



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

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**18 VAC 110-20 – Regulations Governing the Practice of Pharmacy  
Department of Health Professions  
January 12, 2012**

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

The Board of Pharmacy (Board) proposes to amend its regulations to define on-hold prescriptions and to allow pharmacies to file prescriptions chronologically either by the date they are initially filled or by the date they are initially entered into an automated data system (if such a system is used by a pharmacy).

### **Result of Analysis**

Benefits likely outweigh costs for implementing these proposed changes.

### **Estimated Economic Impact**

Current regulations require that pharmacies file prescriptions chronologically by the date they are filled. For most prescriptions, this does not present any issues because most prescriptions are filled the same day that they are given to a pharmacy. Some prescriptions, however, are given to pharmacies to fill at a later date; current regulation requires that pharmacists retrieve these “on-hold” prescriptions from where they were filed when first presented and then move them another file on the day they are actually filled. This requires extra work on the part of the pharmacist and likely increases the chance that a prescription is lost or misfiled (which can lead to delays in patients being getting their prescriptions correctly filled). Additionally current regulations do not address when data entry and data verification must be performed for “on-hold” prescriptions.

In order to address these issues, the Board now proposes to amend its regulations to 1) add a definition for “on-hold” prescriptions, 2) allow pharmacies to file prescriptions either by the date they are initially dispensed or by the date that they are initially entered into the

pharmacy's automated data processing system (which presumably is the date that patients with prescriptions that they don't need to fill immediately present their prescription to a pharmacy) and 3) require that the pharmacist on-duty when an "on-hold" prescription is entered in the automated data processing system verify the accuracy of the data entry and that the pharmacist on-duty who finally dispenses the "on-hold" prescription conduct the prospective drug review required by the Drug Control Act. No affected entity is likely to incur additional costs on account of these regulatory changes. Pharmacists will likely benefit from this change as it will reduce both the work and the confusion that may surround the handling of "on-hold" prescriptions. Patients may also benefit from these proposed changes as they may reduce the chance that their prescriptions may be misfiled or lost.

### **Businesses and Entities Affected**

The Department of Health Professions (DHP) reports that there are 1,751 licensed pharmacies in the Commonwealth. Because pharmacies are not licensed by type, DHP does not know exactly how many of those 1,751 licensees are retail pharmacies that would be affected by these regulatory changes but it is likely that the vast majority are of this type.

### **Localities Particularly Affected**

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

### **Projected Impact on Employment**

This proposed regulatory action is unlikely to have any effect on employment in the Commonwealth.

### **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**

No small business is likely to incur any costs on account of this regulatory action.

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

No small business is likely to incur any costs on account of this regulatory action.

## **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.