Virginia Department of Planning and Budget

# Economic Impact Analysis

**8 VAC 20-850 Voluntary Registration of Family Day Homes - Requirements for Providers**
**Department of Education**
**Town Hall Action/Stage: 6384 / 10198**
April 29, 2025

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 (Code) and Executive Order 19. The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.[1]

## Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 122 and Chapter 123 of the 2023 Acts of Assembly (mandate), which amended Code § 22.1-289.059, the Board of Education (Board) proposes amendments to the regulation concerning the possession and administration of epinephrine at family day homes voluntarily registered by the Virginia Department of Education.

## Background

Consistent with Code § 22.1-289.02, the regulation defines "family day home" as "a child day program offered in the residence of the provider or the home of any of the children in care for one through 12 children less than 13 years of age, exclusive of the provider's own children and any children who reside in the home, when at least one child receives care for compensation." Code § 22.1-289.015 states in part, "Any person who maintains a family day home serving fewer than five children, exclusive of the provider's own children and any children who reside in the home, may apply for voluntary registration.

[1] Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

The mandate, as codified in Code § 22.1-289.059, states that

> The Board shall amend its regulations to require each family day home provider or at least one other caregiver employed by such provider in the family day home to be trained in the administration of epinephrine and to notify the parents of each child who receives care in such family day home whether the provider stores an appropriate weight-based dosage of epinephrine in the residence or home in which the family day home operates.

The Board proposes to amend the regulation in this manner. Possession of epinephrine would be optional for family day homes. The family day homes would be required to notify parents in writing whether it stores an appropriate weight-based dosage of undesignated or stock epinephrine in the residence or home in which the family day home operates.

The proposed text specifies that "The provider or at least one other caregiver shall receive training in the administration of epinephrine," and:

> The administration of undesignated or stock epinephrine shall be performed by the provider or a caregiver who (i) [has current Medication Administration Training certification or is licensed in Virginia to administer prescription medications], (ii) has satisfactorily completed a training course developed or approved by the Department of Education in consultation with the Department of Health, or (iii) completed a course taught by a registered nurse, licensed practical nurse, nurse practitioner, physician assistant, doctor of medicine or osteopathic medicine, or pharmacist that includes the following:
>
> 1. Recognizing signs and symptoms of anaphylaxis.
> 2. Emergency procedures for responding to anaphylaxis; and
> 3. Instructions and procedures for administering epinephrine.

This requirement applies to all family day homes, even those that decide not to possess epinephrine.

## Estimated Benefits and Costs

Anaphylaxis is a severe, life-threatening allergic reaction. It can happen seconds or minutes after a person has been exposed to an allergen.[2] Immediate use of an epinephrine autoinjector can keep anaphylaxis from worsening and can be lifesaving.[3] Thus, the proposed

[2] Source: Mayo Clinic https://www.mayoclinic.org/diseases-conditions/anaphylaxis/symptoms-causes/syc-20351468
[3] Source: Mayo Clinic https://www.mayoclinic.org/diseases-conditions/anaphylaxis/diagnosis-treatment/drc-20351474

requirements that child day centers possess and store appropriate weight-based dosages of undesignated or stock epinephrine, and that at least one person qualified to administer epinephrine has access to the epinephrine at all times during regular facility hours, has the potential to save the lives of children with undiagnosed allergies in cases when exposure to the allergen may result in anaphylaxis.

An EpiPen package comes with two auto-injectors of 0.3 mg and is approved for adults and children who weigh 66 lbs. or more. The EpiPen JR package comes with two auto-injectors of 0.15 mg and is approved for children who weigh 33 lbs. to 66 lbs.[4] There are now also Food and Drug Administration (FDA) approved epinephrine auto-injectors of 0.1 mg for infants and toddlers.[5] Retail prices for a package of two brand name epinephrine auto-injectors range from $650 to $750 without insurance.[6] FDA-authorized generic epinephrine is available from CVS at $109.99 per two-pack.[7] Epinephrine autoinjectors have a shelf life of 12 to 18 months from the date of manufacture.[8]

DOE reports that it is already under contract with an outside entity that provides training in medication administration, including epinephrine administration. DOE is proposing a training program for staff at family day homes on the administration of epinephrine by this entity. If the training proposal is approved by VDH, the undesignated or stock epinephrine training would be developed. DOE's plan is for the training to be offered at no cost to the family day homes.

## Businesses and Other Entities Affected

The proposed amendments would affect the 209 voluntarily registered family day homes. DOE believes all would qualify as small businesses.

The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.[9] An adverse impact is indicated if there is any increase in net cost or

[4] See https://www.goodrx.com/epinephrine-epipen/how-to-save-cost
[5] See https://www.fda.gov/media/127806/download
[6] *Supra*, note 4.
[7] See https://www.cvs.com/content/epipen-alternative
[8] See https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5720482/
[9] Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance.

reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.[10] As acquiring and storing epinephrine would be optional, and since it appears that the training may be offered for free to the family day homes, no adverse impact is indicated.

### Small Businesses[11] Affected:[12]

As noted above, all voluntarily registered family day homes appear to be small businesses. The proposed regulation does not appear to introduce costs beyond those already required by the legislation.

### Localities[13] Affected[14]

The proposed amendments neither appear to disproportionally affect particular localities nor affect costs for local governments.

### Projected Impact on Employment

The proposed amendments do not appear to substantively affect total employment.

### Effects on the Use and Value of Private Property

The proposed amendments do not substantively affect the use and use value of private property or real estate development costs.

[10] Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

[11] Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than $6 million."

[12] If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) 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, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 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 shall be notified.

[13] "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

[14] § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.