



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.

Bill Number:	S. 628	Amended by the Senate on April 8, 2021
Author:	Davis	
Subject:	Pharmacy Access Act	
Requestor:	Senate	
RFA Analyst(s):	Coomer, Miller, and Payne	
Impact Date:	April 16, 2021	

Fiscal Impact Summary

This bill may increase Other Fund expenditures for the Department of Labor, Licensing and Regulation (LLR) by \$11,200 in FY 2020-21 for additional meetings of the Board of Medical Examiners and the Board of Pharmacy.

This bill may increase General Funds revenue by \$1,120 for FY 2020-21 because LLR is required to remit an amount equal to 10 percent of board expenditures annually to the General Fund.

This bill may have a minimal impact on Medicaid reimbursement, and the Department of Health and Human Services (DHHS) expects to manage any expenses with existing resources.

This bill will have no expenditure impact on the Public Employee Benefit Authority (PEBA).

The revenue impact of this bill on the Department of Insurance (DOI) due to an increase in premiums is undetermined but expected to be minimal.

This bill may have an undetermined fiscal impact on the Medical University of South Carolina (MUSC) and the University of South Carolina (USC) for the deans of the pharmacy schools to develop a certificate program for pharmacists.

If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

Explanation of Fiscal Impact

Amended by the Senate on April 8, 2021

State Expenditure

This bill allows licensed pharmacists to dispense self-administered hormonal contraceptives and to administer injectable hormonal contraceptives with or without a standing prescription order from a provider.

Department of Labor, Licensing and Regulation. This bill requires the Board of Medical Examiners and the Board of Pharmacy to issue a joint protocol authorizing a pharmacist to provide these services without a patient-specific written order from a provider. The bill provides requirements as to what the protocol must address and specifies that the protocol must be issued within six months after the passage of this act. In addition, this bill requires the Board of Medical Examiners and the Board of Pharmacy to establish an algorithm to be used by pharmacists during their patient assessment. The bill requires LLR, in collaboration with the Board of Medical Examiners and the Board of Pharmacy, to approve a patient self-screening risk assessment to be used by pharmacists who dispense a contraceptive pursuant to this chapter. The Board of Medical Examiners and the Board of Pharmacy are both administered by LLR.

In a similar bill, LLR indicated that the bill charges the agency with responsibilities which can be managed within existing appropriations. However, it would be necessary for the Board of Medical Examiners and the Board of Pharmacy to schedule additional meetings in order to meet the requirements of the bill. LLR indicated that each individual board will need to meet at least once. Board meeting costs include a per diem of \$35 and mileage reimbursement of 56 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 and a meeting of the Board of Pharmacy is \$2,300 and \$2,000 respectively, for a total increase in Other Funds expenditures of approximately \$4,300 for the two meetings. In addition, LLR indicated that up to three joint committee meetings will be necessary. RFA anticipates that joint committee meetings will average at least \$2,300, for a total increase of \$6,900 in Other Funds expenditures. Therefore, this bill may increase Other Funds expenditures by \$11,200 in FY 2020-21. If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

Department of Health and Human Services. This bill details the Medicaid reimbursement procedures for hormonal contraceptives. DHHS currently provides broad coverage for hormonal contraceptives, and any marginal increase in the utilization of contraceptives is expected to be minimal and likely represent a shift from contraceptives prescribed by physicians to those administered by pharmacists. DHHS expects the expenditure impact of complying with this bill will be minimal, and that they will be able to manage any expenses with existing resources.

Public Employee Benefit Authority. This bill requires any health insurer or PEBA to provide coverage for services rendered by pharmacists related to dispensing a self-administered hormonal contraceptive or an injectable hormonal contraceptive, the insured's policy includes coverage for contraceptive services. The reimbursement must be consistent with the Medicare fee schedule for pharmacy administration of vaccines and immunizations. Currently, the administration of these contraceptives is being handled by doctors. This bill expands the administration option to include pharmacists.

