REVISED FISCAL IMPACT STATEMENT ON BILL NO. **H.4737**

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TO: The Honorable Leon Howard, Chairperson, House Medical, Military, Public and Municipal

Affairs Committee

FROM: State Budget Division, Budget and Control Board

ANALYSTS: Stephen Gardner, R.J. Stein, K. Earle Powell, Torina Wood

DATE: April 2, 2014 SBD: 2014083

AUTHOR: Representative Spires PRIMARY CODE CITE: 44-53-398

SUBJECT: Prescription Medications

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

House Bill 4737 amends Section 40-53-398, Code of Laws of South Carolina, 1976, relating to the sale and regulation of products containing ephedrine, pseudoephedrine, or phenylpropanolamine, so as to provide that these medications only may be sold upon the prescription of a physician or other licensed person who has prescriptive authority.

EXPLANATION OF IMPACT:

Department of Health and Environmental Control

Department of Labor, Licensing and Regulation

The Departments estimate this Bill will have no fiscal impact on the State General Fund or on Federal and/or Other Funds.

Public Employee Benefit Authority

PEBA indicates that if the Employee Insurance Plan had to cover these, the prescription drugs listed would likely be placed in a tier where the Plan would have no cost. Therefore, there should be no fiscal impact.

Department of Health and Human Services (DHHS)

DHHS estimates this Bill would create a total cost ranging from \$1,000,000 to \$1,500,000; approximately \$300,000 - \$450,000 to the General Fund of the State and \$700,000 - \$1,050,000 in Federal funds considering a 30% state/70% federal matching rate. DHHS notes that the number of statewide users of medications containing ephedrine, pseudoephedrine, or phenylpropanolamine is not available and has based the estimated costs on limited information obtained from other states considering enacting similar legislation.

SPECIAL NOTES:

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The italicized portion of this impact indicates the items that have been revised. For this impact, the revised constitutes information that was not available in the original impact.

Approved by:

Brenda Hart

Assistant Director, State Budget Division