



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 140-20 – Regulations Governing the Practice of Social Work
Department of Health Professions
July 24, 2007

Summary of the Proposed Amendments to Regulation

The Board of Social Work (Board) proposes to make changes to the regulations that include: (1) eliminating an obsolete requirement that an applicant to be a licensed clinical social worker (LCSW) or a licensed social worker (LSW) submit an application to the Board 90 days prior to the date of the written examination for licensure, (2) requiring that *all* supervised experience be registered with the Board in advance in order for the hours to be accepted towards licensure, (3) permitting up to, but no more than, 50 hours of the 100 required hours of face-to-face supervision for the LCSW licensure to be group supervision, (4) specifying that a supervisor for candidates for LCSW hold an active, unrestricted LCSW license and requiring that a supervisor have three years of post-licensure experience rather than the current requirement of five years post-Master's-degree experience, (5) requiring that supervisors maintain documentation of which clients were the subject of supervision for five years post supervision, (6) requiring that LCSW supervisors receive professional training within the five years immediately preceding registration of supervision, (7) allowing persons who complete the education requirement to take the LSW examination immediately after graduation but before their supervised experience, (8) allowing a person with a bachelor's degree and at least three years of post-licensure social work experience to provide supervision for an LSW candidate, (9) eliminating a section establishing committees of the Board to assist in evaluating professional qualifications and the mental or emotional competency of licensees or applicants, (10) requiring that social workers provide for a continuation of care when services must be interrupted or terminated, (11) requiring that social workers inform clients of the potential risks and benefits of services and the limitations on confidentiality and ensure that clients have provided informed

written consent to treatment, (12) requiring that as treatment requires and with the written consent of the client, social workers collaborate with other health or mental health providers concurrently providing services to the client, (13) requiring that licensees maintain records securely and destroy records that are no longer useful in a way that ensures client confidentiality, (14) requiring that social workers maintain client records for a minimum of six years, and (15) expanding the actions that the Board may take if there are grounds for disciplinary action.

Result of Analysis

The benefits likely exceed the costs for one or more proposed changes. There is insufficient data to accurately compare the magnitude of the benefits versus the costs for other changes.

Estimated Economic Impact

Under the current regulations, an applicant to be a licensed clinical social worker (LCSW) or a licensed social worker (LSW) must submit an application to the Board 90 days prior to the date of the written examination for licensure. Since the examination is now offered electronically daily, applicants are no longer in practice required to submit the application 90 days prior to the exam, so this requirement is now unnecessary and its deletion will have no economic impact.

Under the current regulations, any LSW or LCSW working for state government or for state-funded agencies (e.g., United Way or community service boards) are exempt from registering their supervised experience with the Board prior to engaging in the supervised experience. Since LSWs can only practice in exempt settings, all candidates for licensed social work are exempt from the registration of supervision. In addition, according to the Department of Health Professions (DHP), approximately 40 percent of candidates for licensed clinical social work are working/under supervision in the public sector, and therefore, are exempt. Since there are approximately 300 LSWs and LCSWs who become licensed every year¹, the number of LSWs licensed (approximately 24, since the LSW to LCSW ratio is about 0.08) plus the number of exempt LCSWs licensed (approximately 110)² results in approximately 134 additional candidates for LSW or LCSW who would need to register supervision under these amendments.

¹ Source: Department of Health Professions

² (300-24)*0.4

The fee for registration of supervision is \$25, so the total cost of these amendments to social workers statewide will be an estimated \$3350, in addition to the nominal amount of time it will take the currently exempt social workers to fill out the two-page form for registration.

The economic benefit of this amendment derives from the assurance for applicants that their supervised and other experience will be approved by the Board. According to DHP, the Board sees approximately 2-3 applicants per month who, for some reason, are not qualified for licensure as a social worker. Many candidates gain experience under the supervision of other mental health professionals, such as psychologists or counselors, whose supervision does not fulfill the supervised experience requirement for licensure as a social worker. Some candidates have the incorrect number of hours or type of work experience (for example, advocacy work experience rather than clinical work experience). Other candidates have the correct supervised experience but did not complete the correct coursework in graduate school. This means that candidates can work for two or more years under supervision without being able to use their time towards licensure. Because in the pre-registration of supervision process, the Board requires the applicant's transcripts and specifics on the upcoming supervision from both the supervisee and supervisor, and because the Board requires a signed contract that outlines the requirements in terms of hours and work experience, the Board believes that the dissemination of information that occurs during the registration process will allow candidates to be confident that their work and experience will count towards licensure. In fact, even under the current regulation, many exempt applicants choose to register their supervision. In addition, there will be no more confusion about who should or should not register supervision, since all applicants will be required to register supervision. Since currently it is not uncommon that years of supervisor and supervisee time are lost because of the failure to require prior registration of supervision with the Board, the benefit of this amendment likely outweighs the cost. Under this amendment, should an applicant fail to register their supervision, the hours will not be counted towards licensure; however, in the end, the approval or disapproval of experience is decided on a case-by-case basis.

