



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

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**12 VAC 5□410 Regulations for the Licensure of Hospitals in Virginia**  
**Virginia Department of Health**  
**Town Hall Action/Stage: 5453 / 8857**  
March 19, 2020

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

One of the requirements of 2 VAC 5□410 *Regulations for the Licensure of Hospitals in Virginia* is that the governing board of the hospital adopt written policies and procedures for the management of obstetric patients, to be approved by the medical and nursing staff assigned to the obstetric service. The regulation lists the minimum required contents of the policies and procedures. In addition, Code of Virginia § 32.1-134.01 states that prior to releasing each maternity patient, certain specified information be provided. The State Board of Health proposes to add the provision of the information specified in § 32.1-134.01 to the list of minimum required contents of the policies and procedures.

### **Background**

Code of Virginia § 32.1-134.01 states that:

Every licensed nurse midwife, licensed midwife, or hospital providing maternity care shall, prior to releasing each maternity patient, make available to such patient and, if present, to the father of the infant and other relevant family members or caretakers, information about the incidence of postpartum blues, perinatal depression, and perinatal anxiety; information to increase awareness of shaken baby syndrome and the dangers of shaking infants; and information about safe sleep environments for infants that is consistent with current information available from the American Academy of Pediatrics. This information shall be discussed with the maternity patient and the father of the infant and other relevant family members or caretakers who are present at discharge.

### **Estimated Benefits and Costs**

To the extent that the specified information is not already being consistently conveyed to maternity patients and their relevant family members and caretakers, and to the extent that

mandating that the provision of this information is added to hospitals' written policies and procedures increases the frequency that the information is conveyed, the proposal may be beneficial to the wellbeing of new mothers and babies. Adding the provision of the information specified in § 32.1-134.01 to the policies and procedures would likely require minimal staff time for hospitals.

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

The proposal affects the 106 inpatient hospitals and 63 outpatient surgical hospitals licensed by the Virginia Department of Health (VDH). A minimal amount of staff time would be required to add the provision of specified information to the written policies and procedures.

#### **Small Businesses Affected:**

##### Types and Estimated Number of Small Businesses Affected

VDH estimates that three of the outpatient surgical hospitals meet the statutory definition of "small business."<sup>1</sup>

##### Costs and Other Effects

As discussed above, a minimal amount of staff time would be required to add the provision of specified information to the written policies and procedures.

##### Alternative Method that Minimizes Adverse Impact

There are no clear alternative methods that both reduce adverse impact and meet the intended policy goals.

### **Localities<sup>2</sup> Affected<sup>3</sup>**

The proposal does not disproportionately affect any particularly locality nor appear to introduce additional costs for local governments.

### **Projected Impact on Employment**

The proposal does not appear to substantively affect total employment.

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<sup>1</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."

<sup>2</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>3</sup> § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

## Effects on the Use and Value of Private Property

The proposal appears to neither substantively affect the use and value of private property, nor affect real estate development costs.

## 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.