

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Department of Health
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	N/A
<b>VAC Chapter title(s)</b>	N/A
<b>Action title</b>	Amend PRM-002: Conrad 30 Waiver Program Guidelines
<b>Date this document prepared</b>	3/14/2023, updated 4/10/24
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Issuance of Guidance Document

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p><b>CHANGE:</b> The Virginia Conrad 30 Waiver Program has set aside five discretionary slots for J-1 Physician waivers each year. This is because there are critical healthcare needs in Virginia that require immediate attention. These discretionary slots are allocated by the Virginia Department of Health (VDH) based on the prevailing critical needs of specific healthcare professionals. The prioritized needs are evaluated every three years and posted on the website before each application cycle. For the 2022-2025 application cycle, five discretionary slots will be available to eligible applicants based on the prevailing critical needs and VDH's discretion.</p> <p>High-Priority Target Area Specialties:</p> <ul style="list-style-type: none"> <li>• Oncology - Late-stage diagnosis of cancer and primary care provider availability.</li> <li>• Cardiology - Heart conditions and primary care provider-to-patient ratio.</li> <li>• Obstetrician/Gynecologist (OBGYN) - This includes high-risk obstetrics, low birth weight, prenatal care, pre-pregnancy, diabetes and hypertension, and the rate of OBGYN providers.</li> <li>• <b>Direct Costs:</b> This change in the guidelines will positively impact the local partners. Local partners representing stakeholders in the eight Area Health Education Center (AHEC) Regions and the health care associations throughout the commonwealth have openly supported this program. This change will not adversely impact these partners, but rather, the stakeholders they represent, attorneys, physicians, employers, and communities will be able to place increased providers in populations throughout the commonwealth's much-needed underserved areas. This program is another option the Commonwealth offers to improve and increase access to care. The Virginia Conrad 30 Waiver Program will reserve five slots to use as discretionary slots for J-1 Physician waivers each year. The discretionary slots will be allotted at the discretion of VDH based on the prevailing critical needs of specific healthcare professionals. The prioritized needs will be evaluated annually and posted on the website before the commencement of each application cycle.</li> </ul>
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	<ul style="list-style-type: none"> <li>• <b>Indirect Costs:</b> This change will make Virginia a more attractive place to work and live, but more importantly will help increase access to care in rural and underserved areas.</li> <li>• <b>Direct Benefits:</b> The financial burden is on the employer and provider; however, a provider placement generates positive return on investment. This incentive will improve access to quality care for underserved communities and address health equity issues.</li> <li>• <b>Indirect Benefits:</b> This change will help local partners build stronger relationships with the commonwealth and continue to support and promote health equity initiatives that promote provider recruitment and retention. In addition, more providers in the commonwealth equate to increased access to care for all Virginians.</li> </ul>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
		(a) \$4.8 million
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	This program is an alternative to the few incentives programs the Commonwealth of Virginia provides.	
(5) Information Sources	Conrad Waiver Program 30 economic impact summary completed by VDH staff.	

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>CHANGE:</b> The Virginia Conrad 30 Waiver Program has set aside five discretionary slots for J-1 Physician waivers each year. This is because there are critical healthcare needs in Virginia that require immediate attention. These discretionary slots are allocated by the Virginia Department of Health (VDH) based on the prevailing critical needs of specific healthcare professionals. The prioritized needs are evaluated every three years and posted on the website before each application cycle. For the 2022-2025 application cycle, five discretionary slots will</p>
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	<p>be available to eligible applicants based on the prevailing critical needs and VDH's discretion.</p> <p>High-Priority Target Area Specialties:</p> <ul style="list-style-type: none"> <li>• Oncology - Late-stage diagnosis of cancer and primary care provider availability.</li> <li>• Cardiology - Heart conditions and primary care provider-to-patient ratio.</li> <li>• Obstetrician/Gynecologist (OBGYN) - This includes high-risk obstetrics, low birth weight, prenatal care, pre-pregnancy, diabetes and hypertension, and the rate of OBGYN providers.</li> </ul> <p><b>Direct Costs:</b> This change in the guidelines will have no direct cost for eligible providers. However, this will impact families in Virginia because it creates opportunities for access to care when providers are placed and can provide quality care in return to Virginia's families.</p> <p><b>Indirect Costs:</b> This change will help place qualified clinicians providing direct patient care to families living at or below the poverty guideline, in rural and underserved communities, and who cannot afford to travel long distances for care.</p> <p><b>Direct Benefits:</b> This change will help recruit and retain providers, create eligibility opportunities for provider placement in underserved communities, and create opportunities for healthy access to care for families.</p> <p><b>Indirect Benefits:</b> This change will help families build stronger bonds and trust in the commonwealth and continue to support and promote health equity initiatives that promote provider recruitment and retention.</p>	
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
		(a) \$4.8 million

(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	Conrad Waiver Program 30 economic Impact summary	

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p><b>CHANGE:</b> The Virginia Conrad 30 Waiver Program has set aside five discretionary slots for J-1 Physician waivers each year. This is because there are critical healthcare needs in Virginia that require immediate attention. These discretionary slots are allocated by the Virginia Department of Health (VDH) based on the prevailing critical needs of specific healthcare professionals. The prioritized needs are evaluated every three years and posted on the website before each application cycle. For the 2022-2025 application cycle, five discretionary slots will be available to eligible applicants based on the prevailing critical needs and VDH's discretion.</p> <p>High-Priority Target Area Specialties:</p> <ul style="list-style-type: none"> <li>• Oncology - Late-stage diagnosis of cancer and primary care provider availability.</li> <li>• Cardiology - Heart conditions and primary care provider-to-patient ratio.</li> <li>• Obstetrician/Gynecologist (OBGYN) - This includes high-risk obstetrics, low birth weight, prenatal care, pre-pregnancy, diabetes and hypertension, and the rate of OBGYN providers.</li> </ul> <p><b>Direct Costs:</b> Small businesses that offer primary care services may benefit from implementing these new guidelines. This eases the burden on small businesses that employ primary care providers. Providers serve in the community for a guaranteed three-year obligation.</p> <p><b>Indirect Costs:</b> Small businesses can focus on other priorities if the provider placement is no longer a burden.</p> <p><b>Direct Benefits:</b> The program administered by these guidelines promotes primary recruitment and retention, intended to address the provider shortages throughout the commonwealth. As such, facilities that provide direct care services and that qualify as small businesses may benefit from implementing these new guidelines because it helps build community character and create other opportunities for the communities where providers are placed. The policies have no adverse economic impact on small businesses.</p> <p><b>Indirect Benefits:</b> Small business employers can provide increased services to the communities they serve. Providers are placed in underserved areas and populations where their services are much needed to improve and increase access to care.</p>
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
		(a) \$4.8 million
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	This program is an alternative to the few incentives programs the Commonwealth of Virginia provides.	
(5) Information Sources	Conrad Waiver Program 30 economic Impact summary	

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Word Count</b>	<b>New Word Count</b>	<b>Net Change in Word Count</b>
PRM-002 Virginia Conrad 30 Waiver Program	5505	5807	+302

\*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).