

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Board of Medicine, Department of Health Professions
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	18VAC85-80
<b>VAC Chapter title(s)</b>	Regulations Governing the Practice of Occupational Therapy
<b>Action title</b>	Implementation of Compact
<b>Date this document prepared</b>	August 15, 2022. ABD prepared April 8, 2022.

**Cost Benefit Analysis**

Table 1a must be completed for all actions. Tables 1b and 1c must be completed for actions (or portions thereof) where the agency is exercising discretion, including those where some of the changes are mandated by state or federal law or regulation. Tables 1b and 1c are not needed if **all** changes are mandated, and the agency is not exercising any discretion. In that case, enter a statement to that effect.

- (1) Direct Costs & Benefits: Identify all specific, direct economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (A direct impact is one that affects entities regulated by the agency and which directly results from the regulatory change itself, without any intervening steps or effects. For example, the direct impact of a regulatory fee change is the change in costs for these regulated entities.) When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo. One bullet has been provided, add additional bullets as needed.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of total (overall) direct costs described above.
  - (b) Enter estimated dollar value of total (overall) direct benefits described above.
  - (c) Enter the present value of the direct costs based on the worksheet.
  - (d) Enter the present value of the direct benefits based on the worksheet.
- (3) Benefits-Costs Ratio: Calculate d divided by c OR enter it from the worksheet.
- (4) Net Benefit: Calculate d minus c OR enter it from the worksheet.
- (5) Indirect Costs & Benefits: Identify all specific, indirect economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (An indirect impact is one that results from responses to the regulatory change, but which are not directly required by the regulation. Indirect impacts of a regulatory fee change on regulated entities could include a change in the prices they charge, changes in their operating procedures or employment levels, or decisions to enter or exit the regulated profession or market. Indirect impacts also include responses by other entities that have close economic ties to the regulated entities, such as suppliers or partners.) If there are no indirect costs or benefits, include a specific statement to that effect.

- (6) Information Sources: Describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (7) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <li>• <b>Describe first proposed impactful change here.</b></li> <li>• The only impactful change is an imposition of a fee to issue a compact privilege to practice in the Commonwealth. The alternative is that occupational therapists (“OTs”) and occupational therapy assistants (“OTAs”) must apply for full licensure. The Board must amend regulations to be able to issue a compact privilege and stay compliant with the Compact. This change will allow OTs and OTAs to practice in Virginia without having to pay the full cost of licensure (which is required without the Compact).</li> </ul>		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) \$75 for OTs; \$40 for OTAs (cost of compact privilege)	(c) \$75 for OTs; \$40 for OTAs.	
Direct Benefits	(b) \$55 OTs; \$30 for OTAs (Regular License = \$130 OT, \$70 OTA)	(d) \$55 for OTs; \$30 for OTAs	
(3) Benefits-Costs Ratio	.73 for OTs and .75 for OTAs	(4) Net Benefit	-\$20 for OTs; -\$10 for OTAs
(5) Indirect Costs & Benefits			
(6) Information Sources	Existing regulations for fees		
(7) Optional	This analysis seems to show no benefit using the instructions above. However, OTs and OTAs who wish to practice in Virginia under the Compact can clearly obtain a compact privilege for less cost than a Virginia license.		

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

*This table addresses current requirements and the implications of not making any changes. In other words, describe the costs and benefits of maintaining the current regulatory requirements as is.*

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <li>• <b>Describe the current requirement associated with the first proposed impactful change described in Table 1a here.</b></li> <li>• If the amendments are not approved, Virginia is non-compliant with the Compact. Any OTs and OTAs with licenses outside of Virginia who wish to work in the Commonwealth must apply for licensure using standard fees. In addition to the fees, there will be additional costs to gathering documents and submitting everything needed for licensure.</li> </ul>		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) \$130 for OTs; \$70 for OTAs. Plus additional costs associated with filing a full application for initial licensure. Unable to calculate those.	(c) \$130 for OTs; \$70 for OTAs. Plus additional costs associated with filing a full application for initial licensure. Unable to calculate those.	
Direct Benefits	(b) \$0 for OTs; \$0 for OTAs	(d) \$0 for OTs; \$0 for OTAs	
(3) Benefits-Costs Ratio	\$0 for OTs and OTAs	(4) Net Benefit	-\$130 for OTs; -\$70 for OTAs
(5) Indirect Costs & Benefits	Any costs passed on to licensed OTs and OTAs, and future licensees, related to costs the Board must pay to the OT Compact for non-compliance following 2020 legislation which entered Virginia into the Compact.		
(6) Information Sources	Existing regulations for fees.		
(7) Optional	Because the instructions only request calculations based on present value on both this table and the previous table, the values for B-C ratio and net benefit are the same.		

