

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Health
Virginia Administrative Code (VAC) Chapter citation(s)	12 VAC 5 - 405
VAC Chapter title(s)	Rules Governing Private Review Agents
Action title	Periodic Review of the Rules Governing Private Review Agents
Date this document prepared	August 9, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Periodic Review

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)

(1) Direct & Indirect Costs & Benefits (Monetized)	Table omitted per ORM Regulatory Economic Analysis Manual	
(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		

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	Table omitted per ORM Regulatory Economic Analysis Manual	
(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		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	Table omitted per ORM Regulatory Economic Analysis Manual	
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Benefits (Monetized)		
(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>VDH is not aware of any entities governed by this regulation that qualify as a local partner.</p> <p>Direct Costs: There are no direct monetized costs as a result of this periodic review</p> <p>Indirect Costs: There are no indirect monetized costs as a result of this periodic review</p> <p>Direct Benefits: There are no direct monetized benefits as a result of this periodic review</p> <p>Indirect Benefits: There are no indirect monetized benefits as a result of this periodic review</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A

(3) Other Costs & Benefits (Non-Monetized)	There are no direct or indirect non-monetized costs as a result of this periodic review. Direct and indirect non-monetized benefits include greater ease of reading and comprehension of this regulation.
(4) Assistance	N/A
(5) Information Sources	VDH OLC

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: There are no direct monetized costs to families as a result of this periodic review</p> <p>Indirect Costs: There are no indirect monetized costs to families as a result of this periodic review</p> <p>Direct Benefits: There are no direct monetized benefits to families as a result of this periodic review</p> <p>Indirect Benefits: There are no indirect monetized benefits to families as a result of this periodic review</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p>Non-Monetized Benefits: Private review agents (PRAs) are required by this regulatory chapter to be available to speak with patients at least 40 hours per week during normal work hours, ensuring that patients are able to easily reach an agent.</p>	
(4) Information Sources	VDH OLC	

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

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>VDH is not aware of any entities governed by this regulation that qualify as a small business; however, if a PRA did qualify as a small business, the following costs and benefits are estimated:</p> <p>Direct Costs: PRAs are required to pay a \$500 initial application fee, and a \$500 biennial renewal fee. There are currently 90 PRAs in Virginia, resulting in a total of \$45,000 in biennial fee revenue during a 2 year period (not including the fees collected for the initial applications).</p> <p>Direct Benefits: There are no monetized direct benefits associated with this regulation.</p> <p>Indirect Costs: There are no monetized indirect costs associated with this regulation.</p> <p>Indirect Benefits: There are no monetized indirect benefits associated with this regulation.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) \$45,000 biennially</p>	<p>(b) N/A</p>
<p>(3) Other Costs & Benefits (Non-Monetized)</p>	<p>There are no non-monetized costs or benefits associated with this regulation</p>	
<p>(4) Alternatives</p>	<p>The State Board of Health was not able to identify any alternatives for small businesses that would be more equitable while still protecting the health, safety, and welfare of the public, and has put forth thoughtful consideration about the burdens of the new substantive regulatory requirements that have a cost to regulants and has limited these amendments to those mandated by the General Assembly.</p>	
<p>(5) Information Sources</p>	<p>VDH OLC</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
	(M/A):				
	(D/A):				
	(M/R):				
	(D/R):				
Grand Total of Changes in Requirements:					(M/A):
					(D/A):
					(M/R):
					(D/R):

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

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

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).