

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	State Board of Education
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	8 VAC 20-790
<b>VAC Chapter title(s)</b>	Child Care Program
<b>Action title</b>	Amend regulation to require each child day center that participates in the Child Care Program to implement policies for the possession and administration of epinephrine and each family day home provider or caregiver to be trained in epinephrine administration; notification requirements to parents required.
<b>Date this document prepared</b>	July 25, 2024
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Fast-Track

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

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

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>Direct Costs:                      No specific direct monetized costs were identified with these proposed changes. However, 531 regulated providers participating in the Child Care Program will incur direct costs to obtain epinephrine. Based upon cost information obtained from the Department of Planning and Budget 2023 Fiscal Impact Statement, VDOE estimates a direct cost to providers of approximately \$30 to \$750 per provider per year or more often based on the use and expiration dates of the epinephrine.</p> <p>Indirect Costs:                      No indirect monetized costs were identified with these proposed changes.</p> <p>Direct Benefits:                      No direct monetized benefits were identified with these proposed changes.</p> <p>Indirect Benefits:                      No indirect monetized benefits were identified with these proposed changes.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct &amp; Indirect Costs</p>	<p>Direct &amp; Indirect Benefits</p>
	<p>(a) Stock epinephrine: \$30 to \$750 per provider per year or more often.</p>	<p>(b) \$0</p>
<p>(3) Net Monetized Benefit</p>	<p>-\$30 to \$750 per year per provider.</p>	
<p>(4) Other Costs &amp; Benefits (Non-Monetized)</p>	<p>The benefit of the change is that regulated providers will have training in the administration of emergency epinephrine. Centers that are subsidy vendors will have access to lifesaving medication for children who experience anaphylactic shock while in their care. Some family day homes that are subsidy vendors may choose to stock epinephrine, and all parents will be informed about whether the provider stocks epinephrine.</p>	
<p>(5) Information Sources</p>	<p>Department of Planning and Budget 2023 Fiscal Impact Statement. Consultation with Virginia Department of Health (the agency that coordinates the stock epinephrine program for the Commonwealth’s K-12 schools) regarding the cost of the epinephrine.</p>	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: No direct monetized costs under the status quo were identified under this proposed change.</p> <p>Indirect Costs: No indirect monetized costs under the status quo were identified under this proposed change.</p> <p>Direct Benefits: No direct monetized benefits under the status quo were identified under this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits under the status quo were identified under this proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Net Monetized Benefit	\$0	
(4) Other Costs & Benefits (Non-Monetized)	Maintaining the status quo means that a child with an undiagnosed allergy who experiences anaphylaxis could potentially lose their life while in the care of the regulated program. The majority of new cases of anaphylaxis are diagnosed in children under the age of 4, a primary population in the regulated programs.	
(5) Information Sources	National Institutes of Health Asthma & Allergy Foundation of America	

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	This regulatory action is required by state statute and leaves no discretion in its implementation.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		

(5) Information Sources	
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**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: No direct monetized costs on local partners were identified in this proposed change.</p> <p>Indirect Costs: No indirect monetized costs on local partners were identified in this proposed change.</p> <p>Direct Benefits: No direct monetized benefits on local partners were identified in this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits on local partners were identified in this proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<p>It is unknown whether the supply of epinephrine can meet the demand of the change. The increase in demand could limit access to epinephrine.</p> <p>There is a potential for the procurement to happen at the state level, as demonstrated by the current K-12 process for epinephrine with Virginia Department of Health. However, that process is not currently in place for the regulated child care providers, and if another process was determined to be needed, such as regional coordination, local agencies may be impacted.</p>	
(4) Assistance	To develop and implement a process for training and procurement, VDOE will require significant assistance from state or local partners.	
(5) Information Sources		

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>Direct Costs: No direct monetized costs on families were identified with this proposed change.</p> <p>Indirect Costs: No specific indirect monetized costs on families were identified with this proposed change. However, regulated providers may respond to the regulation by increasing the cost of care for families. Additionally, a possible unintended outcome of this regulation change is a potential decrease in the supply of child care subsidy vendors. Regulated programs that are currently unlicensed but participating in the child care subsidy program may choose not to participate in the subsidy program so as not to be required to stock epinephrine. Any resulting decrease in access to child care may affect local economies.</p> <p>Direct Benefits: No direct monetized benefits on families were identified with this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits on families were identified with this proposed change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct &amp; Indirect Costs</p>	<p>Direct &amp; Indirect Benefits</p>
	<p>(a) unknown</p>	<p>(b) \$0</p>
<p>(3) Other Costs &amp; Benefits (Non-Monetized)</p>	<p>The intended direct benefit of this legislation is to provide lifesaving medication when a child experiences anaphylactic shock while in the care of the regulated provider.</p> <p>Families of children may feel a sense of increased safety for their children when they are in the care of regulated programs.</p>	
<p>(4) Information Sources</p>		

