



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

18 VAC 140-20 Regulations Governing the Practice of Social Work
Department of Health Professions
Town Hall Action/Stage: 5965/9880
June 21, 2024

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 (Code) and Executive Order 19. The analysis presented below represents DPB’s best estimate of the potential economic impacts as of the date of this analysis.¹

Summary of the Proposed Amendments to Regulation

As the result of a periodic review,² the Board of Social Work (Board) proposes to amend the regulation to improve clarity, eliminate language that is duplicative of statute, update the standards of conduct, reduce continuing education requirements for one class of licensees, and list additional organizations that may approve continuing education programs.

Background

This regulation contains the requirements to obtain and maintain licensure as a Licensed Baccalaureate Social Worker (LBSW), Licensed Master’s Social Worker (LMSW), and Licensed Clinical Social Worker (LCSW.) As the result of a periodic review, the Board proposes to make a number of changes to this regulation. The most substantive changes are summarized below.

- The definition of “ancillary services” would be updated to be more comprehensive and better reflect current practice. In particular, “case management” would be removed from

¹ Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

² See <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=2094>.

the definition and “intervention into situations on a client’s behalf with the objectives of meeting the client’s needs, and participation in required staff meetings” would be added.

- Under “Responsibilities of supervisors of candidates for LCSW” (Section 50 C.), “clarify the billing fee for supervision” would be added to ensure that candidates are informed as to whether and how much they will be charged for supervision.
- The continued competency requirements are currently set at 15 contact hours every two years for LBSWs and LMSWs, and 30 contact hours every two years for LCSWs. The Board proposes to reduce the number of hours for LBSWs from 15 to 10; the hours for LMSWs and LCSWs would be unchanged.
- The current requirements for continued competency specify that three of the 15 contact hours for LBSWs and LMSWs, and six of the 30 contact hours for LCSWs, must pertain to ethics or the standards of practice for the behavioral health professions or to laws governing the practice of social work in the Commonwealth. As a result, 20 percent of the contact hours for each profession must pertain to these topics. These requirements would be reduced to two hours (out of the proposed ten) for LBSWs, increased to four out of the 15 hours for LMSWs, and maintained at six hours for LCSWs. These changes would maintain the 20 percent amount for LBSWs and LCSWs, but increase it to 27 percent for LMSWs.

The Board reports that LBSWs and LMSWs were carved out of a single “Licensed Social Worker” category relatively recently, and that all requirements besides the educational degree have remained the same for both license types. However, the Board reports that in practice, LMSWs work with clients/patients far more than LBSWs and may have a supervisory role over other practitioners. Thus, the Board chose to reduce the continuing education requirements for LBSWs, while increasing the required time spent on ethics and standards of practice for LMSWs.

- The current requirements for continued competency also specify how the required hours may be divided between “Formally Organized Learning Activities” and “Individual Professional Activities.” Currently, both LBSWs and LMSWs must obtain a minimum of 10 hours of continuing education under the first category and a maximum of five hours under the second, for a total of 15 contact hours. Since the overall requirement for LBSWs would be reduced to 10 contact hours, they would be broken down to include a

minimum of seven hours under the first category and a maximum of three hours under the second.

- The regulatory text includes a list of organizations that may certify or approve workshops, seminars, conferences, or courses that would count towards the “Formally Organized Learning Activities” requirement. The Board proposes to add two entities to this list: the American Association for Psychoanalysis in Clinical Social Work (and its state and local affiliates) and the Virginia Association of Sex Offender Treatment Providers.
- Section 150 (Professional Conduct) would be amended to specify that billing arrangements must clearly state the credentials of the person rendering services, and that supervisees in social work may not bill clients directly for the supervisee’s services. In addition, the Board seeks to add a prohibition against diagnosing third parties, clarify behaviors and activities that are prohibited in regard to maintaining professional boundaries, and remove a prohibition against engaging in conversion therapy with minors as that is now redundant with statute.³

Estimated Benefits and Costs

The proposed amendments would benefit current and future LBSWs by reducing the number of continuing education contact hours they must complete to maintain their license. LCSW supervisees may benefit from increased transparency regarding billing for supervision. The proposed amendments would also benefit all licensed social workers by adding entities that may approve or certify continuing education offerings, and by updating the language under professional conduct to be more clear and comprehensive. The Board reports that the specific proposed changes regarding professional conduct were adopted in response to complaints received over the past several years, which sometimes require costly investigations and disciplinary actions, and take up the Board’s time. Thus, the Board would benefit from the proposed changes to the extent that they result in fewer complaints and disciplinary cases.

Entities that offer workshops, seminars, conferences, or courses and are certified or approved by the American Association for Psychoanalysis in Clinical Social Work (and its state and local affiliates) or the Virginia Association of Sex Offender Treatment Providers, but not by

³ See Code of Virginia §54.1-2409.5: <https://law.lis.virginia.gov/vacode/title54.1/chapter24/section54.1-2409.5/>.

one of the organizations on the current list, may benefit from increased demand for their offerings in that they would be newly eligible to be used for the “Formally Organized Learning Activities” continued competency requirement. Some entities that are certified or approved by an organization currently on the list may then face a commensurate reduction in demand for their offerings.

Businesses and Other Entities Affected

The Department of Health Professions reports that as of March 2024, there were 58 LBSWs, 1,436 LMSWs, and 11,044 LCSWs. As mentioned previously, currently licensed professionals as well as those seeking licensure in the future, would benefit from the increased flexibility and reduced requirements.

The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.⁴ An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.⁵ As noted above, the proposed amendments would reduce some requirements for LBSWs and increase flexibility, transparency, and clarity. Although the proposal to add organizations to the list of organizations that may certify or approve workshops, seminars, conferences, or courses that would count towards the “Formally Organized Learning Activities” requirement likely produces a net benefit, as is also noted above, some entities would likely be worse off due to reduced demand for their services as they face increased competition. Thus, an adverse impact is indicated for such entities.

⁴ Pursuant to Code § 2.2-4007.04(D): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance.

⁵ Statute does not define “adverse impact,” state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

Small Businesses⁶ Affected:⁷

Types and Estimated Number of Small Businesses Affected

As described above, some small businesses that offer workshops, seminars, conferences, or courses and are certified or approved by an organization currently on the list may face a reduction in demand for their offerings. Data is not available to estimate the number of such small businesses.

Costs and Other Effects

The proposed amendments do not increase costs. Some small providers of continuing education may encounter reduced demand for their services, and consequently reduced revenue.

Alternative Method that Minimizes Adverse Impact

There are no clear alternative methods that both reduce adverse impact and meet the intended policy goals.

Localities⁸ Affected⁹

The proposed amendments would neither affect any locality in particular nor create new costs for any local governments.

Projected Impact on Employment

The proposed amendments would not likely substantively affect total employment.

Effects on the Use and Value of Private Property

Businesses that offer workshops, seminars, conferences, or courses and are certified or approved by the American Association for Psychoanalysis in Clinical Social Work (and its

⁶ Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

⁷ If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) 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, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 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 shall be notified.

⁸ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁹ Virginia Code § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

state and local affiliates) or the Virginia Association of Sex Offender Treatment Providers, but not by one of the organizations on the current list, may increase in value due to increased demand for their offerings. Some businesses that that are certified or approved by an organization currently on the list may face commensurate reduction in demand for their services, and a small reduction in their value. Real estate development costs would not be affected.