



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 90-60 –Regulations Governing the Registration of Medication Aides
Department of Health Professions
March 14, 2013

Summary of the Proposed Amendments to Regulation

The Board of Nursing proposes 1) to allow 20% of the required 20 hours of supervised skills practice in medication aide training to be a simulation experience, 2) to allow registered aides to report their change of address electronically, 3) to allow registrants to use a certificate of naturalization as documentation of a name change, and 4) to clarify a number of existing requirements.

Result of Analysis

The benefits likely exceed the costs for one or more proposed changes. There is insufficient data to accurately compare the magnitude of the benefits versus the costs for at least one change.

Estimated Economic Impact

One of the proposed changes will allow 20% (four hours) of the required 20 hours of supervised skills practice in medication aide training to be a simulation experience. The proposed percentage is consistent with the allowance for simulation in nursing education programs. This change will primarily affect training institutions and new medication aides. Currently, there are 141 training institutions in the Commonwealth. The number of new medication aides registered in fiscal years (FY) 2011 and 2012 was 899 and 861, respectively. However, the number of affected medication aides will be larger than those who are registered because some applicants who take the training may not qualify for registration.

Being able to substitute simulation experience for actual experience is likely to reduce training costs as the simulation method is probably more conducive to train a large number of people simultaneously. If the training costs are reduced for the training institutions, some of the

reduction will likely be passed on to the applicants depending on the competitiveness of the training industry. However, the Department of Health Professions (DHP) acknowledges that the simulation method may not be as effective as real hands on training. This is the reason why only 20% of required training is allowed to be a simulation experience.

Another proposed change will allow registered aides to report their change of address electronically in addition to via a written submission. This change is expected to facilitate the submission of address change information and produce net benefits by reducing compliance costs such as time, travel, and postage costs on registered aides. DHP states that medication aides are generally very mobile and a fairly large proportion of them change their address in a given year. Currently, there are 4,936 medication aides registered in Virginia.

In addition, one of the proposed changes will allow registrants to use a certificate of naturalization as documentation of a name change. Under the current rules, a court order or a marriage certificate is required. This change is expected to produce net benefits by reducing compliance costs for those who have a certificate of naturalization at hand, but not a court order or marriage certificate. However, the number of people who may be affected by this change is likely to be very small.

The remaining changes are clarifications of the current requirements and are not anticipated to create a significant economic impact other than perhaps avoiding some potential confusion among the medication aides.

Businesses and Entities Affected

The proposed regulations apply to 141 training institutions and approximately 4,936 medication aides registered in Virginia.

Localities Particularly Affected

No locality will be disproportionately affected.

Projected Impact on Employment

Allowance of simulation experience to meet the required real supervised skills practice is likely to increase the demand for training staff involved in simulation while reducing the demand for staff providing real world supervision. Remaining proposed changes are not anticipated to have a significant impact on employment.

Effects on the Use and Value of Private Property

Allowance of simulation experience to meet the required real supervised skills practice is likely to positively affect the asset value of the training centers offering this option as the demand for their services is likely to increase while the opposite is expected for the training institutions that do not offer the simulation method.

Small Businesses: Costs and Other Effects

The proposed regulation is expected to have an impact on 141 medication aide training institutions most if not all of which are small businesses. While no small business costs are expected, other effects on them are the same as discussed above.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed changes are not anticipated to have an adverse impact on small businesses.

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.