



ISMA LEGISLATIVE WINS FOR PHYSICIANS

SCOPE OF PRACTICE

- ✓ Each year, ISMA's efforts help kill multiple bills that would have expanded the scope of practice for non-physician practitioners. In **2026**, three legislative bills regarding pharmacists and advanced practice registered nurses failed to advance to the second half of the session and never resurfaced in any other bills.

PRIOR AUTHORIZATION

- ✓ In **2025**, legislation was passed on denials of prior authorization not made on a peer-to-peer basis. Physicians' requests can only be denied by a physician with expertise in the relevant field; requests from nonphysician practitioners can be denied by a practitioner with equivalent credentials and relevant expertise. This speeds up the process of approving or denying prior authorization requests. This was the first law to apply to all payors.

MEDICAL MALPRACTICE

- ✓ Speaking with the voice of thousands of members, ISMA has defended the law against numerous legal and legislative challenges since **1975**. Those efforts – made possible by your annual dues – continue to yield results: In the latest national report (showing three specialties), Indiana's malpractice insurance rates remain 40% to 70% lower than those of nearby states in **2026**.

NONCOMPETE CLAUSES

- ✓ In **2023**, ISMA led the fight to ban noncompete clauses for primary care physicians. In **2025**, the fight continued to expand to include hospital-employed physicians in all specialties, extending protection to about 70% of physicians.

REIMBURSEMENT AND INSURANCE ISSUES

- ✓ In **2026**, ISMA worked with industry partners to protect patient access to timely, medically necessary care by prohibiting insurance companies from imposing a 10% penalty on hospitals and facilities when a patient's care involves an out-of-network provider. Indiana has become the first state in the nation to enact such legislation.

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DOWNCODING

- ✓ In **2026**, Indiana physicians secured a win against insurer downcoding. The law bars insurers from using AI or automated tools alone without human medical record review, mandates transparency in AI use, and prohibits downcoding based solely on diagnosis codes. It also requires clear explanations of reductions, guarantees at least 180 days for appeals, and protects providers who treat complex or chronically ill patients. The law does not apply to Medicaid.

HIP MEDICAID EQUALIZED TO MEDICARE

- ✓ ISMA helped usher in the Healthy Indiana Plan (HIP), the Medicaid expansion program, through policy advocacy, regulatory input, and reimbursement-structure negotiations. In **2023**, ISMA won a major policy fight by maintaining 100% Medicare-level payments for HIP and increasing payments for other Medicaid programs. There was an estimated \$200.7 million increase in provider reimbursements by **2025**.

GME FOR WORKFORCE EXPANSION

- ✓ In **2021**, ISMA helped secure a major win when the Indiana General Assembly appropriated \$9 million in funding to the Graduate Medical Education (GME) Board over the 2021-2023 fiscal biennium. This funding was increased to \$14 million over the **2023-2025** fiscal biennium. Most recently, in the face of major funding cuts to state programs in **2025**, ISMA worked with legislators and state fiscal leaders to prevent a cut to GME funding and to secure \$14 million for the GME Board over the **2025-2027** fiscal biennium.

CIGARETTE TAX INCREASE FOR PUBLIC HEALTH

- ✓ In **2025**, ISMA successfully lobbied for a \$2 increase in the cigarette tax, marking the first legislation in over 17 years. In **2026**, ISMA supported legislation that would impose a stiffer penalty for those selling or receiving tobacco, vape, or e-liquid products to individuals under 18 years of age.

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