



Economic Impact Analysis Virginia Department of Planning and Budget

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

18 VAC 85-40 – Regulations Governing the Practice of Respiratory Care Practitioners

18 VAC 85-50 – Regulations Governing the Practice of Physician Assistants

18 VAC 85-80 – Regulations Governing Licensure of Occupational Therapists

18 VAC 85-101 – Regulations Governing the Licensure of Radiologic Technologists and Radiologic Technologists – Limited

18 VAC 85-110 – Regulations Governing the Practice of Licensed Acupuncturists

Department of Health Professions

December 18, 2006

Summary of the Proposed Regulation

Pursuant to Chapter 881 of the 2006 Acts of the Assembly, the Board of Medicine (board) proposes to establish a restricted volunteer license. This license will allow temporarily or permanently retired health care practitioners to volunteer their services at free clinics throughout the Commonwealth without having to pay all the fees, and obtain all of the continuing education, required for active licensure.

Result of Analysis

The benefits very likely exceed the costs for these proposed regulatory changes.

Estimated Economic Impact

Before emergency regulations to implement Chapter 881 were put in place on September 1, 2006, health care practitioners who wanted to donate their time and skills to free clinics had to have an active license. This requirement likely dissuaded some retired health care practitioners (or practitioners who had allowed their license to lapse because they did not intend to practice for a time) from volunteering.

The General Assembly passed legislation, during its 2006 session, which grants the board the option of implementing a restricted volunteer license program. These proposed regulations,

and the emergency regulations that they replace, allow retired medical doctors, osteopathic doctors, podiatrists, chiropractors, respiratory care practitioners, physician assistants, occupational therapists, radiologic technologists (who have held either full or limited licenses) and acupuncturists to obtain a restricted volunteer license if they held an unrestricted license which lapsed. These licenses must be renewed biannually and may only be used to practice “without compensation in a clinic which is organized in whole or in part for the delivery of health care services without charge”. Health care practitioners who have not engaged in active practice for four or more years may give care under a restricted volunteer license but must have their cases reviewed by a health care practitioner with an active, unrestricted Virginia license.

Initial application and renewal fees for restricted volunteer licenses vary according to what type of health care professional is being licensed but for all professions these fees are approximately half the fee for renewal of an inactive license. So respiratory therapists, for example, have to pay \$70 for the biannual renewal of an inactive license but would only have to pay \$35 to get or renew a restricted volunteer license. Additionally, fees for late renewal of a restricted volunteer license will be 1/3 of the renewal fee. Holders of restricted volunteer licenses will be able to renew their licenses once without meeting any continuing education requirements. Thereafter health care practitioners who renew restricted volunteer licenses will have to complete half of the educational hours that would be needed to renew a comparable active license. Physician assistants, for example, must complete 100 hour of continuing education biannually to renew their active license but will only have to complete 50 hours to renew a biannual restricted volunteer license.

These regulations will cut the cost of practicing the healing arts on a volunteer basis by half (for professionals who do not hold active licenses). This cost reduction will likely increase the chance that retired healthcare professionals will choose to use their time and skills to help their communities. The Department of Health Professions (DHP) reports that there has been concern that retired professionals’ skills may have ossified to the point that they would be offering sub par care to their patients. This concern is addressed by continuing education requirements and by requiring professionals who have not actively practiced for a number of years to have their work reviewed by actively licensed coworkers. These restrictions, taken together, will likely ensure that the care given by holders of restricted volunteer licenses is on par

with care given by colleagues who hold unrestricted active licenses. Because of this, the public will likely receive an unalloyed benefit from these proposed regulations.

Businesses and Entities Affected

Retired medical doctors, osteopathic doctors, podiatrists, chiropractors, respiratory care practitioners, physician assistants, occupational therapists, radiologic technologists (who have held either full or limited licenses) and acupuncturists will be affected by these proposed regulations. Free clinics and the patients they serve will also be affected. DHP reports that they issued three restricted volunteer licenses to medical doctors between September 1, 2006 and October 15, 2006.

Localities Particularly Affected

All localities in Virginia will be affected by these proposed regulations.

Projected Impact on Employment

These proposed regulations are unlikely to have any measurable affect on employment in the Commonwealth.

Effects on the Use and Value of Private Property

These proposed regulations are unlikely to have any measurable affect on the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small businesses in the Commonwealth will not incur any costs on account of these regulations.

Small Businesses: Alternative Method that Minimizes Adverse Impact

Small businesses in the Commonwealth will not incur any costs on account of these regulations.

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 21 (02). 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.