



Virginia Department of Planning and Budget **Economic Impact Analysis**

18 VAC 90-20 – Regulations Governing the Practice of Nursing
Department of Health Professions
May 12, 2014

Summary of the Proposed Amendments to Regulation

The Board of Nursing (the Board) proposes to establish requirements for evidence of continuing competency for inactive or lapsed nursing licenses that are consistent with those for renewal of an active license.

Result of Analysis

There is insufficient information to ascertain whether benefits will outweigh costs.

Estimated Economic Impact

In 2013, new requirements for continuing competency for nurses who renew their active licenses biennially became effective. However, the 2013 regulatory language inadvertently did not apply to licenses that are inactive and lapsed. Thus, since then the requirements for continuing education hours for persons who had allowed their nursing license to lapse or had taken inactive status have been less than those for nurses who were renewing an active license. The Board now proposes to establish requirements for evidence of continuing competency for inactive or lapsed nursing licenses that are consistent with those for renewal of an active license.

Currently, 15 hours of continuing education is required for reactivation of an inactive or lapsed license. The proposed change will allow many different kinds of educational experiences to count toward fulfilling continuing competency requirement. Amongst the learning activities that will count are:

- Having a current specialty certification from a Board recognized national certification organization,

- Completing a three credit hour college course that is relevant to the practice of nursing,
- Completing a Board certified refresher course in nursing,
- Completing a nursing-related, evidence-based practice project or research study,
- Authoring or co-authoring an article that is published during a renewal cycle,
- Teaching a three credit hour college course that is relevant to the practice of nursing,
- Teaching nursing-related continuing education courses for up to 30 contact hours,
- Working at least 640 hours as a nurse during the renewal cycle and completing 15 contact hours of workshops, seminars, conferences or courses relevant to the practice of nursing, or
- Completing 30 contact hours of workshops, seminars, conferences or courses relevant to the practice of nursing.

The main cost of the proposed change is the difference in the cost of completing one of the nine options above and the cost of currently required 15 hours of continuing education. According to the Board, there are a myriad of resources and providers available for meeting continuing competency requirements at a very reasonable cost. For example, the National Council of State Boards of Nursing offers courses on-line, such as a course on Medication Errors; Detention and Prevention at a cost of \$30 for 6.9 contact hours. The Board staff also reports that entities such as hospitals are required to offer continuing education opportunities to their nursing staff as a part of hospital licensure requirements and that various nurses associations offer on-line educational opportunities that would meet the requirements of these regulations at a cost of approximately \$5 to \$6 per hour. Some individuals who teach nursing-related college or continuing education courses can meet their continuing competency requirements with activities for which they actually earn money.

In addition to the explicit costs of the educational opportunity chosen, affected individuals will also incur implicit opportunity costs for time spent meeting the proposed requirements.

On the other hand, the proposed changes will afford the opportunity to demonstrate continuing competency through many additional options. These additional options will provide more flexibility to the nurses to fulfill the regulatory requirements and may provide some cost savings. Also, to the extent that the required continuing education improves the quality of nursing in the Commonwealth, both nurses and their patients will benefit.

Businesses and Entities Affected

In fiscal year 2013, there were 438 registered nurse reinstatements, 22 registered nurse reactivations, and 12 licensed practical nurse reinstatements. However, if a nurse has actively practiced in another state and is returning to Virginia to reinstate his license, he may not be required to acquire the additional 15 hours. Thus, the Board staff does not know how many of reinstatements or reactivations would meet the proposed requirements by having active practice in another state.

Localities Particularly Affected

No locality will be particularly affected by this proposed regulatory action.

Projected Impact on Employment

The proposed requirements for continuing education for inactive or lapsed licenses will likely marginally increase the cost of licensure. This may marginally decrease the number of individuals who choose to work in professional fields that are regulated by the Board.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small businesses that employ nursing staff may see their costs slightly increase if they have to raise nurses' salaries to offset some or all of the costs of newly required continuing education for reactivated or lapsed licenses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

There are likely no alternate methods to implement the proposed regulatory changes that would both achieve the Board's goals and be less costly.

Real Estate Development Costs

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

Legal Mandate

General: The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 14 (2010). Section 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:

- the projected number of businesses or other entities to whom the proposed regulation would apply,
- the identity of any localities and types of businesses or other entities particularly affected,
- the projected number of persons and employment positions to be affected,
- the projected costs to affected businesses or entities to implement or comply with the regulation, and
- the impact on the use and value of private property.

Small Businesses: If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- 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,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 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 (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

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Town Hall ID: 4110/6910