

FISCAL IMPACT STATEMENT ON BILL NO. **S. 936**

(Doc. No. 18069ab14.docx)

TO: The Honorable Harvey S. Peeler, Jr., Chairperson, Senate Medical Affairs Committee
FROM: State Budget Division, Budget and Control Board
ANALYSTS: R.J. Stein, Stephen Gardner
DATE: February 4, 2014 SBD: 2014024

AUTHOR: Senator Peeler PRIMARY CODE CITE: 44-61-55
SUBJECT: Air Ambulance Affordability Act

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

Minimal (Some additional costs expected but can be absorbed)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

Senate Bill 936 amends Article 1, Chapter 61, Title 44 of the Code of Laws of South Carolina, 1976, relating to emergency medical services. The Bill establishes the "Air Ambulance Affordability Act" by adding the definition of "air ambulance" to Section 44-61-20; by adding Section 44-61-55 requiring any aircraft that operates as an ambulance to obtain a permit from the Department of Health & Environmental Control (DHEC). The Bill also amends Chapter 71, Title 38 by adding Section 38-71-285 which requires insurance policies and HMOs to cover air ambulance transportation to a medical facility; and specifies the rate at the Medicare rate plus 15 percent.

EXPLANATION OF IMPACT:

Department of Insurance

The Department reports that this Bill will have only minimal impact on the agency. Policy review is a normal component of agency operations. Premium taxes may increase as a result of potentially higher premiums to cover air ambulance transportation; so there may be an impact on the State General Fund (see Special Notes section).

Department of Health & Environmental Control

The Department indicates that this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds. The agency currently inspects and permits all vehicles (ground or air) that operate as ambulances.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this or any other Bill.

Approved by:



Brenda Hart
Assistant Director, State Budget Division