

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 115-20 Regulations Governing the Practice of Professional Counseling
Department of Health Professions
Town Hall Action/Stage: 4259/7390
March 27, 2016 (revised April 12, 2016)

Summary of the Proposed Amendments to Regulation

The Board of Counseling (Board) proposes to add a requirement for all counseling programs leading to a license as a professional counselor to be clinically-focused and accredited by the Council for Accreditation of Counseling and Related Educational Programs (CACREP).¹ This would be a phased-in requirement. The requirement would not go into effect until seven years from the effective date of the proposed regulation. Degrees from counseling programs that are not so accredited will be accepted for licensure as a professional counselor up until then. Already licensed professional counselors will not be required to redo their education after then either.

Result of Analysis

It is not clear that the uncertain benefits exceed the significant costs of the proposed amendment.

¹ Specifically the proposed amendment requires that the programs be accredited by CACREP or the Council on Rehabilitation Education. In 2015 these two organizations merged.

Estimated Economic Impact

Current Licensure Requirements

Under the current regulations, professional counselors can gain licensure either via examination or by endorsement. The requirements for licensure by examination include completing a graduate degree from a program that prepares individuals to practice counseling and counseling treatment intervention, which is offered by a college or university accredited by a regional accrediting agency and which meets the following criteria: 1) has a sequence of academic study with the expressed intent to prepare counselors as documented by the institution; 2) has an identifiable counselor training faculty and an identifiable body of students who complete that sequence of academic study; and 3) the academic unit must have clear authority and primary responsibility for the core and specialty areas. The coursework must include 60 semester hours or 90 quarter hours of graduate study in 12 core areas.² Further, the program must contain a supervised internship of at least 600 hours to include 240 hours of face-to-face client contact. The applicant for licensure by examination must also have completed a 3,400-hour supervised residency in the role of a professional counselor working with various populations, clinical problems, and theoretical approaches in six specified areas.³ The candidate must then pass a written examination as prescribed by the board.

To become licensed by endorsement candidates must: 1) hold or have held a professional counselor license in another jurisdiction of the United States, 2) submit an application processing fee and initial licensure fee, 3) have no unresolved action against a license or certificate, 4) have a passing score on an examination required for counseling licensure in the jurisdiction in which licensure was obtained, 5) submit an affidavit of having read and understood the regulations and laws governing the practice of professional counseling in Virginia, and 6) meet the same educational and residency requirements as under licensure by examination.

² The 12 core areas are: 1) professional counseling identity, function, and ethics, 2) theories of counseling and psychotherapy, 3) counseling and psychotherapy techniques, 4) human growth and development, 5) group counseling and psychotherapy theories and techniques, 6) career counseling and development theories and techniques, 7) appraisal, evaluation, and diagnostic procedures, 8) abnormal behavior and psychopathology, 9) multicultural counseling theories and techniques, 10) research, 11) diagnosis and treatment of addictive disorders, and 12) marriage and family systems theory.

³ The 6 specified areas are: 1) assessment and diagnosis using psychotherapy techniques, 2) appraisal, evaluation, and diagnostic procedures, 3) treatment planning and implementation, 4) case management and recordkeeping, 5) professional counselor identity and function, and 6) professional ethics and standards of practice.

Accreditation

CACREP was established in 1981 to achieve some consistency in counseling educational programs. It has been recognized by the Council for Higher Education Accreditation (CHEA), a national advocate and institutional voice for self-regulation of academic quality through accreditation. CHEA is an association of 3,000 degree-granting colleges and universities and recognizes 60 institutional and programmatic accrediting organizations. CHEA recognition provides assurance to the public and higher education institutions that CACREP is a legitimate accrediting body with authority granted by a regulating body who has reviewed the standards, processes, and policies of CACREP. CHEA recognition also assures the public that the programs that achieve CACREP accreditation are legitimate degree programs. Both CHEA and CACREP assist the public in avoiding spending money on illegitimate degrees promoted by degree mills and accreditation mills. One of the goals of CACREP is to establish a uniform set of educational requirements across the United States to facilitate portability of licensure from state to state. According to the Department of Health Professions, there is no other accrediting body that meets the requirements of the Board for counseling education.⁴

