



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

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**18 VAC 95-20 – Regulations Governing the Practice of Nursing Home Administrators**

**18 VAC 95-30 – Regulations Governing the Practice of Assisted Living Facility  
Administrators**

**Department of Health Professions**

August 15, 2014

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

The Board of Long-Term Care Administrators (Board) proposes to require applicants for licensure to provide a current report from the U.S. Department of Health and Human Services National Practitioner's Data Bank (NPDB).

### **Result of Analysis**

Benefits likely outweigh costs for this proposed regulatory change.

### **Estimated Economic Impact**

Current regulation requires applicants for licensure to attest on their applications that they have not been subject to any disciplinary actions while licensed in another state and also requires that they disclose any history of malpractice claims. The Board now proposes to also require applicants to provide a current report from the NPDB along with their applications. This report will allow Board staff can verify that the applicants have not been subject to any disciplinary action based on unprofessional conduct and that they do not have any criminal convictions that would be grounds to deny licensure.

Board staff reports that applicants will pay for the NPDB report which currently costs \$8 but also report that the cost of this report will be reduced to \$5 on October 1, 2014. Since it is highly unlikely that this regulatory change will be effective before that date, applicants are likely to only incur costs equal to the \$5 report fee plus any nominal mailing costs if they mail their application materials to the Board (rather than submitting them online). These costs are likely outweighed by the benefits that will accrue to residents of long-term care facilities who will be

better protected from being subject to the care or licensed long-term care administrators who would have been disqualified from licensure if the Board had full information on them.

### **Businesses and Entities Affected**

All applicants for licensure as long-term care administrators will likely be affected by this regulatory change. Board staff reports that they received 430 applications for licensure in the year period ending on 6/30/2014.

### **Localities Particularly Affected**

No locality will be particularly affected by this proposed regulatory action.

### **Projected Impact on Employment**

This proposed regulation is unlikely to affect employment in the Commonwealth.

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

This proposed regulation is unlikely to affect the use or value of private property in the Commonwealth.

### **Small Businesses: Costs and Other Effects**

No small business is likely to incur any costs on account of the proposed regulation.

### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

No small business is likely to incur any costs on account of the proposed regulation.

### **Real Estate Development Costs**

This proposed regulation is unlikely to affect real estate development costs.

### **Legal Mandate**

**General:** The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 17 (2014). Section 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:

- the projected number of businesses or other entities to whom the proposed 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.

**Small Businesses:** If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- 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,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 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 (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

AMH

Town Hall ID: Action # 4214/Stage # 7010