

HB1201 • Indiana

Various mental health and insurance matters.

Introduced

Risk: High

Comprehensive

Last Action (Jan 22, 2026): Representative Goss-Reaves added as coauthor

Summary

The bill prohibits AI from impersonating mental health professionals and sets standards for insurance reimbursement for mental health services.

Business Impact

If you use AI in mental health services in Indiana, you must ensure it does not impersonate licensed professionals or face penalties.

Key Provisions

- Prohibits AI from impersonating licensed mental health professionals.
- Requires compliance verification for health carriers regarding network adequacy.
- Mandates favorable reimbursement rates for mental health services compared to medical services.
- Prohibits downcoding practices affecting reimbursement.
- Limits retroactive audits of paid claims by insurers.
- Sets charge limitations for out-of-network mental health services.

Compliance Checklist

- Ensure AI systems do not impersonate licensed professionals | Who: Mental health service providers using AI | Penalty: Potential penalties for non-compliance
- Verify reimbursement rates align with Medicare standards | Who: Insurers and health maintenance organizations | Penalty: Financial penalties for non-compliance

Industries Affected

Insurance

Healthcare

Finance

Topics

AI Healthcare

AI in Insurance

Comprehensive AI

Bill Sponsors

Name	Party	Role
Elizabeth Rowray	R	Sponsor
Becky Cash	R	Sponsor
Cindy Ledbetter	R	Sponsor
Lori Goss-Reaves	R	Sponsor

Official Source

<https://iga.in.gov/legislative/2026/bills/house/1201/details>

Disclaimer: This document is generated by AI for informational purposes only. It does not constitute legal advice. Consult a qualified attorney for guidance specific to your situation. Information may not be fully up to date.