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>Direct Costs:                      No specific direct monetized costs on small businesses were identified with this proposed action. The direct costs to small businesses which comprise most of the regulated providers. The providers’ costs related to training staff will likely increase. While VDOE would intend to make training accessible and no-cost to providers, the providers must bear the cost of increased staff time for training. It is possible that regulated providers must purchase multiple doses of weight- based epinephrine per year at a cost of \$30 to \$750 to meet the requirements.</p> <p>Indirect Costs:                      No indirect monetized costs on small businesses were identified with this proposed action.</p> <p>Direct Benefits:                      No direct monetized benefits on small businesses were identified with this proposed action.</p> <p>Indirect Benefits:                      No indirect monetized benefits on small businesses were identified with this proposed action.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct &amp; Indirect Costs</p> <p>(a) \$30 to \$750 per provider per year or more often</p>	<p>Direct &amp; Indirect Benefits</p> <p>(b) \$0</p>
<p>(3) Other Costs &amp; Benefits (Non-Monetized)</p>	<p>The main benefit of this regulation change is the ability to potentially save a child’s life if the child experiences anaphylactic shock while in care of the regulated program.</p>	
<p>(4) Alternatives</p>	<p>One alternative to having the direct costs fully borne by regulated providers is for the Virginia Department of Education to request appropriation funds to be allocated to procure epinephrine for child care providers impacted.</p>	
<p>(5) Information Sources</p>	<p>Department of Planning and Budget 2023 Fiscal Impact Statement; Virginia Department of Health</p>	

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
790-250	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	10	+7	0	+7
	(D/R):	0	0	0	0
790-350	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	10	+1	0	+1
	(D/R):	0	0	0	0
790-400	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	7	0	0	0
	(D/R):	0	0	0	0
790-520	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	7	7	0	+7
	(D/R):	0	0	0	0
790-600	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	10	4	0	+4
	(D/R):	0	0	0	0
790-770	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	3	0	0	0
	(D/R):	0	0	0	0
				<b>Grand Total of Changes in Requirements:</b>	(M/A): 0 (D/A): 0 (M/R):+19 (D/R): 0

**Key:**

*Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:*

**(M/A):** Mandatory requirements mandated by federal and/or state statute affecting the agency itself

**(D/A):** Discretionary requirements affecting agency itself

**(M/R):** Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>
8VAC20-790-250	Requires provider to meet training requirements pursuant to the Code of Virginia.	\$0	\$30 to \$750 per provider per year or more often based on use and expiration dates of epinephrine if the provider elects to offer stock epinephrine.	\$30 to \$750 per provider per year or more often if the provider elects to offer stock epinephrine.
8VAC20-790-520	Requires provider to meet training requirements and to stock epinephrine pursuant to the Code of Virginia.	\$0	\$30 to \$750 per provider per year or more often based on use and expiration dates of epinephrine.	\$30 to \$750 per provider per year or more often.

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
8VAC20-790-250	Requires providers to take additional training related to administration of stock epinephrine pursuant to § 22.1-289.059 of the Code of Virginia.	This change will impact every subsidy approved family day home. This change will require extensive local or statewide partnerships, the development of new systems and processes

		for regulatory compliance for providers, and development of new regulatory oversight processes for the Department.
8VAC20-790-350	Requires providers to notify families whether the provider stores stock epinephrine, pursuant to § 22.1-289.059 of the Code of Virginia.	This change will impact every subsidy approved family day home. This change will require that homes update the information shared with parents of children in care.
8VAC20-790-520	Requires providers to take additional training, to provide additional training to staff, and to stock appropriate weight-based doses of epinephrine, pursuant to § 22.1-289.059 of the Code of Virginia.	This change will impact every subsidy approved child day center. This change will require extensive local or statewide partnerships, the development of new systems and processes for regulatory compliance for providers, and development of new regulatory oversight processes for the Department.

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Word Count</b>	<b>New Word Count</b>	<b>Net Change in Word Count</b>

\*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).