Accreditation helps provide assurance that the training received by licensure candidates is sufficient for competence. Accreditation is costly for programs, particularly those that would choose different attributes than those proscribed by the accrediting organization. In Virginia there are 14 colleges or university counseling programs that are currently approved by the Board for candidate education. Twelve of those currently are CACREP accredited, and one is in the process of obtaining CACREP accreditation. These programs' actions have demonstrated that they believe that the value of obtaining CACREP accreditation is worth the cost. One Virginia program (at George Mason University) does not believe that meeting the requirements of CACREP is worth the cost and the best way to prepare their counseling students. Additionally, there are counseling programs at accredited universities in other states whose counseling programs are not CACREP accredited. The fees charged by CACREP are: 1) application process fee - \$2,500, 2) site visit fee - \$2,000 per visitor for 2-5 persons, 3) annual maintenance fee

⁴ There is another organization that accredits counseling programs, the Masters in Psychology and Counseling Accreditation Council (MPCAC). According to the Department of Health Professions, programs accredited by MPCAC would not meet the following current requirements of the Board for counseling education: 1) There must be a sequence of academic study with the expressed intent to prepare counselors as documented by the institution; and 2) There must be an identifiable counselor training faculty and an identifiable body of students who complete that sequence of academic study.

(2015) - \$2,976, and 4) student graduate certificate - \$50. There is also the value of the time spent by counseling program staff in producing the information required by CAPREP and in hosting the CAPREP visitors. George Mason University estimates that it would cost approximately an additional \$70,000 initially⁵ and \$250,000 annually thereafter in staff and faculty costs to meet the required CACREP attributes.⁶

Net Impact

Beyond graduation from a Board-approved graduate program, the Board does require the passing of a Board-prescribed examination for counseling licensure and completion of a 3,400-hour supervised residency. If a candidate can pass the Board-administered examination for licensure without having earned a degree from a CACREP-accredited program, and successfully complete a 3,400-hour supervised residency, then the candidate has presumably demonstrated significant knowledge and experience, and perhaps the additional value of requiring CACREP-specific accreditation is limited.⁷ Further, there is no known evidence that individuals who pass the examination, successfully complete the residency, and have graduated from a program that meets all of the specifications already detailed in this regulation, but have not graduated from a CACREP accredited program, are any less effective as professional counselors than graduates of CACREP accredited programs. Given the significant cost associated with requiring CACREP accreditation, it is not clear that the uncertain benefits of the proposed required accreditation would exceed the cost.

To become licensed by endorsement, candidates must hold or have held a professional counselor license in another jurisdiction of the United States, and meet the same educational and residency requirements as under licensure by examination (which would include the new

⁵ Initial costs include \$1,000 fee for a representative of the program to take complete CACREP's day long self-study workshop plus the cost of that representative's time, \$6,000 to hire a consultant, \$50 to purchase a CACREP accreditation manual, the \$2,500 CACREP initial application fee, an estimated \$10,000 in site visit fees, \$20,000 to buy out the time of a counseling faculty member to oversee the 12 to 18 month approval process and \$30,000 to hire a half-time administrative assistant.

⁶ CACREP's 2016 standards require a ratio of full time equivalent (FTE) students to FTE staff of not greater than 12:1, a student to supervisory faculty ratio of not greater than 6:1 for student completing a supervised practicum or internship.

⁷ As mentioned in footnote #4 above, there is another accrediting organization, Masters in Psychology and Counseling Accreditation Council, which accredits counseling programs in other states. For example, the following universities have counseling programs accredited by MPCAC: Eastern University, Fordham University, University of Albany, University of Massachusetts, and University of Missouri.

CACREP accreditation requirement).⁸ Thus, starting seven years from the effective date of this proposed action, the proposed CACREP accreditation requirement would also affect individuals who have been licensed counselors in other states or countries and are seeking licensure by endorsement in Virginia.

Businesses and Entities Affected

The proposed amendment applies to the 14 current and any potential future Virginia college or university that have counseling programs, as well as college counseling programs outside of Virginia that may have students wishing to apply for counseling licensure in the Commonwealth.

Localities Particularly Affected

The proposed amendment will not directly adversely affect localities. The Virginia university (George Mason University) that has a counseling program that is currently approved by the Board for candidate education, but is not CACREP-accredited, is located in Fairfax County.

Projected Impact on Employment

The proposed amendment is unlikely to have a large impact on total employment. All currently licensed professional counselors will continue to be considered qualified for licensure based on their education. Students of all counseling programs that are approved by the Board under the current regulation will also be considered to have qualified education for their licensure if they complete their degree within seven years of the effective date of this proposed action.

