

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 60-21 Regulations Governing the Practice of Dentistry
Department of Health Professions
Town Hall Action/Stage: 4682 / 7721
November 8, 2016

Summary of the Proposed Amendments to Regulation

In response to a 2016 petition for rulemaking, the Board of Dentistry (board) is proposing a fast-track action to eliminate a posting requirement for dentists.¹

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Currently, dentists who administer, prescribe, or dispense Schedules II through V controlled substances are required to post copies of their registrations that are issued by the United States Drug Enforcement Administration (DEA). The regulation requires licensees to display their current registrations with their current active licenses where they are “conspicuous and readable by patients in each dental practice setting.”

The petitioner raised a concern that this information might be used for illegal purposes, and thus requested that the board consider eliminating the posting requirement for DEA registrations. Accordingly, the board is proposing to amend the regulation to remove the “display” requirement and replace it with one that imposes a duty to maintain a copy of the

¹ More information about the petition for rulemaking is available on the Virginia Regulatory Town Hall at <http://townhall.virginia.gov/L/viewpetition.cfm?petitionid=246>.

current registration “in a readily retrievable manner at each practice location.” The proposed amendment does not significantly affect costs. To the extent that not requiring the display of the DEA registration reduces the likelihood of fraud in the acquisition of prescription drugs by illegal use of a dentist’s DEA number, the proposal is beneficial. Thus the proposed amendment likely produces a net benefit.

Businesses and Entities Affected

The proposed amendment would affect the 7,147 licensed dentists² and 3,201 dental offices³ in the Commonwealth. All of the dental offices qualify as small businesses.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendment will not affect employment.

Effects on the Use and Value of Private Property

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

Real Estate Development Costs

The proposed amendment does 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

The proposed amendment does not significantly affect costs.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small businesses.

² Data source: Department of Health Professions

³ Data source: Virginia Employment Commission

Adverse Impacts:**Businesses:**

The proposed amendment does not adversely affect businesses.

Localities:

The proposed amendment does not adversely affect localities.

Other Entities:

The proposed amendment does not adversely affect other entities.

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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