



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 30-20 – Regulations Governing the Practice of Audiology and Speech-Language Pathology
Department of Health Professions
September 6, 2013

Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 436 of the 2013 Acts of the Assembly, the proposed regulations establish provisional licensing for speech-language pathologists who do not have clinical experience.

Result of Analysis

The benefits likely exceed the costs for all proposed changes. However, there is insufficient data to accurately compare the magnitude of the benefits versus the costs. Detailed analysis of the benefits and costs can be found in the next section.

Estimated Economic Impact

Pursuant to Chapter 436 of the 2013 Acts of the Assembly, the proposed regulations establish provisional licensing for speech-language pathologists who do not have clinical experience. Under the current regulations, clinical experience is not required for full licensure in speech-language pathology. If an applicant has met the educational and examination requirements, he or she may be issued a full license to practice speech-language pathology.

Under the proposed regulations, an applicant who has met the educational and examination requirements, but is lacking clinical experience may be allowed to practice speech-language pathology with a provisional license under the supervision of a licensed practitioner. At the completion of required clinical experience, a provisional license may be upgraded to a full license. According to the Department of Health Professions (DHP), allowing practice of speech language pathology without supervision could be risky if the practitioner lacks clinical

experience. Thus, the proposed provisional licensure is expected to reduce health and safety risks that may be posed by inexperienced speech-language pathologists.

The main costs of the proposed change will be on the applicants. With the proposed changes, applicants who receive a provisional license may be allowed to practice their profession only under the supervision of a fully licensed practitioner. Because of the required supervision, provisional licensees may see a reduction in the pool of potential employers if some employers are unwilling to provide supervision or unwilling to allow their fully licensed staff to provide supervision. There could also be a negative effect on the pay due to the provisional nature of the license. However, DHP is unaware from the 47 other states that require clinical experience for licensure of any evidence indicating that fully licensed persons would not be willing to supervise a provisional licensee. In addition, the Board of Audiology and Speech-Language Pathology will rely on a certification issued by American Speech Language Hearing Association (ASHA) to determine clinical competency. According to DHP, ASHA may charge \$286 to \$511 to review an applicant's clinical credentials depending on the type of the certificate sought. However, the applicants for provisional license will be required to pay only a \$50 application fee instead of \$135 for a full license, which represents \$85 savings per application.

Another significant benefit will accrue to the speech-language pathologists whose license may have lapsed for more than five years or applicants for licensure by endorsement who have not been actively practicing for three of the past five years. Under the current regulations, these individuals are required to retake the qualifying examination which costs about \$115. Under the proposed regulations, they will be allowed to practice with a provisional license without having to retake the exam and may upgrade to a full license after six months. Not having to retake the exam will provide time and travel savings in addition to the savings in exam fee for these individuals.

Businesses and Entities Affected

DHP receives approximately 300 to 350 applications per year for speech language pathology license. One half of the applicants are estimated to lack clinical experience.

Localities Particularly Affected

The proposed regulations apply throughout the Commonwealth.

Projected Impact on Employment

Required supervision for provisional licensees may have a negative impact on the demand for speech-language pathologists with a provisional license. Increased costs due to ASHA review of clinical credentials may provide disincentives to get into this profession. Finally, the elimination of the requirement to retake the exam for those with a lapsed license will make it easier for them to get back into the profession. While the net impact of these opposite effects on demand and supply of speech-language pathologists in the Commonwealth is not known, it probably will be small.

Effects on the Use and Value of Private Property

Required supervision for provisional licensees may increase costs for some employers and have a negative effect on their asset values.

Small Businesses: Costs and Other Effects

Some of the entities hiring speech-language pathologists may be small businesses. As discussed above, required supervision may add to their costs.

Small Businesses: Alternative Method that Minimizes Adverse Impact

There is no known alternative that minimizes potential costs on small businesses while accomplishing the same health and safety goals.

Real Estate Development Costs

No impact on real estate development costs is expected.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, 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 an adverse effect on small businesses, Section 2.2-4007.04 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.