



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

---

**18 VAC 110-20 – Regulations Governing the Practice of Pharmacy**  
**Department of Health Professions**  
October 13, 2009

---

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

The Board of Pharmacy (Board) proposes to allow long term care facilities to keep a stock of Schedule II drugs so that new patients can receive prescribed pain medication in a timely manner. The Board also proposes to allow long term care facilities to stock greater quantities of Schedule III through V drugs so that they are on hand to be used as prescribed for patients.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Current regulations allow long term care facilities to keep up to five doses of each therapeutic class of Schedule III through V drugs in a locked stat-drug box. These drugs are there for patients who might suffer harm if the taking of prescribed medication is delayed because provider pharmacies need time to fill and deliver prescriptions.

The Board proposes to increase the number of medication doses that can be kept in the stat-drug box, to 20 solid dosage units per schedule, and to allow schedule II drugs to be kept in the stat-drug box. No entities are likely to incur any costs on account of these regulatory changes as they do not mandate any change in current practice. Patients in long term care facilities are likely to benefit from these changes in several ways. First, increasing the number of doses of any given medication that can be kept in a stat-drug box will allow more patients to be given prescribed drugs in a time frame that is therapeutically indicated. Second, patients who are in need of schedule II medications (mainly for treatment of pain) will be able to receive those

medications from the stat-drug box rather than waiting in pain for their prescriptions to be filled and delivered.

### **Businesses and Entities Affected**

The Department of Health Professions (DHP) reports that all long term care facilities with nursing staff licensed to dispense prescribed medications, as well as patients to whom medication will be dispensed, are affected by these proposed regulations. The Department of Health currently licenses 276 such facilities.

### **Localities Particularly Affected**

No locality will be particularly affected by this proposed regulatory action.

### **Projected Impact on Employment**

This regulatory action will likely have no impact on employment in the Commonwealth.

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

This regulatory action will likely have no effect on the use or value of private property in the Commonwealth.

### **Small Businesses: Costs and Other Effects**

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

### **Real Estate Development Costs**

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

### **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H 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. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.