

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

**LS 6862**  
**BILL NUMBER: HB 1328**

**NOTE PREPARED: Dec 30, 2025**  
**BILL AMENDED:**

**SUBJECT:** Charges for Hospital Administered Drugs.

**FIRST AUTHOR:** Rep. McGuire  
**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL**  
                                 **DEDICATED**  
                                 **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill prohibits a hospital from billing for an administered drug an amount that exceeds the lesser of the following:

- (1) 120% of the Medicare reimbursement rate for the administered drug.
- (2) The amount the hospital bills for the administered drug on June 30, 2026.

The bill also creates an exception and requires a hospital to update the Medicare reimbursement rate for an administered drug on January 1 and July 1 of each year.

**Effective Date:** July 1, 2026.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Locally-owned hospitals could experience reduced revenue due to hospital billing limitations established by this bill.

**Additional Information:** Critical access hospitals (CAH) and the state Medicaid Program are excluded from the billing limitations established by this bill. CAH is a designation given to eligible rural hospitals by the Centers for Medicare and Medicaid Services.

**State Agencies Affected:**

**Local Agencies Affected:** Locally-owned hospitals.

**Information Sources:**

[www.cms.gov/medicare/health-safety-standards/certification-compliance/critical-access-hospitals](http://www.cms.gov/medicare/health-safety-standards/certification-compliance/critical-access-hospitals).

**Fiscal Analyst:** Dhiann Kinsworthy-Blye, 317-234-1360.