

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Department of Behavioral Health and Developmental Services
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	12 VAC 35-105
<b>VAC Chapter title(s)</b>	Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services (“Licensing Regulations”)
<b>Action title</b>	Integration of the Final Federal Rule: Registration Requirements for Narcotic Treatment Programs with Mobile Components into the Licensing Regulations
<b>Date this document prepared</b>	December 8, 2022 ( <b>NOTE:</b> RESUBMITTED on 7/17/23 from final exempt to fast track per OAG 6/15/22)

**Cost Benefit Analysis**

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

(1) Direct Costs & Benefits	<p>This regulatory action amends 12VAC35-105-20 to add a definition of “Mobile medication assisted treatment program” (MAT) and creates 12VAC35-105-1420 through 12VAC35-105-1460, detailing requirements for the application and operation of a mobile MAT program. The regulatory change allows mobile medication assisted treatment programs to operate as a component of a licensed MAT location. Current MAT providers are not required to add a mobile treatment component, but they are eligible to add this element if they choose to apply and meet the program requirements outlined in this regulatory action.</p> <ul style="list-style-type: none"> <li>• <b>Direct Costs:</b> This regulatory change does not directly impact any MAT providers as the establishment of a mobile MAT program is voluntary and not a requirement for all providers. As such, there are no direct costs to this regulatory change.</li> <li>• <b>Direct Benefits:</b> This regulatory action will allow MAT providers to add a licensed mobile MAT component to their treatment services. Mobile MAT units are intended to increase access to treatment for opioid use disorder, particularly for hard-to-reach populations that are not likely to have access to traditional health care services. The</li> </ul>
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	addition of a mobile service component is expected to increase access to treatment, and therefore, is expected to result in benefits for Virginians suffering from substance use disorder. However, as this is a newly authorized service, data is not available on the number of individuals who may be served under a mobile MAT license, and therefore, an exact benefit cannot be calculated.		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) \$0	(c) \$0	
Direct Benefits	(b) \$0	(d) \$0	
(3) Benefits-Costs Ratio		(4) Net Benefit	\$0
(5) Indirect Costs & Benefits	Increasing community access to MAT is likely to reduce the demand for high acuity services related to substance use disorder including inpatient hospitalization in public and private hospitals, as well reduce the demand for ambulatory and emergency department care. These impacts are expected to have a positive effect on public and private health systems throughout the Commonwealth.		
(6) Information Sources			
(7) Optional			

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

(1) Direct Costs & Benefits	<p>This regulatory action integrates the US Drug Enforcement Administration (DEA) <a href="#">final federal rule</a>, Registration Requirements for Narcotic Treatment Programs with Mobile Components, into the DBHDS Licensing Regulations. DBHDS was not required to create this regulatory change but chose to initiate this action due to provider interest and a desire to increase access to care for substance use disorder throughout the Commonwealth. The below items detail the costs and benefits of not initiating this regulatory change.</p> <ul style="list-style-type: none"> <li>• <b>Direct Costs:</b> Without the possibility of this service, providers of MAT services will not have the option to offer MAT service in a mobile capacity, and therefore, access to treatment would be limited</li> </ul>
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	<p>to individuals able to receive services as a physical location. The cost of this action is the cost of lack of treatment for SUD, which has significant negative financial and health impacts on individuals, their families, their communities, and the Commonwealth. However, as this is a newly authorized service, data is not available on the number of individuals who may be served under a mobile MAT license, therefore an exact cost cannot be calculated.</p> <ul style="list-style-type: none"> <li>• <b>Direct Benefit:</b> There are no direct benefits to not initiating this regulatory change. This regulatory action would not require MAT providers to develop a mobile MAT component, therefore, there are no benefits to providers under the status quo.</li> </ul>		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) \$0	(c) \$0	
Direct Benefits	(b) \$0	(d) \$0	
(3) Benefits-Costs Ratio		(4) Net Benefit	\$0
(5) Indirect Costs & Benefits			
(6) Information Sources			
(7) Optional			

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

(1) Direct Costs & Benefits	<p>This table is not necessary, as an alternative approach to the integration of this federal rule is not available. The requirements for a mobile MAT program established in this draft regulation are in line with the federal requirements for mobile MAT programs established by the DEA in July 2021. DBHDS did not exercise any discretion in the adoption of these regulatory requirements.</p>		
(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**