**Table 1c: Costs and Benefits under an Alternative Approach**

*This table addresses an alternative approach to accomplishing the objectives with different requirements. These alternative approaches may include the use of reasonably available alternatives in lieu of regulation, or information disclosure requirements or performance standards instead of regulatory mandates.*

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <li>• <b>Describe first alternative proposed impactful change here.</b></li> <li>• There is no alternative approach. The Board must amend regulations to issue compact privileges.</li> </ul>
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(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a)	(c)	
Direct Benefits	(b)	(d)	
(3) Benefits-Costs Ratio		(4) Net Benefit	
(5) Indirect Costs & Benefits			
(6) Information Sources			
(7) Optional			

**Impact on Local Partners**

- (1) Describe the direct costs and benefits (as defined on page 1) for local partners in terms of real monetary costs and FTEs. Local partners include local or tribal governments, school divisions, or other local or regional authorities, boards, or commissions. If local partners are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of total (overall) direct costs described above.
  - (b) Enter estimated dollar value of total (overall) direct benefits described above.
- (3) Indirect Costs & Benefits: Describe any indirect benefits and costs (as defined on page 1) for local partners that are associated with all significant changes. If there are no indirect costs or benefits, include a specific statement to that effect.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (5) Assistance: Identify the amount and source of assistance provided for compliance in both funding and training or other technical implementation assistance.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 2: Impact on Local Partners**

(1) Direct Costs & Benefits	There is no impact on local partners. These changes apply only to OTs and OTAs wishing to obtain a compact privilege to practice in Virginia.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Assistance	
(6) Optional	

**Economic Impacts on Families**

- (1) Describe the direct costs and benefits (as defined on page 1) to a typical family of three (average family size in Virginia according to the U. S. Census) arising from any proposed regulatory changes that would affect the costs of food, energy, housing, transportation, healthcare, and education. If families are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of direct costs.
  - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe any indirect costs and benefits (as defined on page 1) to a typical family of three that are most likely to result from the proposed changes.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (5) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 3: Impact on Families**

(1) Direct Costs & Benefits	There is no impact on families. These changes apply only to OTs and OTAs wishing to obtain a compact privilege to practice in Virginia.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Optional	

**Impacts on Small Businesses**

- (1) Describe the direct costs and benefits (as defined on page 1) for small businesses. For purposes of this analysis, “small business” means the same as that term is defined in § 2.2-4007.1. If small businesses are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
  - (a) Enter estimated dollar value of direct costs.
  - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe the indirect benefits and costs (as defined on page 1) for small businesses that are most likely to result from the proposed changes.
- (4) Alternatives: Add a qualitative discussion of any equally effective alternatives that would make the regulatory burden on small business more equitable compared to other affected business sectors, and how those alternatives were identified.
- (5) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

**Table 4: Impact on Small Businesses**

(1) Direct Costs & Benefits	There is no impact on small businesses. These changes apply only to OTs and OTAs wishing to obtain a compact privilege to practice in Virginia. Theoretically some OTs and OTAs with a compact privilege <i>may</i> work in small businesses, but the Board has no way to know the number that will nor calculate anything based on that speculative number.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Alternatives	
(5) Information Sources	
(6) Optional	

**Changes to Number of Regulatory Requirements**

*For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed.*

**Table 5: Total Number of Requirements**

Chapter number	Number of Requirements			
	Initial Count	Additions	Subtractions	Net Change
18VAC85-80	10*	0	0	0


\*Number is approximate. Because this table and requirement were requested for multiple regulatory actions that were already in progress, this is a rough count and the number may change when the regulatory requirement count is finalized. In particular, this includes requirements that are already required under statute which the board has no discretion to apply. This number additionally includes any requirement in this Chapter, although not all requirements of this Chapter apply to all regulated persons.