



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. 5235	Introduced on March 6, 2024
Author:	Bannister	
Subject:	Medicaid	
Requestor:	House Ways and Means	
RFA Analyst(s):	Boggs and Vesely	
Impact Date:	March 25, 2024	

Fiscal Impact Summary

This bill amends law related to health insurers that provide coverage to people receiving Medicaid to conform with Federal requirements for Medicaid.

This bill will have no expenditure impact for the Public Employee Benefit Authority (PEBA), the Department of Insurance (DOI), and the Department of Health and Human Services (DHHS). Each of these agencies anticipate that this bill does not fiscally or operationally impact them.

Under this bill, third-party payers would no longer be able to refuse payment for an item or service rendered to a Medicaid beneficiary on the basis that the item or service did not receive prior authorization from the third-party payer. According to DHHS, this bill could increase the recovery of state funds from responsible third-party payers, creating an undetermined increase in Other Funds revenue beginning in FY 2024-25.

Explanation of Fiscal Impact

Introduced on March 6, 2024

State Expenditure

This bill amends law related to health insurers that provide coverage to people receiving Medicaid to conform with Federal requirements for Medicaid. PEBA, DOI, and DHHS anticipate that this bill will have no fiscal impact on the agency.

State Revenue

Under this bill, third-party payers would no longer be able to refuse payment for an item or service rendered to a Medicaid beneficiary on the basis that the item or service did not receive prior authorization from the third-party payer. According to DHHS, this bill could increase the recovery of state funds from responsible third-party payers, creating an undetermined increase in Other Funds revenue beginning in FY 2024-25.

Local Expenditure and Revenue

N/A

Frank A. Rainwater, Executive Director