

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Health
Virginia Administrative Code (VAC) Chapter citation(s)	12VAC5-410-10 et seq.
VAC Chapter title(s)	Regulations for the Licensure of Hospitals in Virginia
Action title	Amend Regulation after Enactment of Chapter 417 of the 2023 Acts of Assembly
Date this document prepared	May 8, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Exempt

Cost Benefit Analysis

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

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs (monetized):</p> <ul style="list-style-type: none"> • Cost of developing and updating a security plan: <ul style="list-style-type: none"> ○ VDH has a record of 113 emergency departments in the Commonwealth. ○ Per International Association of Professional Security Consultants, security consulting fees typically range from \$100 to \$500 per hour, with an average rate of around \$200 per hour. ○ Assuming a consultant is hired for 20 hours at \$200 per hour to create a security plan because the hospital does not have an emergency department security plan that meets the minimum standards, the cost of developing a security plan would be at least \$4,000 per hospital emergency department. ○ Assuming a consultant is hired for 10 hours at \$200 per hour to update a security plan in two years' time, the cost of developing a security plan would be at least \$2,000 per hospital emergency department. ○ Total cost is estimated to not exceed \$452,000 in Year 0 and \$226,000 in Years 2 and 4. • Cost of implementing security measures: <ul style="list-style-type: none"> ○ The hospital may need to purchase security equipment, such as cameras, alarms, and access control systems, to
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	<p>secure the emergency department. The cost of such equipment may depend on the size of the emergency department and the level of security required.</p> <ul style="list-style-type: none"> ○ Assuming the hospital needs to install cameras, alarms, and access control systems, the total cost of equipment and installation is estimated to be \$100,000. ○ VDH does not have data to indicate how many hospitals, if any, would need to install such equipment. ○ Total cost is unknown. <ul style="list-style-type: none"> ● Personnel cost for security personnel 24/7: <ul style="list-style-type: none"> ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Police and Sheriff’s Patrol Officers (Code 30-3051) and the fringe benefits from the September 2022 BLS for the South Atlantic area, an off-duty law enforcement officer would cost \$29.35 hour. ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Security Guards (Code 33-9032) and the fringe benefits from the September 2022 BLS for the South Atlantic area, a trained security personnel could cost \$19.90 per hour. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one off-duty law enforcement officer present 24/7, a hospital that only employs off-duty law enforcement officers would incur an annual cost of \$256,402. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one trained security personnel present 24/7, a hospital that only employs trained security personnel would incur an annual cost of \$173,846. ○ VDH does not have data to indicate which type of security personnel a hospital will choose (off-duty law enforcement versus trained security personnel), how many security personnel are needed (either per shift or per week) for sufficient 24/7 coverage at a given emergency department beyond what a hospital has already incurred costs for, whether a hospital will employ or contract security personnel, whether a hospital will secure a waiver from the 24/7 coverage requirement, and what the reduced amount of security a hospital may have under a waiver. ○ Based on the median between the annual salary costs of off-duty law enforcement officers and trained security personnel costs described above and not discounting the
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	<p>value based on the lack of data VDH described above, total cost is estimated to be \$24,309,012 annually.</p> <p>Indirect Costs (monetized): VDH is not aware of any monetized indirect costs at this time.</p> <p>Direct Benefits (monetized):</p> <ul style="list-style-type: none"> • Reduction in the number of violent incidents: <ul style="list-style-type: none"> ○ According to BLS, the rate of nonfatal occupational injuries and illnesses in hospitals was 6.1 per 100 full-time workers in 2021. ○ Assuming two-thirds of these injuries are due to violent incidents in the emergency department and assuming that emergency departments have an average of 100 full-time workers, then the hospital can expect to save around $4.07 \times 100 = 407$ hours of lost work time due to injuries prevented by the security plan. ○ Assuming an average hourly wage of \$30 for hospital workers, this would result in a benefit of \$7,950 per year per emergency department. ○ Total benefit is estimated to be \$1,379,730 annually. <p>Indirect Benefits (monetized): VDH is not aware of any monetized indirect benefits at this time.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$115,533,826	(b) \$6,508,322
(3) Net Monetized Benefit	-\$109,025,504	
(4) Other Costs & Benefits (Non-Monetized)	<p>Other Costs (non-monetized):</p> <ul style="list-style-type: none"> • Staff training costs that may need to be incurred to ensure that all employees are familiar with the new security plan and understand their roles in implementing it. • Potential hiring of additional administrative staff to manage the implementation and maintenance of the security plan, which could result in increased personnel costs. • Increased wait times could result from implementation of the security plan. • Reduced flexibility from operational or facility design that could limit its ability to respond to changing patient needs or emergency situations, potentially leading to reduced efficiency and increased costs. 	

