



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. 0669 Introduced on May 8, 2025
Subject: Team Based Health Care Act
Requestor: Senate Medical Affairs
RFA Analyst(s): Boggs
Impact Date: September 4, 2025

Fiscal Impact Summary

This bill requires Advanced Practice Registered Nurses (APRNs), Physician Assistants (PAs), and Anesthesiologist Assistants (AAs) to operate as part of a patient care team. Further, the bill sets detailed requirements for practice agreements, including chart review frequency, physician availability, credential disclosure to patients, and protocols for transitioning when a supervising physician is unavailable. The bill also prohibits charging fees for required physician collaboration and mandates review of certain practice agreements where the non-physician provider owns the practice.

Additionally, this bill creates the Team-Based Health Care Committee, which will consist of thirteen members to assist the Board of Medical Examiners (BME) and the Board of Nursing (BON) on matters related to team-based health care in South Carolina. The committee will recommend regulations and issuance of joint advisory opinions, conduct random audits of practice relationships, review practice agreements, and conduct violation hearings. The Department of Labor, Licensing and Regulation (LLR) is responsible for providing staff to assist and advise the committee. LLR may use the licensing fees collected on behalf of BON and BME to fund the staff.

Further, this bill requires the Department of Health and Human Services (DHHS), in collaboration with BME, BON, and the Department of Public Health (DPH), to issue a report within six months that recommends incentives for APRNs, PAs, and physicians to practice as a part of a patient care team, particularly in primary care in rural and underserved areas.

Since LLR is unable to predict the initial or ongoing volume of new teams that will result from this bill, the overall expenditure impact of this bill on the agency is undetermined. However, LLR anticipates needing to hire 2.0 FTEs to assist in the processing of licenses and for support for the new committee. Salary and fringe for the new FTEs will total \$129,630. Additional recurring expenses of \$28,380 are needed for miscellaneous supplies and expenses related to the new thirteen-member committee. Nonrecurring expenses are expected to total \$3,800 for computer equipment for the new FTEs. In total, Other Funds expenses of the agency will increase by at least \$161,810 in FY 2026-27. Expenses will decrease to \$158,010 each year thereafter. LLR will request an increase in Other Funds authorization to support the new FTE positions. In addition, LLR will review actual workload post-implementation to determine whether fee adjustments are needed for BME and BON.

This bill will have no expenditure impact on DPH since the agency anticipates being able to manage any increase in workload with existing staff and appropriations.

DHHS is working to collect information to determine the impact of this bill on the agency. Therefore, the fiscal impact of this bill on DHHS is currently undetermined.

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 the projected \$161,810 increase in annual expenditures, General Fund revenue will increase by \$16,181 in FY 2026-27 and by \$15,801 each year thereafter.

Explanation of Fiscal Impact

Introduced on May 8, 2025

State Expenditure

This bill requires APRNs, PAs, and AAs to operate as part of a patient care team. Further, the bill sets detailed requirements for practice agreements, including chart review frequency, physician availability, credential disclosure to patients, and protocols for transitioning when a supervising physician is unavailable. The bill also prohibits charging fees for required physician collaboration and mandates review of certain practice agreements where the non-physician provider owns the practice.

Additionally, this bill creates the thirteen-member Team-Based Health Care Committee to assist the BME and the BON on matters related to team-based health care in South Carolina. The thirteen members must consist of two APRNs, five physicians, two PAs, one AA, one physician from the BME, one member of the BON, and one member of the public to be appointed by the Governor. The committee will recommend regulations and issuance of joint advisory opinions, conduct random audits of practice relationships, review practice agreements, and conduct violation hearings. LLR is responsible for providing staff to assist and advise the committee. LLR may use the licensing fees collected on behalf of BON and BME to fund the staff.

Further, this bill requires the DHHS, in collaboration with BME, BON, and DPH, to issue a report within six months that recommends incentives for APRNs, PAs, and physicians to practice as a part of a patient care team, particularly in primary care in rural and underserved areas.

Department of Labor, Licensing, and Regulation. This bill will require BME and BON to update practice agreement templates, scope of practice guidance, and oversight procedures to reflect new physician-led patient care team requirements, including chart review, physician availability, disclosure protocols, and transition processes. LLR is also responsible for providing staff to assist and advise the new committee.

Since LLR is unable to predict the initial or ongoing volume of new teams that will result from this bill, the overall expenditure impact on the agency is undetermined. However, LLR

anticipates needing to hire 2.0 FTEs to assist in the processing of licenses and for support for the new committee. Salary and fringe for the new FTEs will total \$129,630. Additional recurring expenses of \$28,380 are also expected. Of this amount, \$1,700 is for miscellaneous supplies, and \$26,680 is for expenses related to the new thirteen-member committee. Nonrecurring expenses are expected to total \$3,800 for computer equipment for the new FTEs. In total, Other Funds expenses of the agency will increase by at least \$161,810 in FY 2026-27. Expenses will decrease to \$158,010 each year thereafter. LLR will request an increase in Other Funds authorization to support the new FTE positions. In addition, LLR will review actual workload post-implementation to determine whether fee adjustments are needed for BME and BON.

Department of Public Health. This bill will have no expenditure impact on DPH since the agency anticipates being able to manage any increase in workload with existing staff and appropriations.

Department of Health and Human Services. DHHS is working to collect information to determine the impact of this bill on the agency. Therefore, the fiscal impact of this bill on DHHS is currently undetermined.

State Revenue

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 the projected \$161,810 increase in expenditures, General Fund revenue will increase by \$16,181 in FY 2026-27 and by \$15,801 each year thereafter.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director