



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 95-20 – Regulations Governing the Practice of Nursing Home Administrators
Department of Health Professions
January 11, 2008

Summary of the Proposed Amendments to Regulation

The Board of Long-Term Care Administrators (Board) proposes to amend its regulations so that licensees can complete up to 10 hours of required continuing education on the internet or through self-study courses. The Board also proposes to eliminate the test on state law that applicants for licensure currently have to complete and instead require that applicants attest (with their applications) that they have read, and understand, applicable Virginia laws and regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Currently, licensed nursing home administrators must complete 20 hours of continuing education annually; five hours of this may be through the internet or self-study classes. The Board proposes to allow licensees to complete up to 10 of their 20 hours of required yearly education through the internet or self-study courses. This change will likely benefit licensees by allowing them to choose educational opportunities that are less expensive and/or more convenient for them.

Board regulations currently require applicants for licensure to complete both a national examination and a state examination; the latter tests applicants' knowledge of relevant state law. The Board proposes to eliminate the state specific exam and, instead, require applicants to attest that they have read and understand "applicable Virginia laws and regulations relating to the administration of nursing homes". This regulatory change will benefit applicants for licensure

because they will no longer incur the \$150 fee for taking this exam and will be able to use the time they formerly would have spent studying and taking this exam in other ways.

Businesses and Entities Affected

The Department of Health Professions (DHP) reports that the Board currently licenses 708 nursing home administrators. All of these licensees, as well as future applicants for licensure, will be affected by these proposed regulatory changes.

Localities Particularly Affected

No locality will be disproportionately affected by this proposed regulatory action.

Projected Impact on Employment

To the extent these proposed regulatory changes lower the cost of getting, and maintaining, a nursing home administrator license, the number of individuals who choose to pursue such licensure may increase. Employment opportunities for these licensees, however, are likely to remain unchanged since whether or not nursing homes open is likely largely governed by factors other than the availability administrators.

Effects on the Use and Value of Private Property

This regulatory action will likely have little or affect on the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

Small Businesses: Alternative Method that Minimizes Adverse Impact

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

Real Estate Development Costs

This regulatory action will likely have no affect on real estate development costs in the Commonwealth.

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.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.