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 85-50 Regulations Governing the Practice of Physician Assistants
Department of Health Professions
Town Hall Action/Stage: 4393/7270
August 24, 2015

Summary of the Proposed Amendments to Regulation

As a result of a recommendation from the Advisory Board on Physician Assistants, the Board of Medicine (Board) proposes to eliminate the requirement for the signature of a supervising physician or podiatrist on prescriptions for Schedule VI drugs written by physician assistants.

Result of Analysis

There is insufficient information to ascertain if benefits will outweigh costs for this regulatory action.

Estimated Economic Impact

Current law requires that physician assistants practice under a written supervisory agreement with a licensed physician or podiatrist "*which provides for the direction and supervision by the licensee of the prescriptive practices of the assistant. Such agreement must contain the controlled substances that the physician assistant is or is not authorized to prescribe and may restrict such prescriptive authority as deemed appropriate by the physician or podiatrist providing direction and supervision.*" As part of that supervision, physician assistants are required to have their supervising physician's or podiatrist's name on all prescriptions that they write whatever the Schedule the prescribed drugs might be in. In February of 2015, the

Board considered a recommendation from the Advisory Board on Physician Assistants to eliminate the requirement that a supervising physician's or podiatrists name be on prescriptions for all Schedule drugs (Schedules II through VI) written by physician assistants as this requirement was seen as unnecessarily burdensome. The Board decided at its meeting on June 18, 2015 to eliminate the requirement for the signature of a supervising physician or podiatrist on prescriptions for Schedule VI drugs but to retain that requirement for prescriptions of Schedule II through V drugs.

Board staff reports that the Board chose to amend this regulation in the way they did because the current system for electronic prescriptions used in the Commonwealth only has a place for two names (the prescribing physician assistant and the supervising physician or podiatrist) on prescriptions for Schedule II through V drugs that fall under the federal Controlled Substances Act. Board staff reports that this change will make it easier for physician assistants to write electronic prescriptions for Schedule VI drugs which are not controlled under federal law but are controlled under Virginia Code. To the extent that physician assistants currently write paper prescriptions for Schedule VI drugs when an electronic prescription sent directly to the pharmacy would allow the patient to avoid spending time and gas to physically pick up their prescription, this change will likely benefit both physician assistants and patients.

Schedule VI drugs include topical anesthetics, and topical and oral anti-allergy drugs (including antihistamines and mast cell stabilizers), anti-fungals, anti-glaucoma drugs, anti-infective drugs (including antibiotics and antivirals) and anti-inflammatory drugs (including steroids like prednisone and Solu-Medrol). While these drugs are not addictive or as potentially dangerous as drugs in Schedules II through V, they can still be dangerous if prescribed incorrectly or for too long. Steroids, for instance, can induce Cushing's Syndrome in individuals who take them long term. Although Board staff reports that physician assistants have other requirements to disclose the name of their supervising physician that will likely protect patient health, removing the supervising physician's or podiatrist's name from Schedule VI drug prescriptions may decrease the ability of outside entities like pharmacists, who are not privy to information about the physician assistant's supervisor outside of the information explicitly contained on a prescription, to report potential contra-indications and problematic prescriptive practices directly to that supervisor. Without knowing either the magnitude of time savings for physician assistants and patients due to easier electronic prescribing or the potential magnitude

of any possible harm that may arise from this change, it is not possible to say if benefits will outweigh costs for this regulatory change.

Businesses and Entities Affected

This regulatory change will affect all physician assistants as well as the patients who see them. Board staff reports that there are currently 3,058 individuals who are licensed as physician assistants in the Commonwealth.

Localities Particularly Affected

This proposed change will not particularly affect any locality in the Commonwealth.

Projected Impact on Employment

This proposed change is unlikely to impact employment in the Commonwealth.

Effects on the Use and Value of Private Property

This proposed change will likely have no impact on the use or value of private property.

Real Estate Development Costs

This proposed change will likely not 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

No small businesses will incur costs on account of this regulatory change.

Alternative Method that Minimizes Adverse Impact

No small businesses will incur costs on account of this regulatory change.

Adverse Impacts:

Businesses:

This proposed change is unlikely to adversely impact any business in the Commonwealth.

Localities:

This proposed change is unlikely to adversely impact localities.

Other Entities:

This proposed change may adversely affect patients prescribed Schedule VI drugs if pharmacists are less likely or able to contact supervising physicians when problems with those prescriptions arise and contacting the prescribing physician assistant does not yield corrective action.

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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