



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0225
 Author: Cromer
 Requestor: Senate Finance
 Date: January 20, 2015
 Subject: State Health Plan
 RFA Analyst(s): Fulmer, Shealy

Estimate of Fiscal Impact

	FY 2015-16	FY 2016-17
State Expenditure		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	N/A	N/A
Other and Federal	N/A	N/A
Local Expenditure	N/A	N/A
Local Revenue	N/A	N/A

Fiscal Impact Summary

This joint resolution is not expected to have any expenditure impact on the General Fund, Federal Funds, or Other Funds.

Explanation of Fiscal Impact

State Expenditure

This is a proposed joint resolution relating to reimbursement rates paid to pharmacies participating in the State Health Plan. This joint resolution would suspend Proviso 105.15 of the FY 2014-15 Appropriations Act beginning January 1, 2015. Proviso 105.15 required the Public Employees Benefit Authority (PEBA) to reimburse all pharmacies participating in the State Health Plan on an equal and uniform per-product basis.

Public Employees Benefit Authority. PEBA does not anticipate the adoption of Senate Bill 225 to have any expenditure impact on the General Fund or Other Funds. PEBA reports that suspending Proviso 105.15 of Part 1B of the 2014-15 General Appropriations Act, as proposed would maintain the status quo by allowing the current reimbursement and pricing schedules for pharmacies participating the State Health Plan's pharmacy benefit network to remain in place for 2015. Conversely, if the proviso remains in effect, PEBA expects that reimbursement changes could require a modification of the State Health Plan's contract with its pharmacy benefit manager. PEBA reports a modification could potentially be on terms less favorable to the State Health Plan.

State Revenue

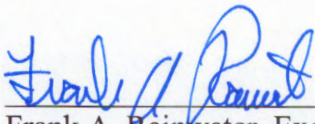
N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director