



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

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### **18 VAC 105-20 – Regulations of the Virginia Board of Optometry Department of Health Professions**

March 21, 2002

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The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 9-6.14:7.1.G of the Administrative Process Act and Executive Order Number 25 (98). Section 9-6.14:7.1.G 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. The analysis presented below represents DPB's best estimate of these economic impacts.

### **Summary of the Proposed Regulation**

The Board of Optometry proposes several changes to the regulations governing the practice of optometry following a periodic review of this regulation. The proposed regulations:

- Increase the continuing education requirement from 14 hours to 16 hours per year. For optometrists certified to use therapeutic pharmaceutical agents, the proposed regulations specify that at least two of those hours must be in courses directly related to prescribing and administering prescription drugs;
- Change the acceptance date of the national board examination in order to allow more applicants to apply by examination rather than by endorsement;
- Add a requirement for notifying patients if a practice is to be sold or closed to address problems with records that consumers have faced in these situations;
- Remove provisions allowing the Board to approve specific continuing education courses and instead require providers to seek approval by one of the approved sponsors listed in the regulation;
- Reduce the late renewal fee from \$100 to \$50, add a \$10 fee for licensure verification, and add a \$20 fee for late renewal of a professional designation;

- Make other editorial changes to clarify the use of professional designations and required documentation of continuing education hours.

## **Estimated Economic Impact**

### Continuing Education Requirements

The most significant change proposed to the current regulations is the addition of two hours of continuing education (CE) required for the renewal of an active license. Compliance costs for meeting the increased CE requirements will differ across licensees. Based on information provided by the Board of Optometry, the average out-of-pocket costs for earning the required CE hours could range from \$0 to \$25+ per contact hour for each of the 1,300 licensees. Additionally, practitioners incur the cost of the time spent on pursuing such activities, whether in lost income or lost leisure time, and any costs associated with the additional documentation and maintenance of the records.

There is no empirical evidence currently available on how effective continuing education is on improving the quality of care provided by optometrists, nor is there any data on the economic value of incremental benefits in that quality of care as the amount of CE is increased. Thus, no conclusions can be drawn at this time about the net economic impact of the proposed increase in CE requirements.

### Board Approval of Continuing Education Courses

The Board of Optometry currently will, for a fee of \$25, review courses offered by sponsors not listed in the regulation. However, due to the amount of staff time required to gather all necessary documentation sufficient for a board decision and the per diem paid to board members for the time spent in course review, the board determined to eliminate board-approved courses and instead require providers to seek approval by one of the approved sponsors listed in the regulation. There is likely to be some reduction in expenditures of the board related to per diem for board member time and staff time previously consumed by course approval will be available for licensing and disciplinary activities. According to the board, the list of approved sponsors in the regulation is extensive enough to ensure that all potential continuing education providers can get approval for valid courses, and therefore this change should not reduce the availability of CE courses.

### Reinstatement and Late Renewal Fees

The existing regulations require all individuals who do not renew their licenses within thirty days of the expiration date to reapply for licensure. This policy does not differentiate between persons who are merely late in renewing their license from persons who have chosen to let their license lapse for a lengthy period of time (i.e., someone who had left the state to practice in another jurisdiction, and then has returned to Virginia). The proposed regulation reduces the late fee, from \$100 to \$50, for licensees renewing within one year of the expiration date and requires reinstatement for the renewal of any licenses (now lapsed) beyond that time. The proposed reinstatement fee of \$450 covers the costs of application processing and document review, and the license renewal fee. Reinstatement of a lapsed license also requires documentation of having completed continued competency hours equal to the requirement for the length of time, not to exceed two years, that the license has been inactive. Currently, applicants must show documentation of having completed continuing education hours for the entire time since the license in Virginia expired.

### Fee Changes

The proposed fees (i.e., \$10 for licensure verification, \$20 for late renewal of a professional designation) are intended to represent accurately the actual cost of service and provide consistency across boards within the Department of Health Professions. By charging individuals for the full costs incurred on their behalf, the proposed changes are both more efficient and equitable.

## **Businesses and Entities Affected**

There are approximately 1,300 doctors of optometry currently licensed in Virginia, 940 of whom are certified to use therapeutic pharmaceutical agents.

## **Localities Particularly Affected**

The proposed changes to this regulation should not disproportionately affect any particular locality.

## **Projected Impact on Employment**

The proposed changes to this regulation are not expected to have any significant impact on employment in Virginia.

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

The proposed changes to this regulation are not expected to have any significant effects on the use and value of private property in Virginia.