Under the current regulations, licensure as an LCSW requires 100 hours of face-to-face supervision with no allowance for group supervision; the proposed amendments allow up to 50 hours of the face-to-face supervision to be group supervision, provided that the group comprises no more than six supervisees. This amendment should create a net economic benefit, allowing

supervisors to increase the efficiency of their supervision (and therefore spend more time on the practice of social work) and supervisees to complete their supervised experience more quickly. The requirement that groups be limited to six supervisees protects the public interest by ensuring adequate supervision and proper training.

Requiring a LCSW supervisor to have three years post-licensure experience rather than five years post-Master's experience is more stringent, since the current regulation allows candidates four years to acquire their supervised social work experience after completing the Master's degree. The major cost of this amendment is to reduce the number of supervisors in the field, making it more difficult for candidates to complete their supervisory experience and therefore complete the requirements for licensure. Although it will also reduce the supervisory work of some social workers, the cost to them should be offset by the re-allocation of their time to social work activities. According to DHP, however, this amendment will not affect many supervisors, since most social workers who go into supervision have at least five years post-Masters experience *and* three years post-licensure experience. Furthermore, if a licensed LCSW has five years post-Masters experience, she must have *at least* one year post-licensure experience (since she is required to complete the supervisory experience within four years), therefore the amendment requires *at most* two additional years of experience to become a supervisor. Given that this amendment will only affect a few supervisors for at most two years, it does not appear that this amendment will significantly reduce the number of supervisors in the field. Therefore, the economic benefit of ensuring that candidates have proper supervision from a qualified supervisor should outweigh the cost of this amendment.

Under the current regulations, there are no requirements for training in supervision before registering to be a supervisor. The proposed amendment that LCSW supervisors receive professional training in supervision can be fulfilled either through a three-hour graduate course in supervision or through 14 hours of continuing education (CE) offered by a Board-approved provider. A candidate studying to be a LCSW who would like to be a supervisor can fulfill the requirement by taking a course in supervision as a part of their Master's degree curriculum. A LCSW who would like to be a supervisor can fulfill the requirement by taking 14 hours of CE as a part of their biennially-required 30 hours of CE for license renewal. According to DHP, these courses or continuing education opportunities in social work supervision are widely available. For example, supervisory courses in social work were found in the online course catalogues at

Virginia Commonwealth University, George Mason University, and Norfolk State University. The reasons to require supervisory training are that in disciplinary cases, the Board has seen evidence of inadequate supervision in which a supervisor did not know or understand his role in ensuring the supervisee's knowledge and skills to practice in an ethical and competent manner, and that professional training in supervision would be consistent with other behavioral health professions.³ Costs lie in how a potential supervisor might choose to allocate her courses or continuing education requirements without this amendment. This cost could be financial if the social worker could otherwise fulfill the CE requirements less expensively. The social worker would also face an opportunity cost if he cannot take a desired course in order to fulfill the new supervisory training requirements. Existing supervisors will not be required to acquire the training; the training is intended only for those who will register to become LCSW supervisors in the future.

Under current regulations, LSW candidates are required to finish both their education requirements (a bachelor's degree) and their supervised experience before taking the LSW examination. Under the proposed amendment, candidates who complete the education requirement will be allowed to take the LSW examination immediately after graduation, before the supervised experience. Because this changes the order of the requirements for licensure as a LSW, and not the actual requirements, it is not anticipated to impose any economic cost. One benefit of this change is that students will be able to take the examination shortly after graduating while the information is still fresh in their minds; because the examination is primarily non-clinical in nature, obtaining the 3,000 hours of supervision (that takes approximately two years) does not improve the candidates' chances of passing the exam.⁴ A second benefit is that the Virginia Chapter of the National Association of Social Workers believes that by allowing students to take the examination upon graduation, more will opt to take it, thereby increasing the number of social workers in the field.⁵

