



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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*This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.*

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<b>Bill Number:</b>	H. 4776	Amended by House Judiciary on March 9, 2022
<b>Author:</b>	Willis	
<b>Subject:</b>	Medical Ethics and Diversity Act	
<b>Requestor:</b>	House Judiciary	
<b>RFA Analyst(s):</b>	Griffith	
<b>Impact Date:</b>	March 22, 2022	

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### **Fiscal Impact Summary**

This bill, the Medical Ethics and Diversity Act, allows a medical practitioner, health care institution, or health care payer to refrain from participating in or paying for any health care service which violates the practitioner's or entity's conscience. The bill will have no impact on the Department of Health and Environmental Control (DHEC) because DHEC can manage any additional responsibilities within its existing appropriations. The bill will also have no expenditure impact on the Department of Mental Health (DMH), the Vocational Rehabilitation Department (VR) or the University of South Carolina (USC) because it does not operationally or fiscally impact the agencies. It is unclear whether the bill will have an expenditure impact on the Public Employee Benefit Authority (PEBA).

The amended bill specifies that no medical practitioner, health care institution, or health care payer may be civilly, criminally, or administratively liable for exercising the practitioner's or entity's right of conscience. Judicial anticipates that any increase in caseloads can be managed within the agency's existing appropriations. Therefore, the bill will have no impact on its General Fund expenditures.

This bill prevents a county, municipality, or other political subdivision from adopting or enforcing an ordinance, resolution, rule, or policy that restricts, limits, controls, directs, or otherwise interferes with the type and scope of health care services provided by a medical practitioner or the professional conduct and judgment of a medical practitioner when providing health care services. The Revenue and Fiscal Affairs Office (RFA) contacted twenty-three county governments regarding the fiscal impact of this bill. No counties responded to our request for information. Therefore, the expenditure impact on local governments is undetermined.

This bill may result in a change in the fines and fees collected in court. RFA anticipates the bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the modifications in fines and fees collections in court.

The expenditure impact of the bill on the Department of Health and Human Services (DHHS), the Department of Labor, Licensing and Regulation (LLR), the Medical University of South

Carolina (MUSC), and the Human Affairs Commission is pending, contingent upon responses from the agencies.

## **Explanation of Fiscal Impact**

### **Amended by House Judiciary on March 9, 2022**

#### **State Expenditure**

This bill, the Medical Ethics and Diversity Act, allows a medical practitioner, health care institution, or health care payer to refrain from participating in or paying for any health care service which violates the practitioner's or entity's conscience.

**Department of Health and Environmental Control.** DHEC regulates and licenses certain health care providers and facilities in the state. The agency indicates that while the amended bill adds some responsibilities to its Health Quality programs, DHEC can manage these responsibilities within its existing appropriations. Therefore, the amended bill will have no expenditure impact on DHEC.

**Department of Health and Human Services.** The expenditure impact on DHHS is pending, contingent upon a response from the agency.

**Department of Mental Health.** DMH operates various health care facilities throughout the state. The agency indicates that since they have multiple resources for each medical service, the bill will have no expenditure on DMH.

**Vocational Rehabilitation Department.** The agency indicates that the bill will have no expenditure impact on VR because it does not operationally or fiscally impact the agency.

**Department of Labor, Licensing and Regulation.** The expenditure impact on LLR is pending, contingent upon a response from the agency.

**Medical University of South Carolina.** The expenditure impact on MUSC is pending, contingent upon a response from the agency.

**University of South Carolina.** USC houses the School of Medicine, which involves health care providers and facilities. Since the university does not render or bill for health care services, the bill will have no expenditure impact on USC.

**Public Employee Benefit Authority.** PEBA administers and manages insurance plans for South Carolina's public workforce. The agency reports that it is unclear whether the bill will have an expenditure impact on PEBA. If there will be an impact, it is unclear what the magnitude of the impact will be.

**Human Affairs Commission.** A medical practitioner or health care institution may file a complaint with the Human Affairs Commission for any alleged violation of this Act. The

expenditure impact of the bill on the Human Affairs Commission is pending, contingent upon a response from the agency.

**Judicial.** The amended bill specifies that no medical practitioner, health care institution, or health care payer may be civilly, criminally, or administratively liable for exercising the practitioner's or entity's right of conscience. This may increase caseloads for both Common Pleas and Summary Courts. However, as this legislation creates a new cause of action, there is no data available with which to estimate the number of filings, hearing, or trails that may result. Judicial anticipates that any increase in caseloads can be managed within the agency's existing appropriations. Therefore, the bill will have no impact on General Fund expenditures.