	<p>Other Benefits (non-monetized):</p> <ul style="list-style-type: none"> • Improved safety and security for patients, staff, and visitors in the emergency department. • Improved staff morale and job satisfaction, which can lead to improved retention rates and reduced costs associated with recruitment and training. • Increased patient satisfaction and retention. • Reduced risk of violence or other security incidents in the emergency department. • Increased staff preparedness and training to handle security incidents, potentially reducing the severity of the incident and minimizing the impact on patients, staff, and visitors. • Improved reputation and trust among patients and the community. • Improved public perception of the healthcare system as a whole. • Reduced liability and legal costs associated with security incidents, if a hospital is able to demonstrate that it had taken reasonable measures to prevent a security incident. • Increased efficiency from a well-designed security plan can reduce the amount of time and resources spent on security-related issues that could lead to cost savings.
<p>(5) Information Sources</p>	<p>Bureau of Labor Statistics; International Association of Professional Security Consultants; Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>

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

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs (monetized):</p> <ul style="list-style-type: none"> • Cost of establish a training protocol for emergency department personnel: <ul style="list-style-type: none"> ○ VDH has a record of 113 emergency departments in the Commonwealth. ○ Per International Association of Professional Security Consultants, security consulting fees typically range from \$100 to \$500 per hour, with an average rate of around \$200 per hour. ○ Developing the training materials could cost anywhere from \$500 to \$5,000, depending on the amount and
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	<p>complexity of the content, the format of the materials, and the level of customization required.</p> <ul style="list-style-type: none"> ○ The cost of delivering the training will depend on the chosen method. In-person training could cost \$1,000 to \$5,000, depending on the location, number of participants, and duration of the training. Online training could cost \$500 to \$2,000, depending on the platform used and the level of interactivity required. ○ Overall, the total cost of developing a training protocol for emergency department security personnel could range from \$2,500 to \$20,000, depending on the factors mentioned above. ○ Total cost (based on median value) is estimated to be \$1,271,250 in Year 0, which was 2019. ○ Total cost of the ongoing delivery of training (based on median value) is estimated to be \$226,000 starting Year 1 (2020) and every year thereafter. <p>Indirect Costs (monetized): VDH is not aware of any monetized indirect costs at this time.</p> <p>Direct Benefits (monetized): VDH is not aware of any monetized direct benefits at this time.</p> <p>Indirect Benefits (monetized): VDH is not aware of any monetized indirect benefits at this time.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$2,111,314	(b) \$0
(3) Net Monetized Benefit	-\$2,111,314	
(4) Other Costs & Benefits (Non-Monetized)	<p>Other Costs (non-monetized): VDH is not aware of any non-monetized costs at this time.</p> <p>Other Benefits (non-monetized):</p> <ul style="list-style-type: none"> • Improved safety and security for patients, staff, and visitors in the emergency department. • Increased staff preparedness and training to handle security incidents, potentially reducing the severity of the incident and minimizing the impact on patients, staff, and visitors. 	

