



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

18 VAC 80-20 Board for Hearing Aid Specialists Regulations
Department of Professional and Occupational Regulation
Town Hall Action/Stage: 5808 / 9378
September 29, 2021

Summary of the Proposed Amendments to Regulation

The Board for Hearing Aid Specialists and Opticians (Board) proposes to allow applicants more time to pass all sections of the hearing aid specialist licensure exam.

Background

Exam Description and Administration

The hearing aid specialist licensure exam has six sections in total. The written part has two sections: 1) Theory and 2) Rules and Regulations. The Theory section is administered by the International Hearing Society (IHS), and the Rules and Regulations section is administered by PSI, LLC (PSI). According to the Department of Professional and Occupational Regulation (DPOR), both IHS and PSI have testing centers spread across the Commonwealth. The practical part has four sections: 1) Audiogram Testing, 2) Speech Audiometry, 3) Earmold Impressions, and 4) Hearing Aid Troubleshooting and Maintenance. The four sections of the practical part are administered by DPOR at one location in Richmond.

Proposed Change

The current regulation states the following for candidates of hearing aid specialist licensure:

C. Applicants for licensure shall pass a two part examination, of which Part I is a written examination and Part II is a practical examination.

1. The applicant shall pass each section of the written and practical examination administered by the board. Candidates failing one or more sections of the written or practical examination will be required to retake only those sections failed.

2. Any candidate failing to achieve a passing score on all sections in **three successive scheduled examinations**¹ must reapply as a new applicant for licensure and repeat all sections of the written and practical examination.

The Board proposes to replace the bolded text above with “two years from the initial test date” so that the third quoted paragraph above becomes:

2. Any candidate failing to achieve a passing score on all sections in **two years from the initial test date**² must reapply as a new applicant for licensure and repeat all sections of the written and practical examination.

Fees

Fee Type	Fee Amount	Fee Recipient
Application	\$30	Board
Exam: Theory	\$225	IHS
Exam: Rules and Regulations	\$35	PSI
Exam: Practical (all four sections)	\$90	Board
Retake: Theory	\$225	IHS
Retake: Rules and Regulations	\$35	PSI
Retake: Practical (same fee regardless of number of sections)	\$90	Board

Estimated Benefits and Costs

The exams are offered every three months. Thus, under the current regulation, candidates must pass all six sections within a nine month window. If the candidate does not pass all six sections within 9 months, he or she would have to reapply as a new applicant and retake all sections of the exam. The proposed amendment would give candidates two years to pass all sections, without having to retake sections already passed and paying another application fee.

According to data provided by DPOR, each year there are about five to nine candidates who do not pass all sections of the exam within nine months. The proposed amendment enables these candidates, assuming that they intend to keep trying to pass the full licensure exam, to save the costs resulting from fees as well as time and transportation when they are taking exam

¹ Bold added for emphasis.

² Ibid

sections after nine months from their initial test date and within two years of their initial test date. The table below describes the savings based on different potential situations.

Situation	Savings
Passed Theory section and Rules and Regulations section, but not all four Practical sections.	<ul style="list-style-type: none"> a) \$290 in fees (\$30 application fee, \$225 retake of Theory, \$35 retake of Rules and Regulations). b) Time to retake the two written section tests and the Practical sections already passed, and the time to travel to and from the closest IHS and PSI testing centers. c) Transportation costs of travelling to and from the IHS and PSI testing centers.
Passed Theory section and all four Practical sections, but not Rules and Regulations section.	<ul style="list-style-type: none"> a) \$345 in fees (\$30 application fee, \$225 retake of Theory, \$90 retake of Practical sections). b) Time to retake the Theory section and the Practical sections, and the time to travel to and from the closest IHS testing center and to and from Richmond (for the practical sections). c) Transportation costs of travelling to and from the closest IHS testing center and to and from Richmond.
Passed Rules and Regulations section and all four Practical sections, but not Theory section.	<ul style="list-style-type: none"> a) \$155 in fees (\$30 application fee, \$35 retake of Rules and Regulations, \$90 retake of Practical sections). b) Time to retake the Rules and Regulations section and the Practical sections, and the time to travel to and from the closest PSI testing center and to and from Richmond (for the practical sections). c) Transportation costs of travelling to and from the closest PSI testing center and to and from Richmond.
Passed Theory section, but not Rules and Regulations section and all four Practical sections.	<ul style="list-style-type: none"> a) \$255 in fees (\$30 application fee, \$225 retake of Theory) b) Time to retake the Theory section and the Practical sections already passed, and the time to travel to and from the closest IHS testing center. c) Transportation costs of travelling to and from the closest IHS testing center.
Passed Rules and Regulations section, but not Theory section and all four Practical sections.	<ul style="list-style-type: none"> a) \$65 in fees (\$30 application fee, \$35 retake of Rules and Regulations) b) Time to retake the Rules and Regulations section and the Practical sections already passed, and the time to travel to and from the closest PSI testing center. c) Transportation costs of travelling to and from the closest PSI testing center.

