana requires hospitals to report facility fee data on an annual basis which is made public.
Limits Cost-Sharing for Facility Fees	The state has no laws that limit the amount a patient may be billed out-of-pocket for facility fees	

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Address Consolidation and Promote Competition

Anti-Competitive Contract Provisions

Policy	Status as of June 2025	Summary
Restricts All-or-Nothing Contract Provisions	⊗ No law restricting All-or-Nothing contract provisions	Although All-or-Nothing clauses are allowed, but Indiana's Health Care Cost Oversight Taskforce is responsible for reviewing them as part of its work on health care provider market concentration. Additionally, in 2025, Indiana passed HB 1003, which bans health provider contracts from requiring health carriers to include all facilities in a select network plan under an all-or-nothing arrangement.
Restricts Anti-Tiering and Anti-Steering Contract Provisions	⊗ No law restricting Anti-Tiering or Anti-Steering contract provisions	While Anti-tiering clauses are not prohibited, Indiana's Health Care Cost Oversight Taskforce is tasked with evaluating and making recommendations related to contract tiering with health carriers.
Restricts Physician Noncompete Clauses	● Non-competes generally unenforceable or prohibited	Indiana bans physician noncompetes in contracts signed on or after July 1, 2023, and voids most existing agreements unless the physician resigns without cause before the contract ends. Starting July 1, 2025, any noncompete between physicians and hospitals or affiliated entities will be prohibited.
Restricts Most-Favored Nation Contract Provisions	● Law restricts Most Favored Nation contract provisions	Indiana prohibits Most Favored Nation clauses in insurer-provider contracts, barring provisions that guarantee an insurer the lowest rates or require the provider to disclose reimbursement rates under contracts with other insurers.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program ✱ No Source, or Limited Information Found

Medical Debt Prevention

Balance Billing and Short-Term Insurance

Policy	Status as of June 2025	Summary
Prohibits Balance Billing for Ground Ambulance Services	Prohibits balance billing for out-of-network ground ambulance services	Indiana has established balance bill protections that extend to both public and private ground ambulance services and cover both emergency and non-emergency transport.
Prohibits Short-Term, Limited Duration Health Plans	Short-term, limited duration health plans are not prohibited or eliminated	

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Medical Debt Prevention

Charity Care and Community Benefit

Policy	Status as of June 2025	Summary
Mandated Hospital Charity Care	⊗ State law does not require hospitals to provide free or discounted care to low-income patients	Indiana hospitals must provide charity care to qualify for tax exemption, but there is no clear standard for who qualifies.
Hospital Charity Care Screening Requirements	⊗ State does not require health care providers to screen patients for Medicaid, Marketplace, or charity care eligibility before collecting payment	
Hospital Charity Care Notification Requirement	● State law requires health care providers to notify patients of charity care options before collecting payment	Hospitals in Indiana are required to post written notices about charity care programs in multiple public areas and include information in patient materials
Hospital Community Benefit Reporting Requirement	● State law requires hospitals to annually report the amount of charity care provided	Hospitals must file an annual community benefits plan with the state that includes charity care as a separate item.

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program * No Source, or Limited Information Found

Medical Debt Prevention

Reducing Financial Consequences

Policy	Status as of June 2025	Summary
Mandates Waiting Prior to Collections	⊗ State law does not require a waiting period before sending medical debts to collections	
Limits on Liens or Foreclosures due to Medical Debt	⊗ State law prohibits initiating a lien or foreclosure to collect medical debt	
Limits Wage Garnishment due to Medical Debt	⊗ State law exceeds federal wage garnishment protections for residents with medical debt	Indiana follows federal wage garnishment limits but allows courts to reduce garnishments below 25% of disposable earnings if the individual can demonstrate good cause.
Limits on the Amount of Interest Charged to Medical Debt	⊗ The state has not enacted a law to limit interest rates for medical debt	

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Curb Excess Costs in the System

Premium Rate Review

Policy	Status as of June 2025	Summary
Effective Rate Review per Centers for Medicare and Medicaid Services (CMS)	● Has an effective rate review process	
Authority to Modify or Reject Premium Rate Increases	⊗ Does not have the authority to modify or reject premium rate increases	Indiana has the authority to review rate changes prior to sale, but does not have the authority to reject rate filings in the individual, small group, or large group market.
Affordability Criteria Included in Premium Rate Review	⊗ Does not incorporate affordability criteria into premium rate review	