**Table 2: Impact on Local Partners**

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <li>• <b>Direct Costs:</b> Local service providers, such as local community services boards (CSBs), who provide MAT services would experience the same costs and benefits outlined in Table 1a. Providers currently licensed to provide MAT services would not be required to adopt a mobile service component under this regulation; however, they would have the option to apply for an addendum to an existing license to add a mobile service component to their current operations. As this regulatory action would not mandate any changes, there are no anticipated costs to providers.</li> <li>• <b>Direct Benefits:</b> This regulatory action would enable licensed providers to provide substance use disorder treatment to a group of individuals who may not be able to receive care in traditional settings. This could result in increased reimbursement from Medicaid and private insurance for this service, as well as improve access to community-based substance use disorder care. Data is not available on the number of individuals who may be served under this service, and therefore, an exact economic benefit cannot be determined.</li> </ul>
(2) Quantitative Factors	Estimated Dollar Amount

Direct Costs	(a) \$0
Direct Benefits	(b) \$0
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Assistance	
(6) Optional	

**Economic Impacts on Families**

**Table 3: Impact on Families**

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <li>• <b>Costs:</b> This regulatory action is not expected to result in any costs for families.</li> <li>• <b>Benefits:</b> This regulation is expected to have a positive impact on families, as Virginians with substance use disorder will have greater access to MAT, which is expected to improve rates of recovery. Recovery from substance use disorder has a positive impact on family units, as family members are less likely to suffer negative health impacts due to substance use, become involved with the criminal justice system, and will experience other forms of harm reduction. However, as this is a new service, data on the number of individuals served by the mobile MAT program is not available, and therefore, an exact benefit cannot be calculated.</li> </ul>
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) \$0

Direct Benefits	(b) \$0
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Optional	

**Impacts on Small Businesses**

**Table 4: Impact on Small Businesses**

(1) Direct Costs & Benefits	This regulation is not expected to have any direct costs or benefits to small businesses.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) \$0
Direct Benefits	(b) \$0
(3) Indirect Costs & Benefits	
(4) Alternatives	
(5) Information Sources	
(6) Optional	

**Changes to Number of Regulatory Requirements**

**Table 5: Total Number of Requirements**

Chapter number	Number of Requirements			
	Initial Count	Additions	Subtractions	Net Change
105	1,311 (*2020 Baseline Total 968 + 66 Post 2020 in three actions [DOJ primarily; provider statement; CSB grace period] + 267 ASAM and +10 BHE.)	0	0	0*

\*These changes are federally mandated for the providers that choose to provide this service; therefore, they are not regulatory requirements as defined as agency discretionary mandates.

**COST BENEFIT ANALYSIS WORKSHEET**

INTERIM v. July 28,  
M 2022

Discount Rate:	3%
Time horizon:	10 years

DO NOT CHANGE THIS NUMBER unless you wish to use a different discount rate; if so, please make a note of this on the Economic Impact form and provide a rationale

Notes:

1. Year 0 represents the current fiscal year
2. Options 1 & 2 below correspond to the two options in the grocery cart example. Option 3 below provides an example where costs and benefits vary from year to year.
3. Replace the values in the green cells below with the expected costs and benefits for your analysis. Insert zero (0) for years where no costs or benefits are expected.
4. The sections for options 2 and 3 must be filled out if the agency has any discretion over the proposed regulatory changes. Use "Option 2" for the status quo and "Option 3" for one other alternative.

Year	Option 1		Option 2		Option 3	
	Cost	Benefit	Cost	Benefit	Cost	Benefit
0	0	0	0	0	0	0
1	0	0	0	0	0	0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	0	0	0	0	0	0
5	0	0	0	0	0	0
6	0	0	0	0	0	0
7	0	0	0	0	0	0
8	0	0	0	0	0	0



9	0	0	0	0	0	0
<b>TOTAL</b>	0	0	0	0	0	0

<u>Present Value</u>						
Year	Option 1		Option 2		Option 3	
	Cost	Benefit	Cost	Benefit	Cost	Benefit
0	0	0	0	0	0	0
1	0	0	0	0	0	0
2	0	0	0	0	0	0
3	0	0	0	0	0	0
4	0	0	0	0	0	0
5	0	0	0	0	0	0
6	0	0	0	0	0	0
7	0	0	0	0	0	0
8	0	0	0	0	0	0
9	0	0	0	0	0	0
<b>TOTAL</b>	0	0	0	0	0	0

	Option 1	Option 2	Option 3
Benefit -Cost Ratio	#DIV/0!	#DIV/0!	#DIV/0!
Net Benefit	0	0	0