The proposed amendments will allow someone with a bachelor's degree and at least three years of post-licensure social work experience to supervise an LSW candidate; under current regulations, that person could not provide supervision. If the person with the bachelor's degree is

³ Source: Department of Health Professions

⁴ Source: Department of Health Professions

⁵ Source: Department of Health Professions

a qualified supervisor, this amendment imposes no costs on social workers or to the public. The benefits lie in the increased number of supervisors available to supervise, and therefore more LSW candidates can become licensed quickly and efficiently. The proposed amendments also repeal a section of the regulation establishing committees of the Board to evaluate professional qualifications and the mental or emotional competency of licensees. These committees have not been used in years, and therefore the repeal of the regulation should impose no cost or benefit. According to DHP, “if such an evaluation is required, it would be performed by an expert, not a committee of the Board.”

The proposed amendments require social workers to maintain records for six years, instead of the five years as currently required. In addition, the records of a minor child must be maintained for either six years after attaining the age of majority or ten years following service termination, whichever comes later. The reason for the change is to standardize social work with other mental health professions and to give social workers a clearer requirement for the maintenance of records (the maintenance of records requirements are more explicitly laid out under the amendments than in the current regulation). Since most records are maintained electronically⁶ and because, according to DHP, most social workers maintain records for much longer than six years, the cost of this amendment should be minimal. The Board believes that the maintenance of records is necessary to ensure continuous, competent, and safe treatment and is critical in the evaluation of disciplinary cases or in resolving disputes.

Finally, the Board proposes a host of amendments to the Standards of Practice section of the regulation, including requiring that social workers provide for a continuation of care when services must be interrupted or terminated; requiring that social workers inform clients of the potential risks and benefits of services and the limitations on confidentiality and ensure that clients have provided informed written consent to treatment; requiring that as treatment requires and with the written consent of the client, social workers collaborate with other health or mental health providers concurrently providing services to the client; requiring that licensees maintain records securely and destroy records that are no longer useful in a way that ensures client confidentiality; and expanding the actions that the Board may take if there are grounds for disciplinary action. According to DHP, these changes are being proposed primarily to explicitly

⁶ Source: Department of Health Professions

state requirements for social workers that are already in practice and to ensure consistency in requirements across mental health professions. These requirements could have a negative economic impact on the practices of social workers (finding continuation of care, providing informed written consent, collaborating with health or mental health providers, and destroying documents in a confidential manner could cost a social worker time). However, these practices ensure a level of professionalism among social workers that will ensure consistency, efficiency, and fairness in service provision that benefits the public and should ensure a net economic benefit. In addition, according to DHP, these practices are commonly followed among social workers and therefore are not likely to significantly change the practice of social work.

Businesses and Entities Affected⁷

The businesses and entities that will be affected by these amendments are those that employ the 4,805 LCSWs and 379 LSWs. In addition, these amendments will affect those working or studying to become a LCSW or a LSW and the approximately 300-325 LCSWs and LSWs who are licensed every year. Of the 4,805 LCSWs, approximately 60 percent are in private practice. The remaining 40 percent of LCSWs and all of the LSWs are employed by the public sector.

Localities Particularly Affected

The proposals do not disproportionately affect specific localities.

Projected Impact on Employment

The proposals have no projected impact on employment.

Effects on the Use and Value of Private Property

The proposals do not affect the use and value of private property.

Small Businesses: Costs and Other Effects

Many of the approximately 60 percent of licensed clinical social workers who are employed by the private sector are in organizations that are small businesses. However, because all of those in private business are already required to register for supervision, and because the cost of the education requirement for supervisors is relatively small, these amendments should

⁷ Source: Department of Health Professions

not increase costs significantly or have other adverse effects on small businesses. If LCSW supervisors in the private sector have five years of post-Masters experience but do not have three years of post-licensure experience, and therefore will not be able to supervise LCSW candidates under the new amendments, then the workload potential of the firm could be reduced. (Assuming that there is not a one-to-one relationship between the hours of work of a LCSW candidate and hours of supervisory work for that candidate.) However, because DHP estimates that this amendment will affect only a small number of supervisors—and because an LCSW will need to gain at most two years of further experience—this amendment is not likely to have significant impact on small businesses in Virginia.

Small Businesses: Alternative Method that Minimizes Adverse Impact

There is no apparent alternative method that minimizes adverse impact while still accomplishing the intended positive policy goals.

Real Estate Development Costs

The proposed amendments do not create additional costs related to the development of real estate for commercial or residential purposes.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a

description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.