



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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| Bill Number: | S. 0313 | Introduced on January 8, 2019 |
| Author: | Alexander | |
| Subject: | Speech-Language Pathologists | |
| Requestor: | Senate Labor, Commerce, and Industry | |
| RFA Analyst(s): | A. Martin, Mitchell, and Wren | |
| Impact Date: | February 6, 2019 | |

Fiscal Impact Summary

This bill will have no expenditure impact on the Department of Labor, Licensing and Regulation (LLR) because it does not materially alter the oversight or regulatory activities of the agency.

This bill may reduce Medicaid payment expenditures of the Department of Health and Human Services (DHHS) if the bill results in a significant decrease in Medicaid claims filed. However, because the change in Medicaid billing is unknown, the expenditure impact to General Funds and Federal Funds is undetermined.

This bill will increase Other Funds revenue for LLR because it will increase the number of licenses issued after January 1, 2020. While not expected to be significant, LLR is unable to determine the number of additional licenses issued. Therefore, the revenue impact to Other Funds is undetermined.

This bill may reduce Medicaid reimbursement to local school districts due to a reduction of speech-language pathology services provided in schools beginning in FY 2019-20. However, because Revenue and Fiscal Affairs Office (RFA) assumes this bill will not affect licensure requirements of currently employed personnel, this bill will have no revenue impact on local school districts.

Explanation of Fiscal Impact

Introduced on January 8, 2019

State Expenditure

This bill requires speech-language pathology assistants and supervising pathologists to adhere to the guidelines of the American Speech-Language-Hearing Association. This bill also modifies the definition of speech-language pathologist and the continuing education requirements for licensure. In addition, this bill exempts educators certified by the State Board of Education from Chapter 67, Title 40: Speech Pathologists and Audiologists.

Department of Labor, Licensing, and Regulation. This bill requires speech-language pathologists and audiologists employed by a state or federal agency after January 1, 2020, to be licensed by LLR's Board of Examiners in Speech-Language Pathology and Audiology. Currently, such employees are exempt from licensure requirements. As a result, this bill will increase the number of licenses issued after January 1, 2020. LLR currently licenses 283 audiologists, 2,776 speech-language pathologists, and a total of 232 speech-language pathology assistants and interns. Because the bill will not affect speech-language pathologists or

audiologists employed by a state or federal agency, or a political subdivision of the state, prior to January 1, 2020, LLR does not anticipate a significant increase in the number of licenses issued going forward. Therefore, this bill will have no expenditure impact on LLR.

Department of Health and Human Services. DHHS indicates that the bill will not materially alter the responsibilities or oversight of the department. However, if the provisions of this bill were to result in a significant decrease in provider payments, General Fund and Federal Fund expenditures would decrease in proportion to the reduction in Medicaid claims filed.

This bill requires speech-language pathologists and audiologists employed by a political subdivision of the state after January 1, 2020, to obtain a license. Currently, such employees are exempt from licensure requirements and include speech-language pathologists and speech-language pathology therapists employed by local school districts. These providers in a school setting must have a teaching certificate. The Department of Education (SDE) reports there are approximately 900 certified teachers employed by school districts that provide these services to the students. These employees are currently exempt from the licensure requirement. SDE reports that speech-language pathologists hired by local school districts bill Medicaid for services performed in a school setting. The services may be provided by speech-language pathology assistants, interns, or therapists, but must be supervised by a speech-language pathologist. Speech-language pathologists and pathology therapists hired after January 1, 2020, would be required to obtain a license. SDE indicates that, as a result of this bill, it may be difficult to obtain a sufficient number of licensed pathologists and pathology therapists to provide the current volume of services. Therefore, this may reduce the amount of services billed to Medicaid, which would in turn reduce Medicaid reimbursement expenditures of DHHS. However, this impact assumes that because schools are considered political subdivisions, current employees performing these duties would remain exempt from the requirement of licensure. In addition, this impact assumes anyone that is employed in these positions prior to January 1, 2020, and subsequently transferred to another district, would remain exempt from the requirements of licensure. Therefore, this bill will have no expenditure impact on Medicaid reimbursements.

State Revenue

Department of Labor, Licensing and Regulation. This bill would require speech-language pathologists and audiologists hired by a state or federal agency after January 1, 2020, to obtain a license. Currently, such employees are exempt from licensure requirements. This bill will not affect state or federal speech-language pathologists employed prior to this date, as they will remain exempt from licensure requirements. In addition, this bill assumes that speech-language pathologists and pathology therapists employed by a school district before January 1, 2020, would remain exempt from licensure requirements. As a result of this bill, LLR will experience an increase in the number of licenses issued after January 1, 2020. LLR does not anticipate this increase to be significant. However, the agency is unable to determine the additional number of licensure requests that will be generated by this bill. Therefore, the increase to Other Funds is undetermined.

Local Expenditure

N/A

Local Revenue

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Speech-language pathologists and pathology therapists hired after January 1, 2020, will be required to obtain a license. SDE indicates that, as a result of this bill, it may be difficult to obtain a sufficient number of licensed pathologists and pathology therapists to provide the current volume of services. Therefore, this bill may reduce the amount of services billed to Medicaid, which would in turn reduce Medicaid reimbursement to local school districts. However, this impact assumes that because schools are considered political subdivisions, current employees performing these duties would remain exempt from the requirement of licensure. In addition, this impact assumes anyone that is employed in these positions prior to January 1, 2020, and subsequently transferred to another district, would remain exempt from the requirements of licensure. Therefore, this bill will have no revenue impact on Medicaid reimbursements to local school districts.



Frank A. Rainwater, Executive Director