

Office of Regulatory Management
Economic Review Form

Agency name	Virginia Department of Health
Virginia Administrative Code (VAC) Chapter citation(s)	N/A
VAC Chapter title(s)	N/A
Action title	Amend PRM-003: VA SLRP Eligibility
Date this document prepared	12/15/2022, updated 4/10/24
Regulatory Stage (including Issuance of Guidance Documents)	Issuance or Periodic Review of Guidance Documents

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

N/A

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>CHANGE: The Virginia State Loan Repayment Program has undergone two recent changes that merit attention. First, community/practice sites were required to provide a dollar-for-dollar match to receive federal funds. However, the general assembly has provided the full community match, which takes the burden from the provider and practice site. Second, the program has expanded eligibility to include part-time and previously eligible full-time providers.</p> <ul style="list-style-type: none">• Direct Costs: This change in the guidelines will positively impact the local partners. Local partners representing stakeholders in the eight Area Health Education Center (AHEC) Regions and the health care associations throughout the commonwealth have openly supported this program and provided letters of support to secure the grant. This change will not adversely impact these partners, but rather, the stakeholders that they represent, employers, and communities will be able to place increased providers in populations throughout the commonwealth's much-needed underserved areas without paying the required dollar-for-dollar match that the commonwealth of Virginia is now funding. The partners have longed for this relief for the communities they represent.• Indirect Costs: This change will make Virginia a more attractive place to work and live, but more importantly will help increase access to care in rural and underserved areas, something that was possible before at a cost to the community and partners but no longer a burden because of these increased matching funds from the commonwealth.• Direct Benefits: Once the financial burden is eliminated for the employer with limited resources, this change makes it easier for more employers to hire additional providers. This incentive will improve access to quality care for underserved communities and address health equity issues. Participants in the VA-SLRP program frequently work in communities and safety net facilities that have difficulty attracting and keeping healthcare providers. The program incentivizes these clinicians and helps them deliver crucial health services to disadvantaged communities. Furthermore, they produce substantial economic effects in the regions they cater to. The VDH-OHE projects that the investment of \$150,000 in community match will stimulate \$3.4 million in economic activity and sustain nearly 26 jobs. This comprises a total of 10 employment positions and a direct payment of \$1.45 million in compensation to members of the VA-SLRP program.
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	<ul style="list-style-type: none"> Indirect Benefits: This change will help local partners build stronger relationships with the commonwealth and continue to support and promote health equity initiatives that promote provider recruitment and retention. In addition, more providers in the commonwealth equate to increased access to care for all Virginians. Additionally, an indirect and induced activity generates approximately \$2 million and supports nearly 16 jobs. Crucially, this number does not include the economic benefit of improved health and healthcare services, such as decreased employee absences and reduced productivity due to illness or avoidable visits to the emergency room. 	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$1.45 million	b) \$3.4 million
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	This program change is already an alternative to the existing required community match from the employers. This new match is provided by the commonwealth of Virginia.	
(5) Information Sources	VA- SLRP economic impact summary completed by VDH staff	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>CHANGE: The Virginia State Loan Repayment Program has undergone two recent changes that merit attention. First, community/practice sites were required to provide a dollar-for-dollar match to receive federal funds. However, the general assembly has provided the full community match, which takes the burden from the provider and practice site. Second, the program has expanded eligibility to include part-time and previously eligible full-time providers.</p>
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	<p>Direct Costs: This change in the guidelines will reduce student debt by at least 25% each year for eligible providers. This will impact families in Virginia because it creates opportunities for access to care when providers are funded and can provide quality care in return to Virginia's families.</p> <p>Indirect Costs: This change will help place qualified clinicians providing direct patient care to families who live at or below the poverty guideline, in rural and underserved communities, and cannot afford to travel long distances for care.</p> <p>Direct Benefits: This change will help providers defray education costs and create more eligibility opportunities. This is possible because the commonwealth has provided the match to help more primary care providers become eligible, thus reducing their education debt and making it possible for providers to take care of their families without worrying about their debt post-graduation.</p> <p>Indirect Benefits: This change will help families build stronger bonds and trust in the commonwealth and continue to support and promote health equity initiatives that promote provider recruitment and retention. In addition, more families who receive assistance means less family burden for Virginia families.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct and Indirect Benefits
	(a) \$1.45 million	b) \$3.4 million
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	VA-SLRP economic Impact summary	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs &	CHANGE: The Virginia State Loan Repayment Program has undergone two recent changes that merit attention. First, community/practice sites
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Benefits (Monetized)	<p>were required to provide a dollar-for-dollar match to receive federal funds. However, the general assembly has provided the full community match, which takes the burden from the provider and practice site. Second, the program has expanded eligibility to include part-time and previously eligible full-time providers.</p> <p>Direct Costs: Small businesses that offer primary care services may benefit from implementing these new guidelines since the burden of the dollar-for-dollar community match is no longer required. This eases the burden on small businesses that employ primary care providers.</p> <p>Indirect Costs: Small businesses can focus on other priorities since the burden of the dollar-for-dollar community match is no longer required.</p> <p>Direct Benefits: The program administered by these guidelines promotes primary recruitment and retention, which is intended to address the provider shortages throughout the commonwealth. As such, facilities that provide primary care services and that qualify as a small business may benefit from implementing these new guidelines because the burden of the dollar-for-dollar match is no longer required. The policies have no adverse economic impact on small businesses.</p> <p>Indirect Benefits: Small business employers can provide increased services to the communities they serve. Providers are placed in underserved areas and populations where their services are much needed to improve and increase access to care.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$1.45 million	b) \$3.4 million
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	This program change is already an alternative to the existing required community match from the employers. The Commonwealth of Virginia is providing this new match.	
(5) Information Sources	VA- SLRP economic Impact summary	

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
Virginia State Loan Repayment Program Guidelines, 2019-2022	3078	3708	+630

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).