<p>(5) Information Sources</p>	<p>Bureau of Labor Statistics; International Association of Professional Security Consultants; Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>
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Table 1c: Costs and Benefits under Alternative Approach(es)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>The majority of the proposed regulatory action is non-discretionary and also generate the bulk of the costs and benefits of the action.</p> <p>Direct Costs (monetized):</p> <ul style="list-style-type: none"> • Cost of developing a security plan with no requirement to update periodically: <ul style="list-style-type: none"> ○ VDH has a record of 113 emergency departments in the Commonwealth. ○ Per International Association of Professional Security Consultants, security consulting fees typically range from \$100 to \$500 per hour, with an average rate of around \$200 per hour. ○ Assuming a consultant is hired for 20 hours at \$200 per hour to create a security plan because the hospital does not have an emergency department security plan that meets the minimum standards, the cost of developing a security plan would be at least \$4,000 per hospital emergency department. ○ Total cost is estimated to not exceed \$452,000 in Year 0. • Cost of implementing security measures: <ul style="list-style-type: none"> ○ The hospital may need to purchase security equipment, such as cameras, alarms, and access control systems, to secure the emergency department. The cost of such equipment may depend on the size of the emergency department and the level of security required. ○ Assuming the hospital needs to install cameras, alarms, and access control systems, the total cost of equipment and installation is estimated to be \$100,000. ○ VDH does not have data to indicate how many hospitals, if any, would need to install such equipment. ○ Total cost is unknown. • Personnel cost for security personnel 24/7: <ul style="list-style-type: none"> ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Police and Sheriff’s Patrol Officers (Code 30-3051) and the
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	<p>fringe benefits from the September 2022 BLS for the South Atlantic area, an off-duty law enforcement officer would cost \$29.35 hour</p> <ul style="list-style-type: none"> ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Security Guards (Code 33-9032) and the fringe benefits from the September 2022 BLS for the South Atlantic area, a trained security personnel could cost \$19.90 per hour. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one off-duty law enforcement officer present 24/7, a hospital that only employs off-duty law enforcement officers would incur an annual cost of \$256,402. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one trained security personnel present 24/7, a hospital that only employs trained security personnel would incur an annual cost of \$173,846. ○ VDH does not have data to indicate which type of security personnel a hospital will choose (off-duty law enforcement versus trained security personnel), how many security personnel are needed (either per shift or per week) for sufficient 24/7 coverage at a given emergency department beyond what a hospital has already incurred costs for, whether a hospital will employ or contract security personnel, whether a hospital will secure a waiver from the 24/7 coverage requirement, and what the reduced amount of security a hospital may have under a waiver. ○ Based on the median between the salary costs described above and not discounting the value based on the lack of data VDH described above, total cost is estimated to be \$24,309,012 annually. <p>Indirect Costs (monetized): VDH is not aware of any monetized indirect costs at this time.</p> <p>Direct Benefits (monetized):</p> <ul style="list-style-type: none"> ● Reduction in the number of violent incidents: <ul style="list-style-type: none"> ○ According to BLS, the rate of nonfatal occupational injuries and illnesses in hospitals was 6.1 per 100 full-time workers in 2021. ○ Assuming two-thirds of these injuries are due to violent incidents in the emergency department and assuming that emergency departments have an average of 100 full-time workers, then the hospital can expect to save around 4.07
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	<p>x 100 = 407 hours of lost work time due to injuries prevented by the security plan.</p> <ul style="list-style-type: none"> ○ Assuming an average hourly wage of \$30 for hospital workers, this would result in a benefit of \$7,950 per year per emergency department. ○ Total benefit is estimated to be \$1,379,730 annually. <p>Indirect Benefits (monetized): VDH is not aware of any monetized indirect benefits at this time.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$115,120,002	(b) \$6,508,322
(3) Net Monetized Benefit	-\$108,611,679	
(4) Other Costs & Benefits (Non-Monetized)	<p>Other Costs (non-monetized):</p> <ul style="list-style-type: none"> • Staff training costs that may need to be incurred to ensure that all employees are familiar with the new security plan and understand their roles in implementing it. • Potential hiring of additional administrative staff to manage the implementation of the security plan, which could result in increased personnel costs. • Increased wait times could result from implementation of the security plan. • Reduced flexibility from operational or facility design that could limit its ability to respond to changing patient needs or emergency situations, potentially leading to reduced efficiency and increased costs. <p>Other Benefits (non-monetized):</p> <ul style="list-style-type: none"> • Improved safety and security for patients, staff, and visitors in the emergency department, though this may be reduced without periodic updates to the security plan. • Improved staff morale and job satisfaction, which can lead to improved retention rates and reduced costs associated with recruitment and training, though this may be reduced without periodic updates to the security plan. • Increased patient satisfaction and retention, though this may be reduced without periodic updates to the security plan. • Reduced risk of violence or other security incidents in the emergency department, though this may be reduced without periodic updates to the security plan. 	