Passed all four Practical sections, but not Theory section and Rules and Regulations section.	<ul style="list-style-type: none"> a) \$120 in fees (\$30 application fee, \$90 retake of Practical sections). b) Time to retake the Practical sections, and the time to travel to and from Richmond (for the practical sections). c) Transportation costs of travelling to and from Richmond
---	--

The savings in fees paid described in the above table, would mean commensurate reductions in revenue for the three exam administrating organizations.

Having to reapply as a new applicant and retake all of the exam sections if all are not passed within nine months may discourage some candidates from continuing to attempt to become licensed. By allowing substantially more time to pass all sections without having to start from scratch if not completed within nine months, some individuals who under the current regulation may stop attempting to become a licensed hearing aid specialist may instead with the proposed amendment continue their pursuit and eventually become licensed. To the extent that this would occur, some businesses and other entities that employ licensed hearing aid specialists may benefit by a modestly larger supply of potential employees.

Businesses and Other Entities Affected

The proposed amendment particularly affects the approximate five to nine hearing aid specialist licensure candidates who each year are unable to pass all sections of the licensure examination within nine months. The proposed amendment also affects the three organizations that administer the different sections of the exam, and potential employers of hearing aid specialists. The U.S. Bureau of Labor Statistics lists the following as the top five employers of hearing aid specialists (employs the most, employs second most, etc.):³ health and personal care stores, offices of other health practitioners,⁴ other ambulatory health care services,⁵ offices of physicians, and general medical and surgical hospitals.

An adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined. Since the proposed amendment would likely result in fewer instances of candidates retaking exam

³ See <https://www.bls.gov/oes/current/oes292092.htm>

⁴ “Offices of other health practitioners” includes “offices of audiologists,” which likely accounts for most if not all of the hearing aid specialists employed in this category.

⁵ “Other ambulatory health care services” includes “hearing testing services (excluding audiologist offices),” which likely accounts for most if not all of the hearing aid specialists employed in this category.

sections, the administrators of the exams would likely receive less exam fee revenue. Thus, an adverse impact is indicated.

Small Businesses⁶ Affected:

The proposed amendments do not appear to adversely affect small businesses.⁷

Localities⁸ Affected⁹

The proposed amendments neither disproportionately affect any particular locality, nor introduce costs for local governments.

Projected Impact on Employment

To the extent that some individuals who under the current regulation may give up on becoming a licensed hearing aid specialist, instead with the proposed amendment continue their pursuit and eventually become licensed, there may be a modest increase in the number of people who become employed as hearing aid specialists.

Effects on the Use and Value of Private Property

To the extent that some individuals who under the current regulation may give up on becoming a licensed hearing aid specialist, instead with the proposed amendment continue their pursuit and eventually become licensed, the supply of licensed hearing aid specialists may modestly increase. This may modestly reduce the cost to firms of hiring hearing aid specialists, which may in turn have a small positive impact on their value.

The one private entity that administers exam sections, PSI, would likely have the number of retaking of exam sections they administer reduced by less than ten per year. Given that PSI delivers over 30 million assessments annually,¹⁰ this would have a negligible impact on the firm.

The proposed amendment does not affect real estate development costs.

⁶ 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.”

⁷ PSI, LLC would likely receive somewhat fewer test taking fees; but with over 2,000 employees and over 30 million assessments delivered annually (see <https://www.psionline.com/company/about-us/>), it does not likely meet the statutory definition of a small business.

⁸ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁹ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

¹⁰ See <https://www.psionline.com/company/about-us/>

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 14 (as amended, July 16, 2018). 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(D): 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.