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Curb Excess Costs in the System

Hospital Price Regulation

Policy	Status as of June 2025	Summary
Medicare Reference-Based Pricing	⊗ State does not use reference-based pricing tied to Medicare rates to regulate hospital pricing	In 2025, Indiana passed HB 1004 requiring nonprofit hospitals to charge no more than 300% of Medicare rates to keep their nonprofit status. This followed a 2024 law mandating annual reviews of nonprofit hospital prices against a 285% of Medicare benchmark. Lawmakers also introduced HB 1502 to cap hospital facility prices at 200% of Medicare for the state employee health plan, but it did not pass.
Hospital Global Budgets	⊗ State has not implemented hospital global budgets	

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Curb Excess Costs in the System

Affordable Coverage

Policy	Status as of June 2025	Summary
Public Option	⊗ State does not offer an active public option insurance plan	
Public Option Includes Provider Participation Mandate	⊗ State does not does not offer a public option, with or without a participation mandate	
Basic Health Plan	⊗ State does not operate a Basic Health Plan	
State-Based Premium Subsidies	⊗ State does not offer supplementary state-funded premium subsidies	

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Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Biologic Substitution Laws: Prescriber Permission Requirements	⊗ State requires express authorization for biologic substitution	Prescribers in Indiana must explicitly authorize substitution on the prescription.
Biologic Substitution Laws: Prescriber Notification Requirements	● Pharmacists are required to notify prescribers of biologic substitution	Pharmacists in Indiana are required to notify the prescribing physician of a substitution within ten calendar days.
Drug Purchasing Consortium	⊗ State does not participate in a drug purchasing consortium*	
Drug Coupon Prohibitions	⊗ State does not prohibit the use of drug manufacturer coupons*	
Medicaid Managed Care Organization (MCO)	● State Medicaid carves out any drug classes from their MCO benefits (see note)*	As of July 1, 2023, Indiana carves out the following drugs/classes from MCO benefits: Hemophilia factor, hepatitis C antivirals, oncology/CAR-T drugs, spinal muscular atrophy agents, COVID vaccines, gene and cell therapies, sick cell agents.
Mandatory Generics in Medicaid Fee-for-Service (FFS)	● Medicaid Fee-for-Service (FFS) programs and pharmacists are required to substitute a generic version of a drug	Indiana has policies or tools to promote mandatory generics.

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Curb Excess Costs in the System

Prescription Drug Pricing

Policy	Status as of June 2025	Summary
Supplemental Rebate Programs	● Medicaid Pharmacy Supplemental Rebate Agreement (SRA) in place	
Drug Rebate Transparency and Reporting Requirements	● Pharmacy benefit managers are required to report rebate data to the state	
Spread Pricing Restrictions	● State prohibits pharmacy benefit managers from engaging in spread pricing	
Pharmacy Reimbursement and Clawbacks	● State prohibits PBMs from retroactively reducing reimbursement to pharmacies (“clawbacks”)	
Cost-Disclosure and Gag Clause Restrictions	● State law prohibits gag clauses in pharmacy contracts	
Prohibits Copay Accumulator Programs	⊗ State does not prohibit copay accumulator programs	Starting January 1, 2026, Indiana will require pharmacy benefit managers to include any cost sharing amounts paid by the covered individual or on behalf of the covered individual by another person.

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Curb Excess Costs in the System

Medicaid Costs

Policy	Status as of June 2025	Summary
Medical Loss Ratio (MLR) Remittances for Medicaid Managed Care Population	State requires MLR remittances for its Medicaid managed care population	
Medicaid Site Neutral Payments	State has not enacted Medicaid site neutral payment legislation	In 2023, legislators in Indiana introduced a bill which included provisions related to site neutrality in Medicaid, but those sections of the bill were removed before it was passed. A similar bill was introduced in 2025 that would have enacted site neutral payments under Medicaid and require state offices to study the feasibility of expanded site neutrality to commercial insurance carriers, but this bill was unsuccessful.

