



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: H. 3825 Introduced on February 22, 2017
Author: Huggins
Subject: Prescription Report Cards
Requestor: House Medical, Military, Public, and Municipal Affairs
RFA Analyst(s): Stein
Impact Date: March 21, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	\$237,020	\$148,528
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	2.00	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 is expected to have an expenditure impact on the General Fund of \$237,020 beginning in FY 2017-18 and \$148,528 each year thereafter. Funds are needed to develop and maintain new software that can be integrated into the current prescription monitoring system and generate the reports containing comparisons and trends required by the bill.

Explanation of Fiscal Impact

Introduced February 22, 2017

State Expenditure

This bill requires the Department of Health and Environmental Control (DHEC) to develop and maintain a system to provide report cards identifying prescribing data and trends on prescribing practices to practitioners participating in the prescription monitoring program, which monitors prescriptions for controlled substances listed in Schedules II through IV. The bill specifies the data to be included in the report card and the trends to be identified. The bill authorizes the release of prescription report cards to practitioners. The bill requires the department to coordinate with the Board of Medical Examiners and other appropriate professional boards in developing and implementing the report card program. The department is authorized to contract with other agencies or private vendors to ensure effective operation of the program, and may apply for public or private grants or other funding.

Department of Health and Environmental Control. This bill would require the department to develop, test, and maintain an additional software component to the prescription monitoring program. The bill indicates that the program may include regional or nationwide prescribing

comparison data. The department indicates that, based on expenditure data from outside vendors, the one-time cost of developing and integrating this software would be \$75,000. In order to support and maintain the system, the department indicates the need for two FTEs whose job duties would include compliance monitoring, data integrity validation, generation and distribution of the prescriber reports, and coordination with the various professional boards. First year expenditures are estimated at \$237,020 which includes \$96,702 for salaries and fringes, \$16,826 for operating expenses, and \$35,000 for an annual system maintenance agreement. Also included in first-year costs are the one-time expenditure for software development (\$75,000) and computers and office equipment (\$13,492) for the two support staff.

Department of Labor, Licensing and Regulation. The department indicates that this bill would have no expenditure impact on the General Fund, Federal Funds, or Other Funds. Although at this time it is uncertain as to the degree of participation that the Department of Health and Environmental Control may request, the various boards expect to provide assistance with the existing staff and resources.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director