	<ul style="list-style-type: none"> • Increased staff preparedness and training to handle security incidents, potentially reducing the severity of the incident and minimizing the impact on patients, staff, and visitors, though this may be reduced without periodic updates to the security plan. • Improved reputation and trust among patients and the community, though this may be reduced without periodic updates to the security plan. • Improved public perception of the healthcare system as a whole, though this may be reduced without periodic updates to the security plan. • Reduced liability and legal costs associated with security incidents, if a hospital is able to demonstrate that it had taken reasonable measures to prevent a security incident, though this may be reduced without periodic updates to the security plan. • Increased efficiency from a well-designed security plan can reduce the amount of time and resources spent on security-related issues that could lead to cost savings, , though this may be reduced without periodic updates to the security plan.
(5) Information Sources	<p>Bureau of Labor Statistics; International Association of Professional Security Consultants; Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>

Impact on Local Partners

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>To the best of the agency’s knowledge, only one hospital would be considered a local partner and it has one emergency department.</p> <p>Direct Costs (monetized):</p> <ul style="list-style-type: none"> • Cost of developing and updating a security plan: <ul style="list-style-type: none"> ○ Per International Association of Professional Security Consultants, security consulting fees typically range from \$100 to \$500 per hour, with an average rate of around \$200 per hour. ○ Assuming a consultant is hired for 20 hours at \$200 per hour to create a security plan because the hospital does not have an emergency department security plan that meets the minimum standards, the cost of developing a security plan would be at least \$4,000 per hospital emergency department.
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	<ul style="list-style-type: none"> ○ Assuming a consultant is hired for 10 hours at \$200 per hour to update a security plan in two years' time, the cost of developing a security plan would be at least \$2,000 per hospital emergency department. ○ Total cost is estimated to not exceed \$4,000 in Year 0 and \$2,000 in Years 2 and 4. ● Cost of implementing security measures: <ul style="list-style-type: none"> ○ The hospital may need to purchase security equipment, such as cameras, alarms, and access control systems, to secure the emergency department. The cost of such equipment may depend on the size of the emergency department and the level of security required. ○ Assuming the hospital needs to install cameras, alarms, and access control systems, the total cost of equipment and installation is estimated to be \$100,000. ○ VDH does not have data to indicate if the local partner hospital would need to install such equipment. ○ Total cost is unknown. ● Personnel cost for security personnel 24/7: <ul style="list-style-type: none"> ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Police and Sheriff's Patrol Officers (Code 30-3051) and the fringe benefits from the September 2022 BLS for the South Atlantic area, an off-duty law enforcement officer would cost \$29.35 hour ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Security Guards (Code 33-9032) and the fringe benefits from the September 2022 BLS for the South Atlantic area, a trained security personnel could cost \$19.90 per hour. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one off-duty law enforcement officer present 24/7, a hospital that only employs off-duty law enforcement officers would incur an annual cost of \$256,402. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one trained security personnel present 24/7, a hospital that only employs trained security personnel would incur an annual cost of \$173,846. ○ VDH does not have data to indicate which type of security personnel a hospital will choose (off-duty law enforcement versus trained security personnel), how many security personnel are needed (either per shift or per week) for sufficient 24/7 coverage at a given emergency
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	<p>department beyond what a hospital has already incurred costs for, whether a hospital will employ or contract security personnel, whether a hospital will secure a waiver from the 24/7 coverage requirement, and what the reduced amount of security a hospital may have under a waiver.</p> <ul style="list-style-type: none"> ○ Based on the median between the salary costs described above and not discounting the value based on the lack of data VDH described above, total cost is estimated to be \$215,124 annually. <p>Indirect Costs (monetized): VDH is not aware of any monetized indirect costs at this time.</p> <p>Direct Benefits (monetized):</p> <ul style="list-style-type: none"> ● Reduction in the number of violent incidents: <ul style="list-style-type: none"> ○ According to BLS, the rate of nonfatal occupational injuries and illnesses in hospitals was 6.1 per 100 full-time workers in 2021. ○ Assuming two-thirds of these injuries are due to violent incidents in the emergency department and assuming that emergency departments have an average of 100 full-time workers, then the hospital can expect to save around $4.07 \times 100 = 407$ hours of lost work time due to injuries prevented by the security plan. ○ Assuming an average hourly wage of \$30 for hospital workers, this would result in a benefit of \$7,950 per year per emergency department. ○ Total benefit is estimated to be \$7,950 annually. <p>Indirect Benefits (monetized): VDH is not aware of any monetized indirect benefits at this time.</p>	
(2) Present Monetized Values	Direct & Indirect Costs (a) \$1,083,620	Direct & Indirect Benefits (b) \$37,501
(3) Other Costs & Benefits (Non-Monetized)	<p>Other Costs (non-monetized):</p> <ul style="list-style-type: none"> ● Staff training costs that may need to be incurred to ensure that all employees are familiar with the new security plan and understand their roles in implementing it. ● Potential hiring of additional administrative staff to manage the implementation and maintenance of the security plan, which could result in increased personnel costs. 	

