



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:	H. 4622	Introduced on January 9, 2024
Author:	Sessions	
Subject:	Medical Billing	
Requestor:	House Medical, Military, Public, and Municipal Affairs	
RFA Analyst(s):	Boggs	
Impact Date:	March 12, 2024	

Fiscal Impact Summary

This bill requires a health care provider that requests payment from a patient after providing health care service to submit an itemized bill of the costs of each service and supply provided to the patient during the visit. The itemized bill must be submitted by the provider no later than the thirtieth day after the provider receives a final payment on the provided service from a third party. Further, this bill lists what an itemized bill must include, that the provider may issue the itemized bill electronically, that a patient is entitled to request an itemized bill at any time after the initial copy, and that a health care provider is not able to pursue debt collection against a patient unless the provider has complied with these requirements. Additionally, the appropriate licensing authority shall take disciplinary action against the provider for the violation as if the provider violated as applicable licensing law.

The Department of Mental Health (DMH) states that there will be an estimated non-recurring expense of \$1,200, \$834 in salary and \$366 in fringe benefits, for an IT Business Analyst III to convert all currently provided itemized ledgers from abbreviations and medical procedure codes to plain language descriptions. The agency anticipates being able to manage these expenses within existing appropriations.

The Department of Health and Human Services (DHHS) administers Medicaid for the state through Healthy Connections. DHHS states that this bill will have no fiscal impact on the agency as it does no impact Medicaid provider rates or reimbursements. Further, Medicaid providers are required to accept, as payment in full, the amounts paid by DHHS plus any copayment required by DHHS. Regarding Medicaid beneficiaries, the amount a patient owes to a provider will always be zero unless there was an unpaid copayment.

The fiscal impact of this bill is pending, contingent upon responses from the Department of Health and Environmental Control (DHEC), Department of Veterans' Affairs (DVA), and the Medical University of South Carolina (MUSC).

Explanation of Fiscal Impact

Introduced on January 9, 2024

State Expenditure

This bill requires a health care provider that requests payment from a patient after providing health care service to submit an itemized bill of the costs of each service and supply provided to the patient during the visit. The itemized bill must be submitted by the provider no later than the thirtieth day after the provider receives a final payment on the provided service from a third party. Further, this bill lists what an itemized bill must include, that the provider may issue the itemized bill electronically, that a patient is entitled to request an itemized bill at any time after the initial copy, and that a health care provider is not able to pursue debt collection against a patient unless the provider has complied with these requirements. Additionally, the appropriate licensing authority shall take disciplinary action against the provider for the violation as if the provider violated as applicable licensing law.

Department of Mental Health. DMH states that currently all statements delivered to patients include an itemized ledger of all services and supplies. However, these itemized ledgers use abbreviations and medical procedure codes. Therefore, to comply with this bill, these abbreviations and medical procedure codes would need to be converted to plain language descriptions. The conversion would require approximately three working days for an IT Business Analyst III to complete. Based on the work time and average hourly cost, this would result in an estimated non-recurring expense of \$1,200, \$834 in salary and \$366 in fringe benefits. There would not be a projected increase in other operating expenses due to the printing and mailing of the statements as they would be processed by an outsourced vendor. The inpatient division process would not require any changes. The agency anticipates being able to manage these expenses within existing appropriations.

Department of Health and Human Services. DHHS administers Medicaid for the state through Healthy Connections. DHHS states that this bill will have no fiscal impact on the agency as it does no impact Medicaid provider rates or reimbursements. Further, Medicaid providers are required to accept, as payment in full, the amounts paid by DHHS plus any copayment required by DHHS. Regarding Medicaid beneficiaries, the amount a patient owes to a provider will always be zero unless there was an unpaid copayment.

The fiscal impact of this bill is pending, contingent upon responses from DHEC, DVA, and MUSC.

State Revenue

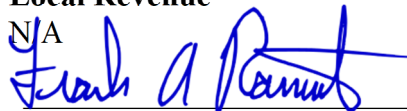
N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director