This bill will result in a shift in administration of these contraceptives from a doctor to a pharmacist and does not extend coverage. Therefore, this bill will have no expenditure impact on the state health plan.

Medical University of South Carolina. This bill requires a pharmacist to complete a certificate program that has been developed by the deans of the pharmacy schools in this state, as specified in the joint protocol issued by the Board of Medical Examiners and the Board of Pharmacy, before dispensing self-administered contraceptives or administering injectable hormonal contraceptives. This bill may have an expenditure impact on MUSC to develop this certificate program. If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

University of South Carolina. This bill requires a pharmacist to complete a certificate program that has been developed by the deans of the pharmacy schools in this state, as specified in the joint protocol issued by the Board of Medical Examiners and the Board of Pharmacy, before dispensing self-administered contraceptives or administering injectable hormonal contraceptives. This bill may have an expenditure impact on USC to develop this certificate program. If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

State Revenue

Department of Labor, Licensing and Regulation. The Board of Medical Examiners and the Board of Pharmacy fall under the Division of Professional and Occupational Licensing. Pursuant to Proviso 81.3 of the FY 2019-20 Appropriations Act, LLR is required to remit annually to the General Fund an amount equal to 10 percent of board expenditures. Therefore, this bill may increase General Fund revenue by approximately \$1,120 in FY 2020-21 due to additional expenditures of the boards.

Department of Insurance. This bill requires any health insurer or PEBA to provide coverage for services rendered by pharmacists related to dispensing a self-administered hormonal contraceptive or an injectable hormonal contraceptive, the insured's policy includes coverage for contraceptive services. The reimbursement must be consistent with the Medicare fee schedule for pharmacy administration of vaccines and immunizations.

RFA anticipates this bill may result in a slight increase in insurance premium coverage due to the possible expansion of coverage required for policies that currently cover contraceptive services to include pharmacist administration of dispensing a self-administered hormonal contraceptive or an injectable hormonal contraceptive.

An increase in premiums would increase premium tax. The premium tax is 1.25 percent. Premium taxes are paid quarterly and are allocated as follows: 1 percent to the South Carolina Forestry Commission, 1 percent to the aid to fire district account within the State Treasury, 0.25 percent to the aid to emergency medical services regional councils within the Department of Health and Environmental Control (DHEC), and the remaining 97.75 percent to the General Fund. Premium taxes are paid quarterly. The first three payments, paid in June, September, and December of the current year, are estimated using the prior year's actual tax liability. The final payment is made in March of the following year and is the difference between the actual premium tax liability owed in that year and the prior payments made. Insurance companies may

choose to pay more than their estimated quarterly payments to offset any anticipated increase in premium tax liability in the current year. RFA anticipates no insurance company will choose to pay more than their estimated quarterly payments due to increased premiums from this bill. Therefore, as the total increase to premiums is unknown, the increase to premium tax revenue is undetermined. However, RFA expects this expansion of coverage will result in a minimal, if any, increase in premiums, therefore the increase in premium tax revenue will also be insignificant.

Medical University of South Carolina. This bill requires a pharmacist to complete a certificate program that has been developed by the deans of the pharmacy schools in this state, as specified in the joint protocol issued by the Board of Medical Examiners and the Board of Pharmacy, before dispensing self-administered contraceptives or administering injectable hormonal contraceptives. It is unclear whether a fee may be charged by MUSC under this bill for a pharmacist to complete this program once developed. If a fee can be charged by the university, RFA assumes proceeds will be applied to offset the cost of developing the certificate program. If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

University of South Carolina. This bill requires a pharmacist to complete a certificate program that has been developed by the deans of the pharmacy schools in this state, as specified in the joint protocol issued by the Board of Medical Examiners and the Board of Pharmacy, before dispensing self-administered contraceptives or administering injectable hormonal contraceptives. It is unclear whether a fee may be charged by USC under this bill for a pharmacist to complete this program once developed. If a fee can be charged by the university, RFA assumes proceeds will be applied to offset the cost of developing the certificate program. If any additional information becomes available, RFA will update this fiscal impact statement as necessary.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director