



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0135
 Author: Cleary
 Requestor: Senate Banking and Insurance
 Date: April 2, 2015
 Subject: Ryan's Law
 RFA Analyst(s): Fulmer, Kincaid and Stein

Estimate of Fiscal Impact

| | FY 2015-16 | FY 2016-17 |
|----------------------------------|-------------------|-------------------|
| State Expenditure | | |
| General Fund | \$0 | N/A |
| Other and Federal | minimal | N/A |
| Full-Time Equivalent Position(s) | 0.00 | 0.00 |
| State Revenue | | |
| General Fund | \$32,023 | \$64,046 |
| Other and Federal | N/A | N/A |
| Local Expenditure | N/A | N/A |
| Local Revenue | N/A | N/A |

Fiscal Impact Summary

This bill is expected to have no expenditure impact on the General Fund or Federal Funds, and a minimal impact on Other Funds that can be absorbed by the agency.

This bill would increase General Fund insurance premium tax by \$32,023 in FY 2015-16 and an additional \$32,023 in FY 2016-17 for a total of \$64,046 over a full fiscal year.

Explanation of Fiscal Impact

State Expenditure

This bill amends Section 38-71-280 relating to health insurance coverage for autism spectrum disorder, to revise the definition, to delete existing eligibility requirements, and to provide a citation to the section as being "Ryan's Law."

Public Employee Benefit Authority (PEBA). PEBA indicates there would be no expenditure impact on the General Fund, Federal Funds, or Other Funds. According to PEBA, limits regarding coverage related to age and dollar amounts in the State Health Plan for autism spectrum disorders were removed for plan year 2015. Therefore, no additional impact is expected.

Department of Insurance. The Department indicates that this bill would increase regulatory expenses; however, these costs are expected to be minimal and would be absorbed by the agency within their Other Funds budget authorization.

State Revenue

This bill would expand insurance benefits paid by private insurers for autism spectrum disorders. The Department of Insurance estimates that the increased benefits outlined in S. 135 would total \$5,123,700. We expect that the cost of the increased benefits will be passed on to all health insurance policy holders in South Carolina through increased premiums. These increased premiums would be subject to a 1.25 percent premium tax credited to the General Fund. The additional benefits times the premium tax would generate \$64,046 in General Fund insurance premium tax revenue over a full fiscal year. Since premium taxes are reported quarterly beginning in March for the previous calendar year, six months of premium taxes would be collected in FY 2015-16 and the remaining six months would be remitted to the General Fund in FY 2016-17.

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director