

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

**18 VAC 85-20 – Regulations Governing the Practice of Medicine, Osteopathic Medicine, Podiatry and Chiropractic Department of Health Professions** January 7, 2005

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the 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. The analysis presented below represents DPB's best estimate of these economic impacts.

## **Summary of the Proposed Regulation**

Section § 54.1-2910.1 (10) of the Code of Virginia includes a requirement for the practitioner to report any final disciplinary action taken by institutions or entities, which results in suspension or revocation of privileges or termination of employment. The Board of Medicine (board) proposes to incorporate this requirement into these regulations.

#### **Estimated Economic Impact**

The regulations state that "In compliance with requirements of §54.1-2910.1 of the Code of Virginia, a doctor of medicine, osteopathic medicine, or podiatry licensed by the board shall provide, upon initial request or whenever there is a change in the information that has been entered on the profile, the following information within 30 days: …" The current regulations list 12 types of information that must be reported by practitioners within 30 days. The board proposes to add the following as a type of information that must be reported within 30 days:

"Any final disciplinary or other action required to be reported to the Board by health care institutions, other practitioners, insurance companies, health maintenance organizations, and professional organizations pursuant to §§ <u>54.1-2400.6</u>, <u>54.1-2908</u>, and <u>54.1-2909</u> that results in a suspension or revocation of privileges or the termination of employment."

Section § 54.1-2910.1 (10) of the Code of Virginia already requires the above, but does not specify a timeframe within which the information must be reported. The proposed amendment specifies that the information must be reported within 30 days.

The Department of Health Professions (department) conducts random audits comparing information on Virginia licensed physicians and podiatrists in the National Practitioner Database (maintained by the federal government) with physicians and podiatrists' self-reported information on the department's publicly accessible practitioner information website. If discrepancies are found, the practitioner is asked to submit the correct information. (The National Practitioner Database is legally non-public information.) If the practitioner does not comply within 60 days, the board asks the practitioner to sign a confidential consent agreement stating that he will post the accurate information within a set number of days (typically 30 days after the date of the consent agreement). The 60 days (rather than the 30 specified in the regulations) was determined by a board vote.<sup>1</sup> If the practitioner does not sign a consent agreement, then a public informal conference is held and the failure to comply is reported to the National Practitioner Database.

The board has been treating the information that is proposed to be added to the regulations as if it were in the regulations; i.e., the procedures described above have been followed, just like the 12 information areas already listed in the regulations.<sup>2</sup> No one has challenged this.<sup>3</sup> Thus in practice, adding the proposed language will have little or no impact.

Since the Code of Virginia requires that this information be reported and does not mention a timeframe, it can be argued that the practitioner is in violation if he does not report the information immediately. By treating the information in question as if it were already in the regulations, the board has been essentially less restrictive that it could have been.

<sup>&</sup>lt;sup>1</sup> Source: Department of Health Professions

<sup>&</sup>lt;sup>2</sup> Ibid

#### **Businesses and Entities Affected**

The proposed amendments potentially affect the 28,535 persons licensed as doctors of medicine and surgery, the 1,103 persons licensed as doctors of osteopathy and surgery, the 474 persons licensed as podiatrists, their employers and potential employers, and their patients and potential patients.

# **Localities Particularly Affected**

The proposed regulations do not disproportionately affect certain Virginia localities more than others.

## **Projected Impact on Employment**

The proposed amendments will not significantly affect employment levels.

## Effects on the Use and Value of Private Property

The proposed amendments will not significantly affect the use and value of private property.