



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

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**18 VAC 95-30 – Regulations Governing the Practice of Assisted Living Facility  
Administrators  
Department of Health Professions  
February 17, 2012**

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

Pursuant to Chapter 609 of the 2011 Acts of the Assembly, The Board of Long Term Care Administrators (Board) proposes to amend its requirements for the training of acting administrators of assisted living facilities who intend to become licensed administrators.

### **Result of Analysis**

Benefits likely outweigh costs for all proposed changes.

### **Estimated Economic Impact**

Prior to 2011, the State Board of Social Services, as the entity that licenses long term care facilities, had the authority to decide how long acting administrators could replace licensed Long Term Care Administrators. Board of Social Services regulations allowed long term care facilities 90 days after a licensed administrator left employment to hire a new licensed administrator and allowed an acting administrator to run the facility in the interim. In 2011, the General Assembly passed a bill that allows an acting administrator to do the job of a licensed administrator for 90 days while a long term care facility finds a new licensed administrator except when the acting administrator has applied to be an administrator-in-training; in that case the acting administrator can fulfill the duties of a licensed administrator for 150 days and can apply for a 30 day extension to that 150 days if the acting administrator has completed all training and testing and is just awaiting their results on the national examination.

In response to this change to the Code of Virginia, the Board of Long Term Care Administrators proposes to change its regulations to reflect that acting administrators have 150

days to finish their administrator-in-training program and to require that preceptors for acting administrators have at least two hours of face to face contact per week with their trainees.

The change in preceptor rules is proposed because most administrators-in-training (AIT) work in a facility where the current administrator is their preceptor and, so, AITs have many hours of face to face contact. This is not the case when the acting administrator is also an AIT being trained by an outside preceptor. The Board believes that requiring a minimal amount of weekly face to face training between preceptors and acting administrators who are also AITs will result in more consistent training. Preceptors may incur some additional travel costs on account of this proposed change but these costs are likely outweighed by the benefits for the acting administrator AITs, who may get more valuable individual direction from their preceptors, and for the public served by long term care facilities.

Both the change to the Code of Virginia and the change to these regulations that give acting administrators 150 days to become licensed represent a loosening of requirements. Because this is the case, no affected entity is likely to incur any additional costs.

### **Businesses and Entities Affected**

The Department of Health Professions (DHP) reports that the Board currently licenses approximately 600 long term care administrators. DHP further reports that fewer than 12 facilities a year have acting administrators at some time during the year. All of these entities will likely be affected by these proposed regulations.

### **Localities Particularly Affected**

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

### **Projected Impact on Employment**

These proposed regulations will likely have no effect on employment in the Commonwealth.

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

These proposed regulations will likely have no effect on the use and value of private property in the Commonwealth.

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

DHP reports that most licensees are employed by small private businesses or non-profit ventures. None of these entities are, however, likely to incur any additional costs.

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

No affected small businesses are likely to incur any additional costs on account of these proposed regulations.

## **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 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.