

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6702

BILL NUMBER: HB 1180

NOTE PREPARED: Dec 22, 2025

BILL AMENDED:

SUBJECT: Health Facility Matters.

FIRST AUTHOR: Rep. Shackelford

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Work Group:* This bill requires the State Health Commissioner to establish a work group to study methods of reducing and preventing health facility resident neglect and submit a report to the General Assembly.

Health Facility Requirements: This bill requires a health facility to do the following:

- (1) Designate at least one employee to act as a family advocacy liaison.
- (2) Establish an independent third party review process for written resident or other individual complaints alleging neglect of a resident.
- (3) Offer grief support to the family of a deceased resident.

It prohibits a health facility from taking retaliatory action against an employee because the employee:

- (1) discloses actions or practices by the health facility that the employee reasonably believes violate state or federal law;
- (2) provides information or testifies in investigations or hearings; or
- (3) assists or participates in proceedings to enforce state law.

Interim Committee Topic: The bill urges the legislative council to assign to an appropriate interim committee during the 2026 interim the study of requiring health facilities to meet certain staff-to-patient ratios.

Effective Date: Upon passage; July 1, 2026.

Explanation of State Expenditures: *Work Group:* The bill requires the Indiana Department of Health (IDOH) to establish a work group to study methods to reduce and prevent resident neglect in health facilities. This will increase workload for IDOH but should be able to be implemented using existing staffing and resources. The work group sunsets on December 31, 2027. *[The IDOH's administrative expenditures are currently paid from the Tobacco Master Settlement Fund, a dedicated fund.]*

Health Facility Requirements: The bill's requirements will increase workload, and potentially expenditures to provide grief support resources and counseling, for state owned hospitals.

Civil Actions: The bill allows an individual to take civil action against a health facility that violates the bill's requirements regarding retaliatory action. The court may award an individual with two times the amount of back pay owed to the individual, interest on the back pay owed, and compensation for any special damages sustained by the individual, including costs and expenses of litigation and reasonable attorney's fees. Expenditures will increase if a judgement is made against a state owned hospital.

Interim Committee Topic: The bill urges the Legislative Council to assign to the appropriate study committee the task of studying whether the state should impose minimum staff-to-patient ratios for health facilities. If the committee were to hold additional meetings to address this topic, there would be additional expenditures for legislator per diem and travel reimbursement for the committee members. Any additional expenditures must be within the committee's budget, which is established by the Legislative Council.

Explanation of State Revenues: *Civil Actions:* If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Penalty Provision: A person that interferes with an investigation stemming from the bill's health facility requirements commits a Class C misdemeanor and may be assessed a civil penalty of up to \$25,000 to be deposited into the state General Fund. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class C misdemeanor is \$500. The total fee revenue per case would range between \$113 and \$138. The amount of court fees deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

Explanation of Local Expenditures: *Health Facility Requirements:* The bill's requirements will increase workload, and potentially expenditures to provide grief support resources and counseling, for locally owned hospitals.

Civil Actions: Expenditures will increase if a judgment is made against a locally owned hospital.

Penalty Provision: A Class C misdemeanor is punishable by up to 60 days in jail.

Explanation of Local Revenues: *Civil Actions:* If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

Penalty Provision: If additional court actions result in a guilty verdict, certain local units will collect more revenue. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in criminal, juvenile, and civil violation cases.](#)

State Agencies Affected: Indiana Department of Health; Legislative Council; state owned hospitals.

Local Agencies Affected: Locally owned hospitals; trial courts, city and town courts, local law enforcement

agencies.

Information Sources: Indiana Supreme Court, Indiana Trial Court Fee Manual; IC 16-28-9.

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