

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Education
Virginia Administrative Code (VAC) Chapter citation(s)	8 VAC 20-850
VAC Chapter title(s)	Voluntary Registration of Family Day Homes - Requirements for Providers
Action title	Amend regulation to require each voluntarily registered family day home provider or other caregiver to be trained in epinephrine administration; notification requirements to parents required
Date this document prepared	July 25, 2024
Regulatory Stage (including Issuance of Guidance Documents)	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 & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs: 209 number of voluntarily registered family day homes will incur direct costs to obtain epinephrine if they choose to obtain undesignated epinephrine. Based upon cost information obtained from the Department of Planning and Budget 2023 Fiscal Impact Statement, VDOE estimates a direct cost to these 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 this proposed change.</p> <p>Direct Benefits: No direct monetized benefits were identified with this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits were identified with this proposed change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & 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 provider per year.</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>The benefit of the change is that regulated providers will have training in the administration of emergency epinephrine, which will be a lifesaving measure in an emergency. Some voluntarily registered providers may choose to stock epinephrine, and all parents/consumers 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)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs: No direct monetized costs were identified under the status quo.</p> <p>Indirect Costs: No indirect monetized costs were identified under the status quo.</p> <p>Direct Benefits:</p>	
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	<p>No direct monetized benefits were identified under the status quo. Indirect Benefits: No indirect monetized benefits were identified under the status quo.</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)	<p>Maintaining the status quo means that a child with an undiagnosed allergy who experiences anaphylaxis could potentially be at risk to 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.</p>	
(5) Information Sources	<p>National Institutes of Health Asthma & Allergy Foundation of America</p>	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>This regulatory action is required by state statute and leaves no discretion in its implementation.</p>	
(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		

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 identified with this proposed change.</p> <p>Indirect Costs: No indirect monetized costs on local partners identified with this proposed change.</p> <p>Direct Benefits: No direct monetized benefits on local partners identified with this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits on local partners identified with 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 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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: No direct monetized costs on families identified with this proposed change.</p> <p>Indirect Costs: Describe the indirect costs of the proposed change.</p>	
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	<p>No specific indirect monetized costs families. However, regulated providers may respond to the regulation by increasing the cost of care for families or by ceasing to be voluntarily registered, potentially causing a negative impact on the safety of care for young children.</p> <p>Direct Benefits: No direct monetized costs on families identified with this proposed change.</p> <p>Indirect Benefits: No indirect monetized benefits on families identified with this proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) unknown	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<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>	
(4) Information Sources		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: Direct monetized costs on small business will include the likely increase of providers’ costs related to training staff. While VDOE would intend to make training accessible at no-cost to providers, the providers must bear the cost of increased staff time for training. It is possible that regulated providers that choose to obtain undesignated stock epinephrine will have to 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 identified with this proposed change.</p> <p>Direct Benefits: No direct monetized benefits on small businesses identified with this proposed change.</p>
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	<p>Indirect Benefits: Describe the indirect benefits of the proposed change. No indirect monetized benefits on small businesses identified with this proposed change.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$30 to \$750 per provider per year or more often	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<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>	
(4) Alternatives	<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>	
(5) Information Sources	<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
8VAC20-850-20	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	3	0	+3
	(D/R):	5	0	0	0
8VAC20-850-90	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	+1	0	+1
	(D/R):	0	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): 4 (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)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
8VAC20-850-20	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	\$30 to \$750 per provider per year or more often if the provider elects to offer stock epinephrine.

			if the provider elects to offer stock epinephrine.	

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
8VAC20-850-20 8VAC20-850-90	Requires providers to take additional training related to administration of stock epinephrine, and 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 voluntarily registered family day home. This change will require 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)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count

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