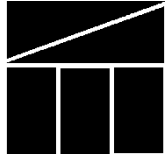


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

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 85-20 Regulations Governing the Practice of Medicine, Podiatry, and Chiropractic
18 VAC 85-40 Regulations Governing the Practice of Respiratory Therapists
18 VAC 85-50 Regulations Governing the Practice of Physician Assistants
18 VAC 85-80 Regulations Governing the Practice of Occupational Therapy
18 VAC 85-101 Regulations Governing the Practice of Radiologic Technology
18 VAC 85-110 Regulations Governing the Practice of Licensed Acupuncturists
18 VAC 85-120 Regulations Governing the Licensure of Athletic Trainers
18 VAC 85-130 Regulations Governing the Practice of Licensed Midwives
18 VAC 85-140 Regulations Governing the Practice of Polysomnographic Technologists
18 VAC 85-150 Regulations Governing the Practice of Behavior Analysis
18 VAC 85-160 Regulations Governing the Registration of Surgical Assistants and Surgical Technologists
18 VAC 85-170 Regulations Governing the Practice of Genetic Counselors
Department of Health Professions
Town Hall Action/Stage: 5171 / 8453
November 27, 2018

Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 101 of the 2018 Acts of the Assembly,¹ the Board of Medicine (Board) proposes to allow an option to send notices for license renewal electronically.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The Board proposes to allow the option of sending license renewal notices electronically as authorized by the 2018 legislation. Currently, licensees are providing an email address for the

¹ <http://lis.virginia.gov/cgi-bin/legp604.exe?181+ful+CHAP0101>

purpose of receiving notices and communications from the Board. With other boards under the Department of Health Professions (DHP), renewal notices are currently being sent to the email address on record. If a licensee fails to renew before the renewal deadline, a paper renewal notice is also sent as a courtesy to the licensee. The Board proposes to adopt the same electronic renewal notice process.

According to DHP, each paper renewal notice costs \$0.45 (\$0.38 for postage and \$0.07 for tri-fold generic stock). Currently, there are 69,753 licensees who would likely renew their licenses every two years with a cost of about \$15,694 per year which would be avoided by this change. However, the cost savings from electronic notices would likely be less than this amount because the Board may not have an email address for some of the licensees and a paper copy would still be sent if renewal does not occur 30 days prior to the expiration of the license. In addition to the savings, electronic notices are likely beneficial because they expedite the renewal process with an almost instantaneous delivery process and also mitigate potential issues that could result from the delivery of paper notices. While the Board may incur small costs to initially implement the electronic notification system, the proposed change would likely produce a net overall benefit.

Businesses and Entities Affected

Currently, the Board regulates 69,753 licensees.

Localities Particularly Affected

The proposed change would not disproportionately affect particular localities.

Projected Impact on Employment

Switching from paper to electronic renewal notices may reduce the demand for U.S. Postal Service workers by a negligible amount.

Effects on the Use and Value of Private Property

The proposed change would not affect the use and value of private property.

Real Estate Development Costs

The proposed change would 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 change would not create costs or other effects on small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed change would not impose adverse impacts on small businesses.

Adverse Impacts:**Businesses:**

The proposed change would not impose adverse impacts on businesses.

Localities:

The proposed change would not impose adverse impacts on localities.

Other Entities:

Switching from paper to electronic renewal notices may reduce the demand for U.S. Postal Service workers by a negligible amount.

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 14 (as amended, July 16, 2018). 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.