

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: S. 0045 Introduced on January 14, 2025

Subject: Advanced Practice Registered Nurse Practice Authority

Requestor: Senate Medical Affairs

RFA Analyst(s): Welsh

Impact Date: August 29, 2025

Fiscal Impact Summary

This bill allows the Board of Nursing (board) to grant full practice authority to qualified Advanced Practice Registered Nurses (APRNs), allowing them to perform medical and nonmedical acts independently without a physician-approved practice agreement. To qualify, APRN candidates are required to meet certain criteria, including 2,000 hours of clinical experience and proof of malpractice insurance. The bill also updates definitions and provisions throughout existing code sections to reflect this new authority, clarifying that APRNs with full practice authority may prescribe medications, perform specific medical tasks, and engage in telemedicine without physician oversight. This bill further extends the board's disciplinary powers to cover APRNs with full practice authority.

The Department of Labor, Licensing, and Regulation (LLR) indicates this bill will create several new responsibilities for the board resulting in an increase of \$124,700 in Other Funds expenditures in FY 2026-27. Of this amount, recurring expenditures will increase by \$120,900 for 2.0 FTEs including salary and fringe. Nonrecurring Other Funds expenditures are expected to total \$3,800 for equipment and training. Expenses will decrease to \$120,900 each year thereafter. LLR anticipates it would need to request an increase in Other Funds authorization to support these expenditures. LLR further anticipates it may need to conduct a post-enactment financial analysis to determine if licensure fee adjustments are needed to cover the impact to Other Funds.

This bill will have no expenditure impact on the Department of Environmental Services and Department of Public Health as each anticipates being able to manage its provisions with existing appropriations.

The Department of Health and Human Services (DHHS) administers Medicaid for the state through Healthy Connections. DHHS anticipates this bill may result in an estimated annual expenditure savings of approximately \$2,500,000. DHHS further estimates this bill will allow approximately 5 percent of claims currently billed by physicians to instead be billed by nurse practitioners (NPs). However, DHHS notes these savings may be reduced by more frequent medical imaging orders or referrals to specialists from NPs compared to physicians.

The board falls under the Division of Professional and Occupational Licensing. Proviso 81.3 of the FY 2025-26 Appropriations Act requires LLR to remit annually to the General Fund an amount equal to 10 percent of expenditures unless the board has an overall negative ending cash

balance. Based on LLR's estimated expenditure impact of this bill, implementation of the bill will increase General Fund revenue by approximately \$12,470 in FY 2026-27 and approximately \$12,090 each year thereafter.

Explanation of Fiscal Impact

Introduced on January 14, 2025 State Expenditure

This bill allows the board to grant full practice authority to qualified APRNs, allowing them to perform medical and nonmedical acts independently without a physician-approved practice agreement. To qualify, APRN candidates are required to meet certain criteria, including 2,000 hours of clinical experience and proof of malpractice insurance. The bill also updates definitions and provisions throughout existing code sections to reflect this new authority, clarifying that APRNs with full practice authority may prescribe medications, perform specific medical tasks, and engage in telemedicine without physician oversight. This bill further extends the board's disciplinary powers to cover APRNs with full practice authority.

LLR indicates this bill will create new responsibilities for the board including: development and processing of applications, verification of qualifications, updates to existing licensing materials, and ongoing renewal processing and compliance monitoring for licensees. LLR anticipates these additional duties will increase Other Funds expenditures by \$124,700 in FY 2026-27. Of this amount, recurring expenditures will increase by \$120,900 including salary and fringe for 2.0 FTEs. Nonrecurring expenditures are expected to total \$3,800 for equipment and training. Expenses will decrease to \$120,900 each year thereafter for the new FTEs. LLR anticipates it would need to request an increase in Other Funds authorization to support these expenses. LLR further anticipates it may need to conduct a post-enactment financial analysis to determine if licensure fee adjustments are needed to cover the impact to Other Funds. For reference, in FY 2024-25 there were 12,542 licensed APRNs in South Carolina. LLR notes this number has grown by about 73 percent since FY 2018-19. LLR is unable to estimate how many APRNs will apply for full practice authority but anticipates application volume may be substantial given recent growth in the number of licensed APRNs.

This bill will have no expenditure impact on the Department of Environmental Services and Department of Public Health as each anticipates being able to manage its provisions with existing appropriations.

DHHS anticipates this bill may result in an estimated annual expenditure savings of approximately \$2,500,000. DHHS further estimates this bill will allow approximately 5 percent of claims currently billed by physicians to instead be billed by nurse practitioners (NPs). However, DHHS notes these savings may be reduced by more frequent medical imaging orders or referrals to specialists from NPs compared to physicians.

State Revenue

The board falls under the Division of Professional and Occupational Licensing. Proviso 81.3 of the FY 2025-26 Appropriations Act requires LLR to remit annually to the General Fund an

amount equal to 10 percent of expenditures unless the board has an overall negative ending cash balance. Based on LLR's estimated expenditure impact of this bill, implementation of the bill will increase General Fund revenue by approximately \$12,470 in FY 2026-27 and approximately \$12,090 each year thereafter.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director