



Proposed Regulation Agency Background Document

Agency name	Department of Human Resource Management
Virginia Administrative Code (VAC) citation	1 VAC 55 -30
Regulation title	Commonwealth of Virginia Long-term Care Program
Action title	Repeal the Department of Human Resource Management's Long-term Care Regulations
Date this document prepared	3/23/2010

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 36 (2006) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

In a short paragraph, please summarize all substantive provisions of new regulations or changes to existing regulations that are being proposed in this regulatory action.

The Department of Human Resource Management's regulations relating to the Long Term Care program for state and local employees are being repealed because the administration of this plan has been transferred to the Virginia Retirement System.

Acronyms and Definitions

Please define all acronyms used in the Agency Background Document. Also, please define any technical terms that are used in the document that are not also defined in the "Definition" section of the regulations.

Legal basis

Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant law and/or regulation, including Code of Virginia citation and General Assembly

chapter number(s), if applicable, and (2) promulgating entity, i.e., the agency, board or person. Describe the legal authority and the extent to which the authority is mandatory or discretionary.

Enter statement here: In 2009 the General Assembly passed and the Governor signed a bill to allow DHRM to transfer the administration of the Commonwealth's Long-term Care plan for state and local employees to VRS. This transfer has been completed. Authorization for this transfer can be found in § 51.1-513.2, and § 51.1-513.3. of the Code of Virginia.

Purpose

Please explain the need for the new or amended regulation by (1) detailing the specific reasons why this regulatory action is essential to protect the health, safety, or welfare of citizens, and (2) discussing the goals of the proposal, the environmental benefits, and the problems the proposal is intended to solve.

Enter statement here: The Long-term Care plan is now administered by the Virginia Retirement System.

Substance

Please briefly identify and explain new substantive provisions (for new regulations), substantive changes to existing sections or both where appropriate. (More detail about all provisions or changes is requested in the "Detail of changes" section.)

Enter statement here: The Department of Human Resource Management's regulations relating to the Long-term Care program for state and local employees are being repealed because the administration of this plan has been transferred to the Virginia Retirement System.

Issues

Please identify the issues associated with the proposed regulatory action, including:

- 1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
- 2) the primary advantages and disadvantages to the agency or the Commonwealth; and*
- 3) other pertinent matters of interest to the regulated community, government officials, and the public.*

If the regulatory action poses no disadvantages to the public or the Commonwealth, please so indicate.

Enter statement here: The repeal of this regulation poses no disadvantage to the public or the Commonwealth. Since the Virginia Retirement Systems already administers the mandatory Long-term Care plan for state employees, it was felt that the voluntary plan for state and local government employees would benefit by going under the administration of the Virginia Retirement Plan, since such a move would result in additional enrolled lives, which in turn would result in additional buying power.

Requirements more restrictive than federal

Please identify and describe any requirement of the proposal, which are more restrictive than applicable federal requirements. Include a rationale for the need for the more restrictive requirements. If there are no applicable federal requirements or no requirements that exceed applicable federal requirements, include a statement to that effect.

Enter statement here: Not applicable.

Localities particularly affected

Please identify any locality particularly affected by the proposed regulation. Locality particularly affected means any locality which bears any identified disproportionate material impact which would not be experienced by other localities.

Enter statement here: Not applicable.

Public participation

Please include a statement that in addition to any other comments on the proposal, the agency is seeking comments on the costs and benefits of the proposal and the impacts of the regulated community.

In addition to any other comments, the board/agency is seeking comments on the costs and benefits of the proposal and the potential impacts of this regulatory proposal. Also, the agency/board is seeking information on impacts on small businesses as defined in § 2.2-4007.1 of the Code of Virginia. Information may include 1) projected reporting, recordkeeping and other administrative costs, 2) probable effect of the regulation on affected small businesses, and 3) description of less intrusive or costly alternative methods of achieving the purpose of the regulation.

