



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-3780 • RFA.SC.GOV/IMPACTS

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. 0876	Introduced on January 9, 2024
Author:	Rice	
Subject:	Medicaid	
Requestor:	Senate Medical Affairs	
RFA Analyst(s):	Griffith	
Impact Date:	January 12, 2024	

Fiscal Impact Summary

This bill requires the Department of Health and Human Services (DHHS), subject to federal approval, to include coverage of rapid whole genome sequencing as a separately payable service for certain Medicaid recipients. Additionally, the bill requires DHHS to seek approval to amend current waivers, request a new waiver, and amend contracts as necessary to provide for coverage of services.

DHHS estimates that approximately 2,500 rapid whole genome sequencing tests will be conducted annually. This will increase Federal Funds expenditures by \$10,220,000 and General Fund expenditures of DHHS by \$4,380,000 beginning in FY 2024-25, subject to federal approval. The department will request a General Fund appropriation increase to fund the state's portion of these expenditures.

The Department of Health and Environmental Control (DHEC) is responsible for the certification of certain facilities that participate in the Medicaid program. DHEC indicates that the additional of the coverage of rapid whole genome sequencing as a separately payable service for certain Medicaid recipients will have no operational or fiscal impact on the department.

Explanation of Fiscal Impact

Introduced on January 9, 2024

State Expenditure

This bill requires DHHS, subject to federal approval, to include coverage of rapid whole genome sequencing as a separately payable service for certain Medicaid recipients. Additionally, genetic data generated as a result of the sequencing is considered protected health information and is subject to the privacy provisions of the federal HIPPA Act and its implementing regulations. This genetic data may be used in scientific research if the patient or the patient's legal guardian has given express consent for its use. Finally, the bill requires DHHS to seek approval to amend current waivers, request a new waiver, and amend contracts as necessary to provide for coverage of services.

Department of Health and Human Services. DHHS estimates approximately 2,500 rapid whole genome sequencing tests will be conducted annually at a total cost of \$20,000,000. Currently, approximately \$5,400,000 is expended annually on rapid whole genome sequencing. Thus, this bill will increase total expenditures by \$14,600,000 in FY 2024-25. Of this amount, approximately 70 percent is funded by the federal government, while the remainder is funded by state appropriations. Therefore, subject to federal approval, Federal Fund expenditures are expected to increase by \$10,220,000 beginning in FY 2024-25, and General Fund expenditures of DHHS are expected to increase by \$4,380,000 beginning in FY 2024-25. The department will request a General Funds appropriation increase to fund the state's portion of these expenditures.

Department of Health and Environmental Control. DHEC is responsible for the certification of certain facilities that participate in the Medicaid program. The department indicates that the additional of the coverage of rapid whole genome sequencing as a separately payable service for certain Medicaid recipients will have no operational or fiscal impact on DHEC.

State Revenue

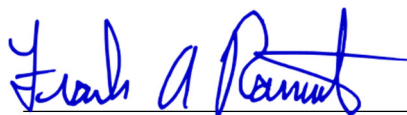
N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director