### **State Revenue**

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates the bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the modifications in fines and fees collections in court.

### **Local Expenditure**

The bill prevents a county, municipality, or other political subdivision from adopting or enforcing an ordinance, resolution, rule, or policy that restricts, limits, controls, directs, or otherwise interferes with the type and scope of health care services provided by a medical practitioner or the professional conduct and judgment of a medical practitioner when providing health care services. RFA contacted twenty-three county governments regarding the fiscal impact of this bill. No counties responded to our request for information. Therefore, the expenditure impact on local governments is undetermined. We will update this fiscal impact statement if any county governments provide a response.

Additionally, this bill may result in an increase in the caseload in Summary Court. As this bill creates a new cause of action, there is no data available with which to estimate the number of filings, hearing, or trails that may result. However, RFA anticipates that any increase in caseloads can be managed within existing local expenditures. Therefore, the bill will have no impact on local expenditures.

### **Local Revenue**

This bill may result in a change in the fines and fees collected in court. As stated in the state revenue section of this fiscal impact statement, court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates the bill may result in an undetermined impact to local revenue due to the modifications in fines and fees collections in court.

### **Introduced on January 12, 2022**

#### **State Expenditure**

This bill, the Medical Ethics and Diversity Act, allows a medical practitioner, health care institution, or health care payer to refrain from participating in or paying for any health care service which violates the practitioner's or entity's conscience.

**Department of Health and Environmental Control.** DHEC regulates and licenses certain health care providers and facilities in the state. The agency indicates that the bill will have no expenditure impact on DHEC because it does not operationally or fiscally impact the agency.

**Department of Health and Human Services.** The expenditure impact on DHHS is pending, contingent upon a response from the agency.

**Department of Mental Health.** DMH operates various health care facilities throughout the state. The agency indicates that since they have multiple resources for each medical service, the bill will have no expenditure on DMH.

**Vocational Rehabilitation Department.** The Vocational Rehabilitation Department indicates that the bill will have no expenditure impact on VR because it does not operationally or fiscally impact the agency.

**Department of Labor, Licensing and Regulation.** The expenditure impact on LLR is pending, contingent upon a response from the agency.

**Medical University of South Carolina.** The expenditure impact on MUSC is pending, contingent upon a response from the agency.

**University of South Carolina.** USC houses the School of Medicine, which involves health care providers and facilities. Since the university does not render or bill for health care services, the bill will have no expenditure impact on USC.

**Public Employee Benefit Authority.** PEBA administers and manages insurance plans for South Carolina's public workforce. The agency reports that it is unclear whether the bill will have an expenditure impact on PEBA, and if there will be an impact, it is unclear what the magnitude of the impact will be.

**Judicial.** Any party aggrieved by any violation of the Act may commence a civil action for injunctive relief, damages, and attorney fees. This may increase caseloads for both Common Pleas and Summary Courts. However, as this legislation creates a new cause of action, there is no data available with which to estimate the number of filings, hearing, or trials that may result. Judicial anticipates that any increase in caseloads can be managed within the agency's existing appropriations. Therefore, the bill will have no impact on General Fund expenditures.

### **State Revenue**

This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates the bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the modifications in fines and fees collections in court.

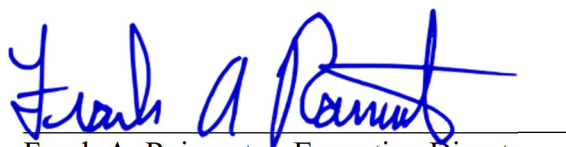
**Local Expenditure**

The bill prevents a county, municipality, or other political subdivision from adopting or enforcing an ordinance, resolution, rule, or policy that restricts, limits, controls, directs, or otherwise interferes with the type and scope of health care services provided by a medical practitioner or the professional conduct and judgment of a medical practitioner when providing health care services. RFA contacted twenty-three county governments regarding the fiscal impact of this bill. No counties responded to our request for information. Therefore, the expenditure impact on local governments is undetermined. We will update this fiscal impact statement if any county governments provide a response.

Additionally, this bill may result in an increase in the caseload in Summary Court. As this bill creates a new cause of action, there is no data available with which to estimate the number of filings, hearing, or trails that may result. However, RFA anticipates that any increase in caseloads can be managed within existing local expenditures. Therefore, the bill will have no impact on local expenditures.

**Local Revenue**

This bill may result in a change in the fines and fees collected in court. As stated in the state revenue section of this fiscal impact statement, court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates the bill may result in an undetermined impact to local revenue due to the modifications in fines and fees collections in court.



Frank A. Rainwater, Executive Director