Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes<sup>1</sup>  $\square$  Not Needed  $\boxtimes$ 

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



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

18 VAC 85-20 Regulations Governing the Practice of Medicine, Osteopathic Medicine, Podiatry, and Chiropractic

Department of Health Professions Town Hall Action/Stage: 5316 / 8664

July 31, 2019

## **Summary of the Proposed Amendments to Regulation**

The Board of Medicine (Board) proposes to recognize the American Board of Podiatric Medicine (ABPM) as an approved entity to qualify an applicant for podiatry licensure by endorsement. The Board also proposes to allow a podiatrist with ABPM certification to identify himself as "board-certified" in informed consent documents for performance of surgery.

# **Background**

The Board proposes these amendments in response to a petition for rulemaking.<sup>2</sup> The American Podiatric Medical Association and the Council for Podiatric Medical Education already recognize ABPM certification in podiatry.<sup>3</sup>

#### **Estimated Benefits and Costs**

Since regulations for licensure by endorsement became effective in September of 2018, approximately 100 doctors of medicine have been licensed by endorsement.<sup>4</sup> To date, there have

<sup>&</sup>lt;sup>1</sup> Adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined.

<sup>&</sup>lt;sup>2</sup> See https://townhall.virginia.gov/l/viewpetition.cfm?petitionid=295

<sup>&</sup>lt;sup>3</sup> Source: Department of Health Professions

<sup>&</sup>lt;sup>4</sup> Ibid

been no podiatrists licensed by endorsement.<sup>5</sup> The proposal may facilitate podiatry licensure by endorsement for a few applicants and would allow those podiatrists who hold such certification to assure patient health and safety by their identification as board-certified practitioners. Given that the American Podiatric Medical Association and the Council for Podiatric Medical Education recognize ABPM certification in podiatry, it is beneficial that more podiatrists that are qualified would be able to become licensed by endorsement and be identified to interested patients as board-certified. Given their qualifications, there is no reason to believe this would put patients at risk. Thus, the proposal should produce a net benefit.

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

The proposed amendments potentially affect the 142 offices of podiatrists in the Commonwealth.<sup>6</sup> Offices that employ or may seek to employ podiatrists with ABPM certification would be particularly affected. The proposals do not introduce costs to implement or comply.

#### Localities<sup>7</sup> Affected<sup>8</sup>

The proposed amendments apply statewide and do not disproportionately affect particular localities. As the proposed amendments do not introduce costs for local governments, no additional funds would be required.

# **Projected Impact on Employment**

The proposal to recognize the ABPM as an approved entity to qualify an applicant for podiatry licensure by endorsement may prompt a small number of podiatrists to work in the Commonwealth who otherwise may not have.

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

To the extent that the proposal to recognize the ABPM as an approved entity to qualify an applicant for podiatry licensure by endorsement may prompt some podiatrists to work in the Commonwealth, it may become moderately easier for offices of podiatrists to find qualified staff. The proposed amendments do not affect real estate development costs.

<sup>&</sup>lt;sup>5</sup> Ibid

<sup>&</sup>lt;sup>6</sup> Data source: Virginia Employment Commission

<sup>&</sup>lt;sup>7</sup> "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.

<sup>&</sup>lt;sup>8</sup> § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

#### Adverse Effect on Small Businesses9:

The proposed amendments do not adversely affect small businesses.

### **Legal Mandates**

**General:** The Department of Planning and Budget 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 14 (as amended, July 16, 2018). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report 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.

**Adverse impacts:** 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 within the 45-day period.

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.

<sup>&</sup>lt;sup>9</sup> 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."