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Medicaid Services and Immigrant Coverage

Medicaid Administration

Policy	Status as of June 2025	Summary
Medicaid Managed Care (MCO)	State partners with MCOs to operate their Medicaid program	Indiana's MCOs generally cover adults 19-64 that meet income eligibility requirements, are not eligible for Medicare, and are not eligible for other Medicaid categories (Healthy Indiana Plan), Children up to 19 and pregnant individuals (Hoosier Healthwise Plan), and individuals under 59, blind, or disabled and not eligible for Medicare (Hoosier Care connect).
Medicaid Vendor — Eligibility and Enrollment	State contracts with a vendor for Medicaid enrollment or eligibility	
Integrated Medicaid-Medicare	State integrates Medicare-Medicaid to coordinate care for the dually eligible population	Indiana has either or a combination of both highly integrated or fully integrated dual eligible special needs programs (HIDE/FIDE), as well as program of all-inclusive care for the elderly (PACE).

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Medicaid Services and Immigrant Coverage

Medicaid Covered Services

Policy	Status as of June 2025	Summary
Medicaid Coverage for Fertility Services	⊗ State Medicaid program does not cover infertility treatments or fertility preservation services	
Medicaid Coverage for Doula Services	⊗ The state Medicaid program does not reimburse doula services	
Medicaid Coverage for Abortion Care	⊗ State Medicaid program does not cover abortion care in their benefits package	
Medicaid Coverage for Transition-Related Care	◉ State Medicaid program does not explicitly cover transition-related care for adults	State Medicaid has no explicit and/or clear policy regarding transition-related healthcare for adults.
Medicaid Coverage for Hearing Aids	● State Medicaid program covers hearing aids for all adults	
Medicaid Coverage for Eye Exams and Glasses	◉ State Medicaid program covers only eye exams or eyeglasses but not both, or biannually or less frequently, or restricts coverage based on age or health condition (see notes)	Exams are covered every two years and one pair of eyeglasses is covered every five years.
Medicaid Coverage for Dental Services	◉ State Medicaid program covers some dental services for adults (see notes)	Indiana Medicaid does not offer coverage for root canals.

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Medicaid Services and Immigrant Coverage

Medicaid Eligibility

Policy	Status as of June 2025	Summary
Medicaid Expansion	State has expanded Medicaid eligibility to 138% of the federal poverty level (FPL)	Indiana's HIP Medicaid expansion program includes tiers, with premiums for those earnings more Indiana has an optional trigger law in place that allows termination of the HIP expansion program if the enhanced federal matching rate drops.
Retroactive Medicaid	State retroactively extends Medicaid benefits less than 90 days prior to application date or only for select enrollees (see note)	Indiana limits three-month retroactive Medicaid coverage eligibility to pregnant residents, SSI recipients, disabled children, and refugees. The state did not extend retroactive Medicaid coverage to Health Indiana Plan applicants, however
Adult Medicaid Continuous Eligibility	State has not authorized 12-month continuous eligibility for non-pregnant adult Medicaid enrollees*	
12-Month Postpartum Coverage	State has authorized 12-month postpartum Medicaid coverage	
Medicaid Available to People who are Incarcerated	State has not authorized Medicaid coverage for justice-involved individuals while they are in a correctional setting*	
Medicaid ABD Asset Limits	State has not expanded the asset limit for Medicaid for the Elderly and Disabled eligibility beyond $2,000 for an individual applicant and $3,000 for joint applicants	
Medicaid ABD Life Insurance Exemption	Life insurance exemption limits do not exceed $1,500	
Medicaid ABD Retirement Account Exemptions	State does not exempt retirement savings from Medicaid eligibility determinations	

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Medicaid Services and Immigrant Coverage

Immigrant Coverage

Policy	Status as of June 2025	Summary
From Conception to End of Pregnancy (FCEP)	⊗ Does not cover pregnancy-related services through the CHIP From-Conception-to-End-of-Pregnancy (FCEP) Option or post-partum coverage	
Immigrant Children without a Five-Year Bar	⊗ State does not offer coverage for lawfully residing immigrant children without a five-year bar	
Pregnant Immigrants without a Five-Year Bar	⊗ Does not offer coverage for lawfully residing pregnant immigrants without a five-year bar	
State-Funded Coverage for Children Regardless of Citizenship Status	⊗ Does not offer coverage for children regardless of immigration status	
State-Funded Coverage for Adults Regardless of Citizenship Status	⊗ Does not offer coverage for adults regardless of immigration status	

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Improve Oversight, Accountability, and Transparency

All-Payer Claims Database

Policy	Status as of June 2025	Summary
Established an All-Payer Claims Database (APCD)	State has a(n) all-payer or multi-payer claims database	
All-Payer Claims Database (APCD) Operated by the State	APCD is operated by the state	

