

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

BILL STATUS: As Introduced

FIRST SPONSOR:

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.

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