



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 4092 Introduced on April 4, 2017
Author: Bedingfield
Subject: Medicaid Health Plans
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): Kokolis
Impact Date: April 20, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	\$750,000	\$0
Other and Federal	\$1,750,000	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will have an expenditure impact to the General Fund of \$750,000 and \$1,750,000 in Federal Funds in FY 2017-18 to the Department of Health and Human Services to provide payment for treatment at 19 methadone clinics in the state.

Explanation of Fiscal Impact

Introduced on April 4, 2017

State Expenditure

This bill prohibits Medicaid health plans from limiting patient access to medications that treat opioid addiction including dosage limitations, duration of treatment limitations, extensive prior authorization requirements, and fail-first or step therapy requirements. This bill guarantees unrestricted access to any FDA-approved treatment options available for individuals who have completed a detoxification program. Medicaid health plans must offer accessibility to the full range of appropriate clinical services for the effective treatment of opioid use disorders, including medications, psychosocial therapy, and recovery support services.

Department of Health and Human Services. The department indicates this bill will have an expenditure impact to the General Fund of \$750,000 in FY 2017-18 and each year after. In addition, there will be an expenditure impact to Federal Funds of \$1,750,000 based on the 70/30 Medicaid match. The department must enroll members and provide payment for treatment at 19 methadone clinics in the state. With an estimated 25 Medicaid-eligible members treated at each clinic at a weekly cost of \$85 per member, the annual cost is approximately \$2,100,000.

Additionally, the agency estimates the cost of providing medication coverage of Medicaid-prohibited health plan drugs to be \$400,000 annually.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director