Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes ☐ Not Needed ☐

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



# Virginia Department of Planning and Budget **Economic Impact Analysis**

18 VAC 85-80 Regulations for Licensure of Occupational Therapists Department of Health Professions
Town Hall Action/Stage: 4461/7363

December 12, 2015

### **Summary of the Proposed Amendments to Regulation**

The Board of Medicine (Board) proposes to: 1) allow occupational therapists and occupational therapy assistants to fulfill licensure continued competency requirements by maintenance of current certification by the National Board of Certification in Occupational Therapy, 2) clarify that licensees must complete and retain the Continued Competency Activity and Assessment Form along with their supporting documentation of courses and activities, and 3) amend the title of this regulation to "Regulations Governing the Practice of Occupational Therapy."

# Result of Analysis

The benefits likely exceed the costs for all proposed changes.

# **Estimated Economic Impact**

Under the current regulations, in order to renew an active license biennially, occupational therapists and occupational therapy assistants must complete at least 20 contact hours of continuing learning activities as follows:

1. A minimum of 10 of the 20 hours shall be in Type 1 activities offered by a sponsor or organization recognized by the profession and may include in-service training, self-

- study courses, continuing education courses, specialty certification or professional workshops.
- 2. No more than 10 of the 20 hours may be Type 2 activities, which may include consultation with another therapist, independent reading or research, preparation for a presentation or other such experiences that promote continued learning.

The Board proposes to add language indicating that maintenance of current certification by the National Board of Certification in Occupational Therapy (NBCOT) will fulfill licensure continued competency requirements.

NBCOT certification is a requirement for initial licensure in Virginia; and NBCOT reports that 90% of occupational therapists renew certification every 3 years. Occupational therapists and occupational therapy assistants who have maintained NBCOT certification have likely used NBCOT professional development activities to count toward the 20 contact hours of continuing learning activities that have been required for license renewal. The proposal to accept NBCOT certification to fulfill licensure continued competency requirements will save time and other costs for certificate holders to the extent that their NBCOT activities were not already fulfilling the 20 contact hour requirement. Since NBCOT certification is considered sufficient to ensure competency, this proposed amendment should produce a net benefit.

The proposal to clarify that licensees must complete and retain the Continued Competency Activity and Assessment Form along with their supporting documentation of courses and activities will have no impact on requirements, the nonetheless may be beneficial in that it may reduce potential confusion and associated time wasted in determining administrative requirements.

Amending the title of the regulation will not have a large impact. The chapter includes regulations for licensure of occupational therapy assistants as well as for occupational therapists. It also regulates the individual and supervisory responsibilities of practitioners and includes the standards of practice for the profession. Thus the proposed title is perhaps a better indicator of its contents.

#### **Businesses and Entities Affected**

There are 3,721 persons with a current license as an occupational therapist and 1,268 with a current license as an occupational therapy assistant. Only 2% work in private practices, either in a group or solo practice.<sup>1</sup> All would likely be small businesses.

# **Localities Particularly Affected**

The proposed amendments do not disproportionately affect particular localities.

# **Projected Impact on Employment**

The proposed amendments are unlikely to significantly affect employment.

# **Effects on the Use and Value of Private Property**

The proposed amendments are unlikely to significantly affect the use and value of private property.

# **Real Estate Development Costs**

The proposed amendments do not affect real estate development costs.

#### **Small Businesses:**

#### Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million."

#### Costs and Other Effects

The proposal to allow occupational therapists and occupational therapy assistants to fulfill licensure continued competency requirements by maintenance of current certification by NBCOT may moderately reduce costs for some small private practices.

# **Alternative Method that Minimizes Adverse Impact**

The proposed amendments do not adversely affect small businesses.

# **Adverse Impacts:**

#### **Businesses:**

The proposed amendments do not adversely affect businesses.

<sup>&</sup>lt;sup>1</sup> Data source: Department of Health Professions

#### Localities:

The proposed amendments do not adversely affect localities.

#### Other Entities:

The proposed amendments do not adversely affect other entities.

## **Legal Mandates**

**General:** The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5)the impact on the use and value of private property.

**Adverse impacts:** Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

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