



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 5-371 – Regulations for the Licensure of Nursing Facilities
Virginia Department of Health
October 28, 2013

Summary of the Proposed Amendments to Regulation

Chapter 674 of the 2013 Acts of Assembly states:

That the Board of Health shall promulgate regulations governing the implementation of voluntary electronic monitoring in the rooms of residents of nursing homes, which shall include existing policies and procedures set forth in the Board's guidelines governing electronic monitoring of nursing home residents' rooms and described in the publication "Electronic Monitoring of Residents' Rooms."

The Board of Health consequently proposes to do just that.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

As indicated by the legislation, the proposed regulations set forth existing guidelines. Electronic monitoring is completely optional. The proposed regulations introduce no new costs. There may be a small benefit in that the proposed regulations may improve clarity about current policy.

Businesses and Entities Affected

The proposed amendments concern the 278 nursing facilities licensed in Virginia. Voluntary electronic monitoring may also moderately affect electronics suppliers and electrical contractors.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments will not affect employment.

Effects on the Use and Value of Private Property

The proposed amendments will not significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed amendments will not significantly affect costs for small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not adversely affect small businesses.

Real Estate Development Costs

The proposed amendments do not affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, 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 an adverse effect on small businesses, Section 2.2-4007.04 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.