



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

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**18 VAC 112 - 20 – Regulations Governing the Practice of Physical Therapy**  
**Department of Health Professions**  
October 14, 2013

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

The Board of Physical Therapy (Board) proposes to: 1) eliminate specific remedial requirements for persons who fail the licensure examination three times, 2) reduce the traineeship hours required for applicants by endorsement, reactivation or reinstatement, 3) no longer require that applicants for licensure by endorsement have active, clinical practice with a current, unrestricted license for at least five years prior to applying for licensure in Virginia if the applicant did not take the same examination, 4) eliminate the requirement that traineeships be served in facilities approved as clinical sites for students enrolled in an accredited education program, 5) amend the requirement for evaluation of those patients who have been receiving care for the same condition or injury for six months or longer to require evaluation at least every 90 days from the last evaluation, 6) establish that if a patient is discharged from a health care facility without the opportunity for the physical therapist to evaluate the patient, the final note in the patient record may document patient status, and 7) amend language for clarification.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Under the current regulations, an applicant for licensure who has failed the national examination three times must: “1. Provide the board with a copy of the deficiency report from the examination; 2. Review areas of deficiency with the applicant's physical therapy educational program and develop a plan, which may include additional clinical training or coursework, to address deficiency areas; and 3. Take an examination review course and the practice

examination.” The Board proposes to repeal these requirements. According to the Department of Health Professions (Department), “The requirement to “review areas of deficiency with the applicant's physical therapy educational program and develop a plan, which may include additional clinical training or coursework, to address deficiency areas” was very problematic for applicants and programs, which are not organized to assume that responsibility. The Board determined that remedial steps following failure of an examination should be left to the individual.” The first exam review course listed by the American Physical Therapy Association is from TherapyEd (<http://www.therapyed.com/ptmain.htm#ptreg>). TherapyEd charges \$265 for their review course. Thus, if the applicant determined that taking the review course was not his/her best course of action, then the proposed repeal would save approximately \$265 in fees. Since the applicant will still not become licensed without passing the exam, there is no reduction in required knowledge to become a licensed physical therapist. Therefore the proposed repeal of these requirements should produce a net benefit.

The current regulations require applicants by endorsement, reactivation or reinstatement to have completed a 480 hour internship/traineeship if they do not have at least 320 hours of active practice in another jurisdiction. The board proposes to amend the internship/traineeship requirement to 320 hours for consistency with the active practice requirement and to enable the applicant to become fully licensed more quickly. If the applicant completes the Practice Review Tool (PRT) offered by the Federation of State Boards of Physical Therapy (FSBPT), he can reduce the internship hours to 160 (amended from the current requirement of 320 hours). This significantly reduces the burden to obtain licensure for these individuals who previously were licensed in Virginia.

For individuals applying for licensure by endorsement, the existing regulations require active, clinical practice with a current, unrestricted license for at least five years prior to applying for licensure in Virginia if the applicant did not take the same examination Virginia required at the time of initial licensure in another state. The Board believes passage of the examination required for licensure in the other state is adequate evidence of competency. Additionally, all states have required the FSBPT examination for many years; so the likelihood of receiving an application from a person who passed only a state examination is decreasing. This proposed change eliminates a burden without in practice making any significant change in qualification; thus this proposed change should also provide net benefit.

Presently, traineeship must be held in a facility that serves as a clinical education facility for students enrolled in an accredited program educating physical therapists in Virginia. The Board has determined that that requirement is too limiting and burdensome and substantially reduces the physical therapy settings in which an applicant or graduate may serve a traineeship. Thus the Board proposes to eliminate that provision in the requirements but retain the requirement that the traineeship be under direction and supervision of a licensed physical therapist to assure patient safety.

For patients in settings other than in-patient, the current regulations require that the physical therapist evaluate the patient not less than once out of 12 visits made to the patient during a 30-day period, or once every 30 days from the last evaluation, whichever occur first. The Board believes that the requirement for evaluation every 30 days is burdensome for patients who have been receiving physical therapy care for the same condition or injury over an extended period of time. For example, children with physical disabilities who are receiving physical therapy in school settings may not need evaluation every 30 days. There will not be enough significant progress within that time frame to warrant an evaluation by the physical therapist. Therefore, the Board proposes to amend the requirement for evaluation of those patients who have been receiving care for the same condition or injury for six months or longer to require evaluation at least every 90 days from the last evaluation. This proposed amendment should produce net benefits in that it will eliminate the nonproductive use of time by both physical therapists and their patients.

The regulations require physical therapists to document the status of the patient at the time of discharge, including the response to therapeutic intervention. The Department notes that the patient often is discharged from a health care facility without the opportunity for the physical therapist to evaluate the patient. So the Board proposes to amend the regulations to allow the final note in the patient record to document patient status.

## **Businesses and Entities Affected**

The proposed amendments potentially affect the 6580 licensed physical therapists and 2692 physical therapist assistants currently licensed in the Commonwealth, as well as future licensure applicants.

## **Localities Particularly Affected**

The proposed amendments do not disproportionately affect particular localities.

## **Projected Impact on Employment**

The proposed amendments reduce some burdens in obtaining licensure, and may therefore moderately increase the number of licensed physical therapists in the Commonwealth.

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

The proposed amendments reduce some burdens in obtaining licensure and allow physical therapy practices additional discretion in how often to see patients.

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

The proposed amendments will not increase costs for small businesses.

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

The proposed amendments do not adversely impact small businesses.

## **Real Estate Development Costs**

The proposed amendments will not affect real estate development costs.

## **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.