

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACTS

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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:** H. 4597 Prefiled on November 17, 2021

Author: Bustos

Subject: Anatomical Gifts, Nondiscrimination in Access

Requestor: House Medical, Military, Public, and Municipal Affairs

RFA Analyst(s): Miller

Impact Date: January 5, 2022

## **Fiscal Impact Summary**

This bill prohibits discrimination by medical professionals and insurers against disabled persons when prioritizing organ transplants.

This bill will have no expenditure impact on the Department of Disabilities and Special Needs (DDSN), the Department of Health and Environmental Control (DHEC), the Department of Health and Human Services (DHHS), the Department of Insurance (DOI), nor the Public Employee Benefit Authority (PEBA), as this bill does not operationally or fiscally alter the responsibilities of these agencies. Also, this bill is not expected to trigger defrayment under the Affordable Care Act (ACA), as it is not a new heath mandate. Further, this bill will have no expenditure impact for the Judicial Department, as any increase in caseload due to the newly created civil action will be managed within existing appropriations.

This bill will have no impact on insurance premium tax revenue as DOI anticipates there will be no change to insurance premiums due to this bill. This bill may result in an undermined increase in General Fund and Other Funds revenue due to the potential increase in court fines and fees associated with the newly created civil action.

Also, this bill may result in an undermined increase in local revenue due to the potential increase in court fines and fees associated with the newly created civil action.

## **Explanation of Fiscal Impact**

### Prefiled on November 17, 2021 State Expenditure

This bill prohibits discrimination against disabled persons when prioritizing organ transplants. Additionally, insurers that provide coverage for organ transplants may not deny organ transplant coverage to an insured due solely to a disability. This bill does not operationally or fiscally alter the responsibilities of DDSN, DHEC, DHHS, or DOI. Therefore, this bill will have no fiscal impact for these agencies. Additionally, the State Health Plan is a self-funded insurance benefits program that is not defined as an insurer pursuant to State insurance laws. Therefore, this bill

will not operationally or fiscally impact PEBA and would not have an impact for the State Health Plan.

Also, DOI anticipates this bill does not create a new health care benefit. Therefore, this bill is not a health mandate under the ACA and is not anticipated to trigger defrayment by the State.

Additionally, this bill creates a civil cause of action for purposes of enforcing coverage for those individuals who were denied the organ transplant. This bill may alter the number of cases or the duration of cases heard in court. However, the department intends to use existing General Fund resources to manage any modification in caseloads. Therefore, this bill will have no expenditure impact for the Judicial Department.

#### **State Revenue**

The bill specifies that insurers that provide coverage for organ transplants may not deny organ transplant coverage to an insured due solely to a disability. DOI anticipates this bill may result in a shift of persons covered, assuming that discrimination is currently occurring. However, as this bill does not alter insurance coverage, DOI anticipates there will be no increase in premiums. Therefore, this bill will have no impact on insurance premium tax revenue.

Additionally, this bill creates a civil cause of action for purposes of enforcing coverage for those individuals who were denied the organ transplant. This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, the Revenue and Fiscal Affairs Office (RFA) anticipates this bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the modifications in fines and fees collections in court.

#### **Local Expenditure**

N/A

#### Local Revenue

This bill creates a civil cause of action for purposes of enforcing coverage for those individuals who were denied the organ transplant. This bill may result in a change in the fines and fees collected in court. Court fines and fees are distributed to the General Fund, Other Funds, and local funds. Therefore, RFA anticipates this bill may result in an undetermined impact to General Fund revenue, Other Funds revenue, and local revenue due to the modifications in fines and fees collections in court.

Frank A. Rainwater, Executive Director