

Office of Regulatory Management  
Economic Review Form

|  |   |
|--|---|
| <b>Agency name</b>   | Department of Medical Assistance Services |
| <b>Virginia Administrative Code (VAC) Chapter citation(s)</b>      | N/A                                       |
| <b>VAC Chapter title(s)</b>  | N/A                                       |
| <b>Action title</b>  | Pharmacy Manual Chapter 4                 |
| <b>Date this document prepared</b>                                 | April 30, 2025                            |
| <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.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

|  |  |                            |
|--|--|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>The Pharmacy manual, Chapter 4 is being updated to reflect the following changes:</p> <ul style="list-style-type: none"> <li>• Update of web hyperlinks within the chapter</li> <li>• Updates to references to Virginia Code and Administrative Code</li> <li>• Aligning and updating language pertaining to the Preferred Drug List and Drug Utilization Review Program</li> </ul> <p>The benefits of these revisions are that they provide clarity to the regulatory community. There are no costs associated with the changes.</p> |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs  | Direct & Indirect Benefits |
|  | (a)  | (b)                        |
| (3) Net Monetized Benefit                          |  |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |  |                            |
| (5) Information Sources                            |  |                            |

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

|  |   |                            |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | <p>Leaving the document without changes will mean that the updated links, language and clarifications would not be available to providers or the community.</p> |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs   | Direct & Indirect Benefits |
|  | (a)   | (b)                        |
| (3) Net Monetized Benefit                          |   |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |   |                            |

|                         |  |
|-------------------------|--|
| (5) Information Sources |  |
|-------------------------|--|

**Table 1c: Costs and Benefits under Alternative Approach(es)**

|  |                                      |                            |
|--|--------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There are no alternative approaches. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs              | Direct & Indirect Benefits |
|  | (a)                                  | (b)                        |
| (3) Net Monetized Benefit                          |                                      |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |                                      |                            |
| (5) Information Sources                            |                                      |                            |

**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**

|  |                                       |                            |
|--|---------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There is no impact on local partners. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs               | Direct & Indirect Benefits |
|  | (a)                                   | (b)                        |
| (3) Other Costs & Benefits (Non-Monetized)         |                                       |                            |

|                         |  |
|-------------------------|--|
| (4) Assistance          |  |
| (5) Information Sources |  |

**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) | There is no impact on families. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs         | Direct & Indirect Benefits |
|  | (a)                             | (b)                        |
| (3) Other Costs & Benefits (Non-Monetized)         |                                 |                            |
| (4) Information Sources                            |                                 |                            |

**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**

|  |   |                            |
|--|---|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There is no impact on small businesses. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                 | Direct & Indirect Benefits |
|  | (a)                                     | (b)                        |

|  |  |
|--|--|
| (3) Other Costs & Benefits (Non-Monetized) |  |
| (4) Alternatives                           |  |
| (5) Information Sources                    |  |

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

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

| <b>Title of Guidance Document</b> | <b>Original Length</b> | <b>New Length</b> | <b>Net Change in Length</b> |
|-----------------------------------|------------------------|-------------------|-----------------------------|
| Pharmacy Manual Chapter 4         | 11,120                 | 11,244            | +124                        |