	<ul style="list-style-type: none"> • Increased wait times could result from implementation of the security plan. • Reduced flexibility from operational or facility design that could limit its ability to respond to changing patient needs or emergency situations, potentially leading to reduced efficiency and increased costs. <p>Other Benefits (non-monetized):</p> <ul style="list-style-type: none"> • Improved safety and security for patients, staff, and visitors in the emergency department. • Improved staff morale and job satisfaction, which can lead to improved retention rates and reduced costs associated with recruitment and training. • Increased patient satisfaction and retention. • Reduced risk of violence or other security incidents in the emergency department. • Increased staff preparedness and training to handle security incidents, potentially reducing the severity of the incident and minimizing the impact on patients, staff, and visitors. • Improved reputation and trust among patients and the community. • Improved public perception of the healthcare system as a whole. • Reduced liability and legal costs associated with security incidents, if a hospital is able to demonstrate that it had taken reasonable measures to prevent a security incident. • Increased efficiency from a well-designed security plan can reduce the amount of time and resources spent on security-related issues that could lead to cost savings.
(4) Assistance	None.
(5) Information Sources	<p>Bureau of Labor Statistics; International Association of Professional Security Consultants; Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>

Impacts on Families

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	The regulatory requirements proposed by these changes are imposed on hospitals with one or more emergency departments, not imposed families. Therefore, VDH is not aware of any direct monetized costs, indirect monetized costs, direct monetized benefits, and indirect monetized benefits for families.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	VDH is not aware of any other non-monetized costs and benefits for families.	
(4) Information Sources	<p>Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>	

Impacts on Small Businesses

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Only one hospital, which has a single emergency department, has self-identified that it is a small business.</p> <p>Direct Costs (monetized):</p> <ul style="list-style-type: none"> • Cost of developing and updating a security plan: <ul style="list-style-type: none"> ○ Per International Association of Professional Security Consultants, security consulting fees typically range from \$100 to \$500 per hour, with an average rate of around \$200 per hour. ○ Assuming a consultant is hired for 20 hours at \$200 per hour to create a security plan because the hospital does not have an emergency department security plan that meets the minimum standards, the cost of developing a security plan would be at least \$4,000 per hospital emergency department. ○ Assuming a consultant is hired for 10 hours at \$200 per hour to update a security plan in two years’ time, the cost of developing a security plan would be at least \$2,000 per hospital emergency department. ○ Total cost is estimated to not exceed \$4,000 in Year 0 and \$2,000 in Years 2 and 4. • Cost of implementing security measures:
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	<ul style="list-style-type: none"> ○ The hospital may need to purchase security equipment, such as cameras, alarms, and access control systems, to secure the emergency department. The cost of such equipment may depend on the size of the emergency department and the level of security required. ○ Assuming the hospital needs to install cameras, alarms, and access control systems, the total cost of equipment and installation is estimated to be \$100,000. ○ VDH does not have data to indicate if the self-identified small business hospital would need to install such equipment. ○ Total cost is unknown. ● Personnel cost for security personnel 24/7: <ul style="list-style-type: none"> ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Police and Sheriff's Patrol Officers (Code 30-3051) and the fringe benefits from the September 2022 BLS for the South Atlantic area, an off-duty law enforcement officer would cost \$29.35 hour. ○ Per the average hourly wage information from the Bureau of Labor Statistics (BLS) May 2021 data in general medical and surgical hospitals (NAICS 622100) for Security Guards (Code 33-9032) and the fringe benefits from the September 2022 BLS for the South Atlantic area, a trained security personnel could cost \$19.90 per hour. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one off-duty law enforcement officer present 24/7, a hospital that only employs off-duty law enforcement officers would incur an annual cost of \$256,402. ○ Given 168 hours in a week, 52 weeks in a year, and assuming there is one trained security personnel present 24/7, a hospital that only employs trained security personnel would incur an annual cost of \$173,846. ○ VDH does not have data to indicate which type of security personnel the self-identified small business hospital will choose (off-duty law enforcement versus trained security personnel), how many security personnel are needed (either per shift or per week) for sufficient 24/7 coverage at its emergency department beyond what the hospital has already incurred costs for, whether the hospital will employ or contract security personnel, whether the hospital will secure a waiver from the 24/7 coverage requirement, and what the reduced amount of security a hospital may have under a waiver.
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	<ul style="list-style-type: none"> ○ Based on the median between the salary costs described above and not discounting the value based on the lack of data VDH described above, total cost is estimated to be \$215,124 annually. <p>Indirect Costs (monetized): VDH is not aware of any monetized indirect costs at this time.</p> <p>Direct Benefits (monetized):</p> <ul style="list-style-type: none"> ● Reduction in the number of violent incidents: <ul style="list-style-type: none"> ○ According to BLS, the rate of nonfatal occupational injuries and illnesses in hospitals was 6.1 per 100 full-time workers in 2021. ○ Assuming two-thirds of these injuries are due to violent incidents in the emergency department and assuming that emergency departments have an average of 100 full-time workers, then the hospital can expect to save around $4.07 \times 100 = 407$ hours of lost work time due to injuries prevented by the security plan. ○ Assuming an average hourly wage of \$30 for hospital workers, this would result in a benefit of \$7,950 per year per emergency department. ○ Total benefit is estimated to be \$7,950 annually per emergency department. <p>Indirect Benefits (monetized): VDH is not aware of any monetized indirect benefits at this time.</p>
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$1,083,620	(b) \$37,501