If this proposed action is approved, individuals who graduate from non-CACREP accredited programs seven years after the effective date of this proposed action will not be considered to have qualified education for licensure. Students of these programs would no longer be able to gain Virginia counseling licensure, and consequently would no longer qualify for many counseling positions. The overall demand for counseling positions, and thus the number of available positions, would not likely be affected by the proposed amendment. The pool of

⁸ There are additional requirements that are not affected by the proposed amendment in this action: application processing fee and initial licensure fee, having no unresolved action against a license or certificate, passing score on an examination required for counseling licensure in the jurisdiction in which licensure was obtained, and affidavit of having read and understood the regulations and laws governing the practice of professional counseling in Virginia.

qualified of applicants would be smaller, unless all non-CACREP accredited programs did become so accredited by then.

Additionally, some instructors and other individuals currently employed by non-CACREP accredited programs may need to be replaced by other individuals with different qualifications in order for the program to gain CACREP accreditation. This would affect the employment of those individuals.

Lastly, individuals seeking to open their own counseling practice would not be able to do so if the action is approved and they earn their counseling degree at a non-CACREP accredited program more than seven years after the effective date of the proposed action. For Virginians planning to practice in Virginia, there would be much advanced warning and such individuals would know to attend a CACREP accredited program in order to achieve their goal. Thus the proposed amendment is unlikely to significantly affect the number counseling positions created by Virginians opening their own practices. On the other hand, the proposed amendment is more likely to negatively affect the likelihood that individuals licensed in other jurisdictions would come to Virginia to open their own counseling practice, in that it would be more likely that they may have been educated at a non-CACREP accredited program more than seven years after the effective date of the proposed action.

Effects on the Use and Value of Private Property

The one counseling program in the Commonwealth that is directly affected by the proposed amendment is at a public university, and thus would not be private property. Firms that hire professional counselors may have a slightly smaller pool of applicants from which to hire. This may moderately increase the cost of hiring and paying counselors for private firms.

Real Estate Development Costs

The proposed amendment does not directly 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

Small firms seeking to hire counselors may have a slightly smaller pool of qualified applicants from which to choose. This may moderately increase the cost of hiring and paying counselors for small firms.

Individuals seeking to open their own counseling practice would not be able to do so if the action is approved and they earn their counseling degree at a non-CACREP accredited program more than seven years after the effective date of the proposed action. For Virginians planning to practice in Virginia, there would be much advanced warning and such individuals would know to attend a CACREP accredited program in order to achieve their goal. Thus the proposed amendment is unlikely to significantly affect the number counseling positions created by Virginians opening their own practices.

Alternative Method that Minimizes Adverse Impact

Not requiring CACREP accreditation would eliminate the adverse impact. Beyond graduation from a Board-approved graduate program, the Board does require the passing of a Board-prescribed examination for counseling licensure and completion of a 3,400-hour supervised residency. If a candidate can pass the Board-administered examination for licensure without having earned a degree from a CACREP-accredited program, and successfully completes a 3,400-hour supervised residency, then the candidate has presumably demonstrated significant knowledge and experience, and the additional value of requiring CACREP-specific accreditation is uncertain.

Alternatively, permitting additional less-costly means of demonstrating program quality could potentially maintain the policy goal of program quality assurance, while allowing other potentially effective counselor training programs to exist with non-CACREP specifications.

Adverse Impacts:

Businesses:

Businesses seeking to hire counselors may have a slightly smaller pool of qualified applicants from which to choose. This may moderately increase the cost of hiring and paying counselors for firms.

Localities:

The proposed amendment will not directly adversely affect localities. The Virginia university (George Mason University) that is adversely affected by the proposed amendment is located in Fairfax County.

Other Entities:

The proposed amendment will require one Virginia university (George Mason University) that does not currently have, and is not currently working toward getting CACREP accreditation for its counseling program, to obtain such accreditation. By choosing not to obtain accreditation without the state requirement the institution has revealed their judgement that the cost of obtaining the accreditation exceeds the benefits for themselves. Thus from this institution's point of view, and perhaps counseling students who prefer this program, the proposed amendment creates an adverse impact. The proposed amendment would have a similar adverse impact for out-of-state counseling programs that are not CACREP accredited.

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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