



Economic Impact Analysis Virginia Department of Planning and Budget

**18 VAC 90-20 – Regulations Governing the Practice of Nursing
Department of Health Professions
January 30, 2011**

Summary of the Proposed Amendments to Regulation

The Board of Nursing (Board) proposes to amend its regulations by adding a definition for active practice and by newly requiring proof of continuing education as a part of the biennial renewal process.

Result of Analysis

There is insufficient information to accurately gauge whether benefits are likely to outweigh costs for these proposed changes.

Estimated Economic Impact

Currently, Board regulations do not require nurses to complete any continuing education as a condition of license renewal. Board staff reports that the Board has had several disciplinary actions come before them that indicate a lack of continued competency among some of their licensees. The Board now proposes to require proof of continuing competency as a condition of biennial renewal for every renewal cycle after the first. The Board proposes to allow many different kinds of educational experiences to count toward fulfilling this new continuing competency requirement. Amongst the learning activities that will count are:

- Having a current specialty certification from a Board recognized national certification organization,
- Completing a three credit hour college course that is relevant to the practice of nursing,
- Completing a Board certified refresher course in nursing,
- Completing a nursing-related, evidence-based practice project or research study,

- Authoring or co-authoring an article that is published during a renewal cycle,
- Teaching a three credit hour college course that is relevant to the practice of nursing,
- Teaching nursing-related continuing education courses for up to 30 contact hours,
- Working at least 640 hours as a nurse during the renewal cycle and completing 15 contact hours of workshops, seminars, conferences or courses relevant to the practice of nursing or
- Completing 30 contact hours of workshops, seminars, conferences or courses relevant to the practice of nursing.

Licenseses may complete contact hour activities that are approved by the American Nurses Credentialing Center (ANCC), American Nurses Association (ANA), National Council of State Boards of Nursing (NCSBN), Area Health Education Centers (AHEC), any state nurses association, National Association for Practical Nurse Education and Services (NAPNES) or the National Federation of Licensed Practical Nurses (NFLPN). Individuals that are licensed as both registered nurses and licensed practical nurses only have to meet continuing competency for one license. Registered nurses that are also licensed as nurse practitioners must only meet the continuing educational requirements for nurse practitioners and nurse practitioners with prescriptive authority will also have to meet the continuing education requirements that are listed in the regulations that govern prescriptive authority. Licensees will be required to maintain records to prove continuing competency for two years following the renewal cycle.

Board staff reports that entities such as hospitals are required to offer continuing education opportunities to their nursing staff as a part of hospital licensure requirements and that various nurses associations offer on-line educational opportunities that would meet the requirements of these regulations at a cost of approximately \$5 to \$6 per hour (approximately \$75 to \$180 per renewal cycle). Board staff also reports that college courses would likely cost approximately \$300 per credit hour but that individuals who are not already enrolled in college courses for some other reason would likely choose one of the lower explicit cost or no explicit cost educational options. Individuals who teach nursing-related college or continuing education courses can meet their continuing competency requirements with activities for which they actually earn money (the number of individuals who can do this is likely very small when

compared to the total number of Board licensees). Individual licensees will incur explicit costs equal to the cost of the educational opportunity chosen and most individuals will also incur implicit opportunity costs for time spent meeting Board requirements. To the extent that Board required continuing education improves the quality of nursing in the Commonwealth, both nurses and their patients will benefit. There is insufficient information to ascertain whether benefits will outweigh costs.

Businesses and Entities Affected

The Department of Health Professions (DHP) reports that the Board currently regulates 29,828 licensed practical nurses and 91,316 registered nurses; 6,227 of these registered nurses are also licensed as nurse practitioners and 3,685 nurse practitioners have prescriptive authority. All of these entities, as well as any individuals or entities who may wish to become licensed or registered in the future, will be affected by these proposed regulations.

Localities Particularly Affected

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

Projected Impact on Employment

New requirements for continuing education will likely marginally increase the cost of licensure. This may marginally decrease the number of individuals who choose to work in professional fields that are regulated by the Board. Individuals who work part time or whose earnings are only slightly higher in these licensed fields than they would be in other jobs that do not require licensure will be more likely to be affected.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small businesses that employ nursing staff may see their costs slightly increase if they have to raise nurses' salaries to offset some or all of the costs of newly required continuing education.

Small Businesses: Alternative Method that Minimizes Adverse Impact

There are likely no alternate methods to implement the proposed regulatory changes that would both achieve the Board's goals and be less costly.

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 Board's 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.