(3) Other Costs & Benefits (Non-Monetized)	<p>Other Costs (non-monetized):</p> <ul style="list-style-type: none"> ● Staff training costs that may need to be incurred to ensure that all employees are familiar with the new security plan and understand their roles in implementing it. ● Potential hiring of additional administrative staff to manage the implementation and maintenance of the security plan, which could result in increased personnel costs. ● Increased wait times could result from implementation of the security plan. ● Reduced flexibility from operational or facility design that could limit its ability to respond to changing patient needs or
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	<p>emergency situations, potentially leading to reduced efficiency and increased costs.</p> <p>Other Benefits (non-monetized):</p> <ul style="list-style-type: none"> • Improved safety and security for patients, staff, and visitors in the emergency department. • Improved staff morale and job satisfaction, which can lead to improved retention rates and reduced costs associated with recruitment and training. • Increased patient satisfaction and retention. • Reduced risk of violence or other security incidents in the emergency department. • Increased staff preparedness and training to handle security incidents, potentially reducing the severity of the incident and minimizing the impact on patients, staff, and visitors. • Improved reputation and trust among patients and the community. • Improved public perception of the healthcare system as a whole. • Reduced liability and legal costs associated with security incidents, if a hospital is able to demonstrate that it had taken reasonable measures to prevent a security incident. • Increased efficiency from a well-designed security plan can reduce the amount of time and resources spent on security-related issues that could lead to cost savings.
(4) Alternatives	<p>The majority of the proposed regulatory action is non-discretionary and also generate the bulk of the costs and benefits of the action. The Board does not have the authority to exempt small businesses from the requirements. A design standard is prescribed by statute. The Board considered removing the requirement to update the security plan but the federally certified hospitals (which would include the one self-identified small business hospital) already have a federal requirement to update their security plans every 2 years as part of their disaster preparedness planning, so there would be no cost savings from eliminating the update requirement.</p>
(5) Information Sources	<p>Bureau of Labor Statistics; International Association of Professional Security Consultants; Division of Acute Care Services, Office of Licensure and Certification.</p> <p>VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models.</p>

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
12VAC5-410-280; 12VAC5-410-9999 (DIBR)	(M/A):	0	1	0	1
	(D/A):	0	5	0	5
	(M/R):	3,676	742	0	742
	(D/R):	0	1	0	3
				Grand Total of Changes in Requirements:	(M/A): 1 (D/A): 5 (M/R): 742 (D/R): 1