Anyone wishing to submit written comments may do so via the Regulatory Town hall website, www.townhall.virginia.gov, or by mail, email or fax to [Charles Reed, Department of Human Resource Management, 101 N. 14th Street, Richmond, VA 23219, charles.reed@dhrm.virginia.gov]. Written comments must include the name and address of the commenter. In order to be considered comments must be received by the last date of the public comment period.

Economic impact

Please identify the anticipated economic impact of the proposed new regulations or amendments to the existing regulation. When describing a particular economic impact, please specify which new requirement or change in requirement creates the anticipated economic impact.

<p>Projected cost to the state to implement and enforce the proposed regulation, including (a) fund source, and (b) a delineation of one-</p>	<p>There will not be any additional cost to the state.</p>
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time versus on-going expenditures.	
Projected cost of the <i>new regulations or changes to existing regulations on localities.</i>	There will not be any additional cost.
Description of the individuals, businesses or other entities likely to be affected by the <i>new regulations or changes to existing regulations.</i>	Those employees and retirees who are covered by the Long-term Care plan for state and local employees.
Agency's best estimate of the number of such entities that will be affected. Please include an estimate of the number of small businesses affected. Small business means 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.	Not applicable.
All projected costs of the <i>new regulations or changes to existing regulations for affected individuals, businesses, or other entities.</i> Please be specific and do include all costs. Be sure to include the projected reporting, recordkeeping, and other administrative costs required for compliance by small businesses. Specify any costs related to the development of real estate for commercial or residential purposes that are a consequence of the proposed regulatory changes or new regulations.	There will not be any additional cost.
Beneficial impact the regulation is designed to produce.	Since the Virginia Retirement Systems already administers the mandatory Long-term Care plan for state employees, it was felt that the voluntary plan for state and local government employees would benefit by going under the administration of the Virginia Retirement Plan, since such a move would result in additional enrolled lives, which in turn would result in additional buying power.

Alternatives

Please describe any viable alternatives to the proposal considered and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the action. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in §2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulation.

Enter statement here. Not applicable. This transfer is authorized by the Code of Virginia.

Regulatory flexibility analysis

Please describe the agency's analysis of alternative regulatory methods, consistent with health, safety, environmental, and economic welfare, that will accomplish the objectives of applicable law while minimizing the adverse impact on small business. Alternative regulatory methods include, at a minimum:

1) the establishment of less stringent compliance or reporting requirements; 2) the establishment of less stringent schedules or deadlines for compliance or reporting requirements; 3) the consolidation or simplification of compliance or reporting requirements; 4) the establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and 5) the exemption of small businesses from all or any part of the requirements contained in the proposed regulation.

Enter statement here: Not applicable.

Public comment

Please summarize all comments received during public comment period following the publication of the NOIRA, and provide the agency response.

This is an exempt regulatory change and a Nora was not required.

Commenter	Comment	Agency response

Family impact

Please assess the impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

Enter statement here: There will be not any negative impact on the family.

Detail of changes

Please detail all changes that are being proposed and the consequences of the proposed changes. If the proposed regulation is a new chapter, describe the intent of the language and the expected impact if implemented in each section. Please detail the difference between the requirements of the new provisions and the current practice or if applicable, the requirements of other existing regulations in place.

If the proposed regulation is intended to replace an emergency regulation, please list separately (1) all provisions of the new regulation or changes to existing regulations between the pre-emergency regulation and the proposed regulation, and (2) only changes made since the publication of the emergency regulation.

For changes to existing regulations, use this chart:

Current	Proposed	Current requirement	Proposed change, rationale, and
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section number	new section number, if applicable		consequences
1 VAC 55 -30		The plan is administered by the Department of Human Resource Management.	The plan is now administered by the Virginia Retirement System.

For new chapters, use this chart:

Section number	Proposed requirements	Other regulations and law that apply	Intent and likely impact of proposed requirements

Enter any other statement here