



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

12 VAC 5-218 Rules and Regulations Governing Outpatient Data Reporting
Department of Health
September 18, 2014

Summary of the Proposed Amendments to Regulation

The Board of Health (Board) proposes to: 1) update definitions and references, 2) repeal obsolete language, 3) amend language for clarity, and 4) establish existing policy in this regulation.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Updating definitions and references, repealing obsolete language, and amending language to improve clarity are all moderately beneficial in that they may reduce some potential confusion amongst the interested public.

General hospitals, ordinary hospitals, outpatient surgical hospitals, and other facilities licensed or certified pursuant to Article 1 (§ 32.1-123 et seq.) of Chapter 5 of Title 32.1 of the Code of Virginia, are required to submit outpatient level data either to the Board or to the nonprofit organization Virginia Health Information on behalf of the Board. Physicians performing surgical procedures in their office or oral and maxillofacial surgeon's office as defined by § 32.1-276.3 of the Code of Virginia are also required to submit outpatient level data. If the submitted data has not already been processed and verified, then fees may be charged. It is current Board policy that the fees not exceed \$.75 per record and that no fees are charged to state agencies reporting data. The Board proposes to specify in this regulation that the fees shall not exceed \$.75 per record and that no fees are charged to state agencies reporting data. Establishing

this policy in regulation does not change what occurs in practice, but does provide a modest benefit in that it provides clarity for interested parties.

Businesses and Entities Affected

The proposed amendments concern approximately 150 licensed or certified facilities performing outpatient surgical procedures across the Commonwealth, as well as the nonprofit organization Virginia Health Information.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments are unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments will not significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed amendments will not significantly affect costs for small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments will not adversely affect small businesses.

Real Estate Development Costs

The proposed amendments are unlikely to affect real estate development costs.

Legal Mandate

General: The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 17 (2014). Section 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:

- the projected number of businesses or other entities to whom the proposed regulatory action 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.

Small Businesses: If the proposed regulatory action will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- 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,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 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 (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

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