



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

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**18 VAC 90-20 – Regulations Governing the Practice of Nursing**  
**Department of Health Professions**  
March 31, 2014

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

Pursuant to Chapter 114 of the 2013 Acts of the Assembly, the Board of Nursing (Board) proposes to amend its regulations to require unlicensed individuals to complete training approved by the Board if they will be administering medication via a gastronomy tube to individuals who are being served by a program licensed by Department of Behavioral Health and Development Services (DBHDS). This proposed amendment will replace identical language promulgated under emergency regulation provisions that will expire April 11, 2015.

### **Result of Analysis**

Benefits likely outweigh costs for this proposed regulatory change.

### **Estimated Economic Impact**

Prior to 2013, only nurses, doctors and pharmacists had the authority to administer medication to patients through a gastronomy tube. This made it prohibitively expensive to move affected intellectually disabled individuals from the state's training centers (where nurses were available to administer such medication) to community-based group homes (which usually do not employ nurses). In 2013, the General Assembly passed legislation that addressed this issue by allowing unlicensed individuals to administer medication through clients' gastronomy tubes after they successfully completed a training course approved by the Board.

Board staff reports that the approved training course is six hours long. Staff at DBHDS reports that roughly 400 individuals who require medication administration through gastronomy tubes are currently being cared for in group homes licensed by the Department. Several hundred workers at these homes have completed or will complete training approved by the Board under

these regulations. DBHDS staff further estimates that the six hour training course costs several hundred dollars and that group home staff members typically earn an hourly wage between \$10 and \$12. Using these estimates, owners of group homes who wish to serve clients who would need medication administered through their gastronomy tubes will likely incur costs that include the training course fee as well as wage costs of between \$60 and \$72 for each worker who completes training. These costs are likely much lower than hiring a nurse to administer these medications.

### **Businesses and Entities Affected**

Staff for DBHDS estimates that several hundred group homes, as well as all intellectually disabled individuals who require medication administration through gastronomy tubes, will be affected by these regulations.

### **Localities Particularly Affected**

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

### **Projected Impact on Employment**

Because this regulatory change likely allows a greater number of intellectually disabled individuals to be served by group homes, employment in such homes is likely to slightly increase.

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

To the extent that this regulatory change allows a greater number of intellectually disabled individuals to live in group homes, the revenue of such homes is likely to increase.

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

Affected small businesses will likely incur costs for training fees and wages paid to workers completing training; these costs are likely much lower than costs would be if affected small businesses had to hire nurses to administer medication through gastronomy tubes.

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

Affected small businesses will likely incur costs for training fees and wages paid to workers completing training; these costs are likely much lower than costs would be if affected small businesses had to hire nurses to administer medication through gastronomy tubes.

## Real Estate Development Costs

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

## Legal Mandate

**General:** The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 14 (2010). Section 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:

- the projected number of businesses or other entities to whom the proposed 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.

**Small Businesses:** If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- 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,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 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 (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

AMH

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