Prescription Drug Affordability Board

Policy	Status as of June 2025	Summary
Established Prescription Drug Affordability Board (PDAB)	The state has not established or passed legislation to establish a prescription drug affordability board	
Prescription Drug Upper Payment Limits	The state has not established Upper Payment Limits for prescription drugs	

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Improve Oversight, Accountability, and Transparency

Price Transparency

Policy	Status as of June 2025	Summary
Service Cost Price Transparency Tool	State operates a public-facing price transparency tool that reports chargemaster rates, but not negotiated rates	
Prescription Drug Price Reporting Requirement	Organizations are not required to report prescription drug price information to a state entity	

Health Care Spending Oversight

Policy	Status as of June 2025	Summary
Health Care Spending Benchmark	State has not established a health care spending benchmark for providers, insurance carriers, or both	
Authority to Enforce Health Care Spending Benchmark	State has not established a health care spending benchmark, with or without enforcement mechanisms	
Hospital or Primary Care Spending Oversight Entity	State does not monitor and report hospital spending, primary care spending, or both	

State Has Active Policy or Program | Policy or Program Partially Implemented | State Does Not Have an Active Policy or Program | * No Source, or Limited Information Found

Reduce Cost-Sharing for Patients

Reduce Cost-Sharing: Prescription Drugs

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Diabetes Medications	⊗ State has not enacted legislation limiting cost-sharing for insulin, diabetes related equipment, or both	
Waives or Reduces Cost-Sharing for Asthma Inhalers	⊗ State has not enacted legislation limiting cost-sharing for asthma inhalers	
Waives or Reduces Cost-Sharing for Epinephrine Auto-Injectors	⊗ State has not enacted legislation to limit cost-sharing for prescription epinephrine autoinjector (s)	
Waives or Reduces Cost-Sharing for Specialty Drugs	⊗ State has not enacted legislation to limit cost-sharing for specialty drugs	

Reduced Cost-Sharing: Behavioral Health

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for an Annual Behavioral Health Office Visit	⊗ State does not require private insurers to cover at least one annual mental health wellness exam without cost-sharing	

● State Has Active Policy or Program ◉ Policy or Program Partially Implemented ⊗ State Does Not Have an Active Policy or Program * No Source, or Limited Information Found

Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Preventive Care

Policy	Status as of June 2025	Summary
Waives Cost-Sharing for Preventive Services Recommended by the U.S. Preventive Services Task Force (USPSTF)	⊗ State does not mandate private insurers cover USPSTF recommended preventive services without cost-sharing	

Reduced Cost-Sharing: Maternal and Reproductive Health Care

Policy	Status as of June 2025	Summary
Individual and Small Group Health Plans Required to Cover Fertility Treatment	⊗ The state does not require individual and small group health plans to offer coverage for in-vitro fertilization or fertility preservation services	
Individual and Small Group Health Plans Required to Cover Doula Services	⊗ State does not require private health insurers to cover doula services for enrollees	
Individual and Small Group Health Plans Required to Cover Abortion Services	⊗ The state does not require individual and small group health plans to cover abortion services	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Colorectal Cancer Screenings	State law requires insurers to cover colorectal cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Follow-Up Colorectal Cancer Screening Exams	State law requires insurers to cover follow-up colorectal cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Lung Cancer Screenings	State law does not require coverage or waive cost-sharing for lung cancer screening exams*	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Cervical Cancer Screenings	⊗ State law does not require coverage or waive cost-sharing for cervical cancer screening exams*	
Waives or Reduces Cost-Sharing for Breast Cancer Screenings	◉ State law requires insurers to cover breast cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Supplementary Breast Cancer Screenings	◉ State law requires insurers to cover supplementary breast cancer screening but allows cost-sharing	

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Reduce Cost-Sharing for Patients

Reduced Cost-Sharing: Cancer Screening and Testing Services

Policy	Status as of June 2025	Summary
Waives or Reduces Cost-Sharing for Prostate Cancer Screenings	State law requires insurers to cover prostate cancer screening but allows cost-sharing	
Waives or Reduces Cost-Sharing for Ovarian Cancer Screening	State law does not require coverage or waive cost-sharing for ovarian cancer screening exams*	
Waives or Reduces Cost-Sharing for Biomarker Testing for Cancer	State requires coverage of biomarker testing for cancer screening but allows cost-sharing	Effective July 1, 2024, Indiana requires all health plans to cover biomarker testing for the diagnosis, treatment, management, or monitoring of cancer. The law does not prohibit cost-sharing.

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