



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE

STATEMENT OF ESTIMATED FISCAL IMPACT

WWW.RFA.SC.GOV • (803)734-3793

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. 4794	Introduced on January 13, 2026
Subject:	Pharmacy Benefits Managers - Trade Practices	
Requestor:	House Labor, Commerce, and Industry	
RFA Analyst(s):	Welsh	
Impact Date:	February 24, 2026	

Fiscal Impact Summary

This bill expands the list of prohibited practices by Pharmacy Benefits Managers (PBMs) enumerated in Section 38-71-2230. This bill prohibits PBMs from engaging in actions including: spread pricing, patient steering to pharmacies in which the PBM has a financial interest, penalties or inducements to influence pharmacy choice, failing to honor maximum allowable cost prices, failure to pay sales taxes, restricting early refills in certain circumstances, delaying prior authorization decisions, selling prescription data for marketing purposes, engaging in drug repackaging markups, and operating without proper licensure. This bill also requires cost sharing calculated at the point-of-sale to include all rebates that will be applied in connection with dispensing the drug. Violations of this bill's provisions are considered unfair trade practices.

This bill will have no fiscal impact on the Department of Insurance (DOI) or the Department of Health and Human Services (DHHS). Both agencies anticipate any additional duties required by this bill can be managed within the normal course of business.

The fiscal impact of this bill on Public Employee Benefit Authority (PEBA) is pending, as the agency is continuing to analyze the impact of the bill.

This bill may impact revenue collected by DOI for fines due to violations of the bill. However, as the number of violations that will occur is unknown, the potential revenue impact is undetermined.

Explanation of Fiscal Impact

Introduced on January 13, 2026

State Expenditure

This bill expands the list of prohibited practices by PBMs enumerated in Section 38-71-2230. This bill prohibits PBMs from engaging in actions including: spread pricing, patient steering to pharmacies in which the PBM has a financial interest, penalties or inducements to influence pharmacy choice, failing to honor maximum allowable cost prices, failure to pay sales taxes, restricting early refills in certain circumstances, delaying prior authorization decisions, selling prescription data for marketing purposes, engaging in drug repackaging markups, and operating without proper licensure. This bill also requires cost sharing calculated at the point-of-sale to

include all rebates that will be applied in connection with dispensing the drug. Violations of this bill's provisions are considered unfair trade practices.

This bill will have no fiscal impact on DOI or DHHS. Both agencies anticipate any additional duties required by this bill can be managed within the normal course of business.

The fiscal impact of this bill on Public Employee Benefit Authority (PEBA) is pending, as the agency is continuing to analyze the impact of the bill.

State Revenue

This bill expands the list of prohibited practices by PBMs enumerated in Section 38-71-2230. This bill also specifies that a violation must be considered to have occurred each time a prohibited act is committed. DOI enforces actions prohibited under Section 38-71-2230 through administrative penalties including fines pursuant to Section 38-2-10.

This bill may impact revenue collected by DOI for fines due to violations of the bill. However, as the number of violations that will occur is unknown, the potential revenue impact is undetermined.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director