



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. 4305	Introduced on April 3, 2025
Subject:	Wellness Reimbursement Programs	
Requestor:	House Labor, Commerce, and Industry	
RFA Analyst(s):	Vesely	
Impact Date:	April 30, 2025	

Fiscal Impact Summary

This bill defines and regulates wellness reimbursement programs. Wellness reimbursement program companies must register annually with the Secretary of State's Office (SOS) to do business in South Carolina.

SOS indicates that this bill would require the agency to process applications and maintain the registry of wellness reimbursement program companies. SOS anticipates that this bill may lead to actions in Administrative Law Court (ALC) if there are violations of the provisions of this bill by a wellness reimbursement program company, which may result in an increase in the administrative workload and expenses of SOS. However, SOS anticipates being able to handle any additional expenses from these changes with the retention of fines and fees revenue received from these companies.

The Department of Insurance (DOI) indicates that this bill deals with programs that are self-funded and administered by a third-party administrator, which are not regulated by the agency. Therefore, this bill will have no fiscal impact on DOI.

The impact of this bill on the Administrative Law Court (ALC) is pending, contingent upon a response from the ALC.

This bill provides that wellness reimbursement program companies must register with SOS at an initial cost of \$5,000 and an annual renewal cost of \$500. If a wellness reimbursement program company fails to properly register within 15 days of receipt of a certified notice of delinquency from SOS, SOS may assess an administrative fine of \$20,000. Fine and fee revenue collected according to the provisions of this bill may be retained by SOS for the expenses of program enforcement. However, the number of wellness reimbursement program companies that will register and the number of fines is unknown. Therefore, the revenue impact of this bill is undetermined.

Explanation of Fiscal Impact

Introduced on April 3, 2025

State Expenditure

This bill defines and regulates wellness reimbursement programs. Wellness reimbursement program companies must register annually with SOS to do business in South Carolina.

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DOI indicates that this bill deals with programs that are self-funded and administered by a third-party administrator, which are not regulated by the agency. Therefore, this bill will have no fiscal impact on DOI.

The impact of this bill on the ALC is pending, contingent upon a response from the ALC.

State Revenue

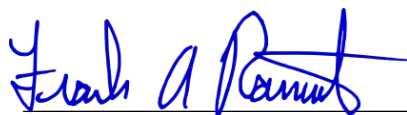
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Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director