



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

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Bill Number:	H. 3399	Introduced on January 8, 2019
Author:	Clary	
Subject:	PA Act of 2019	
Requestor:	House Medical, Military, Public, and Municipal Affairs	
RFA Analyst(s):	A. Martin	
Impact Date:	April 2, 2019	Updated for Additional Agency Response

Fiscal Impact Summary

This bill will increase Other Funds expenditures by \$45,217 in FY 2019-20 and \$43,867 each year thereafter for 1 additional FTE. This bill will increase Other Funds expenditures by an undetermined amount for an increase in the number of meetings of the Board of Medical Examiners and the Physician Assistant Committee.

This bill will reduce Other Funds revenue by an insignificant amount because it reduces the fee for license reactivation for Physician Assistants.

This bill will increase General Fund revenue by at least \$4,522 in FY 2019-20 and \$4,387 each year thereafter because LLR is required to remit an amount equal to 10 percent of board expenditures to the General Fund.

This fiscal impact statement has been updated based on a response from the Department of Labor, Licensing and Regulation (LLR).

Explanation of Fiscal Impact

Updated for Additional Agency Response on April 2, 2019

Introduced on January 8, 2019

State Expenditure

This bill expands the duties and responsibilities of the role of Physician Assistant (PA) and makes changes to the requirements for PA licensure. PAs are licensed by the Board of Medical Examiners (board), which is under the regulation of LLR. A PA's scope of practice must be reviewed by the PA Committee, which serves as an advisory committee for the board. The scope of practice establishes the medical aspects of care to be provided by the PA. This bill reduces the length of time the PA Committee has to review the scope of practice from 10 days to 5 days. The committee must notify the PA of their approval or remedy for the scope of practice within the 5 business days. In addition, if a PA is required to have his scope of practice approved by his employer, the PA must submit the scope of practice to the board within 5 days. The board must collect and store these scope of practice agreements. The board will also be required to update application forms for PAs.

LLR anticipates that it will need 1 additional Program Assistant or Administrative Assistant to assist with these activities. This will increase Other Funds expenditures by \$43,867 for salary and fringe, as well as an additional \$1,350 for infrastructure costs associated with the position.

Therefore, this bill will increase Other Funds expenditures by \$45,217 in FY 2019-20 and \$43,867 each year thereafter. In addition, LLR indicates that this bill will increase the number of meetings required by the board. Board meeting costs include a per diem of \$35 and mileage reimbursement of 58 cents per mile for board members. In addition, court reporter fees average \$2,156 per meeting. The average cost for a meeting of the Board of Medical Examiners is \$2,300, however the number of board meetings that will be required is unknown. Therefore, the total increase in Other Funds expenditures is unknown. Licensure fees borne by applicants are expected to offset these anticipated expenditures.

The expenditure impact of this bill has been updated based on a response from LLR.

State Revenue

This bill makes changes to certain fees charged to PAs. PAs must report to the board if there is a change in their supervising physician or if they are adding another supervising physician to their scope of practice. Currently, the board is allowed to collect a fee of \$150 for each change. The bill removes these fees. The board reports that it has received no funds for the change or addition of a PA supervisor over the past few years. Therefore, it does not anticipate that this portion of the bill will have a revenue impact on the board.

This bill also changes the fee for the reactivation of a PA license from \$160 to \$150. The board cannot estimate the number of licensees that will seek to reactivate an inactive license. However, since the difference in the current fee and the proposed fee is only \$10, the board anticipates that the reduction in fees collected will be insignificant.

In addition, the Board of Medical Examiners falls under the Division of Professional and Occupational Licensing. Pursuant to Proviso 81.3 of the FY 2018-19 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of expenditures. Therefore, this bill will increase General Fund revenue by at least \$4,522 in FY 2019-20 and \$4,387 each year thereafter due to expenditures for 1 additional Program Assistant or Administrative Assistant. The increase in expenditures for additional board meetings is unknown. Because the total increase of expenditures is unknown, the total revenue increase to the General Fund is undetermined.

The revenue impact of this bill has been updated based on a response from LLR.

Local Expenditure

N/A

Local Revenue

N/A

Introduced on January 8, 2019

State Expenditure

This bill expands the duties and responsibilities of the role of Physician Assistant (PA) and makes changes to the requirements for PA licensure. This bill allows the Board of Medical Examiners (board) to approve PAs to enter into nondisciplinary alternative programs and provides for the confidentiality of all records relating to these programs. In addition, the board

will be authorized to conduct random audits of scope of practice agreements. This bill modifies the role of supervising physicians in practice with a PA.

The expenditure impact of this bill is pending, contingent upon a response from the Department of Labor, Licensing and Regulation (LLR).

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director